

## **PUBLIC SAFETY SALES TAX SUMMARY**

### **Fund 106-000**

The voters of Champaign County approved, by referendum, the establishment of the ¼ Cent Special County Retailers' Occupation Tax for Public Safety, Public Facilities, or Transportation (Public Safety Sales Tax), pursuant to 55 ILCS 5/5-1006.5 on November 3, 1998.

### ***BUDGET HIGHLIGHTS***

The state legislature imposed a 2% collection fee on Public Safety Sales Tax revenue effective July 1, 2017. In FY2017 this resulted in the loss of \$57,000 in county revenue. The legislature reduced the fee to 1.5% in July 2018. It is estimated the impact of the fee in FY2018, which applies to twelve months, will be \$83,000.

The ¼ cent Public Safety Sales Tax is the primary source of revenue for this fund. Revenue in FY2019 for the tax is budgeted at \$4.92 million, 1.5% over FY2018 projections. This sales tax has historically grown at a slower rate than the County's general ¼ cent sales tax. The difference between the two is that the Public Safety Sales Tax is not assessed on the sale of any vehicles licensed through the State of Illinois.

In FY2019, budgeted revenues exceed budgeted expenditures by \$42,635.

The following summarizes expenditure highlights for FY2019:

#### **Debt Service**

- Forty-seven percent, \$2.32 million, of public safety sales tax fund revenue is budgeted for debt service on bonds issued for the construction of the Courthouse and Juvenile Detention Center.

#### **Justice Technology**

- Partial funding for software maintenance for the Courts Technology system (JANO), \$30,000, is paid from this fund.
- Beginning in FY2019, the County will implement Jail Management Software as a Service to be paid from the Capital Asset Replacement Fund. Previously, software maintenance for the County's current jail management software, which will eventually be unsupported, was paid from this fund.

#### **Delinquency Prevention**

- Five percent of FY2018 revenue is designated for delinquency prevention grant funding in FY2019, \$242,500.
- In FY2018, \$15,000 of the Fund Balance was appropriated for Youth Assessment Center (YAC) moving expenses. It is estimated that \$64,063 of previously unspent Delinquency Prevention grant funding from prior years will remain within the Public Safety Sales Tax Fund Balance at the end of FY2018. Funds are to be appropriated to future one-time expenditures for these initiatives.

#### **County Board**

- Funding for the Re-Entry Program is appropriated at \$100,000. In June 2018, the County Board approved a one-year extension of its contract with Rosecrance from July 1, 2018 through June 30,

2019 at a cost of \$50,000 in FY2019. The remaining \$50,000 appropriation is available should the contract be extended, or the funds are otherwise directed by the County Board.

- A transfer to General Corporate Fund budgets (Corrections \$87,170 and General County \$9,502) to offset the salary and health insurance cost of one lieutenant dedicated to Classification System oversight and development in the Jail.
- A transfer to the Sheriff's Law Enforcement budget for \$587,739, for METCAD costs.
- A transfer of \$60,881 to the Specialty Courts Fund for the salary and health insurance of the Specialty Courts Coordinator position.
- Payment of annual fees on the debt service covered by the Public Safety Sales Tax Fund, \$2,000.
- A transfer to the Capital Asset Replacement Fund (CARF) for the technology needs of criminal justice system offices, \$658,761.\*
- A transfer of \$800,000 to the General Corporate Fund to offset the utilities and minor maintenance costs of public safety buildings.

## **FINANCIAL**

<b>Fund 106 Summary</b>			<b>2017 Actual</b>	<b>2018 Original</b>	<b>2018 Projected</b>	<b>2019 Budget</b>
318	9	PUB SAFETY 1/4% SALES TAX PROPERTY TAXES	\$4,733,219 \$4,733,219	\$4,672,140 \$4,672,140	\$4,850,000 \$4,850,000	\$4,922,750 \$4,922,750
361	10	INVESTMENT INTEREST	\$22,488	\$2,300	\$20,000	\$20,000
369	90	OTHER MISC. REVENUE	\$3,565	\$0	\$0	\$0
		MISCELLANEOUS	\$26,053	\$2,300	\$20,000	\$20,000
<b>REVENUE TOTALS</b>			<b>\$4,759,272</b>	<b>\$4,674,440</b>	<b>\$4,870,000</b>	<b>\$4,942,750</b>
533	42	EQUIPMENT MAINTENANCE	\$96,970	\$101,400	\$101,400	\$30,000
533	92	CONTRIBUTIONS & GRANTS SERVICES	\$334,038 \$431,008	\$351,600 \$453,000	\$351,600 \$453,000	\$342,500 \$372,500
571	14	TO CAPITAL IMPRV FUND 105	\$162,564	\$1,039,875	\$1,039,875	\$658,761
571	80	TO GENERAL CORP FUND 080	\$480,565	\$895,349	\$895,349	\$1,484,411
571	87	TO DRUG COURTS FUND 685	\$59,035	\$60,881	\$60,881	\$60,881
		INTERFUND EXPENDITURE	\$702,164	\$1,996,105	\$1,996,105	\$2,204,053
581	1	GEN OBLIG BOND PRINCIPAL	\$1,631,707	\$1,305,000	\$1,305,000	\$1,375,000
582	2	INT & FEES-GEN OBLIG BONDS DEBT	\$1,898,308 \$3,530,015	\$1,005,335 \$2,310,335	\$1,003,960 \$2,308,960	\$948,562 \$2,323,562
<b>EXPENDITURE TOTALS</b>			<b>\$4,663,187</b>	<b>\$4,759,440</b>	<b>\$4,758,065</b>	<b>\$4,900,115</b>

**FUND BALANCE**

<b>FY2017 Actual</b>	<b>FY2018 Projected</b>	<b>FY2019 Budgeted</b>
\$2,275,436	\$2,387,371	\$2,430,006

Due to bond covenants for debt financing paid from the Public Safety Sales Tax Fund, appropriation for the current fiscal year must be 1.25 times the debt service. In conjunction with the budgeted sales tax revenues, the fund balance reserve for debt service in FY2019 is \$581,000. The General Fund is reliant on borrowing from the Public Safety Sales Tax Fund during the first half of the fiscal year while waiting on the receipt of property tax revenues; therefore, the minimum fund balance recommendation is \$1 million plus the reserve required by the bond covenants, which is \$1.58 million in FY2019.

\*Funding for Criminal Justice System Technology and Equipment in the FY2019 Budget

Public Safety Offices Software and Security	\$109,499
Jail Management SaaS	\$288,268
Civil Processing SaaS	\$73,415
Equipment/Computers (Fully Funded)	\$187,579
<b>Total</b>	<b>\$658,761</b>