



# DUPAGECOUNTY

FINANCE

## General Fund Financial Update

FY2018 & FY2019 1<sup>st</sup> Quarter

May 28, 2019

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## Background – Budget Policies



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Budgets developed to be balanced:

Expected annual Revenues = Expected annual Expenses

Revenue assumptions should be conservative

Fund Balance only used with 2/3 vote of Board

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# Budget Pressures Backdrop

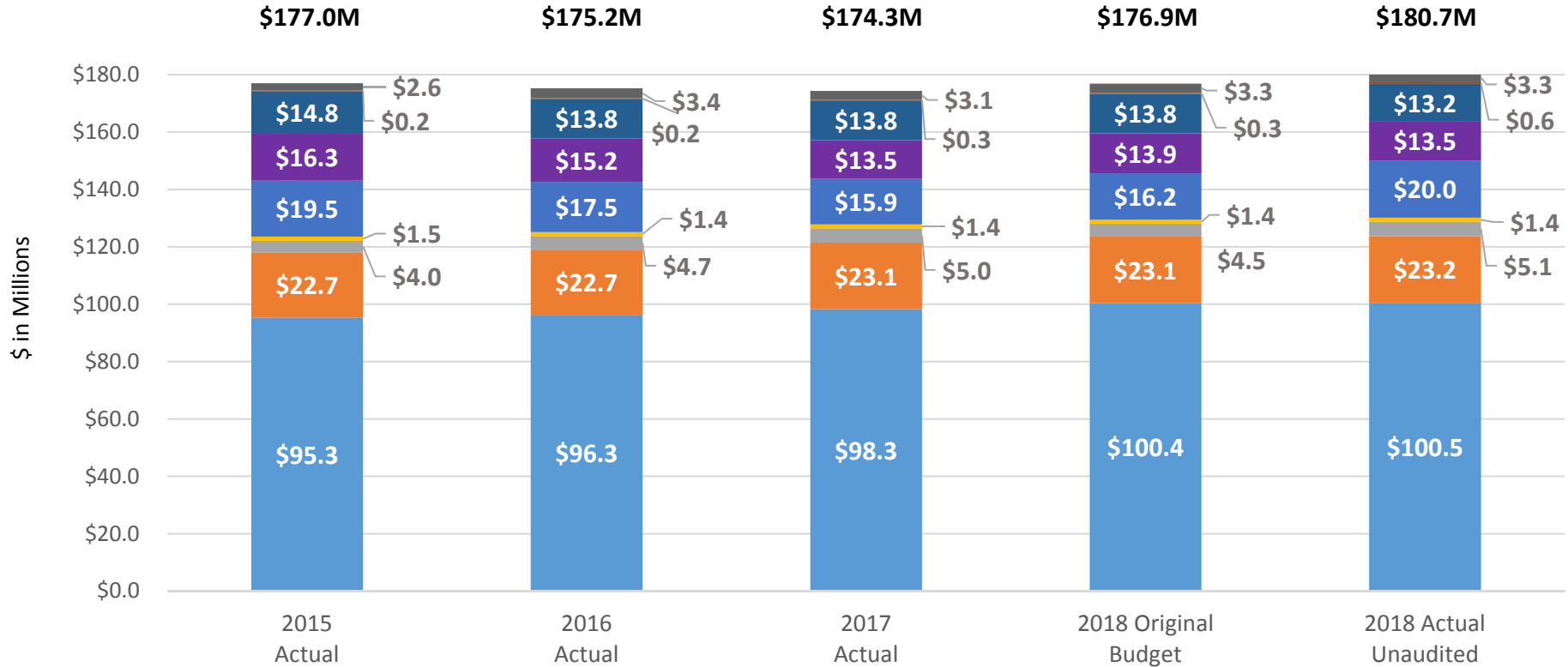


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Budget Pressures looking forward:

- Pension - \$4 million in General Fund
  - Presidential Election
  - One Time Probation Services Fund Revenue, approved by AOIC
  - Technology
    - Property Tax Software
    - Phone System
    - Future – New Poll Books \ Election System
  - Economy, Other
-

