



DUPAGECOUNTRY

Finance Committee Informational Presentation

FY2023 Surplus & Additional ARPA Considerations

November 14, 2023

FY 2023 Surplus Current Projection



Sales Tax Revenue— Per Current Financial Projections

SUMMARY OF ALL SALES TAXES

Month	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2023 (Budgeted)	FY2023 Monthly Variance and Percentage (From Actual to Budgeted)	Cumulative Change Actual vs Budgeted	Monthly Run Rate vs Prior Year	Cumulative Run Rate YTD
December	8,719,698	8,254,680	10,826,673	11,312,177	10,604,399	707,778	6.67%	4.48%	4.48%
January	10,443,641	10,241,711	13,021,969	12,820,298	12,754,625	65,673	0.51%	-1.55%	1.19%
February	7,272,272	7,555,974	9,308,870	9,783,539	9,117,757	665,782	7.30%	5.10%	2.29%
March	6,984,415	7,132,608	8,953,384	9,414,764	8,769,570	645,194	7.36%	5.15%	2.90%
April	7,057,759	10,451,731	11,421,158	11,259,659	11,186,679	72,980	0.65%	-1.41%	1.98%
May	5,913,772	9,776,402	10,979,603	10,779,200	10,754,189	25,011	0.23%	-1.83%	1.33%
June	7,066,253	10,500,704	11,663,553	11,939,989	11,424,098	515,891	4.52%	2.37%	1.49%
July	8,697,360	11,182,504	12,142,296	12,666,621	11,893,012	773,609	6.50%	4.32%	1.88%
August	8,844,752	10,246,855	10,978,429	11,246,480	10,753,040	493,440	4.59%	2.44%	1.94%
September	8,674,170	10,687,600	11,695,356	11,716,410	11,455,248	261,162	2.28%	0.18%	1.75%
October	8,896,076	10,994,991	11,659,244	-	11,419,877			0.00%	0.00%
November	8,488,814	10,606,966	11,376,040	-	11,142,487			0.00%	0.00%
Total	97,058,981	117,632,725	134,026,575	112,939,136	131,274,981	4,226,519	3.89%		0.00



FY2023 Financial Projections

Income Tax Revenue— Per Current Financial Projections

Collection Month	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2023 (Budgeted)	Diff FY22-FY23	% Difference	Variance against Budgeted
December	\$ 882,256.31	\$ 1,022,189.13	\$ 1,307,149.14	\$ 1,427,816.52		\$ 120,667.38	9.23%	
January	\$ 908,965.42	\$ 1,080,685.01	\$ 1,629,894.24	\$ 1,411,767.02		\$ (218,127.22)	-13.38%	
February	\$ 675,905.76	\$ 744,802.71	\$ 706,465.23	\$ 836,137.09		\$ 129,671.86	18.36%	
March	\$ 992,736.61	\$ 1,187,580.90	\$ 1,509,264.40	\$ 1,345,727.11		\$ (163,537.29)	-10.84%	
April	\$ 971,979.94	\$ 1,622,248.67	\$ 3,045,218.08	\$ 2,307,764.02		\$ (737,454.06)	-24.22%	
May	\$ 602,054.43	\$ 1,423,356.96	\$ 894,551.44	\$ 1,082,128.19		\$ 187,576.75	20.97%	
June	\$ 956,037.49	\$ 1,276,880.03	\$ 1,510,155.26	\$ 1,441,721.48		\$ (68,433.78)	-4.53%	
July	\$ 1,307,109.00	\$ 716,987.92	\$ 777,816.30	\$ 947,554.50		\$ 169,738.20	21.82%	
August	\$ 740,625.41	\$ 757,178.53	\$ 845,274.84	\$ 860,055.89		\$ 14,781.05	1.75%	
September	\$ 1,072,490.19	\$ 1,375,971.49	\$ 1,547,526.08	\$ 1,662,484.76		\$ 114,958.68	7.43%	
October	\$ 724,690.49	\$ 788,783.68	\$ 979,947.75	\$ 984,847.49		\$ 4,899.74	0.50%	
November	\$ 641,593.94	\$ 734,170.46	\$ 879,247.52	\$ 883,643.76		\$ 4,396.24	0.50%	
Total	\$ 10,476,445	\$ 12,730,835	\$ 15,632,510	\$ 15,191,648	\$ 13,900,000	\$ (440,862)	-2.82%	\$ 1,291,648

