

# 2023 General Fund Budget Update

Special Finance and Executive  
Committee Meetings

October 7, 2022

# Changes Since Finance meeting

- Moved budgets for New Non-Safe-T-Act and New Safe-T-Act Personnel to Contingency as we had indicated that we would do.
- Corrected FICA and IMRF expense calculation, resulting in a **\$156,157** increase to the allocation of property tax revenue to the General Fund.
- Added a tentative **3% Union Wage** Increase to Contingency at a cost of **\$1,165,203** to the General Fund.
- The above changes resulted in a net **\$1,009,046** increase to the General Fund deficit.

# Budgets for Safe-T-Act and New Personnel will be Held in Contingency

- Similar to how the budget for new positions was handled in the FY22 budget, the budgets for the 29 new non-Safe-T-Act personnel and the budgets for the 30 new Safe-T-Act personnel will be moved to and held in the Contingency account outside of the department's and elected official's budgets. The intention (which will be supported by language in a resolution when the budget is adopted) is to release the budget for the new positions in a pro-rata fashion based on the start date, via quarterly budget adjustments. In other words, if someone is not hired until mid-year, the department or office will only receive half of the budget for that position via a corresponding budget adjustment. This protects the budget from being used for other purposes.

# Proposed Fiscal Year 2023

## General Fund Budget Summary

### Including 3% Wage Increase & \$900,000 Dept. Equity Adjustment

	2022 Budget	2023 Budget	Change	Chg %
Total Revenue Budget	92,382,699	106,656,739	14,274,040	15.5%
Total Expenditure Budget	105,541,640	124,151,862	18,610,222	17.6%
<b>Total Revenues Net Expenditures</b>	<b>(13,158,941)</b>	<b>(17,495,123)</b>	<b>(4,336,182)</b>	<b>33.0%</b>

*Each additional percent of non-union increase adds \$357,700.*

*Each additional percent of union increase adds \$388,401.*

*Note: Non-union increases are already built into Judiciary (4%), Merit Commission (5%) and Treasurer's Office (5%).*

# Proposed Fiscal Year 2023 General Fund Total Budget By Category

	<b>FY22 Budget Less Safe-T-Act</b>	<b>FY22, FY23 Safe-T-Act Expenses</b>	<b>FY23 New Positions</b>	<b>FY23 Other Changes</b>	<b>3% Non- Union Increase</b>	<b>Tentative 3% Union Increase</b>	<b>Dept. Equity Adjust.</b>	<b>FY23 Proposed Budget</b>
Total Revenues	92,382,699	(250,375)	(532,678)	15,503,247	(155,613)	(175,341)	(115,200)	<b>106,656,739</b>
Total Expenses	105,347,612	2,900,758	2,116,952	10,975,958	920,720	989,862	900,000	<b>124,151,862</b>
Excess/(Deficit)	<b>(12,964,913)</b>	<b>(3,151,133)</b>	<b>(2,649,630)</b>	<b>4,527,289</b>	<b>(1,076,333)</b>	<b>(1,165,203)</b>	<b>(1,015,200)</b>	<b>(17,495,123)</b>

# General Fund Revenue Budget by Category

<b>Revenues</b>	<b>FY22 Budget Less Safe-T-Act</b>	<b>FY22, FY23 Safe-T-Act Expenses</b>	<b>FY23 New Positions</b>	<b>FY23 Other Changes</b>	<b>3% Non- Union Increase</b>	<b>Tentative 3% Union Increase</b>	<b>Dept. Equity Adjust.</b>	<b>FY23 Proposed Budget</b>
General Gov. Revenue	64,605,397	(250,375)	(532,678)	16,228,636	(155,613)	(175,341)	(115,200)	79,604,826
Court Services	6,785,501	-	-	252,971	-	-	-	7,038,472
Recorder	3,633,550	-	-	747,000	-	-	-	4,380,550
Circuit Clerk	5,058,000	-	-	(1,469,900)	-	-	-	3,588,100
Sheriff	3,923,249	-	-	(765,093)	-	-	-	3,158,156
Development	1,813,350	-	-	185,000	-	-	-	1,998,350
State's Attorney	1,579,749	-	-	289,897	-	-	-	1,869,646
Treasurer/Collector	1,521,000	-	-	-	-	-	-	1,521,000
Information Technologies	1,130,533	-	-	121,380	-	-	-	1,251,913
County Clerk	1,188,090	-	-	(53,547)	-	-	-	1,134,543
Judiciary and Courts	727,657	-	-	(39,627)	-	-	-	688,030
Public Defender	137,061	-	-	1,191	-	-	-	138,252
County Board	66,250	-	-	26,250	-	-	-	92,500
Supervisor of Assessments	91,653	-	-	(19,000)	-	-	-	72,653
Environmental Management	71,000	-	-	(6,911)	-	-	-	64,089
Building Management	50,659	-	-	-	-	-	-	50,659
Finance	-	-	-	5,000	-	-	-	5,000
	<b>92,382,699</b>	<b>(250,375)</b>	<b>(532,678)</b>	<b>15,503,247</b>	<b>(155,613)</b>	<b>(175,341)</b>	<b>(115,200)</b>	<b>106,656,739</b>