# General Fund Revenue Comparison (Actuals)



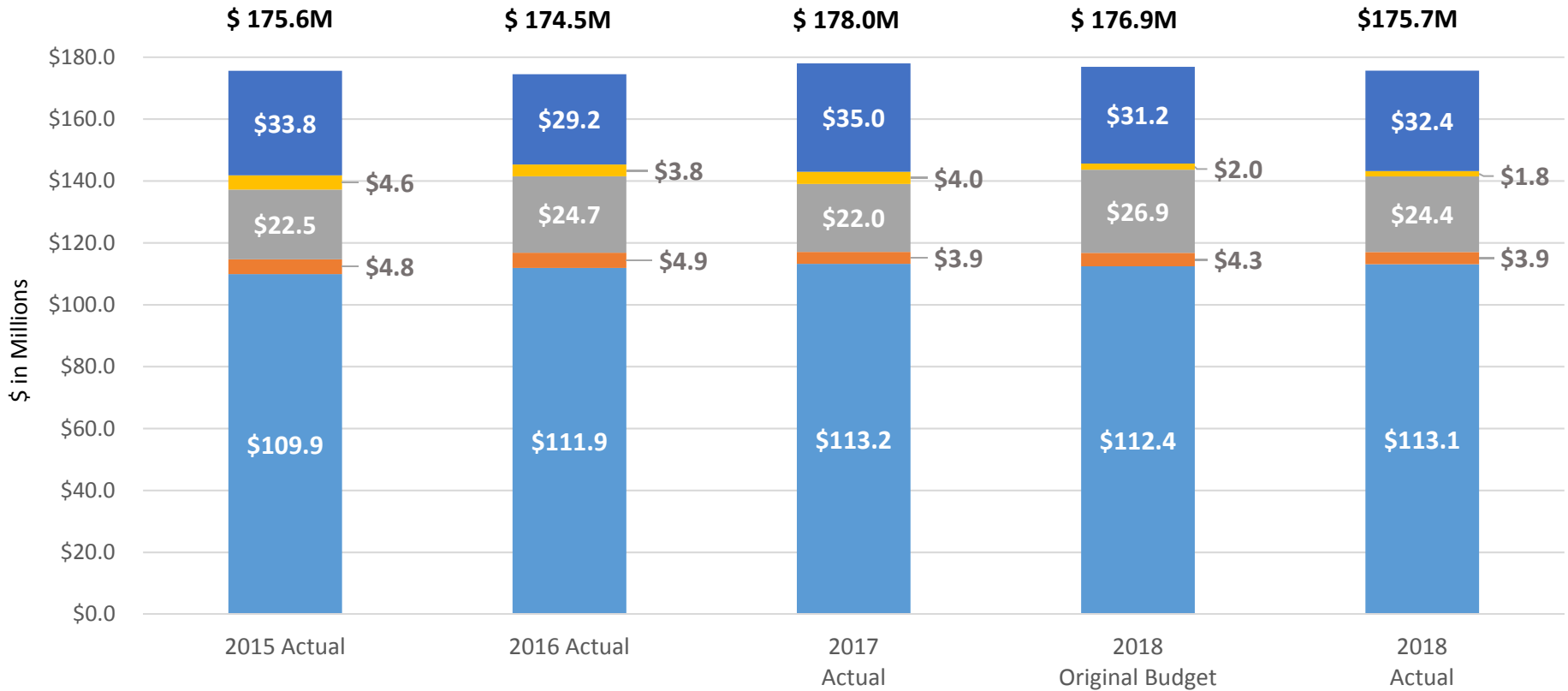
FY2018 figures are unaudited  
Figures subject to rounding



# General Fund Expenditure Comparison (Actuals)



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■ Personnel  
 ■ Commodities  
 ■ Contractual Services  
 ■ Capital Outlay  
 ■ Other Financing Uses

