

SPONSORED BY: GARY JURY

ORDINANCE  
OF THE  
COUNTY BOARD OF THE COUNTY OF WINNEBAGO, ILLINOIS

SUBMITTED BY: OPERATIONS AND ADMINISTRATIVE COMMITTEE

**2017 CO 062**

ORDINANCE ADOPTING A HOST FEE  
ALLOCATION & AWARD POLICY

WHEREAS, the County of Winnebago and the Winnebago Landfill Company have entered into a Host County Agreement to pay the County a Host Fee based on the operation of the Landfill Company’s facility in Winnebago County; and

WHEREAS, the County has a long standing commitment to the residents of Winnebago County to use Host Fee revenue to specifically fund projects that enhance county-wide economic development initiatives; and

WHEREAS, the Winnebago County Board desires to adopt a policy which defines the County’s approach to economic development by category and assigns specific value to those categories for budgeting purposes.

NOW, THEREFORE, BE IT ORDAINED, by the County Board of the County of Winnebago, Illinois, that a Host Fee Award and Allocation Policy, a copy of which is attached to this Ordinance as Exhibit A, is hereby adopted.

BE IT FURTHER ORDAINED, that this Ordinance shall be in full force and effect on October 1, 2017.

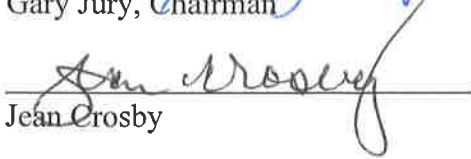
BE IT FURTHER ORDAINED, that the Clerk of the County Board is hereby directed to prepare and deliver a copy of this Ordinance to the County Administrator, the County Chief Finance & Budget Officer, and the Winnebago County Auditor.

Respectfully submitted,

**OPERATIONS & ADMINISTRATIVE  
COMMITTEE**

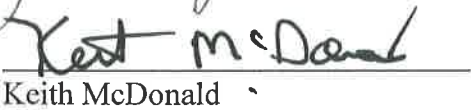
**AGREE**

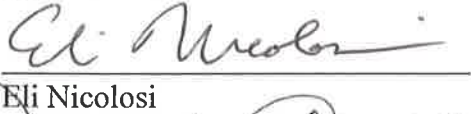
  
Gary Jury, Chairman

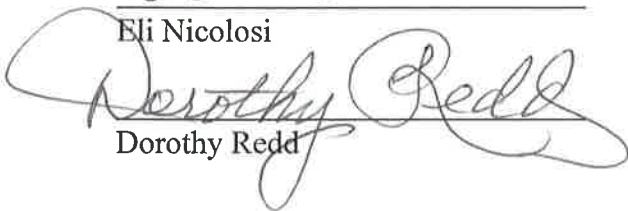
  
Jean Crosby

\_\_\_\_\_  
Angie Goral

  
Joe Hoffman

  
Keith McDonald

  
Eli Nicolosi

  
Dorothy Redd

**DISAGREE**

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Gary Jury, Chairman

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Jean Crosby

\_\_\_\_\_  
Angie Goral

\_\_\_\_\_  
Joe Hoffman

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Keith McDonald

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Eli Nicolosi


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Dorothy Redd

The above and foregoing Ordinance was adopted by the County Board of the County of Winnebago, Illinois, this 8th day of June, 2017.



\_\_\_\_\_  
Frank Haney  
Chairman of the County Board  
of the County of Winnebago, Illinois

Attested by:

  
\_\_\_\_\_  
Margie M. Mullins  
Clerk of the County Board  
of the County of Winnebago, Illinois

## 2018 Host Fee Allocation & Award Policy

### 1. **POLICY**

205 – CR – 125 approves a Host County Agreement (the “Agreement”) providing host fee revenues to the County from the Winnebago County Landfill. This policy directs that Host Fee funds are to be awarded solely for economic development initiatives, programs, and projects. The Winnebago County Board, its Committee(s), and administrative staff are responsible for ensuring that there is a procedure by which to award these funds and to monitor the impact of the awarded projects on the County.

