



McHenry County

CONSERVATION DISTRICT

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McHENRY COUNTY, IL

FEB 26 2025

Joseph J. Tirio
COUNTY CLERK



Annual Budget

2026 Fiscal Year

April 1, 2025 — March 31, 2026

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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April 01, 2024

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John Kremer, CPRP, Director of Operations, Planning & Public Safety
Gabriel Powers, MPA, Director of Land Preservation & Natural Resources
Caitlynn Martinez-McWhorter, MFA, CPRP Director of Marketing & Education

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AGENCY OVERVIEW



McHenry County
CONSERVATION DISTRICT

Our Mission

McHenry County Conservation District exists to preserve, restore and manage natural areas and open spaces for their intrinsic value and for the benefits to present and future generations.

Our Vision

To fulfill our promise that McHenry County's public lands, water, wildlife and way of life will thrive in a rapidly changing world. Where people of all ages, cultures and abilities are engaged and empowered to learn about and contribute to conservation in diverse and impactful ways. Where wild and scenic places support thriving native plants and wildlife populations and public lands support diverse outdoor recreation, educational and immersive experiences.

Our Values

At McHenry County Conservation District, we work as a team, act with integrity, lead with compassion, operate safely, maintain a sense of humor, innovate continuously, deliver quality, ensure fiscal responsibility, and strive for excellence in all we do.

AGENCY OVERVIEW

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McHenry County Conservation District

McHenry County Conservation District Profile

The county's landscape on the eve of settlement in 1837 consisted of three major ecosystems: prairie grasslands, wetlands, and woodlands. Today, less than 7/100ths of 1% of those original community types remain unmodified across the entire state per the Illinois Natural Areas Inventory. McHenry, Cook, and Lake Counties contain the highest concentrations of these rare areas in the northern portion of the state and the highest concentration of remaining high-quality wetlands in Illinois.

The founding of the McHenry County Conservation District (Conservation District) began in July of 1971, when the residents of McHenry County voted by public referendum to establish the Conservation District under the Illinois Conservation District Act of 1963 (70 ILCS 410/). The founders envisioned a public agency that would preserve and protect the land and water they loved and lived on, promote a way of life they cherished, and of a place that could be shared with the wildlife around them; healthy and vibrant.

The first Board of Trustees were appointed by the County Board Chairman in 1971 and included: Arthur Baker (1971-1974), Dr. George Buehler (1971-1977), Frank Fabbri (1971-1975), Robert Fritz (1971-1977) and Dr. William Howenstine (1971-1979; 1996-2001).

Due to these visionaries, the continued support of the public, and a knowledgeable and highly effective Board of Trustees, staff and volunteers, the McHenry County Conservation District now protects approximately 25,800 acres of open space, provides wildlife habitat preservation, educational opportunities, and recreational amenities for the citizens of McHenry County to appreciate and enjoy and is recognized locally, regionally, and nationally as a leader for both environmental and fiscal stewardship.

The primary purpose of the Conservation District is to protect natural streams for water supply, promote conservation of soils, wetlands and shores, and preserve the flora and fauna so future generations can enjoy their wonders. Areas have been set aside for hiking, camping, fishing, hunting, boating, horseback riding, bicycling, and snowmobiling, with portions of land deliberately left as primitive as possible. Since many plant and animal species are becoming extinct in McHenry County and across the Chicago Wilderness Alliance region, the help of all is needed to preserve them.

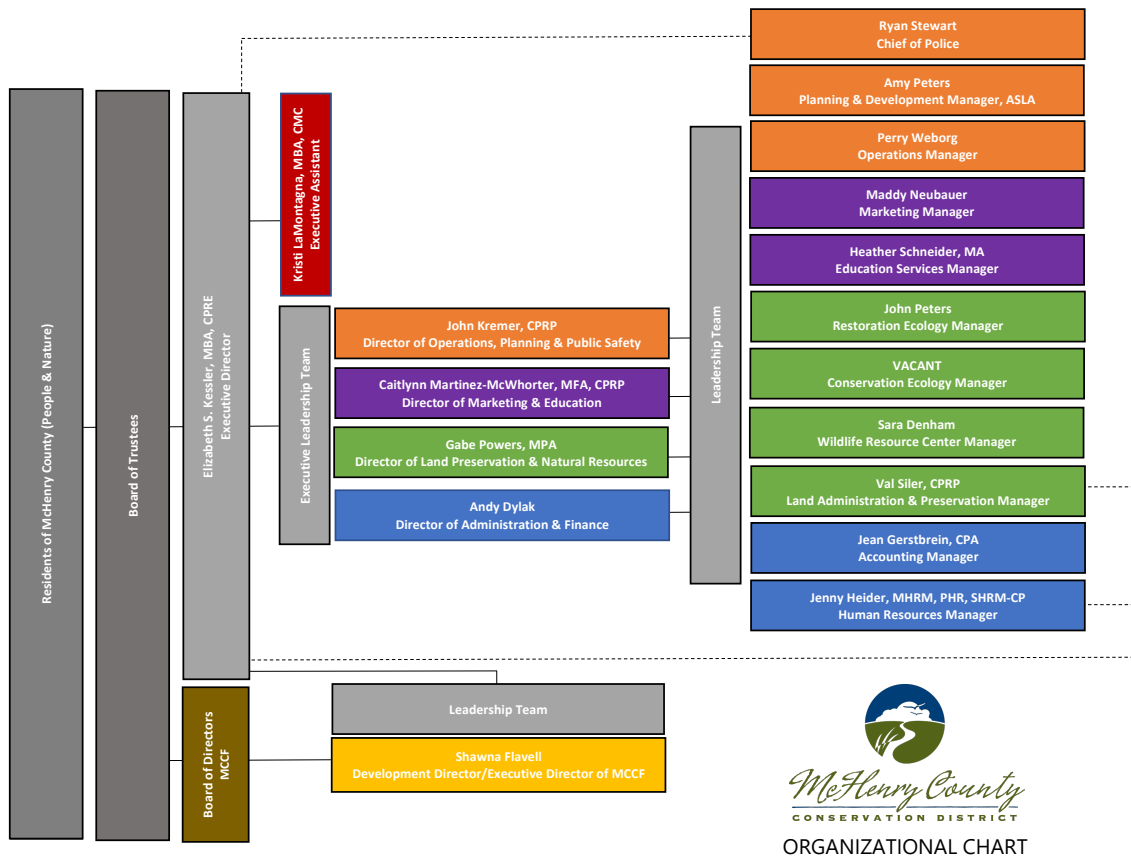
The Conservation District is a separate and political subdivision of the State of Illinois, has independent taxing powers, and its boundaries are the same as those of McHenry County. It is governed by a seven-member volunteer Board of Trustees appointed by the County Board Chairman and confirmed by the McHenry County Board. The Board of Trustees have staggered five-year terms. The Conservation District is administered by an Executive Director and Directors from four divisions: Administration and Finance; Operations, Planning and Public Safety; Land Preservation & Natural Resources; and Marketing and Education.

The Conservation District is also supported by the McHenry County Conservation Foundation. The Foundation was established in December 1999 as a 501(c)3 non-profit organization classified by the Internal Revenue Service as a 509 (a)3, Type I supporting organization and in November 2023 elected to change its status with the Internal Revenue Service to that of a Public Charity. Most recently, with the execution of a Memorandum of Understanding has the sole purpose of promoting the goals and objectives of the McHenry County Conservation District and its' partners. Board of Directors are appointed by the McHenry County Conservation District's Board of Trustees.

Funding for the Conservation District is a result of its ability to levy an annual tax not to exceed 1/10th of one percent of the assessed valuation of the county based upon a duly adopted budget and appropriation ordinance on which there has been a public hearing.

McHenry County Conservation District

Organizational Chart



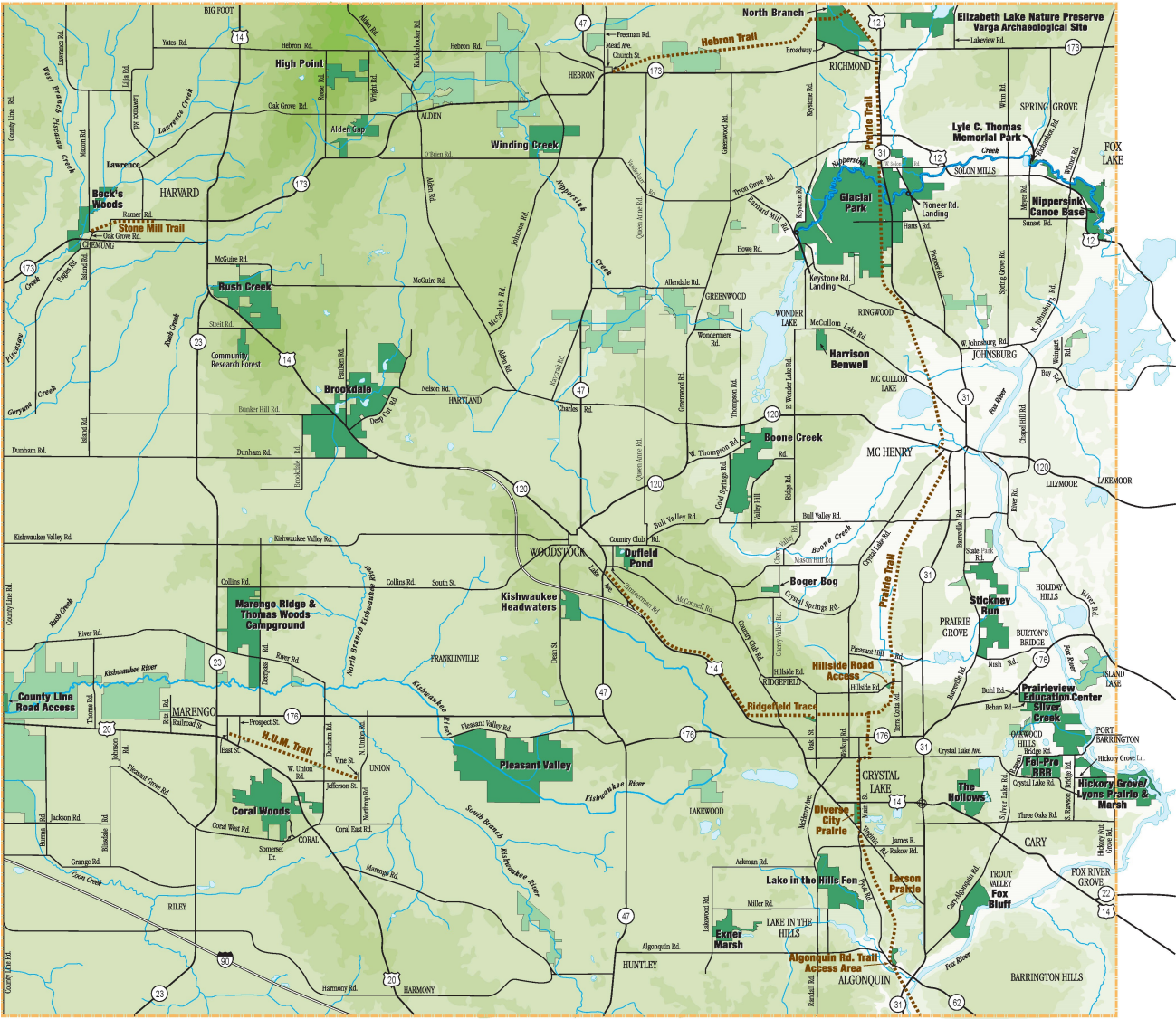
AGENCY OVERVIEW
FY 2026 - Annual Budget

McHenry County Conservation District

Map of Conservation District Properties

As of October 31, 2024, the Conservation District has protected approximately 25,800 acres.

- 24,900 Acres: Fee Simple, Gifts, Settlement Agreements
- 900 Acres: Management Interest – Conservation Easements, Leases, Management Agreements



McHenry County Conservation District

Accounting and Budgetary Practices

The accounts of the Conservation District are organized on a basis of funds and an account group to present the financial position and results of operations of each fund. The accounting system of the Conservation District is also designed to provide budgetary control over the revenues and expenditures of each fund. The accounting principles of the Conservation District conform to the accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

The Conservation District’s budget is developed in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. With respect to government-wide funds, the Conservation District follows the modified accrual basis of accounting in which revenues are recognized when they become both measurable and available as net current assets. “Available” means collectible within the current period or 60 days thereafter to pay liabilities of the current period. Taxpayer assessed property taxes, gross receipts, and personal property replacement taxes are considered “measurable” when they are in the hands of intermediary collecting governments and are recognized as revenue when they are measurable, and their validity seems certain. Revenues considered to be susceptible to accrual are real estate taxes, personal property replacement taxes, interest receivables, grant revenues, agricultural leases, and charges for services.

Excellence in Financial Reporting

The Conservation District has received the Government Finance Officers Association (GFOA) Distinguished Budget Certification Award in each of the five previous fiscal years FY 2021 through FY 2025. Additionally, the GFOA awarded the Conservation District the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for each of the last fourteen (14) consecutive fiscal years.

Budget Development Process

This document represents the Board of Trustees annual budget for the Fiscal Year (FY) 2026, which begins April 1, 2025, and ends March 31, 2026. The annual budget represents the total sources and uses for the General Fund, Insurance - Special Revenue Fund, Debt Service Fund, Dedicated Accounts - Capital Fund, Natural Resources Management - Special Revenue Fund, and the Capital Asset Management Plan - Capital Fund. The Conservation District uses the modified accrual basis of accounting, and this budget is consistent with those principles, as well as the guidelines established by the Board of Trustees.

The budget development process of the McHenry County Conservation District (the “Conservation District”) is stipulated by the Conservation District Act of Illinois, 70 ILCS 410.

Trustees work with the Executive Leadership Team to establish budget guidelines and directives that are in support of the Conservation District’s strategic plan. The Executive Leadership Team works with the directives and available financial resources to establish budget priorities and guidelines for Conservation District Directors/Managers, who are then responsible for preparing the budgets for their operating departments within the General Fund. These General Fund operating departments include: Wildlife Resource Center, Administration, Education, Police, Operations, Land Preservation & Natural Resources, Planning & Development, Marketing & Communications, Lost Valley Visitor Center, and Foundation & Development. The budgets for the Debt Service Fund(s), Dedicated Accounts Capital Fund, Natural Resources Management - Special Revenue Fund, and Capital Asset Management Plan -Capital Fund; are prepared by the Executive Leadership Team and Administration and Finance Division.

AGENCY OVERVIEW

FY 2026 - Annual Budget

McHenry County Conservation District

The budgets for all funds are compiled and presented to the Conservation District's Board of Trustees as the legal Tentative Combined Budget and Appropriation Ordinance for formal approval. Once approved, the Tentative Combined Budget and Appropriation Ordinance must be made available for public inspection for a period of not less than 30 days. After the 30-day period has passed, the Conservation District must hold a public hearing on the Tentative Combined Budget. Any necessary modifications will then be made to the Tentative Combined Budget and Appropriation Ordinance and a Final Combined Budget and Appropriation Ordinance will be presented to the Conservation District's Board of Trustees for approval.

After approval by the Conservation District's Board of Trustees, the Final Combined Budget and Appropriation Ordinance must then be accepted via a formal resolution by the Board of McHenry County, IL. The budget process must be completed before the end of the first fiscal quarter or June 30th of each year. The Tentative and/or the Final Combined Budget and Appropriation Ordinance will be presented to committees of the County Board at their request. This is to ensure that the County is in support of the budgetary direction of the Conservation District and that it will ultimately receive formal acceptance by the County's Board.

Once the County Board has accepted the Conservation District's Combined Budget and Appropriation Ordinance through a formal resolution, any subsequent budgetary changes which represent more than 10% of an individual fund's total annual budget would require that all the aforementioned steps be repeated before such change would be legally effective or any appropriation could be legally made. Budgetary changes that represent less than 10% of a fund's total annual budget can be legally made with the approval of the Conservation District's Board of Trustees.

Consistent with prior years, the FY 2026 Budget was developed using a 'zero-based' budget methodology; requiring all department managers to start with "\$0.00" in each of the expense line items under their budgetary control. Justification, including cost estimates and explanations to support each requested budget expense, must be provided. Once the departmental *budget requests* are completed, the Executive Leadership Team reviews each departmental budget to ensure that the final budget makes the most efficient use of financial resources to support the goals and objectives established by the Board of Trustees and defined within the Conservation District's strategic plan.

AGENCY OVERVIEW

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2026 Budget Calendar

Budget Kickoff – July 2024

Conservation District Directors/Managers gather to learn about expectations for the upcoming budget year, along with sharing Department accomplishments, goals, and challenges. Directors/Managers then submit priorities for budget, not afforded within current budget (i.e., new personnel, new initiatives, capital needs, education/training, etc.). Levy options are established and presented to the Board of Trustees for consideration.

Establishment of Operational Goals & Budget Directives – August 15, 2024

Conservation District Directors/Managers develop key budget assumptions, prioritize needs and funding strategies based on an assessment of community concerns, needs, and priorities. Board of Trustees discusses key budget assumptions, identifies budget priorities, evaluates use of Fund Reserves, and sets property tax levy direction. Capital Asset Management Plan and Natural Capital Asset Management Plan is updated.

Vote on Property Tax Levy Ordinance – September 24, 2024

During the Regular Meeting of the Board of Trustees, a vote takes place on whether to approve the 2024 Property Tax Levy Ordinance.

Department Requests Submission – October 4, 2024

Directors/Managers submit detailed budget worksheets.

Preliminary Review of Tentative Combined Annual Budget – November 14, 2024

Highlights of the FY 2026 Tentative Combined Annual Budget are presented to the Board of Trustees.

Tentative Combined Annual Budget Introduction – January 21, 2025

The FY 2026 Combined Annual Budget is presented to the Board of Trustees for consideration and adoption. Following adoption, the FY 2026 Tentative Combined Annual Budget and Appropriation Ordinance is available for public inspection, placed on the Conservation District's website, and correspondence sent to the County Board Chairman, County Board Liaison, and County Administrator.

Public Hearing – February 20, 2025

A public hearing is held before there is a vote on the Final Combined Annual Budget and Appropriation Ordinance. At the hearing, the public can voice concerns and/or support funding initiatives outlined in the recommended appropriation for FY 2025.

Vote on Final Combined Budget & Appropriation Ordinance – February 25, 2025

During the Regular Meeting of the Board of Trustees, a vote takes place on whether to approve the Final Combined Annual Budget & Appropriation Ordinance.

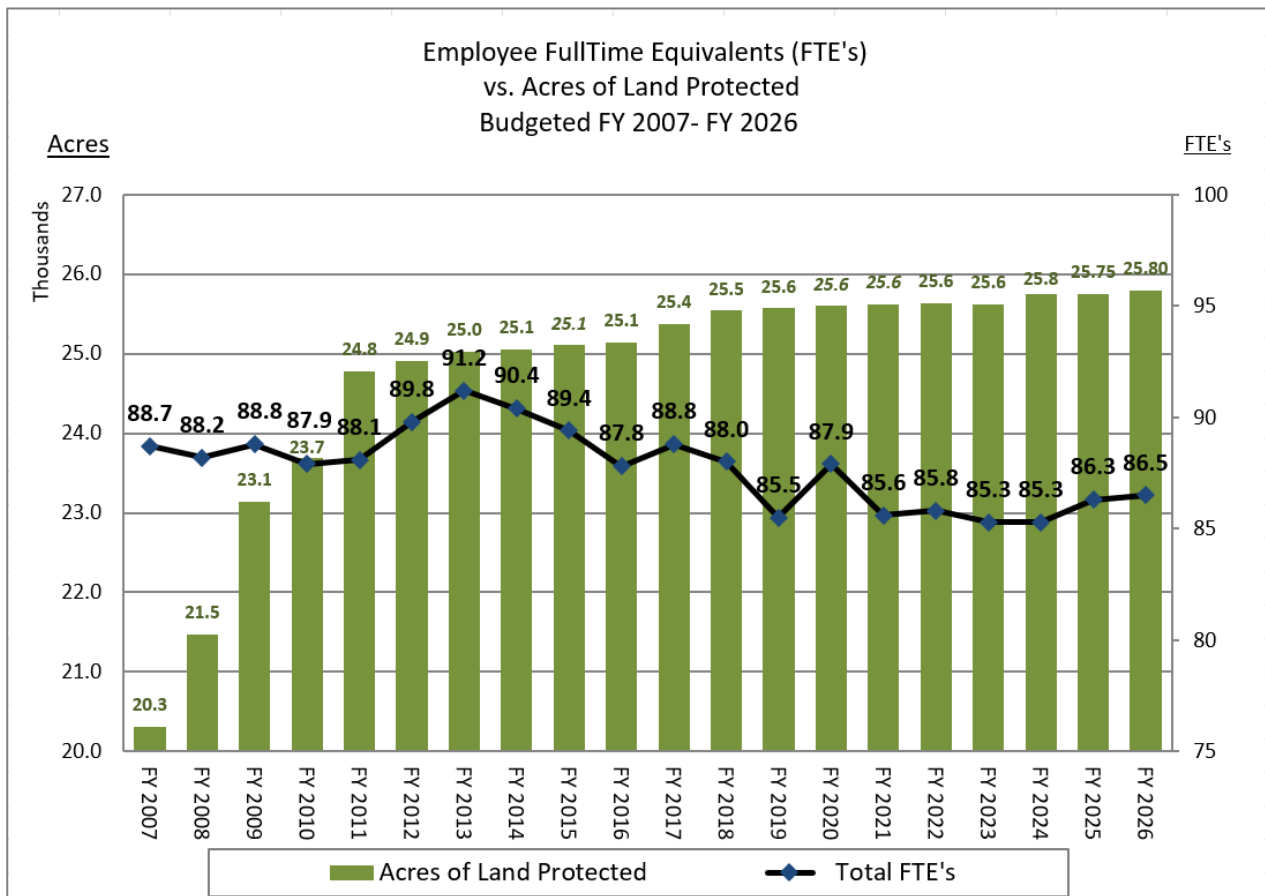
County Board Acceptance of Final Combined Annual Budget & Appropriation Ordinance – March 2025

The President of the Board of Trustees introduces the FY 2026 Budget to the Chairman of the County Board. The Board of Trustees, Executive Director and Executive Leadership Team present the Final Combined Annual Budget and Appropriation Ordinance to the County Planning & Development Committee, Committee of the Whole, and the County Board as requested. The Final Combined Annual Budget and Appropriation Ordinance is not considered approved until a Resolution is adopted accepting the Final Budget and Appropriation Ordinance by the majority of the County Board.

McHenry County Conservation District

Operating Capacity

During the five-year period from FY 2008 through FY 2012, with the proceeds from the voter approved 2007 bond issuance, the Conservation District acquired and/or protected an additional 4,594 acres of open space, provided additional public access and amenities to nine new conservation areas, added 8.5 miles of regional trails, 7.5 miles of hiking trails, seven picnic shelters, and three fishing/canoe access points. To manage this extraordinary rate of growth, with minimal increases in its operating revenues, the Conservation District developed a very conservative fiscal management approach and has continuously found ways to be more productive, efficient, and cost effective. The Conservation District’s resourcefulness, in every area of operations, has allowed staffing levels to remain relatively unchanged over this period of significant growth. Additionally, the total Full-Time Employee Equivalents (FTEs) budgeted within the General Fund for FY 2026 represents a 5.2% reduction from the FY 2013 peak levels, as illustrated in the chart below.



The Conservation District currently protects approximately 25,800 acres of open space which provides wildlife habitat preservation, educational opportunities and recreational amenities for the citizens of McHenry County to enjoy. There are 35 sites open to the public featuring; 45 miles of regional bike trails, 106 miles of hiking and multi-use trails, 36 miles of equestrian trails, 25 designated fishing areas, 18 sites with picnic shelters, 6 campgrounds, 6 canoe launches, and 2 educational centers. Additionally, the Conservation District’s sites and trails provide for cross-country skiing, snowmobiling, and a multitude of opportunities for wildlife viewing, and include 17 dedicated State Nature Preserves.

AGENCY OVERVIEW

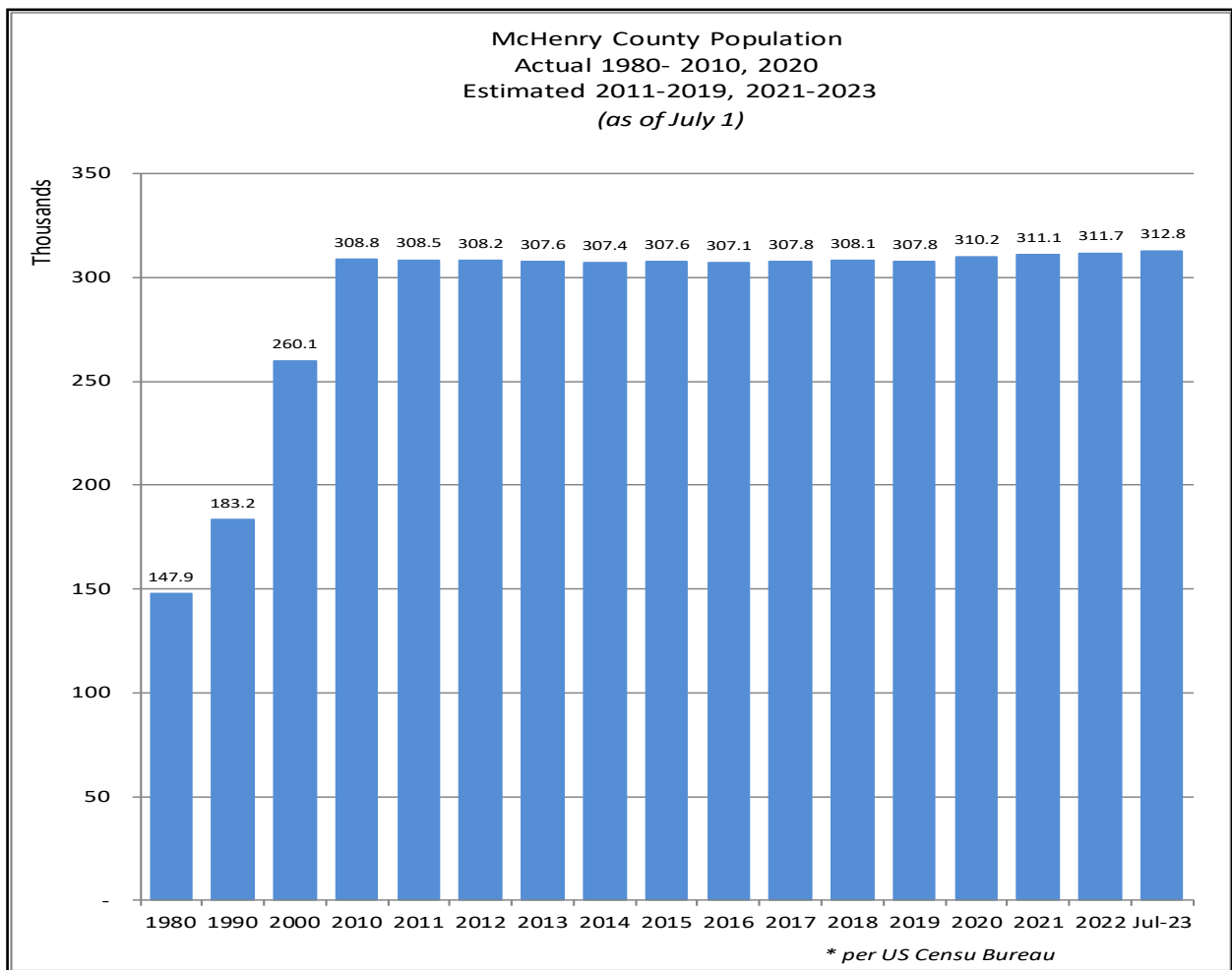
FY 2026 - Annual Budget

McHenry County Conservation District

McHenry County's Economy

The McHenry County Conservation District is statutorily restricted to fulfilling its mission within the geographic area of McHenry County. McHenry County covers a total area of 611 square miles and is located in the northeastern part of Illinois. The County is approximately 50 miles northwest of Chicago and consists of over 30 communities with considerable residential development concentrated in the eastern half of the County and more open space and less development toward the western half.

The U.S. Census Bureau estimates the County's population to be 312,800 as of July 1, 2023; which is an increase of 0.3% from the 2022 estimate. This represents the fourth consecutive year of *estimated* population growth for the County. The following chart shows: the County's population by decade from 1980 through 2010, the U.S. Census Bureau's estimated population for calendar years 2011 through 2019 and 2021 through 2023, and the actual population based on the US Census for 2020.

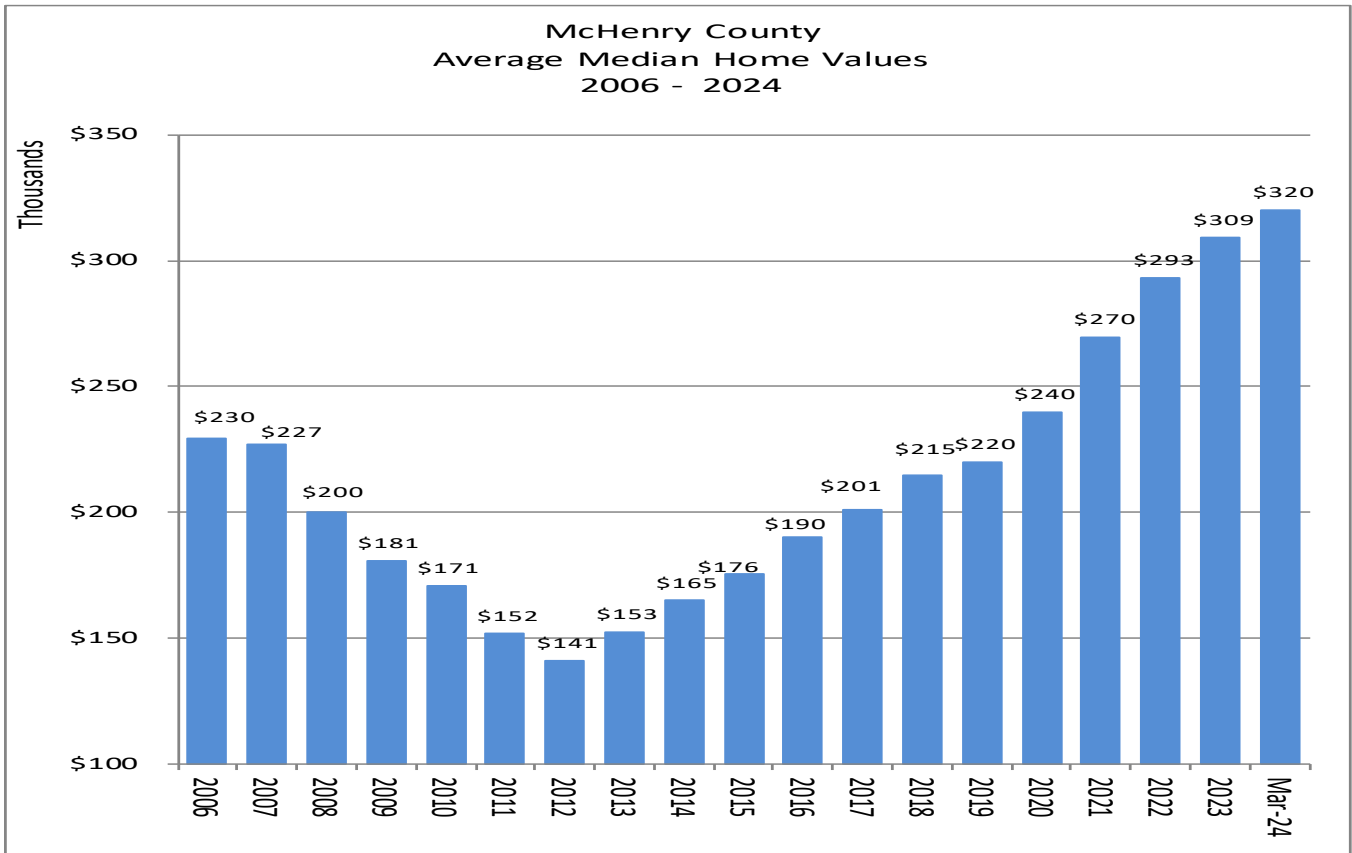


McHenry County Conservation District

From 2000-2007 the Equalized Assessed Valuation (EAV) of McHenry County grew 90%, averaging more than a 9% annual growth rate and creating unprecedented pressures on open space to be lost to residential and commercial development. To protect open spaces and natural resources from the threats of development, McHenry County residents overwhelmingly approved two separate Conservation District General Obligation Bond Issuances: the first for \$68.5 million in 2001 and a second for \$73 million in 2007. The purpose of both bond issuances was to acquire and protect open space, protect and restore natural habitats, and develop public amenities to provide additional access and recreational opportunities. Responding to the direction of McHenry County residents, the Conservation District experienced an astounding rate of growth, more than doubling its land holdings between 2001 and 2012.

After reaching its peak in 2008, McHenry County’s EAV fell by 34% through 2014; as the local economy was not immune to the ‘great’ recession of 2007-2009 and the subprime lending crisis and deterioration of the housing market that ensued for many years after. Out of concern for the historically slow rate of recovery of home values and its impact to County residents, from 2012 through 2023, the Conservation District only requested the full property tax levy allowed under PTELL three times. (And two of those increases were more than offset by reductions in the Debt Service property tax levy.) Limiting the tax levies saved taxpayers \$10.3 million dollars over this time period.

The County’s strong recovery of the housing market continued with median home values rising for the 12th consecutive year since 2012. As of March 31, 2024, the annual median home value had risen to \$319,990. This represents an increase in the median value of homes of 127% since 2012, as illustrated in the chart below.

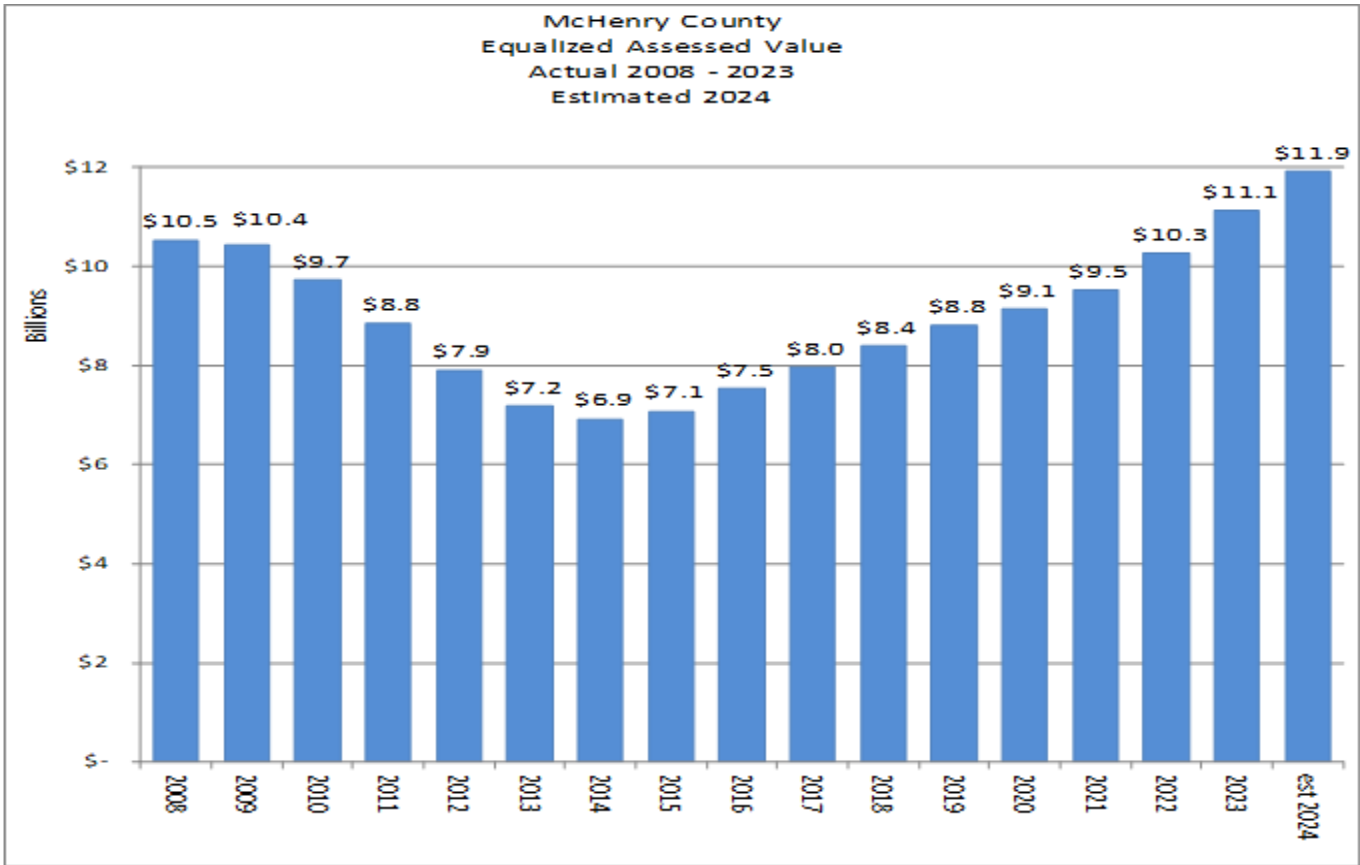


AGENCY OVERVIEW

FY 2026 - Annual Budget

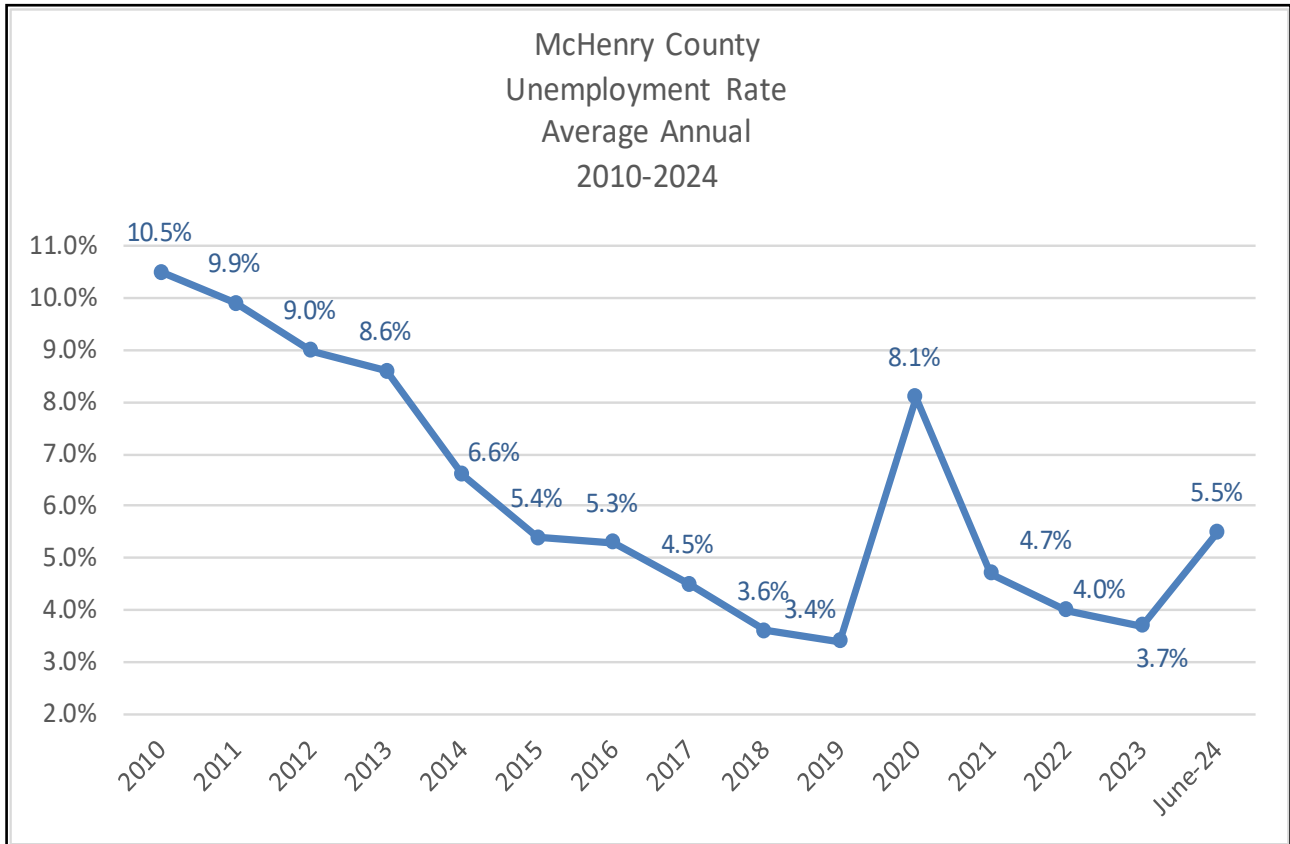
McHenry County Conservation District

With more than 80% of McHenry County’s equalized assessed value (EAV) consisting of residential homes, the recovery in the housing market continues to drive a recovery in the EAV. The EAV is determined using a three-year average of assessed property values which helps to even out the tax impacts of sudden changes in the residential home market. While home values started to decline in 2008; due to the three-year averaging, the EAV did not begin a notable decline until 2010. McHenry County’s EAV fell more than 34% from 2008 through 2014; from a high of \$10.5 billion in 2008 to a low of \$6.9 billion in 2014. Since reaching the 2014 low, the County’s EAV has grown by almost 61% through 2023 and is on track to grow an additional 7% in 2024 as depicted below.



McHenry County Conservation District

Since coming out of the COVID-19 pandemic in 2020, McHenry County had experienced three consecutive years of declining unemployment, with the 2023 unemployment rate falling to just 3.7%. However, through the first half of calendar year 2024 there has been an uptrend with the rate rising to 5.5%, as depicted in the below graph.



McHenry County Conservation District

Taxpayer Savings & Value to Community

The Board of Trustees has consistently prioritized fiscal responsibility while balancing the need to maintain and care for McHenry County’s natural areas and outdoor recreational amenities. Despite significant growth in land holdings and increasing operational demands over the last decade, the Board has taken the full levy increase allowed under the Property Tax Extension Limitation Law (PTELL) only three times in the past ten years.

In both 2022 and 2023, the Conservation District requested only 85% of the total increase available under PTELL. For the 2024 levy, the District has requested the full available increase of 4.6% under PTELL. This marks only the second time in the last eight years that the District has requested the full increase.

This approach reflects the District’s commitment to fiscal prudence while addressing the growing needs of our community and ensuring the long-term sustainability of our natural resources.

Had the Conservation District annually increased the levies by the amount allowed under PTELL over the last twelve years, an additional \$10.3 million dollars in property tax dollars could have been collected to support the operations of the Conservation District. This would have resulted in the **annual** operating levy being \$1.5 million more than it is today, as illustrated in the schedule below.

Levy Year	MCCD Actual		PTELL Allowed		Total Foregone Property Tax Revenue
	Total Actual \$ Levy	% Change	% Change	Total Allowed \$ Levy	
2011	\$ 7,539,737				
2012	\$ 7,539,799	0.0%	3.5%	\$ 7,800,095	\$ 260,295
2013	\$ 7,421,381	-1.6%	2.1%	\$ 7,960,283	\$ 538,902
2014	\$ 7,584,838	2.2%	2.1%	\$ 8,126,532	\$ 541,694
2015	\$ 7,690,122	1.4%	1.4%	\$ 8,239,647	\$ 549,524
2016	\$ 7,794,197	1.4%	1.4%	\$ 8,350,904	\$ 556,707
2017	\$ 7,794,339	0.0%	2.7%	\$ 8,572,271	\$ 777,932
2018	\$ 7,995,864	2.6%	2.6%	\$ 8,793,518	\$ 797,654
2019	\$ 7,875,155	-1.5%	2.4%	\$ 9,003,452	\$ 1,128,297
2020	\$ 8,096,620	2.8%	2.9%	\$ 9,261,142	\$ 1,164,522
2021	\$ 8,254,375	1.9%	2.1%	\$ 9,452,083	\$ 1,197,709
2022	\$ 8,666,415	5.0%	5.9%	\$ 10,011,842	\$ 1,345,427
2023	\$ 9,090,913	4.9%	5.8%	\$ 10,589,077	\$ 1,498,164
Average Annual Increase		1.59%	2.88%	Total Fofeiture	\$10,356,827

The neutral levies, combined with the continued recovery of the County’s EAV, have driven the Conservation District’s non-debt service property tax rate to its lowest level in over a decade. Additionally, the Conservation District’s referendum approved General Obligation bonds will be retired with the 2025 tax levy, which will result in an estimated 45% overall reduction of the total property taxes levied by the Conservation District.

McHenry County Conservation District

BUDGET OVERVIEW



WE PLEDGE:

To protect land which filters and removes pollutants from water while enhancing groundwater recharge.

To protect and restore wetlands, streams, and rivers which help to reduce flooding.

To remain steadfast in our commitment to protect distinct natural areas.

To promote actions that contribute to clean air.

To work vigilantly to influence the health and well-being of our county.

To spark hope for a future more closely intertwined with the natural world.

To create opportunities for meaningful outdoor recreational experiences for people of all ages, cultures, and abilities.

To build strong, resilient woodlands, prairies, and wetlands while striving to foster a deep sense of place.

To provide outdoor places to reflect, play, and interact with family, friends, and community.

To help build a sustainable and vibrant local economy by providing a destination for outdoor recreation.

To manage public lands through science and in a manner that is responsive to a changing climate.

To empower you to conserve our water, wildlife, and way of life in McHenry County by actively seeking your input and support.

BUDGET OVERVIEW

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McHenry County Conservation District

Strategic Direction Update: Empowering Health, Vibrancy and Conservation

With strong community support, McHenry County voters approved an increase in the Conservation District's limiting rate, empowering the Conservation District to enhance water quality protection, preserve vital wildlife habitat, and improve outdoor recreation access for all. This funding will guide us as we embark on a 10-Year Comprehensive Plan, ensuring a sustainable future for McHenry County's natural resources and community wellness.

Stewardship and Community Vitality: Today and Tomorrow

For over five decades, the Conservation District has been a cornerstone of McHenry County's environmental health, stewarding an ecologically diverse landscape of parks, streams, trails and natural areas. Each year, millions of visitors rely on these protected lands to access safe drinking water, enjoy outdoor recreation and connect with nature. Conservation sites, which span over 25,800 acres, play an essential role in reducing stormwater runoff, filtering pollutants and restoring habitat for wildlife—including endangered pollinators like the Rusty Patched Bumblebee and Monarch Butterflies.

Our vibrant, accessible outdoor spaces are essential to McHenry County's economy, supporting activities like hiking, birdwatching, paddling, and cycling. These conservation areas connect residents and visitors to nature's wonders, enriching lives through memorable, close-to-home experiences.

A Legacy of Conservation and Access

Since 1971, the Conservation District has protected a range of natural habitats—woodlands, wetlands, prairies, and rivers—that are vital for both biodiversity and community wellness. Thirty-five Conservation District sites remain open and accessible to all, fostering health benefits through reduced stress, increased physical activity and improved mental well-being. Proximity to these green and blue spaces enhances property values, attracts businesses, tourism and residents alike, contributing to McHenry County's smart growth and economic resilience.

Creating Enduring Legacies for Future Generations

The Conservation District's work today will shape the legacy we pass on to future generations. Local students on field trips discover wonders in prairie grasses and learn about the delicate balance of ecosystems, igniting a passion for environmental stewardship. Families spend weekends fishing in preserved lakes and hiking trails, building bonds with nature that will last a lifetime. Each conservation initiative ensures that future McHenry County residents will continue to have access to fresh water, clean air and safe, natural landscapes.

These experiences are deeply personal, reflecting the individual stories of those who benefit from the Conservation District's stewardship—whether it's a child catching their first glimpse of a Bald Eagle, a retired couple finding tranquility on the quiet trails, or young adults gathering for a canoeing adventure.

Conserving Vital Habitat for Resilient Species

Beyond the human experience, the Conservation District plays an irreplaceable role in protecting native plant and animal species that rely on preserved habitats to thrive. Native oak savannas offer sanctuary to woodland creatures and migratory birds, while prairies support the regions rarest wildflowers and pollinators. Through our restoration and maintenance efforts, countless species—many of which are endangered or at risk—are given a fighting chance to flourish in their natural environments. This holistic approach not only enhances the richness of McHenry County's biodiversity but also reinforces the interconnectedness between natural landscapes and our community's well-being.

BUDGET OVERVIEW

FY 2026 - Annual Budget

McHenry County Conservation District

Conservation and Climate Resilience

In light of climate challenges, the Conservation District's work in preserving shorelines, wetlands and forests is critical. Our lands contribute to stormwater management, carbon sequestration, clean air and resilient habitats. As climate change brings extreme weather events, this work grows increasingly vital for a sustainable future. From protecting groundwater to restoring native landscapes, these efforts underscore our shared responsibility to steward natural areas essential to community health, resilience and economic stability.

Financial Strategy and Sustainable Growth

Maintaining and expanding high-quality natural spaces requires strategic funding. The District's budget prioritizes essential public health and safety while balancing the fiscal discipline necessary to support McHenry County's conservation needs.

Property taxes fund 87% of our operating revenues, representing roughly 2% of a typical property tax bill. Despite limited non-tax revenue opportunities under the Conservation District Act, we remain committed to diversifying funding through partnerships, volunteer programs and grants.

