



# OFFICE OF THE COUNTY AUDITOR DUPAGE COUNTY, ILLINOIS

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**FOR IMMEDIATE RELEASE**

**FROM THE OFFICE OF THE DU PAGE COUNTY AUDITOR**

**July 7, 2005**

## ***COUNTY REVENUE LAGS SPENDING***

According to DuPage County Auditor Jim Rasins, revenues received during the first six months of the fiscal year fell \$9.6 million short of expenditures in the main operating fund of the County. The difference required the County to tap into its cash and investment reserves to finance operations.

“The use of the reserves is expected during the first six months of each fiscal year,” Rasins said.

He explained that virtually none of the real estate taxes levied to finance County operations had been received as of the May 31<sup>st</sup> report date. The deadline for payment of the first installment of these taxes was June 1<sup>st</sup>. The County expects the Corporate Fund to receive a total of \$16.7 million from such taxes during 2005.

“Despite the operating shortfall, the \$9.9 million cash and investment balance in the County’s Corporate Fund at the end of the first half of 2005 remained unchanged from the level one year ago,” the Auditor noted.

***COUNTY REVENUE LAGS SPENDING***      - 2 -      **July 7, 2005**

The operating results were presented in the County Auditor's Quarterly Financial Report. The Report disclosed that during the first six months of 2005, the Corporate Fund received \$51.4 million in revenue, as compared to \$53.8 million collected in 2004.

Rasins cited several areas that led to the decrease in the total Fund revenue. Amounts collected by the Clerk of the Circuit Court decreased by \$1.3 million from the amount recorded during the first half of 2004. He attributed the revenue drop to a decrease in fee and bond forfeiture amounts remitted by the Court Clerk to the Fund.

Fees received by the County Recorder also declined by over \$500,000 as a result of a slow down in mortgage refinancing activity. Another factor in the Fund revenue decrease was a one-time receipt in 2004 of a \$2.2 million federal grant to reimburse the County for the purchase of new voting machines that was not repeated in 2005.

Auditor Rasins noted that these revenue drops were partially offset by an \$800,000 increase in sales tax collections received by the County during the first half of the year.

The report also disclosed that the County's share of income tax collected by the State increased by \$745,000 over the 2004 amounts. The jump was traced to increased income tax collections by the State, which resulted in higher amounts distributed to counties.

The Auditor reported that Corporate Fund spending totaled \$61.0 million for the first six months of 2005. This represented a \$4.1 million, or 7.2%, gain over the prior year amount. Rasins attributed the bulk of the change to a \$1.6 million increase in contractual expenses, and a jump of \$1.2 million in personnel-related costs.

***COUNTY REVENUE LAGS SPENDING - 3 - July 7, 2005***

“The increase in the contractual area was traced to a \$1.3 million increase in subsidies to other County operations, an increase in expenditures for electricity and natural gas, and increased spending by the Board of Election Commissioners,” Rasins said.

The jump in personnel-related spending was attributed primarily to higher employee medical insurance costs.

Rasins also noted that principal and interest payments related to the bonds issued to pay for the construction of an addition to the County Jail increased by \$1.0 million from the prior year amount.

The 130-page Report also included information related to the various “special revenue funds” maintained by the County. These funds reflect amounts received and spent for a variety of County functions including the operation of the Convalescent Center, various human service grant programs administered by the County, the operation of County-owned sewage treatment facilities, and various County construction projects.

The Auditor reported that total spending in all special revenue funds though the second quarter of 2005 dropped by a net amount of \$4.7 million, or 5.6%, from the comparable 2004 amount. Rasins identified \$9.7 million in expenditure reductions related to several capital construction projects as the main reason for the overall spending decline.

Offsetting a portion of this decrease were increased expenditures from the Local Gas Tax Fund for highway-related engineering services and a payment to the newly established Economic Development and Planning Fund. The Auditor also identified

***COUNTY REVENUE LAGS SPENDING*     - 4 -     July 7, 2005**

an increase in employee pension costs that were incurred in 2005.

The County Auditor's Quarterly Financial Report can be viewed on the internet at [www.dupageco.org/auditor/](http://www.dupageco.org/auditor/). Copies are also available for inspection at college and public libraries throughout DuPage County and at the Office of the County Auditor in Wheaton.

- 30 -

For further information, call (630)407-6075.