Cannabis Sales Tax Revenue— Per Current Financial Projections

SUMMARY CANNABIS TAXES

Month	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2023 (Budgeted)	Diff FY22-FY23	% Difference	Variance against Budgeted
December	-	4,632	11,064	269,583		258,519	2336.58%	
January	-	10,657	13,557	298,688		285,131	2103.19%	
February	-	8,583	254,524	265,031		10,507	4.13%	
March	6,774	8,461	265,511	247,757		(17,754)	-6.69%	
April	9,002	10,924	320,450	274,562		(45,888)	-14.32%	
May	4,543	11,046	289,046	262,814		(26,232)	-9.08%	
June	3,519	12,818	288,186	273,632		(14,553)	-5.05%	
July	4,705	11,299	280,423	274,647		(5,776)	-2.06%	
August	5,365	10,081	295,837	273,170		(22,668)	-7.66%	
September	7,270	11,992	281,541	271,412		(10,129)	-3.60%	
October	4,756	14,260	272,829	271,759		(1,070)	-0.39%	
November	5,386	12,482	276,971	272,000		(4,971)	-1.79%	
Total	51,320	127,233	2,849,941	3,255,055	3,165,000	405,114	14.21%	\$ 90,054.51

Consolidated Income Statement – Per Current Financial Projections

	FY2023	FY2023	FY2023
	Approved Budget	Current Budget	Anticipated
REVENUES/SOURCES			
Property Taxes	\$ 20,657,700	\$ 20,657,700	\$ 20,842,700
Sales Taxes	131,274,979	131,274,979	135,501,500
Other Taxes	8,265,000	8,265,000	7,653,000
Licenses and Permits	1,441,000	1,441,000	1,465,000
Intergovernmental	29,788,556	29,821,556	29,970,508
Charges for Services	17,433,880	17,433,880	16,715,244
Fines and Forfeitures	4,904,000	4,904,000	5,851,661
Investment Income	1,689,134	1,689,134	3,204,486
Miscellaneous	7,062,815	7,062,815	6,980,353
Other Financing Sources	12,127,170	12,127,170	9,865,580
TOTAL REVENUES/SOURCES	234,644,234	234,677,234	238,050,032
EXPENDITURES/USES			
Personnel	\$ 165,191,552	\$ 165,633,982	\$ 158,046,696
Commodities	6,371,271	7,468,446	6,313,150
Contractual Services	36,874,301	33,086,278	27,252,862
Capital Outlay	2,071,564	2,963,722	2,810,283
Other Financing Uses	24,135,546	25,524,806	24,686,786
TOTAL EXPENDITURES/USES	234,644,234	234,677,234	219,109,777
Surplus (Deficit)			\$ 18,940,255



General Obligation Debt

General Obligation Debt

Governmental Activities

General Obligation Debt

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance November 30, 2022</u>
2010B G.O. Recovery Zone Economic Development Bond	11/3/2010	1/1/2035	4.297% - 5.852%	\$ 58,935,000	\$ 58,935,000
2016 G.O. Refunding Bonds, Courthouse Project	1/28/2016	1/1/2030	2.0% - 5.0%	\$ 36,050,000	\$ 22,515,000
2017 G.O. Debt Certificates	12/28/2017	1/1/2028	2.65%	\$ 7,500,000	\$ 5,190,000
Total governmental activities, general obligation debt					\$ 86,640,000