While stable property taxes and farm leases provide reliable revenue, the Conservation District has foregone significant potential property tax revenue over the past decade, impacting our ability to meet service demands fully. Going forward, we aim to maintain a healthy General Fund reserve to support operations through economic uncertainties while seeking new funding streams that align with our mission and values.

Looking Ahead: Goals for Financial and Operational Stability

Our financial strategy focuses on these core objectives:

1. **Short-term Financial Planning:** Stabilize operational funding until the Conservation District's debt service is retired in 2027. This has been achieved through the voter's support of the proposition to increase the Conservation District's Limiting Rate on November 5, 2024.
2. **Sustainable Asset and Natural Capital Management:** Fund essential repairs and conservation to keep Conservation District infrastructure and natural spaces resilient and accessible.
3. **Emergency Preparedness:** Maintain a reserve fund covering two months of operating expenses to support operations during unforeseen events.
4. **Diversified Funding Partnerships:** Develop new revenue sources that complement our conservation mission.
5. **Talent Retention, Workforce Stability and Executive Leadership Transition:** Attract and retain skilled staff committed to the Conservation District's mission amid workforce challenges and prepare for the transition of Executive Leadership.

Through the support of McHenry County's residents, the Conservation District will continue to protect our natural and cultural heritage, ensuring that these landscapes remain a source of health, vitality and inspiration for generations to come.

BUDGET OVERVIEW

FY 2026 - Annual Budget

McHenry County Conservation District

Strategic Plan – Wide Open Spaces – Places that Matter: Our Promise

The Strategic Plan is a short-term vision document that is complementary to the Conservation District’s long-term framework plan. The FY 2024 - FY 2028 Strategic Plan adopted by the Board of Trustees acknowledges the current position of the Conservation District and identifies realistic goals and strategies, while under significant fiscal constraints affecting the Conservation District. This plan focuses resources on programs, projects, sites and services the Conservation District can manage effectively given the organizational capacity of staff and volunteers; the Conservation District remains generally in a maintenance mode.

The Conservation District strives to make McHenry County a treasured destination and a place to call home; where protected public lands represent an indispensable, invaluable and irreplaceable asset to the region supporting life, livelihood and leisure. We remain committed to an ongoing evaluation of key operations, programs and services in order to retain talent and functional staffing levels, align operations and services with best management practices, manage expenditures, identify programs and services core to our mission, create efficiencies and forge strategic alliances and partnerships.

McHenry County Conservation District Board of Trustees and staff have taken a hard look at what will move the Conservation District forward and outlined a strategic course that will shore up the past three years, move us beyond post-pandemic years, and once complete, set a solid foundation from which to launch the next ten-year course.

The Board adopted five-year strategic plan for fiscal years 2024 through 2028 was approved through Resolution #23-30 on April 25, 2023.

As we set out on the path to identify strategies to guide programming, services, land protection and investments, we aim to serve McHenry County’s residents and open spaces to the highest possible standards and best practices. We will continue to create and implement programs and maintain great spaces and facilities to serve the needs of our residents.

Our facilities, conservation areas, protected natural resources and outdoor recreational amenities will work toward meeting the needs of our residents. We continue to adapt our operations to mitigate our impact, and use our spaces, programs, and professional staff to influence and promote responsible stewardship of our built and natural resources.

The current plan is divided into three focus areas: Healthy Landscapes, Wildlife & People; Visitor Experience and Organizational Excellence. The annual workplan, goals and accomplishments can be found within the detail of the individual Fund Budgets.

Focus Area No. 1: Healthy Landscapes, People & Wildlife

OUR VISION FOR HEALTHY LANDSCAPES, PEOPLE & WILDLIFE:

Healthy landscapes provide people with clean air, water, and healthy outdoor recreation. They buffer us from floods, mitigate climate change, and improve the health of our community. Our natural landscapes provide habitat for wildlife, community vitality, and a special sense of place that defines our region and—if not diminished—is passed down through the generations.

OUR INTENTIONS - WE WILL:

Preserve and protect additional acres of high-quality natural areas, stream corridors, outdoor recreational lands, and other lands of conservation value.

McHenry County Conservation District

Manage existing conservation areas for climate resiliency with expanded nature-based solutions.

Protect habitat biodiversity and improve populations of declining plant and wildlife species.

Collaborate with partners to maximize funding resources and achieve positive conservation impacts.

OUR STRATEGIES:

1.1 - Preserve high-quality natural areas, stream corridors, outdoor recreational lands, and other lands of conservation value to increase habitat connectivity, genetic flow, carbon sequestration, climate resiliency and open space access.

1.2 - Restore lands not identified to be on-going part of the Conservation District's agricultural working lands program and provide opportunities for increasing regenerative agricultural practices on existing agricultural lands.

1.3 - Implement local, regional, and national recovery plans for declining plant and wildlife species to improve local populations.

1.4 - Dedicate additional conservation sites that qualify as Illinois State Nature Preserves and Land and Water Reserves.

1.5 - Explore opportunities to improve ground and surface water resources.

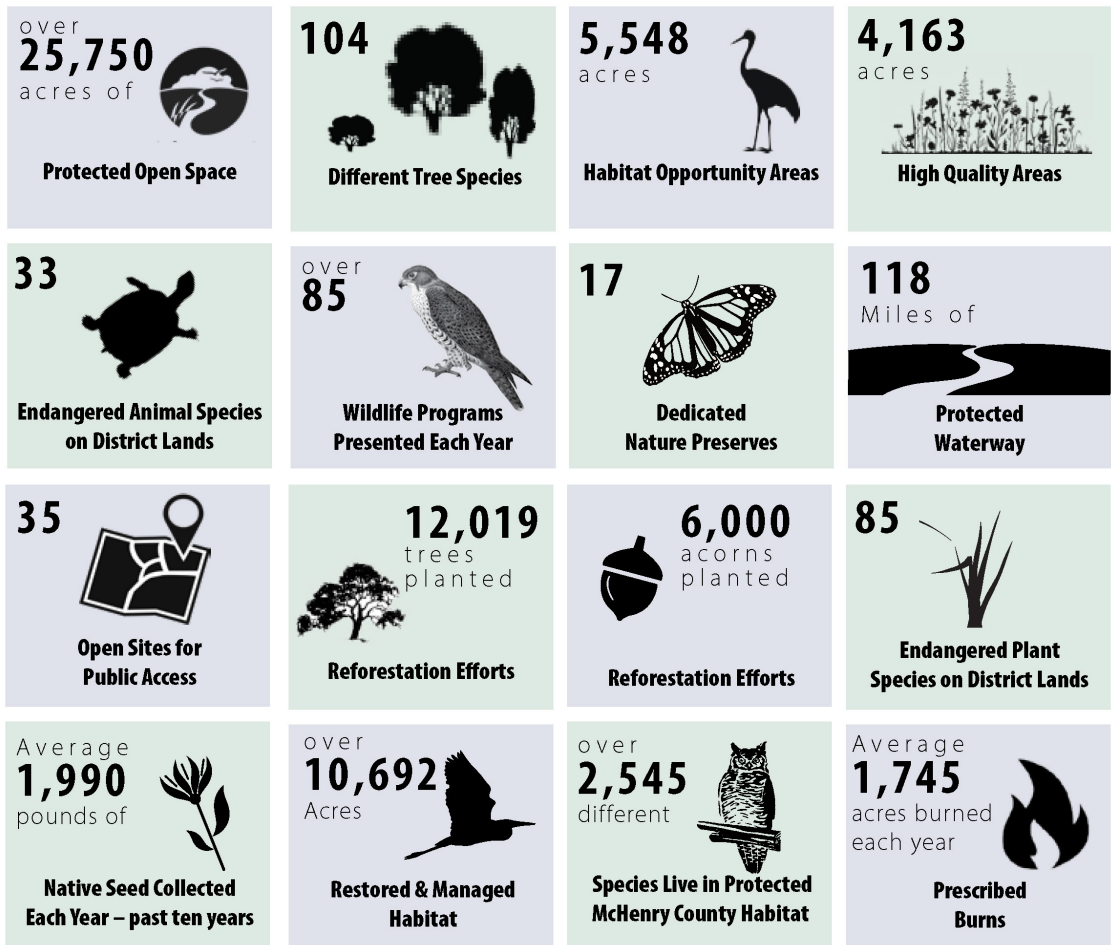
1.6 - Ensure quality care for those species in captive environments by enhancing wildlife facilities, equipment, and care.

1.7 - Engage partners in land protection, ecological restoration, conservation research and outreach.

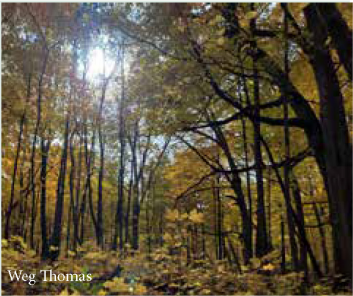
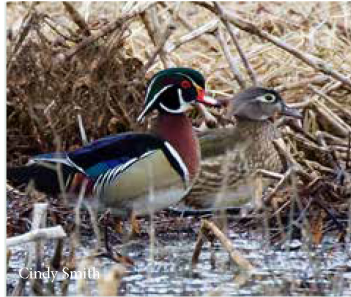
HEALTHY LANDSCAPES, PEOPLE & WILDLIFE
What We Protect

Our wetlands, savannas and prairies contain hundreds of native plants and animals that flourish in the wildlife habitat protected within conservation areas, including numerous threatened and endangered species like prairie bush clover and the short-eared owl. Restoration efforts are designed to protect the county’s natural heritage by restoring the biological character of the county’s last remaining high-quality ecosystems. Large macrosites of native and restored ecosystems linked by greenway corridors are two of the key tenets that underpin the philosophy of land protection efforts of the District.

By conducting controlled burns, removing non-native species and invasive brush, and collecting and spreading native seed, great strides have been made in restoring the land to a healthier and more sustainable condition. Renewed areas have supported successful reintroduction of several native species like Blanding’s turtles, smooth green snakes, wild turkeys and the Aphrodite butterfly.



Our Impact



Our vibrant communities thrive. Today's remarkable staff, volunteers and partners work diligently toward a collective mission of providing a healthy and resilient landscape with restored and preserved natural lands, waters and cultural assets. Residents can take great pride in how their conservation areas make their communities more livable and the local economy more dynamic.

The goals outlined in this strategic plan serve as our road map to shape and guides what the next five years will look like, with a focus on the future. Over the years, the District's mission has remained substantially the same. Our goal is still to provide exceptional experiences in nature for our county's residents and visitors to the best of our abilities.

BUDGET OVERVIEW

FY 2026 - Annual Budget

McHenry County Conservation District

Focus Area No. 2: Visitor Experience

OUR VISION FOR VISITOR EXPERIENCE:

Each year more than a million visitors enjoy the outdoor spaces and places the Conservation District provides. Their experiences on Conservation District sites become the memories they share with future generations and deepen their appreciation of, and role in, the protection of these natural areas. Thoughtful communication, education, and outreach provide those visitors, regardless of age, culture, or ability, the tools to feel empowered to contribute to conservation in diverse and impactful ways.

OUR INTENTIONS - WE WILL:

Enhance opportunities and public access amenities to ensure quality outdoor experiences for visitors, while protecting sensitive resources.

Collaborate with partners to grow McHenry County's outdoor economy and promote the health enhancing benefits of time spent outdoors in nature.

Advance pathways to equity to ensure access for all.

Inspire conservation stewards to build public awareness and support for McHenry County's water, wildlife, and way of life.

Preserve and collect cultural and historical information on our sites to help create a sense of place and belonging for our communities.

OUR STRATEGIES:

2.1 - Develop, maintain, and present Conservation District sites and facilities for maximum level of inclusiveness.

2.2 - Implement Capital Asset Management Plan projects that enhance quality visitor experience.

2.3 - Design, deliver and promote programs including art, culture and technology to ensure a positive and welcoming experience for all community members and visitors.

2.4 - Deploy equity and cultural competence to support inclusive engagement and cross-cultural practices in programs and activities.

2.5 - Engage in responsive listening to community needs, emerging interests and trends through regular planning and on-going engagement.

2.6 - Cultivate partnerships to promote McHenry County as a healthy place to live, work and play by exploring and expanding opportunities on Conservation District sites.

Visitor Experience What We Offer

Healthy people are active and move about outdoor public amenities, feel safe and welcome, and practice healthy habits that enhance physical and mental well-being. As we consider the levers of change, we envision our sites, trails, facilities and outdoor amenities to be inclusively designed, sustainably maintained, and encourage connections to the natural world. We seek to strengthen outreach and engagement opportunities, create possibilities for people to enjoy passive and active learning experiences, and promote impactful connections to the land.

McHenry County Conservation District offers places where residents can come together and be part of a connected community, where time spent outdoors positively impacts our collective mental health, well-being and fosters a sense of belonging and social cohesion.



Our Impact



The Strategic Plan prioritizes public health and safety, taking care of existing infrastructure and financial discipline. Maintaining healthy and resilient lands, expanding communication and outreach, and ensuring quality service and visitor safety standards remains a priority. The District will selectively add new programs and projects, adapt or discontinue programs/services not meeting performance standards, and maintains trails, park sites, buildings and conservation areas that aligns with available funding and organizational capacity.

Staff will develop strategies for funding the Capital Asset Management Plan and Natural Capital Improvement Plan at levels that allow for timely repairs and replacements of essential natural and built infrastructure that are absolutely necessary to maintain the health and well-being of county residents.

McHenry County Conservation District

Focus Area No. 3: Organizational Excellence

OUR VISION FOR ORGANIZATIONAL EXCELLENCE:

The Conservation District is powered by people who believe deeply in its mission and vision. Their contributions guide the agency forward with a focus on excellence, collaboration, best practices, new technology and innovative ideas. It is their commitment to leading by example that positions the Conservation District as a recognized industry leader and regional employer of choice.

OUR INTENTIONS - WE WILL:

Responsibly build and sustain a strong and skilled workforce by recruiting, retaining, and developing staff, volunteers and leadership that represents the communities served.

Achieve long-term financial sustainability through prudent financial planning and management.

Evaluate overall agency needs and invest in staff, equipment, vehicles, and tools that improve services, communication and increase efficiencies in operations.

Continue our reputation for excellence in the management and stewardship of McHenry County's environmental and financial resources.

OUR STRATEGIES:

3.1 - Ensure efficient and sustainable use of finite environmental and financial resources.

3.2 - Explore long-term conservation financing options.

3.3 - Leverage creative problem-solving and embrace new and innovative ideas.

3.4 - Recruit, interview, hire and retain highly skilled team members that represent the diversity of the community.

3.5 - Respect team member diversity and support Conservation District employees in their individual identities.

3.6 - Promote and support a healthy workplace.

3.7 - Foster personal and professional development opportunities.

3.8 - Plan for the funding of repairs and replacement of new and existing equipment/vehicles.

3.9 - Utilize and invest in technologies to improve planning, facilitate data accessibility, create operational efficiencies, and drive land management decisions.

3.10 - Collaborate with community and partners to maximize resources, reduce duplication, create efficiencies and coordinate planning.

ORGANIZATIONAL EXCELLENCE

Who We Are

Managed by a professional and dedicated workforce, McHenry County Conservation District employees focus on excellence and professionalism, equitably deliver essential services, adapt to changing best practices, collaborate with community partners, and embrace new technology and innovative ideas.

The Conservation District envisions programs, policies and funding that create equitable outcomes, as well as strategies and actions that show measurable results toward our collective vision. It is necessary for the organization to build and maintain internal capacity in order to deliver excellent service, in all aspects of our work, to our residents.



Our Impact



The Conservation District focuses its energies and human and financial resources in those areas where it can achieve the most impact, results and value for McHenry County. Key strategic initiatives will plan for the funding of repairs and replacement of equipment and vehicles; support a healthy workplace and recruit and retain highly-skilled team members that represent the diversity of the community; invest in technologies that will improve planning and create operational efficiencies; explore long-term conservation financing options; and collaborate with community partners to maximize resources.

Efforts will focus on creative funding strategies, strategic land preservation partnerships, and reaching an increased audience base through new programs and recreational amenities. We will strive to reach diverse populations, promote accessibility, protect our natural resources and offer opportunities for visitors to gain a greater appreciation for the great outdoors.

BUDGET OVERVIEW
 FY 2026 - Annual Budget

McHenry County Conservation District

Summary of Combined Annual Budget - All Funds

The following schedule shows the total budgeted revenues and appropriations for all funds for the fiscal years, 2023, 2024, 2025 and 2026:

Summary of Budgeted Revenues- All Funds						
	Budget	Budget	Budget	Budget	\$ Change	% Change
	FY 2023	FY 2024	FY 2025	FY 2026	FY25 vs FY26	FY25 vs FY26
General	9,891,846	10,563,060	11,001,653	14,630,021	3,628,368	33.0%
Dedicated Accounts	1,080,597	1,612,428	1,710,213	1,925,731	215,518	12.6%
Debt Service	12,839,515	13,356,230	13,729,177	10,399,840	(3,329,337)	-24.3%
Capital Asset Management Plan	265,957	863,938	501,777	10,625	(491,152)	-97.9%
Natural Resources	1,311,882	1,297,878	1,675,947	3,442,678	1,766,731	105.4%
Insurance Fund	262,961	249,218	249,235	309,701	60,466	24.3%
Total All Funds	\$25,652,758	\$27,942,752	\$28,868,002	\$ 30,718,596	\$ 1,850,594	6.4%

The following table shows the total budgeted expenditures for all funds for the fiscal years 2023, 2024, 2025 and 2026:

Summary of Budgeted Expenditures- All Funds						
	Budget	Budget	Budget	Budget	\$ Change	% Change
	FY 2023	FY 2024	FY 2025	FY 2026	FY25 vs FY26	FY25 vs FY26
General	10,601,854	11,589,316	12,650,099	12,197,387	(452,712)	-3.6%
Dedicated Accounts	1,426,487	2,034,211	2,400,451	2,651,526	251,075	10.5%
Debt Service	12,900,487	13,214,900	13,532,025	13,851,275	319,250	2.4%
Capital Asset Management Plan	1,216,500	1,660,000	1,851,120	1,668,575	(182,545)	-9.9%
Natural Resources	620,306	639,374	1,186,073	1,539,911	353,838	29.8%
Insurance Fund	268,133	262,023	293,215	340,594	47,379	16.2%
Total All Funds	\$27,033,767	\$29,399,824	\$31,912,983	\$ 32,249,268	\$ 336,285	1.1%

BUDGET OVERVIEW
 FY 2026 - Annual Budget

McHenry County Conservation District

The following table shows the permanent interfund transfers for all funds for the fiscal years 2023, 2024, 2025, 2026:

Summary of Interfund Transfers				
	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026
General Fund	-	(473,819)	(750,000)	(4,378,139)
Dedicated Accounts Fund	-	473,819	-	-
Debt Service Fund	-	-	-	3,628,139
Capital Asset Management Plan	-	-	750,000	750,000
Natural Restorations Fund	-	-	-	-
Insurance Fund	-	-	-	-
Total All Funds	\$ -	\$ -	\$ -	\$ -

Unrestricted fund balances are maintained to avoid cash flow interruptions and provide for unanticipated expenditures or emergencies of a non-recurring nature. Due to the majority of the property tax payments being received in the months of June through September, the reserves allow the Conservation District to make payments without short-term borrowing during the negative cash flow period experienced later in the fiscal year. Reserves also provide a potential source of temporary funding to help the Conservation District through economic and financial downturns.

The following schedule shows the estimated change in fund balances for all funds for FY 2026.

Change In Fund Balances						
All Funds						
Budget FY2026						
	General	Dedicated Accounts	Debt Service	CAMP	Natural Resources	Insurance
Estimated Balance 04/01/2025	\$ 4,966,898	\$ 784,075	\$ 415,506	\$ 136,936	\$ 121,783	\$282,384
Total FY 2026 Budgeted Revenues	14,630,021	1,925,731	10,399,840	10,625	3,442,678	309,701
Total FY 2026 Budgeted Expenditures	(12,197,387)	(2,651,526)	(13,851,275)	(1,668,575)	(1,539,911)	(340,594)
Total FY 2026 Interfund Transfers	(4,378,139)	-	3,628,139	750,000	-	-
Estimated Balance 03/31/2026	\$ 3,021,393	\$ 58,280	\$ 592,210	\$ (771,014)	\$2,024,550	\$251,491
Estimated Change in Fund Balances	\$ (1,945,505)	\$ (725,795)	\$ 176,704	\$ (907,950)	\$ 1,902,767	\$ (30,893)

GENERAL FUND



McHenry County

CONSERVATION DISTRICT



Photo Credits: hullsolomonfam

PRESERVING
McHenry County's
WATER, WILDLIFE and WAY OF LIFE
since 1971



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GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND

The General Fund consists of the accounts and activities related to the regular, on-going business of the Conservation District and as such it is the main 'operating budget' for the Conservation District.

Historically, the Conservation District's General Fund operating budget conformed with two principal General Fund budgetary guidelines, which included: 1) All operating expenses, with the exception of certain capital initiatives and 'reappropriation' requests, are supported by operational revenues for the fiscal year; and 2) The General Fund's unrestricted fund balance is projected to be maintained at a level equivalent to a minimum of 25% of the total annual operating expenses throughout FY 2026. As in recent past years, due to the Conservation District's continued efforts to minimize property tax increases over the last decade, a portion of the regular on-going operating expenses and the Conservation District capital repair and replacements will be fully funded from reserves.

Property tax revenues account for 87% of the Conservation District's total FY 2026 budgeted operating revenues. While the Conservation District continues to seek and develop alternative non-tax revenue streams, under the Conservation District Act these opportunities are very limited and property taxes remain critical to support the Conservation District's current service levels. The Illinois Conservation District Act (70 ILCS 410) limits the Conservation District's maximum General Fund Corporate tax rate to 1/10th of 1% of the County's Equalized Assessed Value (EAV). The Illinois Property Tax Code Extension Limitation Law (PTELL) allows taxing bodies to initiate a separate levy for the specific purposes of paying Social Security and Medicare related employment taxes. While this separate levy is included in the calculation and limits of the 'aggregate' levy under PTELL, it is not subject to the 1/10th of 1% limiting 'corporate' rate defined within the Illinois Conservation District Act (70 ILCS 410).

In November of 2024, the Conservation District passed a proposition which allowed the District to raise its limiting rate under PTELL from 0.0826% in 2023 to 0.11% for the 2024 levy. This will generate an estimated additional \$3.6 million in property tax revenues, over what would otherwise be allowed under PTELL. The Conservation District intends to abate the equivalent amount of \$3.6 million from the debt service property tax levy in levy year 2024, which will offset the proposition approved increase. This will result with no increase to the taxpayers in levy year 2024 related to the proposition approved limiting rate increase.

To simplify the understanding of the Conservation District's individual areas of operations and their total cost to the Conservation District, the Social Security and Medicare levies, along with the related expenses are reported within the General Fund and not segregated to a separate fund. This allows the reader of the Conservation District's financials, including this budget document, to quickly identify the total cost of any area of operation, such as: Natural Resources, Education, or Police. If the levy were received into a separate fund, which is also a common accounting practice, a user would have to identify the different areas of operations and their associated cost within each fund and then add the expenses from multiple funds to determine the total cost of any individual area of operation. The Social Security levy is restricted within the General Fund to ensure that the related property tax revenue is only used to support the expenditures related to Social Security and Medicare taxes as required under Illinois statute.

McHenry County Conservation District

GENERAL FUND: Revenues

Total Revenues: The total General Fund budgeted revenue for FY 2026 is \$14,630,021 which is \$3.6 million or 33% higher than the prior year and is explained in detail below.

Property Tax Revenues: Property Tax revenues are budgeted at \$12,798,231 which represents an increase of \$3,983,839 or 45% over the amount *budgeted* in the previous fiscal year. This includes property taxes derived from both the Corporate and Social Security/Medicare tax levies. *Tax revenues from the Social Security/Medicare levy are statutorily restricted to be used only for Social Security/Medicare related expenses.*

The budgeted property tax revenues are derived from the property tax levy requested in September of 2024, which will be extended and collected during calendar year 2025 (FY 2026).

Property Tax Highlights include the following:

1. The Illinois Property Tax Extension Limitation Law (PTELL) allows for two potential property tax increases over the prior year's levy. The first is an inflationary increase which allows for the prior year's levy to be increased by the same rate as the annual rate of growth of the Consumer Price Index (CPI) during the prior calendar year but is limited to a maximum increase of 5%. The CPI grew 3.4% during the 2023 calendar year, which allows for an inflationary increase for the total PTELL levies of \$309,097 over the previous year's levy.

Under the PTELL, new development within the County is factored separately in the levy extension calculation which allows for additional tax revenue beyond what is derived from the growth of the CPI. The additional tax dollars from new development are available to help offset the increased use and demands that the new development may place on a taxing entity. For 2023, the County's new development was estimated to be \$135,332,458, which allows for an additional estimated property tax *levy increase* of \$108,135 for FY 2026.

Collectively, the maximum allowed combined inflationary and new development increases allowed the total aggregate PTELL levies to grow by \$417,232 or 4.6% over the 2023 levy. *(This would include the Corporate, Social Security and Insurance levies.)*

2. In November of 2024, the Conservation District passed a proposition which allowed the District to raise its limiting rate under PTELL from 0.0826% in 2023 to 0.11% for the 2024 levy. This will generate an additional \$3.6 million in property tax revenues, over the \$417,232 increase allowed under PTELL. The Conservation District will abate the equivalent amount of \$3.6 million from the debt service property tax levy in levy year 2024, which will offset the proposition approved increase. This will result with no net tax increase to the taxpayers in levy year 2024 related to the proposition approved limiting rate increase.
3. Personal Property Replacement Taxes (PPRT) received by the State are budgeted at \$308,081 which is a decrease of \$141,894 or 31% from the prior year. The budgeted FY 2026 revenue is based on the State's estimate of revenues for the Conservation District for the 2025 calendar year, as well as the Conservation District's actual experience over the last several years.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Total tax revenues (property taxes plus the State Personal Property Replacement Tax) account for 89.5% of total General Fund revenue, which is a significant increase from 84.2% in the prior year.

Investment Income: Interest income is projected to decrease by \$16,545 or 5.9% from the prior year. This is the direct result of the Federal Reserve's reduction of the federal funds borrowing rate and expectation that the marginally lower interest rates will remain throughout FY 2026. The Conservation District proactively manages its cash flows to maximize investment opportunities and revenue. Over the last year, the Conservation District has actively invested an average of more than 70% of its available unrestricted fund balance.

As of September 30, 2024, the Conservation District had \$6.28 million invested in bank CDs with a weighted average maturity of 1.6 years. With almost seventy percent of the investments maturing by the end of FY 2025, the investment portfolio is well positioned to take advantage of the higher rate environment.

Property Leases & Rents: Revenues from leases and property rents are the second largest revenue source for the Conservation District, accounting for 7.9% of total General Fund revenue. Revenue derived from property leases and rents are budgeted to decrease by \$199,226 or 18.6%. Most of this revenue is derived from leasing agricultural lands and is explained in more detail below.

Farm Lease Revenue: Farm lease revenues are budgeted at \$742,409; a decrease of \$198,026 or 6.8% from the previous year. The FY 2026 Budget includes revenue generated from 3,973 acres that are leased to farmers and are under active agriculture production. Revenues from an additional 168 acres of grassland leases are received into the Natural Resources Management Special Revenue Fund and restricted within the fund for natural restorations and site improvements. Revenue from an additional 465 acres is received into the Dedicated Accounts Capital Fund and is restricted to fund natural restorations within the Coon Creek watershed in accordance with a grant requirement.

The agriculture lease program works with farmers to incorporate conservation focused principles into their farming practices and has many benefits to the land, the Conservation District, and the residents of the County. One of the direct benefits is that the farming protects the land from further degradation and the infestation of invasive species until such a time that the Conservation District has the resources to restore it.

The Conservation District's farm lease program ties the amount of the annual lease payment (paid by the farmers to the Conservation District) to the price of the December corn futures commodity and is determined each February. (*The revenue for FY 2026 will be determined by the average daily future's price of December 2025 corn during the month of February 2025.*) As such, the lease revenue is subject to annual variations with market shifts in the commodities price of corn. For the prior FY 2025, the *budgeted* corn futures price was \$5.20/bushel, for this FY 2026 Budget, the price is estimated to be \$4.40/bushel.

The farm acreage stays on the County's property tax rolls and the Conservation District pays the property taxes on the parcels as determined by the County's regular agricultural assessment process and applicable tax rate. The Conservation District paid \$188,982 to the County in property taxes during FY 2025.

Educational Program Fees: Historically, the Conservation District has always focused on providing educational experiences and outdoor programs to as many residents as possible at the lowest possible cost; including offering many program opportunities at no additional cost. However, due to reduced tax revenues and

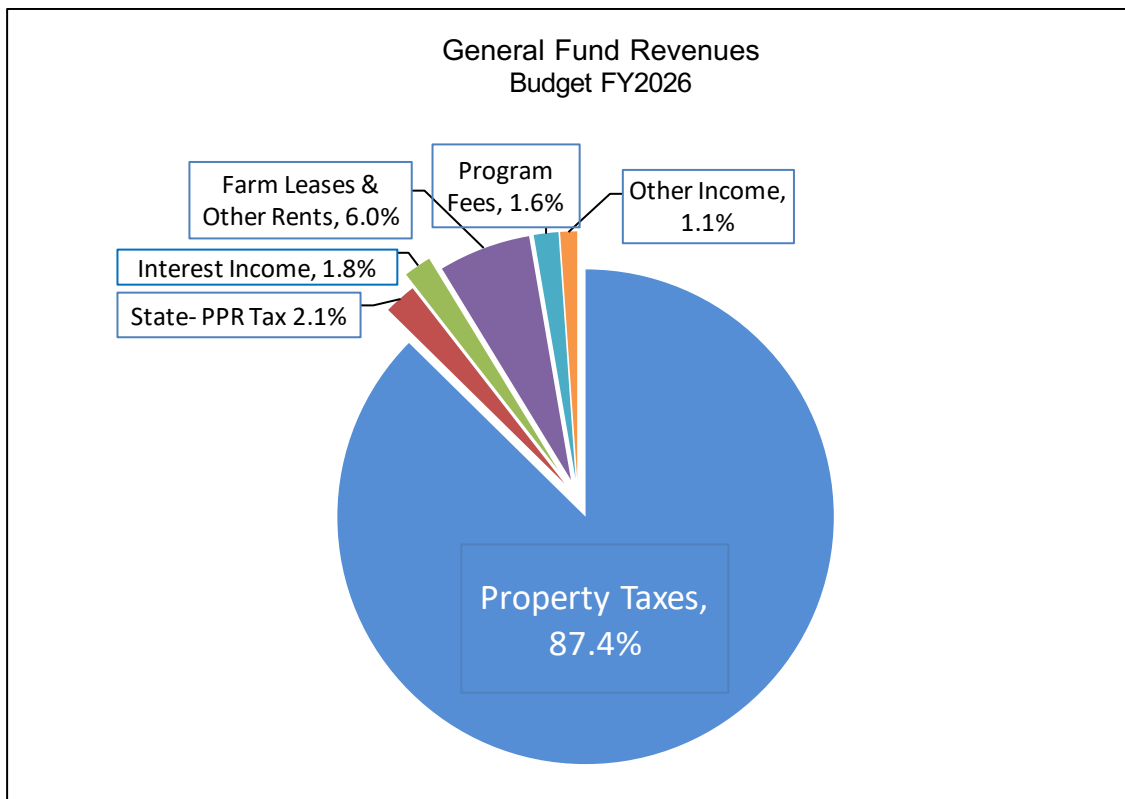
McHenry County Conservation District

the continued concern and pressure over rising property taxes, the Conservation District continues to shift its focus to increase educational and program fees to offset some of the direct costs of these programs. Education program fees are budgeted to increase by \$18,000 or 19% over the prior year.

Camping & Shelter Fees: Revenue from camping and shelter fees is budgeted to decrease by 2% or \$1,189 from the prior year. In 2020, during the COVID pandemic, the Conservation District saw a significant increase in the use of its sites and programs and the Camping and Shelter fees had increased proportionately over the next several years. However, beginning with the calendar year 2024 the usage seems to have plateaued and budgeted revenue has been reduced accordingly.

MCCF Recoveries: Represents the reimbursements from the McHenry County Conservation Foundation (MCCF) for ½ the costs related to the Director of Development /Executive Director of the MCCF and 100% of a part-time administrative assistant. The related costs, which drive the recoveries, are budgeted to increase by \$4,886 or 7.9%.

The following chart illustrates the percentage that each *major* source of revenue represents to the total revenue within the General Fund for the FY 2026 Budget:



GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

The following table shows a comparative summary of budgeted revenue by *major* source within the General Fund:

McHenry County Conservation District General Fund- Summary of Revenues Comparative Budget FY 2023- FY 2026										
	Budget FY 2023	% of Total	Budget FY 2024	% of Total	Budget FY 2025	% of Total	Budget FY 2026	% of Total	\$ Chng 25 vs 26	% Chng 25 vs 26
Revenues										
Property Taxes	7,966,472	80.5%	8,384,019	79.4%	8,814,392	80.1%	12,798,231	87.4%	3,983,839	45.2%
State- PPR Tax	200,000	2.0%	350,000	3.3%	449,975	4.1%	308,081	2.1%	(141,894)	-31.5%
Interest Income	58,552	0.6%	225,181	2.1%	279,382	2.5%	262,837	1.8%	(16,545)	-5.9%
Property Rents	1,388,165	14.0%	1,300,630	12.3%	1,073,012	9.8%	873,784	6.0%	(199,228)	-18.6%
Program Fees	164,000	1.7%	179,186	1.7%	206,589	1.9%	228,400	1.6%	21,811	10.6%
Foundation Reimburse	56,158	0.6%	59,794	0.6%	61,588	0.6%	66,474	0.5%	4,886	7.9%
Other Income	58,499	0.6%	64,250	0.6%	116,714	1.1%	92,214	0.6%	(24,500)	-21.0%
Total Revenues	\$ 9,891,846	100%	\$10,563,060	100%	\$11,001,652	100%	\$14,630,021	100%	\$ 3,628,369	33.0%

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Schedule of Revenues

The following schedule is a detailed statement of operating revenues which support the operating and capital needs of the Conservation District within the General Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the actual amounts for the first six months of the fiscal year ending 03/31/2025 (YTD Actuals FY 2025), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

General Fund Revenues					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Property Taxes	8,010,538	8,400,199	8,581,021	8,814,392	12,798,231
State PPR Tax	673,135	513,407	178,459	449,975	308,081
Employee Housing Rents	41,915	43,475	16,963	47,928	31,260
Agricultural Leases	1,428,402	1,090,418	419,014	940,435	742,409
Cell Tower Leases	55,898	77,140	47,897	66,372	70,322
Other Rental Income	17,405	28,879	30,705	18,277	29,793
Investment Income	227,190	453,160	163,940	279,382	262,837
Education Programs	112,648	117,164	58,094	95,400	113,400
Hunting Program Revenues	58,335	62,810	52,902	58,000	63,000
Camping & Shelter Fees	51,545	51,918	44,497	53,189	52,000
MCCF Recoveries- Personnel	66,688	72,523	32,355	61,588	66,474
Fines & Confiscations	10,696	15,470	5,233	12,714	12,714
Sale of Assets	37,339	199	97,952	79,000	64,500
Other Income	39,744	24,459	1,697	25,000	15,000
Grant Recoveries	13,570	28,504	16,935	-	-
Donations	3,096	8,224	1,382	-	-
	\$ 10,675,474	\$ 11,117,281	\$ 9,749,045	\$ 11,001,652	\$ 14,630,021

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Expenditures

The Conservation District's day-to-day operations and administrative activities are managed by the Executive Director and staffed by 75 full-time, 10 part-time, and approximately 35 seasonal employees funded within the General Fund. There are 4 additional full-time and 2 additional part-time employees funded within the Natural Resources Management - Special Revenue Fund.

The Conservation District is organized into four Divisions with operating departments established within each division according to function. The Administration & Finance Division includes the Executive Office of the Executive Director, Human Resources, Accounting, Information Technology (IT) and administrative support staff. The Operations, Planning and Public Safety Division includes the departments of Operations, Planning & Development, and Police. The Marketing and Education Division includes Marketing & Communications, Education, and Volunteer Services. The Land Preservation and Natural Resources Division includes the operating departments of Land Administration & Preservation, Natural Resource Management, Wildlife Resource Center and the Research Field Station. Additionally, the Conservation District has a separate operating budget for the Lost Valley Visitor Center (LVVC). Managers, working within the policies and guidelines established by the Board of Trustees and Executive Director, are responsible for establishing and managing their individual department budgets.

The Executive Director of the McHenry County Conservation Foundation (MCCF) also serves as the Director of Development for the Conservation District and as such, the MCCF reimburses the Conservation District 50% of all personnel expenses related to the position. Additionally, the Executive Director of the MCCF is supported by a part-time administrative assistant and the Conservation District is reimbursed for 100% of all personnel expenses related to the position by MCCF.

The *total* General Fund budgeted operating expenditures, excluding capital, are \$11,513,847 for FY 2026. This represents an increase of \$412,148 or 3.7% over the previous year. *(This does not include the budgeted appropriations from the General Fund's unrestricted fund balance in the amount of \$683,540 which are explained in more detail below.)* Highlights of changes in operating expenditures for FY 2026 include the following:

Employee Wages: The total annual cost of wages is budgeted to increase by \$293,994 or 4.5% from the prior year budgeted amount. The increase includes the following:

- A 3.5% combined merit and economic wage increase has been budgeted for all non-contractual and non-bargaining full-time and part-time employees in good standing with the Conservation District.
- The Conservation District has (17) full-time employees who belong to the International Union of Operating Engineers, Local 150 and are responsible for the maintenance and care of the Conservation District's park sites, trails, vehicles, and buildings. Their current contract requires the union employees to receive the same 3.5% wage increase as non-union employees.
- The FY 2026 Budget includes (8) full-time police officers and (2) full-time sergeants who belong to the Illinois Fraternal Order of Police (FOP). The police officer's current contract provides a 3.5% total wage

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

increase for officer in FY 2026.

- Seasonal wages have been budgeted to increase by \$45,841 or 16% over the prior year. This is due to both an increase in the starting wage, as well increased seasonal hours to help maintain the sites and trails through what has become a longer growing season.
- The annual compensation for the Executive Director is negotiated and established through an employment agreement with the Board of Trustees and the current contract is effective through June 30, 2025.
- For many years, the Conservation District's compensation policy has tried to ensure that employee's compensation levels move toward the *midpoint* of the salary ranges during their employment. The midpoint of the salary range is established to reflect the average of what other employers are paying for a similar position. This practice only affects employees with seven years of experience who are being paid below the market average (or midpoint) of their salary grade range.

During the compensation study completed by GovHR USA in 2023, it was noted that the Conservation District had developed significant wage compression at the midpoint of the salary ranges and GovHR made a recommendation to help alleviate this. As a result of the GovHR recommendation, the Conservation District implemented a practice whereby an employee who is in good standing and has completed fifteen years of service with the Conservation District, will have their wage adjusted to a wage equivalent to the 65th percentile of their respective salary range. There are no employees budgeted to receive an increase related to 15 years of service for FY 2026.

- Salary grades have been increased by the same 3.5% as wage increases. The cost of this is negligible, as the only significant impact would be related to new employees who would start at a 3.5% higher wage.

Employee Benefits: Total benefits, which includes employee insurances and retirement costs, are budgeted to increase by \$140,182 or 6.7% from the prior year budget. The increase is explained as follows:

Employee Insurances: During FY 2021, the Conservation District joined the Intergovernmental Personal Benefit Cooperative (IPBC) in effort to reduce the long-term cost of employee health insurance. The IPBC was established in 1979 as a cooperative self-funded insurance pool for government agencies; with 130 member agencies and insuring more than 17,000 employees. This large membership and self-funded model results in significant purchasing power within the industry and has proven very successful at controlling insurance premium rate increases.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Employee Insurances (continued):

The Conservation District’s total employee insurance premium rates are budgeted to increase 5.6% for the 2025 plan year. The total insurance costs are budgeted to increase \$99,191 or 9.2% over FY 2025, which is due to one employee electing coverage that had waived it in the prior year, as well as employees selecting higher levels of coverage that have a greater cost to the District as follows:

	Budget FY25	Budget FY26	Change
Single	30	26	(4)
Emp + spse	4	5	1
Emp + child	4	7	3
Family	28	29	1

(Employee plan and coverage selections are not fully known until after this Budget document is generated.)

- The Conservation District offers three health insurance plan options, which include: 1) Preferred Provider Plan (PPO), (2) Health Maintenance Organization (HMO) and (3) Preferred Provider Plan Health Savings Account (PPO/HSA). The PPO/HSA plan is a PPO plan with the same levels of coverage, providers and benefits as the PPO, but has a significantly higher deductible and the employee takes on a significantly greater portion of initial medical costs.
- Employees are charged a higher cost-sharing rate to participate in the more expensive Preferred Provider Plans (PPO), which creates an incentive for them to select one of the lower cost HMO or PPO/HSA plans. This helps to mitigate the higher cost of the more expensive PPO and PPO/HSA (vs the HMO) plans to the Conservation District.
- An emphasis continues to be placed on proactive employee wellness programs to generate personal awareness and responsibility for one’s own health care and the related costs.

Retirement Funding: The Conservation District participates in the Illinois Municipal Retirement Fund (IMRF) and its required pension funding contribution rates are determined annually by the IMRF actuaries. The Conservation District’s contribution rate decreased from 8.7% for calendar year 2024 to 8.6% for calendar year 2025, which is reflected in the FY 2026 Budget. The total amounts for retirement, including Social Security/Medicare and IMRF, are budgeted to increase by \$34,547 or 3.4% from the prior year. This is the fourth consecutive year that the Conservation District’s required contribution rate has been reduced as illustrated in the below table.

Fiscal Year	IMRF Rate
2021	12.07%
2022	11.92%
2023	10.88%
2024	9.50%
2025	8.70%
2026	8.60%

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

The Conservation District's police officers participate in the regular IMRF pension and not the much more expensive Sheriff's Law Enforcement Personnel (SLEP) retirement. The required employer contributions under SLEP average about twice (2x) the amount of the required regular IMRF employer contribution amounts.

As of December 31, 2023, the Conservation District's IMRF pension was 88.9% funded on an actuarial basis.

Contractuals & Commodities: The total of all 'Other Operating' expenditures ('contractuals and commodities') are budgeted to decrease by 0.9% or \$22,028 from FY 2025. While the Department operating budgets were allowed to increase their FY 2026 annual budgets by 3%, there were many expenditures reductions that more than offset the allotted 3% increase. The most significant expenditure reduction was due to the cost of seasonal employees being budgeted to increase by \$45,841 over the prior year. Approximately \$8,500 of this increase is due to a 3% increase in the seasonal hourly wage and the remaining \$37,341 was due to budgeting for increased seasonal hours. The increased budget for seasonal wages required managers to reduce their budgets for other non-personnel (contractuals & commodities) expenditures to stay within the 3% maximum allowed budget growth. This shifted budget resources (expenditures) from non-personnel to personnel. The following schedule highlights some of the more significant FY 2026 budgeted expenditure reductions:

Account #	Account Name	Explanation of Expense Reduction	Amount
01-04-440	Legal services	Reduced based on actual experience	\$ 7,500
01-04-488	Contractual services	All staff development budgeted in FY25 not in FY26	\$ 8,000
01-04-488	Contractual services	Trust for Public Lands support budgeted in FY25 not in FY26	\$ 25,000
01-10-xxx	Various accounts	Communications allowed one-time FY25 budget increases for proposition support, not in FY26	\$ 15,909
01-xx-494	IT support services	Support service reduced based on actual experience	\$ 12,000
01-xx-xxx	Various accounts	Total seasonal employee cost increases, resources shifted from non-personnel to personnel	\$ 45,841
01-xx-786	Vehicle fuel	Reduced fuel costs	\$ 6,600
Total Expense Reductions FY 2025 vs FY 2026			\$ 120,850

Individual operational department budgets, which can be found at the end of the General Fund Budget, provide the individual expense line-item details.

Capital Expenditures: The FY 2026 Budget includes \$583,540 of capital outlays, all of which will be funded from unrestricted General Fund reserves. This includes \$25,000 of expenditures for capital outlays that were budgeted for in the prior FY 2025 Budget, but the items were not procured and/or projects were not completed, so the items have been 'reappropriated' within the FY 2026 Budget. By comparison, the FY 2025 Budget included total capital expenditures of \$1,448,400. (Capital outlays are discussed in more detail in the Capital Outlay section of the budget document.)

Unanticipated Expenditures: \$100,000 has been budgeted and appropriated for *unanticipated expenses*. This represents *roughly* 1% of the total budgeted operational expenditures for FY 2026. The \$100,000 is appropriated for within the Administrative & Finance Division's budget.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Capital Outlays

The FY 2026 Budget includes \$583,540 of capital outlays, which is a decrease of \$864,860 over the prior FY 2025 budgeted amount of \$1,448,400. The includes \$25,000 which represents amounts reappropriated for purchases and/or projects that were budgeted for, but not completed, in the prior FY 2025. All the FY 2026 budgeted capital outlays will need to be funded from General Fund unrestricted reserves due to insufficient revenues to support the regular on-going capital replacement needs of the Conservation District. The revenue shortfall is largely the result of the Conservation District only capturing the full property tax levy available under PTELL in three of the last twelve years.

Vehicle Replacement: Prior to 2012, when the Conservation District was able to consistently capture the increases in property taxes available under PTELL, vehicles were replaced proactively in accordance with the Conservation District’s comprehensive Capital Asset Management Plan (CAMP). However, due to the inability to capture the full levy increase over the last decade, the Conservation District has moved to a more reactive approach; replacing vehicles only when it is no longer cost effective to repair them or when a structural component becomes so corroded that they can no longer be safely driven. (Police vehicles are still replaced on a more proactive cycle.)

The Conservation District evaluates its fleet of vehicles and heavy equipment annually and has been focused on maintaining the size of the fleet at the most operationally and cost- effective levels. The FY 2026 Budget includes the replacement of three (3) vehicles at a total cost of \$225,000. It also includes the addition of an electric off-road electric motorcycle, but it will only be acquired if grant funding can be found to support its purchase.

The schedule of FY 2026 vehicle replacement is as follows:

Dept	GL	Description	Replacement Vehicle			Cost FY 2026	Funding Source
			Vehicle #	Year	Model		
Vehicles							
Education	01-05-785	Chrysler Pacifica Van	V-104	2011	Dodge Caravan	43,000	Reserves
Police	01-06-785	Electric off-road motorcycle	Addition			16,000	Reserves
LPNR	01-08-785	Dodge Ram 3500 Truck	V-126	2014	Ford -F 450	82,000	Reserves
Operations	01-07-785	Ford F-350 Dump Truck	V-92	2010	Ford F 350 dump truck	100,000	Reserves
Total Vehicles						\$ 241,000	

The Conservation District’s current vehicle fleet includes the following vehicles:

Vehicle Type	Quantity
Police patrol vehicles	12
Police motorcycles	2
Large heavy duty trucks (dump, bucket, plow)	9
Pickup trucks	37
Other passenger (sedan, van, SUV)	10

GENERAL FUND
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McHenry County Conservation District

Capital Outlays:

The following schedules provide a detailed description of all the capital outlays included in the FY 2026 Budget.