## 2018 Increased Fund Balance



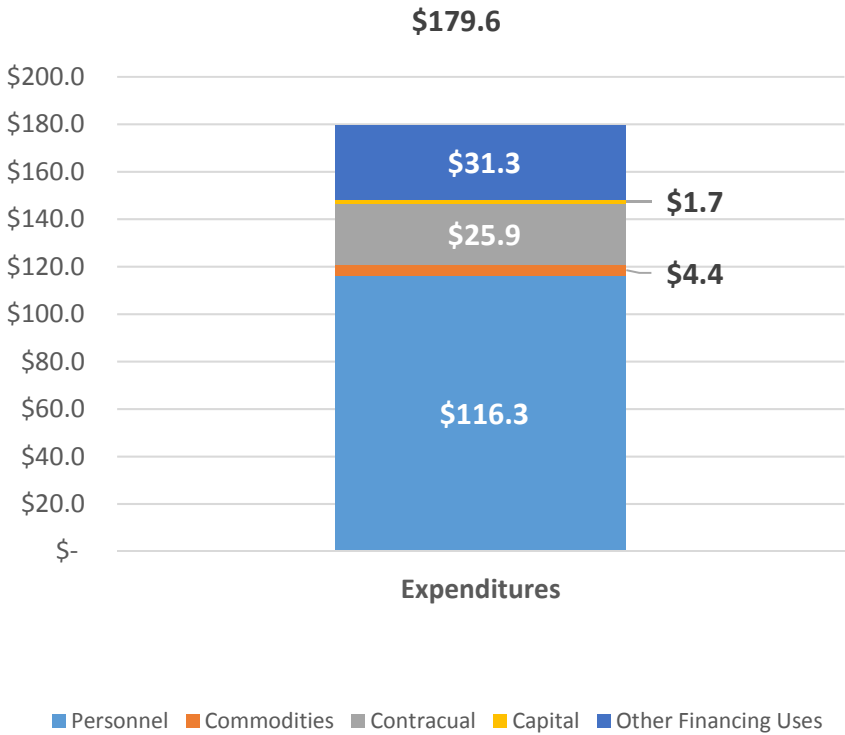
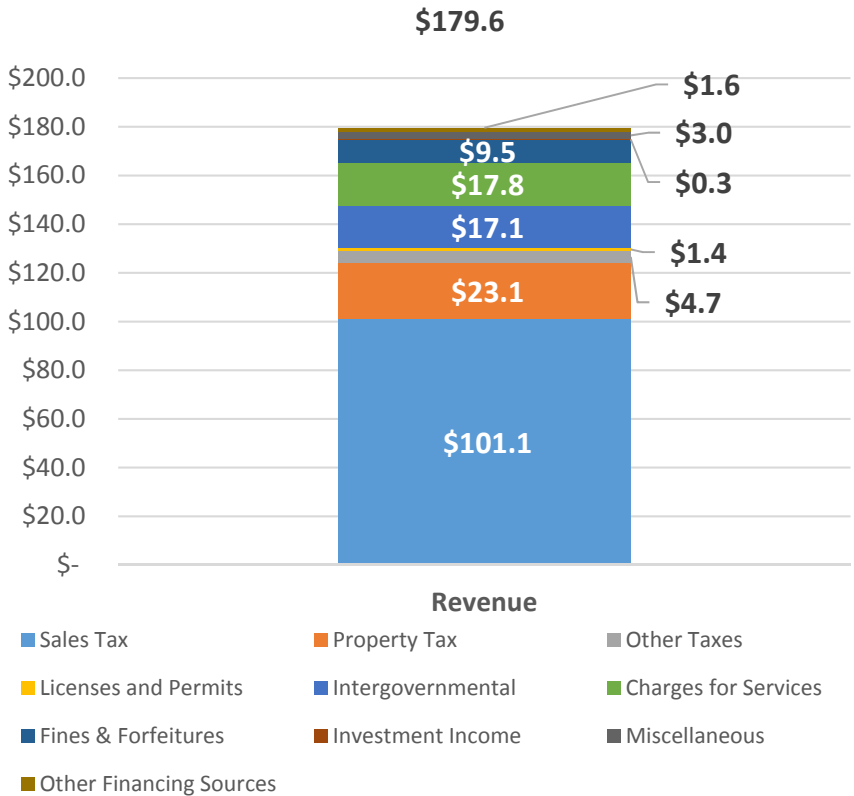
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2018 financials are \$5 million to the good:

- Sales and Use Tax – +\$62K, two good months vs Budget (September and November) recovering the almost \$1 million decline we had been experiencing vs Budget
- Income Tax – +\$1.5M, never experienced the anticipated 10% decline (first 7 months down \$200K vs PY, last 5 months up \$575K vs PY)
- Personal Property Replacement Tax – +\$270K, only experienced half of the projected 20% cut (80K to the good with last three data points vs PY)
- State Salary Reimbursements – +\$1.4M, backlog reduced from 10 months to 5 months
- Federal Grant Funding – +\$550K, unexpected (HAVA – elections, first time since 2011 & Emergency Management Performance – OEM, at twice prior levels and came in faster than usual (via IEMA))
- Expenses – **-\$1.2M**, 99.3% of budget, closest year yet