# General Fund Expense Budget by Category

<b>Expenditures</b>	<b>FY22 Budget Less Safe-T-Act</b>	<b>FY22, FY23 Safe-T-Act Expenses</b>	<b>FY23 New Positions</b>	<b>FY23 Other Changes</b>	<b>Tentative 3% Union Increase</b>	<b>3% Non- Union Increase</b>	<b>Dept. Equity Adjust.</b>	<b>FY23 Proposed Budget</b>
Sheriff	36,040,551	-	-	3,871,601	106,651	-	-	40,018,803
Court Services	13,685,065	-	-	481,076	118,892	-	-	14,285,033
State's Attorney	8,524,380	539,397	-	857,913	238,781	-	-	10,160,471
Building Management	6,253,247	-	-	2,021,658	56,430	-	-	8,331,335
Contingency	1,641,489	2,361,361	2,116,952	(591,489)	-	989,862	900,000	7,418,175
Circuit Clerk	4,182,284	-	-	1,830,668	-	-	-	6,012,952
Information Technolog	4,603,146	-	-	197,065	98,423	-	-	4,898,634
Public Defender	4,632,863	-	-	82,239	105,478	-	-	4,820,580
County Clerk	4,010,837	-	-	552,689	30,949	-	-	4,594,475
Judiciary and Courts	3,626,304	-	-	585,850	-	-	-	4,212,154
Other- Countywide Exp	3,027,990	-	-	492,308	-	-	-	3,520,298
Debt Service	3,074,850	-	-	(33,079)	-	-	-	3,041,771
Finance	1,488,976	-	-	24,329	31,934	-	-	1,545,239
Coroner	1,483,743	-	-	18,998	15,164	-	-	1,517,905

# General Fund Expense Budget by Category

<b>Expenditures (cont.)</b>	<b>FY22 Budget Less Safe-T-Act</b>	<b>FY22, FY23 Safe-T-Act Expenses</b>	<b>FY23 New Positions</b>	<b>FY23 Other Changes</b>	<b>3% Non- Union Increase</b>	<b>Tentative 3% Union Increase</b>	<b>Dept. Equity Adjust.</b>	<b>FY23 Proposed Budget</b>
Supervisor of Assessments	1,276,263	-	-	124,791	25,832	-	-	1,426,886
County Board	1,374,606	-	-	(25,031)	8,682	-	-	1,358,257
Development	1,184,115	-	-	8,444	30,282	-	-	1,222,841
Capital	1,000,000	-	-	-	-	-	-	1,000,000
Kane Comm Subscriber Fee	877,388	-	-	43,869	-	-	-	921,257
Recorder	821,613	-	-	53,155	18,270	-	-	893,038
Treasurer/Collector	837,993	-	-	52,836	-	-	-	890,829
Environmental Manageme	555,998	-	-	30,962	14,297	-	-	601,257
Regional Office of Educatio	413,531	-	-	48,248	9,575	-	-	471,354
Human Resources	331,440	-	-	(15,044)	6,417	-	-	322,813
County Auditor	298,372	-	-	(487)	4,663	-	-	302,548
Reserve for Biennial Electi	-	-	-	260,000	-	-	-	260,000
Merit Commission	100,568	-	-	2,389	-	-	-	102,957
<b>Total Expenditures</b>	<b>105,347,612</b>	<b>2,900,758</b>	<b>2,116,952</b>	<b>10,975,958</b>	<b>920,720</b>	<b>989,862</b>	<b>900,000</b>	<b>124,151,862</b>