Dept	GL	Description	Replacement Vehicle			Cost FY 2026	Funding Source
			Vehicle #	Year	Model		
<u>Vehicles</u>							
Education	01-05-785	Chrysler Pacifica Van	V-104	2011	Dodge Caravan	43,000	Reserves
Police	01-06-785	Electric off-road motorcycle	Addition			16,000	Reserves
LPNR	01-08-785	Dodge Ram 3500 Truck	V-126	2014	Ford -F 450	82,000	Reserves
Operations	01-07-785	Ford F-350 Dump Truck	V-92	2010	Ford F 350 dump truck	100,000	Reserves
Total Vehicles						\$ 241,000	
<u>Office Equipment & Furniture</u>							
Admin	01-04-471	Fireproof file cabinet				5,000	Reapprop
Educ	01-05-471	New furniture for PEC				5,000	Reapprop
Total Building Improvements						\$ 10,000	
<u>Heavy Equipment & Trailers</u>							
Educ	01-05-729	Portable trailer				5,000	Reapprop
Operations	01-07-746	Kubota ZD 1211 Z-turn Mower	T-43	2015	Gravely zero turn mower	18,000	Reserves
Operations	01-07-746	Kubota RTV 111	TV-31	2011	Polaris Ranger 800 UTV	23,000	Reserves
Operations	01-07-785	Big Tex ET-20 Trailer	TR-51	2014	Big Tex 70Ch-18	10,000	Reserves
Operations	01-07-785	20,000lb Deck Over Trailer	TR-24	2002	Loadmaster trailer	25,000	Reserves
Operations	01-07-746	John Deere 325GTracked Skid Steer			Case 580 & Swinger 2000	90,000	Reserves
LPNR	01-08-848	One gooseneck 22 ton trailer	TR-54	2014	22 ton gooseneck trailer	22,000	Reserves
Total Heavy Equipment & Trailers						\$ 193,000	
<u>Building Improvements</u>							
LPNR	01-08-729	Electrical upgrade, 220volt, 3 phase service at LPNR south facility- Henrici				20,000	Reserves
WRC	01-03-729	Repair aviary				10,000	Reapprop
Admin	01-04-729	Brookdale tuckpointing				25,000	Reserves
LVC	01-14-729	Nursing station screen				6,000	Reserves
Planning	01-09-790	Tristano building removal				7,000	Reserves
Total Building Improvements						\$ 68,000	
<u>Computers & IT</u>							
Admin	01-04-495	Replace Meraki firewalls				11,700	Reserves
Admin	01-04-495	Replace wireless LVVC, Brookdale & PEC				9,640	Reserves
Total Computers & IT						\$ 21,340	
<u>Site & Facility Improvements</u>							
LPNR	01-08-848	Agri-drain water control structure with culvert (replacement)				6,000	Reserves
Operations	01-07-706	PTN repairs				26,200	Reserves
Operations	01-07-733	Pleasant Valley shop asphalt removal				8,000	Reserves
Total Site & Facility Improvements						\$ 40,200	
<u>Other Capital Needs</u>							
Planning	01-09-603	Offroad wheelchairs				10,000	Reserves
Total Other Capital Needs						\$ 10,000	
Total All Capital Requests						\$ 583,540	

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

MMS: *The Conservation District has a comprehensive 'Maintenance Management System' (MMS). The MMS is a large database of all the Conservation District's infrastructure and assets, including items like shelters, roofs, furnaces, trails, roads, and parking lots. The database includes the original cost of the asset, its expected useful life, a cost estimate to replace the asset, and an estimate of when the asset will need to be replaced. The database also includes the cost of regular maintenance costs associated with the asset such as re-sealing or painting of parking lots that may only happen every 3-5 years. Each year the MMS is updated to reflect completed projects, new cost estimates, and any other changes to the Conservation District's assets during the year. The updated MMS reports are an integral part of the Sites and Fleet and Facilities Maintenance Department's planning and budget process.*

Reserve Appropriations:

The FY 2026 Budget includes total appropriations of the General Fund's Fund Balance in the amount of \$1,945,505. Explanations of the appropriations are as follows:

- Specific initiatives that were budgeted for in the prior year, but not completed. Such appropriations are considered to be *'reappropriations'* from the prior year. As previously explained, the FY 2026 Budget includes the *reappropriation* of \$25,000 for capital outlays that were budgeted for in FY 2025 but were not expended before the fiscal year-end.
- The Board of Trustees will consider funding initiatives that are of high importance to the Conservation District, but that are not supported from the budgeted operating revenues. The FY 2026 Budget includes \$558,540 of capital outlays that are not supported from operating revenues.
- An amount is appropriated for unanticipated needs that may arise during the budget cycle that were not specifically identified in the budget process. The FY 2026 Budget includes \$100,000 appropriated for unanticipated expenditures that may arise during the fiscal year. While staff has worked diligently to incorporate both estimated and known cost increases into the FY 2026 Budget, the last three years have shown that some market impacts are just not predictable.
- Budgeted non-capital operating expenditures exceed budgeted revenues by \$511,965. Had the Conservation District captured the full property tax levy available under PTELL over just the last several years the additional property tax revenues would have been enough to cover the majority of the operating revenue shortfall.
- A permanent transfer of \$750,000 will be made from the \$2.0 million of reserves assigned for Capital Asset Management Plan needs within the General Fund to the Capital Asset Management Plan (CAMP) Fund. The transfer will be made to fund capital projects within the CAMP Fund in FY 2026 and will reduce the amount of General Fund reserves assigned to CAMP needs to \$1.25 million.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

The following schedule shows a summary of the budgeted operating revenues, expenditures, capital outlays and appropriations of Fund Balance for FY 2024, FY 2025 and FY 2026:

General Fund Comparative Summary of Operating Revenues & Expenditures Budgets FY2024 through FY2026								
	Budget FY 2024	% of Total	Budget FY 2025	% of Total	Budget FY 2026	% of Total	% Chng 25 vs 26	\$ Change 25 vs 26
Revenues								
Tax Revenues	8,734,019	82.7%	9,264,368	84.2%	13,106,312	89.5%	41.5%	3,841,944
Interest Income	225,181	2.1%	279,382	2.5%	262,837	1.8%	-5.9%	(16,545)
Property Leases & Rents	1,300,630	12.3%	1,073,012	9.8%	873,784	6.0%	-18.6%	(199,228)
Program Fees & Revenues	179,186	1.7%	206,589	1.9%	228,400	1.6%	10.6%	21,811
Foundation Reimbursements	59,794	0.6%	61,588	0.6%	66,474	0.5%	7.9%	4,886
Other Income	64,250	0.6%	116,714	1.1%	92,214	0.6%	-21.0%	(24,500)
Total Operating Revenues	\$10,563,060	100.0%	\$11,001,653	100.0%	\$14,630,021	100.0%	33.0%	\$ 3,628,368
Operating Expenditures								
Personnel								
Wages	6,149,119	58.2%	6,564,972	59.1%	6,858,966	59.6%	4.5%	293,994
Retirement	1,009,469	9.6%	1,005,672	9.1%	1,046,663	9.1%	4.1%	40,991
Insurance	1,007,630	9.5%	1,082,208	9.7%	1,181,399	10.3%	9.2%	99,191
Total Personnel Expenditures	\$ 8,166,218	77.3%	\$ 8,652,852	77.9%	\$ 9,087,028	79.0%	5.0%	\$ 434,176
Other Operating Expenditures								
Contracts & Commodities	2,365,122	22.4%	2,448,847	22.1%	2,426,819	21.1%	-0.9%	(22,028)
Capital Outlays	30,876	0.3%	-	0.0%	-	0.0%	NA	-
Total Other Operating Expenditures	\$ 2,395,998	22.7%	\$ 2,448,847	22.1%	\$ 2,426,819	21.1%	-0.9%	\$ (22,028)
Total Operating Expenditures	\$10,562,216	100.0%	\$11,101,699	100.0%	\$11,513,847	100.0%	3.7%	\$ 412,148
Net Operating Surplus/(Deficit)	\$ 844		\$ (100,046)		\$ 3,116,174			
Expenditures of Fund Balance								
Unanticipated Expenditures	5,376		100,000		100,000			
Capital Outlays - Reappropriations	450,000		475,000		25,000			
Capital Outlays- New	571,724		973,400		558,540			
Non-Cap New Initiatives	-		-		-			
Total Expenditures of Fund Balance	\$ 1,027,100		\$ 1,548,400		\$ 683,540			
Total Annual Expenditures	\$11,589,316		\$12,650,099		\$12,197,387			
Other Financing Uses								
Permanent Transfer to CAMP	473,819		750,000		750,000			
Permanent Transfer to Debt Service	-		-		3,628,139			
Total Permanent Interfund Transfers	\$ -		\$ 750,000		\$ 4,378,139			
Total Budgeted Reserve Spend	\$ 1,500,075		\$ 2,398,446		\$ (1,945,505)			

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Operating Budget, By Department

The Conservation District is organized into four divisions and ten operating departments which include: Administration & Finance (Admin), Operations, Land Preservation and Natural Resources (LPNR), Education, Planning & Development, Wildlife Resource Center (WRC), Police & Safety (Police), Marketing & Communications (Communications), and Foundation & Development. In recent prior years the Parks & Fleet and Building Maintenance departments had separate operating budgets. To simplify the budgeting process and ensure the most efficient use of resources, the Building Maintenance budget has been absorbed into the Parks & Fleet budget. There is also a separate operating budget for the Lost Valley Visitor Center (LVVC) facility.

The following schedule shows the total General Fund budgeted expenditures by operational department for FY 2023, FY 2024, FY 2025 and FY 2026. (The expenditures represent total budgeted appropriations for the fiscal year, including capital outlays and appropriations of unrestricted fund balance. It does not include permanent transfers of fund balance)

Department	Budget	% of	Budget	% of	Budget	% of	Budget	% of	% Chng
	FY 2023	Total	FY 2024	Total	FY 2025	Total	FY 2026	Total	Budget 25 vs 26
WRC	268,827	2.5%	334,896	2.8%	364,972	2.9%	330,281	3.0%	-9.5%
Admin	1,754,689	16.6%	2,275,341	18.9%	1,990,000	15.7%	2,040,876	16.7%	2.6%
Education	743,068	7.0%	800,974	6.6%	888,016	7.0%	879,940	7.2%	-0.9%
Police	1,607,513	15.2%	1,821,369	15.1%	1,999,143	15.8%	1,817,614	14.9%	-9.1%
Operations	2,877,707	27.2%	3,273,884	27.1%	3,264,691	25.8%	3,271,711	26.7%	0.2%
LPNR	2,252,203	21.3%	2,316,164	19.2%	2,761,270	21.8%	2,590,857	21.2%	-6.2%
Planning & Dev.	364,512	3.4%	427,898	3.5%	421,964	3.3%	450,864	3.7%	6.8%
Communications	459,670	4.3%	487,129	4.0%	528,948	4.2%	468,161	3.8%	-11.5%
LVVC	162,735	1.5%	205,947	1.7%	309,028	2.4%	209,414	1.7%	-32.2%
Foundation & Dev.	110,930	1.0%	119,526	1.0%	122,067	1.0%	137,669	1.1%	12.8%
Totals	<u>\$10,601,854</u>	100.0%	<u>\$12,063,128</u>	100%	<u>\$ 12,650,099</u>	100%	<u>\$12,197,387</u>	100%	-3.5%

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Staffing History

The schedule below shows a summary of full-time employee equivalents (FTE's) by operational department, supported within the General Fund.

The 86.5 FTEs included in the FY 2026 Budget represents a 5.2% decrease from the Conservation District's peak FY 2013 staffing level of 91.2 FTEs.

	FTEs FY2022	FTEs FY2023	FTEs FY2024	FTEs FY2025	FTEs FY2026
Wildlife Resource Center	2.9	2.9	2.9	2.9	2.9
Administration & Finance	8.1	8.6	8.8	8.8	8.8
Education	9.3	9.4	9.4	9.4	9.4
Police	12.0	12.0	12.0	12.0	12.0
Operations	26.3	25.8	25.9	26.6	27.0
Land Preserv.& Natural Res.	18.0	17.4	17.4	17.6	17.9
Planning & Development	2.0	3.0	3.0	3.0	3.0
Communications	3.5	3.5	3.5	3.6	3.1
Research Field Station	0.0	0.0	0.0	0.0	0.0
Lost Valley Visitor Center	2.6	1.6	1.3	1.3	1.3
Foundation & Development	1.1	1.1	1.1	1.1	1.1
Total General Fund	85.8	85.3	85.3	86.3	86.5

Schedules of Operating and Capital Expenditures by Operating Department

The schedules on the next several pages are detailed statements of operating and capital expenditures by operating department within the General Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the actual year-to-date amounts for the fiscal year ending 03/31/2025 (YTD Actual FY 2025), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Administration & Finance

The Executive Office of the Executive Director and the Administration & Finance Department are part of the Administration & Finance Division which manages the Conservation District's financial activity and provides support services to the entire agency through executive oversight, financial reporting, accounting, budgeting, investment and debt management, human resources management, information technology, purchasing, and risk management.

The Administration & Finance Division is housed within the Brookdale Administrative Offices and consists of eight (8) full-time employees including the Executive Director, Executive Assistant, Director of Operations, Planning & Public Safety, Director of Administration & Finance, Human Resources Manager, Accounting Manager, Accounting Assistant, and IT Systems Administrator. Additionally, there is a part-time Accounting Assistant and a seasonal to support the Human Resources Manager.

The following schedule shows the budgeted employee full-time equivalents (FTE's) within the Administration & Finance Division for the five most recent fiscal years:

	FTE's	FTE's	FTE's	FTE's	FTE's
Administration	FY2022	FY2023	FY2024	FY2025	FY2026
Executive Dir.	1.0	1.0	1.0	1.0	1.0
Dir. of Operations & Public Safety	1.0	1.0	1.0	1.0	1.0
Dir. of Administration & Finance	1.0	1.0	1.0	1.0	1.0
Human Resources Manager	1.0	1.0	1.0	1.0	1.0
Accounting Manager	1.0	1.0	1.0	1.0	1.0
Accounting Assistant II	1.0	1.0	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0	1.0	1.0
IT Systems Administrator	1.0	1.0	1.0	1.0	1.0
Accounting Assistant I	0.0	0.6	0.6	0.6	0.6
Seasonals	0.1	0.0	0.2	0.2	0.2
Total full time equivalents	8.1	8.6	8.8	8.8	8.8

The Executive Office of the Executive Director oversees the entire Conservation District staff and guides efforts on the Conservation District's strategic initiatives, develops policies and procedures, ensures the Conservation District complies with all legal requirements, cultivates partnerships with government agencies and non-profit advocates for conservation, and serves as a partner to the McHenry County Conservation Foundation in efforts to raise additional financial and volunteer resources to support Conservation District programs. The Executive Office supports the Board of Trustees and provides direction on all plans, operations, programs, outreach, promotion, advocacy, and public relations activities.

Finance and Accounting prepares and oversees the Conservation District's annual budget, audit, preparation of the Comprehensive Annual Financial Report, investments, liquidity, and debt management. Additionally, they manage the areas of accounts payable, accounts receivable, fixed assets, payroll, and the administration of grants.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Human Resources provides employee services through policy formulation, compensation and classification, benefits administration, professional training and development, labor relations, and employee relations and communications. Human Resources is also responsible for coordinating risk management and loss control (RMLC) efforts.

Information Technology (IT), led by the IT Systems Administrator, coordinates and maintains the use of all the computer hardware, software and network functions, security, and evaluates and implements new technologies. The Conservation District utilizes the professional services of an independent consultant to support the IT Systems Administrator as needed.

FY 2025 Accomplishments

- Completed Year 2 of adopted 5-Year Strategic Plan and monitoring progress.
- Awarded the GFOA 'Certificate of Excellence in Financial Reporting' for the Fiscal Year ending March 31st, 2024.
- Awarded the GFOA "Distinguished Budget Presentation Award" for the Fiscal Year ending March 31, 2025.
- Updated the 4-year General Fund financial forecasts for FY 2025 - FY2028.
- Updated County-wide EAV forecast model for 2025-2028.
- Transferred assigned General Fund Reserves to the Capital Asset Management Plan Fund to provide for critical repairs and replacements as needed.
- Updated Comprehensive Administrative Policy & Procedural Manual.
- Updated Personnel Policy & Procedural Manual.
- Complied with the Decennial Committee on Local Government Efficiency and filed report with the County as required by 50 ILCS/ 70/1 et seq. and hosted several meetings and reviewed study areas related to 1) Governing Statutes, Ordinances, Rules, Procedures, Powers and Jurisdiction; 2) Transparency, Accountability and Efficiency; 3) Shared Services and Partnerships; 4) Accreditations, Certifications, Awards, Recognition.
- Explored multiple funding strategies to secure a financially sound future for the county's protected open spaces, water and wildlife habitat and partnered with Trust for Public Land for technical assistance to develop Conservation Finance Feasibility Study.
- Placed and successfully passed a Proposition to Increase the Limiting Rate on the November 5, 2024 General Election Ballot.
- Introduced new on-line technologies to create efficiencies for meetings, communication, project management and progress reporting.
- Converted to an online purchase card processing system.
- Continued to address matters under litigation and prepared and presented information to County, State-Elected Officials and Environmental Agencies/Groups on groundwater pollution in unincorporated Marengo Township in the State of Illinois v. 300 West/Arnold Engineering.
- Executive Director Kessler served as Chair of the Chicago Wilderness Alliance, Chair of Naturally McHenry County, 2024-2025 President-Elect of the American Academy for Park and Recreation Administration and co-design team/program instructor for the GLPTI: Women in Parks Leadership Certificate Program.
- Director of Administration & Finance Dylak served on the Executive Board of the Intergovernmental Personnel benefit Cooperative (IPBC).
- Director of Operations, Planning and Public Safety Kremer served on the McHenry County Active Communities Workgroup.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

- Human Resources Manager Heider elected as Education Chair of the Illinois Park and Recreation Association Forest Preserve and Conservation Section.
- Supported the Conservation District's Diversity Equity and Inclusion Committee to incorporate best practices into policy, programs, trainings and activities. Adopted the District's Land Acknowledgement Statement.
- Developed an internal observance calendar to provide employees information to enhance their understanding of varied backgrounds giving them the knowledge needed to support individual identities, respect diversity, and welcome community members of all backgrounds.
- Created Employee Engagement Committee and supported various events/activities throughout the year.
- Proactively planning for retirements and prepared Standard Operating Procedures/SOP-Annual Road Map for all positions to transfer institutional knowledge.
- Deployed equity and cultural competence to support inclusive engagement and cross-cultural practices in programs and activities.
- Established framework plan and initiated the planning process to develop a 10-Year Comprehensive Master Plan to guide public investments into facilities, parks, natural areas, open spaces and programs to sustainably address the evolving needs of McHenry County, equity and a changing climate.
- Updated interview packets for job candidate communication who the Conservation District is, benefits and information on the interview process

FY 2026 Goals

Several initiatives are being undertaken in FY 2026 which include:

- Obtain the GFOA 'Certificate of Excellence in Financial Reporting' for the Fiscal Year ending March 31st, 2025.
- Obtain the GFOA "Distinguished Budget Presentation Award" for the Fiscal Year ending March 31, 2026.
- Update the 4-year General Fund financial forecasts for FY 2026 – FY 2029.
- Update County-wide EAV forecast model for 2025-2028.
- Continue to explore long-term conservation financing options.
- Evaluate digital records and accounts payable automation software.
- Research electronic document management system.
- Implement online Performance Appraisal System.
- Begin preparation and internal agency assessment to become an Illinois Distinguished Accredited Agency for Forest Preserves/Conservation Districts with the Illinois Park and Recreation Association and Illinois Association of Park Districts.
- Initiate 10-Year Comprehensive Plan.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Administration & Finance					
Annual Budget - Fiscal Year 2026					
Description	YTD			Budget FY 2025	Budget FY 2026
	Actual FY 2023	Actual FY 2024	Actuals FY 2025		
Personnel					
Salary	680,213	705,938	371,745	731,240	755,976
Hourly	201,384	215,144	107,863	228,259	225,722
Part Time	27,992	27,521	12,483	44,392	53,403
Seasonal	-	1,041	206	7,738	8,008
Overtime	1,640	3,569	3,052	4,950	5,123
Employer FICA	61,956	65,581	36,060	69,325	71,498
IMRF Pension	93,751	86,701	42,433	83,907	84,867
Employee Insurances	128,443	131,976	69,899	138,667	144,750
Total Personnel	\$ 1,195,379	\$ 1,237,471	\$ 643,741	\$ 1,308,478	\$ 1,349,347
Other Operating Expenses					
Mileage Reimbursement	1,365	1,045	314	490	874
Meetings - Non-Educational	374	333	96	790	1,050
Employee Relations	7,371	9,360	7,591	20,825	19,390
Office Supplies	3,383	2,540	1,601	3,484	3,545
Computer Hardware & Supplies	15,486	20,345	7,032	14,131	14,252
IT Software & Licensing	29,686	35,986	21,854	26,374	59,614
Printing	94	999	215	1,920	2,515
Postage	2,880	2,364	1,278	2,782	2,783
Dues & Subscriptions	14,426	17,327	12,379	13,890	19,879
Audit	31,100	27,335	21,255	27,400	28,782
Legal Services	45,725	49,785	16,805	62,500	55,000
Legal Notices & Publications	5,944	5,167	2,300	7,422	4,962
Education & Training	14,220	13,265	4,661	28,101	39,558
Uniforms	180	389	191	449	560
Trustee Expense	3,438	4,643	2,965	10,329	11,424
Special Events	2,811	68	-	-	-
Office Equip Rental & Maint	2,145	1,309	910	276	1,676
Office Furn. & Equip. Expense	8,856	1,431	92	3,480	-
Employment Expense	1,758	12,887	3,898	10,200	7,250
Contractual Services	40,809	65,905	29,883	87,004	54,052
It Support Services	10,425	20,675	912	13,675	8,566
Utilities	29,012	26,696	12,712	31,000	30,000
Waste Disposal	215	305	169	300	350
Building Maintenance	-	25	-	15,000	-
Vehicle Repair	915	234	631	1,200	1,000
Gas, Grease & Oil	4,039	2,943	1,605	4,500	3,500
Unanticipated Expenditure	12,079	4,083	-	100,000	100,000
Real Estate Taxes Paid	181,724	188,697	188,939	189,000	194,607
Total Operating Expenses	\$ 470,460	\$ 516,141	\$ 340,288	\$ 676,522	\$ 665,189

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Administration & Finance					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Capital Outlays					
Office Furn & Equip - FA	-	7,840	-	5,000	5,000
Computer & IT- FA	-	19,932	-	-	21,340
Building Improvements - FA	5,045	-	-	-	-
Total Capital Outlays	\$ 5,045	\$ 27,772	\$ -	\$ 5,000	\$ 26,340
Total Expenditures	\$ 1,670,884	\$ 1,781,384	\$ 984,029	\$ 1,990,000	\$ 2,040,876
Other Financing Uses					
Perm Transfer Out	-	873,819	-	750,000	750,000
Total Other Financing Uses	\$ -	\$ 873,819	\$ -	\$ 750,000	\$ 750,000
Total Expenditures & Outlays	\$ 1,670,884	\$ 2,655,203	\$ 984,029	\$ 2,740,000	\$ 2,790,876

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Operations

The Operations Department is part of the Division of Operations, Planning and Public Safety and is responsible for maintaining the Conservation District’s sites, trails, facilities and fleet, ensuring the long-term usability of trails, roads, bridges, parking lots, walkways, entrance gates, vehicles and equipment across all divisions. The department also manages the upkeep and repair of structures, buildings, shelters, mechanicals, equipment, including electrical, plumbing, and HVAC systems. Additionally, the Department performs limited construction services for the Conservation District as needed, including constructing shelters and storage facilities, renovating offices and conducting building demolitions.

The Operations Department consists of 21 full-time employees, including one (1) Operations Manager, one (1) Parks & Fleet Supervisor, one (1) Administrative Assistant, one (1) Mechanic I, one (1) Mechanic II, six (6) Park Ranger II, six (6) Park Ranger I, one (1) Building Maintenance Supervisor, two (2) Maintenance Worker I, one (1) Maintenance Worker II and (2) part-time custodians. The Department’s staff work out of the Brookdale Administrative Office, six (6) regional ranger shops located throughout the County, one (1) mechanic’s shop, and one (1) building maintenance shop.

The following schedule shows the budgeted employee full-time equivalents (FTE’s) within the Operations for the five most recent fiscal years:

Operations:	FTEs FY2022	FTEs FY2023	FTEs FY2024	FTEs FY2025	FTEs FY2026
Operations Manager	1.0	1.0	1.0	1.0	1.0
Parks & Fleet Supervisor	1.0	1.0	1.0	1.0	1.0
Facility Maintenance Manager	1.0	0.0	0.0	0.0	0.0
Building Maintenance Supervisor	0.0	1.0	1.0	1.0	1.0
Maintenance Worker	1.0	2.0	2.0	2.0	2.0
Maintenance Worker II	1.0	1.0	1.0	1.0	1.0
Ranger II	6.0	6.0	6.0	6.0	6.0
Ranger I	6.0	6.0	6.0	6.0	6.0
Mechanic I	1.0	1.0	1.0	1.0	1.0
Mechanic II	1.0	1.0	1.0	1.0	1.0
Admin Assistant	1.0	1.0	1.0	1.0	1.0
Electrician	0.3	0.0	0.0	0.3	0.2
Custodian	0.6	0.6	0.6	0.6	0.6
Seasonals	5.3	4.2	4.3	4.7	5.2
	<u>26.3</u>	<u>25.8</u>	<u>25.9</u>	<u>26.6</u>	<u>27.0</u>

The Operations budget, excluding wages and capital outlays, expends over ninety percent (90%) of funds directly on routine maintenance and repair of Conservation District sites, trails and other capital infrastructure.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments

- Repainted the exterior of the Powers Walker House and the McConnell Farmstead House.
- Re-roofed the Kennedy Waystation House, Region One Ranger Shop, Thomas Woods campground well house at Marengo Ridge and the Exner Marsh privy.
- Re-capped the center section of the Prairie Trail North regional multiuse trail.
- Re-decked a bridge along the Prairie Trail South.
- Re-sided the Region Six shop.
- Installed gutters on the Region Six Shop.
- Installed new security alarm system at the LVVC Police shop.
- Purchased fifteen (15) fleet replacement vehicles for Wildlife Resource Center, Education, Land Preservation and Natural Resources, Police, and Operations Departments.
- Conducted seven (7) scheduled bridge inspections.
- Assisted the Planning & Development Department with landscaping improvements at Brookdale Administrative Offices.
- Re-striped crosswalks of regional multipurpose trails and the Prairie Trail South (PTS) regional trail.
- Crack filled asphalt roadways at Fel-Pro RRR, Coral Woods, and Pioneer Landing.
- Crack filled, repaired, and seal coated asphalt walkways and parking lots to help extend the lifespan of the Conservation District's infrastructure.
- Removed multiple dead and leaning trees from along the Prairie Trail South Main Street parking lot roadway.
- Re-opened abandoned multi-trail loop at Brookdale Conservation Area.
- Replaced damaged shed at the Wildlife Resource Center.
- Filled two (2) Building Maintenance Worker I and one (1) Park Ranger I positions.
- Operations Manager Weborg and Supervisor O'Dea attend the Systematic Condition Analysis and Management for Multi-use Trails Webinar.
- Operations Staff attended Pipeline/JULIE Locate training.
- Park Rangers Chad Secor, Dillon Riemann, Eric Lundstrom, and Kurt Klinger attended the Great Lake Park Training Institute at Pokagon State Park.
- Park Ranger Shawn Bush attended the OSHA Ten Hour training program.
- Rangers Kurt Klinger, Travis Sandoz, Chad Secor, and Mechanic Joe Miller attended NIPSTA Plow Training.
- Operations Manager Weborg attended the McHenry County Municipal Partnering Initiative Expo.
- Mechanic Kyle Ames graduated from the second year of the IPRA Professional Development School.
- Building Maintenance staff attended an Electrical Arc Flash class.

FY 2026 Goals

Funds from this year's budget will support projects related to maintaining site infrastructure, site improvements and general site and trail maintenance.

- Purchase replacement fleet vehicles for Land Preservation and Natural Resources, Police, and Operations Departments.
- Purchase a tracked skid steer loader to replace the front-end loader and articulating loader.
- Purchase a replacement zero-turn mower.
- Purchase a replacement utility trail vehicle.
- Purchase of two replacement mid-size trailers.
- Purchase of one replacement large size trailer.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2026 Goals (continued)

- Purchase of one replacement one-ton dump truck.
- Re-side exterior of the Region One Shop at Glacial Park.
Repair and update plumbing at the Fel-Pro RRR shelters.
- Re-cap surface of trail at the north section of the Prairie Trail North.
- Conduct four scheduled bridge inspections.
- Re-stripe Prairie Trail South (PTS) regional trail near Kane County line.
- Re-stripe edges of the Lost Valley Visitor Center entrance road.
- Crack fill asphalt roadway at Pleasant Valley and trail at Ridgefield Trace.
- Demo pole building at Marengo Ridge by the intersection of River Rd. and Deerpass Rd.
- Repair chimneys at Brookdale Administrative Offices with tuckpointing.
- Re-roof two (2) privies at Marengo Ridge - Thomas Woods Campground.
- Re-roof covered bridge structure at Prairie Trail South (Main Street).
- Well abandonment at the former Research Field Station site (Glacial Park).
- Operations staff to attend the following training programs: IPRA Professional Development School, Great Lakes Training Institute, Sensible Salting – snow and ice management, PDRMA snowplow training, NRPA Park Maintenance School and International Trail Summit.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Operations					
Annual Budget - Fiscal Year 2026					
Description	YTD			Budget FY 2025	Budget FY 2026
	Actual FY 2023	Actual FY 2024	Actuals FY 2025		
Personnel					
Salary	175,476	249,570	132,849	260,291	276,275
Hourly	791,217	1,029,716	529,004	1,111,394	1,152,608
Part Time	-	18,570	13,413	25,693	29,179
Seasonal	142,527	132,620	154,865	160,360	192,222
Overtime	21,302	28,139	12,607	25,000	29,000
Employer FICA	85,253	109,502	63,409	116,236	123,327
IMRF Pension	105,542	123,541	59,446	115,719	125,378
Employee Insurances	233,496	294,372	146,858	306,914	348,697
Total Personnel	<u>\$ 1,554,813</u>	<u>\$ 1,986,030</u>	<u>\$ 1,112,451</u>	<u>\$ 2,121,607</u>	<u>\$ 2,276,686</u>
Other Operating Expenses					
Mileage Reimbursement	-	-	-	200	200
Employee Relations	1,407	1,807	616	3,275	3,275
Office Supplies	1,430	634	401	1,500	1,000
IT/Computer hardware & supplies	10,400	9,347	1,691	5,500	16,840
IT Software Licensing & Maint	720	10,618	9,340	12,207	13,853
Dues & Subscriptions	7,746	9,231	10,006	18,950	16,500
Education & Training	9,715	9,932	9,146	9,535	16,323
Uniforms	6,562	9,426	3,743	7,800	7,800
Office Equip Rental & Maint	408	362	88	-	-
Office Furn & Equip Expense	5,807	2,233	36	3,700	1,500
Contractual Services	18,386	43,618	23,506	32,300	34,150
IT Support Services	2,572	9,264	2,416	6,377	8,669
Site Maintenance Supplies	59,222	58,307	38,547	69,600	62,350
Trail Maintenance	11,180	7,163	13,908	32,800	18,400
Utilities	79,563	77,040	30,013	79,000	78,000
Waste Disposal	14,756	17,786	14,106	16,500	19,500
Building Maintenance	7,106	79,612	29,450	73,200	104,000
Road & Bridge Maintenance	7,650	10,403	233	8,450	13,500
Water & Sewer Maintenance	32,679	35,458	22,823	34,600	39,100
Fence & Gate Maintenance	4,948	9,921	7,064	10,500	19,500
Maintenance Equipment Rental	699	800	-	2,000	2,000
Maintenance Equipment Repair	14,680	18,503	12,251	16,000	18,000
Maintenance Equipment Purchase	5,390	4,856	4,086	5,630	4,725
Shop Tools	7,265	12,424	5,867	13,530	8,540
Sign & Display Materials	15,047	19,213	4,630	30,630	22,200
Tables, Grills, Trash Cans	7,573	7,854	18,791	17,900	4,500
Vehicle & Trailer Maintenance	27,268	32,514	11,276	30,000	31,000
Vehicle License & Inspection	1,559	1,692	874	2,500	2,000
Vehicle & Trailer Exp	-	-	-	-	9,400
Gas, Grease & Oil	81,571	84,762	50,360	85,000	93,000
Total Operating Expenses	<u>\$ 443,309</u>	<u>\$ 584,780</u>	<u>\$ 325,268</u>	<u>\$ 629,184</u>	<u>\$ 669,825</u>

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Operations					
Annual Budget - Fiscal Year 2026					
Description	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals	FY 2025	FY 2026
Capital Outlays					
Site Improvements	-	-	-	2,700	-
Trail Improvements	22,616	27,204	14,895	26,200	26,200
Building Improvements	-	15,833	-	-	25,000
Water & Sewer	-	-	3,982	30,000	8,000
Equipment	-	8,825	-	-	-
Vehicle & Trailers	23,295	98,628	74,494	85,000	131,000
Fuel Stations	13,981	426,974	267,196	370,000	135,000
Total Capital Outlays	<u>\$ 59,892</u>	<u>\$ 592,516</u>	<u>\$ 360,567</u>	<u>\$ 513,900</u>	<u>\$ 325,200</u>
Total Expenditures	<u>\$ 2,058,014</u>	<u>\$ 3,163,326</u>	<u>\$ 1,798,286</u>	<u>\$ 3,264,691</u>	<u>\$ 3,271,711</u>

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Police

The Police Department protects and serves the Conservation District's site users, as well as protects all the natural resources, property, and infrastructure that the Conservation District owns or manages. Having a frequent and highly visible police presence is an absolute necessity in deterring undesirable and criminal behavior from sites, trails, and natural areas; the majority of which are far from populated areas and out of public view. The public's use of the Conservation District's sites, even in the most remote natural areas, by individuals of all ages, genders, and abilities, and families with young children, at all hours of the day, is a testament to both the need for and the effectiveness of the Conservation District's Police Department.

Similar to the McHenry County Sheriff's Deputies or Municipal Police Officers, the Conservation District's Police Officers are fully sworn law enforcement officers, with the power to make a criminal arrest under Illinois state law and a duty to protect and serve residents of McHenry County. They deal with the same responsibilities and challenges as any county or municipal police officer, some of which include interacting with people behaving irrationally due to alcohol or drugs, confronting and arresting criminals, securing crime scenes, and preserving evidence for prosecution. However, there are also some distinct differences between the responsibilities of the Conservation District's law enforcement personnel and a traditional municipal police officer. Some of these differences include the following: Conservation District police officers place a stronger emphasis on compliance rather than sanctions. They have an active role in education and interaction with site users and serve as ambassadors for the Conservation District. They excel at protecting natural resources (as well as people and property). Conservation District Officers are integral to the success of many Conservation District programs. Officers must remain proficient in a variety of specialized equipment and tactics to serve the public and ultimately keep them safe.

The Conservation District's Police Department is well integrated with the McHenry County Sheriff's Office, as well as other municipal departments and regional emergency response agencies. The Department provides outside assistance and expertise to other departments when requested and serves on the Special Weapons and Tactics (SWAT) Team and McHenry County Gang Task Force. This integration, collaboration, and cooperation ensures the most efficient use of tax-payer resources. As the FY 2026 Budget illustrates, the Conservation District provides this highly effective, well trained, and invaluable County resource at a cost substantially lower than other local and regional law enforcement agencies. It cannot be emphasized enough that policing in a recreational setting is distinctly unique. McHenry County residents retreat to the outdoors to relax and let their guard down from the stresses of life. Police officers need to be highly present within Conservation District sites not only as ambassadors, but to ensure site users do not become victims.

The Police Department is part of the Operations and Public Safety Division and consists of twelve full-time employees, including eight Officers, two Sergeants, one Administrative Assistant, and one Chief. Due to the small size of the department, the two Sergeants fulfill both the responsibilities of a regular Patrol Officer as well as the supervisory and administrative responsibilities traditionally associated with a Sergeant position.

McHenry County Conservation District

The following schedule shows the budgeted employee full-time equivalents (FTE's) within the Police Department for the five most recent fiscal years:

Police Department	FTEs FY2022	FTEs FY2023	FTEs FY2024	FTEs FY2025	FTEs FY2026
Police Chief	1.0	1.0	1.0	1.0	1.0
Sergeant	2.0	2.0	2.0	2.0	2.0
Officer	8.0	8.0	8.0	8.0	8.0
Administrative Coordinator	1.0	1.0	1.0	1.0	1.0
Total full time equivalents	12.0	12.0	12.0	12.0	12.0

The Police Department operates from the Brookdale Administrative Offices in Woodstock. One satellite facility is located at Glacial Park and is used for equipment. Officers are on duty seven days a week and cover 18 of 24 hours each day, including most holidays. The Police Department focuses on proactive patrols to deter unfavorable incidents before they become a problem. This is accomplished through timely investigations of incidents and constant evaluation of problematic areas.

FY 2025 Accomplishments

- Maintained Illinois Law Enforcement Accreditation (ILEAP) Accreditation.
- Utilized FLOCK security cameras including license plate reader technology at highly visited sites to provide additional protection to our sites using virtual technology.
- Continued efforts to make officer wellness a part of the Police Department’s culture. Expanded program Districtwide, offering monthly wellness initiative opportunities to other staff from other divisions.
- Chief Stewart attended the IL New Chiefs Conference in Peoria, IL.
- Planned and executed Veteran’s hunting program in cooperation with The Fallen Outdoors (TFO) to provide 3-4 waterfowl hunts for local Veterans on Conservation District land in FY 2025.
- Actively engaged in community outreach programs and activities to ensure people perceive Conservation District properties as safe and inviting.
- Worked closely with the Education Department to offer police summer camp and hunter safety opportunities utilizing police staff as instructors and building police community relations.
- Participated in “National Night Out”, along with several school events and other community events, continuing to work on building police-community relations.
- Continued to recognize efficiency in operations using a 10-hour schedule allowing for more officers to be on duty during our heaviest call volume times and realizing a continued reduction in sick time usage for police staff.
- Motor Unit received several awards for riding skills at annual safety training event in Kenosha, WI. Several motor escorts and details were conducted throughout the riding season. Planned and executed Fall Color Motorcycle Ride.
- Participated in the McHenry County Special Weapons and Tactics team responding to several emergencies, providing support and security in high-risk situations.
- Continued partnership with McHenry County Sheriff’s Office for the Police Social Worker Program allowing police to provide a higher level of service for persons with mental health crises. Also, utilizing this resource for our team as an additional wellness resource.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments (continued)

- Continued to participate in the Park District Risk Management Agency's Park Police Program to address law enforcement risk. Work closely with Land Preservation and Natural Resources to continue to ensure our public hunting program is managed and implemented with a focus on safety for both participants and site users.
- Certified District's First Aid/CPR course through ILETSB to meet state mandates.
- Worked closely with other divisions to ensure site users had safe, high-quality experiences on Conservation District sites. Permit group issues were resolved through cooperative efforts of divisions.
- Participated in "Shop with a Cop" initiatives working on building police/community trust with underserved populations.
- Participated in several community presentations including Boy Scouts and schools advocating and educating the next generation on the importance of conservation efforts in McHenry County.
- Maintained a specialized training program, exceeding state mandates in topics including but not limited to Use of Force, Firearms, and de-escalation tactics; ensuring Officers are highly trained and always prepared.
- Selected vendor (Getac) and acquired 12 Body Worn Cameras (BWCs), mandated by the IL Safety Act. Developed policy for BWC program. In process of pursuing grant funding for the purchase.
- Continued to grow and strengthen our partnership with volunteers in the SWEEP program.
- Continue to create a more robust and cooperative relationship with IDNR, working cooperatively to protect Illinois natural resources through responsible and proactive enforcement efforts.
- Joined the McHenry County Regional Training Center to assist in meeting state training mandates.

FY 2026 Goals

Funds from this year's budget will provide for ongoing proactive and site user-interactive patrols for the Conservation District, officer training and education, and for additional equipment to assist the Department to identify remote illegal activities and/or problematic areas.

- Explore community service officer position to see if the Conservation District can benefit from utilizing this lower paid position to carry some of the workload and achieve financial savings.
- Begin the planning process to establish a Conservation District offered snowmobile safety course.
- Expand the use of camera and virtual monitoring technologies to enhance police operations Enhance current initiatives supporting the Safety Watch Educational & Environmental Program (S.W.E.E.P.), volunteer program.
- Continue participation and implementation of popular education and outreach programs: National Night Out, Hooked on Fishing, Police Camps and Hunter Safety Education classes; and explore additional opportunities for community engagement.
- Certify two staff members as instructors in First Aid/CPR through ILETSB.
- Research electric motorcycle and bicycle units, explore grant opportunities.
- Continue to explore opportunities to use technology and build partnerships to assist us in achieving our mission while potentially realizing long-term cost savings.
- Empower supervisory staff with greater responsibility and allow the autonomy to make decisions at a higher level preparing them for leadership opportunities in the future.
- Continue to meet and exceed state mandates by training on topics that include but are not limited to: Use of Force, Firearms, and de-escalation tactics.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Police					
Annual Budget - Fiscal Year 2026					
Description	YTD			Budget FY 2025	Budget FY 2026
	Actual FY 2023	Actual FY 2024	Actuals FY 2025		
Personnel					
Salary	310,232	340,692	196,859	331,205	359,051
Hourly	596,225	656,114	382,056	699,275	718,162
Seasonal Wages	1,637	1,902	154	-	-
Overtime	36,954	29,772	10,009	28,000	40,000
Employer FICA	69,485	75,732	43,206	77,735	82,048
IMRF Pension	100,508	95,830	51,302	92,088	96,080
Employee Insurances	192,190	193,466	107,440	204,682	237,604
Total Personnel	<u>\$ 1,307,231</u>	<u>\$ 1,393,508</u>	<u>\$ 791,026</u>	<u>\$ 1,432,985</u>	<u>\$ 1,532,945</u>
Other Operating Expenses					
Mileage Reimbursement	39	322	134	200	200
Meetings	360	755	139	480	600
Employee Relations	593	459	338	500	625
Office Supplies	1,083	646	219	650	650
Computer Hardware & Supplies	16,326	15,131	8,695	15,200	22,800
IT Software Licensing & Maint	3,028	4,442	3,554	12,806	6,466
Printing	368	1,699	373	1,500	1,000
Dues & Subscriptions	2,318	4,301	1,668	5,995	4,510
Education & Training	6,452	6,631	1,114	13,210	13,510
Uniforms	4,933	5,732	1,886	5,375	5,225
Office Equip Rental & Maint	408	186	88	600	600
Office Furn & Equip Expense	549	545	306	5,500	800
Employment Expense	1,560	4,249	349	3,600	3,500
Contractual Services	2,318	5,667	-	2,920	3,920
IT Support Services	3,547	9,334	1,385	10,922	5,614
Library	56	186	13	250	250
Security & Safety Equipment	9,921	9,812	7,749	11,450	15,100
Officer Equipment	14,608	22,850	22,896	27,500	24,000
Uniforms & Equipment	3,320	6,014	1,587	3,500	6,400
Security Vehicle Supplies	12,546	6,966	666	4,400	4,400
Communication Equip Exp	-	5,012	-	-	8,400
Communication Equip Maint	36,449	38,768	43,128	39,500	53,699
Safety Training	9,010	5,554	1,040	9,500	9,500
Bike Patrol	548	446	43	500	800
Utilities	13,948	11,112	4,614	16,000	16,000
Waste Disposal	54	76	42	100	100
Bldg Maintenance	-	17	-	-	-
Vehicle Maintenance	16,194	9,919	6,839	18,000	15,000
Gas, Grease & Oil	52,454	42,090	22,117	55,000	45,000
Total Other Operating Expenses	<u>\$ 212,990</u>	<u>\$ 218,921</u>	<u>\$ 130,982</u>	<u>\$ 265,158</u>	<u>\$ 268,669</u>

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Police					
Annual Budget - Fiscal Year 2026					
Description	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals FY 2025	FY 2025	FY 2026
Capital Outlays					
IT & Computer Related	-	-	19,277	33,000	-
Vehicles	-	157,849	140,796	268,000	16,000
Total Capital Outlays	\$ -	\$ 157,849	\$ 160,073	\$ 301,000	\$ 16,000
Total Expenditures	\$ 1,520,221	\$ 1,770,278	\$ 1,082,081	\$ 1,999,143	\$ 1,817,614

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Land Preservation & Natural Resources

The primary focus of the Land Preservation and Natural Resource (LPNR) Division is the protection, inventory, and management of natural and cultural resources of county-wide significance. The land protection section of the division is responsible for the coordination of land acquisitions, agreements and processes integral to the District's preservation and stewardship of real property. The restoration ecology section reconstructs, restores and maintains the agency's natural areas. The conservation ecology section conducts inventories, research, and maintains data to inform and guide management efforts and advance scientific discovery. Management of natural resources involves restoring natural ecological function, structure, and vegetative composition to Conservation District lands. The Farm Program, Hunting Program, Wildlife Resource Center, and Cultural Archives Program are also managed by the LPNR Division staff.

There are sixteen (16) full-time staff members in the LPNR Division funded within the General Fund and an additional four (4) full-time and three (3) part-time employees funded within the Natural Resources Special Revenue Fund. In addition, the General Fund finances five (5) LPNR seasonal positions.

The administrative staff is comprised of the Director of Land Preservation and Natural Resources, Restoration Ecology Manager, Conservation Ecology Manager, Land Administration & Preservation Manager and an Administrative Assistant. The administrative staff are located at the Lost Valley Visitor Center.

The conservation ecology team consists of a full-time Plant Ecologist, Wildlife Ecologist, Working Lands Ecologist, Research Ecologist, Systems Analyst, and a Stewardship Ecologist. The conservation ecology team also includes the following employees which are funded within the Natural Resources Management Special Revenue Fund: (1) full-time Habitat Technician (1) part-time Cultural Archivist (1) part-time Scientific Database Coordinator and 3/10ths of the costs associated with the full-time Stewardship Ecologist. The conservation ecology staff are located at the Lost Valley Visitor Center.

The restoration ecology team consists of nine (9) Restoration Ecologists located at two regional shops (Pleasant Valley and Glacial Park Conservation Areas). Six (6) Restoration Ecologists are funded through the general fund and three (3) within the Natural Resources Management Special Revenue Fund.

The Wildlife Resource Center falls within the LPNR Division but maintains a separate budget and facilities with a full-time Wildlife Resource Center Manager, a full-time, and part-time staff member at the center.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

The following schedule shows the employee full-time equivalents (FTE's) within the Land Preservation of Natural Resources Division that are budgeted *within the General Fund* for the five most recent fiscal years:

	FTEs	FTEs	FTEs	FTEs	FTEs
Land Preservation & Nat. Resources	FY2022	FY2023	FY2024	FY2025	FY2026
LPNR Director	1.0	1.0	1.0	1.0	1.0
Natural Resource Manager	1.0	1.0	0.0	0.0	0.0
Conservation Ecology Manager	0.0	0.0	1.0	1.0	1.0
Natural Resources Project Coord.	1.0	1.0	0.0	0.0	0.0
Restoration Ecology Manager	0.0	0.0	1.0	1.0	1.0
Land Admin & Preservation Manager	1.0	1.0	1.0	1.0	1.0
Research Ecologist	1.0	1.0	1.0	1.0	1.0
Restoration Ecologist I	6.0	6.0	6.0	6.0	6.0
Plant Ecologist	1.0	1.0	1.0	1.0	1.0
Wildlife Ecologist	1.0	1.0	1.0	1.0	1.0
Working Lands Ecologist	1.0	1.0	1.0	1.0	1.0
Scientific Database Coord.	1.0	0.0	0.0	0.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Systems Analyst	0.0	1.0	1.0	1.0	1.0
Stewardship Ecologist	0.0	0.0	0.7	0.7	0.7
<i>(Stewardship Ecologist shared by Special Rev. Fund)</i>					
Volunteer Coordinator	0.7	0.7	0.0	0.0	0.0
GIS Analyst	0.6	0.0	0.0	0.0	0.0
Seasonals	0.7	0.7	0.7	0.9	1.2
Total full time equivalents	18.0	17.4	17.4	17.6	17.9

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments

- Protected 16 +/- acres at Becks Woods Conservation Area.
- Continued to provide technical assistance for land preservation and management efforts through the Hackmatack National Wildlife Refuge Land Protection Partnership, including the acquisition of 985 +/- acres by the Conservation Fund, Illinois Audubon, and Openlands.
- Director of Land Preservation and Natural Resources Ed Collins retired from the Conservation District after 38 years of dedicated service.
- Alayna Mikulski was hired to the 2-year Habitat Technician role, Evan Hunsader was hired as part-time Database Specialist, Philip Nagorny was hired as a Restoration Ecologist, and Gabe Powers was promoted to Director of Land Preservation and Natural Resources.
- Continued management of wetland and stream restoration efforts on the Schools Springs Wetland and Stream Mitigation Bank and Alden Gap mitigation projects to meet high-quality vegetation standards required by the Army Corps of Engineers mitigation agreements.
- Continued sale of wetland and stream credits in the School Springs Wetland and Stream Mitigation Bank.
- Continued ongoing habitat management work at Goose Lake Conservation Area to fulfill McHenry County Wetland Restoration Fund grant requirements.
- Continued to support the agricultural economy by providing diversified agricultural opportunities for rental of approximately 4,500 +/- acres of row crop, 200 +/- acres of grazing and 500 +/- acres in the Joint Grassland Venture Haying Program.
- Continued biological research related to bison and cattle as a grassland grazing management tool at Pleasant Valley Conservation Area.
- Conducted vegetation management, seeding and planting, and prescribed burn activities on high-priority management areas within the Division's 15,500 +/- acre managed acreage portfolio.
- Responded to public notices regarding potential impacts on Conservation District lands through the Response to Public Notice Policy.
- Reviewed diverse requests from various user groups for additional public access amenities.
- Continued efforts to restore additional acreage at the Coon Creek-Kishwaukee Corridor Conservation Areas to native grassland as part of Open Land Trust Fund grant obligations.
- Moved the primary public program for the Big Woods Initiative from Marengo Ridge to Coral Woods, and continued reforestation efforts at Alden Gap, Marengo Ridge, Hickory Grove Conservation Areas through the larger Big Woods Initiative in coordination with the McHenry County Conservation Foundation.
- Plant Ecologist Laurie Ryan graduated from the Illinois Park and Recreation Association's (IPRA) Professional Development School (PDS) and Restoration Ecology Manager John Peters, a graduate of the program served on the IPRA PDS Board of Regents.
- Plant Ecologist Laurie Ryan served as a Commissioner to the Chicago Wilderness Alliance Excellence in Ecological Restoration Site Accreditation Program.
- Stewardship Ecologist Jackie Bero served on the Chicago Wilderness Alliance JEDI Working Group.
- Working Lands Ecologist served on the Chicago Wilderness Alliance Climate Action Committee and Equity and Culture Learning Series and is leading planning group for the first Native Led Climate Summit on January 25, 2025.
- Conservation Ecology Manager, Gabriel Powers served on the County's stormwater technical advisory committee.
- Cindy Rendl attended the inaugural year of the GLPTI Women in Parks Leadership Certificate Program.
- Director of Land Preservation and Natural Resources Ed Collins and Restoration Ecologist's Fernando Hernandez and Paul Bruett served on the Board of Directors for the Friends of Hackmatack.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2026 Goals

Funds in this year's budget support the ongoing maintenance and ecological management of prairie, wetland and woodland natural areas, wetland mitigation sites, and agricultural lands.