- Does not include Special Service Areas (SSA's) or Enterprise Funds

FY 2023 Surplus, ARPA, & ARPA Interest Allocation Discussion





Considerations Overview

Updated Surplus & ARPA Considerations Since 9/26

- FY2023 Projected Budget Surplus Now **\$18.9M total**
 - **\$13,700,825** of Chair Recommended Allocation
 - **\$5,239,430** currently unallocated
- ARPA Final Budget and Expenditures
 - **\$1,500,000** of Chair Recommended Allocation
 - **\$325,795** currently unallocated
- ARPA Investment Income projected to be **\$9.2M total**
 - **\$1,987,582** previously allocated
 - **\$5,650,000** to be allocated per Chair Recommendations
 - **\$1,548,129** currently unallocated
- Consideration and approval of Chair Recommended Allocations
- Looking for Board guidance on the unallocated totals in these budgets





Considerations Guidelines

FY2023 Surplus, ARPA, and ARPA Interest Considerations

- **General spending considerations:**
 - Down payments on upcoming & already-approved obligations
 - Other potential projects and one-time considerations
 - Reduce pressure on future budget years
 - Cannot be used for ongoing operational expenses
 - Results in structural deficits in future budgets

- **Availability of FY2023 Surplus and ARPA Interest funds:**
 - Remain available until projects are bid & approved by the Board
 - Can be reallocated if necessary due to unforeseen budgetary issues



FY 2023 Surplus Allocation Discussion





FY2023 Surplus Budget Summary

- During Chair’s budget address, **\$13.7M** was anticipated surplus for FY2023 fiscal year
- \$1,440,825 already approved in contracts
- Now **\$18.9M total** in anticipated surplus for 2023 fiscal year
 - **\$5,460,280** surplus to be discussed

Item	Cost
<i>Sheriff - Hazardous Devices Unit Response Vehicle (approved)</i>	\$838,020
<i>Sheriff - Patrol Tablets and Stands (approved)</i>	\$602,805
Facilities Management FY2024 Capital	\$3,000,000
Housing Solutions Program	\$2,500,000
Tort Liability Fund	\$2,000,000
Stormwater Generator for Armstrong Park	\$800,000
Animal Services Capital	\$500,000
Willowbrook Corners Sidewalk Design	\$500,000
Addition to Reserves	\$500,000
421 HVAC System Improvements	\$2,239,150
SUBTOTAL (Chair Recommended)	\$13,479,975
Additional Surplus to be Allocated from 9/26	\$220,850
SUBTOTAL (Initial Surplus Projections)	\$13,700,825
CURRENT ESTIMATED SURPLUS (11/14)	\$18,940,255
Current Estimated Surplus Remaining (including \$220,850 above)	\$5,460,280



General Fund Reserve

General Fund Reserve – Additional Contribution

- Chair's Recommendation on 9/26: **\$500,000**
- General Fund Reserve Balance at End of FY2022 was **\$103.3M**
- Current General Fund Fund Balance is projected to be **\$122.2M**
 - Represents 56% of FY2023 projected expenditures
 - Current County Board policy advises minimum of 25% of expenditures
- If County Board approves recommended surplus transfers:
 - General Fund Reserve would increase to **\$103.8M**
 - FY2024 fund balance will equal 42.8% of budgeted expenditures
- Additional request of **\$500,000** could be added to the Reserve Fund
 - This would bring the Reserve Balance to 104.3M
 - FY2024 fund balance will equal 43% of budgeted expenditures





Tort Liability Fund

Tort Liability and Other Insurance Needs

- Chair's Recommendation on 9/26: **\$2,000,000**
- Fund is Used for County Insurance and Liability Needs:
 - Outside counsel for professional legal services
 - Insurance broker services
 - Legal transcripts
 - Auto liability claims/insurance/settlements
 - Workers comp premiums/claims/settlements/insurance
 - Cyber insurance
 - Excess liability insurance
 - Surety bonds
 - Unemployment compensation insurance
 - Public liability insurance/claims/settlements
 - 4 employees along with corresponding benefits
- Additional request of **\$500,000** added to the Tort Liability Fund





Infrastructure Fund Request

Division of Transportation

- RTA Tax established to fund transportation, transit and public safety
- Historically, the County has allocated RTA funds to non-transportation purposes
- This request, and any future approved funds, would contribute RTA Tax revenue to the Division of Transportation for improvements that:
 - Emphasize safety and congestion relief
 - Enhance pedestrian and bicycle facilities and accessibility and transit supportive improvements
- Request of **\$2,000,000** be transferred to the Division of Transportation