# General Fund Revenue Classification

<b>Revenue Classification</b>	<b>FY22 Amended Budget</b>	<b>FY23 Proposed Budget</b>	<b>Change</b>	<b>Chg %</b>
Other Taxes	31,552,000	46,030,000	14,478,000	45.9%
Property Taxes	32,335,163	33,076,585	741,422	2.3%
Grants	640,448	1,084,296	443,848	69.3%
Interest Revenue	170,050	414,550	244,500	143.8%
Licenses and Permits	1,299,850	1,459,350	159,500	12.3%
Other	346,749	377,361	30,612	8.8%
Fines	2,321,272	2,103,250	(218,022)	-9.4%
Reimbursements	9,311,200	9,028,033	(283,167)	-3.0%
Transfers In	1,324,629	974,793	(349,836)	-26.4%
Charges for Services	13,081,338	12,108,521	(972,817)	-7.4%
<b>Total Revenue</b>	<b>92,382,699</b>	<b>106,656,739</b>	<b>14,274,040</b>	<b>15.5%</b>

# General Fund Expense Classification

<b>Expense Classification</b>	<b>FY22 Amended Budget</b>	<b>FY23 Proposed Budget</b>	<b>Change</b>	<b>Chg %</b>
Salaries & Wages	66,200,647	74,708,163	8,507,516	12.9%
Contractual Services	13,073,095	17,239,913	4,166,818	31.9%
Commodities	6,627,326	9,041,865	2,414,539	36.4%
Employee Benefits	14,657,942	16,517,215	1,859,273	12.7%
Services	(1,000,000)	-	1,000,000	-100.0%
Transfers Out	4,857,630	5,487,476	629,846	13.0%
Capital	64,578	107,230	42,652	66.0%
Contingency and Other	1,060,422	1,050,000	(10,422)	-1.0%
<b>Total Expenses</b>	<b>105,541,640</b>	<b>124,151,862</b>	<b>18,610,222</b>	<b>17.6%</b>

# General Fund Revenue Budget by Dept.

<b>Revenues</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>Change</b>	<b>Chg %</b>
General Government Revenue	64,605,397	79,604,826	14,999,429	23.2%
Recorder	3,633,550	4,380,550	747,000	20.6%
State's Attorney	1,579,749	1,869,646	289,897	18.4%
Court Services	6,785,501	7,038,472	252,971	3.7%
Development	1,813,350	1,998,350	185,000	10.2%
Information Technologies	1,130,533	1,251,913	121,380	10.7%
County Board	66,250	92,500	26,250	39.6%
Finance	-	5,000	5,000	N/A
Public Defender	137,061	138,252	1,191	0.9%
Building Management	50,659	50,659	-	0.0%
Treasurer/Collector	1,521,000	1,521,000	-	0.0%
Environmental Management	71,000	64,089	(6,911)	-9.7%
Supervisor of Assessments	91,653	72,653	(19,000)	-20.7%
Judiciary and Courts	727,657	688,030	(39,627)	-5.4%
County Clerk	1,188,090	1,134,543	(53,547)	-4.5%
Sheriff	3,923,249	3,158,156	(765,093)	-19.5%
Circuit Clerk	5,058,000	3,588,100	(1,469,900)	-29.1%
<b>Total Revenues</b>	<b>92,382,699</b>	<b>106,656,739</b>	<b>14,274,040</b>	<b>15.5%</b>