- Continue to act on emerging opportunities for land protection partnerships with other conservation organizations and agencies to preserve and manage high quality natural areas, wetlands, floodplain areas and remnant oak ecosystems.
- Continue to identify and acquire tax delinquent floodplain parcels along streams and in flood prone areas through the McHenry County tax sale program to further reduce the impacts of flooding within the county.
- Continue to work with McHenry County as a partner in the IEMA Flood Hazard Buyout Program to purchase and demolish flood prone properties along Nippersink Creek and convert such areas to public open space.
- Continue to work with other units of government, non-governmental organizations, the farm community and private citizens to further the work of conservation across the county through cooperative partnerships, inter-governmental agreements and grant applications.
- Accelerate efforts to restore native grassland at the Coon Creek and Kishwaukee Corridor Conservation Areas as part of the Open Land Trust Fund Grant obligations.
- Expand efforts to reforest portions of Conservation District sites through the Big Woods Program.
- Continue to provide technical assistance for land preservation and management efforts through the Hackmatack National Wildlife Refuge Land Protection Partnership.
- Implement wetland restoration projects at Glacial Park and on adjacent Hackmatack National Wildlife Refuge lands as part of a cooperative Hackmatack Land Protection Partnership project funded through a congressional grant.
- Complete grant deliverables for the cooperative land management grant with the Wisconsin Department of Natural Resources for management of rusty patch bumble bee habitat in both states.
- Continue to explore the potential for utilizing Conservation District lands for carbon sequestration programs.
- Dedicate additional high-quality sites that qualify for the Illinois Nature Preserves program.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Land Preservation & Natural Resources					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD		
			Actuals FY 2025	Budget FY 2025	Budget FY 2026
Personnel					
Salary	1,080,459	1,122,407	604,271	1,266,125	1,334,212
Hourly	120,066	126,523	65,538	131,518	136,157
Seasonal	20,651	15,915	21,938	30,840	40,080
Overtime	1,188	1,072	107	1,637	2,018
Employer FICA	87,854	91,089	49,841	105,028	111,076
IMRF Pension	127,668	117,290	58,925	121,737	126,625
Employee Insurances	257,806	282,773	152,838	276,681	288,621
Total Personnel	\$ 1,695,692	\$ 1,757,069	\$ 953,458	\$ 1,933,566	\$ 2,038,789
Other Operating Expenses					
Meetings	-	9	-	-	-
Employee Relations	954	1,540	1,192	1,200	1,560
Office Supplies	2,773	2,853	1,859	3,000	3,300
IT/Computer hardware & supplie:	10,782	14,159	5,697	10,580	8,700
Computer software licensing	765	9,126	17,590	25,271	28,862
Postage	790	1,062	706	920	960
Dues & Subscriptions	-	-	-	-	50
Nuisance Wildlife Control	39	6,292	13	200	200
Hunting Supplies	4,880	4,129	1,965	4,259	4,300
Legal Notices & Publications	291	623	119	1,290	1,290
Farm Lease Expense	44,286	60,457	17,952	58,450	59,410
Education & Training	6,201	9,252	6,415	11,470	7,640
Uniforms	2,940	4,148	2,315	3,800	3,825
Contractual Services	9,516	7,135	-	5,000	5,250
It Support Services	5,463	11,379	3,232	9,995	11,303
Safety Supplies & Ppe	12,827	10,668	2,565	10,938	9,668
Utilities	28,090	27,440	10,189	29,501	29,000
Waste Disposal	1,033	2,533	1,943	1,300	2,500
Equipment Repairs & Maint	32,013	22,265	19,617	33,600	33,600
Vehicle Repair	17,467	15,235	5,321	20,000	15,000
Gas, Grease & Oil	41,577	38,426	18,090	45,000	42,000
Nursery Supplies/Plants/Seeds	68,658	49,764	645	49,940	51,540
Stewardship Program	236	2,268	1,379	4,410	6,130
Rearing & Reintro Supplies	5,600	5,600	4,255	5,600	5,600
Supplies & Maintenance	21,406	18,225	13,233	18,000	18,000
Herbicide & Invasive Controls	38,981	41,991	14,101	46,200	36,000
Restoration Mgmt Equipment	-	8,975	2,638	3,200	8,550
Restoration Programs	1,977	2,550	1,687	3,000	6,550
Appraisals & Surveys	13,759	3,657	16,576	19,580	21,280
Total Operating Expenses	\$ 373,304	\$ 381,761	\$ 171,294	\$ 425,704	\$ 422,068

GENERAL FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Land Preservation & Natural Resources					
Annual Budget - Fiscal Year 2026					
Description	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals	FY 2025	FY 2026
Capital Outlays					
Office Furn & Equip - FA	-	6,659	-	-	-
Building Improvements - FA	-	-	-	-	20,000
Vehicles & Trailers - FA	-	3,414	173,612	320,000	82,000
Restoration Equipment - FA	180,976	19,242	44,637	82,000	28,000
Total Capital Outlays	<u>\$ 180,976</u>	<u>\$ 29,315</u>	<u>\$ 218,249</u>	<u>\$ 402,000</u>	<u>\$ 130,000</u>
Total Expenditures	<u>\$ 2,249,972</u>	<u>\$ 2,168,145</u>	<u>\$ 1,343,001</u>	<u>\$ 2,761,270</u>	<u>\$ 2,590,857</u>

McHenry County Conservation District

GENERAL FUND: Education Services

The Education Services Department develops and delivers natural and cultural history programs for the general public, community organizations, and schools; develops and delivers outdoor recreation opportunities; provides self-directed educational materials; and manages two educational facilities. The Department’s educational programs support the Conservation District’s mission by facilitating interactions in and with the natural world, increasing understanding of the overall significance of the county’s natural and cultural resources, building awareness and encouraging public involvement in the solution of environmental problems.

Education Services is part of the Marketing and Education Division and consists of: seven full-time positions; four part-time staff members who work daily at the Lost Valley Visitor Center; spring and fall seasonal program leaders to assist with special events, public programs, and school field studies; and eight summer seasonal program leaders to work summer day camps and other summer programs and events. (The expenses related to the part-time staff who work at the Lost Valley Visitor Center are included in the Lost Valley Visitor Center’s operating budget and are not part of the Education Services budget.) Two Education Program Coordinators are based at each one of the education facilities: Prairieview Education Center in Crystal Lake and the Lost Valley Visitor Center in Richmond. The Education Services Manager and Administrative Assistant are headquartered at Prairieview Education Center and the Community Education Coordinator has an office at the Lost Valley Visitor Center.

The following schedule shows the budgeted employee full-time equivalents (FTE’s) within the Education Services for the five most recent fiscal years:

Education	FTEs FY2022	FTEs FY2023	FTEs FY2024	FTEs FY2025	FTEs FY2026
Education Services Manager	1.0	1.0	1.0	1.0	1.0
Education Program Coord. II	1.0	1.0	1.0	1.0	1.0
Education & Visitors Services Coord.	1.0	1.0	1.0	1.0	1.0
Education Program Coord. I	2.0	2.0	2.0	2.0	2.0
Community Education Coord.	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Information Desk Attendant	0.2	0.1	0.1	0.1	0.1
Seasonals	2.1	2.3	2.3	2.3	2.3
Total full time equivalents	9.3	9.4	9.4	9.4	9.4

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments

- Held the largest, most financially successful Great Outdoors Beer Trail event with more than 1,194 tickets sold and 20 craft brew vendors.
- Continued to make visitor service updates throughout the Prairieview Education Center. As of September 2024, monthly visitation at the Prairieview Education Centers averaged about 100 visitors each month, this includes several homeschool groups that use the space on days the Education Center is not open to the public.
- Lost Valley Visitor Center continues to draw large numbers of new and returning visitors. As of September 2024 more than 4,000 people have visited this fiscal year.
- Held more than ten (10) special events including Earth Day, The Great Outdoors Beer Trail, Hallowoods Hike, and six (6) programs at the Powers Walker House. Candlelight Hike and Ski programs will be offered in December 2024, January 2025, and February 2025. Festival of the Sugar Maples is scheduled for March 2025.
- Utilized outreach opportunities to connect to new audiences including the *Woodstock Farmers Market* and the *Hike with Mike programs*. Returned to the McHenry County Fair and chatted with more than 1,300 attendees.
- Day Camps remain extremely popular. Camp programs were expanded to 19, including opportunities for preschool campers. This increased our attendance by 10% serving more than 450 campers.
- As of September 2024, onsite program services provided to 2,500+ students and teachers.
- Festival of the Sugar Maples merchandise sales brought in more than \$7,000.
- Spring, Summer, and Fall seasons offered more than 240 public program opportunities, reaching more than 3,300 participants.
- Served more than 3,100 members of the public through special requests, youth group and other staff guided opportunities and community outreach opportunities.
- Revenue is on track to exceed projections due to successful summer camp programs and increased attendance and on-site promo sales at The Great Outdoors Beer Trail.

FY 2026 Goals

Funds from this year's budget will support ongoing school field trips and outreach, public programs, community outreach, special events, and interpretive services.

- Creation of an Education Plan, to be developed alongside the District's Marketing Plan, to outline future goals for the Department and Division and analyze existing participant data and opportunities for growth.
- Develop and collect more comprehensive customer surveying to collect data on participant needs, wants and satisfaction.
- Begin curriculum standardization project, ensuring repeated programs have consistent information for future program leaders.
- Increase public hours at Prairieview Education Center as demand dictates.
- Continue to update public spaces at Prairieview Education Center and Lost Valley Visitor Center to optimize customer experience.
- Maximize efforts to reach targeted audiences to increase program participation through combined resources of the marketing team.
- Continue to diversify program participation, investigate/develop ways to reach new audiences, seek increased participation from community, and continue to work with partners that help us achieve this including, Hispanic Connections, Youth and Family Center of McHenry and Cycling Without Age.
- Continue to analyze program fees to increase revenue that can subsidize departmental expenses.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Education					
Annual Budget - Fiscal Year 2026					
Description	YTD			Budget FY 2025	Budget FY 2026
	Actual FY 2023	Actual FY 2024	Actuals FY 2025		
Personnel					
Salary	356,499	381,886	201,494	404,206	425,436
Hourly	46,065	49,358	24,980	51,334	53,144
Part Time	5,676	87	2,389	2,160	2,236
Seasonal	44,733	56,968	60,008	75,060	77,760
Overtime	1,300	987	1,339	1,000	1,100
Employer FICA	33,881	35,973	21,359	39,199	41,103
IMRF Pension	42,589	39,861	19,731	39,719	41,252
Employee Insurances	46,802	53,427	32,168	53,170	64,582
Total Personnel	\$ 577,545	\$ 618,547	\$ 363,468	\$ 665,848	\$ 706,613
Other Operating Expenses					
Mileage Reimbursement	419	75	121	1,500	1,500
Employee Relations	368	256	569	480	540
Office Supplies	931	1,090	581	1,495	1,695
Computer Hardware & Supplies	1,520	6,921	2,895	6,300	5,640
IT Software Licensing & Maint	-	3,626	3,269	7,786	6,963
Printing	350	377	363	-	-
Postage	324	210	10	1,495	1,495
Education & Training	1,161	3,170	1,002	3,000	3,600
Uniforms	1,315	1,265	998	1,560	1,745
Office Equip Rental & Maint	3,155	2,160	766	-	-
Office Furn & Equip Exp	1,395	9	396	1,700	1,700
Contractual Services	9,532	12,265	12,447	21,420	17,220
IT Support Services	2,946	4,882	998	5,892	4,089
Materials & Displays	742	1,690	693	3,770	3,770
Library	13	203	26	770	770
School Services	540	669	116	2,200	2,200
Workshops & Programs	40,360	34,065	29,579	34,000	35,350
Utilities	25,604	24,856	10,243	26,000	28,000
Waste Disposal	1,217	470	309	1,300	550
Bldg Maintenance	21,608	10,728	-	-	-
Vehicle Maintenance	895	1,823	2,304	1,000	1,000
Gas, Grease & Oil	2,275	1,655	1,099	3,000	2,500
Total Operating Expenses	\$ 116,670	\$ 112,465	\$ 68,784	\$ 124,668	\$ 120,327
Capital Outlays					
Office Furn & Equip - FA	-	8,281	-	5,000	5,000
Building Improvements - FA	-	-	-	5,000	5,000
Vehicles & Trailers - FA	-	-	83,446	87,500	43,000
Total Capital Outlays	\$ -	\$ -	\$ 83,446	\$ 92,500	\$ 48,000
Total Expenditures	\$ 694,215	\$ 739,293	\$ 515,698	\$ 888,016	\$ 879,940

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Planning and Development

The Planning and Development Department is part of the Operations, Planning and Public Safety Division and is responsible for the planning, designing, and implementation of Conservation District green infrastructure for the betterment of public and staff access, enjoyment and recreational uses, while protecting the natural and cultural features of McHenry County. The Department prepares all Site Improvement Plans and Master Plans that guide the logical development, use, management and acquisition of Conservation District lands and resources. The Planning and Development Department staff utilize a systematic, collaborative process involving Board of Trustees, stakeholders, public, and staff. Each plan presents a thorough inventory and analysis of pertinent data relating to regional and site conditions, resources, and programs as well as implementation strategies for physical development and resource management. This thoughtful and science-based method: ensures proposals for future actions are formulated, reviewed, revised, and approved consistently; gives opportunity to predetermine the ultimate level of facility and program development; and serves as an official guideline to be followed in future years. Execution of all Site Improvement Plans and Master Plans is another primary responsibility of the Department of which involves preparations of design plans and specifications for construction projects. The Planning and Development Department manages these capital improvement projects from beginning to end in phases, and includes designing, engineering, cost estimating, permitting, bidding, prioritizing, and directly overseeing all aspects of construction.

The Planning and Development Department consists of one full-time Planning & Development Manager, one Senior Landscape Architect and one Landscape Architect II. The Planning & Development Offices are housed within Brookdale Administrative Offices. The Department has an extensive knowledge base of natural resource and public open space planning and design to envelop all 35 Conservation District sites, five (5) Regional trails and approximately 25,800 acres of protected conservation land.

The following schedule shows the budgeted employee full-time equivalents (FTE's) within the Planning and Development Department for the five most recent fiscal years:

	FTEs	FTEs	FTEs	FTEs	FTEs
Planning	FY2022	FY2023	FY2024	FY2025	FY2026
Planning & Development Manager	1.0	1.0	1.0	1.0	1.0
Senior Landscape Architect	1.0	1.0	1.0	1.0	1.0
Landscape Architect II	0.0	1.0	1.0	1.0	1.0
Total full time equivalents	2.0	3.0	3.0	3.0	3.0

FY 2025 Accomplishments

Funds from this year's budget provide support needed to continue addressing the identified Capital Improvements.

- Continued to seek funding for critical capital infrastructure "Shovel Ready Projects".
- Awarded the State Planning and Research Grant I (SPR) through the Illinois Department of Transportation (IDOT), in the amount of \$300,000 for the planning phase of the McHenry County Prairie Trail Wayfinding Plan.
- Awarded the U.S. Congresswoman Jan Schakowsky – 9th Congressional District Community Project Funding Program, in the amount of \$850,000 to enhance public access to the Fox Bluff Conservation Area.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments (continued)

- Completed Construction of the Hollows, Lake Atwood ADA Kayak Launch (MCCF + BAAD Grant).
- Completed Construction of the Hollows, Lake Atwood Accessibility and Trail Improvements (OSLAD Grant).
- Completed Construction Phase of the Glacial Park, Wiedrich Barn Deck Repair and Replacement.
- Completed Construction Phase of the Pleasant Valley Stone Amphitheatre and Shelter Improvements.
- Completed Construction Phase of the Prairie Trail – section through Sterne’s Woods, Crystal Lake (Lorraine – Hillside).
- Completed Construction Phase of the Prairie Trail (Link) – section from Hillside – Edgewood. (IDNR Bike Path Grant).
- Completed Demolition and Restoration Phases of the former Pichen Farmstead, at the Hollows Conservation Area.
- Completed Construction Phase of the Prairie Trail/Harts Road (Glacial Park) Intersection Pedestrian Crossing Improvements.
- Completed Abatement/Removal of the Glacial Park Barn siding.
- Completed Construction Phase of the Prairie Trail North and Hebron trail Snowmobile Trail Sign Replacements/ Improvements (IDNR, SNOW Grant).
- Completed the first three phases: Site Evaluation, Design and Construction Development for the replacement of the exterior stairs at Prairieview Education Center.

FY 2026 Goals

Funds from this year’s budget provide support needed to continue addressing the identified Capital Improvements.

- Continue to seek funding for critical capital infrastructure “Shovel Ready Projects”.
- Complete Construction Phase of the Prairieview Education Center Exterior Stairs Replacement Project.
- Complete the Construction Phase of the Boger Bog Conservation Area Boardwalk Repair and Replacement Project.
- Complete Construction work of several Roadways and Parking Lot Improvements at Brookdale Administrative Offices and Marengo Ridge - Thomas Woods and Group Campground.
- Complete the Demolition and Restoration of the Single-Family Residence in Hollows Conservation Area.
- Complete the first three phases: Site Evaluation, Design and Construction Document Development for the Prairie Trail (Link) – section Edgewood to Bull Valley Road.
- Complete the Design Phase of the Prairie Trail Wayfinding Signage (IDOT SPR Grant).
- Assist in the process of developing a Comprehensive 10 Year Master Plan.
- Continue to develop plans for enhancing public access and recreational opportunities at Fox Bluff Conservation Area.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Planning & Development					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD		
			Actuals FY 2025	Budget FY 2025	Budget FY 2026
Personnel					
Salary	230,016	272,542	143,098	287,038	297,110
Employer FICA	16,942	20,097	10,518	21,080	21,820
IMRF Pension	23,033	26,366	12,466	24,972	25,552
Employee Insurances	28,894	37,802	19,829	39,258	41,088
Total Personnel	\$ 298,885	\$ 356,807	\$ 185,911	\$ 372,348	\$ 385,570
Other Operating Expenses					
Mileage Reimbursement	800	1,717	403	1,500	2,500
Meetings	-	-	10	-	-
Employee Relations	96	-	-	50	-
Computer Hardware & Supplies	12,833	9,593	4,996	10,876	8,596
IT Software Licensing & Maint	2,001	3,674	7,062	6,207	5,941
Dues & Subscriptions	1,558	2,122	545	2,385	2,000
Materials For Donation Project	-	2,621	198	-	-
Education & Training	3,794	873	2,250	8,500	11,500
Uniforms	214	235	-	675	675
Office Furn & Equip Expense	768	-	-	-	1,000
Contractual Services	200	2,425	-	5,500	-
IT Support Services	324	1,329	267	1,000	951
Site Maint & Improvements	-	-	-	123	2,000
Utilities	5,910	5,286	2,500	6,200	6,200
Waste Disposal	54	76	42	100	100
Vehicle	5	55	150	500	500
Gas, Grease & Oil	249	1,447	1,092	500	500
Planning Supplies	453	3,003	1,000	5,500	5,831
Total Operating Expenses	\$ 29,259	\$ 34,456	\$ 20,515	\$ 49,616	\$ 48,294
Capital Outlays					
Office Furn & Equip - FA	-	18,289	-	-	-
Safety Equipment- FA	-	-	-	-	10,000
Building Removal, FA	-	-	-	-	7,000
Total Capital Outlays	\$ -	\$ 18,289	\$ -	\$ -	\$ 17,000
Total Expenditures	\$ 328,144	\$ 409,551	\$ 206,426	\$ 421,964	\$ 450,864

McHenry County Conservation District

GENERAL FUND: Marketing & Communications

The Marketing & Communications Department serves to promote the Conservation District’s mission, foster a positive public image, encourage a greater appreciation for the natural world, promote environmental stewardship, generate awareness and educate the public on Conservation District activities, programs and accomplishments.

The Marketing & Communications Department will utilize a wide variety of marketing and promotional strategies including: developing and printing the quarterly Landscapes magazine; establishing an increased presence on social and digital media; creating deliverables including the District’s website, press releases, e-newsletters, site brochures, banners, flyers and site signage; contributing to community outreach and enhancing site-user engagement; and more. The Marketing Department works closely with the Education Team and McHenry County Conservation Foundation to enhance and promote numerous programs and special events, reaching and engaging with new and existing audiences and site users.

The Marketing & Communications Department consists of three full-time staff including a Director of Marketing & Education, Marketing Manager and Marketing Coordinator. The Marketing & Communication Offices are housed within the Brookdale Administrative Offices.

The following schedule shows the budgeted employee full-time equivalents (FTE’s) within the Marketing & Communications Department for the five most recent fiscal years:

	FTEs	FTEs	FTEs	FTEs	FTEs
Communications	FY2022	FY2023	FY2024	FY2025	FY2026
Director of Marketing & Education	1.0	1.0	1.0	1.0	1.0
Marketing & Design Coordinator	0.0	1.0	1.0	1.0	1.0
Marketing Manager	0.0	1.0	1.0	1.0	1.0
Community Relations Specialist	1.0	0.0	0.0	0.0	0.0
Social Meida Specialist	1.0	0.0	0.0	0.0	0.0
Volunteer Coordinator	0.5	0.5	0.5	0.5	0.0
Seasonal	0.0	0.0	0.0	0.1	0.1
Total full time equivalents	3.5	3.5	3.5	3.6	3.1

FY 2025 Accomplishments

- Created multiple print pieces, mailers, FAQ documents, presentations, posters, banners, and more to provide factual and educational information about the Proposition to Increase the Limiting Rate that was on the November 5 General Election ballot.
- Coordinated the Conservation District’s Customer Relationship Management (CRM) software to establish overall picture of who our constituents are to provide enhanced communication and targeted messaging. Underwent a transition from one CRM platform to another, requiring the recreation of all email templates, forms, and target lists in addition to training staff (both prior CRM users and new CRM users) on how to use the software for their various department needs.
- Managed the cloud-based digital asset management system for Conservation District photo collections.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments (continued)

- Created, launched and executed a second year of the overwhelmingly successful “Find Your Wild” summer campaign, engaging over 1,400 participants.
- Partnered with eleven (11) area libraries on a special “Find Your Wild” themed book list to engage library and conservation area users to read about nature.
Created, printed and distributed a promotional 2025 Conservation District calendar.
- Oversaw the restructuring of volunteer intake procedures.
- Redesigned the 2024/2025 Teacher’s Guide to promote our Education outreach offerings.
- Produced a cost-effective initial contact print piece to use in outreach as a way to introduce new audiences to the District.
- Wrote a monthly column for the Northwest Herald including articles about wetlands, hiking for health, Blanding’s turtles, Rusty-patched bumblebees, the District’s use of accessible matting to host accessible seed collection and tree planting, and more.
- Marketing mix attributed to increased attendance and participation at Conservation District events and programs (ex: Beer Trail, Festival of the Sugar Maples, Earth Day, seasonal programs.)
- Assisted the DEI Committee in reaching new audiences and promoting access for all.
- Continued updates, newsworthiness and relevancy of the Conservation District’s and the Conservation Foundation’s websites.
- Continued to grow the Conservation District’s presence on multiple social media channels including Facebook, Instagram, Twitter, YouTube, and Google My Business, as well as established ongoing Instagram Stories. Facebook followers topped 17,500+ followers with an expected reach of over 1.5 million this year. In addition, we maintained several Facebook groups where our constituents can converse with like-minded members; these groups include Natural Resources Volunteers, Nature Photography, Fox Club, Cache Your Way, Century Hikers, Sense of Place, Disc Golf, three different hunting groups and Phenology.
- Published four (4) Landscapes magazines with a subscription of roughly 18,000 households.
- Promoted the Conservation District via press releases, targeted audience e-newsletters (to 8,700+), a “Welcome Series” email series for new registrants, regularly pull target audiences to promote liked/previously attended programs, as well as placed multiple targeted (by activity or geo location) Facebook ads.
- Director of Marketing and Education Caitlynn Martinez-McWhorter served as Marketing Director of Illinois Park and Recreation Association’s (IPRA) Forest Preserve and Conservation Section.
- Marketing Coordinator Sarah Lorenz attended her first year of Illinois Park and Recreation Association’s Professional Development School.
- Marketing staff presented at the Illinois Park and Recreation Association’s and Illinois Association of Park District’s Annual Soaring to New Heights Conference.
- Marketing Coordinator Sarah Lorenz served on the Employee Engagement Committee and Sustainability Committee and Director of Marketing and Education Caitlynn Martinez-McWhorter served on the Conservation District’s Fishing Committee.

FY 2026 Goals

The FY 2026 Budget includes funds to cover costs associated with the printing of promotional materials, site brochures, and outreach promotional supplies, as well as advertising, signage, special event enhancement and sponsorship package fulfillment to support existing and new special events. Funds also support strategic plan initiatives for the overall Conservation District as well key projects for other departments and a summer Marketing Intern. The Department also budgets for annual subscriptions for the Digital Asset Management tool,

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2026 Goals (continued)

Customer Relations Management tool, website hosting and domain, stock photography, clipart and any necessary videography services.

- Develop the 2025-2028 Marketing Plan—a parallel plan to a forthcoming 2025-2028 Education & Outreach Plan—to develop the goals and strategies of the Division for the next three years while enhancing the collaboration and synergy between the two Departments.
Contribute to the District’s proposed Comprehensive Planning process in the areas of Marketing and Education.
- Assist in reaching the goals of the District’s Strategic Plan and promote the successes of these achieved goals.
- Launch the 3rd “Find Your Wild” Summer Campaign, or an activity for the public that is equally as engaging.
- Enhance communication and target messaging through use of the Customer Relationship Management tool (CRM) to increase program/event attendance.
- Host multiple special events that attract new audiences through fun and engaging ways.
- Increase attendance for Conservation District programs and events, including Festival of the Sugar Maples and The Great Outdoors Beer Trail.
- Support and promote the overall mission and vision of the Conservation District and McHenry County Conservation Foundation.
- Enhance the relationship with McHenry County Conservation Foundation and identify more areas for collaboration and joint branding.
- Increase interaction with Naturally McHenry County, enhancing the District’s role in local and regional tourism while also further connecting with local businesses.
- Establish relationships with realtors in an effort to increase introduction of the District to new residents.
- Maintain and enhance the Conservation District’s presence on multiple social media channels.
- Collaborate with Education on educational outreach deliverables for increased engagement with schools, teachers, and parents before and after outreach visits and Field Studies.
- Continue creating relevant, sharable, and engaging content on social media including short video education series to increase followers and awareness about the Conservation District and its work.
- Publish the *Landscapes* magazine quarterly, refining the look and feel of the publication.
Explore the possible switch to a new registration software in order to increase program enrollment and campsite/picnic shelter rentals.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Marketing & Communications					
Annual Budget - Fiscal Year 2026					
Description	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals	FY 2025	FY 2026
Personnel					
Salary	231,054	240,234	136,976	256,755	251,227
Part Time	24,309	22,511	-	27,156	-
Seasonal	-	-	3,600	3,600	5,100
Employer FICA	18,612	19,084	9,978	21,115	18,825
IMRF Pension	26,826	24,418	11,933	24,700	21,605
Employee Insurances	32,383	32,999	9,169	35,076	26,767
Total Personnel	\$333,184	\$339,246	\$171,656	\$368,402	\$ 323,524
Other Operating Expenses					
Mileage Reimbursement	297	547	354	375	500
Employee Relations	46	71	128	150	300
Office Supplies	839	845	598	560	720
IT Hardware & Supplies	192	116	420	489	-
IT Hardware & Supplies, Alloc	-	1,492	-	1,500	300
Computer Hardware & Supplies	192	1,608	420	1,989	300
IT Software Licensing & Maint	-	4,492	5,542	6,596	6,311
Photo & A/V Supplies	-	-	-	-	1,100
Promotional Printing	12,382	9,063	4,872	18,357	13,050
Promotions/PR	13,091	6,020	4,964	10,592	7,710
Advertising	352	916	20	3,150	2,050
Newsletter	51,375	60,702	31,916	58,340	56,000
Dues & Subscriptions	505	406	1,820	2,201	2,424
Education & Training	1,479	1,908	1,598	3,155	5,870
Uniforms	206	123	-	300	150
Special Events	5,364	10,248	2,135	21,542	9,800
Volunteer Committee	5,666	3,974	595	825	825
Contractual Services	19,562	44,214	21,412	23,925	27,400
IT Support Services	521	1,563	383	1,239	1,367
Materials & Displays	237	36	-	150	1,160
Utilities	6,618	6,454	2,978	7,000	7,500
Waste Disposal	54	76	42	100	100
Total Other Operating Expenses	\$118,786	\$153,266	\$ 79,777	\$160,546	\$ 144,637
Capital Outlays					
Capital Outlays	-	-	-	-	-
Total Capital Outlays	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$451,970	\$492,512	\$251,433	\$528,948	\$ 468,161

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Wildlife Resource Center

The Wildlife Resource Center (WRC) is a branch of the Land Preservation and Natural Resources Division. Staff has three primary tasks: environmental education; captive rearing and reintroduction of select wildlife species; and rehabilitation of species of conservation concern.

The WRC building and wildlife enclosures are in Grundstrom Woods in Wonder Lake. Two full-time (WRC Manager and WRC Specialist) and one part-time WRC Specialist cover a seven-day workweek, 365 days a year. One seasonal assists the staff in the summer for 40 hours/week for 12 weeks.

Staff provide environmental education programs to schools, community groups, and the public using various live animals (raptors, turtles, snakes) as an integral part of the programming. Many of these outreach programs enhance and are complementary to established school curriculums. Staff also assist the public by fielding and handling a variety of wildlife related inquiries (e.g., can you identify this snake, how do I get squirrels out of my attic, can you remove this dead deer in my yard, will a woodchuck attack my kids, will you remove a wasp nest in my yard, etc.). The wildlife reintroduction projects currently encompass the Illinois state endangered Blanding's turtle and the smooth green snake, a species of conservation concern. Wildlife rehabilitation efforts emphasize species of conservation concern. Staff train and manage volunteers who assist with animal care and upkeep of aviaries and other caging. Staff also manage the Bluebird Nest Box Monitoring Project which includes training volunteers, monitoring, and general upkeep of the boxes and trails.

The following schedule shows the budgeted employee full-time equivalents (FTE's) within the Wildlife Resource Center for the five most recent fiscal years:

	FTEs	FTEs	FTEs	FTEs	FTEs
Wildlife Resource Center	FY2022	FY2023	FY2024	FY2025	FY2026
WRC Manager	1.0	1.0	1.0	1.0	1.0
WRC Specialist	1.0	1.0	1.0	1.0	1.0
WRC Assistant	0.7	0.7	0.7	0.7	0.7
Seasonals	0.2	0.2	0.2	0.2	0.2
Total full time equivalents	2.9	2.9	2.9	2.9	2.9

FY 2025 Accomplishments

- Presented 38 public and school programs with over 1,100 attendees (numbers for April 2024 - September 2024).
- Hosted a booth with live raptors at the Witches and Wizards of Woodstock special event which allowed us to interact with over 1,200 visitors.
- Assisted Education Services staff with programming, including the County Fair, Summer Camps, Great Outdoor Beer trail, public outreach, etc.
- Responded to more than 1800 phone calls, texts, and email inquiries (April 2024 – September 2024) from the public regarding wildlife related issues.

GENERAL FUND

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McHenry County Conservation District

FY 2025 Accomplishments (continued)

- Provided copy/photos assisting the Marketing & Communications Department with social media wildlife inquiries and videos.
Remained an *Emydomyces testavorans* (deadly turtle fungus) free environment for Blanding's turtles in captivity.
- Continued with the head-starting of the Illinois endangered Blanding's turtles, releasing one (1) McHenry County hatchling from 2023 into suitable wetlands. Completed required annual report.
- Continued with data collection of all Blanding's turtles encountered in the county.
- Continued partnerships with Illinois Department of Natural Resources (IDNR) and other state, county and private organizations with their Blanding's turtle recovery efforts and data collections.
- Successfully hatched 111 smooth green snake eggs which were collected by the Conservation District's Wildlife Ecologist. All but one of the neonates were released into Conservation District sites. Smooth green snakes are an Illinois species of conservation concern.
- Partnered with Illinois Raptor Center to have our ambassador barred owl foster/raise an orphaned barred owl they had acquired. Once grown and self-sufficient, she was returned to her natal habitat.
- Large Aviary was repaired.
- Collected 17-year cicada data for Grundstrom Woods.
- Trained a summer seasonal and new volunteers.
- Managed the Bluebird Trail Monitoring project, where 15 trained volunteers monitor multiple trails throughout various Conservation District sites. Repaired, replaced, and moved nest boxes as needed.
- Acquired the required USDA license for ambassador animals per new federal regulations.

FY 2026 Goals

Funds for this budget year provide for the food and supplies needed to care for and house the various wildlife species (hawks, owls, turtles, snakes, etc.) and feeder animals under our care. Funds also support the programming materials required for educational outreach and the salary of a summer seasonal.

- Continue to present various curriculum related school programs throughout McHenry County.
- Continue to present public programs to diverse audiences throughout McHenry County.
- Develop educational videos in collaboration with Marketing & Communications Department
- Assist Marketing & Communication Department with wildlife related social media inquiries.
- Provide marketing with pertinent updates regarding wildlife at WRC.
- Continue to provide vital information services to the public with regards to wildlife related inquiries, concerns and interactions.
- Continue Blanding's turtle head-start program in conjunction with state and county partners.
- Remain *Emydomyces testavorans* (turtle fungus) free in all turtle tanks.
- Design an outdoor Blanding's turtle enclosure.
- Update Blanding's turtle database for sharing with other agencies.
- Continue incubation/hatching efforts for smooth green snake eggs as clutches are retrieved from the field.
- Continue daily husbandry of all animals housed at the Wildlife Resource Center.
- Manage the volunteers of the Bluebird Trail Monitoring project. Handle the maintenance of the boxes and the trails.
- Replace/repair large Aviary.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Wildlife Resource Center					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD		Budget FY 2026
			Actuals FY 2025	Budget FY 2025	
Personnel					
Salary	136,311	147,375	81,147	162,822	168,542
Part Time	39,044	44,270	24,906	50,895	52,690
Seasonal	7,341	7,178	4,584	7,680	7,949
Employer FICA	13,588	14,894	8,312	16,259	16,831
IMRF Pension	18,470	17,769	9,237	18,593	19,026
Employee Insurances	17,136	17,520	9,238	18,524	19,336
Total Personnel	\$231,890	\$249,006	\$137,424	\$274,773	\$ 284,374
Other Operating Expenses					
Mileage Reimbursement	356	353	67	250	250
Employee Relations	35	-	-	50	50
Program Supplies	348	153	137	500	500
Wildlife Care & Supplies	12,070	11,385	6,262	15,658	15,922
IT/Computer Hardware & Supplies	2,543	41	4,274	3,800	760
IT Software Licensing & Maint	-	874	676	2,716	2,642
Uniforms	286	222	-	345	575
Office Equip Rental & Maint	36	270	45	-	-
Office Furn & Equipment	3,695	-	-	-	-
IT Support Service	1,702	1,890	304	2,930	1,408
Utilities	9,795	8,740	4,100	10,500	10,000
Waste Disposal	1,234	1,650	1,182	1,600	1,800
Bldg Maintenance	-	-	382	-	-
Vehicle Maintenance	445	68	-	750	1,000
Gas, Grease & Oil	922	827	345	1,100	1,000
Total Operating Expenses	\$ 33,467	\$ 26,473	\$ 17,774	\$ 40,199	\$ 35,907
Capital Outlays					
Building Improvements - FA	-	-	-	10,000	10,000
Vehicles & Trailers - FA	-	-	41,723	40,000	-
Total Capital Outlays	\$ -	\$ -	\$ 41,723	\$ 50,000	\$ 10,000
Total Expenditures	\$265,357	\$275,479	\$196,921	\$364,972	\$ 330,281

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: Lost Valley Visitor Center

The Lost Valley Visitor Center is a public visitor center located in the center of the Conservation District’s largest conservation area (macrosite) known as Glacial Park. In addition to serving as a public visitor center, the renovated building provides for educational programming space and office space for Conservation District employees. The award-winning facility has received a LEED certification at the Gold Level by the US Green Building Council and is a showpiece in the County for sustainability and best management practices.

The following schedule shows the budgeted employee full-time equivalents (FTE’s) designated to the Lost Valley Visitor Center for the five most recent fiscal years:

	FTEs	FTEs	FTEs	FTEs	FTEs
Lost Valley Visitor Center	FY2022	FY2023	FY2024	FY2025	FY2026
LVVC Ranger/Maintenance	1.0	0.0	0.0	0.0	0.0
Information Desk Attendant	1.3	1.3	1.3	1.3	1.3
Seasonals	0.3	0.3	0.0	0.0	0.0
Total full time equivalents	2.6	1.6	1.3	1.3	1.3

FY 2025 Accomplishments

- Replaced aging patio and deck furniture with new furniture.
- Implemented new de-icing and salt smart program, focusing on the walkways and potentially expanding to the roadway and parking lot.
- Researched fire alarm system upgrades to budget accordingly for next fiscal year.
- Installed new burglar alarm system at the Police shop.
- Installed new internet equipment at the Police shop.
- Made tuckpointing repairs to chimney.

FY 2026 Goals

Projects for this budget year include:

- Fire alarm system upgrades.
- Burglar alarm system upgrades.
- Upgrade Police Shop electrical service.
- Install nursing room components.
- Replace aging conference room chairs.

GENERAL FUND
FY 2026 - Annual Budget

McHenry County Conservation District

General Fund- Lost Valley Visitor Center					
Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD		Budget FY 2026
			Actuals FY 2025	Budget FY 2025	
Personnel					
Part Time	43,518	50,778	28,577	55,160	60,270
Seasonals	-	-	2,439	-	-
Employer FICA	3,720	4,306	2,373	4,220	4,611
Total Personnel	\$ 47,238	\$ 55,084	\$ 33,389	\$ 59,380	\$ 64,881
Other Operating Expenses					
Office Supplies	-	110	-	-	-
IT Hardware & Supplies, Alloc	-	3,413	269	5,000	1,000
IT Software Licensing & Maint	3,060	1,627	1,213	3,500	-
Refreshments for Conferences	571	850	342	600	600
Other Conference Expenses	574	1,166	597	500	1,000
Office Equip Rental & Maint	2,925	1,665	428	-	-
Office Furn & Equip Expense	52	3,584	-	5,000	5,000
Contractual Services	3,868	20,511	9,337	43,500	24,000
IT Support Services	1,668	3,723	518	4,448	2,383
Materials & Displays	24	-	-	-	-
Site Maintenance Supplies	49	146	-	500	500
Utilities	44,060	39,864	14,238	46,000	45,000
Janitorial	-	1,053	-	-	-
Bldg Maintenance	49,600	42,679	9,472	57,600	53,000
Road Maintenance	-	10,200	-	-	-
Septic System	3,687	1,649	-	3,500	5,000
Equipment Maintenance	61	182	-	500	500
Maintenance Equipment Exp	-	-	-	-	550
Tools	12	-	-	-	-
Total Other Operating Expenditures	\$ 110,211	\$ 132,422	\$ 36,414	\$ 170,648	\$ 138,533
Capital Outlays					
Office Furn & Equip - FA	-	-	-	15,000	-
IT & Computer- FA	-	-	21,000	22,000	-
Building Improvements - FA	13,342	-	-	42,000	6,000
Total Capital Outlays	\$ -	-	21,000	37,000	\$ -
Total Expenditures	\$ 170,791	\$ 187,506	\$ 90,803	\$ 309,028	\$ 209,414

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

GENERAL FUND: McHenry County Conservation Foundation & Development

The McHenry County Conservation Foundation (MCCF) is a non-profit 501c3 organization that exists for the sole purpose of supporting the Conservation District. Staff works to implement fundraising strategies that support the goals of the Conservation District. These strategies include increasing public awareness of the need for private funding, soliciting and securing gifts that support the work of the Conservation District, and hosting or attending events that engage the community and increase revenue.

The MCCF office is located in the Lost Valley Visitor Center and staffed by one full-time staff member (Development Director/Executive Director of MCCF) and a part-time administrative assistant. The MCCF reimburses the Conservation District for 100% of all personnel costs related to the Administrative Assistant and 50% of all personnel costs related to the Director of Development/Executive Director of MCCF.

The following schedule shows the budgeted employee full-time equivalents (FTE's) designated to the Foundation & Development Department:

Foundation	FTEs FY2022	FTEs FY2023	FTEs FY2024	FTEs FY2025	FTEs FY2026
Exec Director/Director of Development	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	0.1	0.1	0.1	0.1	0.1
Total full time equivalents	1.1	1.1	1.1	1.1	1.1

FY 2025 Accomplishments

- Raised \$92,660 in support of the Conservation District’s mission (April 2024 – October 2024).
- Secured five (5) grants totaling \$34,108 in support of various Conservation District projects (April 2024 – October 2024).
- Provided more than \$78,703 in direct support to the Conservation District; funds were used to fund renovations at the Hollows Conservation Area, restoration at Glacial Park Conservation Area, the Conservation District’s Artist in Residence program, a seasonal part-time stewardship ecologist, restoration at High Point Conservation Area, tree plantings at sites countywide, and other projects.
- Implemented a carbon credit preservation project with City Forest Credit at the former Camp Lakota site and were issued more than 11,000 carbon credits to be sold in support of the Conservation District’s mission.
- Supported the third-party purchase of 985-acres that now link the Conservation District’s Glacial Park and North Branch Conservation Areas, creating a total of 5,600 acres in open land, the largest contiguous natural land area in Northern Illinois, and the third largest in the six-county Chicago metro region.
- Transferred more than 160 acres to the Conservation District, ensuring their protection in perpetuity.
- Ensured continued coordination of Foundation marketing efforts with the Conservation District’s marketing team. This includes regular articles in *Landscapes*; a quarterly ENewsletter, a continued growth in the number of Foundation press releases that are sent out, the Foundation’s sponsorship package, various marketing flyers, and other necessary materials.
- Implemented a Naming Opportunities policy and created a list of opportunities for donors.
- Continued to coordinate corporate engagement opportunities and build relationships with area businesses.
- Increased Facebook following from 1,441 to 1,733, grew our following on LinkedIn to 242, and maintained a donor database of 2,618 contacts.

GENERAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

FY 2025 Accomplishments (continued)

- Adopted a three-year strategic plan that aligns with and supports the Conservation District's five-year goals. Filed to change the Foundation's IRS tax-exemption status to a Public Charity.
- Tabled and participated in numerous community engagement and outreach opportunities, including Planetpalooza, Mexican Independence Day, Great Outdoors Beer Trail, Johnny Appleseed Fest, the McHenry County Economic Development Corporation Annual Dinner, Northwest Herald's Women of Distinction Luncheon, Natural McHenry County Annual Dinner, Openlands' Annual Luncheon, and others.
- Updated and renewed three-year Memorandum of Understanding (MOU) with the Conservation District.
- Underwent a five-year legal review of the organization's bylaws.
- Hired an investment advisor to further enhance the stewardship and management of private funds raised in support of the Conservation District.
- Underwent a constituent relationship management migration from our old provider to the new.
- Executive Director Flavell attended the Kellogg School of Business at Northwestern University's Leveraging Insights from the Kellogg Sales Institute continuing nonprofit education course.

FY 2026 Goals

The budget includes funds to cover costs associated with day-to-day office operations and the development of marketing materials which will be used to increase public awareness of the Foundation and further grow the organization's donor base.

- Begin implementation of tasks focused on accomplishing goals established in FY 2025 – FY 2028 Strategic Plan which is under development.
- Increase individual donor support by 10% (from \$78,210 to \$86,032).
- Fundraise to support projects agreed upon by the Foundation and the Conservation District, providing a minimum of \$100,000 in project support.
- Retain a minimum of 50% of new donors.
- Maintain and enhance the Foundation's presence within the community and on social media.
- Host a minimum of one Foundation-centric program per quarter.
- Assist in the Conservation District's Strategic Initiative to educate and raise awareness of the Conservation District to secure its operational funding future; accomplished through various marketing

McHenry County Conservation District

General Fund- MCCD Foundation & Development Annual Budget - Fiscal Year 2026					
Description	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Personnel					
Salary	74,442	81,307	42,151	84,614	91,311
Part Time	17,692	19,337	5,098	7,575	7,895
Employer FICA	6,988	7,639	3,582	6,770	7,286
IMRF Contribution	7,869	7,498	3,671	7,361	7,853
Employee Insurances	8,576	8,768	4,627	9,236	9,954
Total Personnel	<u>\$ 115,566</u>	<u>\$ 124,550</u>	<u>\$ 59,130</u>	<u>\$ 115,556</u>	<u>\$ 124,299</u>
Other Operating Expenses					
Mileage Reimbursement	327	41	-	800	800
Meetings	-	27	-	600	600
Employee Relations	-	-	-	100	200
Office Supplies	-	-	-	120	120
Computer Hardware & Supplies	-	2,137	-	360	6,580
IT Software Licensing & Maint	-	684	559	1,075	1,467
Printing	617	1,094	-	-	788
Promotions	-	-	-	326	-
Dues & Subscriptions	170	595	-	1,080	965
Education & Training	-	30	-	800	500
IT Support Services	-	684	178	750	650
Utilities	355	484	278	500	700
Total Other Operating Expenses	<u>\$ 1,468</u>	<u>\$ 5,776</u>	<u>\$ 1,015</u>	<u>\$ 6,511</u>	<u>\$ 13,370</u>
Capital Outlays					
Total Capital Outlays	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenses	<u>\$ 117,035</u>	<u>\$ 130,325</u>	<u>\$ 60,146</u>	<u>\$ 122,067</u>	<u>\$ 137,669</u>

OTHER FUND BUDGETS



McHenry County CONSERVATION DISTRICT



Dedicated Accounts

- Capital Fund
- Capital Improvement Projects



Natural Resources Management

- Special Revenue Fund
- Natural Capital: Restoration & Management Projects



Capital Asset Management Plan Fund

- Capital Fund
- Capital Regional Trail Improvement Projects
- Capital Building/Structural Improvement or Demolition Projects



Insurance Fund

- Special Revenue Fund
- Provides for General and Commercial Liability Insurance Needs
- Risk Management and Loss Control Initiatives



Debt Service Funds

- Voter Approved General Obligation Bonds
- Debt Certificates Issued for Land Acquisition

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DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

DEDICATED ACCOUNTS CAPITAL FUND

The Dedicated Accounts Capital Fund is generally utilized to account for *new* capital initiatives and land acquisitions. Most of the funding in this account is derived from grants and donations and many of the grants are *matching* or *reimbursement* type grants. With reimbursement grants, the grant revenues are not received until after the completion or partial completion of the associated project. And in accordance with Generally Accepted Accounting Principles (GAAP), the revenues are not recognized for accounting and financial reporting purposes until the projects are completed and/or revenue can be recognized under the modified accrual basis of accounting. As such, there are usually no restrictions on the grant reimbursements once they are received by the Conservation District; allowing the Conservation District to designate the grant receipts for any capital or operational expenditure that it chooses. Generally, the Conservation District will designate the reimbursements for future projects that are similar in nature to the original project that the grant was associated with, for example, grant reimbursements received for a land acquisition would be designated for future land acquisitions.

In past years, most of the Conservation District’s grant opportunities and initiatives were related to funding new capital initiatives such as adding new site amenities or trail extensions and would be accounted for within the Dedicated Accounts Capital Fund. However, with limited resources, the Conservation District has shifted its focus to finding grant opportunities that will support the repair and replacement of existing capital assets in accordance with the Capital Asset Management Plan (CAMP). So, grant revenues are now reported within both the CAMP and the Dedicated Account Fund.

DEDICATED ACCOUNTS CAPITAL FUND: Revenues

Grants:

Grant revenues budgeted for FY 2026 include the following:

Site	Project Description	Grant Source	Amount
Site & Trail Improvements			
Hollows Lake Atwood	New ADA accessible canoe/ kayak boat launch. IDNR, IL Boat Access Area Development (BAAD) Grant BA 22-300	IDNR, BAAD	80,000
Hollows Lake Atwood	Existing Trail Enhancement + ADA Improvements. Awarded IDNR, IL (OSLAD) Grant OS-23-2302	IDNR, OSLAD	200,000
Hollows Lake Atwood	McHenry County Conservation Foundation (Towards BAAD grant)	MCCFoundation	50,000
Prairie Trail. Link	Bid Let/Construction Phase - Asphalt 2" Overlay/ Resurfacing Edgewood to Hillside.	IDNR, BIKE	200,000
Prairie Trail	Wayfinding Signage. *Partnership with MCDOT, Design phase Year 1, Install following as funding becomes available.	MCDOT	240,000
District-wide	Snowmobile trail grooming	IDNR	\$21,000
Total Grants: Site & Trail Improvements			\$ 791,000

DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Grants: (continued)

Grant revenues budgeted for FY 2026 include the following:

Purpose	Description	Grant Source	Amount
Land Acquisition			
	General Land Acquisition	<i>unidentified</i>	750,000
	Total Grants: Land Acquisitions		\$ 750,000
	Total Grant Revenues		\$ 1,541,000

- Specific grants for land acquisition have not been identified or awarded, however \$750,000 dollars of grant revenue has been appropriated within the FY 2026 Budget. This allows for the appropriation and expenditure of related revenues should any be received during the fiscal year. This methodology has been a consistent budget practice over the last decade and gives the Conservation District flexibility to take advantage of future grant opportunities that may be realized in FY 2026 but are not known at the time the budget is developed.