Sheriff's Request

Sheriff's Office – Mobile Road Scales Request

- Would be deployed to enforce County highway weight restrictions
 - (2) sets of mobile vehicle scales
 - Assigned to select Sheriff Deputies on patrol
 - Violations anticipated to be a new source of revenue
- Request of **\$22,500** to purchase and install scales





Jail Cameras Request

Sheriff's Office – 501 Jail Security Cameras

- Replacement and coordination of security cameras throughout 501 Building
 - Current system includes original equipment dating to 1990s
 - There are 223 existing cameras
 - Request to add an additional 206 cameras for a total of **429 cameras**
- Priority project for Sheriff staff
 - Increase overall visibility and decrease blind spots
 - Hardware and software improvements will allow for individual camera maintenance to occur while rest of system remains 'live'
 - Includes rewiring and routing of low voltage cables throughout building
- Request of **\$1,800,000** to purchase new Sheriff Security Cameras





Accrued Benefits Funding

Employee Accrued Benefits – Summary

- Annual employee benefit lines that are considered liabilities against the budget
- Includes:
 - “Bank A” sick time [*eligibility ended in 2012*]
 - Retention [*eligibility ended in 2002*]
 - Compensatory time
 - Vacation time
- Recent fiscal year actual expenditures for general and enterprise funds accrued benefits ranged from **\$4.5M to \$6.7M**





Accrued Benefits Funding

Employee Accrued Benefits - Request

- Accounts For Operational Budget Liabilities Due To:
 - “Bank A” sick time
 - General Fund = \$1.97M future liability
 - Enterprise Funds = \$1.26M future liability
 - Retention
 - General Fund = \$7.01M future liability
 - Enterprise Funds = \$3.63M future liability
- Establish a dedicated account within General Fund to reserve funds towards this future budgetary liability (will relieve pressure on future budget years)
- Request of additional **\$637,780** to reserve towards Accrued Benefits liability
- Propose that any additional FY2023 surplus realized will be applied towards the FY2023 Accrued Benefits fund





421 HVAC Request

421 Admin. Building – HVAC System Improvements

- Anticipated cost of this project: \$6,239,150
 - Bids opened on 11/2
 - FM is now pursuing a Construction Manager for the project

 - Breakdown of Funding Consideration:
 - Chair’s Recommendation on 9/26: \$2,239,150
 - Existing FM ARPA funds available: \$1,500,000
 - Risk Mitigation transfer of ARPA personnel expenses (previously standard ARPA funds) to ARPA interest earned, releasing standard ARPA funds: \$2,500,000
- TOTAL: \$6,239,150**





Updated Considerations Summary

Potential Considerations

- Now **\$18.9M total** in anticipated surplus for FY 2023 fiscal year
 - **\$5,239,430** currently unallocated

- Any remaining surplus at end of FY 2023 would be automatically transferred into Accrued Benefits reserve account.

- Looking for consensus of Board to accept items as shown

Surplus Budget Update	
Current Estimated Surplus	\$18,940,255
<i>Chair Recommendations Surplus Expenditures</i>	\$13,479,975
Current Estimated Surplus Remaining	\$5,460,280

Additional Items for Consideration	
Additional Reserves funding	\$500,000
Additional Tort Liability Fund funding	\$500,000
Division of Transportation – Infrastructure fund	\$2,000,000
Sheriff – Mobile Road Scales	\$22,500
Sheriff – Jail Cameras	\$1,800,000
Accrued Benefits Funding	\$637,780
TOTAL	\$5,460,280