# General Fund Expenditure Budget by Dept.

<b>Expenditures</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>Change</b>	<b>Chg %</b>
Sheriff	36,040,551	40,018,803	3,978,252	11.0%
Contingency-New Safe-T-Act Personnel	-	2,361,361	2,361,361	N/A
Contingency-New Non-Safe-T-Act Pers.	-	2,116,952	2,116,952	N/A
Building Management	6,253,247	8,331,335	2,078,088	33.2%
Circuit Clerk	4,182,284	6,012,952	1,830,668	43.8%
State's Attorney	8,718,408	10,160,471	1,442,063	16.5%
Contingency - 3% Union Increase	-	989,862	989,862	N/A
Contingency - Dept. Equity Adjustment	-	900,000	900,000	N/A
Court Services	13,685,065	14,285,033	599,968	4.4%
Judiciary and Courts	3,626,304	4,212,154	585,850	16.2%
County Clerk	4,010,837	4,594,475	583,638	14.6%
Other- Countywide Expenses	3,027,990	3,520,298	492,308	16.3%
Information Technologies	4,603,146	4,898,634	295,488	6.4%
Reserve for Biennial Election	-	260,000	260,000	N/A
Public Defender	4,632,863	4,820,580	187,717	4.1%
Supervisor of Assessments	1,276,263	1,426,886	150,623	11.8%

# General Fund Expenditure Budget by Dept.

Expenditures (cont.)	2022 Budget	2023 Budget	Change	Chg %
Recorder	821,613	893,038	71,425	8.7%
Regional Office of Education	413,531	471,354	57,823	14.0%
Finance	1,488,976	1,545,239	56,263	3.8%
Treasurer/Collector	837,993	890,829	52,836	6.3%
Environmental Management	555,998	601,257	45,259	8.1%
Kane Comm Subscriber Fees	877,388	921,257	43,869	5.0%
Development	1,184,115	1,222,841	38,726	3.3%
Coroner	1,483,743	1,517,905	34,162	2.3%
County Auditor	298,372	302,548	4,176	1.4%
Merit Commission	100,568	102,957	2,389	2.4%
Capital	1,000,000	1,000,000	-	0.0%
Human Resource Management	331,440	322,813	(8,627)	-2.6%
County Board	1,374,606	1,358,257	(16,349)	-1.2%
Debt Service	3,074,850	3,041,771	(33,079)	-1.1%
Contingency	1,641,489	1,050,000	(591,489)	-36.0%
<b>Total Expenditures</b>	<b>105,541,640</b>	<b>124,151,862</b>	<b>18,610,222</b>	<b>17.6%</b>

# General Fund Revenue Net Expenses by Dept.

<b>Revenues Net Expenditures</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>Change</b>	<b>Chg %</b>
Sheriff	(32,117,302)	(36,860,647)	(4,743,345)	14.8%
Circuit Clerk	875,716	(2,424,852)	(3,300,568)	-376.9%
Contingency-New Safe-T-Act Personnel	-	(2,361,361)	(2,361,361)	N/A
Contingency-New Non-Safe-T-Act Pers.	-	(2,116,952)	(2,116,952)	N/A
Building Management	(6,202,588)	(8,280,676)	(2,078,088)	33.5%
State's Attorney	(7,138,659)	(8,290,825)	(1,152,166)	16.1%
Contingency - 3% Union Increase	-	(989,862)	(989,862)	N/A
Contingency - Dept. Equity Adjustment	-	(900,000)	(900,000)	N/A
County Clerk	(2,822,747)	(3,459,932)	(637,185)	22.6%
Judiciary and Courts	(2,898,647)	(3,524,124)	(625,477)	21.6%
Other- Countywide Expenses	(3,027,990)	(3,520,298)	(492,308)	16.3%
Court Services	(6,899,564)	(7,246,561)	(346,997)	5.0%
Reserve for Biennial Election	-	(260,000)	(260,000)	N/A
Public Defender	(4,495,802)	(4,682,328)	(186,526)	4.1%
Information Technologies	(3,472,613)	(3,646,721)	(174,108)	5.0%
Supervisor of Assessments	(1,184,610)	(1,354,233)	(169,623)	14.3%