Donations & Contributions:

Donations and contributions budgeted for FY 2026 include the following:

Donations & Contributions	Source	Amount
Land Acquisition		
	Private donations/bequests	<i>unidentified</i> 250,000
	Total Donations and Contributions	\$ 250,000

- Specific donations for land acquisition have not been identified or awarded, however \$250,000 dollars of donation revenue has been included in the FY 2026 Budget. This allows for the appropriation and expenditure of related revenues should any be received during the fiscal year. This methodology has been a consistent budget practice over the last decade and gives the Conservation District flexibility to take advantage of future grant opportunities that may be realized in FY 2026 but are not known at the time the budget is developed.

Farm Lease Revenues:

In FY 2024 revenue from approximately 800 acres of farmland was shifted from the General Fund to the Dedicated Accounts Capital Fund to designate the revenue to fund restoration initiatives in the Coon Creek watershed. The 800 acres were purchased with funds from the Open Land Trust (OLT) Program and requires the Conservation District to stop the farming initiatives and restore the lands. The District has sent a proposal to the Illinois Department of Natural Resources, who administers the OLT grant dollars, to restore the acreage in a

DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

graduated and systematic approach over the five-year period: FY 2024 through FY 2028. The farm lease revenues received over the five years will be utilized to fund the restoration initiatives on the related parcels. The related farm lease revenue will be reduced each year as acres are taken out of production to be restored, until FY 2028 when all the acres will be restored and the farm lease revenue will be completely eliminated.

The Conservation District's farm lease program ties the amount of the annual lease payment (paid by the farmers to the Conservation District) to the price of the December corn futures commodity and is determined each February. *(The revenue for FY 2026 will be determined by the average daily future's price of December 2025 corn during the month of February 2025.)* As such, the lease revenue is subject to annual variations with market shifts in the commodities price of corn. For the prior FY 2025, the *budgeted* corn futures price was \$5.20/bushel, for this FY 2026 Budget, the price is estimated to be \$4.40/bushel. Of the original 800 acres of agricultural lands only 465 acres will remain in production for FY 2026 and the resulting budgeted revenue is reduced accordingly, declining from \$199,254 in the prior year to \$115,345 for FY 2026; a decrease of 42%.

DEDICATED ACCOUNTS CAPITAL FUND: Expenditures

The following schedule provides a brief explanation of the capital outlays that are budgeted for FY 2026.

SITE & TRAIL IMPROVEMENTS			
GL Act#	Site	Description	Amount
02-09-966	Prairie Trail	Bid Let/Construction Phase - Asphalt 2" Overlay/ Resurfacing Edgewood to Hillside. This project was awarded the IDNR BIKE grant funding.	400,000
02-09-966	Prairie Trail	Wayfinding Signage. *Partnership with MCDOT, Design phase Year 1, Install following as funding becomes available.	300,000
02-09-966	Hollows	New ADA accessible canoe/ kayak boat launch. IDNR, IL Boat Access Area Development (BAAD) Grant	114,000
02-09-966	Hollows	Existing Trail Enhancement + ADA Improvements. Awarded IDNR, IL (OSLAD) Grant	450,000
Total Site & Trail Improvements			\$ 1,264,000

DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

The following schedule provides a brief explanation of the natural restoration expenditures related to the Coon Creek watershed restoration for FY 2026.

Natural Restoration Initiatives			
GL Act #	Site	Description	Amount
02-08-201	Coon Creek- Kish watershed	Salaries	80,000
02-08-280	Coon Creek- Kish watershed	FICA	6,120
02-08-284	Coon Creek- Kish watershed	IMRF	6,880
02-08-488	Coon Creek- Kish watershed	Contractual services	21,000
02-08-805	Coon Creek- Kish watershed	Seed	126,000
02-08-845	Coon Creek- Kish watershed	Herbicide	20,000
02-08-848	Coon Creek- Kish watershed	(2) Kubota seeders @ \$7,500	15,000
02-08-848	Coon Creek- Kish watershed	Seed drying trailer	30,000
Total Natural Restoration Expenditures			\$ 305,000

Detailed information on some of the more significant projects can be found on the next several pages.

DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: The Hollows, Lake Atwood New ADA Kayak Launch	Code: 23PD002
Phase: Construction	Target Start: 09.25.2024
Grant: IDNR, Illinois Boat Access Area Development (BAAD)	Target Completion: 06.06.2025

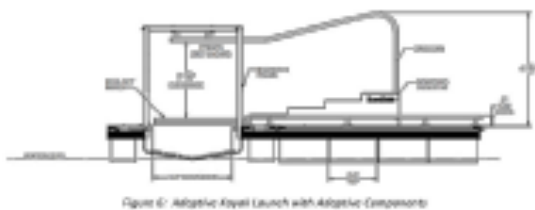
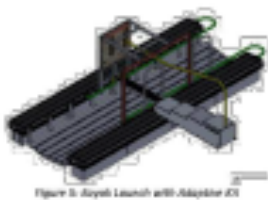
Description: The Hollows Conservation Area opened to the public for recreation in 1987. With numerous recreational opportunities, including Lake Atwood, it is one of the District's most popular sites. This project is for the design and construction of a new ADA canoe/kayak launch on Lake Atwood.

Status: This project is under construction.

FY 2026 Budget: \$114,000

Grant Recoveries: \$80,000

Total Projected Costs: \$114,000



DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: The Hollows, Lake Atwood Access Improvements	Code: 24PD002
Phase: Design + Construction	Target Start: 09.25.2024
Grant: IDNR, Open Space Land Acquisition + Development (OSLAD)	Target Completion: 06.06.2025

Description: The Hollows Conservation Area opened to the public for recreation in 1987. With numerous recreational opportunities, including Lake Atwood, it is one of the District’s most popular sites. The District proposes to improve an area of the 478-acre Hollows Conservation Area for enhanced recreational and accessibility opportunities. The proposed project includes replacing a woodchip/gravel path with an accessible hiking trail around the 22- acre Lake Atwood, installing a fishing pier, implementing wayfinding and interpretive signage and adding a new monument sign, installing solar lights to facilitate evening cross county skiers, and improving some shoreline stability. These amenities will all be linked with the one-mile trail which provides easy access for people with disabilities to the site’s amenities.

Status: This project is under construction.

FY 2026 Budget: \$450,000

Grant Recoveries: \$200,000

Total Projected Costs: \$750,000



DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: Prairie Trail, Wayfinding Signage	Code: 25PD012
Phase: Planning & Design	Target Start: Fourth Quarter FY 2025
Grant: Illinois Department of Transportation (IDOT) Statewide Planning & Research Funds Program (SPR)	Target Completion: Fourth Quarter FY 2026

Description: This planning project is proposed as a multi-agency pursuit to develop a shared vision and strategy for a wayfinding plan for the Prairie Trail, an active regional trail/ transportation network maintained by the McHenry County Conservation District (District). The District will be the project sponsor and provide the local match requirement and is collaborating on this project with McHenry County Division of Transportation (MCDOT) and Naturally McHenry County (NMC), the County’s convention and visitor’s bureau. Wayfinding refers to a network of signs installed to aid in the navigation of trails, shared use paths, and connecting facilities (e.g. sidewalks, crosswalks) that comprise an area’s active transportation network. Signs installed as part of a wayfinding may be complemented with maps, trail-related information such as etiquette, rules, or outdoor recreation and natural resources information to enhance the user experience.

Status: This project will be initiated in Mid-January/February 2025.

FY 2026 Budget: \$300,000

Grant Recoveries: \$240,000

Total Projected Costs: \$300,000

Sign Examples



DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Schedule of Dedicated Accounts – Capital Fund

The schedule on the next page shows the FY 2026 budget for the Dedicated Accounts Capital Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the actual amounts for the first six months of the fiscal year ending 03/31/2025 (YTD Actual FY 2024), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

DEDICATED ACCOUNTS CAPITAL FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Dedicated Accounts Capital Fund Annual Budget - Fiscal Year 2026					
	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Revenues					
Interest Income	14,417	35,536	21,481	20,959	19,386
Farm Lease Revenue	-	270,009	89,282	199,254	115,345
Grants- Sites & Trails	19,996	31,575	9,877	490,000	791,000
Grants- Land Acquisition	223,597	-	-	750,000	750,000
Donations	28,000	-	-	250,000	250,000
Other Income	1,326	1,204	-	-	-
Total Revenues	\$ 287,336	\$ 338,325	\$ 120,640	\$ 1,710,213	\$ 1,925,731
Expenses					
Salary- Coon Creek Watershed	-	6,684	198	80,000	80,000
FICA	-	441	15	6,120	6,120
IMRF	-	440	17	8,000	6,880
Maintenance Equipment	19,996	4,531	-	20,000	21,000
Signs Materials & Displays	-	4,651	-	-	-
Contractual Services- Coon Crk	-	-	-	75,000	21,000
Seed - Natural Areas	-	-	-	130,000	126,000
Brush/Weed Control, Herbicides	-	-	-	20,000	20,000
Total Operating Expenses	\$ 19,996	\$ 16,747	\$ 230	\$ 339,120	\$ 281,000
Capital Outlays					
Natural Restorations	-	129,680	-	-	-
Site Improvements	-	-	17,899	514,000	-
Trail improvements	105,190	44,786	2,283	410,000	1,264,000
Restoration Equipment	-	60,698	-	-	45,000
Building Removal	20,952	-	-	-	-
Land Acquisition					
Legal Services	24,505	19,829	11,374	50,000	50,000
Other Related Expenses	-	2,396	-	15,000	15,000
Land Acquisition	282,195	-	161,012	1,072,331	996,526
Total Land Acquisition	\$ 306,700	\$ 22,225	\$ 172,386	\$ 1,137,331	\$ 1,061,526
Total Capital Outlays	\$ 432,843	\$ 257,389	\$ 192,568	\$ 2,061,331	\$ 2,370,526
Total Expenditures	\$ 452,839	\$ 274,136	\$ 192,798	\$ 2,400,451	\$ 2,651,526
Other Financing Sources/ (Uses)					
Permanent Transfer- In	\$ -	\$ 473,819	\$ -	\$ -	\$ -
Permanent Transfer- Out	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources	\$ -	\$ 473,819	\$ -	\$ -	\$ -
Change in Fund Balance	\$(165,503)	\$ 538,007	\$ (72,158)	\$ (690,238)	\$ (725,795)

NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND

FY 2026 - Annual Budget

McHenry County Conservation District

NATURAL RESOURCES MANAGEMENT – SPECIAL REVENUE FUND

The Natural Resources Management Special Revenue Fund was established to account for the revenues and expenses related to natural restoration initiatives which include the following: mitigation fees, grant awards, other unique non-recurring sources of revenue, and the expenses funded by these revenues.

The majority of the funding in this fund is derived from mitigation fees whereby the Conservation District will enter into an agreement with a developer or other third party to ‘mitigate’ impacts that have been made to a wetland area or stream. The agreements will require that the third party pay a specified amount to the Conservation District and the Conservation District will in turn be responsible for restoring a wetland area on Conservation District owned property. Where the impacts affect waters which empty into an interstate waterway, the agreements are overseen by the U.S. Army Corps of Engineers. If the impacted waters are local and/or isolated, the agreement is administered by McHenry County or other public bodies that are certified to implement the Stormwater Ordinance of McHenry County. Generally, the Conservation District will only enter into a mitigation agreement when the wetland area to be restored has already been identified as a priority for restoration by the Conservation District. This reduces the costs of both the initial restoration process as well as the long-term management of the site, leaving a substantial portion of the mitigation revenue to provide for the long-term maintenance needs of the site, and staff to support those needs.

NATURAL RESOURCES MANAGEMENT – SPECIAL REVENUE FUND: Revenues

School Springs Wetland and Stream Mitigation Bank Revenue

The School Springs Wetland and Stream Mitigation Bank (School Springs) was permitted in the late summer of 2019 and constructed by Conservation District staff in fall of 2019. The stream and wetland restoration portions of the project including stream channel construction, brush removal, and re-creation of site hydrology were finished in FY 2022 and the Mitigation Banking Instrument (MBI) was approved by the USACOE. The Conservation District begin selling credits in FY 2023. The FY 2026 Budget includes \$2,191,800 of potential revenue from the sale of stream and wetland credits.

Grant and Donation Revenues:

Grant revenues budgeted for FY 2026 include the following:

Grant Source	Amount
Unidentified grant revenues	300,000
Silver Creek Habitat: Congressional Funding	300,000
USFWS, Hackmatack NWR Recreation Partnership Grant (BIL Funded)	212,500
Oberweiler Grant: Stewardship and Outreach seasonal	15,000
Total Anticipated Grant Revenue	\$ 827,500

NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Donation revenues budgeted for FY 2026 include the following:

Donation Source	Amount
MCCF Big Woods planting project	\$15,000.00
MCCF Boger Bog Phase 2	\$300,000.00
MCCF WRC Aviary	\$10,000.00
MCCF Big Woods Alden	\$3,500.00
MCCF Big Woods-Croll	\$10,000.00
MCCF Big Woods-general	\$10,000.00
Total Anticipated Donation Revenue	\$348,500.00

Explanation of Grant and Donation Revenues:

USFWS Financial Assistance is a direct grant from the US Fish & Wildlife Service that provides funding for a fulltime Restoration Ecologist who will be working on both Conservation District sites in the northeast part of the county and on Hackmatack National Wildlife Refuge sites that border Conservation District properties.

Stewardship Seasonal Grant is a position to help in the field with coordination of the growing stewardship program and workdays on Conservation District sites and will be funded from the McHenry County Conservation Foundation and an Oberweiler grant.

McHenry County Conservation Foundation Big Woods Planting Project is budgeted to cover potential donations from individuals and organizations that purchase trees for replanting on Conservation District sites during OAKtober.

Wildlife Resource Center Aviary is a placeholder based on estimates to rebuild the aviary at the Wildlife Resource Center for the raptors used in school programs. The project has been budgeted for within the General Fund. Staff will be working with McHenry County Conservation Foundation on finding an appropriate grant.

Alden Big Woods project reflects a benefactor donation that is specifically for reforestation work at Alden Gap Conservation Area. The benefactor family has donated several years in a row to accomplish this work.

Big Woods Croll project is a reforestation project at Coral Woods Conservation Area that McHenry County Conservation Foundation will be submitting a grant for. The project will fill in gap openings in the woodlands at Coral Woods.

Unanticipated Grant Revenue Frequently grant opportunities will become available during the fiscal year that were not known at the time the budget was developed. The \$300,000 has been captured within the FY 2026 Budget as a placeholder and a matching \$300,000 unanticipated expenditure is also budgeted within the Fund to allow for unidentified granted funded projects to begin within FY 2026.

NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND

FY 2026 - Annual Budget

McHenry County Conservation District

NATURAL RESOURCES MANAGEMENT – SPECIAL REVENUE FUND: Expenditures

The following schedule shows the budgeted employee full-time equivalents (FTE's) within the Natural Restoration Special Revenue Fund for the five most recent fiscal years:

Position	FTE's FY2022	FTE's FY2023	FTE's FY2024	FTE's FY2025	FTE's FY2026
Restoration Ecologists	0.0	2.0	2.0	2.0	3.0
Habitat Technicians	2.0	1.0	1.0	1.0	1.0
Stewardship Ecologist	0.0	0.0	0.3	0.3	0.3
Volunteer Coordinator	0.3	0.3	0.0	0.0	0.0
Cultural Archivist /Librarian PT	0.0	0.4	0.4	0.4	0.4
Scientific Database Coord. PT	0.0	0.0	0.0	0.0	0.5
Seasonals	2.2	1.8	1.9	1.0	1.4
Total full time equivalents	4.5	5.5	5.6	4.7	6.5

- (3) Fulltime Restoration Ecologists, (1) fulltime Stewardship Ecologist, (1) fulltime Habitat Technician, (1) parttime Cultural Archivist/Librarian and (1) parttime Scientific Database Coordinator are funded completely from the Natural Resources Management Special Revenue Fund.
- The cost of the full-time Stewardship Ecologist is being shared between the General Fund and the Natural Resources Management Special Revenue Fund. The cost associated with (693) hours of the full 2,080 hours and all the related benefits are funded from the Natural Resources Management Special Revenue Fund; as the position is largely focused on the needs of the natural resource staff and initiatives.
- Four (4) seasonal employees are included in this year's budget, they include: one (1) seasonal worker to support stewardship and outreach needs and three (3) seasonals to assist funded by the USFWS grant.

Detailed information on the more significant natural area projects and studies can be found on the next several pages.

NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Capital Improvement Projects

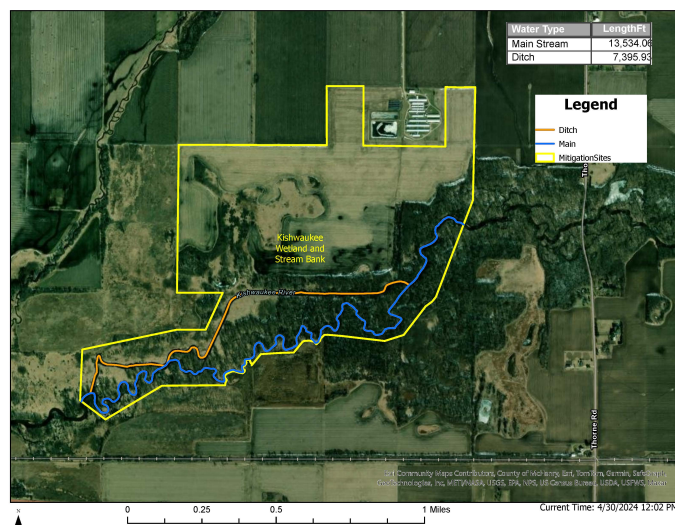
Division: LPNR	Project: Kishwaukee Mitigation Bank Engineering
Phase: 2 of Application Process	Code:
Target Start: April 1, 2025	Target End: March 31, 2026
Grant:	Completed:

Description: The *Kishwaukee Mitigation Bank* project plan development phase is in progress through RFP#0521.08.01 and may require additional engineering services in response to the submittal to the US Mitigation Banking Review Team for the proposed wetland and stream mitigation bank in the Kishwaukee River Watershed. The proposed bank site includes floodplain and wetland soils associated with the Kishwaukee River and will require tile removals, ditch closure, and approximately 7,400 feet of channel abandonment to re-establish flows to 13,500 feet of natural channels and rehydrate 40 acres of drained hydric soils.

Status: Project Submittal Stage

Project Costs: \$25,000

Engineering Services	\$25,000.00
Total 25/26 Estimated Project Phase Cost: \$25,000.00	
Prior years actual expended:	\$ 59,610.00
Future years additional estimated costs:	\$ 0
Total Projected Phase Costs: \$84,610.00	



NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Division: LPNR	Project: Underwood Wetland Glacial Park
Phase: Construction	Code:
Target Start: June 1, 2025	Target End: August 30, 2025

Description: The *Glacial Park Conservation Area- Underwood Wetland and Stream Restoration Project* partners with Friends of Hackmatack and Openlands to restore streams and wetlands on Openlands and District land holdings. The District’s portion of the project completes Phase 5 of the Nippersink De-Channelization project abandoning the final section of the former ditched stream and restores the downstream section of the Pickerel Creek project, which were previously unable for completion due to private ownership interests of lands adjacent to District property.

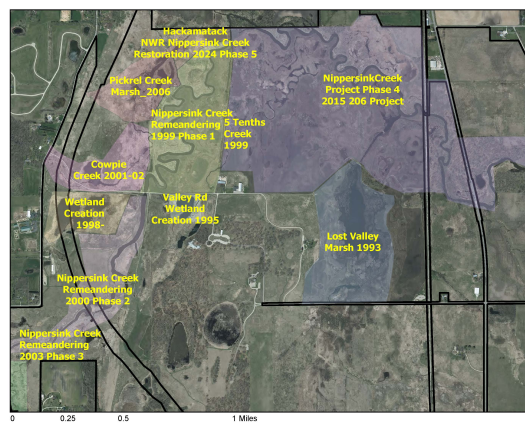
Status: Currently seeking permits for construction of the project.

Project Costs: \$100,000

Contractual Brush Clearing FY25	\$25,000.00
Contractual Herbicide Application	\$20,000.00
Equipment Rental	\$22,000.00
Erosion Control Materials	\$7,500.00
Rock Materials	\$3,000.00
Seed	\$22,500.00
Total 25/26 Estimated Project Phase Cost:	\$75,000.00

Prior years actual expended:	\$ 25,000.00
Future years additional estimated costs:	\$ 0
Total Projected Costs:	\$100,000.00

Ecological Reference Projects Current Conditions
 LRC -2022-00616



NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Division: LPNR	Project: Improving Open Landscapes to Benefit SGCN
Phase: 1	Code: 24LPNRSWGC
Target Start: October 1, 2023	Target End: March 31, 2026
Grant: Competitive State Wildlife Grant	Completed:

Description: The *Glacial Park Conservation Area Improving Open Landscapes to Benefit Species of Greatest Conservation Need (SGCN) in Southeastern Wisconsin and Northeastern Illinois Restoration Project* partners with the Wisconsin Department of Natural Resources and McHenry County Conservation Foundation by securing funding through the US Fish and Wildlife Competitive State Wildlife Grant (SWG) to restore critical habitat for SGCN including Federally Endangered Rusty Patched Bumblebee through woodland, fen wetland, and prairie restoration efforts. The SWG F23AS00035 grant match funding was secured through McHenry County Conservation Foundation and the Illinois project reimbursement is \$100,000. The Illinois portion of the project will restore 5 acres of fen wetland, reconstruct approximately 80 acres of prairie and improve woodland floral resources to 30 acres of oak savanna.

Status: The initial stages of woodland, wetland, and prairie restorations commenced, and the final seed costs are associated with improving floral diversity in the prairie reconstruction as per grant requirements.

Project Costs: \$63,200

Seed	\$63,200.00
Total 25/26 Estimated Project Phase Cost:	\$63,200.00

		Recoveries:
Prior years actual expended:	\$94,838.05	\$100,000
Future years additional estimated costs:	\$ 0	
Total Projected Costs:	\$158,038.05	\$ 0



NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Division: LPNR	Project: Boger Bog
Phase: 1	Code:
Target Start: July 1, 2025	Target End: October 31, 2025
Grant: Seeking	Completed:

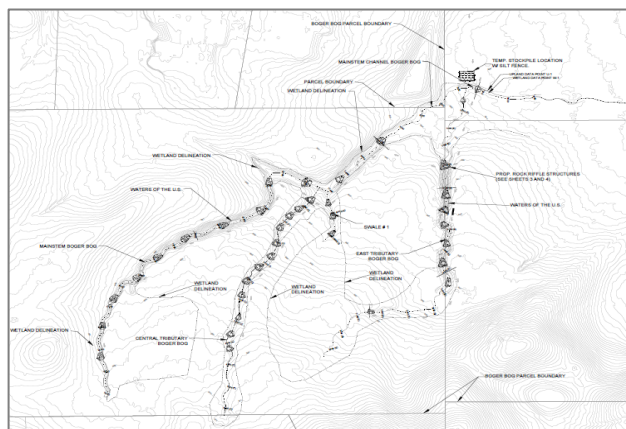
Description: The *Boger Bog Conservation Area Hydrologic Restoration Project* will restore wetland hydrology to fen wetlands and elevate spring run streams through installation of riffle control structures. The structures will prevent further downcutting of headwater stream channels, restore the historic channel thalweg grades and elevations, and stabilize areas of moderate to severe streambank erosion. The project will provide runoff storage, improve infiltration, improve water quality, and return wetland hydrology to fen wetlands.

Status: Engineering completed through McHenry County Conservation Foundation funding and currently seeking grant opportunities for project funding. The project will not occur in 2025 unless grant funding is secured.

Project Costs: \$280,000

Seed	\$10,000.00
Supplies	\$9,000.00
Contractual Services (Construction)	\$261,000.00
Total 25/26 Estimated Project Phase Cost:	\$280,000

		Recoveries:
Prior years actual expended:	\$ 0	\$ 270,000
Future years additional estimated costs:	\$ 0	
Total Projected Costs:	\$0	\$ 0



NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND

FY 2026 - Annual Budget

McHenry County Conservation District

The schedule on the next page shows the FY 2026 budget for the Natural Resource Management Special Revenue Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the actual amounts for the first six months of the fiscal year ending 03/31/2025 (YTD Actuals FY 2025), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

NATURAL RESOURCES MANAGEMENT- SPECIAL REVENUE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Natural Resources Management- Special Revenue Fund Annual Budget- Fiscal Year 2026					
	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Revenues					
Interest Income	7,752	31,551	11,015	24,227	23,878
Donations, Bequests	101,396	86,425	-	367,500	348,500
Other Income	10,596	10,717	-	-	-
Agricultural Leases	13,280	16,107	11,655	15,000	25,000
Grants	36,729	20,000	-	377,680	853,500
Mitigation Revenue	107,080	482,880	74,880	891,540	2,191,800
Total Revenues	\$ 276,833	\$ 647,680	\$ 97,550	\$ 1,675,947	\$ 3,442,678
Expenses					
Personnel					
Salary	73,941	150,423	86,126	137,896	228,256
Hourly Wages	33,085	21,407	19,500	79,542	96,628
Seasonal Wages	33,179	44,538	17,776	48,125	47,773
Employee Insurances	10,599	6,579	3,206	19,095	47,293
Employee Retirement	21,887	32,577	18,301	35,465	52,211
Total Personnel	\$ 172,691	\$ 255,525	\$ 144,909	\$ 320,123	\$ 472,161
Other Operating Expenses					
Education & Training	-	-	-	-	1,000
Contractual Services	3,750	4,800	34,965	64,000	636,000
Native Plants & Seeds	-	-	17,243	437,950	383,750
Stewardship Outreach	-	3,838	1,450	5,000	5,000
Restoration Supplies & Maint	-	-	4,057	19,000	-
Total Other Operating Exp.	\$ 3,750	\$ 8,638	\$ 57,715	\$ 525,950	\$ 1,025,750
Capital Outlays					
Restorations County Wide	31,161	29,212	-	-	-
Restorations Reg 1	97,169	118,851	-	-	-
Restorations Reg 2	30,865	40,999	-	-	-
Restorations Reg 3	8,564	-	368	60,000	30,000
Restorations Reg 4	10,150	17,286	-	280,000	-
Restoration Equipment	24,310	-	-	-	12,000
Total Capital Outlays	\$ 202,219	\$ 206,348	\$ 368	\$ 340,000	\$ 42,000
Total Expenditures	\$ 378,660	\$ 470,511	\$ 202,992	\$ 1,186,073	\$ 1,539,911
Net Change in Fund Balance	\$ (101,827)	\$ 177,169	\$ (105,442)	\$ 489,874	\$ 1,902,767

CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

CAPITAL ASSET MANAGEMENT PLAN FUND

The Conservation District's Capital Asset Management Plan (CAMP) exists to provide for the long-term management and maintenance of its assets and infrastructure. This includes costs of more substantial capital needs, such as the replacement of bridges, paved trail systems, and roads, which are beyond the regular and more routine asset repairs and replacements funded within the General Fund.

For most of the 1990's and up through 2006, much of the Conservation District's capital needs were funded from the additional property tax revenue derived from new development as allowed under PTELL. The additional property tax revenues attributable to new development were growing by an average of more than \$200,000 annually prior to the 2007/2008 economic downturn. The Conservation District's budget guidelines restricted the use of the new development monies to only capital needs. However, beginning in 2008, as new development in the County began a steep decline, the associated property tax revenue fell proportionately, and the Conservation District was forced to find an alternate funding source. In January of 2010, the Board of Trustees formally designated \$4.5 million of 'unrestricted' Fund Balance of the Dedicated Accounts Capital Fund to be used for CAMP initiatives. To facilitate more efficient accounting, budgeting and reporting, a separate fund was created to account for the CAMP projects- the 'Capital Asset Management Plan Fund.

The comprehensive Capital Asset Management Plan was most recently updated in August of 2023 and estimated the total cost to replace and/or repair existing sites and trails over the next ten years to be \$14.8 million dollars. As of the end March 31, 2024, the funding within the CAMP was almost completely exhausted and all future CAMP needs will need to be supported from the General Fund's unrestricted fund balance. This significant funding shortfall which has forced the Conservation District to adapt a new methodology for managing the upkeep and replacement of assets and infrastructure. Historically, the Conservation District had followed a pro-active approach, with assets being replaced as they *approached* the end of their scheduled useful life and before they had been completely exhausted or became non-functional. Beginning with the FY 2020 Budget, the Conservation District moved away from this more pro-active approach to one that addresses only critical needs as they arise. While this new methodology minimizes expenditures in the short term, the longer-term liability of the CAMP will grow exponentially due to both inflation and the general higher costs of delaying major repairs and replacements until an asset has further deteriorated. It is imperative that the District develops a long-term and sustainable funding approach for its CAMP plan.

CAPITAL ASSET MANAGEMENT PLAN FUND: Revenues

In past years, the vast majority of the Conservation District's grant opportunities and initiatives have been related to funding new capital initiatives such as adding new site amenities or trail extensions. However, with limited resources, the Conservation District has shifted its focus to finding grant opportunities that will support the repair and replacement of existing capital assets in accordance with the CAMP. All anticipated grant revenues have been budgeted for within the Dedicated Accounts Fund for FY 2026.

CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

CAPITAL ASSET MANAGEMENT FUND: Expenditures

The FY 2026 Budget includes \$1,668,575 for capital outlays, which is \$182,545 less than the total prior FY 2025 Budget. The \$1.6 million budgeted expenditures includes \$550,000 of expenditures related to projects that were budgeted for in the prior FY 2025, but were not completed. The budgeted FY 2026 capital initiatives include the following:

GL Act #	Site	Description	Amount
Building Repairs and Improvements			
05-09-729	Glacial Park	LVVC - Replacement Sprinkler (Fire Suppression) System	29,000
05-09-729	Glacial Park	Region 1 Field Staff Facility - Replacement/New Siding	157,000
05-14-729	Glacial Park	Replace fire alarm	120,000
05-09-729	Silver Creek, PEC	Education Facility Improvements: Exterior Stairs -\$25k, FY 2025 Architectural/Structural Investigation. FY 2026 Construction Phase.	76,000
05-09-729	Fel-Pro RRR	Shelter Plumbing Repair/Replacement - \$28K Main + \$18K Lake	46,000
Total Building Repairs & Improvements			\$ 428,000
Roads & Parking Repairs and Improvements			
05-09-733	Brookdale	Entrance Road + Circle Drive, Front (Staff) Parking Lot - FY 2026 HMA Cut Out + Patch. FY 2028 Full HMA Replace/Resurface.	30,000
05-09-733	Marengo Ridge	Thomas Woods Road - FY 2026 (\$14K), Main Parking Lot (Seams) (\$7K) + Group Campground Road (\$4K) - Asphalt Cut Out + Patch. FY 2028 Full HMA Replace/resurface.	27,000
Total Roads & Parking Repairs & Improvements			\$ 57,000
Building/Structure Demolitions			
05-07-790	The Hollows	Building/Structures Demolition - 14 structures *10% retainage from current contract, started FY25	23,000
05-07-790	The Hollows	Residence demolition	50,000
Total Building/Structure Demolition			\$ 73,000
Site Repairs and Improvements			
05-09-960	Boger Bog	Boardwalk - Replacement of support structure and reset several diamond piers on @ 60 LF.	130,000
Total Site Repairs & Improvements			\$ 130,000
Trail Repairs and Improvements			
05-09-961	Prairie Trail, Link	Construction Phase: Construction Engineering + Supervision, Hillside to Loraine Street includes Sterne's Woods.	38,700
05-09-961	Prairie Trail, Link	Construction of Improvements Hillside to Loraine	476,675
05-09-961	Prairie Trail, Link	Edgewood to Bull Valley Road (Eng FY26 - Const FY27)	37,000
Total Trail Repairs & Improvements			\$ 552,375
Natural Area Restorations			
05-08-860	Glacial Park	Phase 2 Application Process Kishwaukee River Mitigation Bank	25,000
05-08-860	Coral Woods	Reallocation Underwood Wetland Glacial Park	100,000
05-08-860	Glacial Park	Partial Reallocation CSWIG bumblebee prairie Glacial Park	63,200
Total Natural Area Restorations			\$ 188,200
Other Initiatives			
05-09-488	District-wide	10 Year Comprehensive Plan	200,000
05-09-790	District-wide	Unanticipated Expenditures	40,000
Total Other Initiatives			\$ 240,000
Total FY 2026 Budgeted CAMP Fund Expenditures			1,668,575

CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

McHenry County Conservation District

More detailed information on the more significant FY 2026 budget projects can be found on the next several pages.

CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: Prairie Trail, Link – Asphalt Resurfacing from Hillside Road to Loraine Street (Including Sterne’s Woods)	Code: 25PD001
Phase: Construction + Engineering/ Construction Supervision	Target Start: 08.05.2024
Grant: NA	Target Completion: 06.06.2025

Description: The District’s Prairie Trail system is over 20 years old and is showing its age. The asphalt surface through this section is in critical need of resurfacing, as well as signage and ADA improvements at both trail head/ access points. This section of trail passes through the Illinois Nature Preserve Sterne’s Woods.

Status: This project is under construction.

FY 2026 Budget: Construction: \$476,675 + Engineering: \$38,700 = \$515,375

Grant Recoveries: NA

Total Projected Costs: \$520,000



CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: Boger Bog Boardwalk Replacement	Code: 26PD001
Phase: Construction + Engineering/ Construction Supervision	Target Start: First Quarter FY 2026
Grant: NA	Target Completion: Fourth Quarter FY 2026

Description: Boger Bog Conservation Area was designed in 2005 to provide recreational trails for hiking and nature observation as well as recognize the sites cultural history and protect the unique natural communities. With much of the land being either wetlands, fens or wet prairies, the front half of the site required the trail to be constructed as an elevated boardwalk system of which approximately 60 LF needs releveling and resetting of several diamond piers + redecking.

Status: This project will be initiated once the FY 2026 Annual Budget is approved.

FY 2026 Budget: \$130,000

Grant Recoveries: NA

Total Projected Costs: \$130,000



CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: Glacial Park, Region 1 Shop/ Field Staff Facility Exterior Siding Replacement	Code: 26PD002
Phase: Bid Let + Construction	Target Start: First Quarter FY 2026
Grant: N/A	Target Completion: Fourth Quarter FY 2026

Description: In fiscal year 2023, the McHenry County Conservation District completed a multi-year project that included demolition of 3 structures surrounding and attached to the Region 1 Shop. The District also conducted and completed a building assessment and cost comparison to relocate this work group. The conclusion: investing in the existing building was timelier and more affordable. Therefore, in fiscal year 2025 the District put a new roof and gutters on the shop facility, with the intent to propose replacing the exterior siding in fiscal year 2026.

Status: This project will be initiated once the FY 2026 Annual Budget is approved.

FY 2026 Budget: \$157,000

Grant Recoveries: NA

Total Project Costs: \$157,000



CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

McHenry County Conservation District

Project: The Hollows, Single-Family Residence (Adjacent to the Main Parking Lot) – Building/ Structure Demolition + Site Restoration	Code: 26PD003
Phase: Construction Document Development, Permitting + Construction	Target Start: First Quarter FY 2026
Grant: N/A	Target Completion: Fourth Quarter FY 2026

Description: This 1,114 SF single-family residence is in Hollows Conservation Area, in Cary, IL. The structure was used for many years as a staff residence. After a doing a cost/benefit analysis which showed that the structure needed significant investment in the next few years, the District decided to demolish the structure.

Status: This project will be initiated once the FY 2026 Annual Budget is approved.

FY 2026 Budget: \$50,000

Grant Recoveries: NA

Total Project Costs: \$50,000



CAPITAL ASSET MANAGEMENT PLAN FUND

FY 2026 - Annual Budget

The following schedule shows the FY 2025 budget for the Capital Asset Management Plan – Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2022 (Actual FY 2022), the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the year-to-date actual amounts for the fiscal year ending 03/31/2024 (YTD Actuals FY 2024), the budgeted amounts for the fiscal year ending 03/31/2024 (Budget FY 2024), and the budgeted amounts for the next fiscal year ending 03/31/2025 (Budget FY 2025).

Capital Asset Management Plan (CAMP) Fund					
Annual Budget - Fiscal Year 2026					
	Actual FY 2023	Actual FY 2024	YTD Actuals FY 2025	Budget FY 2025	Budget FY 2026
Revenues					
Interest Income	7,865	6,384	1,917	19,277	10,625
Investment Gain/(Loss)	15,588	124,430	-	-	-
Grants	200,000	50,000	-	482,500	-
Total Revenues	\$ 223,453	\$ 180,814	\$ 1,917	\$ 501,777	\$ 10,625
Expenses					
Capital Outlays					
Master Plan	-	-	-	-	200,000
Site Improvements	-	-	46,413	181,000	130,000
Natural Area Restorations	-	-	76,030	469,120	188,200
Building Removal	-	370,059	26,035	230,000	73,000
Trail Improvements	574,954	882,059	55,435	532,000	552,375
Building Improvements	-	129,021	118,380	439,000	428,000
Road & Bridge Improvements	-	-	-	-	57,000
Unanticipated Expenditures	-	-	-	-	40,000
Total Capital Outlays	\$ 574,954	\$ 1,381,139	\$ 322,292	\$ 1,851,120	\$ 1,668,575
Total Expenditures	\$ 574,954	\$ 1,381,139	\$ 322,292	\$ 1,851,120	\$ 1,668,575
Other Financing Sources					
Permanent Transfer In	-	400,000	-	750,000	750,000
Total Permanent Transfers	\$ -	\$ 400,000	\$ -	\$ 750,000	\$ 750,000
Change in Fund Balance	\$ (351,502)	\$ (800,325)	\$ (320,375)	\$ (599,343)	\$ (907,950)

INSURANCE FUND
FY 2026 - Annual Budget

McHenry County Conservation District

INSURANCE FUND

The Insurance Fund is established to account for general liability, errors and omissions, property and worker's compensation insurance coverage, and other Risk Management Loss Control (RMLC) initiatives. It is funded solely by a property tax levy which is authorized under the Illinois Local Government Tort Immunity Act (745 ILCS 10/9-107), and the use of the property tax revenues are restricted for the sole purposes of reducing tort liability and RMLC initiatives as defined within the Act. The Conservation District is a member of the Park District Risk Management Agency (PDRMA), a self-insured intergovernmental risk management pool which provides the Conservation District with comprehensive insurance coverage including general liability, automobile liability, public official's errors and omissions coverage, employment practices, law enforcement liability, and worker's compensation. The insurance premiums paid to PDRMA for the insurance coverages, account for 97% of the Insurance Fund's total annual budgeted expenses. The Insurance Fund also provides for some safety training in areas such as employee safety, emergency planning, Illinois Right-to-Know, Occupational Safety and Health Administration (OSHA) compliance, and other initiatives directly related to Risk Management and Loss Control.

INSURANCE FUND: Revenues

Revenues consist solely of property tax revenues and a small amount of interest earned on those revenues. The Insurance Fund levy is subject to the Property Tax Extension Limitation Laws (PTELL) and is included in the total 'aggregate' levy applicable to the PTELL limits. The total FY 2026 budgeted tax revenues are \$309,701 which is a 24% increase over the prior year. While the expenditures are expected to increase by only 6.6% over the prior year, the prior year's 2023 tax levy was intentionally reduced to allow the utilization of accumulated reserve balance within the Insurance Fund.

INSURANCE FUND: Expenditures

Total expenditures budgeted for FY 2026 are \$340,594, which represents an increase of \$36,888 or 12.5% over the prior year's budgeted operating expenses. Expenditure highlights include the following:

- The 'contractual' insurance (provided by PDRMA) premium rates are budgeted to increase 17% over the prior year. While increases in premium rates are generally driven by both the Conservation District's own actual claims experience, as well as the overall experience of member risk pool, PDRMA implemented a significant change in the methodology for determining risk exposure. Beginning in 2024, PDRMA changed the exposure basis for determining member contributions/premiums as follows:
 - Property liability exposure was changed from 'operating expenditures' to 'total asset values'.
 - Pollution liability exposure was changed from 'operating expenditures' to 'total acres'.
 - Employment liability exposure was changed from 'operating expenditures' to 'total payroll'.

The change in the determination of risk exposure resulted in a significant increase in the District's premium beginning in calendar year 2024, but PDRMA capped the first year increase to members to 5%. Beginning in 2005 the District is realizing the full impact of the change.

- The District budgets for some safety related training, equipment, and other Risk Management and Loss Control initiatives within the Insurance Fund.
- As in prior years, the budget includes premiums for an Official's Surety Bond which is provided by Alliant Insurance Services, which is not part of PDRMA.

McHenry County Conservation District

The table on the next page shows the annual FY 2026 Budget for the Insurance Fund. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the year-to-date actual amounts for the fiscal year ending 03/31/2025 (YTD Actuals FY 2025), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

INSURANCE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

Insurance Fund					
Annual Budget - Fiscal Year 2026					
	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals	FY 2025	FY 2026
	FY 2023	FY 2024	FY 2025	FY 2025	FY 2026
Revenue					
Property Tax Revenue	263,304	249,562	242,759	249,200	309,656
Interest on County Taxes	19	55	-	35	45
Other Income	1,065	-	-	-	-
Total Revenues	\$ 264,387	\$ 249,617	\$ 242,759	\$ 249,235	\$ 309,701
Operating Expenditures					
PDRMA - Insurance Premiums					
General Liability Insurance	47,609	50,576	14,626	58,505	64,332
Property Insurance	73,298	73,419	19,145	76,579	91,307
Worker's Compensation Ins	131,881	138,724	37,283	149,131	177,205
Total PDRMA Insurance Premiums	252,788	262,719	71,054	284,215	332,844
Other RMLC Expenditures					
Officials Surety Bond	245	2,695	2,450	2,500	2,750
Unemployment Insurance	-	(347)	-	4,500	2,500
Training & Education	195	70	-	500	500
Employment Expenses	1,060	1,998	1,338	1,500	2,000
Total Other RMLC Expenditures	1,500	4,417	3,788	9,000	7,750
Total Operating Expenditures	\$ 254,288	\$ 267,136	\$ 74,842	\$ 293,215	\$ 340,594
Fund Balance Increase/(Decrease)	\$ 10,099	\$ (17,519)	\$ 167,918	\$ (43,980)	\$ (30,893)

DEBT SERVICE FUND
 FY 2026 - Annual Budget

McHenry County Conservation District

DEBT SERVICE FUND

As of March 31, 2025, the Conservation District will have \$28,370,000 of total debt outstanding. The Conservation District's outstanding debt consists of \$25,985,000 of General Obligation (GO) bonds; all of which were approved by referendum for the sole purposes of land acquisition, site and facility developments, and ecological and natural restoration initiatives. In December of 2014, the Conservation District took advantage of the lower interest rate environment to refinance the outstanding General Obligation bonds. The refinancing resulted in a net present value savings to taxpayers of over \$12 million dollars and reduced future debt service property tax levies by over \$14 million dollars over the life of the bonds. For the 2023 levy year, the County Clerk abated \$1,005,000 of property taxes as a direct result of the 2014 refinancing.

There is also \$2,385,000 of outstanding debt certificates that were issued to acquire land through the retirement of an installment contract. The installment contract was entered into in 2006 in the amount of \$6.3 million dollars to acquire a parcel of land at a fixed interest rate of 2.5% (*This rate represented a discount of 44% from the current market rate, which was approximately 4.5% at the time the installment loan was entered into.*) The Conservation District paid off the full \$4.3 million dollar balance in FY 2021, using \$2.38 million dollars from an issuance of debt certificates and \$1.92 million of unrestricted reserves. The Debt Certificates were issued at an effective interest rate of 1.26%. The Conservation District plans to pay off or refinance the debt certificates in 2026, when the Conservation District's debt service levy on existing GO Bonds will be reduced from \$14.1 million dollars to \$0.00.

The last property tax levy on the GO bonds will be made in 2025 for \$14.2 million and in 2026 the debt service levy will be completely eliminated, as the GO bonds will be paid off completely with the 2025 levy. This will represent an estimated 45% decrease in the total amount of property taxes levied by the District in 2026. Because of the voter approved PTELL/operational levy increase for 2024, the District will be abating \$3.6 million of the 2024 debt service property tax levy. This \$3.6 million of the contractual payments due on the GO bonds will be paid from a permanent transfer made from the General Fund to the Debt Service Fund in FY 2026. The \$3.6 million represents the additional amount of property tax revenue generated by the successful ballot measure that is greater than the normal annual increase otherwise allowed under PTELL. This effectively mitigates any property tax increase related to the proposition for levy year 2024.

The annual contractual debt service requirements to amortize the *current* outstanding debt are as follows:

Fiscal Year Ending Mar 31	Levy Year Ending Dec 31	Voter Approved GO Bonds		Debt Certificates		Debt Service Total
		Principal	Interest	Principal	Interest	
2026	2024	12,515,000	1,299,250	-	35,775	13,850,025
2027	2025	13,470,000	673,500	-	35,775	14,179,275
2028	2026	-	-	2,385,000	35,775	2,420,775
Totals		\$ 25,985,000	\$ 1,972,750	\$ 2,385,000	\$ 107,325	\$ 30,450,075

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The Conservation District Act (70 ILCS 410/) of the Illinois Compiled Statutes limits the amount of indebtedness of the Conservation District to 1.725% of the equalized assessed value (EAV) of McHenry County. As of November 14, 2024, the estimated rate setting EAV of the County for December 31, 2024, was \$12,582,499,360. Using this estimated EAV, the maximum available statutory debt margin would be \$188,678,114.

The following schedule illustrates the computation of the Conservation District's estimated available statutory debt margin:

		<i>Estimated Debt Margin 03/31/25</i>
<i>Estimated</i> EAV 12/31/24	\$ 12,582,499,360	
Maximum Statutory Debt Limit	<u>1.7250%</u>	
Total Maximum Statutory Debt Limit		\$ 217,048,114
Less: Total Debt Outstanding		<u>\$ (28,370,000)</u>
Total Available Statutory Debt Margin		<u>\$ 188,678,114</u>

The following schedule shows the total budgeted revenues and expenditures by debt type for FY 2026:

	Debt Certificates 2020 Series	GO Bonds 2014 Series
Revenues		
Property Taxes	-	10,165,739
Interest on County P-Taxes	-	1,750
Interest Income	-	232,351
Total Revenues	<u>\$ -</u>	<u>\$ 10,399,840</u>
Expenditures		
Principal	-	12,515,000
Interest	35,775	1,299,250
Bank Service Fees	400	850
Total Expenditures	<u>\$ 36,175</u>	<u>\$ 13,815,100</u>
Other Financing Sources		
Permanent Transfer From General Fund	-	3,628,139
Total Other Financing Uses	<u>\$ -</u>	<u>\$ 3,628,139</u>
Fund Balance Increase/(Decrease)	<u>\$ (36,175)</u>	<u>\$ 212,879</u>

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The following schedule shows the annual FY 2026 Budget for the combined Debt Service Funds. For comparative purposes, the schedule includes the actual total amounts for the fiscal year ended 03/31/2023 (Actual FY 2023), the actual total amounts for the fiscal year ended 03/31/2024 (Actual FY 2024), the year-to-date actual amounts for the fiscal year ending 03/31/2025 (YTD actuals FY 2025), the budgeted amounts for the fiscal year ending 03/31/2025 (Budget FY 2025), and the budgeted amounts for the next fiscal year ending 03/31/2026 (Budget FY 2026).

Combined Debt Service Funds					
Annual Budget - Fiscal Year 2026					
	Actual	Actual	YTD	Budget	Budget
	FY 2023	FY 2024	Actuals	FY 2025	FY 2026
	FY 2023	FY 2024	FY 2025	FY 2025	FY 2026
Revenues					
Property Taxes	12,845,845	13,153,291	13,099,116	13,468,010	10,165,739
Interest Income	150,038	247,472	119,726	261,167	234,101
Total Revenues	\$ 12,995,883	\$ 13,400,763	\$ 13,218,842	\$ 13,729,177	\$ 10,399,840
Expenditures					
Principal	9,955,000	10,760,000	-	11,615,000	12,515,000
Interest	2,951,525	2,453,775	957,888	1,915,775	1,335,025
Bank Service Fees	1,125	1,200	-	1,250	1,250
Total Expenditures	\$ 12,907,650	\$ 13,214,975	\$ 957,888	\$ 13,532,025	\$ 13,851,275
Other Financing Sources/ (Uses)					
Permanent Transfer- In	-	-	-	-	3,628,139
Permanent Transfer- Out	-	-	-	-	-
Total Other Financing Sources/ (Uses)	\$ -	\$ -	\$ -	\$ -	\$ 3,628,139
Change in Fund Balance	\$ 88,233	\$ 185,788	\$ 12,260,954	\$ 197,152	\$ 176,704

McHenry County Conservation District

FINANCIAL POLICIES

The Conservation District has a comprehensive set of financial policies which cover all areas of financial operations, including but not limited to accounting, purchasing, financial reporting, investments, payroll, accounts payable, debt issuance and management, etc. For the sake of brevity, the financial policies provided as part of the Budget document represent only a sample of the comprehensive financial policies. Management has included those policies and/or portions of policies that are believed to be the most essential to understanding and supporting this Budget document.