DuPage ARPA Funds

Remaining Allocation Options





ARPA Budget Current Status

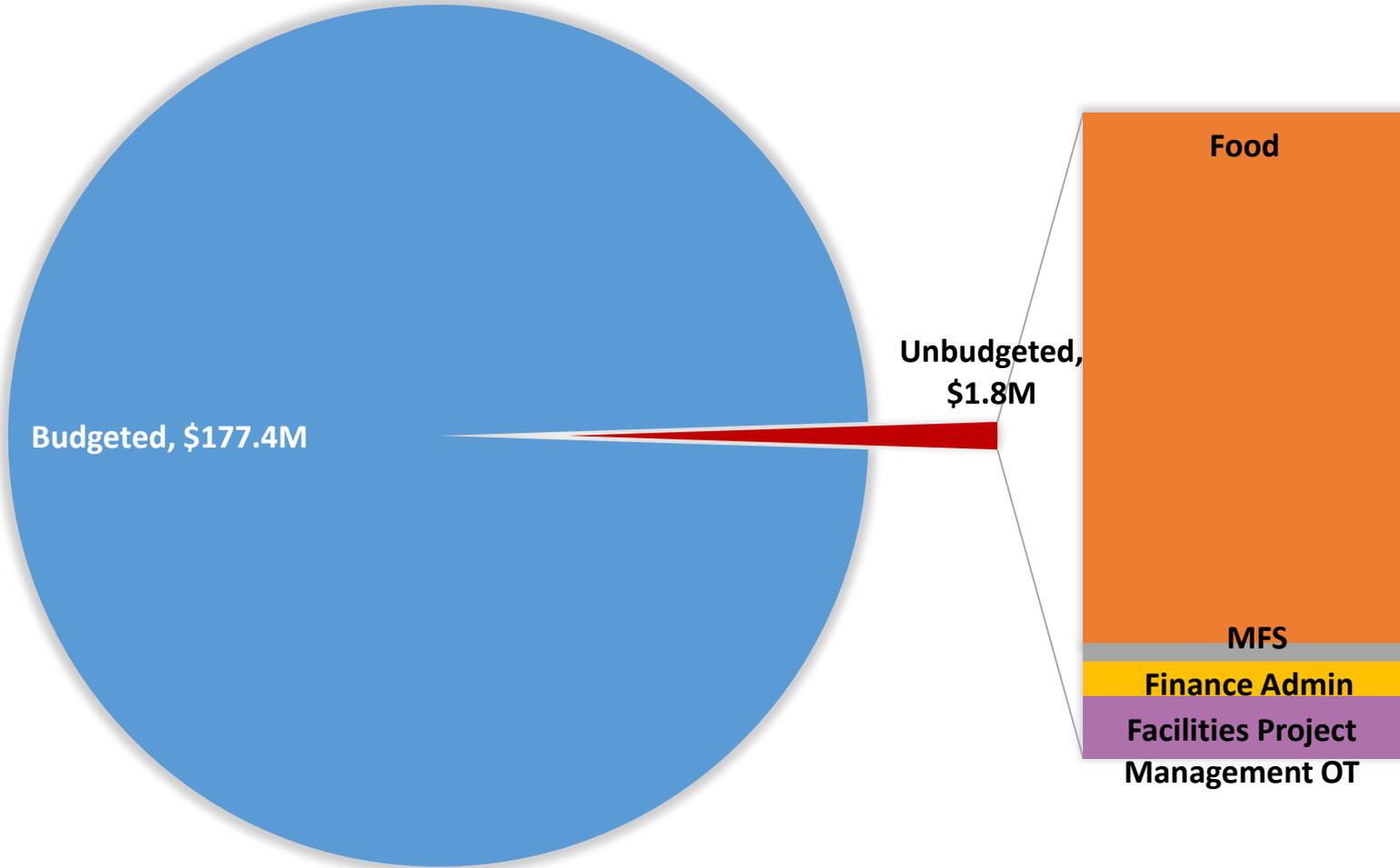
ARPA Budget and Expenditures (10/17/2023)

ARPA Categories	Budget Subtotal	Standard Allowance Budget [\$10m]	Budget Total	Exp YTD*	Unspent Allocation
1.) Responding to the Public Health Emergency	\$33,812,505	\$7,750,000	\$41,562,505	\$17,814,402	\$23,748,103
2.) County-wide Water & Sewer Infrastructure	\$25,212,111	\$0	\$25,212,111	\$7,500,674	\$17,711,437
3.) Community Assistance	\$34,353,595	\$0	\$34,403,595	\$26,649,990	\$7,753,605
4.) Campus COVID Mitigation Projects	\$53,556,809	\$1,021,617	\$54,578,426	\$15,575,792	\$39,002,634
5.) Economic Stimulus	\$21,684,153	\$0	\$21,684,153	\$18,504,128	\$3,180,025
6.) Other Government Services (For Standard Allowance)		\$0	\$0	\$0	\$0
Subtotal Allocated	\$168,619,174	\$8,771,617	\$177,440,790	\$86,044,985	\$91,395,805
Unallocated	\$647,411	\$1,228,383	\$1,825,795		
TOTAL ARPA Funding			\$179,266,585		