# General Fund Revenue Net Expenses by Dept.

<b>Revenues Net Expenditures (cont.)</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>Change</b>	<b>Chg %</b>
Regional Office of Education	(413,531)	(471,354)	(57,823)	14.0%
Treasurer/Collector	683,007	630,171	(52,836)	-7.7%
Environmental Management	(484,998)	(537,168)	(52,170)	10.8%
Finance	(1,488,976)	(1,540,239)	(51,263)	3.4%
Kane Comm Subscriber Fees	(877,388)	(921,257)	(43,869)	5.0%
Coroner	(1,483,743)	(1,517,905)	(34,162)	2.3%
County Auditor	(298,372)	(302,548)	(4,176)	1.4%
Merit Commission	(100,568)	(102,957)	(2,389)	2.4%
Capital	(1,000,000)	(1,000,000)	-	0.0%
Human Resource Management	(331,440)	(322,813)	8,627	-2.6%
Debt Service	(3,074,850)	(3,041,771)	33,079	-1.1%
County Board	(1,308,356)	(1,265,757)	42,599	-3.3%
Development	629,235	775,509	146,274	23.2%
Contingency	(1,641,489)	(1,050,000)	591,489	-36.0%
Recorder	2,811,937	3,487,512	675,575	24.0%
General Government Revenue	64,605,397	79,604,826	14,999,429	23.2%
<b>Total Revenue Net Expenditures</b>	<b>(13,158,941)</b>	<b>(17,495,123)</b>	<b>(4,336,182)</b>	<b>33.0%</b>

# Safe-T-Act Positions Added FY22

Fund	Department	Unit	Position	Salary, Health, Dental	FICA & IMRF	Total
Gen	SAO - Criminal	Child Physical Abuse	Criminal Investigator	88,771	8,448	97,219
Gen	SAO - Criminal	Child Physical Abuse	Bilingual Criminal Investigator	93,771	9,089	102,860
Gen	SAO - Criminal	Child Physical Abuse	Bilingual Forensic Interviewer	74,771	6,656	81,427
Gen	SAO - Criminal	Child Physical Abuse	Bilingual Advocate/Case Mgr	57,771	4,481	62,252
Gen	SAO - Criminal	Child Physical Abuse	Administrative Assistant	53,771	3,969	57,740
Gen	SAO - Criminal	Cyber Crimes	Detective	97,771	9,601	107,372
Gen	SAO - Criminal	Cyber Crimes	Certified Forensic Examiner	72,771	6,400	79,171
<b>Total Safe-T-Act Positions Added FY22</b>				<b>539,397</b>	<b>48,644</b>	<b>588,041</b>

# Safe-T-Act Positions Added FY23

Fund	Department	Position	Salary, Health, Dental	FICA & IMRF	Total
Gen	Circuit Clerk	Deputy Clerk	66,081	3,932	70,013
Gen	Circuit Clerk	Deputy Clerk	66,081	3,932	70,013
Gen	Circuit Clerk	Deputy Clerk	66,081	3,932	70,013
Gen	Circuit Clerk	Deputy Clerk	66,081	3,932	70,013
Gen	Circuit Clerk	Deputy Clerk	86,504	7,297	93,801
Gen	Circuit Clerk	Deputy Clerk	86,504	7,297	93,801
Gen	Circuit Clerk	Deputy Clerk	86,504	7,297	93,801
Gen	Circuit Clerk	Deputy Clerk	86,504	7,297	93,801
Gen	Circuit Clerk	Deputy Clerk	86,504	7,297	93,801
Gen	Judiciary	Criminal Case Coordinator	90,740	7,168	97,908
Gen	State's Attorney	ASA FOIA Body Cam	92,771	8,960	101,731
Gen	State's Attorney	ASA FOIA Body Cam	92,771	8,960	101,731
Gen	State's Attorney	Support Staff FOIA Body Cam	57,771	4,481	62,252
Gen	State's Attorney	Evidence Clerk Body Cam	57,771	4,481	62,252

