

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. The legislature reduced the fee to 1.5% in July 2018. The fee has cost the County \$163,000 since inception through June 2019.

The ¼ cent Public Safety Sales Tax is the primary source of revenue for this fund. Revenue in FY2020 for the tax is budgeted at \$4.91 million, 1.25% over FY2019 projections. The five- and ten-year average growth for this fund is 1.2% and 0.9% respectively. 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 the Public Safety Sales Tax is not assessed on the sale of any vehicles licensed through the State of Illinois.

In FY2020, budgeted expenditures exceed budgeted revenues by \$44,000. In FY2019, the County received \$44,000, which was pledged in 2008 by Jack C. Richmond and Marjorie Laird Richmond for installation of the gargoyles as part of the Clock and Bell Tower Restoration Project (accepted by County Resolution No. 6493). The funds were deposited in the Public Safety Sales Tax Fund in FY2019 and will be used to defray the debt service payments for the Refunded 2016 (2007A) Courthouse Exterior Renovation & Clock Tower Restoration Bond Issue in FY2020.

The following summarizes expenditure highlights for FY2020:

Debt Service

- Forty-eight percent, \$2.37 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.
- Previously, software maintenance for the County's former jail management software was paid from this fund. In FY2019, the County implemented Jail Management Software as a Service which is now paid from the Capital Asset Replacement Fund.

Delinquency Prevention

- Five percent of FY2019 revenue is designated for delinquency prevention grant funding in FY2020, \$242,500.
- In FY2018, \$14,751 of the Fund Balance was expended for Youth Assessment Center (YAC) moving expenses. At the end of FY2019, \$66,779 of previously unspent Delinquency Prevention grant funding from prior years will remain within the Public Safety Sales Tax Fund Balance 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 March 2019, the County Board adopted Resolution No. 2019-75 documenting its intent to extend the contract with Rosecrance for Re-Entry programming effective July 1, 2019 through June 30, 2020, at a cost of \$50,000 in FY2020. 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 \$90,133 and General County \$8,541) for 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 \$588,011, for a portion of METCAD costs and the body camera replacement program planned for FY2020 (see Sheriff Heuerman's memo following the Law Enforcement budget document).
- A transfer of \$61,784 to the Specialty Courts Fund for the salary and benefits of the Specialty Courts Coordinator position.
- Payment of annual fees on the debt service covered by the Public Safety Sales Tax Fund, \$1,500.
- A transfer of \$830,000 to the General Corporate Fund to offset the utilities and minor maintenance costs of public safety buildings. In 2018, these costs totaled \$871,000.
- A transfer to the Capital Asset Replacement Fund (CARF) for the technology needs of criminal justice system offices, \$675,946.

Public Safety Offices Software, Security, Technology	\$189,149
ERP-Financial System	\$132,103
Jail Management SaaS (includes 2 nd year implementation costs)	\$266,829
Civil Processing SaaS	\$25,560
Digital Evidence Management System (State's Attorney)	\$40,000
Equipment/Computers	\$22,305
Total	\$675,946

FINANCIAL

Fund 106 Summary			2018 Actual	2019 Original	2019 Projected	2020 Budget
318	9	PUB SAFETY 1/4% SALES TAX	\$4,899,346	\$4,922,750	\$4,850,000	\$4,910,625
		PROPERTY TAXES	\$4,899,346	\$4,922,750	\$4,850,000	\$4,910,625
361	10	INVESTMENT INTEREST	\$44,973	\$20,000	\$45,000	\$40,000
363	50	RESTRICTED DONATIONS	\$0	\$0	\$44,000	\$0
		MISCELLANEOUS	\$44,973	\$20,000	\$89,000	\$40,000
REVENUE TOTALS			\$4,944,319	\$4,942,750	\$4,939,000	\$4,950,625
533	42	EQUIPMENT MAINTENANCE	\$94,653	\$30,000	\$42,530	\$30,000
533	92	CONTRIBUTIONS & GRANTS	\$351,351	\$342,500	\$342,500	\$342,500
		SERVICES	\$446,004	\$372,500	\$385,030	\$372,500

Fund 106 Summary			2018 Actual	2019 Original	2019 Projected	2020 Budget
571	14	TO CAPITAL IMPRV FUND 105	\$1,039,875	\$658,761	\$639,975	\$675,946
571	80	TO GENERAL CORP FUND 080	\$895,349	\$1,484,411	\$1,484,411	\$1,516,685
571	87	TO DRUG COURTS FUND 685	\$60,116	\$60,881	\$60,881	\$61,784
		INTERFUND EXPENDITURE	\$1,995,340	\$2,204,053	\$2,185,267	\$2,254,415
581	1	GEN OBLIG BOND PRINCIPAL	\$1,305,000	\$1,375,000	\$1,375,000	\$1,510,000
582	2	INT & FEES-GEN OBLIG BONDS	\$1,004,385	\$948,562	\$947,512	\$857,710
		DEBT	\$2,309,385	\$2,323,562	\$2,322,512	\$2,367,710
		EXPENDITURE TOTALS	\$4,750,729	\$4,900,115	\$4,892,809	\$4,994,625

FUND BALANCE

FY2018 Actual	FY2019 Projected	FY2020 Budgeted
\$2,469,026	\$2,515,217	\$2,471,217

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 FY2020 is \$592,000. 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 \$1.6 million in FY2020.