### 2. **SCOPE**

This policy applies to revenues generated by the Host Fee Agreement. This policy is effective for the 2018 Fiscal year, beginning on October 1, 2017, and includes all Host Fee commitments approved by the County Board prior to the implementation of this policy.

### 3. **DEFINITIONS**

#### A. Economic Development.

For the purposes of this policy, economic development is defined as growth-oriented community investment which benefits Winnebago County citizens and improves economic well-being and quality of life in the County. The four categories of economic development encompassed by this policy are as follows:

1. Capital Development
2. Workforce Development
3. Infrastructure
4. Community Development

#### B. Host Fee Fund Administration.

1. Annual pre-award allocation to cover the cost of managing Host Fee awards, conducting financial audits of Host Fee amounts, and marketing. Marketing costs include consultant fees and design, print, and web development/administrative costs.

#### C. Host Fee Reserves.

1. Host Fee Fund equity balance sufficient to ensure the County can pay 18 months of projected multi-year commitments. Beginning with fiscal year 2018, 5% of projected revenue to be retained annually until the reserve minimum is accumulated.

#### D. Village of New Milford Host Fee Sharing Agreement.

1. Per the Host Fee Sharing Agreement entered into between Winnebago County and the Village of New Milford, approved by 2005-CR-143, dated July 28, 2005, and all subsequent agreements, Winnebago County has agreed to share an amount of the Host Fee with the Village on a quarterly basis as referenced in the Agreement.

### 4. **GENERAL PROVISIONS**

#### A. Host Fee Budget Model

1. The Winnebago Landfill Company distributes Host Fee revenue to the County on a quarterly basis based on the terms of the Agreement. Although the County can project approximate

revenue, specific revenue fluctuates based on actual activity at the landfill. As a result, a precise revenue figure can only be estimated for the Winnebago County budgeting process. Therefore, budget projections for Host Fee related revenues and expenses referenced in this policy are presented as percentage-based allocations which are variable according to actual revenues.

2. Administration will present an estimated Host Fee budget to the Winnebago County Board as a part of the overall County budget process based on the percentages assigned within this policy.
  3. Administration will report quarterly to the Economic Development Committee regarding changes to estimated revenue and the associated potential impact on the pre-award and award allocations.
  4. Administration will reconcile projected to actual spending in the third quarter of the fiscal year. Any additional revenue identified in the third quarter over and above existing budgeted allocations will be assigned to Host Fee Reserves.
- B. Pre- Award Allocations
1. Pre-Award allocations are budget line items that will be allocated prior to Host Fee Award allocations. Pre-award allocations include the following items to be budgeted:
    - a) Village of New Milford Host Fee Sharing Agreement – Estimated based on projected tonnage and terms of Host Fee Sharing Agreement
    - b) Host Fee Fund Administration – 2%
    - c) Host Fee Reserves – 5%
- C. Host Fee Award Allocations
1. Award allocations are budget line items that correspond with the four categories of Economic Development and are calculated after making pre-award allocations:
    - a) Capital Development – 65%
    - b) Workforce Development – 15%
    - c) Infrastructure – 15%
    - d) Community Development – 5%
- D. Award Process
1. All Host Fee Awards are subject to the terms of this policy and shall be reviewed by the Economic Development Committee and approved by the Winnebago County Board. An award application process will be developed and managed by Administration.
- E. Award Eligibility
1. Eligibility for Host Fee Awards will be based on numerous factors, including, but not limited to, the applicants' projected economic growth and development outcomes, fund availability, fund portfolio, strategic priorities, and other necessary comparative analysis.
- F. Accountability
1. Awardees will be required to enter into a Host Fee Award Agreement requiring periodic reporting.
  2. Reports will be monitored by Administration and submitted to the Economic Development Committee on an annual basis