# Safe-T-Act Positions Added FY23

<b>Fund</b>	<b>Department</b>	<b>Position</b>	<b>Salary, Health, Dental</b>	<b>FICA &amp; IMRF</b>	<b>Total</b>
Gen	State's Attorney	Evidence Clerk Body Cam	57,771	4,481	62,252
Gen	State's Attorney	ASA - Pretrial Fairness	92,771	8,960	101,731
Gen	State's Attorney	ASA - Pretrial Fairness	92,771	8,960	101,731
Gen	State's Attorney	ASA - Pretrial Fairness	92,771	8,960	101,731
Gen	State's Attorney	IT Tech - Pretrial Fairness	67,771	5,761	73,532
Gen	State's Attorney	IT Tech - Pretrial Fairness	67,771	5,761	73,532
Gen	State's Attorney	Support Staff - Pretrial Fairness	54,771	4,096	58,867
Gen	Public Defender	Assistant Public Defender	109,740	9,601	119,341
Gen	Public Defender	Assistant Public Defender	109,740	9,601	119,341
Gen	Public Defender	Assistant Public Defender	109,740	9,601	119,341
Gen	Public Defender	Support Staff	45,024	4,278	49,302
Gen	Public Defender	Investigator	45,024	4,278	49,302
Gen	Court Services	Staff Psychologist	85,464	10,022	95,486
Gen	Court Services	Staff Psychologist	85,464	10,022	95,486

# Safe-T-Act Positions Added FY23

Fund	Department	Position	Salary, Health, Dental	FICA & IMRF	Total
Gen	Court Services	Probation Officer	78,050	5,543	83,593
Gen	Court Services	Probation Officer	78,050	5,543	83,593
		<b>Subtotal Personnel Expense</b>	<b>2,361,361</b>	<b>201,731</b>	<b>2,563,092</b>
Gen	Public Defender	Memberships			1,715
Gen	State's Attorney	Contractual			25,000
Gen	State's Attorney	Employee Training			20,000
Gen	State's Attorney	Computer Software			14,000
Gen	State's Attorney	Computer Hardware			70,000
Gen	State's Attorney	Office Equipment			25,000
		<b>Subtotal Non-Personnel</b>			<b>155,715</b>
		<b>Total Safe-T-Act Expense Added FY23</b>			<b>2,718,807</b>

# New Non-Safe-T-Act Positions Added FY23

<b>Fund</b>	<b>Department</b>	<b>Position</b>	<b>Salary, Health, Dental</b>	<b>FICA &amp; IMRF</b>	<b>Total</b>
Gen	IT	Network Administrator	99,740	8,321	108,061
Gen	IT	Desktop Support Analyst II	89,740	7,041	96,781
Gen	IT	Web Developer I	99,740	8,321	108,061
Gen	IT	Receptionist	74,740	5,120	79,860
Gen	Building Management	Maintenance Supervisor	109,740	9,601	119,341
Gen	Building Management	Project Manager	74,740	5,120	79,860
Gen	Building Management	Maintenance Technician	99,740	8,321	108,061
Gen	Building Management	Janitor	69,740	4,481	74,221
Gen	Building Management	Janitor	69,740	4,481	74,221
Gen	Building Management	Maintenance Tech 3	99,740	8,321	108,061
Gen	Building Management	Maintenance Tech 3	99,740	8,321	108,061
Gen	Building Management	Maintenance Tech 3	99,740	8,321	108,061
Gen	SAO - Crimiinal Division	Investigator	88,771	8,448	97,219
Gen	SAO - Crimiinal Division	Administrative Assistant	54,771	4,096	58,867
Gen	SAO - Crimiinal Division	ASA - Child Abuse	102,771	10,240	113,011
Gen	SAO - Crimiinal Division	ASA - Child Abuse	102,771	10,240	113,011

# New Non-Safe-T-Act Positions Added FY23

Fund	Department	Position	Salary, Health, Dental	FICA & IMRF	Total
Gen	SAO - Crimiinal Division	Case Manager SAMHSA	69,207	6,048	75,255
Gen	SAO - Crimiinal Division	Case Manager SAMHSA	69,207	6,048	75,255
Gen	Court Services	Mental Health Clinician	91,854	7,310	99,164
Gen	Court Services	Mental Health Clinician	91,854	7,310	99,164
Gen	Court Services	Supervisor JJC	91,854	7,310	99,164
Gen	Coroner	Deputy Coroner	43,641	4,660	48,301
Gen	Development	Property Code Inspector	76,957	7,041	83,998
Gen	Development	Admin Off Code Enforcement	59,457	4,800	64,257
Gen	Development	Property Code Enforcement	86,957	8,321	95,278
	<b>Subtotal General Fund</b>		<b>2,116,952</b>	<b>177,642</b>	<b>2,294,594</b>
Ins Liab	SAO - Civil Division	Assistant State's Attorney	102,771	10,240	113,011
Ins Liab	SAO - Civil Division	ASA Code Enforcement	112,771	11,520	124,291
Ins Liab	SAO - Civil Division	Administrative Assistant	54,771	4,096	58,867
Ins Liab	SAO - Civil Division	Administrative Assistant	54,771	4,096	58,867
	<b>Subtotal Insurance Liability</b>		<b>325,084</b>	<b>29,952</b>	<b>355,036</b>
	<b>Total New Non-Safe-T-Act Positions</b>		<b>2,442,036</b>	<b>207,594</b>	<b>2,649,630</b>