5.00 FINANCE ADMINISTRATION

5.01 Accounting & Reporting

The Finance and Accounting Department of the Administration and Finance Division is responsible for the administration of the Conservation District's finances in accordance with the Conservation District Act and all local, state and federal laws. The Finance and Accounting Department handles the daily flow of cash and disbursement of payments based on the policies contained herein.

5.01.01 Accounting System

A. Fund Accounting

The Conservation District's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities for attaining certain accounting and reporting objectives and in accordance with special regulations, restrictions or limitations.

B. Types of Funds

The following types of funds will be used in accounting for the Conservation District's financial operations: governmental, proprietary and fiduciary.

C. Basis of Accounting

Accounting Methods

The implementation of GASB 34 adds two "Government-Wide" financial statements as a basic financial statements required for all governmental units. They are the Statement of Net Position, which represents the financial condition of the governmental and business activities of the Conservation District at fiscal year-end, and the Statement of Activities, which presents a comparison between direct expenses and program revenues for each program or function of the Conservation District's governmental and business activities. Both new statements are prepared on the full accrual basis.

The reporting for GASB 34 classifies funds as either governmental activities, business activities, or fiduciary funds. Further, non-fiduciary funds are classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds, versus non-major funds. In accordance with accounting standards for governmental units, the Conservation District uses the modified accrual basis of accounting for governmental activity and fund financial statement reporting.

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Presentation

1. Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They included all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The Conservation District does allocate some indirect expenses to functions within the Statement of Activities. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

Separate financial statements will be provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Interfund receivables and payables are eliminated in the Statement of Net Position.

2. Fund Financial Statements

The fund financial statements are organized into individual funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal requirements, contractual provisions and other management objectives.

Funds are organized as major funds or non-major funds within the governmental fund financial statements and an emphasis is placed on major funds. A fund will be considered major if it is the primary operating fund of the entity and may be considered major if meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

3. Governmental Funds (Governmental Activities)

Governmental fund types are those through which all governmental functions of the Conservation District are financed. The Conservation District's expendable financial resources are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. A brief explanation of the Conservation District's governmental funds follows:

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- a. General Fund
- b. Capital Improvement Plan Fund
- c. Debt Service Fund
- d. Insurance/Tort Immunity Fund
- e. Dedicated Accounts Capital Fund
- f. Natural Resources Management Fund

Major Funds

The Conservation District reports the following major governmental funds:

- a. The General Fund, which accounts for the Conservation Districts primary operating activities.
- b. The Capital Improvement Fund, which accounts for the long-term management and maintenance of public access improvements such as bridges, paved trail systems, roads and facilities.
- c. The Debt Service Fund, which accounts for the payment of long-term debt principal, interest and related costs.

Non-Major Funds

The Conservation District reports the following non-major funds:

- a. The Tort/Liability Insurance Special Revenue Fund, which accounts for the general liability, errors and omissions, property and worker’s compensation insurance coverage and other risk management loss control initiatives.
- b. The Dedicated Accounts Capital Fund, which accounts for assets generated from grant awards and other unique revenue sources as well as the investment income earned on these assets. The Dedicated Accounts Capital Fund may be reported as a Major Fund when the projects and associated expenditures are high enough to warrant such.
- c. Natural Resources Management Fund, which accounts for specific natural resource management projects.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting are followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the Conservation District’s operations. “Measurable” means the amount of the transactions can be determined, and “available” means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period.

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Property taxes, agricultural leases and charges for services are the primary revenue sources susceptible to accrual. The Conservation District records a receivable for property taxes when the taxes are levied but does not recognize the taxes as revenue until they are actually received. Agricultural lease revenues are paid bi-annually, and the revenue is recognized at the time it is received. Program registration fees received by the Conservation District are recognized as revenue when the class starts. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

The Conservation District reports deferred revenues as a “Deferred Inflow of Resources’ on its Statement of Net Position and its Governmental Funds Balance Sheet. For government-wide financial statements, deferred revenues arise from taxes levied in the current fiscal year, which are collected in the subsequent fiscal year. For governmental fund financial statements, deferred revenues occur when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period or when resources are received by the Conservation District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Conservation District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the flow of economic resource measurement of focus as defined below.

The measurement focus of all government activities is the flow of current financial resource concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements, are reflected in operations.

Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide and proprietary fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

Legal Compliance

The Conservation District’s accounting system must make it possible to show that all applicable legal provisions have been complied with, and to determine fairly and with full disclosure the financial position and results of financial operation of the Conservation District.

Deviation

The financial position and the results of financial operation of each fund will be reported at the close of each fiscal year by an independent certified public accountant in the year-end audited financial statements and accompanying notes, reports and disclosures.

Conflicts Between Accounting Principles and Legal Procedures

If there is a conflict between legal provisions and generally accepted accounting principles applicable to governmental units, legal provisions must take precedence: however, the Conservation District’s accounting

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system should make possible the full disclosure and fair presentation of financial position and operating results in accordance with generally accepted principles of accounting applicable to governmental units.

5.01.02 Fund Balance Policy

The Conservation District shall maintain separate funds as required by state statutes. These funds shall be organized and operated under the provisions of the Conservation District's Accounting System.

In the course of operations, it may be necessary for the Conservation District to have transactions between funds. These transfers shall be governed by state statutes and subject to annual audit.

A. Purpose

The purpose of this policy is to establish the principals and parameters to which a fund balance target will be defined. This policy is established to provide financial stability, cash flow for operations and the assurance that the Conservation District will be able to respond to emergencies with fiscal strength. More detailed fund balance financial reporting and the increased disclosures will aid the users of the financial statements in understanding the availability of resources.

In the event that unexpected situations may cause the Conservation District to fall below the minimum level, certain steps will be followed to correct the deficiency as outlined in the section below "Minimum Target Balances".

B. Definitions

1. Governmental Funds

Governmental Funds are used to account for all of the Conservation District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital fund), and the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the Conservation District not accounted for in some other fund.

2. Fund Balance

Fund Balance is the difference between: 'assets plus deferred outflow of resources' and 'liabilities plus deferred inflow of resources' within a Governmental Fund.

3. Nonspendable Fund Balance

Nonspendable Fund Balance is a portion of the Governmental Fund's fund balance that is not available to be spent either in the short-term or long-term, or through legal restrictions (e.g., inventories, prepaid items, land held for resale and endowments).

4. Restricted Fund Balance

Restricted Fund Balance is a portion of a Governmental Fund's fund balance that is subject to external enforceable legal restrictions (e.g., grantor, contributor and certain property tax levies).

5. Unrestricted Fund Balance

Unrestricted Fund Balance is made up of three components:

- a. Committed Fund Balance - The portion of a Governmental Fund's fund balance with self-imposed constraints or limitations that have been placed at the highest level of decision making through formal Board action. The same action is required to remove the commitment of fund balance.
- b. Assigned Fund Balance - The portion of a Governmental Fund's fund balance to denote an intended use of resources but with no formal Board action.

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- c. Unassigned Fund Balance - Available expendable financial resources in a governmental fund that is not the object of a tentative management plan.

C. Fund Balance Philosophy

It is the Conservation District's philosophy to support prudent long-term financial management strategies, where fiscal sustainability is its first priority and fund balance levels are a crucial concern, while also building funds for future growth. It is essential to maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures). Fund balance levels are also a crucial consideration in long-term financial planning.

D. Scope

This policy establishes a hierarchy of fund balance and provides for the minimum amount of fund balance each governmental fund should maintain. Credit rating agencies carefully monitor levels of fund balance and unassigned fund balance in the general fund to evaluate the Conservation District's continued creditworthiness.

E. Minimum Fund Balance Levels

This policy applies to the Conservation District's governmental funds as follows:

1. General Fund

The General Fund is a major fund and the general operating fund of the Conservation District. It is used to account for almost all of the administrative and programmatic operations of the Conservation District and financial resources except those that are accounted for in another fund.

Each year a portion of the spendable fund balance will be determined as follows:

- a. Committed - A portion of the fund balance may be committed through formal action of the Board of Trustees either through resolution or ordinance.
- b. Assigned - Fiscal Sustainability. A portion of the fund balance may be assigned for specific purposes or initiatives. Such an assignment does not require a formal action of the Board of Trustees.
- c. Unassigned – Generally, when revenues are sufficient to support the current financial needs of the Conservation District, the portion of fund balance that is not committed or assigned for specific purposes within the General Fund shall be maintained at a minimum of three months of normal operating expenses (25% of annual operating expenses), not including capital outlays or interfund transfers. The unassigned fund balance will be reviewed annually during the budget process to ensure it is maintained at the three-month threshold. Balances in excess of three months (25%) of annual budgeted expenditures may be transferred through a formal resolution of the Board of Trustees to any other fund as determined by the Board of Trustees. During periods where revenues are not sufficient to support the known financial needs of the Conservation District, the Board of Trustees may elect to reduce the minimum level of General Fund unassigned fund balance to two months of normal operating expenses (16.6% of annual operating expenses), not including capital outlays or interfund transfers.

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2. Capital Improvement Plan Fund

The Capital Improvement Plan Fund is a major fund established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

This fund's fund balance will be considered restricted, committed, or assigned depending on the intended source/use of funds.

3. Debt Service Funds

The Debt Service Fund is a major fund and was established to account for financial resources that are restricted, committed, or assigned for the sole purposes of retirement of the Conservation District's bonds through contractual payments of principal and interest.

The McHenry County Clerk initiates the debt service levy for the Conservation District based on the bond's contractual payments due over the life of the bonds. The debt service levy is filed with the McHenry County Clerk at the time the bonds are issued. The property taxes collected may be in excess or deficient from the actual amounts levied by the McHenry County Clerk. Fund balance which may be derived from property taxes collected in excess of the contractual bond payments is restricted and can only be used for the future retirement of General Obligation bonds. When property taxes collected fall short of the bond's annual contractual payments, the Board of Trustees may levy the deficient amount(s) as additions to the debt service levy(s) of future years. Fund balance that is derived from interest or investment earnings on balances within the fund may be committed by the Board of Trustees for other purposes besides the retirement of debt.

4. Insurance/Tort Immunity Fund

This fund is a minor fund and was established to account for general liability, errors and omissions, property and worker's compensation insurance coverage and other risk management loss control initiatives.

This fund's fund balance is restricted for the sole purpose of reducing tort liability and risk management loss control activities as defined under the Illinois Local Government Tort Immunity Act (75 ILCS 10/9-107)

5. Dedicated Accounts Capital Fund

The Dedicated Accounts Capital fund is a minor fund established to account for the assets generated from grant awards and other unique revenue sources, as well as the investment income earned on these assets. The majority of the funding in this account is derived from grant recoveries, which are largely matching reimbursement type grants, where the funding is received after the completion of the project. As such, typically the fund balance will not be restricted, but is usually committed or assigned for specific initiatives.

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6. Natural Resources Management Fund

The Natural Resources Management Fund is a special revenue fund. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes other than debt service or capital projects. The vast majority of the revenue within this fund is derived from wetland mitigation contracts. Generally, the mitigation agreements will provide the Conservation District with significant funding to provide for the natural restoration of an area, but then the Conservation District must also maintain the restored area in perpetuity in accordance with the terms of the mitigation contracts. As such, the majority of the fund balance within the fund is considered restricted.

F. Flow Assumptions

Some projects (funds) are funded by a variety of resources, including both restricted and unrestricted (committed, assigned and unassigned). The Conservation District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If different levels of unrestricted funds are available for spending, the Conservation District considers committed funds to be expended first followed by assigned and, lastly, unassigned funds.

G. Authority

A self-imposed constraint on spending the fund balance (Committed Fund Balance) must be approved by ordinance or resolution of the Board of Trustees. Any modifications or removal of the self-imposed constraint must use the same action used to commit the fund balance.

Formal action to commit fund balance must occur before the end of the fiscal year. The dollar amount of the commitment can be determined after year end. The Executive Director will determine if a portion of fund balance should be assigned.

H. Monitoring Minimum Fund Balance Levels

Conservation District management staff will monitor revenue collection and available cash by reviewing monthly financial reports. During the year, if there is an expectation that fund balance levels will not be met by the end of the fiscal year, the Executive Director may review all projected operational and capital expenditures with the management team, and accordingly, present a plan to the Board of Trustees for a modification of goals and projects established in the adopted budget.

5.01.03 Treasurer's Report

The Treasurer shall present a written report of all financial transactions of the Conservation District. The report will become a permanent part of the minutes upon acceptance of a majority of the Board present at each regular meeting.

5.01.04 Publication of Statements of Receipts and Disbursements

The Conservation District is required to annually prepare and file with the County Clerk a statement of receipts and disbursements which complies with the guidelines described in the Public Funds Statement Publication Act (30 ILCS 15/0.01 et seq.).

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5.01.05 Statement of Economic Interests

By April 30 of each year elected or appointed officers are required to file with the McHenry County Clerk a statement of economic interests, unless they already filed a statement in relation to the Conservation District in that year (5 ILCS 120/4A-105, 4A-101 (g), (h)).

Employees of the Conservation District must file statements by April 30 of each year based upon the designated rate of pay or job responsibilities as required by the Statute.

5.01.06 Disclosures Under Securities Act – Bond Post Issuance Compliance Policy

Pursuant to the Conservation District’s responsibilities under the securities laws, including its continuing disclosure undertakings (the “Undertakings”) under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, and the Securities and Exchange Commission’s statements in enforcement actions, it is necessary and in the best interest of the Conservation District that the Conservation District’s (i) preliminary and final official statements or offering circulars and any supplements or amendments thereto (collectively, the “Official Statements”), disseminated by the Conservation District in connection with any bonds, notes, certificates or other obligations, (ii) Annual Financial Information, as required by and defined in the Undertakings (the “Annual Financial Information”) to be filed with the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) system, and (iii) notices of Material Events or Reportable Events, each as defined in the Undertakings, and any other required or voluntary disclosures to EMMA (each, an “EMMA Notice”) comply in all material respects with the federal securities laws. Further, it is necessary and in the best interest of the Conservation District that the Conservation District adopt policies and procedures to enable the Conservation District to create accurate disclosures with respect to its (i) Official Statements, (ii) Annual Financial Information, and (iii) EMMA Notices. Official Statements, Annual Financial Information and EMMA Notices are collectively referred to herein as the “Disclosures.

In response to these interests, the Conservation District hereby adopts the following policies and procedures (the “Disclosure Policy”):

A. Disclosure Officer

The Director of Administration and Finance of the Conservation District (the “Disclosure Officer”) is hereby designated as the officer responsible for the procedures related to Disclosures as hereinafter set forth (collectively, the “Disclosure Procedures”).

B. Disclosure Procedures: Official Statements

Whenever an Official Statement will be disseminated in connection with the issuance of obligations by the Conservation District, the Disclosure Officer will oversee the process of preparing the Official Statement pursuant to the following procedures:

The Conservation District shall select (a) the working group for the transaction, which group may include outside professionals such as disclosure counsel, a municipal advisor and an underwriter (the “Working Group”) and (b) the member of the Working Group responsible for preparing the first draft of the Official Statement.

The Disclosure Officer shall review and make comments on the first draft of the Official Statement. Such review shall be done in order to determine that the Official Statement does not include any untrue statement of a material

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fact or omit to state a material fact necessary in order to make the statements made in the Official Statement not misleading. Particular attention shall be paid to the accuracy of all descriptions, significant information and financial data regarding the Conservation District. Examples include confirming that information relating to the Conservation District, including but not limited to demographic changes, the addition or loss of major employers, the addition or loss of major taxpayers or any other material information within the knowledge of the Disclosure Officer, is included and properly disclosed. The Disclosure Officer shall also be responsible for ensuring that the financial data presented with regard to the Conservation District is accurate and corresponds with the financial information in the Conservation District's possession, including but not limited to information regarding bonded indebtedness, notes, certificates, outstanding leases, tax rates or any other financial information of the District presented in the Official Statement.

After completion of the review set forth in 2 above, the Disclosure Officer shall (a) discuss the first draft of the Official Statement with the members of the Working Group and such staff and officials of the Conservation District as the Disclosure Officer deems necessary and appropriate and (b) provide comments, as appropriate, to the members of the Working Group. The Disclosure Officer shall also consider comments from members of the Working Group and whether any additional changes to the Official Statement are necessary or desirable to make the document compliant with the requirements set forth in 2 above.

The Disclosure Officer shall continue to review subsequent drafts of the Official Statement in the manner set forth in 2 and 3 above.

If, in the Disclosure Officer's reasonable judgment, the Official Statement does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Official Statement not misleading, the Official Statement may, in the reasonable discretion of the Disclosure Officer, be released for dissemination to the public; provided, however, that the use of the Official Statement must be ratified, approved and authorized by the Board of Trustees of the District (the "Board").

C. Disclosure Procedures: Annual Financial Information

The Disclosure Officer will oversee the process of preparing the Annual Financial Information pursuant to these procedures:

1. By October 1 of each year (the same being at least thirty (30) days prior to the last date on which the Annual Financial Information is required to be disseminated pursuant to the related Undertaking, the Disclosure Officer shall begin to prepare (or hire an agent to prepare) the Annual Financial Information. The Disclosure Officer shall also review the audited or unaudited financial statements, as applicable, to be filed as part of the Annual Financial Information (the "Financial Statements"). In addition to the required updating of the Annual Financial Information, the Disclosure Officer should consider whether additional information needs to be added to the Annual Financial Information in order to make the Annual Financial Information, including the Financial Statements, taken as a whole, correct and complete in all material respects. For example, if disclosure of events that occurred subsequent to the date of the Financial Statements would be necessary in order to clarify, enhance or correct information presented in the

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Financial Statements, in order to make the Annual Financial Information, taken as a whole, correct and complete in all material respects, disclosure of such subsequent events should be made.

2. If, in the Disclosure Officer's reasonable judgment, the Annual Financial Information, including the Financial Statements, is correct and complete in all material respects, the Disclosure Officer shall file the Annual Financial Information with EMMA (or confirm that such filing is completed by any agent hired by the Conservation District for such purpose) within the timeframe allowed for such filing.

D. Disclosure Procedures: EMMA Notices

Whenever the Conservation District determines to file an EMMA Notice, or whenever the Conservation District decides to make a voluntary filing to EMMA, the Disclosure Officer will oversee the process of preparing the EMMA Notice pursuant to these procedures:

1. The Disclosure Officer shall prepare (or hire an agent to prepare) the EMMA Notice. The EMMA Notice shall be prepared in the form required by the MSRB.
2. In the case of a disclosure required by an Undertaking, the Disclosure Officer shall determine whether any changes to the EMMA Notice are necessary to make the document compliant with the Undertaking.
3. If, in the Disclosure Officer's reasonable judgment, the EMMA Notice is correct and complete and, in the case of a disclosure required by an Undertaking, complies with the Undertaking, the Disclosure Officer shall file the EMMA Notice with EMMA (or confirm that such filing is completed by any agent hired by the Conservation District for such purpose) within the timeframe allowed for such filing.

E. Additional Responsibilities of the Disclosure Officer

The Disclosure Officer, in addition to the specific responsibilities outlined above, shall have general oversight of the entire disclosure process, which shall include:

1. Maintaining appropriate records of compliance with this Disclosure Policy (including proofs of EMMA filings) and decisions made with respect to issues that have been raised;
2. Evaluating the effectiveness of the procedures contained in this Disclosure Policy; and
3. Making recommendations to the Executive Director and Board as to whether revisions or modifications to this Disclosure Policy are appropriate.

F. General Principles

1. All participants in the disclosure process should be encouraged to raise potential disclosure items at all times in the process.
2. The process of revising and updating the Disclosures should not be viewed as a mechanical insertion of current numbers. While it is not anticipated that there will be major changes in the form and content of the Disclosures at the time of each update, the Disclosure Officer should consider whether such changes are

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necessary or desirable in order to make sure the Disclosure does not make any untrue statement of a material fact or omit to state a material fact necessary or desirable, in order to make the statements made, in light of the circumstances in which they were made, not misleading at the time of each update.

3. Whenever the Conservation District releases information, whether in written or spoken form, that may reasonably be expected to reach investors, it is said to be “speaking to the market.” When speaking to the market, Conservation District officials must be sure that the released information does not make any untrue statement of a material fact or omit to state a material fact necessary or desirable, in order to make the statements made, in light of the circumstances in which they were made, not misleading.
4. While care should be taken not to shortcut or eliminate any steps outlined in this Disclosure Policy on an ad hoc basis, the review and maintenance of the Disclosures is a fluid process and recommendations for improvement of these Disclosure Procedures should be solicited and regularly considered.
5. The Disclosure Officer is authorized to request and pay for attendance at relevant conferences or presentations, or annual training sessions conducted by outside counsel, consultants or experts in order to ensure a sufficient level of knowledge for the effective administration of this Disclosure Policy.

5.02 Budget

Adoption of budget and passage of annual appropriation ordinance is required. The Board shall, within the first quarter of each fiscal year, adopt a combined annual budget and appropriation ordinance as provided in the Illinois Municipal Budget Law, by which ordinance the Board may appropriate such sum or sums of money as may be deemed necessary to defray all necessary expenses and liabilities of the Conservation District, and in such annual budget and appropriation ordinance shall specify the objects and purposes for which such appropriations are made, and the account appropriated for each object or purpose. A majority of the entire Board shall be required to approve any budget ordinance.

The Conservation District’s combined annual budget and appropriation ordinance shall not be considered to be adopted until it is also adopted by resolution of the McHenry County Board.

5.02.01 Fiscal Year

The fiscal year of the Conservation District shall commence April 1 of each year and extend through the following March 31.

FINANCIAL POLICIES
 FY 2026 - Annual Budget

McHenry County Conservation District

5.02.02 Budget Approval Process/Timeline

Fiscal Year – April 1 – March 31		
Step	Action	Date
1.	Board of Trustees Budget Planning Begins	May & June
2.	Property Tax Extension Ordinance Adopted & Filed with McHenry County Clerk	September No later than September 30
3.	Board of Trustees Budget Planning Workshop	July & August
4.	Tentative Budget & Appropriation Ordinance Adopted, Filed with McHenry County Clerk & Public Hearing Legal Notice Published	January
5.	Public Hearing on Tentative Budget & Appropriation Ordinance	February No less than 30-days after adoption of Tentative Budget
6.	Final Budget and Appropriation Ordinance Adopted	February
7.	Resolution on Final Budget & Appropriation Ordinance presented to McHenry County Planning, Environment & Development Committee	March
8.	Resolution on the Final Budget & Appropriation Ordinance presented to McHenry County Board Committee of the Whole and County Board for Adoption	March No later than June 30

5.02.03 Annual Audit

A Certified Public Accountant shall be retained by the Board of Trustees to perform an annual audit of the Conservation District’s books, records and accounts. The audit shall cover the immediately preceding fiscal year and shall begin as soon as possible after the close of the last fiscal year to which it pertains. Said Accountant shall make a personal, oral presentation and provide a written statement of opinion to the Board. The Board shall accept the audit by a motion passed by the majority of the Board.

The audit shall also be presented by the Conservation District to the McHenry County Board and a copy filed with the County Clerk for certification. Copies shall also be sent to the State Comptroller’s office and the Director of the Illinois Department of Natural Resources.

5.02.04 Annual Financial Report

An annual financial report will be prepared outlining the activities of the Conservation District during the past fiscal year. A copy of the annual financial report is sent to the Director of the Illinois Department of Natural Resources and is to be made available to the public on the Conservation District’s website.

5.02.05 Tax Abatement

Requests for tax abatement will be reviewed by the Board in conjunction with information on the financial impact such an abatement might have on the Conservation District. Full tax abatements up to the statutory limit may be granted for a period of two (2) years to firms which meet the requirements of the provisions of Illinois Revised Statutes. The approval of a resolution by a majority of the entire Board is required to grant a tax abatement. Tax abatement resolutions will be filed with the County Clerk upon approval.

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5.03 Revenue Sources

5.03.01 Annual Property Tax Levy Ordinance

The Conservation District has the power to levy and collect taxes on all of the taxable property in the Conservation District for all corporate purposes. The Board of Trustees may accumulate funds for the purposes identified within the Conservation District Act including the acquisition of real property and may annually levy taxes for such purposes in excess of current requirements for its other purposes but subject to any lawful tax rate limitations.

All general taxes proposed by the Board of Trustees to be levied upon the taxable property within the Conservation District shall be levied by ordinance. A certified copy of such levy ordinance shall be filed on or before the first Tuesday in October with the McHenry County Clerk.

5.03.02 Bonds

For the purpose of development or acquisition of real property or rights thereto, the Conservation District may issue and sell bonds subject to the restrictions set forth in Illinois State Statutes (Chapter 96.5 Sections 7115 through 7127). Independent bond counsel and/or financial consultants may be retained to assist in the issuance and sale of such bonds. The approval of a majority of the entire Board is required to sell or issue bonds.

The Conservation District shall determine on a case-by-case basis the appropriateness of seeking a bond rating on the issuance of general obligation debt under the prevailing market conditions.

5.03.03 Fees and Charges

The Conservation District may charge and collect reasonable fees for the use of its facilities, privileges and any conveniences that may be provided. The Conservation District may also charge and collect reasonable fees for its programs and workshops as may be deemed appropriate. All licenses, fees and charges and other revenue received or collected by the Conservation District shall be deposited in the Conservation District's treasury and be used in accordance with the restrictions of the state statutes.

5.03.04 Grants

The Conservation District may apply for grants for any purpose from any department or agency of the state or federal government and/or private organizations. A separate accounting of grant funds and expenditures shall be maintained and be subject to the annual audit.

5.03.05 Gifts, Bequests and Fundraising

The Conservation District may accept gifts and bequests of money or other property; however, it is in the best interest of the Conservation District to direct the stewardship of these gifts, bequests of monetary or other property towards the McHenry County Conservation Foundation. Unless specified, money received may be deposited in special purpose accounts of the general fund of the Conservation District and used in accordance with state statutes.

Groups or organizations, with Conservation District authorization through the Executive Director, may solicit or accept gifts and bequests of money or other property for Conservation District purposes. Cash gifts in excess of \$10.00 for Conservation District purposes must be receipted to the donor. A written record of receipts and disbursements shall be provided to the Conservation District. No group or organization may accept gifts and bequests of money or other property for Conservation District purposes without authorization from the Executive

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Director.

No group or organization may solicit or accept gifts or donations for any purposes on Conservation District property without authorization from the Executive Director of the Conservation District.

5.03.06 Naming Opportunities Policy

A. Purpose

The McHenry County Conservation District seeks to recognize the generosity of individuals, businesses, corporations, foundations, organizations, or other donors who have supported the Conservation District through substantial financial contributions. Working in collaboration with the McHenry County Conservation Foundation, the Conservation District offers naming opportunities for this philanthropic recognition. These naming opportunities may include but are not limited to, naming outbuildings, areas of the Conservation District's exterior property, furnishings and equipment, Conservation District programs or events, trails, and other significant assets. The Conservation District will not grant corporate naming rights of conservation areas or facilities. The Conservation District Board and the Foundation consider naming opportunities to be one of the greatest distinctions it can bestow and make the decisions on naming with an appreciation for that significance.

To ensure the appropriateness of naming opportunities, the Conservation District Board and the Foundation will adhere to the following guidelines to make decisions on the merits of each opportunity in naming Conservation District assets. All benefactors interested in the Conservation District's naming opportunities must agree to the stipulations set forth in this policy.

B. Policy

It is the policy of the Conservation District and the Foundation that:

The Conservation District has the sole right to name or rename any or all of its assets. The Conservation District may refuse any financial donation if it is deemed not to be in the best interests of the organization.

The Executive Director is authorized to sign all naming opportunity agreements; however, all naming opportunity agreements greater than \$30,000, will be through the adoption of a resolution by the majority of the Board of Trustees.

All naming opportunities must be appropriate and consistent with the Conservation District's mission and vision to preserve, restore and manage natural areas and open spaces for their intrinsic value and for the benefits to present and future generations.

Naming opportunities carry no power of direction or implied power of direction to the Conservation District on matters of appointment of persons, policies, or any other Conservation District processes or activities.

Naming opportunities will be identified by the Conservation District's Executive Director, in consultation with the Foundation's Executive Director and the Conservation District's Executive Leadership Team. Any list of naming opportunities will be submitted to the Conservation District Board for approval.

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When a major building, renovation, remodeling, or addition project is to be undertaken, the solicitations for naming opportunities will be the responsibility of the Conservation District's Executive Director, the Foundation's Executive Director, and the Foundation's Board of Directors. A tailored naming opportunities list will be prepared by the Foundation and the Conservation District's Executive Director and approved by the Conservation District Board.

If two or more donors wish to obtain the same naming opportunity, the naming opportunity will be selected at the discretion of the Conservation District Board.

Contribution levels for naming opportunities are established by the Foundation with final approval by the Conservation District Board. Factors considered in the setting of donor contributions for naming opportunities include but are not limited to actual cost of the asset, cultural significance of the asset, and ongoing operating or maintenance costs.

All naming opportunities shall be approved for a specific term, which shall not be longer than the useful life of the property, facility, or asset, as determined by the Conservation District Board, unless otherwise established in an agreement between the Conservation District and the donor.

When a named significant asset has reached the end of its useful life and will be replaced, substantially renovated, or relocated, the replaced, renovated or relocated asset may be renamed in recognition of a new donor.

The Conservation District's Executive Director, in consultation with the Foundation's Executive Director and the Conservation District's Planning & Development Department, will be responsible for determining the manner in which the donor is recognized. The donor may submit suggested wording, but the Conservation District reserves the right to approve the wording, size, location, and style of the recognition.

All named assets in existence at the time of the adoption of this policy shall retain their name, subject to restrictions in these guidelines and in any donor agreements related to prior naming action.

Requests for naming opportunities must be submitted on the solicitation documents set in place by the Foundation. The Conservation District's Executive Director will forward the Foundation's recommendation concerning the requests to the Conservation District Board for approval. The Conservation District Board or Executive Director may request to meet with the donor to review, clarify, or modify the submission. The donor may be asked to stipulate in writing that the donation is made with the understanding that all the Conservation District's policy requirements will be adhered to.

C. Definitions

1. Naming Opportunity

Naming opportunity refers to opportunity for the Conservation District to grant the right to name a piece of property or portions of property in exchange for financial consideration. The granting of a naming opportunity is intended to support and promote investment in Conservation District facilities whereby: contributions result in significant and direct benefits to the Conservation District; the granting of naming rights does not compromise the Board of Trustees ability to carry out its functions fully and impartially; and the granting of a naming opportunity will not entitle the naming entity to preferential treatment outside any specific naming rights agreement.

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2. Naming Opportunity Agreement

A mutually beneficial contractual agreement between the Conservation District and a second party that grants the second party the exclusive right to name a location, a section of a property, an entire building, a program, or an event for a specified period of time.

3. Outbuildings

Structures on property owned by the Conservation District, such as picnic shelters, barns, and storage buildings that do not function as a primary visitor location or residential dwelling.

4. Areas of Exterior Properties

The open space on the premises of Conservation District sites.

5. Programs/Events

Programs/Events refers to community engagement opportunities hosted by the Conservation District.

6. Trails

A lane or road, paved or unpaved, that exists for the primary purpose of recreational activities.

7. Other Significant Assets

Other significant assets refer to tangible and intangible items of value owned or managed by the Conservation District with the expectation that it will provide future benefit. This may include scholarship funds, endowment or other investment funds, machinery or equipment, etc.

8. Useful Life

The estimated number of years it is likely that an asset own or managed by the Conservation District will remain in service.

D. Administrative Procedures

1. All applications for naming opportunities must be submitted in writing to the Executive Director or their designee. It will be the responsibility of the Executive Director or their designee to track all proposals.
2. The Executive Director or their designee will review the application, seek advice from the Board of Trustees, if appropriate, and make a decision on the application.
3. The Executive Director or their designee may use, but are not limited to, the following criteria when evaluating a naming opportunity application; in all cases, the Executive Director or their designee will have the prerogative to accept or reject the proposal.
 - a. The compatibility of the applicant's products, customers and promotional goals with the Conservation District's mission;
 - b. The applicant's past record of involvement in community and county projects;
 - c. The desirability of association, i.e., the image;
 - d. The timeliness or readiness of the applicant to enter an agreement;
 - e. The actual value in cash, or in-kind goods or services, of the application in relation to the benefit to the applicant;
 - f. Community support for, or opposition to, the application;
 - g. The operating and maintenance costs associated with the application;

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- h. The applicant's record of responsible environmental stewardship and social responsibility.
- 4. If the Executive Director or their designee approves the application in principle, McHenry County Conservation Foundation staff will draft a naming opportunity agreement for signature. This agreement will include the contract relationship; the term; description of fees, commissions, and/or in-kind services provided to the Conservation District; the marketing rights and benefits provided to the sponsor; and termination provisions. All contractual language will be consistent with applicable policies, ordinances and good business practices and will be reviewed by the Conservation District's legal counsel.
- 5. The Executive Director is authorized to sign all naming opportunity agreements; however, all naming opportunity agreements greater than \$30,000 will be through the adoption of a resolution by the majority of the Board of Trustees. All named assets in existence at the time of the adoption of this policy shall retain their name, subject to restrictions in these guidelines and in any don or agreements related to prior naming action.

5.03.07 Sponsorship & Advertising Policy

The Conservation District welcomes and encourages sponsorships and advertising that support the programs and services provided to the public by the Conservation District. All sponsorships and advertising shall be consistent with the Conservation District's mission and goals and will conform with all ordinances and policies of the Conservation District and will not reflect negatively on the Conservation District's public image.

A. Purpose

To establish a policy, criteria, guidelines and procedures to safeguard the Conservation District's values, image, assets, and interests while increasing opportunities for revenue generation. This policy is not applicable to gifts, grants or unsolicited donations in which no benefits are granted to the corporation and where no business relationship exists.

B. Policy

It is the policy of the Conservation District:

- 1. To work with the McHenry County Conservation Foundation to facilitate corporate sponsorships and advertising as an effective means of generating new revenues and alternative resources to help support Conservation District conservation areas and programs.
- 2. To authorize the McHenry County Conservation Foundation to enter into sponsorship and advertising agreements that are consistent with the mission and policies, as well as in harmony with, the goals of the Conservation District.
- 3. To authorize the McHenry County Conservation Foundation to enter into sponsorship and advertising agreements only if deemed in the best interest of the Conservation District by the Executive Director, or their designee.
- 4. That corporate or business sponsorships will not result in any loss of Conservation District administrative rights, jurisdiction or authority.
- 5. Advertising in Conservation District publications at events, programs or facilities or in conjunction with sponsorship agreements may not contain material that:
 - a. Is religious, political, cultural or theological in nature.
 - b. Promotes tobacco use.
 - c. Advertises alcohol at events or in publications geared to children or youth.
 - d. Promotes adult-use or other businesses deemed inappropriate by the Executive Director of their designees.

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- e. Is false, misleading or deceptive.
 - f. Is libelous.
 - g. Depicts violence and/or anti-social behavior.
 - h. Implies or declares an endorsement by the Conservation District of any goods, services or activities.
6. All sponsorship and advertising agreements will ensure that the sponsor has no approval rights for a sponsored program or activity.
7. Sponsorship and advertising agreements will exist in accordance with criteria and procedures set forth in this policy.

C. Definitions

1. **Sponsorship**
A mutually beneficial business arrangement between the Conservation District and/or McHenry County Conservation Foundation and a second party, wherein the second party provides cash and or in-kind services to the Conservation District and/or McHenry County Conservation Foundation in return for access to the commercial and/or marketing potential associated with the Conservation District and/or McHenry County Conservation Foundation. Sponsorships may include sponsorship of one or more of the Conservation District's services, projects, events, facilities, equipment or activities.
2. **Sponsorship Agreement**
A mutually beneficial contractual agreement that reflects the business arrangement for the exchange of commercial and/or marketing benefits between the Conservation District and/or McHenry County Conservation Foundation and a second party for a specified period of time.
3. **Sponsor**
A second party that enters into a sponsorship agreement with the Conservation District and/or McHenry County Conservation Foundation.
4. **In-Kind Sponsor**
A sponsorship received in the form of goods and/or services rather than cash.
5. **Conservation Areas**
All sites, facilities and lands under the ownership, management and/or control of the Conservation District.
6. **Sponsorship Categories**
- a. **Site-Specific Program Sponsorship:** A neighborhood business, local merchant or local branch of a corporation sponsors a time limited event or program at an individual Conservation District facility/site.
 - b. **Conservation District-wide Program Sponsorship:** A local corporation sponsors a time limited program that is held at multiple Conservation District facilities/sites or has a Conservation District-wide presence.
 - c. **Temporary Logo or Recognition Display Sponsorship:** A sponsorship agreement that includes a display of recognition on Conservation District property for more than seven calendar days and less than one year.

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- d. Long-Term Sponsorship: A sponsorship agreement that includes the display of recognition of the corporate sponsor for more than one year.

D. Signage and Advertising

- 1. The type, location, size, design, content, and duration of any advertising, advertising display or sponsor recognition must meet all applicable policies and ordinances and is subject to approval and therefore will be specified in the contract, permit or agreement.
- 2. Allowed signage and recognition display details, including type, location, size, design and content and duration of display, will be a component of the corporate sponsorship agreement; additional signage requests require approval of the Executive Director or their designee.
- 3. Freestanding billboards are not allowed on Conservation District property.

E. Sponsored Materials

All sponsored products, materials and services require the Executive Director's approval and must meet the specifications and standards used by the Conservation District in the purchase of similar materials.

F. Employee Participation

No employee of the Conservation District is required to wear clothing with corporate logos or advertising.

G. Administrative Procedures

- 1. All proposals for sponsorships must be submitted in writing to the Executive Director or their designee. It will be the responsibility of the Executive Director or their designee to track all proposals.
- 2. The Executive Director or their designee will review the proposal, seek advice from the Board of Trustees, if appropriate, and make a decision on the proposal.
- 3. The Executive Director or their designee may use, but are not limited to, the following criteria when evaluating a corporate sponsorship proposal; in all cases, the Executive Director or their designee will have the prerogative to accept or reject the proposal.
 - a. The compatibility of the corporation's products, customers and promotional goals with the Conservation District's mission;
 - b. The corporation's past record of involvement in community and county projects;
 - c. The desirability of association, i.e., the image;
 - d. The timeliness or readiness of the corporation to enter an agreement;
 - e. The actual value in cash, or in-kind goods or services, of the proposal in relation to the benefit to the corporation;
 - f. Community support for, or opposition to, the proposal;
 - g. The operating and maintenance costs associated with the proposal;
 - h. The corporation's record of responsible environmental stewardship and social responsibility.
- 4. If the Executive Director or their designee approves the proposal in principle. For sponsorships over \$5,000 McHenry County Conservation Foundation staff will draft a sponsorship agreement for signature. This agreement will include the contract relationship; the term; description of fees, commissions, and/or in-kind services provided to the Conservation District; the marketing rights and benefits provided to the sponsor; and termination provisions. All contractual language will be consistent with applicable policies, ordinances and good business practices and will be reviewed by the Conservation District's legal counsel.

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5. The Executive Director or their designee is authorized to sign all sponsorship agreements up to \$30,000 according to Comprehensive and Administration Policy 5.05.03 Bid Procedures/Purchasing Policy: B5 – Signing of Contracts.
6. All sponsorship agreements greater than \$30,000 or categorized as Long-Term Sponsorships, will be authorized through the adoption of a resolution by the majority of the Board of Trustees.

5.03.08 Tax Anticipation Warrants

Whenever the Conservation District does not have sufficient monies in its treasury to meet all necessary expenses and liabilities thereof, it may issue tax anticipation warrants. The approval of a resolution by a majority of the entire Board is required to issue anticipation warrants.

5.04 Banking

5.04.01 Bank Designation and Deposit of Funds

It shall be the policy of the Conservation District to select bank depositories on the following basis:

1. Security - The Conservation District will maintain funds only in any financial institution that is a member of the FDIC, NCUA or the SAIF systems. Furthermore, the Conservation District will not maintain funds in any financial institution not willing or capable of posting required collateral for funds in excess of the FDIC or SAIF insurable limits.
2. Size - The Conservation District will not select as depository, any financial institution in which the Conservation District funds on deposit will exceed 50% of the institution's capital stock and surplus.
3. Statement of Condition - The Conservation District will maintain for public and managerial inspection current statements and condition for each financial institution that it uses as a depository. If, for any reason, the information furnished is considered by the Executive Director or Conservation District's Treasurer to be insufficient, the Conservation District may request additional data. The refusal of any institution to provide such data upon request may serve as sufficient cause for withdrawal of Conservation District funds.
4. Service and Fees - Any financial institution selected by the Conservation District shall provide normal banking services, including, but not limited to checking accounts, wire transfers, purchase and sale of investment securities and safekeeping services. Fees for banking services shall be mutually agreed to by an authorized representative of the depository bank and the Executive Director or their designee on an annual basis. Fees for services shall be substantiated by a monthly account analysis and may be reimbursed (partially or in full) by means of compensating balances.

The Treasurer of the Conservation District shall make recommendations for appointment of depositories. The Board of Trustees shall designate a bank or banks or other depository in which the funds of the Conservation District may be deposited. No bank shall be qualified to receive such funds or moneys unless and until it has demonstrated compliance with Section 6 of the Public Funds Investment Act (30 ILCS 236/6). All selections of depositories shall be made in accordance with Illinois State Statutes and Federal regulations and shall be made by a resolution approved by a majority of the entire Board.

5.04.02 Collateral

The Conservation District shall require that time deposits in excess of FDIC or SAIF insurable limits be secured by acceptable collateral. Acceptable collateral instruments include U.S. Governmental Obligations or Obligations guaranteed by the U.S. Government. The amount of collateral provided will not be less than 110% of the fair

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market value of the net amount of the public funds secured. The ratio of fair market value of collateral to the amount of the funds secured will be reviewed annually by the Conservation District’s auditor and additional collateral will be requested whenever the ratio declines below the level required. Pledged collateral will be held in safekeeping by a third party and evidenced by a safekeeping agreement. Substitution or exchange of securities held in safekeeping cannot be done without prior written notice to the Conservation District. The Conservation District may approve substitutions or exchange of securities if the market value of the securities being replaces and the replacement securities are U.S. Government obligations or obligations guaranteed by the U.S. Government. The Conservation District is to be notified in writing of all substitutions.

5.04.03 Indebtedness

An affirmative vote of the majority of the entire Board is required for the Conservation District to incur indebtedness. The total amount of the Conservation District’s indebtedness shall not exceed those limits specifically set by state statutes.

5.04.04 Investment & Portfolio Policy/Administration

A. Policy

It is the policy of the Conservation District to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of the Conservation District and conforming to all state and local statutes governing the investment of public funds.

B. Scope

This policy includes all funds governed by the Board of Trustees.

C. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital, as well as one probable income to be derived. The standard of prudence to be used shall be the “Prudent Person” standard and shall be applied in the context of managing the overall portfolio.

D. Objective

The primary objectives, in order of priority, shall be:

1. Legality – Conformance with federal, state and other legal requirements.
2. Safety – Preservation of capital and protection or investment principal.
3. Liquidity – Maintenance of sufficient of liquidity to meet operating requirements.
4. Yield – Attainment of market rates of return.

The Conservation District’s Investment Policy Committee shall review the portfolio periodically as to its effectiveness in meeting the Conservation District’s needs for safety, liquidity, rate of return, diversification and general performance.

E. Delegation of Authority

Management and administration of responsibility for the investment program is hereby delegated to the Conservation District’s Investment Policy Committee which is made up of the three positions of Chief Financial

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Officer, Chief Executive Officers and Chief Investment Officer. The Board Treasurer/Finance & Administrative Committee Chairman shall be the Chief Financial Officer. The Executive Director shall be the Chief Executive Officer. The Director of Administration and Finance shall be the Chief Investment Officer. The Chief Financial Officer shall chair the Investment Policy Committee which shall meet by the call of the Chair but not less than quarterly.

F. Ethics and Conflicts of Interest

Persons involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

G. Authorized Financial Institutions

The Conservation District's Chief Financial Officer will maintain a list of financial institutions and securities brokers/dealers approved annually by the Board of Trustees authorized to provide investment services. Any financial institution, upon meeting the requirements of the Illinois Compiled Statutes, is eligible to be included on the list. The Conservation District's Chief Financial Officer will take into consideration security, size, location, financial condition, service, fees, competitiveness, and the community relations involvement of the financial institution when choosing depositories.

H. Authorized and Suitable Investments

Investments may be made in any type of security allowed for in the Illinois statutes regarding the investment of public funds. Examples are:

1. Notes, bonds, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America;
2. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies, and;
3. Interest bearing accounts, certificates of deposit of interest-bearing time deposits or any other investment constituting direct obligations of any bank as defined by the Illinois Banking Act.

Investments shall be made that reflect the cash flow needs of the fund type being invested.

I. Collateralization

Funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral in the name of the Conservation District. Collateralized mortgage instruments shall not be acceptable collateral for the purposes hereof.

J. Safekeeping and Custody

The Conservation District's Chief Financial Officer will recommend safekeeping agents to the Board of Trustees for its approval.

K. Diversification

The Conservation District shall diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

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L. Maximum Maturities

To the extent possible, the Conservation District shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Conservation District will not directly invest in securities maturing more than two (2) years from the date of purchase.

Reserve funds may be invested in securities exceeding two (2) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds.

M. Internal Control

The Conservation District's Investment Policy Committee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Conservation District are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurances that the objectives are met. The internal controls shall address the following points:

1. Separation of transaction authority from accounting;
2. Custodial safekeeping;
3. Confirmation of wire transfers and telephone transactions; and
4. Control of collusion.

N. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a comparable rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to benchmarks with similar maturity, liquidity and credit quality as the portfolio, such as the U.S. Treasury bill rates.

O. Reporting

The Conservation District's Chief Financial Officer shall prepare an investment report at least quarterly in a format suitable for review by the Board of Trustees and the general public.

P. Investment Policy Adoption

The investment policy shall be adopted by the Board of Trustees. The policy shall be reviewed on an annual basis by the Conservation District's Investment Policy Committee and any modifications made thereto must be approved by the Board of Trustees.

5.04.05 Authorization for Checks, Transfers and Electronic Withdrawals

All Conservation District checks, drafts, orders of payment, electronic withdrawals or any other transfer or distribution of funds to a non-Conservation District account or recipient, shall require two (2) written authorizations. The required authorization shall be as follows:

All checks will require the signature of the Board President and Treasurer. In the event that either signature cannot be obtained, the written authorization of the Executive Director may be used in lieu of one of the two Officers. The Executive Director (or the Director of Administration and Finance in the absence of the Executive Director) is authorized to sign all emergency checks.

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All electronic disbursements or transfer of funds to a third party (paid to a non-Conservation District account or recipient) shall require the written authorization of the Executive Director and either the Director of Administration and Finance or the Director of Operations and Public Safety. However, the following exceptions are permitted:

1. Bills may be paid electronically through the Automated Clearing House (ACH) as part of the normal bill payment process and provided that the bills have been approved for payment by the Board of Trustees prior to payment.
2. Routine and regular payments to Conservation District service providers such as (but not necessarily limited to) ADP (or other payroll processors) and IMRF, provided that the bills have been approved for payment by the Board of Trustees prior to payment.

All external transfers of funds between the Conservation District banks and/or investment accounts (transferring funds from a Conservation District account at one financial institution to a Conservation District account or another financial institution) will require the written authorization of the Executive Director and either the Director of Administration and Finance or the Director of Operations and Public Safety. In the absence of the Executive Director, an external transfer will require the written authorization of both the Director of Administration and Finance and the Director of Operations and Public Safety.

The use of facsimile signature shall be governed by Illinois Revised Statutes.

Payroll checks are stamped with the signature of the Conservation District's (Board President and Treasurer).

5.04.06 Bank Reconciliations

Each bank account will be balanced on a monthly basis. Records shall be retained for three years after the annual audit.

5.05 Expenses

5.05.01 Payroll

Employees of the Conservation District will be paid on a biweekly basis (every two weeks). All associated taxes and other deductions will be withheld and reported in compliance with local, state and federal regulations. A written summary report of all payroll expenses and any estimated payroll expenses shall be submitted for approval by a majority of the Board present at each regular meeting.

5.05.02 Fixed Asset Capitalization Policy – Inventory

The following policy and procedural guide has been established for maintaining the Conservation District's fixed asset accounting system. This policy will ensure the sufficient procedures and controls are in place to permit:

Control and physical accountability of all fixed assets;

The preparation of year-end financial statements in accordance with generally accepted accounting principles established by the Government Accounting Standards Board (GASB); and

Adequate insurance coverage.