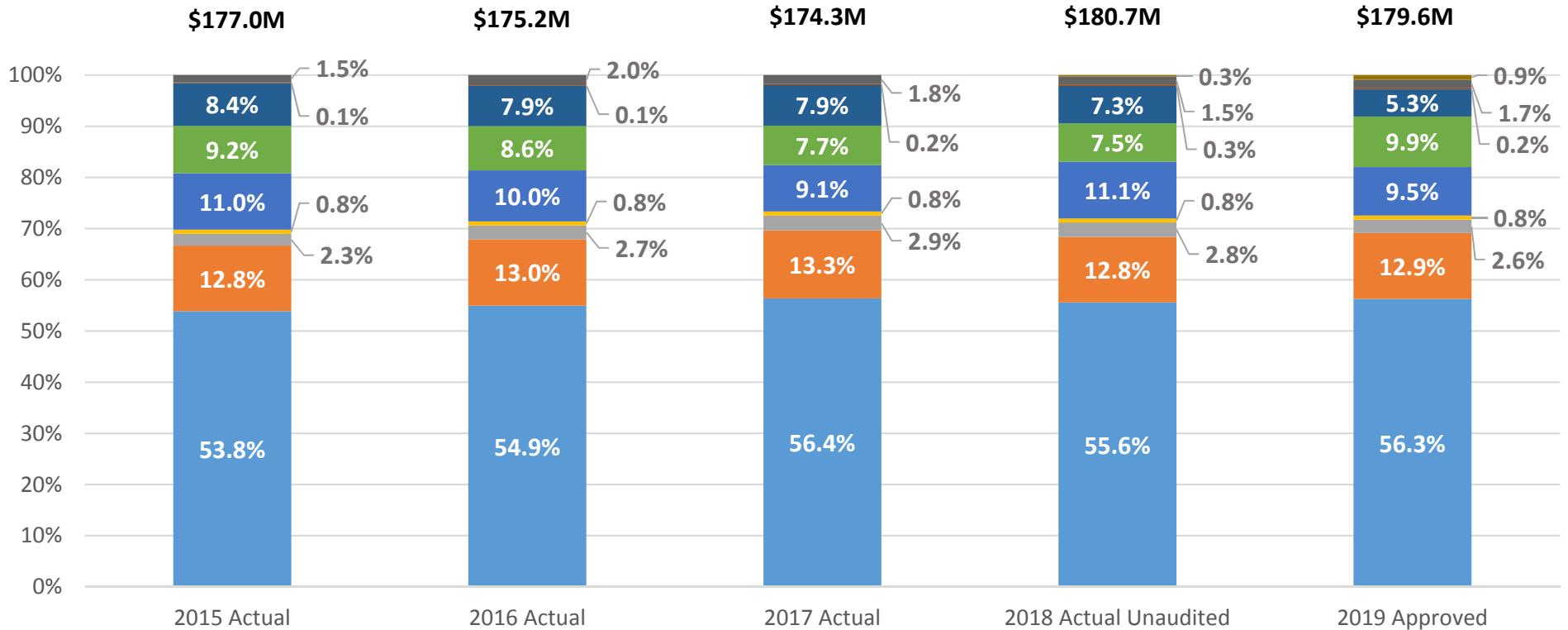


# General Fund FY2019 Original Budget

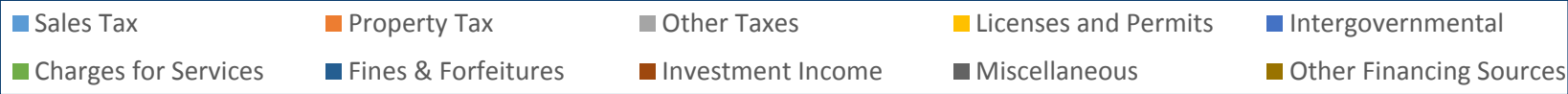


Figures subject to rounding