# Issues Impacting Budget:

- Expense of **37** Safe-T-Act Personnel included
- Expense of **29** New Non-Safety-Act Personnel included
- **3%** Non-Union Wage Increase included
- Tentative **3%** Wage increase for expiring union contracts included
- \$900,000 of Non-Union Equity Adjustments included
- No property tax increase yet included, other than the \$500,000 for new construction
- No new sales tax included

# Available Reserves

<b>Available Reserves</b>	
Property Tax Freeze Protection Fund (114)	6,609,353
Covid Payroll Reimbursement Fund (357)	22,448,370
<b>Total Available Reserves</b>	<b>29,057,723</b>

## Possible Property Tax Increase Allocation to General Fund

General Fund Group	Before Increase	5% Increase
General Fund	33,363,347	1,668,167
Insurance Liability	6,368,334	318,417
Illinois Municipal Retirement	4,888,094	244,405
FICA/Social Security	5,024,460	251,223
Veterans' Commission	461,065	23,053
<b>Total Increase Allocated to General Fund</b>		<b>2,505,265</b>

## Possible Property Tax Increase Allocation to Other Funds

Other Funds	Before Increase	5% Increase
County Highway	5,010,909	250,545
County Bridge	312,695	15,635
County Highway Matching	65,125	3,256
County Health	1,972,455	98,623

# Balancing Options

## Option #1: 5% Property Tax Increase

Projected Deficit	(17,495,123)
General Fund's Share of 5% Property Tax Increase (General, IMRF, FICA, Insurance Liability, Veterans Commission Funds)	2,505,265
Property Tax Freeze Protection Fund (114)	5,000,000
Covid Payroll Reimbursement Fund (357)	9,989,858
Balanced	-

## Option #2: No Property Tax Increase

Projected Deficit	(17,495,123)
Property Tax Freeze Protection Fund (114)	5,000,000
Covid Payroll Reimbursement Fund (357)	12,495,123
Balanced	-

# What is the Story on Reserves?

- A recent article mentioned that Kane County had \$250,000,000 in reserves at the end of 2020. The closest thing to this figure seems to be the total governmental fund balances at the end of FY19, which was actually \$253,591,127.
- The total governmental fund balances rose to \$274,917,815 by the end of FY20.
- The total governmental fund balances rose to \$300,882,914 by the end of FY21.
- So total governmental fund balances have been increasing rather decreasing.
- Last month's presentation to the Finance Committee explained that only **\$31,000,580** are considered operating reserves.