ARPA Closeout

ARPA, \$179.3M



ARPA Budget Closeout Requests

Item	Cost
Food Insecurity (<i>Chair Recommended</i>)	\$1,500,000
Metropolitan Family Services	\$50,000
Finance Admin Staffing	\$100,000
Facilities Project Management OT	\$175,795
TOTAL	\$1,825,795



Closeout Requests

Food Insecurity - Additional Request

- Chair's Recommendation on 9/26: **\$1,500,000**
 - Human Services Committee to establish program/priority
 - Have previously allocated **\$5,526,600** in ARPA funds
 - **\$2.4M** currently unspent

Metropolitan Family Services

- Request of **\$50,000** for FY2024
 - Funds salaries for 2 Domestic Violence Advocates for part of 2024
- Support services including counseling, case management, and advocacy support
 - Serves adult victims of domestic violence and their children
 - Part of broader county-wide comprehensive Family Shelter Services (FSS) program





Closeout Requests

Finance Admin Staffing

- Request of **\$100,000**
 - Staffing to ensure ARPA revenue maximization in preparation for upcoming ARPA contracting/spending deadlines
 - Expenditure tracking, budget reallocations, contract compliance, performance measure reporting, and closeouts
 - Admin expenses (Finance and Auditor's Office) to date account for 1% of total ARPA grant expenditures



Facilities Project Management Overtime

- Request of **\$175,795**
 - Staff required on-site for after hours construction work

DuPage ARPA Funds

Interest Allocation Options





ARPA Interest Current Status

ARPA Investment Income (10/17/2023)

Month	Investment Income							
	FY21	FY22	FY23	FY23 Proj.	FY24 Proj.	FY25 Proj.	FY26 Proj.	Total
December	\$ -	\$ 5,414	\$ 288,018					
January	\$ -	\$ 5,404	\$ 253,556					
February	\$ -	\$ 4,738	\$ 297,763					
March	\$ -	\$ 4,418	\$ 221,537					
April	\$ -	\$ 4,106	\$ 559,871					
May	\$ -	\$ 9,605	\$ 264,274					
June	\$ 3,048	\$ 112,654	\$ 257,529					
July	\$ 6,886	\$ 169,557	\$ 264,590					
August	\$ 6,974	\$ 147,168	\$ 316,406					
September	\$ 6,172	\$ 157,361	\$ 300,594					
October	\$ 5,765	\$ 249,455						
November	\$ 5,503	\$ 246,772						
Actual Earned	\$ 34,348	\$ 1,116,652	\$ 3,024,138					\$ 4,175,138
Projected	\$ -			\$ 531,045	\$ 2,621,011	\$ 1,420,973	\$ 437,544	\$ 5,010,573
Total								\$ 9,185,711



ARPA Interest Allocations

Previous ARPA Interest Income Allocations

- ARPA Investment Income projected to be \$9.2M total
- \$1,987,582 previously allocated
- Looking for consensus of Board to accept Chair Recommended Allocations as shown
 - Includes Risk Mitigation reallocating personnel expenses \$2,500,000
 - FY2024 Small Non-Profits Program \$1,050,000
 - FY2025 Small Non-Profits Program \$1,050,000
 - FY2026 Small Non-Profits Program \$1,050,000
 - \$5,650,000**
- \$1,548,129 remaining in projected ARPA Income