# General Fund Revenue Comparison (Percentages)

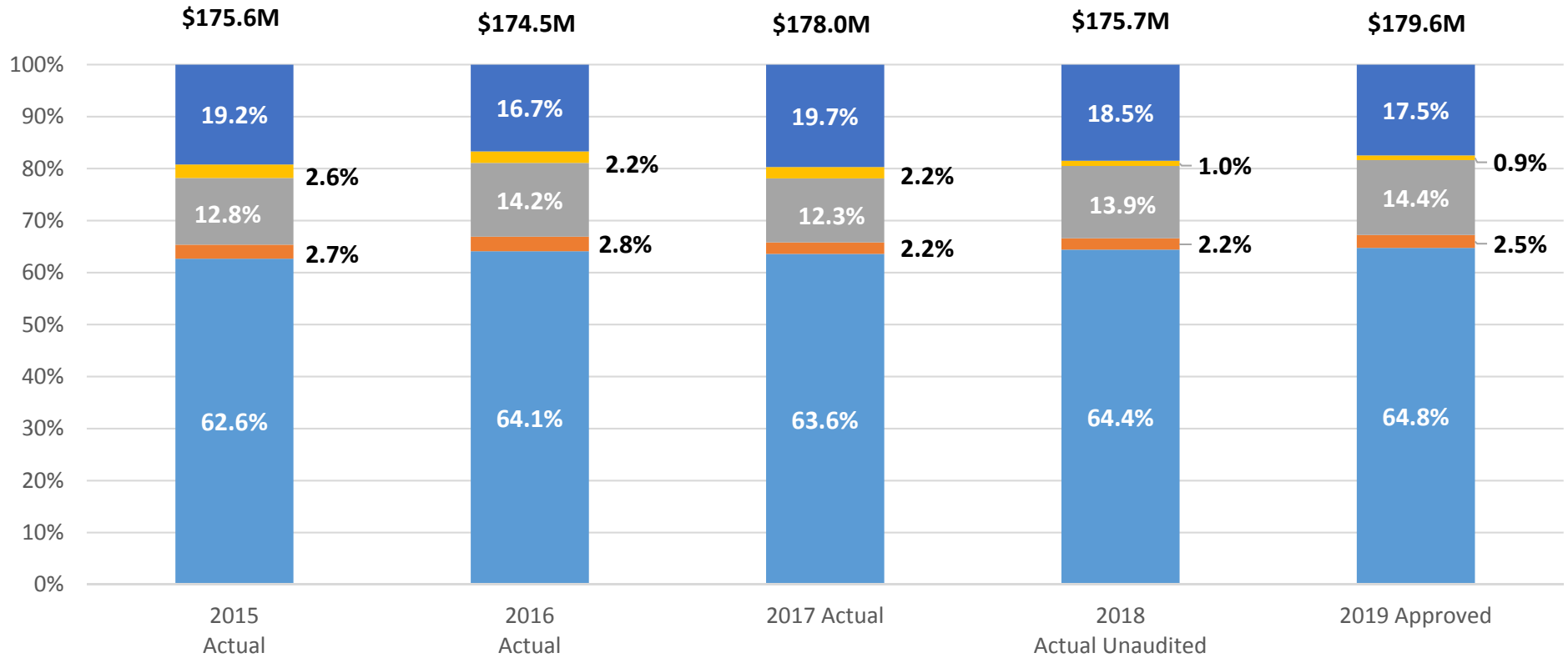


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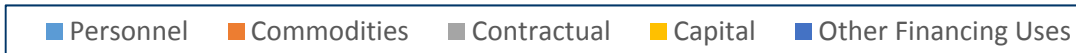




