

GENERAL COUNTY

General Fund 080-075

This budget, under the authority of the County Board, is not a county department, but is the budget for receipting general revenues and appropriating general expenditures. As such, there is no mission statement or staffing associated with the budget.

BUDGET HIGHLIGHTS

REVENUE ANALYSIS

Property Tax

The property tax levy was prepared in order to capture new growth revenue in the event the OSF and Carle properties are assessed as non-exempt in the upcoming levy year. The Board of Review will make the initial determination as to whether this happens, based upon the submissions of each hospital and the state of the law at the time the Board of Review acts.

If the EAV associated with the hospital properties is included in the extension and the properties are treated as non-exempt, the Property Tax Extension Limitation Law (PTELL) will not prevent the County from capturing new revenue associated with them. For properties previously treated as exempt (such as Carle Foundation's), this EAV would be treated as new construction. For properties previously treated as non-exempt (such as those of OSF), the extension from the prior year would carry over, increasing the base for this year's PTELL calculation. If the EAV associated with the hospital properties is included in the extension but these properties are ultimately treated as exempt, PTELL will limit the total extension, and effectively cap the rate charged to other tax payers.

In FY2020, there is an additional \$473,946 budgeted in property tax revenue. If the County receives additional property tax revenue, it will be utilized to move the General Fund balance towards its target of 16.7% of the expenditure budget. Because of IMRF rate increases, approximately \$280,000 had to be reallocated from the General Fund levy to the IMRF levy in FY2020.

State Shared Revenue

In July 2019, the General Assembly extended the 5% reduction to Local Government Distributive Fund (LGDF) revenue. Legislators initially imposed a "one-time" 10% cut in July 2017; however, rather than letting the cut expire in July 2018 as planned, the state reduced it to 5%. This cut has resulted in the loss of \$510,127 in County revenue between July 2017 and July 2019.

After a significant decline in FY2015, one-cent sales tax revenues reflected healthy growth in fiscal years 2016 through 2018. The first six-months of distributions in FY2019 are down 6% compared to the year-ago period. FY2020 revenue is budgeted at \$1.4 million. This revenue stream often reflects volatility because 62% of total revenues come from ten sales tax contributors; therefore, a gain, loss, or change in any one of those businesses can cause revenues to fluctuate. The sale of the Nursing Home in FY2019 relieved the General Fund of \$282,000 in annual debt service payments, which were previously paid from this revenue source.

Per the Illinois Department of Revenue, the County's top-ten one-cent sales tax contributors in FY2018 are listed below in no particular order.

Staley Concrete Co. Inc.	Richards Building Supply Co.
Illini FS	Prairie Gardens Inc.
LS Building Products	Country Arbors Nursery Inc.
Road Ranger LLC	Sport Redi-Mix LLC
Hicksgas LLC	CIT Trucks LLC

In June 2019, the Illinois General Assembly passed legislation that changes how sales and use taxes are collected in the state. Both remote retailers and marketplace facilitators will be required to collect and remit state and locally-imposed sales tax where the product is delivered starting July 1, 2020. It is expected there will be improved compliance and an increase in both state and local revenues. Because legislation is not effective until the second half of FY2020, quarter-cent sales tax revenue is budgeted somewhat conservatively at 1.75% over projected FY2019 revenue.

Due to continued growth in online sales, use tax is budgeted to reflect 7% growth over FY2019 projected revenues. The *South Dakota v. Wayfair Inc.* decision resulted in additional tax revenue for Champaign County in FY2019. Beginning in July 2020, some revenue previously received as use tax will be receipted as sales tax per the previously mentioned legislation.

Personal Property Replacement Tax (PPRT) revenue has reflected extreme fluctuations over the past several years. This is a result of the Illinois Department of Revenue's misallocation of revenues in 2014 and 2015, implementation of new accounting software which allocated payments in real time in 2016, and the legislature's continually increasing approval of fund diversions. Annual diversions from PPRT revenues authorized by the state are over \$300 million. The first \$124,000 in County PPRT revenue is obligated towards the County's IMRF contribution, and is budgeted as revenue in the IMRF fund.

Other Revenue

At the end of FY2018, the General Fund transferred \$2 million to the Nursing Home fund allowing for the outstanding accounts payable obligations of the Home to be paid prior to the sale. Subsequently, the General Fund issued a Promissory Note to restore the cash balance of the General Fund. Prior to the close of FY2019, the County plans to transfer \$2 million in proceeds from the sale of the Nursing Home to the General Fund, dependent upon the financial Public Aid Pending obligations; thereby allowing for the repayment of Promissory Note. If the Public Aid Pending obligations preclude the County from making the full transfer to the General Fund, the County will transfer available funds in order to repay as much of the Promissory Note as possible.

The County will receive \$15,853 for the North Mattis Avenue TIF throughout the life of the TIF in FY2037. The Mahomet TIF disbursement is projected to be \$196,000 in FY2019, and \$210,000 in FY2020.

EXPENDITURE ANALYSIS

Expenses currently included in the FY2019 General County Budget:

1. \$77,000 for Outside Auditor Contract
2. \$35,000 for Legal Services

3. \$79,560 in Professional Services (\$34,560 for Soil and Water Conservation District and \$45,000 for Nursing Home post-closure accounting services)
4. \$23,520 for the Urbana Free Library Archive (County records represent 45% of the Archives space)
5. \$2,250 as a grant to the Children First Program (Provides assistance for court-mandated classes for parents in marriage dissolution or parentages cases involving child custody or visitation issues)
6. \$1,500 for Fees on General Corporate Fund Bond Debt Service, and escrowed Nursing Home Debt Service
7. \$500 for Saline Drainage District assessments
8. \$592,129 to the Capital Asset Replacement Fund for General Fund capital needs (see the Capital Asset Replacement Fund Summary 105-000).
9. \$2,967,800 for Employer Contribution to Employee Health and Life Insurance for General Corporate Fund Employees.
10. \$43,000 to County Highway Fund to reimburse salary and fringe benefit costs of the Highway Mechanic responsible for fleet maintenance of the General Corporate fund Vehicles. In FY2018, this amount was reduced to 50% reimbursement per an agreement between the County Administrator and the County Engineer.
11. \$300,000 in the General Corporate Fund Contingent Line Item.