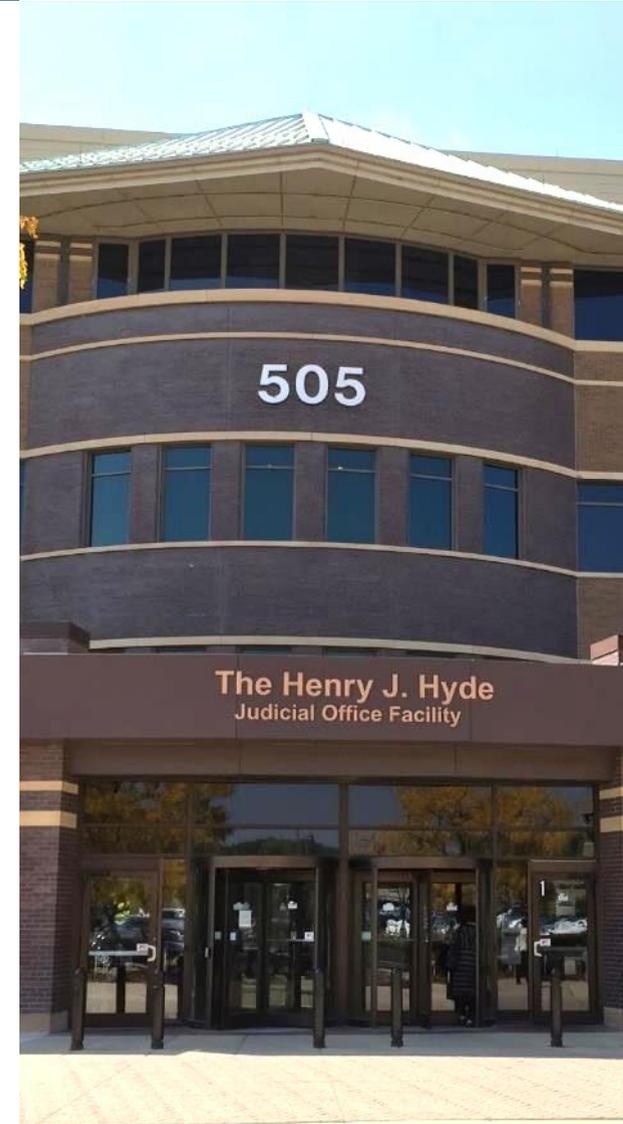
Previously Allocated	Cost
Subtotal Previously Allocated	\$1,987,582
Chair Recommended	
Reallocate ARPA Personnel Costs	\$2,500,000
FY2024 Small Non-Profits Program	\$1,050,000
FY2025 Small Non-Profits Program	\$1,050,000
FY2026 Small Non-Profits Program	\$1,050,000
Subtotal Chair Recommended Allocated	\$5,650,000
Optional Allocations	
FY2024 Safe Harbor	\$40,750
FY2025 Safe Harbor	\$106,000
FY2026 Safe Harbor	\$106,000
Heritage Gallery Redesign	\$150,000
Additional Food Insecurity	\$1,145,379
Subtotal Optional Allocations	\$1,548,129
ARPA	\$9,185,711



Safe Harbor Request

Safe Harbor Program – \$252,750

- Request of **\$252,750** for project from ARPA Interest
- Operational costs for 3 years
 - FY2024 - \$40,750
 - FY2025 - \$106,000
 - FY2026 - \$106,000
- Program that provides a children’s waiting room in the 505 JOF Courthouse
 - Cares for the children of families who require that service
 - Previously funded by a dedicated Circuit Court Clerk filing fee

