



## City Council Agenda Memo

Crest Hill, IL

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<b>Meeting Date:</b>	February 6, 2023
<b>Submitter:</b>	Lisa Banovetz, Director of Finance / Glen Conklin, Treasurer
<b>Department:</b>	Treasurer's Office
<b>Agenda Item:</b>	Approval of an ordinance adopting the budget system and adding a new chapter 3.01, section 3.01.010 (budget system adopted) to Title 3 (revenue and finance) of the City of Crest Hill Code of Ordinances

**Summary:** The City's is seeking City Council's approval of an ordinance adopting the budget system and adding a new chapter 3.01, section 3.01.010 (budget system adopted) to Title 3 (revenue and finance) of the City of Crest Hill Code of Ordinances. This was discussed at the January 23, 2023 work session.

The budget system of financial planning and management would require the adoption of a budget officer and the responsibility of the budget officer would be to complete an annual budget, in lieu of the annual appropriation ordinance. This process would require the City to adopt its annual budget prior to the beginning of the next fiscal year (or by April 30<sup>th</sup> of each fiscal year).

A budget system of financial planning and management is more in keeping with modern accounting principles. It allows for a provision to authorize the accumulation of funds over a period of years to be used to construct capital improvements in addition to a specific provision authorizing a fund for contingency purposes. It also provides the City and its departments with the ability to manage a total expenditure amount by department, rather than being accountable for individual line item budgeted amounts. The municipality would be required to publish a tentative budget available for public inspection for at least ten (10) days prior to its passage under the budget system of financial planning and management.

**Recommended Council Action:** Approval of an ordinance adopting the budget system and adding a new chapter 3.01, section 3.01.010 (budget system adopted) to Title 3 (revenue and finance) of the City of Crest Hill Code of Ordinances as discussed at the January 23, 2023 work session.

### **Financial Impact:**

**Funding Source:** N/A

**Budgeted Amount: N/A**

**Cost: N/A**

**Attachments:** Approval of an ordinance adopting the budget system and adding a new chapter 3.01, section 3.01.010 (budget system adopted) to Title 3 (revenue and finance) of the City of Crest Hill Code of Ordinances