# General Fund Expenditure Comparison (Percentages)



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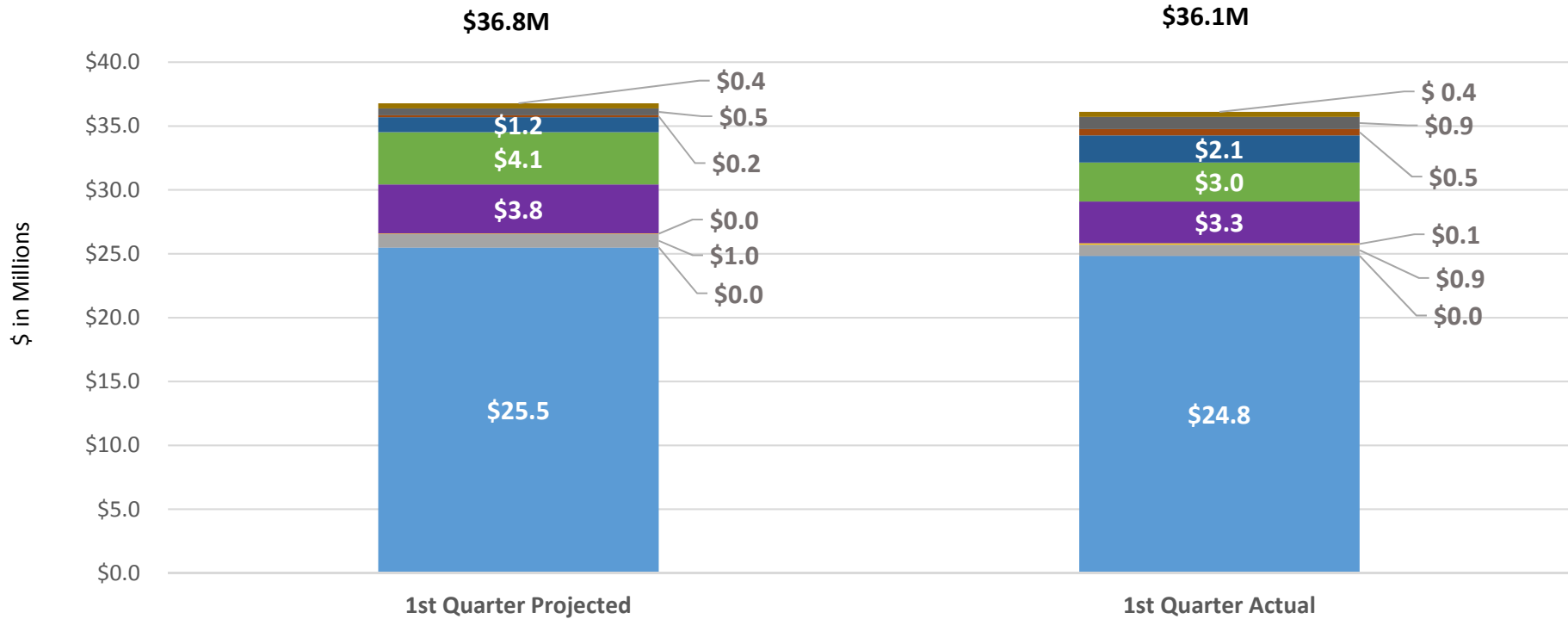


# FY2019 General Fund Revenues

## 1<sup>st</sup> Quarter Projected vs. Actual as of February 28, 2019



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FY2019 figures are unaudited

Figures subject to rounding

Actuals are accrual basis

<span style="color: blue;">■</span> Sales Tax	<span style="color: orange;">■</span> Property Tax	<span style="color: gray;">■</span> Other Taxes	<span style="color: yellow;">■</span> Licenses and Permits	<span style="color: purple;">■</span> Intergovernmental
<span style="color: green;">■</span> Charges for Services	<span style="color: darkblue;">■</span> Fines & Forfeitures	<span style="color: brown;">■</span> Investment Income	<span style="color: darkgray;">■</span> Miscellaneous	<span style="color: gold;">■</span> Other Financing Sources



### Revenues 1<sup>st</sup> Quarter:

- Sales and Use Tax – \$800K below budget, three months of data
- LGDF – 15K above prior year, three months of data (overall budget was set at 130K above prior year)
- PPRT – 117K below prior year, 2 of 8 months of data (overall budget was set at 147K below prior year)