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A. Criteria for Fixed Asset Capitalization

The following established the criteria for items to be included in the Conservation District's fixed asset accounting system:

Criteria for Fixed Asset Capitalization

1. The asset purchased has a useful life greater than one (1) year or will extend the useful life of an existing asset greater than one (1) year; and
2. The cost of the machinery, equipment, software or vehicle is equal to or greater than \$5,000. Different thresholds exist for land and improvements, buildings and improvements, construction in progress and infrastructure. See the table on Page for these thresholds.

Criteria for Insured Value Purposes Accountable vs. Controllable

Two different categories of inventory have been designated: accountable and controllable. Accountable property is all property that meets the Conservation District's capitalization criteria. Controllable property is all property that does not meet the capitalization criteria, but that the Conservation District wants to have physical control over and have inventoried for insurance purposes. Controllable assets are to be included in inventory for insurance purposes due to their sensitive, portable, and/or theft-prone nature, such as: audio/visual equipment, office machines, computer hardware and peripherals, Police Department equipment, etc.

Quantity Purchases

The Board elects to capitalize certain quantity purchases that individually would not meet the criteria for fixed assets, such as a system. An equipment system is several pieces of equipment that are combined to perform a specific function. For inventory purposes, a system is primarily identified as such on the original purchase order

documentation. If the combined cost of the system exceeds the capitalization threshold (regardless of the individual component unit costs), it may be capitalized as a single asset. If there is any question as to whether or not the system should be capitalized, the Fixed Asset Manager (Director of Administration and Finance) should be consulted prior to the system being purchased for proper treatment.

Valuation

1. Fixed assets are to be valued at historical cost or, if that amount is not practicably determinable, as estimated historical cost. The method(s) to be used to estimate historical cost shall be established by the Director of Administration and Finance.
2. Donated fixed assets shall be valued at the donor's estimated fair market value at the date of gifting or, if unobtainable, through a qualified appraisal.

Classifications

The fixed assets shall be classified as follows:

1. Land
2. Land Improvements;
3. Buildings and Improvements;
4. Furniture and Fixtures;

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5. Machinery and Equipment;
6. Computer Equipment;
7. Licensed Vehicles;
8. Easements;
9. Leased Fixed Assets; and
10. Infrastructure.

Fixed Asset Manager

The Director of Administration and Finance is the Fixed Asset Manager and will work in connection with the responsibilities of Department Managers to manage the Conservation District's fixed assets. Records of additions, transfers or deletions will be maintained by the Director of Administration and Finance or their designee. The Director of Administration and Finance is also responsible for preparing operating procedures for the purposes of financial compliance with recording all transactions relating to fixed assets within the Conservation District's accounting general ledger. Detailed records of each fixed asset item will also be recorded in the Conservation District's MSI (Municipal Software, Inc.) Fixed Asset software system. The system's report generation will be compared and reconciled to financial records of the Conservation District for accuracy and completeness.

Fixed Asset Additions

The purchase or acquisition of fixed assets must be approved in accordance with the Conservation District's purchasing policies. Purchasing regulations must be adhered to as stated in the McHenry County Conservation District Policy #400.04 as approved and amended by the Board of Trustees. Division Directors and Department Managers are required to use the Purchase Requisitions, including receiving all required authorizing signatures, for any purchase over \$500. All Conservation District employees must follow the bidding process for items greater than \$30,000 per State Statute 70 ILCS 410/6 (Competitive Bids) and the Conservation District's Policies. A Fixed Asset Addition Form must be filled out with a copy of the related invoice(s) attached and then forward to the Conservation District's Administration and Finance Office.

Disposal of Fixed Assets

Fixed Asset disposal may be initiated by Division Directors and Department Managers and must be approved by the Executive Director. These items are either stored for auction, recycled or junked. The Director of Administration and Finance will ensure a list of all fixed assets being considered for auction or disposal is made available to Division Directors and Department Managers no less than three weeks prior to auction to see if there is any interest in the items. The Director of Administration and Finance will report to the Executive Director the final disposition status of any items after the auction is completed. The Accounting Manager will be responsible for removing the asset from the "fixed asset management system" and generating a Fixed Asset Disposal/Transfer Form which will be kept with the fixed asset records.

Transfer of Fixed Assets

Requests for transfers of fixed assets between buildings, sites or departments may be initiated by a Department Manager with the approval of their Division Director. The Department Manager initiating the request must fill out the Fixed Asset Disposal/Transfer Form and procure all required authorizing signatures, which includes the Division Director(s) affected by the transfers. The completed form will be forwarded to the Director of Administration and Finance for approval. Once approved, the Director of Finance and Administration will sign and

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forward to the Accounting Manager for processing within the Conservation District's "fixed asset management system."

Missing Equipment

When equipment is discovered to be missing from its designated location with no record of its disposition, the Fixed Asset Manager is to be notified immediately. The Fixed Asset Manager will enlist the aid of the Division Director/Department Manager and/or Conservation District Police as the situation is looked into.

Instructions of Completing the Fixed Asset Addition/Disposal/Transfer Form

The Fixed Asset Disposal/Transfer Form can be obtained from the Accounting Department. This form is to be used any time a fixed asset is to be disposed or transferred as specified above. In addition, documentation shall be attached in all cases to back up the action being taken. A Fixed Asset Report by Division/Department will be generated at the end of each fiscal year or upon request at any other time and sent to each Division Director/Manager for verification. The information presented on this list should be attached to the Fixed Asset Disposal/Transfer Form when a disposal occurs with the fixed asset to be deleted highlighted to ensure that the correct one is removed from the system.

Leased Assets

It should also be noted that leased assets need to be reviewed to determine whether the lease should be classified as an operating lease or a capital lease. Operating leases are controllable and capital leases are accountable, the underlying issue being whether the benefits and risks of ownership are transferred from the lessor to the lessee. Prior to entering into a large lease contract, the Director of Administration and Finance must receive all pertinent documentation so that a determination can be made on the financial status of recording the transaction.

The purpose of the criteria is to establish the substance of the transaction and determine whether the lease is merely an extended rental agreement or actually an installment purchase in the form of a capital lease. If a lease is classified as a capital lease, the full cost of the asset and corresponding liability for the lease payments will be reported on the financial statements of the lessee.

B. Recording Fixed Assets

1. Recording Land

Land is to be capitalized but not depreciated. It is recorded at historical cost and remains at that cost.

2. Recording Land Improvements

Land improvements include items such as excavation, non-infrastructure utility installation, driveways, sidewalks, parking lots, flagpoles, retaining walls, fencing, outdoor lighting, and other non-building improvements intended to make the land ready for its intended purpose. Land improvements can be further categorized as non-exhaustible and exhaustible.

- a. Non-Exhaustible – Expenditures for improvements that do not require maintenance or replacement, expenditures to bring land into condition to commence erection of structures, expenditures for improvements not identified with structures and expenditures for land improvements that do not deteriorate with use or passage of time are additions to the cost of land

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and are generally not exhaustible and therefore, not depreciable.

- b. Exhaustible – Other improvements that are part of a site, such as parking lots, landscaping and fencing are usually exhaustible and are therefore depreciable. Depreciation of site improvements is necessary if the improvement is exhaustible.

3. Recording Buildings

Building should be recorded at either their acquisition cost or construction cost. The cost of new construction should be carefully evaluated. Usually projects consist of major components such as land, land improvements, building construction (including professional fees and permits), furniture, fixtures and equipment. In addition, buildings include components (e.g. roof, air conditioner system, etc.) that should be recorded separately when significant because these building components have different useful lives. The value of each component needs to be determined and placed within its own category.

4. Recording Building Improvements

Building improvements that extend the useful life should be capitalized. Examples of building improvements include roofing projects, major energy conservation projects, or remodeling and replacing major building components. An inventory should be taken of the project to include a description, the year completed, funding source and dollar amounts. Only those projects that meet the capitalization threshold need to be included. (Please refer to the information under Quantity Purchases of this policy.)

5. Recording Construction in Progress

Construction in progress should be capitalized and not depreciated. It should be reported with land and other non-depreciating assets at the government-wide accounting level.

6. Recording Machinery and Equipment

Assets such as furniture, machinery, and equipment (that meet threshold levels) should be identified and inventoried. Some assets, individually, may fall below the capitalization threshold, but may be purchased in large quantities. Such purchases should be aggregated and the materiality and significance of them considered to determine if the items should be capitalized either individually or in the aggregate.

7. Recording Vehicles

Vehicles should be identified (by year, make, model, VIN number), inventoried, and if applicable, depreciated.

8. Recording Easements

An easement is an interest in land owned by another that entitles the holder to a specific limited use or enjoyment (right to use the land). Therefore, easements are usually not required to be reported in the financial statements unless it has substantial value, or the Conservation District paid for the easement.

9. Recording Software

Related volumes of software with a combined cost of \$5,000 and with a life of greater than one year or more may be capitalized. Any vendor alterations made to the software after the initial installation are charged to maintenance if the alterations are made to keep the software in a usable state. For example, if

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the rate structure by a program must be updated periodically, this alteration would be maintenance. However, if there were alteration costs when the software was installed, the combined software and alteration costs are considered part of the capitalized cost if the \$5,000 threshold was exceeded.

C. Thresholds for Recording Capital Assets

Besides defining the categories of capital assets, the estimated useful life, asset cost, associated debt and other exceptions must also be considered. An explanation of the other criteria and the threshold levels (1) for tracking and inventory purposes, and (2) for capitalizing and depreciating are:

1. Estimated Useful Life – The first criterion is useful life. An asset must have an estimated useful life greater than one year to be considered for capitalization and depreciation. Assets that are consumed, used-up, habitually lost or worn out in one year or less should not be capitalized.
2. Asset Cost – The second criterion for determining depreciable capital assets is cost. The following schedule per category type has been recommended by GASB for governments:

Asset Cost	GASB		Conservation District	
	Tracking & Inventory	Capitalize and Depreciate	Tracking & Inventory	Capitalize and Depreciate
Land	>\$1	>Capitalize Only	>\$1	>Capitalize Only
Land Improvement	>\$1	>\$25,000	>\$1	>\$25,000
Building	>\$1	>\$50,000	>\$1	>\$25,000
Building Improvements	>\$1	>\$50,000	>\$1	>\$25,000
Construction in Progress	>\$1	Capitalize Only	>\$1	Capitalize Only
Machinery and Equipment	>\$500	>\$5,000	>\$1,000	>\$5,000
Vehicle	>\$500	>\$5,000	>\$1,000	>\$5,000
Infrastructure	>\$50,000	>\$250,000	>\$50,000	>\$250,000

D. Costs Subsequent to Acquisitions

After fixed assets are acquired and made ready for use, additional costs are incurred that range from ordinary repair costs to significant additions. Accountants for the most part have adopted the position that costs incurred to achieve greater future benefits should be capitalized, whereas expenditures that simply maintain a given level of services should be expensed. In addition, most expenditures below the capitalization threshold are not capitalized.

The distinction between a capital expenditure and an expense is not always quickly determinable. Generally, the major types of expenditures incurred relative to existing assets are:

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1. Additions – Increase or extension of existing assets.
2. Improvements and Replacements – Substitution of an improved asset for an existing one.
3. Repairs – Expenditures that maintain assets in condition for operation.

Additions

Any additions to assets are capitalized because a new asset has been created that increases the ability to provide service.

Accounting for changes related to the existing structure must also be considered. The cost that is incurred to tear down a wall of the old structure to make room for the addition would normally be expensed and the cost of the wall subtracted from the cost of the original structure. Although theoretically correct, this may not be possible or necessary due to the inability to establish a cost for the wall being torn down or because the cost would be immaterial to the total cost of the old structure. However, when significant changes to the existing structure are made as the result of an addition, a determination should be made whether to capitalize the cost of the changes.

Improvements and Replacements

An improvement is the substitution for a better asset than the one currently used, while a replacement is the substitution of a similar asset.

Sometimes it is difficult to differentiate improvements and replacements from normal repairs. If the expenditure increased the future service potential of the asset, it should be capitalized. If the expenditure maintains the existing level of service, it should be expensed/expended as normal repair.

The Fixed Asset Manager should be consulted for assistance in determining if the item is an improvement or replacement and for the proper accounting treatment.

Repairs

Ordinary repairs are expenditures made to maintain assets in operating condition; they are charged in the period in which they are incurred on the basis that it is the only period benefited. Replacement of minor parts, lubricating and adjusting of equipment, repainting and cleaning are examples of the type of maintenance charges that occur regularly and are treated as ordinary operating expenses. It is often difficult to distinguish a repair from an improvement or replacement. The major consideration is whether the expenditure increased the future service potential. If a major repair, such as an overhaul occurs, several periods will benefit and the cost should be handled as an addition, improvement, or replacement, depending on the type of repair made.

E. Inventorying Fixed Assets

Any physical inventory is time consuming and can be costly. An initially inventory is the most time consuming and costly because of the large number of assets to be recorded, coded, and valued. However, conducting it in phases, by department, can assist in reducing time and cost. The Director of Administration and Finance's Office will conduct random audits in order to ensure that controls exist for the inventory. Fixed asset control can be maintained by making four comparisons of fixed assets on hand and fixed asset records. They are:

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1. Compare a sample of fixed asset purchases to the fixed asset list to make sure they were properly recorded;
2. Compare a sample of fixed assets sold to the fixed asset list to insure that the asset records now indicate that the asset was sold;
3. Compare a sample of assets selected by observation from throughout the entity to the fixed asset list to make sure first that the assets are on the list and second that the other attributes such as department, location, etc. have been properly recorded; and
4. Select a sample of assets from the fixed asset list, go to the location indicated in the record, and make sure that the asset is accounted for.

Making the comparisons by themselves is not sufficient. Any time a comparison indicates that a problem exists or is beginning to develop, additional steps should be taken. This may mean implementing better controls to insure all purchases and sales are recorded, tracking assets that are not at the listed location, etc. The follow-up that is necessary will depend on the problem(s) identified by making the comparisons.

“Critical nature” fixed assets that cost less than the capitalization threshold are called controlled assets and are inventoried despite their low cost. Although they are part of the fixed asset record, controlled assets are not reported as fixed assets on the Conservation District’s financial statements. However, the Conservation District has elected to include assets on greater than \$500 for machinery, equipment, and vehicles for the purpose of control and for assessing the level of insured values necessary to protect the Conservation District from loss.

Planning the Inventory

The most important step in inventory is planning. Without proper planning, other steps in the inventory process may have to be repeated or, even worse, the information collected in the finished inventory may be useless and the whole process would need to be repeated. As mentioned previously, inventory audits will be conducted periodically by the Director of Administration and Finance. Individual divisions/departments may also be asked to assist with an audit or may want to perform one on their own. The MSI system has the ability to generate customized reports for the process. The Director of Administration and Finance’s Office can be consulted for assistance.

The official standardized form for the submission of fixed assets, the Fixed Asset/Addition/Disposal Transfer Form can be found in Appendix 5.05.02.

5.05.03 Bid Procedures/Purchasing Policy

The Board of Trustees recognizes the need for materials, supplies, equipment, and services of a quality and quantity necessary to operate the Conservation District. Requirements to that end shall be specified to provide full and free competition among potential suppliers. Financial operations shall be recorded in an established manner and internal controls shall be such that accurate records for all procedures and transactions shall be available for audit purposes.

The objective of the purchasing policies and procedures is to set forth a general policy and procedures, which will assist the Conservation District in purchasing:

1. Material and service sufficient quality at the most economical price available.
2. In an open, organized, and ethical manner.

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3. In a manner which will comply with all Local, State and Federal laws.
4. In a timely manner so that material and services are available when needed without creating excess inventory.

These policies and procedures are meant to serve as guidelines from the acquisition of goods and services and may not govern every situation which may arise. When purchases of an emergency nature are necessary, they should be made in accordance with the objectives as listed above. The Conservation District will maintain a policy and procedural manner to ensure that sufficient procedures and controls are in place to permit purchasing on behalf of the Conservation District. Any significant changes to the manual will be presented to the Finance and Administrative Committee for their authorization.

All purchasing shall be made if possible, on competitive bids or quotations in order to secure commodities, materials, equipment, or services at the lowest total cost and highest quality.

All things being equal, the Conservation District will give all possible consideration to local business establishments, providing they are competitive in their bidding, quotations and/or services.

The Board of Trustees may authorize any member of the Board, employee, or agent to enter into a contract on behalf of the Conservation District. All contracts for supplies, material or work shall be signed by the President of the Board as authorized by the Board of Trustees, the Executive Director and/or other officer or any employee of the Conservation District that the Board in its discretion may designate. However, an affirmative vote of the majority of the Board is required to authorize any member of the Board, employee, or agent to enter into a contract for the acquisition of land. Unless authorized, no consultant, employee or agent shall have the power to bind the Conservation District by any contract, or pledge its credit, or to render its liable pecuniary for any purpose or amount.

No employee shall purchase goods or services on behalf of the Conservation District without first seeking approval as required by this policy. All purchases shall require advance approval at the appropriate authority level.

The Executive Director shall be authorized by the Board of Trustees to approve all change orders which are \$10,000 or more but not in excess of 25% and all change order which, when combined with those previously approved, increase or reduce the contract price by more than \$10,000 but not in excess of 25%, and any change order that increases or decreases the time of completion by more than 30 days with the understanding that the change order is presented to the Board of Trustees for affirmation within a reasonable time period.

A. Introduction

1. Introduction/Statement of Intent

The purpose of this purchasing policy and procedural manual is to provide Conservation District staff with guidelines and directions for the acquisition of goods and services. When used with good judgment and common sense, the policies and procedures conveyed within this manual will allow the Conservation District to obtain required supplies and services efficiently and economically.

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The Board of Trustees may authorize any member of the Board, employee, or agent to enter into a contract on behalf of the Conservation District. All contracts for supplies, material, or work shall be signed by the

President of the Board as authorized by the Board of Trustees, the Executive Director and/or other officer or any employee of the Conservation District that the Board in its discretion may designate. However, an affirmative vote of the majority of the Board is required to authorize any member of the Board, employee or agent to enter a contract on behalf of the Conservation District for the acquisition of land. Unless so authorized, no consultant, employee or agent shall have the power to bind the Conservation District by any contract, or pledge its credit, or to render it liable pecuniary for any purpose or amount.

The manual is divided into sections dealing with purchasing policies and procedures. The policy sections contain all the purchasing policies reviewed and recommended by the Finance and Administrative Committee and adopted by the Board of Trustees which must be adhered to by Conservation District employees. The procedures sections provide a “how to” guide for processing purchase requisitions, purchase orders, expense reports and other procedures regarding payment processing.

Employees are expected to read the purchasing policy and procedural manual and provide the Accounting Department with feedback regarding the policies and procedures contained within. This manual is designed to be a fluid document and will be modified from time to time to conform with changes in legislation, technology, and actual practice. Although it may not answer every question related to purchasing practices, it does provide general guidelines for purchasing activities. Employees who need help dealing with specific situations not covered by the manual should contact the Accounting Manager.

The Executive Director, or their designee, shall be the final authority with regard to enforcement of any of the provisions of this manual. Failure to follow the procedures outlined in this manual may lead to disciplinary action in accordance with the provisions of the Conservation District’s Personnel Policy Manual.

B. Purchasing Policies

1. Code of Ethics

All Conservation District personnel engaged in purchasing and related activities shall conduct business dealings in a manner above reproach in every respect. Transactions relating to expenditure of public funds require the highest degree of public trust to protect the interests of the Conservation District and the residents of McHenry County. Conservation District employees shall strive to:

- a. Ensure that public money is spent efficiently and effectively and in accordance with statutes, regulations, and Conservation District policies.
- b. Maintain confidentiality at all times.
- c. Not accept gifts or favors from current or potential suppliers, which might compromise the integrity of their purchasing function.
- d. Specify generic descriptions of goods wherever possible in lieu of brand names when compiling specifications.
- e. Purchase without favor or prejudice.
- f. Ensure that all potential suppliers are provided with adequate and identical information upon which to base their offer or quotation and that any subsequent information is made available to all bidders.

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- g. Establish and maintain procedures to ensure that fair and equal consideration is given to each offer or quotation received and selection is based upon the lowest total cost compliant bid.

- h. Offer a prompt and courteous response to all inquiries from potential or existing suppliers.

It shall be the responsibility of the Executive Director to determine if a violation of this Code of Ethics has occurred and if disciplinary action is necessary in accordance with the Conservation District's Personnel Policy Manual.

2. Conflict of Interest Policy

Conservation District Employees are bound to the provisions of the State Officials & Employees Ethics Act (5 ILCS 430) and are expected to abide by the Conservation District's Personnel Manual with specific reference to Sections 9.09 - Conflict of Interest and Section 9.13 - Gifts and Gratuities. Additionally, it shall be a breach of ethical standards for any employee to participate directly or indirectly in the purchasing process when the employee knows any of the following listed items to be true: The following list is provided as a reference and is not intended to be exclusive nor exhaustive or to replace the more detailed guidelines listed in the previously cited state statute and Conservation District policies.

- a. The employee is contemporaneously employed by a bidder, vendor or contractor involved in the procurement transaction.
- b. The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder or contractor; such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction or owns or controls an interest in the company.
- c. The employee, the employee's partner, or any member of the employee's immediate family has a financial interest arising from the procurement transaction.
- d. The employee, the employee's partner, or any member of the employee's immediate family is negotiating, or has an arrangement concerning, prospective employment with a bidder, vendor, or contractor.

The employee's immediate family shall be defined as a spouse, partner, children, parents, brothers and sisters and any other person living in the same household as the employee.

It shall be the responsibility of the Executive Director to determine if a violation of this Conflict-of-Interest policy has occurred and if disciplinary action is necessary in accordance with the Conservation District's Personnel Policy Manual.

3. Gifts and Gratuities – Conservation District Guidelines for Accepting

Conservation District personnel should be aware that offers of gratitude from vendors could be designed to compromise objective judgment in product or service selection. Accordingly, it is Conservation District policy to observe the highest standards of ethics and to shield the employee, the Conservation District and the vendor from any suggestion or appearance of conflict of interest. Conservation District Employees are bound to the provisions of the State Officials & Employees Ethics Act (5 ILCS 430) and are expected to abide by the Conservation District's Personnel Manual with specific reference to Sections 9.09 - Conflict of Interest and Section 9.13 - Gifts and Gratuities.

No employee shall permit any influence by vendors, which could conflict with the best interest of the

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Conservation District or prejudice the Conservation District's reputation. Expenditures of Conservation District funds to vendors shall not by intention, personally benefit any person employed with the

Conservation District. Employees shall strive to follow the following guidelines. The following list is provided as a reference and is not intended to be exclusive nor exhaustive or to replace the more detailed guidelines listed in the previously cited state statute and Conservation District policies.

- a. Tangible gifts or gratuities shall not be accepted where their value suggests something more than merely a social gesture. Such gifts should be returned with a statement of Conservation District policy. Promotional or advertising items of nominal value such as key chains, pens, coffee mugs, calendars and holiday candy are acceptable. Gifts that are capable of being shared, such as a box of chocolates, shall be shared within the office or section where the recipient works.
- b. Association with vendor representatives at business meals or business organization meetings is occasionally necessary and is neither questionable nor unethical, provided the individual keeps himself/herself free of obligation.
- c. Personal loans of money or equipment are not to be accepted from a vendor or an individual associated with a vendor doing business with the Conservation District.
- d. Solicitation of vendors for merchandise or certificates to serve as door prizes or favors is normally prohibited. However, the Executive Director may approve exceptions.
- e. Corporate discounts granted to Conservation District employees are acceptable only if they are offered to all Conservation District employees and other corporate clients of the vendor.

If in any doubt about the propriety of accepting a gift, the matter should be referred to the supervising Director who will reference the Conservation District's Personnel Policy Manual and, if necessary, discuss the matter with the Executive Director or their designee.

4. Approval of Conservation District Purchases

No employee shall purchase goods or services on behalf of the Conservation District without first seeking approval as required by this policy. All purchases shall require advance approval of the appropriate Supervisor, Department Manager, Director, Director of Administration and Finance, Executive Director and Board of Trustees as defined below:

Dollar Limits	Required Approvals
>\$0 or equal to \$200	Full-Time Employees
>\$200 or equal to \$1,000	Supervisor or Manager's designee
>\$1,000 or equal to \$5,000	Manager
>\$5,000 or equal to \$7,500	Manager and Director
>\$7,500 or equal to \$15,000	Manager, Director and Director of Administration and Finance
>\$15,000 or equal to \$29,999	Manager, Director, Director of Administration and Finance and Executive Director

=/> \$30,000	Manager, Director, Director of Administration and Finance, Executive Director, and Board of Trustees
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Appropriate approval for purchases shall occur before the purchase is made. Approval for purchases greater than or equal to \$500 should be documented on the Conservation District's Purchase Requisition Form. If a purchase has been approved by the Board of Trustees no Purchase Requisition Form is required but the appropriate Board Approval document should be attached to the invoice and/or check request when payment is requested. If the Purchase Requisition Form is not used, the Board Approval document should include a current signature of the Manager approving the current payment request, the date of the current payment request, the current amount to be paid and the appropriate General Ledger expense account. Sufficient funds must exist within the budget line item to which the purchaser charges the expenditure. Exceptions must be approved by the supervising Director and the Director of Administration and Finance.

At the specific request of a Director, the Director of Administration and Finance may authorize an increase of a full-time Supervisor's approval level limit to \$5,000. In addition, a Manager may delegate approval authority up to \$500 to a regular full or part-time employee in the event they are unavailable to approve purchases in a timely manner.

5. Signing of Contracts

All contracts will be reviewed prior to signing to ensure appropriate levels of insurance are in place, indemnification language is included as necessary, and that contract is in compliance with all of the Conservation District's policies and practices, including PDRMA (or other insurer) requirements for insurance coverage. All contracts for the purchase of goods/and or services shall be budgeted items and for amounts consistent with budgeting guidelines. All land acquisition contracts must be approved and signed by the Board of Trustees. Employees who are not duly authorized (or are uncertain about their authorization) to make any of the waivers, indemnifications, representations, or warranties on behalf of the Conservation District that a contract may require, shall forward the contract to their Director or the Executive Director for review and direction regarding the appropriate action steps needed before signing any contract. Otherwise, all other contracts must be approved as defined below:

Dollar Limits	Required Approvals
>\$0 or equal to \$5,000	Manager
>\$5,000 or equal to \$7,500	Manager and Director
>\$7,500 or equal to \$15,000	Manager, Director and Director of Administration and Finance
>\$15,000 or equal to \$29,999	Manager, Director, Director of Administration and Finance and Executive Director
=/> \$30,000	Manager, Director, Director of Administration and Finance, Executive Director and Board of Trustees

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C. Competitive Quotes & Exceptions to the Policy

1. Soliciting of Competitive Quotes

Employees are responsible for obtaining quotes for purchases in the instances outlined below. When submitting a Purchase Requisition Form for approval prior to purchase, quotes shall be attached to the requisition as outlined below. The quotes shall include all costs involved with a purchase, including shipping, installation, etc. Requisitions submitted without the required quotes or a satisfactory explanation of why quotes were not obtained (e.g., sole source, emergency, standardized vendor, etc.) will be returned to the originator without approval.

Purchase Amounts	Quotes Needed
>\$0 or equal to \$500	No competitive quotes are required; however, employees are encouraged to seek additional quotes when purchases exceed \$500.
>\$500 or equal to \$5,000	Three (3) quotes should be obtained. Written quotes are preferred and should be attached to the Purchase Requisition Form. When a written quote is not practical, verbal quotes are acceptable. The details of the verbal quote should be provided on the Purchase Requisition Form and include the name of the vendor, the quoted price, and the date of the quote. (The Accounting Department will be responsible for the retention of the quoted information attached to the purchase requisition.)
>\$5,000 or equal to \$29,999	Three (3) written quotes must be obtained and copies should be attached to a Purchase Requisition Form. (The Accounting Department will be responsible for the retention of the quoted information attached to the purchase requisition.)
+/> \$30,000	Must be competitively bid in accordance with State law and Conservation District policy. Board of Trustees approval is required for all contracts above \$30,000.

Items of \$30,000 and above must be authorized by the Board of Trustees before Conservation District staff begins the bid process. See the detailed policy guidelines in 5.05.03-D.- Competitive Bidding & Requests for Professional Services. Items purchased more than once during a fiscal year (e.g., forms, copier supplies,

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vehicle parts, etc.) do not need quotes every time a purchase is made. However, competitive quotes for these items shall be sought at least once each year unless they are included in a contract of longer duration to ensure that vendors are competitive.

2. Joint Purchasing

a. State of Illinois

Conservation District employees are authorized to obtain goods and services using the State of Illinois Joint Purchasing program. When available through the State program, it is not necessary for Conservation District employees to obtain quotes or to competitively bid the goods or services which are sought. (Purchases of \$30,000 and above still require Board approval prior to purchase.) Employees shall be responsible, however, for ensuring that the goods or services are of a quality sufficient to meet the Conservation District's needs and that pricing is competitive.

When making purchases using the State's assigned vendor, employees shall include the State of Illinois contract number and the Conservation District's assigned Joint Purchasing member I.D. number L4805 on the purchase order.

b. Other Units of Government

Employees are permitted to purchase items jointly with other units of government when the price of the goods or services sought is competitive and the quality meets the Conservation District's standards. All such joint purchases shall be by competitive solicitation, whether or not the solicitation is conducted by the Conservation District or some other government agency and in accordance with the guidelines as set forth in 5.05.03- D "Competitive Bidding & Requests For Professional Services" of this policy. Prior to initiating a purchase, employees shall seek the approval of the Director of Administration and Finance. Questions regarding joint purchasing opportunities should be directed to the Director of Administration & Finance.

3. Sole Source Purchase

Contracts for parts, supplies, equipment, or services that are available only from a single source (namely a monopoly) are referred to as sole source purchases. Examples of sole source procurements include, but are not limited to the following:

- a. Equipment or supplies for which there is no comparable competitive product or is available only from one supplier;
- b. Public utility services from natural or regulated monopolies;
- c. A component or replacement part for which there is no commercially available substitute and which can be obtained only from the manufacturer;
- d. An item where compatibility is the overriding consideration, such as computer software; or
- e. A previously owned item, for example, a tractor, that becomes immediately available and is subject to prior sale

These items shall not be subject to requirements for seeking competitive quotes or bids. However, all purchases are still subject to the designated employee purchasing authority levels and procedures as set forth within this policy. Additionally, purchases in excess of \$30,000 shall be presented to the Conservation District

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Board prior to acquisition with a request to waive bids, approve the purchase and/or enter into a formal contract.

4. Emergency Purchases

Emergencies are defined as events that could not have been foreseen and where immediate action is necessary to ensure the on-going ability of the Conservation District to perform critical functions and/or to safeguard the public's health and safety. In the event of an emergency affecting the public health and/or safety, the Executive Director or their designee may authorize a purchase or contractual work which is less than \$30,000 and waive the Conservation District's requirement to receive (3) formal written quotes. If the emergency purchase exceeds \$30,000, it must still be publicly bid pursuant to the requirements in 5.05.03-D of this policy. In this situation, the Executive Director may authorize staff to begin the bidding process prior to Board approval. Documentation of the emergency and the need for immediate action shall be presented to the Conservation District Board as soon as possible and a special call meeting of the Board may be requested in order to approve the bid and expedite the resolution of the emergency.

The Manager shall complete a Purchase Requisition Form, requesting the emergency purchase and present it to the supervising Director for authorization. If the purchase exceeds \$15,000, documentation shall be presented to the Executive Director prior to initiating the purchase.

5. Competitive Bidding Exemption

During the course of a fiscal year, the Executive Director, at their discretion, may approve multiple unrelated purchases which exceed \$30,000 in aggregate but are less than \$30,000 individually. In these cases, each purchase shall still be subject to the requirements of 5.05.03 -C of this manual concerning quote solicitation for purchases under \$30,000 and Section 33E-9 in the Criminal Code regarding change orders. In addition, work requiring personal confidence and necessary supplies under the control of monopolies are both exempt from the bidding requirements.

The intent of this subsection is not to encourage the circumvention of the bidding requirements. Whenever practical, Conservation District staff is encouraged to rely upon the competitive bidding process.

D. Competitive Bidding & Requests for Professional Services

1. Formal Bid Required

Generally, all purchases of goods or services exceeding \$30,000, either individually or in aggregate of a specific product or for a specific project, (unless permitted by the Executive Director in 5.05.03 - C) made over the course of one fiscal year shall be subject to the competitive bidding process. The Conservation District Board must authorize the purchase and the intent to bid before any of the bidding steps are initiated. Once authorized by the Conservation District Board, the bidding invitation will be advertised and the bidding carried out in a free and open competitive process using sealed bids. The bid shall be awarded to the lowest qualified, responsible, and responsive bidder or other bidder whom the Conservation District Board deems to be in the best interest of the Conservation District as allowed under state statute. In certain instances, the Conservation District Board reserves the right to waive the competitive bidding process for securing professional services, such as legal, architectural, and engineering, as allowed for

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under state statute. (See 5.05.03-D8, Requests for Professional Services below)

3. Board Approves Request to Bid

When a Manager seeks to purchase goods or services of \$30,000 or more, the first step in the process is to gain Conservation District Board approval to seek bids. Before any steps in the formal bidding process are initiated, the Department Manager must submit an Authorization to Bid/Request for Proposal Form and a written Board Summary to their supervising Director. The Board Summary should include a brief description of the nature of the purchase, the amount that was budgeted for the purchase, whether or not the budgeted amount is believed to be sufficient, and an estimate of the timeframe to; seek bids, gain Conservation District Board authorization to award the bid and execute the purchase and/or begin the project. This Board Summary and executed Authorization to Bid/Request for Proposal Form should be submitted to the Director no later than the Monday of the week, preceding the week of the Board meeting.

4. Preparing the Bid Document

- a. It is the responsibility of the respective departments to prepare the bid documents. The most recent version of the bid document can be obtained from the Accounting Manager and is available on the Conservation District's network. When preparing the bid document, each department shall be responsible for ensuring that the most recent version of the bid document has been used.
- b. All bid documents must contain the following information:
 - i. Cover sheet
 - ii. Table of Contents
 - iii. Notice to Bidders
 - iv. General Terms, Conditions, and Instructions
 - v. Specifications of the Item/Service
 - vi. Authorization to Bid/Request for Proposal Form
 - vii. An appropriate sample contract (Required if the bid is for goods, services, construction services or goods and installation services)
- c. After the document has been prepared and approved by the applicable Manager it is forwarded to their supervising Director for approval. An Approval to Bid Form must be completed and attached to a copy of the completed bid document and can be found in Appendix 5.05.03.
- d. The Director will review the documentation, signoff on the Approval to Bid/Request for Proposal Form, and forward to the Director of Administration & Finance for approval.
- e. The Director of Administration & Finance will review and sign-off on the Approval to Bid/Request for Proposal Form and forward to the Executive Director.
- f. The Executive Director will review and sign-off on the Approval to Bid/Request for Proposal Form and return the Bid packet to the appropriate Director/Manager.
- g. The Manager will be responsible for ensuring the legal notice gets published in a paper of general circulation at least ten (10) days prior to the bid opening. Some grant related projects may require publication of the notice in multiple papers and additional time between the notice publication and bid opening. It is the Managers responsibility to ensure that the posting of the notice complies with all statutory and other applicable requirements. Whenever possible, invitations to bid should also be posted on the Conservation District's website. Bid documents should not be mailed to bidders

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before the ad is placed in the newspaper. This will help ensure that all prospective bidders have the same amount of time to prepare their bid documentation.

5. Additional Requirements for Bid Document

- a. A bid bond, cashier's check, certified check, or other approved security in an amount equal to 10% of the bid is required to guarantee the successful bidder will sign a contract in the following instances: 1) the bid is for a construction project, 2) any other bid for which the supervising Director deems it necessary to protect the interest of the Conservation District.
- b. When preparing the bid document, consideration should be given to whether to require contractors to provide a performance bond if awarded the contract. In instances where the bid is for construction services or significant building improvements, it is customary to require the contractor to provide a performance bond. A performance bond, issued by a surety company, stipulates a legal, written obligation to guarantee 100% payment for any financial loss caused by default of the contractor. When assigned to the Conservation District, it grants an assurance as to the performance and successful completion of the terms of the contract and assures payment of the taxes, licenses or assessments associated with the contract. The contractor shall provide the performance bond with the appropriate Labor and Material Bonds within ten (10) calendar days of award of the bid. Bonds required to guarantee performance and payment for labor and material for the work shall be in a form acceptable to the Conservation District and shall provide that they shall not terminate on completion of the work, but shall be reduced to ten percent (10%) of the contract sum upon the date of final payment by the Conservation District for a period of one (1) year to cover a warranty and maintenance period which Contractor agrees shall apply to all material and workmanship for one (1) year from the date of issuance of the final payment by the Conservation District.
- c. During the term of the contract, the contractor shall provide the Conservation District with a certificate of insurance. The limits of liability shall be specified in the bid document's General Terms and Conditions and shall comply with the recommendations of PDRMA (or current insurance company of the Conservation District). Such coverage shall include but is not limited to, comprehensive general liability, auto liability, professional liability (required only where contracts are for professional services), workers compensation (the policy shall include a 'waiver of subrogation') and umbrella coverage.
- d. The aforementioned insurance requirements shall be fulfilled by the contractor by maintaining insurance policies which name the Conservation District, its officers, agents, employees, representatives and assigns as additional insureds. The contractor shall furnish to the Conservation District satisfactory proof of coverage by a reliable company or companies, before commencing any work. Such proof shall consist of certificates executed by the respective insurance companies and filed with the Conservation District together with executed copies of an "Additional Insured Endorsement" form. Said certificates shall contain a clause to the effect that, for the duration of the contract, the insurance policy shall not be canceled, expired, or changed so as to the amount or types of coverage without first providing written notice to the Conservation District no less than 30 days in advance of any such changes. In addition, said certificates shall list the Conservation District and its officers, agents, and employees as additional insureds on all required insurance policies except the policy for professional liability.

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- e. All companies or individuals who wish to bid on a good or service must submit their bids in a sealed envelope before the deadline of the bid.
- f. If bid documents are to be distributed at the administrative office, the front desk personnel must be supplied with at least three (3) hard copies (or more depending on the number of bidders expected) of the bid document or an electronic version of the bid document and the Bid Document Distribution List Form. The Bid Document Distribution List Form can be found in Appendix 5.5.03.
- g. If a pre-bid conference is conducted, departments should specify in the Notice to Bidders whether attendance is a mandatory condition of bidding. At the pre-bid conference, the responsible department should ensure that all attendees sign a "sign-in" sheet to ensure compliance with this requirement of bidding. Failure to attend a mandatory pre-bid conference may disqualify a bidder from being awarded the contract unless, at the department's discretion, bidders are allowed to not attend by signing a waiver.

6. Bid Opening Procedures

Bid openings must be scheduled (held) no later than 10:00 a.m., the Friday two (2) weeks preceding the week of the Board meeting at which the bid is to be presented to the Board. All sealed bids shall be publicly opened by an employee as assigned by the applicable Manager at the time stated in the legal notice. At least one other employee shall serve as a witness and tabulate the bid results. All proposals shall be open to public inspection and a tabulation of all bids shall be available and kept on record by the department. The following procedures must be completed prior to the bid opening:

- a. If the bid opening will be conducted at one of the Conservation District's meeting rooms, the originating department shall be responsible for reserving the room for the appropriate time.
- b. All bids must be received before the deadline on the day of the bid. Front desk personnel should be notified of the time and place of the bid opening for that day and reminded that no bids are to be accepted after the deadline for accepting bids.
- c. A Bid Tabulation Form must be completed. During the bid opening, both the person opening the bids and the person tabulating the bids must sign the bid tabulation sheet as witnesses.
- d. Everyone attending the bid opening must sign the bid opening sign-in sheet.
- e. If bid deposits are required, they shall be forwarded to the Accounting Department immediately following the bid opening. Procedures for depositing and returning bid deposits are described below.

7. Post Bid Opening Requirements

After the bid opening has taken place, the Manager shall prepare a Board Summary that explains the purpose of the bid, includes the names and addresses of the companies who submitted bids, the amount each company bid and a recommendation of which company should be awarded the bid and why. If the lowest bidder is not recommended, a more detailed explanation is required to explain the rationale. The recommendation should be based on, but not necessarily limited to the following criteria:

- a. The ability, capacity and skill of the bidder to perform the contract and provide the service required;
- b. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- c. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- d. The quality of performance of previous contracts of services;
- e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;

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- f. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
- g. The quality, availability and adaptability of the supplies or contractual service to the particular use required;
- h. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- i. The number and scope of conditions attached to the bid;
- j. Whether the bidder has a place of business within McHenry County;
- k. Responsiveness to the exact requirements of the invitation to bid;
- l. Ability to work cooperatively with the Conservation District and its administration; and
- m. Past records of the bidder's transactions with the Conservation District or with other entities as evidence of the bidder's responsibility, character, integrity, reputation, judgment, experience, efficiency, and cooperativeness.
- n. If the Conservation District has no previous experience with a bidder, the Manager will need to conduct reference checks and investigate the history of the bidder in order to gain the knowledge necessary to make an informed and reliable decision.
- o. The Board Summary should be forwarded to the supervising Director no later than the Monday of the week preceding the week of the Board meeting at which it is to be presented. The Director will be responsible for final edits, signing and forwarding to the Executive Director for approval and inclusion on the agenda for the Board Meeting and corresponding Board Packet.
- p. If a Department/Division that has issued a bid, desires to reject all bids, the Manager shall prepare a Board Summary that explains the purpose of the bid, includes the names and addresses of the companies who submitted bids as well as the amount each company bid, and provides the reasons why the Conservation District should reject all bids. The Board Summary should be forwarded to the supervising Director to review, approve, and then forwarded to the Executive Director for approval and inclusion on the agenda for the Board Meeting and corresponding Board Packet.
- q. It is the responsibility of the Manager to maintain all bid documentation, including the bid packages, original bid tabulation sheet, bid opening sign-in sheet and all other documentation in a bid file. The file must be maintained in a manner and for a period that conforms with State law. (Successful bid documentation must be maintained for a period of 10 years after the contract is complete, unsuccessful bid documentation must be maintained for a period of three (3) years. For more detailed information see the Conservation District's Records Retention Policy.) Within fourteen (14) days following Conservation District Board approval of the contract, the responsible Department will mail letters to all bidders notifying them of the bid results and will contact the successful bidder to have the Conservation District's contract signed and to obtain performance bonds and certificates of insurance when required. The signed contract will be forwarded to the Executive Assistant for safekeeping after it is received.
- r. Signed contracts, certificates of insurance and performance bonds must be obtained from the contractor before work begins. It is the responsibility of the applicable Manager to ensure that the Conservation District's contract has been signed and certificate of insurance and performance bond obtained before work begins.

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- s. The Administrative and Finance Division shall be responsible for handling bid deposits. If a bid deposit was required, it must be returned to all except the three (3) lowest responsive and responsible bidders on each contract within fourteen (14) calendar days after the opening of the bid and within 24 hours of when the award letter is mailed. The bid deposit of the accepted bidder is to be returned only after acceptance by the Conservation District of satisfactory performance bond where such bond is required or completion of contract where no performance bond is required. The remaining bid deposits of each contractor should be returned within fourteen (14) days after the Conservation District Board has awarded the contract. All bid deposits will be held in the Conservation District safe under the supervision of the Administrative Department.

8. Waiver of Competitive Bidding

The Conservation District Board does not require bids for work requiring personal confidence or for necessary supplies under the control of monopolies.

9. Requests for Professional Services

Some contracts, by their nature, are not adapted to award by competitive bidding. Examples include, but are not limited to, contracts for the services of individuals possessing a high degree of professional skill where the education, experience or character of the individual is a significant factor in determining their ability to meet the Conservation District's needs. These contracts generally result from a Request for Proposal (RFP) or Statement of Qualifications (SOQ) solicited from consultants for "Professional Services."

The Conservation District is required by the Local Government Professional Services Selection Act (50 ILCS 510) to follow specific procedures when hiring an architect, engineer, or land surveyor. The procedures must be followed unless: 1) the Conservation District has a "satisfactory relationship for services with one or more firms", or 2) an emergency situation exists and an architect, engineer or land surveyor must be selected in an expeditious manner, or 3) when the cost of such services "is expected to be less than \$25,000." If none of these conditions apply, the respective Department Manager must solicit proposals and adhere to the following requirements:

- a. **Public Notice.** The Conservation District must permit firms engaged in the lawful practice of their professions to file a statement of qualifications and performance data with the Conservation District. The Conservation District must also 1) mail a notice requesting a statement of interest in the specific project to all firms who have a current statement of qualifications and performance data on file with the Conservation District and 2) place an advertisement in a secular English language daily newspaper of general circulation throughout the Conservation District, requesting a statement of interest in the specific project and further requesting statements of qualifications and performance data from those firms which do not have such a statement on file with the Conservation District. Such advertisement shall state the day, hour and place the statement of interest and the statements of qualifications and performance data shall be due.
- b. **Selection Procedure.** The Conservation District then must evaluate the firms' submitting letters of interest, taking into account qualifications, ability of professional personnel, past record and experience, performance data on file, willingness to meet time and budget requirements, location, workload of the firm and such other factors as the Conservation District may determine in writing are applicable. The Conservation District may conduct discussions with and require public

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- c. presentations by firms deemed to be the most qualified regarding their qualifications, approach to the project and ability to furnish the required services.
- d. On the basis of evaluations, discussions and/or presentations, the Conservation District shall select no fewer than three (3) firms which it determines to be the most qualified to provide services for the project and rank them in order of qualifications to provide services regarding the specific project. The Conservation District shall then contact the firm ranked most preferred and attempt to negotiate a contract at a fair and reasonable compensation, taking into account the estimated value, scope, complexity, and professional nature of the services to be rendered. If fewer than three (3) firms submit letters of interest and the Conservation District determines that one or both of those firms are so qualified, the Conservation District may proceed to negotiate a contract.
- e. Contract Negotiation. The Conservation District shall prepare a written description of the scope of the proposed services to be used as a basis for negotiations and shall negotiate a contract with the highest qualified firm at compensation the Conservation District determines in writing to be fair and reasonable. In making this decision, the Conservation District shall take into account the estimated value, scope, complexity and professional nature of the services to be rendered.
- f. If the Conservation District is unable to negotiate a contract with the preferred firm, negotiations with that firm shall be terminated. The Conservation District shall then begin negotiations with the firm which is next preferred. If the Conservation District is unable to negotiate a contract with that firm, negotiations with that firm shall be terminated. The Conservation District shall then begin negotiations with the firm which is next preferred.
- g. If the Conservation District is unable to negotiate a satisfactory contract with any of the selected firms, it shall re-evaluate the architectural, engineering or land surveying services requested, including the estimated value, scope, complexity, and fee requirements. The Conservation District shall then compile a second list of not less than three qualified firms and proceed in accordance with these procedures.

If, after reviewing these procedures, employees have questions regarding which services are exempt, they should contact the Director of Administration and Finance for clarification.

E. Methods of Payment Processing

1. Regular Payment of Invoices

The Conservation District will comply with the provisions of the Local Government Prompt Payment Act. Approval for purchases greater than or equal to \$500 should be documented on the Conservation District's Purchase Requisition Form. If a purchase has been Approved by the Board of Trustees, no Purchase Requisition Form is required, but the appropriate Board Approval document should be attached to the invoice and/or check request when payment is requested. The Board Approval document should include a current signature of the Manager approving the current payment request, the date of the current payment request, the current amount to be paid and the appropriate General Ledger expense account.

If a purchase requisition is not used, approval for the payment of the invoice should be indicated on the invoice by the responsible Manager or their delegate. Payment authorization should include the manager's signature, date of authorization, the appropriate general ledger expense account number, and the amount being authorized to pay.

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Sufficient funds must exist within the budget line item to which the purchaser charges the expenditure. Exceptions must be approved by the supervising Director and the Director of Administration and Finance.

When invoices are submitted with appropriate authorization and supporting documentation, they will be entered into the Accounts Payable system. Purchase Approval Authorization levels are detailed in Bid Procedures/Purchasing Policy 5.05.03 – B4: Approval of Conservation District Purchases.

Invoices should not be submitted for payment by the employee responsible for the purchase until the goods or services have been received.

Exceptions:

- a. Deposits on certain jobs when approved by the Director of Administration and Finance.
- b. Memberships and books or periodicals.
- c. Payments to local, State and Federal government entities.
- d. Service and maintenance contracts where necessary.
- e. Approval by the Director of Administration and Finance or Executive Director.

A listing of all open invoices (i.e., invoices entered into the Accounts Payable system, but not yet paid) will be submitted monthly to the Board for their approval at the regular monthly Board Meeting. Once the open invoice listing is approved by the Board of Trustees, the Accounting Manager is responsible for processing the invoices for payment within two business days. Payments may be made either by paper check or electronic remittance. Electronic remittances may include but are not necessarily limited to; payments initiated by the Conservation District through the Automatic Clearing House (ACH) system, payments initiated by the vendor (subject to specific Conservation District authorization) through the ACH system and wire transfers. The method of payment selected will be based on; cost effectiveness of the transaction, administrative efficiency, need for expediency, and acceptability by vendor.