FINANCIAL

Fund 080 Dept 075			2018	2019	2019	2020
			Actual	Original	Projected	Budget
311	10	CURR PROP TX-GENERAL CORP	\$10,971,740	\$12,415,810	\$11,950,377	\$12,760,831
313	10	RE BACKTAX-GENERAL CORP	\$1,179	\$6,000	\$6,000	\$6,000
314	10	MOBILE HOME TAX	\$9,344	\$9,000	\$9,000	\$9,000
315	10	PAYMENT IN LIEU OF TAXES	\$8,141	\$7,500	\$7,500	\$7,500
318	12	COUNTY HOTEL/MOTEL TAX	\$24,348	\$21,000	\$35,000	\$35,000
318	13	COUNTY AUTO RENTAL TAX	\$33,884	\$32,000	\$33,500	\$33,500
		PROPERTY TAXES	\$11,048,636	\$12,491,310	\$12,041,377	\$12,851,831
335	30	CORP PERSNL PROP REPL TAX	\$768,900	\$695,943	\$839,883	\$878,438
335	40	1% SALES TAX (UNINCORP.)	\$1,124,751	\$1,187,730	\$1,370,000	\$1,390,550
335	41	1/4% SALES TAX (ALL CNTY)	\$5,763,314	\$5,865,000	\$5,683,330	\$5,782,788
335	43	USE TAX	\$934,156	\$919,800	\$1,063,593	\$1,138,045
335	80	INCOME TAX	\$3,111,440	\$3,140,000	\$3,375,070	\$3,428,707
335	91	VIDEO GAMING	\$71,983	\$70,000	\$85,900	\$85,900
336	1	CHAMPAIGN CITY	\$92,878	\$15,853	\$15,853	\$15,853
336	16	VILLAGE OF MAHOMET	\$177,878	\$200,000	\$196,447	\$210,000
		FEDERAL, STATE & LOCAL SHARED REVENUE	\$12,045,300	\$12,094,326	\$12,630,076	\$12,930,281
341	52	TAX SALE FEE	\$33,220	\$31,000	\$31,500	\$31,500
		FEES AND FINES	\$33,220	\$31,000	\$31,500	\$31,500
361	10	INVESTMENT INTEREST	\$61,779	\$25,000	\$70,000	\$60,000
		MISCELLANEOUS	\$61,779	\$25,000	\$70,000	\$60,000
371	6	FROM PUB SAF SALES TAX FD	\$8,352	\$9,502	\$9,137	\$9,511
371	27	FROM PROP TAX FEE FND 627	\$55,015	\$66,200	\$106,310	\$107,000

Fund 080 Dept 075			2018	2019	2019	2020
			Actual	Original	Projected	Budget
371	61	FROM WORKING CASH FND 610	\$5,572	\$5,000	\$10,200	\$10,000
381	13	AUDIT FEE REIMBURSEMENT	\$22,726	\$72,402	\$24,000	\$25,000
381	16	HEALTH/LIFE INSUR REIMB	\$5,768	\$10,000	\$10,000	\$10,000
381	81	REIMB FROM NURSING HOME	\$0	\$0	\$1,980,400	\$0
		INTERFUND REVENUE	\$97,433	\$163,104	\$2,140,047	\$161,511
REVENUE TOTALS			\$23,286,368	\$24,804,740	\$26,913,000	\$26,035,123
513	6	EMPLOYEE HEALTH/LIFE INS PERSONNEL	\$2,865,306 \$2,865,306	\$3,236,000 \$3,236,000	\$2,840,000 \$2,840,000	\$2,967,800 \$2,967,800
533	1	AUDIT & ACCOUNTING SERVCS	\$160,640	\$75,000	\$72,110	\$77,000
533	2	ARCHITECT SERVICES	\$3,180	\$0	\$0	\$0
533	3	ATTORNEY/LEGAL SERVICES	\$11,667	\$35,000	\$500	\$35,000
533	7	PROFESSIONAL SERVICES	\$58,260	\$136,829	\$100,050	\$79,560
533	52	OTHER SERVICE BY CONTRACT	\$23,520	\$23,520	\$23,520	\$23,520
533	92	CONTRIBUTIONS & GRANTS	\$2,250	\$2,250	\$2,250	\$2,250
533	99	CONTINGENT EXPENSE	\$0	\$185,000	\$100,000	\$300,000
534	9	R.E. TAX / DRAINAGE ASMNT SERVICES	\$350 \$259,867	\$500 \$458,099	\$350 \$298,780	\$500 \$517,830
571	14	TO CAPITAL IMPRV FUND 105	\$313,724	\$760,948	\$727,948	\$592,129
571	81	TO NURSING HOME FUND 081	\$2,898,874	\$0	\$0	\$0
571	83	TO COUNTY HIGHWAY FND 083 INTERFUND EXPENDITURE	\$41,000 \$3,253,598	\$42,000 \$802,948	\$42,000 \$769,948	\$43,000 \$635,129
582	2	INT & FEES-GEN OBLIG BONDS DEBT	\$475 \$475	\$1,500 \$1,500	\$950 \$950	\$1,500 \$1,500
EXPENDITURE TOTALS			\$6,379,246	\$4,498,547	\$3,909,678	\$4,122,259