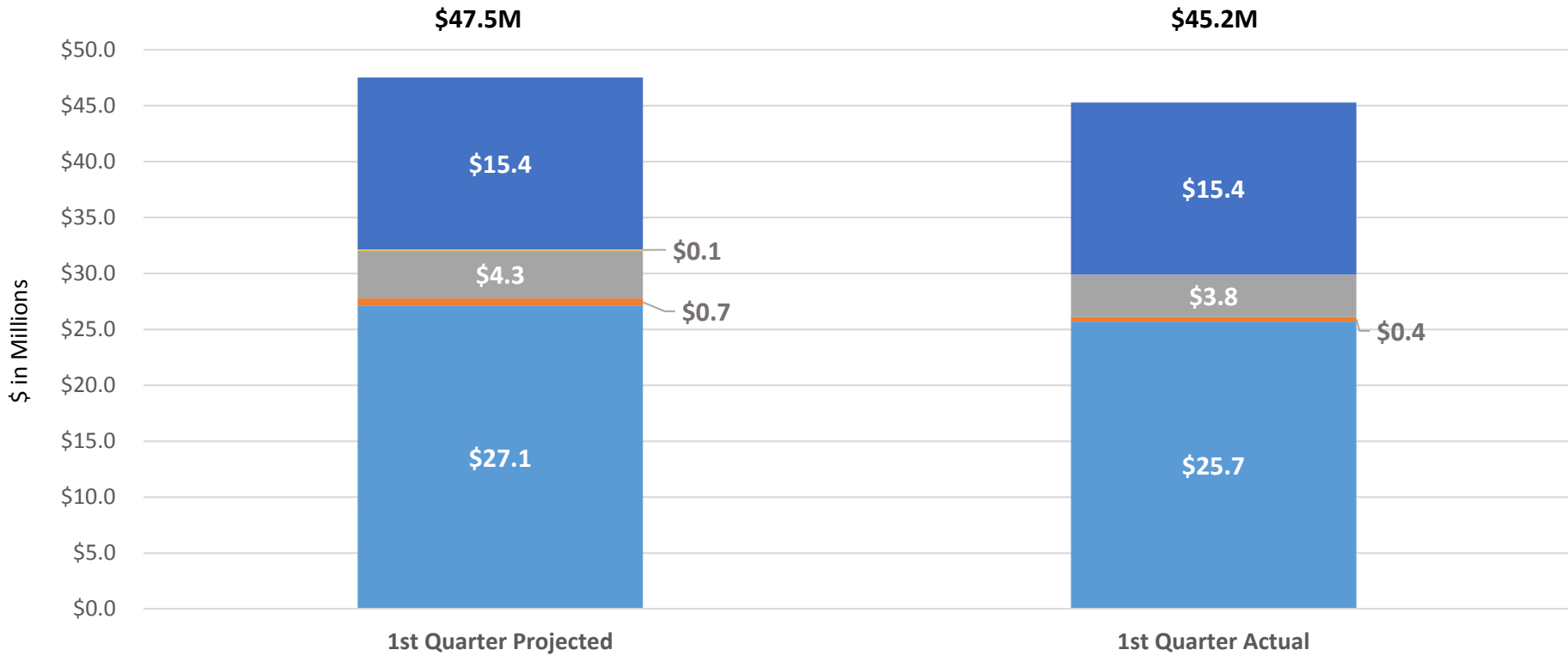
### Subsequent Activity – received in last few weeks:

- Sales and Use Tax – \$1M below budget, four months of data, thru March
- LGDF – 740K above prior year, five months of data
- PPRT – 180K above prior year, 4 of 8 months of data

# FY2019 General Fund Expenditures 1<sup>st</sup> Quarter Projected vs. Actual as of February 28, 2019



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### Expenses 1<sup>st</sup> Quarter:

- Salaries – departments are continuing to control their salary costs and absorbing their half of the COLA
- Benefit Payments at \$1M vs \$3.5M budgeted (2018 ended at \$5.5M vs \$3.5M budgeted)

### Subsequent Activity:

- Tort Liability Insurance Fund, large transfers the last two years, last week two large settlements

## 2020 General Fund Pressures



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- Pension – \$4 million
  - Reduction in investment return (7.5% to 7.25%)
  - 2018 stock market decline
  - Increased 2018 retirements (assumes Benefit Payouts remain at \$3.5 million but excludes impact of accelerated payouts)
- 2020 Presidential Election - \$1.5-2 million assuming prior trend
- One time AOIC agreement to use Probation Services Fund - \$1.2 million
- COLAs, Health Insurance, etc.
- Payment on 2019 Technology Expenditures – potential debt service:
  - Real Estate Tax System
  - Phone System
- Future - New Electronic Poll Books / Election System