2. Manual Checks – Check Request Form

Manual checks are interim checks issued to vendors as payments for goods delivered or services performed. The checks are issued between normal accounts payable cycles when an emergency or other extenuating circumstance as determined by the Director of Administration and Finance makes it impractical or unreasonable to process the payment following normal payment methods. As the name implies, manual checks are labor intensive and time consuming to issue, therefore, their use as a method of payment shall be restricted to unique or special circumstances.

All requests for manual checks must be processed by completing a Check Request Form can be found in Appendix 5.05.03. The completed form shall include the vendor's name and address, the account number against which it is being charged, a description of the item purchased and an explanation in the remarks section for why the check is needed. The form shall also include the required purchase approval signature(s) – see Purchasing Policy 5.05.03 - B4: Approval of Conservation District Purchases. Completed forms shall be submitted to the Director of Administration and Finance for approval.

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Manual checks should not be used in instances where reasonable means could have been taken to process the payment within the normal accounts payable cycle and process.

3. Employee Expense Reimbursement

Conservation District employees may occasionally incur expenses in carrying out their authorized duties. They may be reimbursed by the Conservation District upon submission of a properly filled out and approved Employee Expense Reimbursement Form with supporting receipts. The Employee Expense Reimbursement Form can be found in Appendix 5.05.03.

4. Other Payment Requests

There may be circumstances when a third-party payment is required that does not have an associated vendor invoice or other vendor documentation. Such circumstances may include but are not limited to; program participant refunds, a large purchase that requires a deposit before or at the time of delivery, a permit application fee in order to avoid unnecessary project delays, or a fee for professional or food service when it is needed ahead of or at the time of delivery. In these cases, a Purchase Requisition Form should be utilized to request payment.

5. Petty Cash

This policy sets forth procedures for the handling of petty cash monies. It further establishes the procedures for reporting petty cash disbursements by department to the Accounting Manager as well as reimbursements to the Petty Cash Box. The Brookdale Administrative Office and Lost Valley Visitor Center have the only Petty Cash Boxes for the Conservation District. The Petty Cash Custodians are the Accounting Manager at Brookdale and the Front Desk Attendant at Lost Valley Visitor Center. These employees are accountable for the Petty Cash Box at their respective locations and are responsible for ensuring that the total amount of receipts account for any reductions from the starting cash balance. The Petty Cash Box is subject to audit and the above listed individuals will be accountable for any non-compliance with these procedures or shortage of funds.

The following policy and procedural guidelines have been established to promote a more efficient and accountable petty cash operation. All departments within the Conservation District are responsible for abiding by this policy. There are no exceptions.

a. Petty Cash Disbursements to Employees

- i. At Brookdale requests for petty cash may be made to the Accounting Manager. At the Lost Valley Visitor Center requests can be made to the Front Desk Attendant.
- ii. There is a \$100 limit per petty cash request per day. Any amount above \$100 must be reimbursed via an Employee Expense Reimbursement Form submitted through the accounts payable process.
- iii. No one is allowed to take money from petty cash without a petty cash request form and/or a receipt. The Petty Cash Request Form must be signed by the employee who will receive the money.
- iv. All Petty Cash Request Forms must be submitted with an original receipt. If no receipt is submitted with the petty cash request form, the request should be submitted to the Accounting Manager for review and approval. The Accounting Manager will be responsible for notifying the appropriate Manager or Director of the breach of policy.

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- v. If a receipt is submitted with the petty cash request form, the employee is reimbursed and no further action by the employee is needed. At this time, the Petty Cash Request Form is marked "PAID" with the date on it and put in the petty cash box.
- vi. All petty cash request forms must contain the following information:
 - 1. Date
 - 2. Detailed description of the expenditure
 - 3. Name of person(s) to receive money
 - 4. Account number to which the expenditure will be charged
 - 5. Receipt (if received, otherwise the petty cash request form will be marked "HOLD")

b. Reimbursing Petty Cash Box

- i. The Petty Cash custodians are responsible for reconciling the Petty Cash Box and requesting petty cash reimbursements. It is recommended that this be done on a monthly basis or more frequently when necessary.
- ii. The Petty Cash Reimbursement Form lists all petty cash transactions for a certain period of time. This sheet must contain the following information:
 - 1. Detailed list of account numbers
 - 2. Detailed description of charges for each account number (date, place, name, and reason for charge)
 - 3. Amount of charges for each account number and correlating description
 - 4. All original petty cash receipt slips and corresponding receipts
- iii. Once the Petty Cash Reimbursement Form is completed, it must be forwarded, along with all required documentation and required signature of the Petty Cash Custodian to the Accounting Manager. Upon receipt of the above information, the Accounting Manager will be responsible for reviewing the documentation and approving the reimbursement of the petty cash.
- iv. The Petty Cash Reimbursement Form and receipts are then attached to the file copy of the check that was cut for reimbursement and is stored with the accounts payable files.
- v. Petty Cash will be subject to periodic announced and unannounced audits to determine compliance with these procedures. Any discrepancies with compliance or cash balance shall be immediately reported to the Director of Administration & Finance and a written report shall be provided with copies to the Division Director and Executive Director.

6. Purchase Card

The Conservation District has a Purchase Card Program to assist departments in purchasing goods and services. The program utilizes a procurement card to conduct transactions for low dollar amount purchases. The program is not designed to replace or circumvent the Conservation District's purchasing procedures and policies. Rather, Purchase Cards should be utilized as an alternative payment method when it is either more cost effective, more efficient, or otherwise advantageous over other payment methods.

The Purchase Card is as easy to use as any Visa/MasterCard credit card. The main difference is the Purchase Card is a corporate liability charge card with certain restrictions and limitations imposed on the cardholder. Any merchant who accepts a Visa/MasterCard card and whose Merchant Category Code

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(MCC) is included in the defined parameters will accept the Purchase Card. Since the Purchase Card is a corporate purchase card, card privileges may be rescinded at any time at the discretion of management and/or the Accounting Manager if policies or procedures are not followed. Under no circumstances is personal use of a Conservation District Purchase Card allowed.

This set of policies and procedures provides the guidelines under which cardholders are required to utilize their Purchase Cards. All cardholders should read it carefully. A cardholder's signature on the Cardholder Agreement or any use of the Purchase Card indicates that the cardholder understands the intent of the program and agrees to adhere to the guidelines.

The cardholder must keep their Purchase Card in a secure place as you would with your own personal charge card. Although the Purchase Card is issued in the cardholder's name, it is the property of the McHenry County Conservation District and is only to be used for Conservation District purchases as allowed by the program. Remember that cardholders are committing taxpayer funds each time they use the Purchase Card, a responsibility not to be taken lightly.

a. General

The Executive Director has the authority to authorize the issuance of a Purchase Card to a Conservation District employee. Once authorized, the Accounting Manager will procure and issue the card to the employee. No person other than the person to whom the card is issued is authorized to use the assigned Purchase Card.

Training will be provided with the issuance of the Purchase Card to ensure that all policies and procedures are understood. An employee will not be issued a Purchase Card unless training has taken place.

Generally, the Purchase Card maximum credit limits will be established in accordance with the below schedule.

Position	Maximum Credit Limit
Executive Director	\$10,000
Director	\$5,000
Manager	\$2,000
Supervisor	\$1,500
Fulltime Staff	\$1,000

The Director of Administration and Finance may authorize a temporary increase of up to \$1,500 more than the available limit on the card to support a specific and temporary need of the cardholder. Such an increase will be allowed only for the current billing cycle and will revert back to the lower authorized limit of the card at the start of the next billing cycle.

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The Executive Director may authorize a permanent increase of up to \$2,500 more than the amounts specified in the above schedule. The Executive Director reserves the sole discretion to revoke the permanent increase at any time.

Purchasers must adhere to all Conservation District purchasing policies when requisitioning goods or services for purchase on the Purchase Card. No food or meals are to be purchased with the Purchase Card with the following exceptions:

- i. Staff who may need to procure program foods on an emergency basis or the program food is unable to be purchased through normal purchasing channels;
- ii. Staff who are traveling on approved Conservation District business; or
- iii. Staff who may have the need to purchase business meals. A business meal is defined as a meeting taking place during a meal for the specific purpose of conducting a business-related discussion or function. The receipt must be documented with who attended the meeting and the business purpose of the meeting.

If cardholders need assistance with a vendor who may be reluctant to accept the Purchase Card, please contact the Accounting Manager or Director of Administration and Finance.

b. Obtaining a Purchase Card

The initial step in obtaining a Purchase Card is for a department manager to obtain, complete, and sign a Purchase Card Request Form (Available through the Accounting Department), have it signed by the appropriate Director (and Executive Director if this is a new issuance for a position which had not previously been assigned a Purchase Card) and return it to the Accounting Manager. The Accounting Manager will request the card from the Purchase Card Company.

Once the Accounting Manager receives the card (approximately 7-10 working days), a meeting will be scheduled with the employee to review the Policies and Procedures and to answer any questions they may have. At this meeting the employee will receive the card. The employee will sign the Cardholder Agreement acknowledging that they have received the Purchase Card and that the policies and procedures have been reviewed.

The employee can immediately begin to use the Purchase Card.

c. Purchase Process

Buying low-cost goods and services is easy with the Purchase Card. Any Visa/MasterCard merchant will accept the Purchase Card. Only the cardholder named on the Purchase Card can use that Purchase Card.

The cardholder will present the card at the cash register, sign the card slip, and retain the charge receipt and cash register tape for filing. The receipts should be filed, and the cardholder should enter the details of the transaction on the Purchase Card Transaction Log.

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- d. The cardholder may place an order via the internet. When an internet order is placed, the cardholder should indicate the order on the transaction log. The cardholder should then print off a verification/confirmation of the purchase. Preferably this would be in the form of an internet receipt or purchase confirmation which is often emailed following the transaction.

If for some reason a 'receipt' type document is unavailable, the cardholder should make every effort to print a hardcopy from the site showing the vendor, description of item(s) purchased, date and cost. This printout should be retained with the transaction log. When the goods are received, the cardholder should check the goods against the transaction log record and enter the date of delivery. If an individual other than the cardholder receives goods centrally, the cardholder must take steps to ensure that receipt of goods can be appropriately verified. The cardholder must keep receipts and shipping records in a file.

The cardholder may place an order over the phone. When a telephone order is placed, the cardholder should indicate the order on the transaction log and request from the vendor a receipt showing prices and delivery cost. When the goods are received, the cardholder should check the goods against the transaction log record and enter the date of delivery. If an individual other than the cardholder receives goods centrally, the cardholder must take steps to ensure that receipt of goods can be appropriately verified. The cardholder must keep receipts and shipping records in a file.

The Conservation District is a tax-exempt entity. Vendors must be notified of this status when placing orders. You may be asked to present the tax-exempt certificate to certain vendors.

- e. Shipping/Receiving
The cardholder must provide the vendor with the appropriate shipping information. If a shipment is incorrect, the cardholder should contact the vendor to arrange for a return, exchange, or credit. If the vendor agrees to issue a credit, it should be noted on the cardholder's transaction log and the cardholder should verify that the credit is properly reflected in the next Monthly Memo Statement.
- f. Reconciling Monthly Purchases
 - i. Purchase Card Transaction Logs
 1. Each cardholder must keep a log of and receipts for all transactions charged to their Purchase Card on a monthly basis. For each month, a new Purchase Card Transaction Log should be started. The billing cycle is a calendar month.
 2. At the end of the billing cycle for each month, the original sales documents (receipts, cash register tape, credit card slips, and Internet sales confirmations) for that month should be stapled to the Purchase Card Transaction Log, along with a copy of the cardholder's bank statement for that month.

McHenry County Conservation District

3. The Cardholder and their supervisor must sign the Purchase Card Transaction Log and ensure that all transactions on the bank statement have been accounted for on the Purchase Card Transaction Log and that the following information has been provided on the Purchase Card Transaction Log for each transaction:
 - a. Date of the transaction;
 - b. Appropriate general ledger account number;
 - c. Dollar amount that agrees to the bank statement;
 - d. A brief description of the transaction that reflects the “business nature” of the transaction if it is not otherwise obvious;
 - e. The name of the vendor; and
 - f. A receipt is provided for each transaction.
 4. Once the Purchase Card Transaction Log has been reviewed by the cardholder and Manager, it must be signed by both. A Manager’s Purchase Card Transaction Log must be reviewed and signed by the departments overseeing Director. The Executive Director’s Purchase Card Transaction Log must be reviewed and approved by the Board President.
 5. If a discrepancy is found, see the “Discrepancies” procedures to follow.
 6. All completed Purchase Card Transaction logs and original sales documents and related bank statement must be forwarded to the Accounting Department no later than the 8th of the month following the month of the transaction and shall be retained by the Accounting Department.
 7. The Director of Administration and Finance will be responsible for periodic audits of the usage of all Purchase Cards. If a Purchase Card is suspected of misuse or the policies and procedures are violated, the Purchase Card may be suspended or revoked. Management will investigate any suspected misuse or violation.
- g. Discrepancies or Unauthorized Usage
- i. Types of discrepancies may include; an incorrect amount charged for a purchase or an unauthorized transaction.
 - ii. Procedures
 1. If there are any discrepancies on the cardholder’s Monthly Statement, the employee will need to contact the vendor immediately to try to resolve the issue(s) in question.
 2. If the discrepancies cannot be resolved with the vendor, the cardholder will need to write a memo explaining the nature of the discrepancy and forward a copy to the Accounting Manager who will assist in resolving the dispute. Notification must occur within 30 days from receipt of the Purchase Card statement. A charge cannot be disputed after 90 days from the statement cutoff on which the charge occurred.

McHenry County Conservation District

h. Card De-Activation

i. Termination of Cardholder

Upon voluntary or involuntary termination of employment of a cardholder, the Purchase Card must be turned into the cardholder's supervising Director and forwarded to the Accounting Manager.

1. The supervising Director must immediately notify the Accounting Manager either via email or by phone that the Purchase Card of the named cardholder should be deactivated. It is the responsibility of the supervising Director or Manager to confirm that the Accounting Manager has received the deactivation communication.
2. The Accounting Manager will immediately deactivate the Purchase Card.
3. It is the responsibility of the supervising Manager or Director to forward the Purchase Card to the Accounting Manager.

ii. Misuse of the Card by the Cardholder

In the event that a Purchase Card is misused or the policies and procedures are violated, the supervising Director will work with the Human Resource Department, and/or the Director of Administration and Finance to determine appropriate disciplinary action.

1. A Director may request suspension or cancellation of the Purchase Card at any time by notifying the Accounting Manager in writing.
2. If there is question as to whether an employee is violating the Purchase Card policies, the employee or Director shall consult with Accounting Manager and the card may be immediately suspended. The supervising Director along with the Human Resource Manager and/or the Director of Administration and Finance will work together in determining the appropriate disciplinary action, if required.
3. Management may unilaterally suspend or cancel a Purchase Card at any time and will do so if the Conservation District's Purchasing Card Policies and Procedures are not followed.

iii. Specific examples of misuse included, but are not limited to:

1. Turning in the completed Purchase Card Transaction Log (including all required authorizations and required supporting documentation) and/or receipts after the due date are considered delinquent uses of the Purchase Card. If any delinquency occurs during a 12-month cycle the following disciplinary procedures may be employed.
 - a. A first offense will result in a verbal notice made to the employee and the supervising Director as a reminder of the scheduled deadlines.
 - b. A second offense will be followed by a written notice sent to the employee with a copy to the supervising Director, and Director of Administration and Finance as a reminder that all paperwork must be in by the scheduled dates.

McHenry County Conservation District

- c. A third offense is followed by a memo to the employee, their supervising Director, Director of Administration and Finance, Executive Director, and the Human Resources Manager - as a reminder that future incidents of late or delinquent paperwork could result in suspension of their Purchase Card.
- d. A fourth offense of late or delinquent submission will result in a memo informing the employee that the card is being suspended for a period of three (3) months and advising them to turn the card into their immediate supervising Director. The memo will also be sent to all appropriate levels of authority.

The Purchase Card will only be reinstated following a meeting with the employee, Director of Administration and Finance and/or Supervising Director and Accounting Manager if it is determined that the employee will submit their completed transaction log with all necessary paperwork by the established due date. Further instances of late or delinquent paperwork may result in immediate and permanent revocation of the Purchase Card.

- 2. Personal use of the Purchase Card is unacceptable, as stated in the Policies portion of these procedures, Item 5d. Inappropriate Uses of the Purchase Card. Disciplinary procedures are as follows:
 - a. Upon the first offense, a memo will be sent to the employee, supervising Director, Director of Administration and Finance, Human Resources Manager and Executive Director reminding the employee that personal use of the Purchasing Card is unacceptable.
 - b. Following the second offense will be a memo to the affecting employee, supervising Director, Director of Administration and Finance, Accounting Manager, Human Resources Manager and Executive Director, advising that their Purchase Card is being suspended for a period of three (3) months.
 - c. At the completion of the three-month suspension, a review meeting will be held between the employee, Director of Administration and Finance, Accounting Manager and/or Supervising Director to determine if the Purchase Card will be reinstated.

- i. Reporting Lost or Stolen Cards
 - i. If a Purchase Card is lost or stolen, the cardholder must immediately inform the Accounting Manager.
 - ii. The Accounting Manager will immediately deactivate the Purchase Card, order a replacement card, and will send an acknowledgement to the cardholder and Director of Administration and Finance informing them of this action.
 - iii. Once the replacement card is received, a new Cardholder Agreement for the new card number will have to be completed before the new card is issued.

The cardholder is responsible for review and reconciliation of the Monthly Statement of the deactivated Purchase Card as well as the Monthly Statement on the new Purchase Card.

McHenry County Conservation District

F. Change Orders

1. Change Orders

State statute requires Conservation District Board approval of all change orders which are \$10,000 or more, and all change orders which, when combined with those previously approved, increase or reduce the contract price by more than \$10,000, and any change order that increases or decreases the time of completion by 30 days or more. (The requirements of change order procedures are precisely spelled out in the Criminal Code, 720 ILCS 5/33E-9). For projects with change orders exceeding 50% of the original contract amount, the contract must be re-bid per IL State Statute (50 ILCS 525). The following financial policy is consistent with these statutes.

Additionally, if the change order relates to a grant funded project, change orders may require approval by the grant administrator. It is the responsibility of the Department Manager who is overseeing the grant related project to ensure that any change orders are also done in a matter that conforms to all of the grant requirements and restrictions.

It shall be the responsibility of each Manager to ensure that all change orders are submitted to the supervising Director and Executive Director in the form of a written memorandum for approval. In addition, Department Managers shall be responsible for monitoring all contract payouts and retainages and ensuring that the amount of the change order is correct.

The procedures outlined below shall not apply to professional service agreements (e.g. engineering, architectural or land surveying work). Changes to professional service agreements shall be treated as amendments to the agreement.

- a. Change orders that would increase or decrease the original contract price by more than 50% must be re-bid according to the requirements enumerated in Chapter 5 of this document.
- b. The requested amount and all previously approved change orders over the life of the contract must be considered collectively when making this determination. Change orders that increase or decrease the original contract price by more than \$10,000 must be approved by the Board of Trustees. The requested amount and all previously approved change orders over the life of the contract must be considered collectively when making this determination. The Executive Director is authorized by the Board of Trustees to approve all change orders up to 25% over the approved contract price with the understanding the change order is presented to the Board of Trustees within a reasonable time period for affirmation. See procedures for submitting change order requests below.
- c. Change orders that increase or decrease the time of completion by more than 30 days must be approved by the Board of Trustees. The requested change and all previously approved change orders over the life of the contract must be considered collectively when making this determination. The Executive Director is authorized by the Board of Trustees to approve all change orders that increase or decrease the time of completion of a project, including those change orders that increase or decrease the completion of a project by more than 30 days. Change orders that increase or decrease the completion time of a project by more than 30 days, must be presented to the Board of Trustees within a reasonable time period for affirmation. See procedures for submitting change order requests below.

McHenry County Conservation District

2. Procedure for Submitting Change Order Requests

- a. Managers responsible for overseeing a contract can request the authorization of a change order by submitting a written Board Summary, along with a copy of the change order to their supervising Director. The Board Summary should explain the reason for the request and clearly establish at least one of the following criteria: 1) the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed, or 2) the change is germane to the original contract as signed, or 3) the change is in the best interest of the Conservation District and legal.
- b. After reviewing the Board Summary, the Director will forward the Board Summary and the change order to the Executive Director for consideration.
- c. If approved, the Executive Director will execute the change order, place the item on the Consent Agenda for affirmation at the next scheduled meeting of the Board of Trustees, and return the change order to the requesting manager. The manager will be responsible for placing a copy of the change order request and Board Summary memorandum in the contract file to be retained in accordance with the Conservation District's Records Retention Policy.

H. Other Miscellaneous Purchase Procedures

1. Purchases Made Near the End of the Fiscal Year

When purchases are made near the end of the fiscal year (i.e., March 31), departments shall be responsible for ensuring that they are expensed (i.e., charged) to the appropriate fiscal year. The date goods are received, or services are actually received determines which fiscal year they should be expensed to. Consequently, goods and services will be expensed in the current fiscal year only if they are received or performed by March 31. This is true regardless of when the purchase requisition is processed, or invoice is paid.

The Accounting Manager shall issue a reminder notice regarding year end purchases to all departments each year in February.

2. Use of Sales Tax Exemption Number

- a. Use by Employees
 - i. Conservation District purchases are not subject to sales tax; therefore, employees shall make efforts to inform vendors of the Conservation District's tax-exempt status and to ensure that sales tax is not paid for purchases made with petty cash or Purchase Cards.
 - ii. Use of the Conservation District's sales tax exemption number is restricted to purchases made on behalf of the Conservation District. State law prohibits use of the Conservation District's sales tax exemption number to secure exemptions for personal reasons and such use will subject the responsible individual and all guilty parties to a fine of not more than \$10,000 or to imprisonment for not more than five years or both, together with costs of prosecutions.

McHenry County Conservation District

- b. Use by Outside Contractors
 - i. The Illinois Department of Revenue regulations allow contractors to use the Conservation District’s sales tax exemption number to purchase materials used in construction of public improvements which will be eventually dedicated to the Conservation District. Use of the exemption number is limited to purchases directly related to work being done on behalf of the Conservation District. Contractors are responsible for any tax due on purchases determined to be non-exempt and for purchases not made on the Conservation District’s behalf.

I. List of Forms

Form 1	Purchase Requisition Form
Form 2	Approval to Bid/Request for Proposal Form
Form 3	Bid Distribution List Form
Form 4	Bid Tabulation Form
Form 5	Check Request Form
Form 6	Employee Expense Reimbursement Form
Form 7	Petty Cash Reimbursement Form
Form 8	Purchase Card Request Form
Form 9	Purchase Card Transaction Log
Form 10	Cardholder Agreement Form

5.05.04 Illinois Prevailing Wage Notice

Pursuant to the Illinois Prevailing Wage Act (820 ILCS 130 et seq.), all work considered “public works” under the definitions of the Act will require the proper documentation be supplied by the contractors hired to perform the work in the time frame determined by law before final contract payments are made. Such documentation, subject to redaction, will be considered public documents.

GLOSSARY

FY 2025 - Annual Budget

McHenry County Conservation District

GLOSSARY

Annual Budget - A plan approved by the Board of Trustees to identify, prioritize, and align available financial resources with operational and capital needs for the fiscal year.

Appropriation - The formal and/or legal identification of dollars to be expended for specific purposes.

Audit - An official inspection of an individual or organization's accounts, typically by an independent licensed Certified Public Accountant (CPA).

Board of Trustees - Independent board consisting of seven volunteers, appointed by the County, who serve for alternating five-year terms to oversee the directions of the McHenry County Conservation District.

Budget and Appropriation Ordinance - A legal document adopted by the Board of Trustees authorizing expenditures.

Budget Deficit - For any given year, an excess of budget expenditures over budget revenues. The amount of the deficit is the amount by which expenditures exceed revenues.

Budget Surplus - For any given year, an excess of budget revenues over budget expenditures. The amount of the surplus is the amount by which revenues exceed expenditures.

Capital Assets - Land, land improvements, buildings, vehicles, and equipment with a cost of \$5,000 or more and an estimated useful life that extends beyond two fiscal years.

Capital Asset Management Plan Fund - A fund to account for the financial resources and expenditures used for capital projects, repairs, maintenance, and improvements.

Capital Asset Management Plan - The Capital Asset Management Plan (CAMP) provides for the long-term replacement, maintenance and improvements of its assets and infrastructure. The plan estimates the cost associated with the projects, prioritizes the needs, and assigns financial resources as available.

State Personal Property Replacement Tax - A Law enacted to replace the personal property tax paid by businesses. It consists of a state income tax on corporations, trusts, partnerships, and a tax on the invested capital of public utilities. The tax is collected by the Illinois Department of Revenue and distributed to local governments.

Consumer Price Index (CPI) - An index of prices determined by the US Bureau of Labor and Statistics used to measure the change in the cost of basic goods and services in comparison with a fixed base period. A tax cap (5%) or the growth of CPI, whichever is less, limits the annual property tax revenue received by the Conservation District.

Debt Service - Payments of interest and principal on an obligation resulting from the issuance of bonds or other long-term debt.

GLOSSARY

FY 2025 - Annual Budget

McHenry County Conservation District

Fiscal Year - A 12-month period to which the annual operating budget applies, beginning April 1st and ending March 31st.

Fixed Assets - Assets of a long-term character that is intended to continue to be held or used, such as land or a building.

FTE(s) Full-time Equivalent Employee - Determined by taking the total annual hours worked divided by 2,080. For example, an employee that works 1,040 hours would be the equivalent of 0.5 FTEs.

Fund - Fiscal and accounting tool with a self-balancing set of accounts to record revenue and expenditures.

Fund Accounting - The accounts of the Conservation District are organized based on funds and account groups, each of which is considered a separate accounting entity. The operations of a fund are accounted for with separate sets of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund Balance - Fund balance is the accumulation of operating surpluses (net of operating deficits) over time. This is equivalent to what is known as 'reserves' in the private sector.

GAAP (Generally Accepted Accounting Principles) - A uniform set of standards, and guidelines for financial accounting and reporting.

GASB (Government Accounting Standards Board) - An independent, private- sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

General Corporate Fund - The fund used to account for all financial resources and expenditures, except those accounted for in other individual funds.

GFOA (Government Finance Officers' Association) - Founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance.

Goals - A specific plan that the Conservation District or a department has upcoming and future years to implement the Strategic Plan initiatives. Goals identify intended results for improvement; they are often ongoing and may not be achieved in one year.

GO Bond (General Obligation Bond) - A common type of municipal bond in the United States that is secured by a state or local government's pledge to use legally available resources, including tax revenues, to repay bond holders.

GLOSSARY

FY 2025 - Annual Budget

McHenry County Conservation District

IAPD - Illinois Association of Park Districts is a statewide organization serving elected officials by providing educational and networking opportunities as well as lobbying efforts on behalf of parks, recreation, conservation, and special recreation districts.

IDNR - Illinois Department of Natural Resources.

IMRF - Illinois Municipal Retirement Fund is a state established retirement fund for municipal workers. Both the employee and the Conservation District pay into this defined benefit plan.

IPRA - Illinois Park and Recreation Association is a statewide organization of parks and recreation professionals that provides networking and educational opportunities for parks and recreation professionals.

IMRF- Illinois Retirement Fund - a "multi-employer public pension fund" that administers a program of disability, retirement, and death benefits for employees of local government in Illinois. IMRF is governed by Article 7 of the Illinois Pension Code (40 ILCS 5/). IMRF is not funded by the State.

Income - A term used in proprietary fund type accounting to represent revenues. It can also be expressed as "Net Income" which is the excess of revenues over expenditures.

Intergovernmental Agreement - A formal agreement to defining exchange of services, cooperative programming, or sharing resources or expenditures with another public/governmental entity.

Non-Referendum Bonds - General Obligation Bonds that can be issued without a referendum. The Conservation District's total outstanding non-referendum debt is limited to 0.575% of the County's EAV.

Operating Budget - A financial plan outlining estimated revenues and expenditures and other information for a specified period.

Operating Surplus - The amount by which actual revenues exceed actual expenditures during a reporting period.

PDRMA (Park District Risk Management Agency) - A self-insured intergovernmental risk management pool which provides the Conservation District with comprehensive insurance coverage including general liability, automobile liability, public official's errors and omissions coverage, employment practices, law enforcement liability, and worker's compensation.

PTELL (Property Tax Extension Limitation Law) - Part of the Illinois property tax code that limits the amounts by which taxing bodies can increase their annual property tax levies (limited to the lesser of the growth in the CPI or 5%).

Public Hearing - The portion of a meeting dedicated to providing further information on any issue. It is an opportunity for members of the public to voice opinions and provide input to the board on a particular subject.

GLOSSARY

FY 2025 - Annual Budget

McHenry County Conservation District

Revenue - Funds that the Conservation District collects or earns. Examples of revenue include property taxes, program fees, sponsorships, property lease/rental income, grants, and interest income.

Revenue Estimate - A formal estimate of how much revenue will be earned from a specific revenue source for a future period, typically a future fiscal year.

Salaries and Wages - Salaries and wages are the compensation paid to full -time, part-time, and seasonal staff.

Strategic Plan - Long-range planning tool updated periodically and developed through a comprehensive planning process. It provides direction regarding the agency's focus and activities.

Supplies - The amount budgeted and appropriated for departmental operating goods and materials. This includes expenses such as: office supplies, building, sites, equipment and vehicle maintenance supplies, and other programming supplies.

Tax Extension (Property) -The actual dollar amount billed to the property taxpayers of the Conservation District; based on the amount of taxes levied by the Conservation District and the EAV of the County. The County Clerk extends the property taxes.

Tax Levy - The amount of dollars requests by the Conservation District requests from the property owners, both commercial and residential, to fund the operations, services and needs of the Conservation District.

Tax Rate - The rate derived from dividing the tax levy by the EAV. The tax rate, combined for all funds, is multiplied by the equalized assessed valuation of each real estate parcel to arrive at the taxes owed by each parcel owner.

APPROPRIATION ORDINANCES & CERTIFICATIONS



McHenry County
CONSERVATION DISTRICT

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

**MCHENRY COUNTY CONSERVATION DISTRICT
MCHENRY COUNTY, ILLINOIS
18410 U.S. Highway 14
Woodstock, Illinois 60098**

ORDINANCE NO. 25-1054

**TENTATIVE BUDGET AND APPROPRIATION ORDINANCE
FOR THE FISCAL YEAR BEGINNING APRIL 1, 2025,
AND ENDING MARCH 31, 2026**

FILED
MCHENRY COUNTY, IL
JAN 21 2025
Joseph J. Tirio
COUNTY CLERK

WHEREAS, the Board of Trustees of the McHenry County Conservation District, in the County of McHenry, State of Illinois, shall, within or before the first quarter of each year, adopt a combined annual budget and appropriation ordinance; and

WHEREAS, the District's combined annual budget and appropriation ordinance shall also be adopted by resolution of the McHenry County Board; and

WHEREAS, the District's budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during the fiscal year from all sources, an estimate of the expenditures contemplated for the fiscal year, and a statement of the estimated cash expected to be on hand at the end of the fiscal year; and

WHEREAS, the Board of Trustees of the McHenry County Conservation District has caused this Tentative Budget and Appropriation Ordinance to be prepared in tentative form; and

WHEREAS, it is the intention of said Board of Trustees that the Tentative Budget and Appropriation Ordinance be made available for public inspection at the Conservation District Headquarters, located at 18410 U.S. Highway 14, in Woodstock, Illinois, for at least thirty (30) days prior to the public hearing which will be held on The District's Annual Budget and Appropriation Ordinance; and

WHEREAS, the Board of Trustees has scheduled a public hearing to be held on the Annual Budget and Appropriation Ordinance at 5:00 P.M. in the Brookdale Administrative Offices at 18410 US Highway 14 in Woodstock, Illinois, on February 20, 2025.

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the McHenry County Conservation District, in the County of McHenry, State of Illinois, that the following Tentative Budget and Appropriation Ordinance containing a statement of the estimated cash on hand at the beginning of the fiscal year, an estimate of cash expected to be received during such fiscal year from all sources, an estimate of fund balance transferred between funds, an estimate of the expenses contemplated for such fiscal year, and an estimate of cash expected to be on hand at the end of the fiscal year, be and the same is hereby adopted as a Tentative Budget and Appropriation Ordinance to be made available for convenient public inspection at the Conservation District Headquarters, located at 18410 U.S. Highway 14, in Woodstock, Illinois, as of the 21st day of January, 2025, and that a public hearing be held on the District’s Annual Budget and Appropriation Ordinance at Brookdale Administrative Offices at 18410 US Highway 14 in Woodstock, Illinois at 5:00 P.M. on the 20th day of February, 2025. An Annual Budget and Appropriation Ordinance for the McHenry County Conservation District for the fiscal year beginning April 1, 2025, and ending March 31, 2026, will be adopted by the Board of Trustees for the McHenry County Conservation District at its regular meeting on the 25th Day of February 2025.

Estimated Cash on Hand at the Start of the Fiscal Year
For the Fiscal Year Beginning April 1, 2025 and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restoration	Insurance
Estimated Beginning Cash	\$4,966,898	\$784,075	\$415,506	\$136,936	\$121,783	\$282,384

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

Estimated Cash to be Received During the Fiscal Year
For the Fiscal Year Beginning April 1, 2025 and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Taxes	\$13,106,312	\$0	\$10,165,739	\$0	\$0	\$309,656
Interest Income	262,837	19,386	234,101	10,625	23,878	45
Property Leases	873,784	115,345	0	0	25,000	0
Grants	0	1,541,000	0	0	853,500	0
Program Fees	228,400	0	0	0	0	0
Other Income	158,688	250,000	0	0	2,540,300	0
Total Receipts	\$14,630,021	\$1,925,731	\$10,399,840	\$10,625	\$3,442,678	\$309,701

Permanent Interfund Transfers
For the Fiscal Year Beginning April 1, 2025 and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Transfers In	0	0	3,628,139	750,000	0	0
Transfers (Out)	(4,378,139)	0	0	0	0	0
Total Net Transfers	(\$4,378,139)	\$0	\$3,628,139	\$750,000	\$0	\$0

Estimated Cash on Hand at the End of the Fiscal Year
For the Fiscal Year Beginning April 1, 2025 and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Estimated Ending Cash	\$3,021,393	\$58,280	\$592,210	(\$771,014)	\$2,024,550	\$251,491

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

Estimated Expenditures Constituting the Annual Budget and Appropriation
For the Fiscal Year Beginning April 1, 2025 and Ending March 31, 2026

General Fund	
Wages & Benefits	9,087,028
Contractuals & Commodities	2,426,819
Capital Outlays	683,540
Total General Fund Expenditures	\$12,197,387
Dedicated Accounts Fund	
Wages & Benefits	93,000
Contractuals & Commodities	188,000
Site, Trail & Facility Improvements	1,309,000
Land Acquisitions	1,061,526
Total Dedicated Accounts Fund Expenditures	\$2,651,526
Debt Service Funds	
Principal Payments	12,515,000
Interest Payments	1,335,025
Servicing Expenses	1,250
Total Debt Service Funds Expenditures	\$13,851,275
Capital Asset Management Plan Fund	
Wages & Benefits	0
Contractuals & Commodities	200,000
Natural Area Restorations	188,200
Site, Trail & Facility Improvements	1,280,375
Total Capital Improvement Plan Fund Expenditures	\$1,668,575
Natural Resources Management Fund	
Wages & Benefits	472,161
Contractuals & Commodities	1,037,750
Natural Restorations & Land Improvements	30,000
Total Natural Resources Fund Expenditures	\$1,539,911
Insurance Fund	
Property & General Liability Insurance	155,639
Unemployment & Worker's Compensation	177,205
Other Loss Control Initiatives	7,750
Capital Outlays	0
Total Insurance Fund Expenditures	\$340,594
Total Budget & Appropriation All Funds	\$32,249,268

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

PASSED THIS 21ST DAY OF JANUARY 2025.



MCHENRY COUNTY CONSERVATION DISTRICT

Approved:

**CHRISTOPHER DAHM, PRESIDENT
BOARD OF TRUSTEES**

Attest:

**RONALD WIECZOREK, SECRETARY
BOARD OF TRUSTEES**

FILED
MCHENRY COUNTY, IL
JAN 21 2025
Joseph J. Tirio
COUNTY CLERK

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

**McHENRY COUNTY CONSERVATION DISTRICT
CERTIFICATION OF TENTATIVE
COMBINED ANNUAL BUDGET & APPROPRIATION ORDINANCE
FOR FISCAL YEAR 2025-2026**

I, Ronald Wieczorek, do hereby certify that I am the Secretary of the Board of Trustees of the McHenry County Conservation District and, as such official, I do further certify that the attached Tentative Combined Annual Budget and Appropriation Ordinance #25-1054 is a true and correct copy of the Ordinance adopted by the Board of Trustees at its properly convened regular meeting held on January 21, 2025, as appears from the official records of said McHenry County Conservation District.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the corporate seal of said McHenry County Conservation District on the 21st day of January 2025.



McHENRY COUNTY CONSERVATION DISTRICT

BY:


RONALD WIECZOREK, SECRETARY
BOARD OF TRUSTEES

FILED
McHENRY COUNTY, IL

JAN 21 2025

Joseph J. Tirio
COUNTY CLERK

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

MCHENRY COUNTY CONSERVATION DISTRICT
MCHENRY COUNTY, ILLINOIS
18410 U.S. Highway 14
Woodstock, Illinois 60098

ORDINANCE NO. 25-1055

FILED
McHENRY COUNTY, IL
FEB 26 2025
Joseph J. Tirio
COUNTY CLERK

**FINAL
COMBINED ANNUAL BUDGET AND APPROPRIATION ORDINANCE
FOR THE FISCAL YEAR BEGINNING APRIL 1, 2025,
AND ENDING MARCH 31, 2026**

WHEREAS, the Board of Trustees of the McHenry County Conservation District, in the County of McHenry, State of Illinois, shall, within or before the first quarter of each year, adopt a combined annual budget and appropriation ordinance; and

WHEREAS, the District’s combined annual budget and appropriation ordinance shall also be adopted by resolution of the McHenry County Board; and

WHEREAS, the District’s budget shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during the fiscal year from all sources, an estimate of the expenditures contemplated for the fiscal year, and a statement of the estimated cash expected to be on hand at the end of the fiscal year; and

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the McHenry County Conservation District:

SECTION 1: That the following annual budget be and the same is hereby adopted, and the sums of money in Section 1, or so much thereof as may be authorized by law, be and the same are hereby appropriated for Corporate General Purposes, Bond Debt Services, Capital Improvements and Land Acquisitions, Natural Restoration Management and Insurance Purposes of the McHenry County Conservation District for the fiscal year beginning on the 1st day of April A.D., 2025 and ending on the 31st day of March A.D., 2026 as hereinafter specified.

APPROPRIATION ORDINANCES
FY 2026 - Annual Budget

McHenry County Conservation District

Estimated Cash on Hand at the Start of the Fiscal Year
 For the Fiscal Year Beginning April 1, 2025, and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restoration	Insurance
Estimated Beginning Cash	\$4,966,898	\$784,075	\$415,506	\$136,936	\$121,783	\$282,384

Estimated Cash to be Received During the Fiscal Year
 For the Fiscal Year Beginning April 1, 2025, and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Taxes	\$13,106,312	\$0	\$10,165,739	\$0	\$0	\$309,656
Interest Income	262,837	19,386	234,101	10,625	23,878	45
Property Leases	873,784	115,345	0	0	25,000	0
Grants	0	1,541,000	0	0	853,500	0
Program Fees	228,400	0	0	0	0	0
Other Income	158,688	250,000	0	0	2,540,300	0
				0		
Total Receipts	\$14,630,021	\$1,925,731	\$10,399,840	\$10,625	\$3,442,678	\$309,701

Permanent Interfund Transfers
 For the Fiscal Year Beginning April 1, 2025, and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Transfers In	0	0	3,628,139	750,000	0	0
Transfers (Out)	(4,378,139)	0	0	0	0	0
Total Net Transfers	(\$4,378,139)	\$0	\$3,628,139	\$750,000	\$0	\$0

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

Estimated Expenditures Constituting the Annual Budget and Appropriation
For the Fiscal Year Beginning April 1, 2025, and Ending March 31, 2026

General Fund	
Wages & Benefits	9,087,028
Contractuals & Commodities	2,526,819
Capital Outlays	583,540
Total General Fund Expenditures	<u>\$12,197,387</u>
Dedicated Accounts Fund	
Wages & Benefits	93,000
Contractuals & Commodities	188,000
Site, Trail & Facility Improvements	1,309,000
Land Acquisitions	1,061,526
Total Dedicated Accounts Fund Expenditures	<u>\$2,651,526</u>
Debt Service Funds	
Principal Payments	12,515,000
Interest Payments	1,335,025
Servicing Expenses	1,250
Total Debt Service Funds Expenditures	<u>\$13,851,275</u>
Capital Asset Management Plan Fund	
Wages & Benefits	0
Contractuals & Commodities	200,000
Natural Area Restorations	188,200
Site, Trail & Facility Improvements	1,280,375
Total Capital Improvement Plan Fund Expenditures	<u>\$1,668,575</u>
Natural Resources Management Fund	
Wages & Benefits	472,161
Contractuals & Commodities	1,037,750
Natural Restorations & Land Improvements	30,000
Total Natural Resources Fund Expenditures	<u>\$1,539,911</u>
Insurance Fund	
Property & General Liability Insurance	155,639
Unemployment & Worker's Compensation	177,205
Other Loss Control Initiatives	7,750
Capital Outlays	0
Total Insurance Fund Expenditures	<u>\$340,594</u>
Total Budget & Appropriation All Funds	\$32,249,268

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

Estimated Cash on Hand at the End of the Fiscal Year
For the Fiscal Year Beginning April 1, 2025, and Ending March 31, 2026

	General	Dedicated Accounts	Debt Service	Capital Asset Management Plan	Natural Restorations	Insurance
Estimated Ending Cash	\$3,021,393	\$58,280	\$592,210	(\$771,014)	\$2,024,550	\$251,491

SECTION 2: That any unexpected balance of any items of appropriated expenditures may be authorized by the Board of Trustees and expended in making up any deficiency in any other item of appropriated expenditures in the respective fund to which said item or items apply according to the provisions and limitations of the law.


SECTION 3: That this Ordinance shall be in full force and effect at the expiration of ten days after its passage, approval, and publication as provided by law and upon the adoption of the combined Annual Budget and Appropriation Ordinance by Resolution of the County Board of Commissioners for the County of McHenry, Illinois.

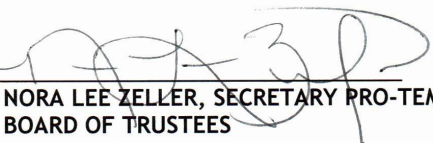
SECTION 4: The Executive Director and Director of Administration and Finance are hereby directed to transmit a certified copy of this Ordinance to the County Board Chairman and the County Administrator.

PASSED THIS 25th DAY OF FEBRUARY 2025.



McHENRY COUNTY CONSERVATION DISTRICT

Approved: 
CHRISTOPHER DAHM, PRESIDENT
BOARD OF TRUSTEES

Attest: 
NORA LEE ZELLER, SECRETARY PRO-TEM
BOARD OF TRUSTEES

FILED
McHENRY COUNTY, IL
FEB 26 2025
Joseph J. Tirio
COUNTY CLERK

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

FILED
McHENRY COUNTY, IL

FEB 26 2025

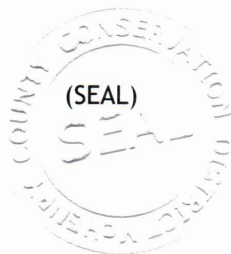
Joseph J. Tirio
COUNTY CLERK


**MCHENRY COUNTY CONSERVATION DISTRICT
CERTIFICATE OF ESTIMATE OF REVENUES
FOR FISCAL YEAR 2025-2026 AND
BUDGET AND APPROPRIATION ORDINANCE**

I, Shawn Zimmerman, do hereby certify that I am the Treasurer of the Board of Trustees of the McHenry County Conservation District and, as such official, I do further certify that the estimated revenues by source, anticipated to be received by the McHenry County Conservation District, McHenry County, Illinois, in the Fiscal Year 2025-2026 are those estimated revenues set forth in the attached true and correct copy of Ordinance #25-1055 (An Ordinance adopting a Combined Annual Budget and Appropriation for the Fiscal Year beginning April 1, 2025, and ending March 31, 2026) as adopted by the Board of Trustees at its property convened regular meeting held on February 25, 2025, as appears from the official records of said McHenry County Conservation District.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the corporate seal of said McHenry County Conservation District on this 25th DAY OF FEBRUARY 2025.

MCHENRY COUNTY CONSERVATION DISTRICT



BY: 
**SHAWN ZIMMERMAN, TREASURER
BOARD OF TRUSTEES**

McHenry County Conservation District

ORDINANCE NO. 25-1056

AN ORDINANCE abating a portion of the tax heretofore levied for the year 2024 to pay debt service on General Obligation Bonds, Series 2014, of the McHenry County Conservation District, McHenry County, Illinois.

* * *

WHEREAS, the Board of Trustees (the “Board”) of the McHenry County Conservation District, McHenry County, Illinois (the “District”), by an Ordinance adopted on the 5th day of November 2014, as supplemented by a notification of sale (the “General Obligation Refunding Bonds, Series 2014 Ordinance”) did provide for the issue of \$108,215,000 General Obligation Refunding Bonds, Series 2014 (the “Series 2014 Bonds,” the “Bonds”), and the levy of a direct annual tax to pay debt service on the Bonds; and

WHEREAS, duly certified copies of the Series 2014 Ordinance were filed in the office of the County Clerk of McHenry County, Illinois (the “County Clerk”); and

WHEREAS, on September 24, 2024, the Board adopted Resolution #24-78, declaring the intention of the Board of Trustees of the McHenry County Conservation District, McHenry County, Illinois, to abate taxes heretofore levied for the years 2024 and 2025 to pay debt service on outstanding bonds of said Conservation District if a proposition presented to the voters to increase the District’s limiting rate was successful; and

WHEREAS, the Board determined the District would abate taxes levied in the Bond Ordinance for the years 2024 (collectible in calendar year 2025) and 2025 (collectible in 2026) to offset any property tax increase resulting from an increase in the District’s operating tax levies, beyond what is normally allowed as an annual increase under the Property Tax Extension Limitation Law (PTELL), following such approval; and

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

WHEREAS, the said proposition to increase the District’s limiting rate was successful and will increase the District’s total 2024 property tax levy by an additional \$3,628,139, beyond what would otherwise be allowed under PTELL; and

WHEREAS, the Board has determined and does hereby determine that the District has \$3,628,139 on hand and lawfully available (the “*Available Funds*”) to pay this portion of the principal and interest on the Bonds within the General Fund; and

WHEREAS, the Board has determined and does hereby determine that it is necessary and in the best interest of the District to apply the Available Funds to the payment of the Bonds and abate the same amount of taxes heretofore levied to pay the principal of and interest on the Bonds; and

WHEREAS, the Board has determined and does hereby determine it is necessary and in the best interests of the District that a portion of the tax heretofore levied for the year 2024 to pay the Bonds be abated:

NOW, THEREFORE, Be It and It Is Hereby Ordained by the Board of Trustees of the McHenry County Conservation District, McHenry County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Deposit to the Bond Fund. Available Funds in the amount of \$3,628,139 are hereby ordered to be deposited into the Bond Fund created in connection with the issuance of the Bonds and be used to pay the principal of and interest on the Bonds.

Section 3. Abatement of Taxes. The taxes heretofore levied for the year 2024 in the Series 2014 Ordinance (the “*Ordinance*”) shall be abated by that amount of Available Funds to be irrevocably set aside in the Bond Fund, and a portion of the amount of the tax levied in the Ordinance to pay debt service on the Bonds, the amount of the tax to be abated for said year, and

APPROPRIATION ORDINANCES

FY 2026 - Annual Budget

McHenry County Conservation District

the remainder of the tax levied which is to be extended for said year to pay debt service on the

Bonds are as follows:

SERIES 2014 BONDS

YEAR	AMOUNT LEVIED IN 2024	AMOUNT TO BE ABATED BY THIS ORDINANCE	REMAINDER OF TAX TO BE EXTENDED
2024	\$ 13,814,250	\$ 3,628,139	\$10,186,111

Section 4.Filing of Ordinance. Forthwith upon the adoption of this Ordinance, the Secretary of the Board shall file a certified copy hereof with the County Clerk, and it shall be the duty of the County Clerk to abate said taxes levied for the year 2024 in accordance with the provisions hereof and as shown in Section 3 hereinabove.

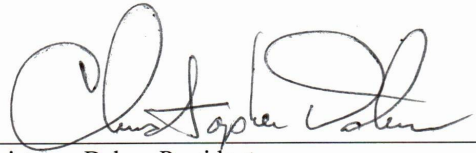
APPROPRIATION ORDINANCES

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McHenry County Conservation District

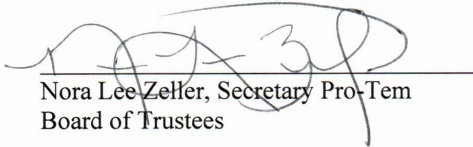
Section 5. Effective Date. This Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted February 25, 2025.



Christopher Dahm, President,
Board of Trustees

Attest:


Nora Lee Zeller, Secretary Pro-Tem
Board of Trustees