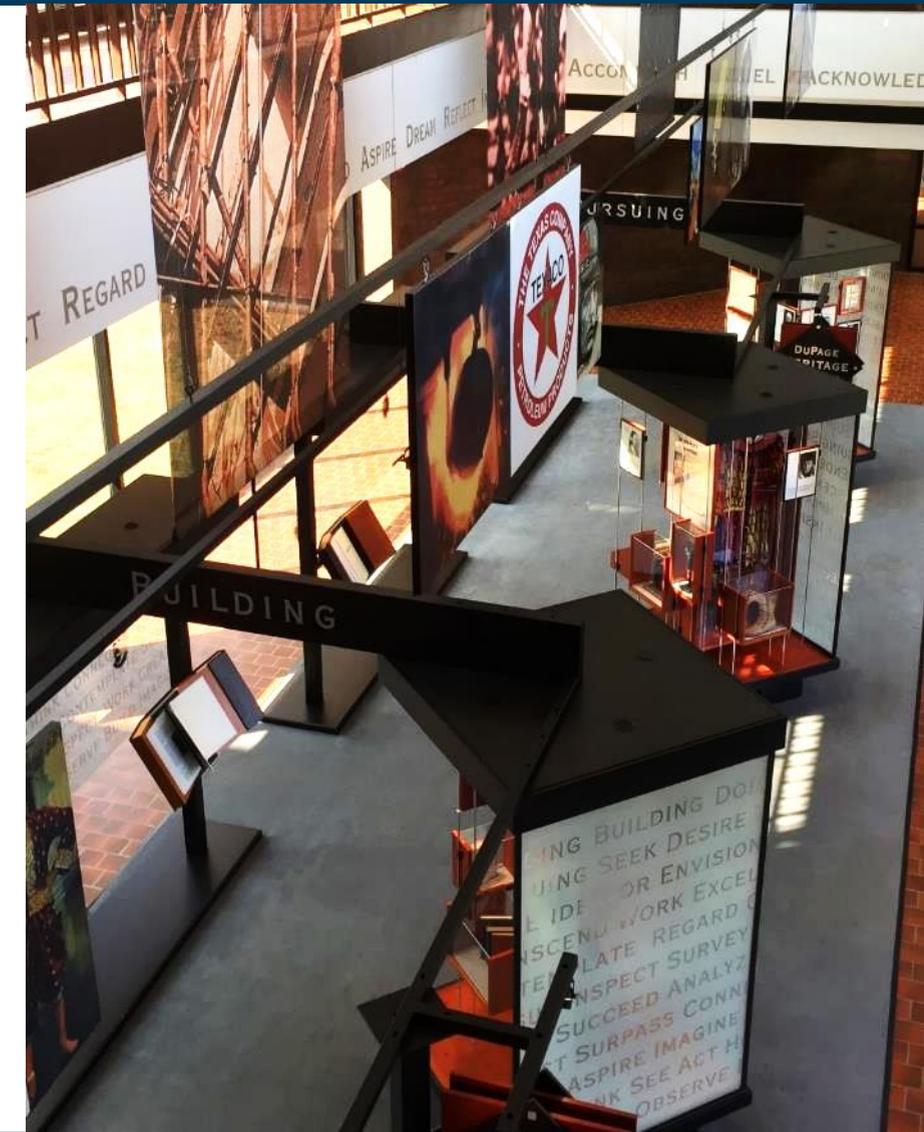




Gallery Redesign Request

421 Heritage Gallery Redesign – \$150,000

- Request of **\$150,000** for project from ARPA Interest
- Replacement and redesign of existing Heritage Gallery exhibits
 - \$150,000 will cover the project design but not the construction costs
- QBS is underway for firm to provide design services
 - Utilize community input for overall themes, vision and targets
 - Finalized concept plans to be coordinated with Museum staff, County staff and Public Works Committee
 - Content/design plans to be developed through construction estimates





ARPA Interest Allocation Options

ARPA Interest Income

- \$1,548,129 remaining in projected ARPA Income

Optional Allocations	
FY2024 Safe Harbor	\$40,750
FY2025 Safe Harbor	\$106,000
FY2026 Safe Harbor	\$106,000
Heritage Gallery Redesign	\$150,000
Additional Food Insecurity	\$1,145,379
Subtotal Optional Allocations	\$1,548,129



Parking Deck Rehab. Project

Looking Ahead: 479 & 509 Parking Decks Rehabilitation Project

- **\$14,409,196** current engineer's estimate for remaining 3 phases of necessary parking deck maintenance & repairs
- Work to be phased over (4) years [due to parking needs]: FY2024-FY2027
 - Phase 1 is being prepped for bid, current budget of **\$3.0M**
 - Utilizes FY2023 Infrastructure Contingency Fund contributions
 - Additional phases of engineering and bid documents would begin upon future project presentation and budget approval