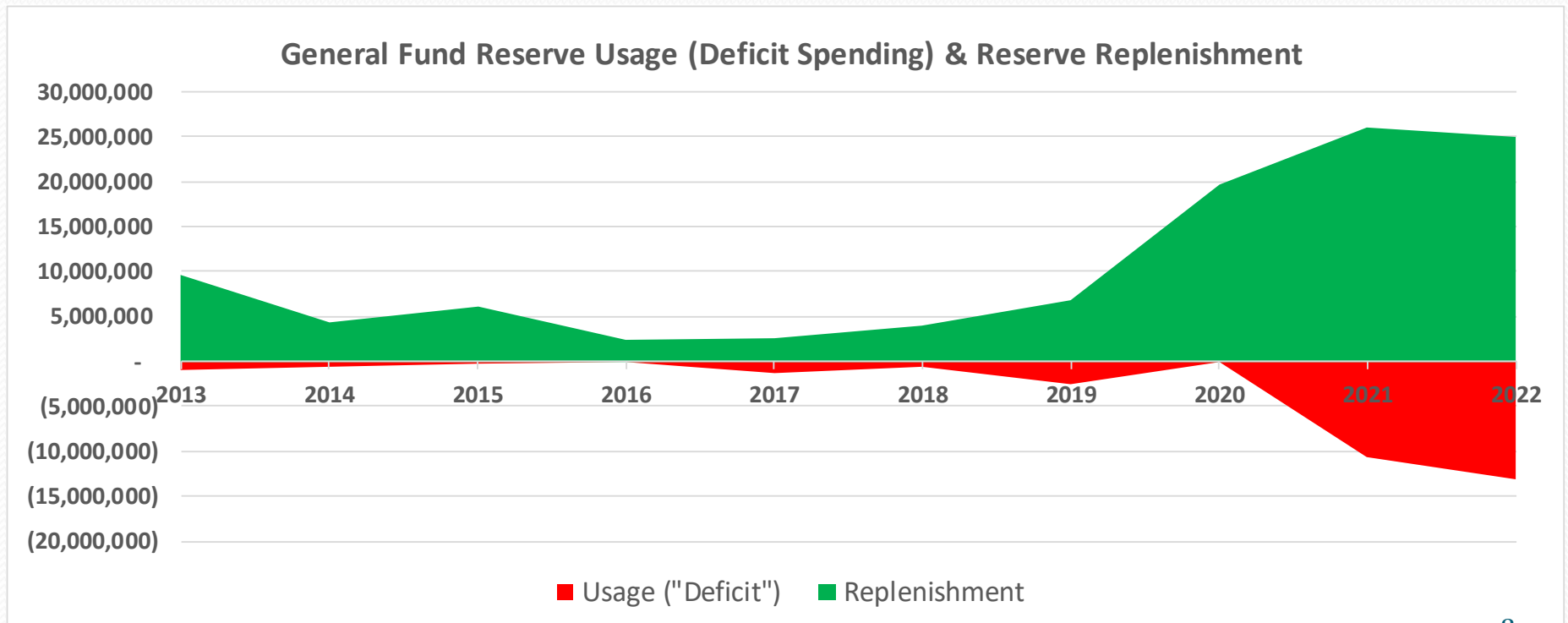
# What is “Deficit Spending”

- The same article mentioned “Deficit Spending”. Deficit spending is when a government's expenditures exceed its revenues during a fiscal period, causing it to run a budget deficit, resulting in the use of operating reserves to balance the budget.
- With the exception of FY16, Kane County has had a **budget deficit** every year between FY13 and FY22 that resulted in the use of operating reserves to balance the budget. (See following slide.)
- **HOWEVER**, every year Kane County has ended up with excess revenue over expenditures greater than the budgeted use of reserves, resulting in a **net increase** of operating reserves. (See following slide.)

# Budgeted Usage of Reserves vs. Actual Replenishment

## History of General Fund Reserve Usage ("Deficit Spending") and Reserve Replenishment

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Usage ("Deficit")	(900,000)	(600,000)	(300,000)	-	(1,268,000)	(600,000)	(2,520,933)	(62,000)	(10,569,878)	(13,158,941)
Replenishment	9,707,021	4,424,233	6,110,375	2,445,335	2,625,332	3,981,446	6,777,318	19,707,756	25,950,003	25,008,941
Net Replenishment	8,807,021	3,824,233	5,810,375	2,445,335	1,357,332	3,381,446	4,256,385	19,645,756	15,380,125	11,850,000



# Deficit Funding Concerns

- The concern at this point is that the growing size of the budget deficit will quickly exceed the County's capacity to bridge the gap with reserves and/or revenue increases.
- The COVID personnel expense reimbursements have been the major source of replenishing our reserves, but will come to an end by FY24, if not sooner.
- Even if we were to begin raising the property tax (the only source of revenue under County control) to the maximum allowed by PTELL starting with FY23, it alone will not be enough to cover the deficit.
- The consequences of using reserves to balance the operating budget are: 1) there will be that much less available for capital improvements, and 2) a sizable budget deficit (use of reserves to balance budget) will make it difficult to issue bonds for capital improvements, due to the potential negative impact on our bond rating.