

Fiscal Update

2016

2017

June 8, 2017

2016 Annual Financial Report

- Filed with OSC May 1st as required
- Non-Operating Entries
 - Capital Outlays
 - Depreciation
 - Accounting Adjustments

2016 Annual Financial Report

	2015	2016	Change
Revenue	\$473.9M	\$465.2M	(\$8.7M)
Expense	\$449.2M	\$456.3M	(\$7.1M)
Total:	\$24.7M	\$8.9M	(\$15.8M)

Revenue:

- DCFS had large non-recurring revenue catchups in 2015
- One-time Court Settlement- Bond revenue realized in 2015
- \$1.5M lower Legislative aid in 2016

Partially offset by:

- Increase in \$2.5M revenue and expense to move municipal grant program to reserve
- Increased Sales Tax revenue- \$3M
- \$1.5M in casino licensing revenue

Expense:

- Expense increased for DCFS mandated costs, DCC, DBCH, law enforcement, ATIs, employee benefits

Partially offset by:

- One-Time Court Settlement in 2015, savings in jail operations, and an accounting change in EI /PS

2016 Revenue & Expense by Fund

Fund	Revenue	Expense	Difference
A-General	\$431,173,000	\$425,451,000	\$5,722,000
D-Road	10,622,000	10,897,000	(275,000)
E-Machinery	2,287,000	2,287,000	0
S-Workers Comp	5,572,000	5,129,000	443,000
EA-Airport	5,176,000	2,975,000	2,201,000
ET-Public Transportation	10,385,000	9,553,000	832,000
Total:	\$465,215,000	\$456,292,000	\$8,923,000

- D fund reflects \$1M appropriation of fund balance but only a \$275K usage- balance of \$2.4M D FB
- Airport and Public Transit Surplus include inter-fund transfers for Capital- ie: Education Center \$2M

Fund Balance

GFOA Recommended: 2 Months General Operating- \$71M
Fund balance management policy:

- Maintain 5-10% fund balance
- Over 10%- use for:
 - Property tax relief
 - Pay down debt or avoid indebtedness

2016 Fund Balance	2016 Revenue	% of Revenue
\$59.6M	\$431M	14%
\$43.1M	\$431M	10%

\$16.5M

- \$12M : Set aside for Taxpayer Protection
- \$4.5M : Set Aside for County & Municipal Capital

2017 Update

2017-2018 State Budget

- 2017 Budget includes \$2M in State Legislative Aid - \$0 Funded
- E-911 Support Issue- Surcharge on Cell Phone bills- replaced with Surcharge on bills and on Prepaid cell phones as well
 - Loss of (\$800K) annually, effective Dec 1st loss of (\$70K) in 2017
 - Will address as part of the budget process
- Foster care block grant reduction of (\$220K) Annually
- Raise the Age Legislation- new costs funded as long as county is under the cap
- Indigent legal services- OILS case load cap plan- funding provided
- Excelsior scholarship program- concerns about tuition cap
- County-wide Shared Services Property Tax Savings Plan

Sales Tax

2015 Actual	2016 Adopted Budget	2016 Actual	Yr to Yr	Actual vs. Budget
\$176.8M	\$176.9M	\$179.8M	\$3M	\$2.9M
			1.7% ←	Actual
\$0.3M	Prior Period Adjustments	\$3.0M		
\$177.1M	Actual without Prior Period	\$182.8M	3.2% ←	Adjusted

2017 Budget projected at 2% growth in 4th quarter 2016 and 1.4% for 2017 full year

2016 Actual came in lower- so the County needs to have actual growth of 2.1% in order to make budget of \$183.6

2016 YTD	2017 YTD	2016 Actual	Yr to Yr
\$58.2	\$57.9	-\$0.3	-.5%

Economy

- CPI- 2.5% - 1st Quarter Average
- Unemployment- 4.4% - 1st Quarter Average
- Lower Caseloads at DCFS - 34K compared to 42K in 2016
- Housing Market – 6.6% higher closed sales than this time last year
- Average housing selling price is \$288.6K vs. \$272K last year

Uncertainties Moving Forward

- Sales Tax
- DCSEA and CSEA open contracts
- Request to State for Capital funding

QUESTIONS?