



OFFICE OF THE COUNTY AUDITOR DUPAGE COUNTY, ILLINOIS

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FOR IMMEDIATE RELEASE

FROM THE OFFICE OF THE DU PAGE COUNTY AUDITOR

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AUDITOR REPORTS ON COUNTY FINANCES

According to a report recently released by DuPage County Auditor Jim Rasins, spending from the County's Corporate Fund exceeded revenues received by \$9.5 million during the first six months of the fiscal year. The lag of revenues behind spending resulted in the County tapping into its cash and investments to finance operations.

"The use of cash and investment reserves is expected during the first six months of each fiscal year due to the timing of the receipt of the first property tax installment from taxpayers," Rasins indicated.

However, he cautioned that after the first six months of 2007 operations, the Corporate Fund cash and investment balance fell to \$11.2 million, which was \$1.4 million, or 11.1%, below the amount reported at the same point one year ago.

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The Auditor's Quarterly Financial Report disclosed that Corporate Fund revenues dipped slightly to \$54.9 million, from the \$55.0 million reported in 2006. The revenue in the Corporate Fund finances the majority of the County's day-to-day operations.

The drop in revenue was the net result of variations in amounts received from several sources. Rasins noted that sales taxes collected remained relatively flat when compared to the previous year, and that fees collected by the County Recorder and the revenues provided by the Circuit Court Clerk decreased by a combined \$1.0 million.

"The slowdown in mortgage refinancing activity from peak levels in 2003, led to a continued decline in the fees collected by the Recorder. These fees are influenced by factors such as the general condition of the economy and mortgage interest rates," the Auditor said.

The Auditor's Report showed that Corporate Fund revenues were also impacted by a \$300,000 drop in amounts attributed to the County Jail. Approximately one-half of this decrease was the result of a reduction in the amounts received for housing Federal prisoners in the County facility.

The report also highlighted a \$1.6 million decline in the County's portion of State income tax. This drop was traced to the timing of such State payments made to the County.

Rasins stated that smaller increases in amounts received from various other sources helped to offset the revenue declines.

According to the Report, the \$64.4 million in 2007 Corporate Fund expenditures represented a \$2.0 million jump over the corresponding six-month period in 2006. The Auditor explained that the timing of certain payments during 2007 relative to similar

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amounts in 2006 contributed to a significant part of the net change in spending.

Rasins noted that a significant increase in the number of individuals leaving the employ of the County during 2007 resulted in a \$1.2 million boost in employee separation benefit payments.

The 132-page Report also included information related to the 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, human service grant programs administered by the County, the operation of County-owned sewage treatment facilities, and transportation-related operating areas.

The Auditor reported that total spending in all special revenue funds through the second quarter of 2007 dropped by a net amount of \$6.8 million, or 7.9%, from the comparable 2006 amount. Rasins stated that the drop was the net effect of significant expenditure reductions in capital outlay and contractual spending, offset in part by increased spending in the areas of commodities and personnel-related costs.

The County Auditor's Quarterly Financial Report can be viewed on the internet at 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.

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