

FY 2009-2010 Budget Presentation



Recommendations to the Macoupin County Board by the Finance Committee

CHAIRMAN ANDREW MANAR

August 11, 2009

**This information, in addition to other budget information, can be viewed on the official website of Macoupin
County Government: www.macoupincountyil.gov**

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FISCAL HEALTH OF MACOUPIN COUNTY

General Fund Receipts History

General Fund Receipts		<i>(Chart does not include Transfers made into the General Fund)</i>						<i>Jul-08</i>	<i>Aug-08</i>
Macoupin County, IL									
	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	
Base Revenues							<i>(EST.)</i>	<i>(EST.)</i>	
Property Taxes	764,494	793,333	867,453	701,173	1,228,688	588,804	935,371	935,371	
Sales/Use Taxes	2,172,681	2,177,949	2,163,202	1,975,721	1,793,049	1,412,265	1,180,000	1,180,000	
Income Tax	1,047,026	1,038,565	1,113,250	1,288,925	1,417,543	1,537,256	1,150,000	1,150,000	
PPRT	109,734	132,778	164,724	182,490	216,305	227,362	178,000	178,000	
Inheritance Tax	14,960	16,639	52,117	16,473	42,142	3,516	20,000	20,000	
<i>Subtotal Recurring:</i>	\$4,108,895	\$4,159,264	\$4,360,746	\$4,164,782	\$4,697,727	\$3,769,203	\$3,463,371	\$3,463,371	
State/Federal	426,022	600,358	479,887	384,278	409,117	423,245	485,000	490,000	
<i>Subtotal State/Fed:</i>	\$426,022	\$600,358	\$479,887	\$384,278	\$409,117	\$423,245	\$485,000	\$490,000	
Misc. Revenues									
Charges for Services	323,258	425,738	531,404	747,706	508,479	535,945	600,000	560,000	
Liquor Licenses	6,755	6,150	5,680	4,885	6,200	5,185	4,600	4,600	
Fines & Forfeitures	569,460	504,791	527,659	513,360	519,226	669,145	580,749	575,000	
Interest Income	38,382	23,253	32,760	108,012	118,704	94,508	100,000	100,000	
Other Misc	253,720	401,467	284,455	314,296	292,828	331,579	311,128	315,000	
<i>Subtotal Misc:</i>	\$1,191,575	\$1,361,399	\$1,381,958	\$1,688,259	\$1,445,437	\$1,636,362	\$1,596,477	\$1,554,600	
Subtotal Revenues:	\$5,726,492	\$6,121,021	\$6,222,591	\$6,237,319	\$6,552,281	\$5,828,810	\$5,544,848	\$5,507,971	

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FISCAL HEALTH OF MACOUPIN COUNTY GENERAL FUND

End of Year General Fund Balance Combined General Funds

General Funds BOY / EOY Balance					
Macoupin County, Illinois					
	Beginning Year Balance	Operating Surplus/Deficit	Ending Year Balance	% of Budget	
FY 2001-2002	\$2,583,677	(\$198,040)	\$2,385,637	37.5%	
FY 2002-2003	\$2,385,637	(\$478,961)	\$1,906,676	28.9%	
FY 2003-2004	\$1,906,676	(\$217,147)	\$1,689,529	24.7%	
FY 2004-2005	\$1,689,529	+\$65,281	\$1,754,812	26.2%	← Board Reorganization
FY 2005-2006	\$1,754,812	+\$149,815	\$1,904,627	27.9%	
FY 2006-2007	\$1,904,627	+\$614,308	\$2,518,935	36.8%	
FY 2007-2008	\$2,518,935	(\$303,103)	\$2,215,832	32.2%	← Mine Closures
FY 2008-2009 (est.)	\$2,215,832	+\$2,424	\$2,218,256	33.5%	← Economic Downturn

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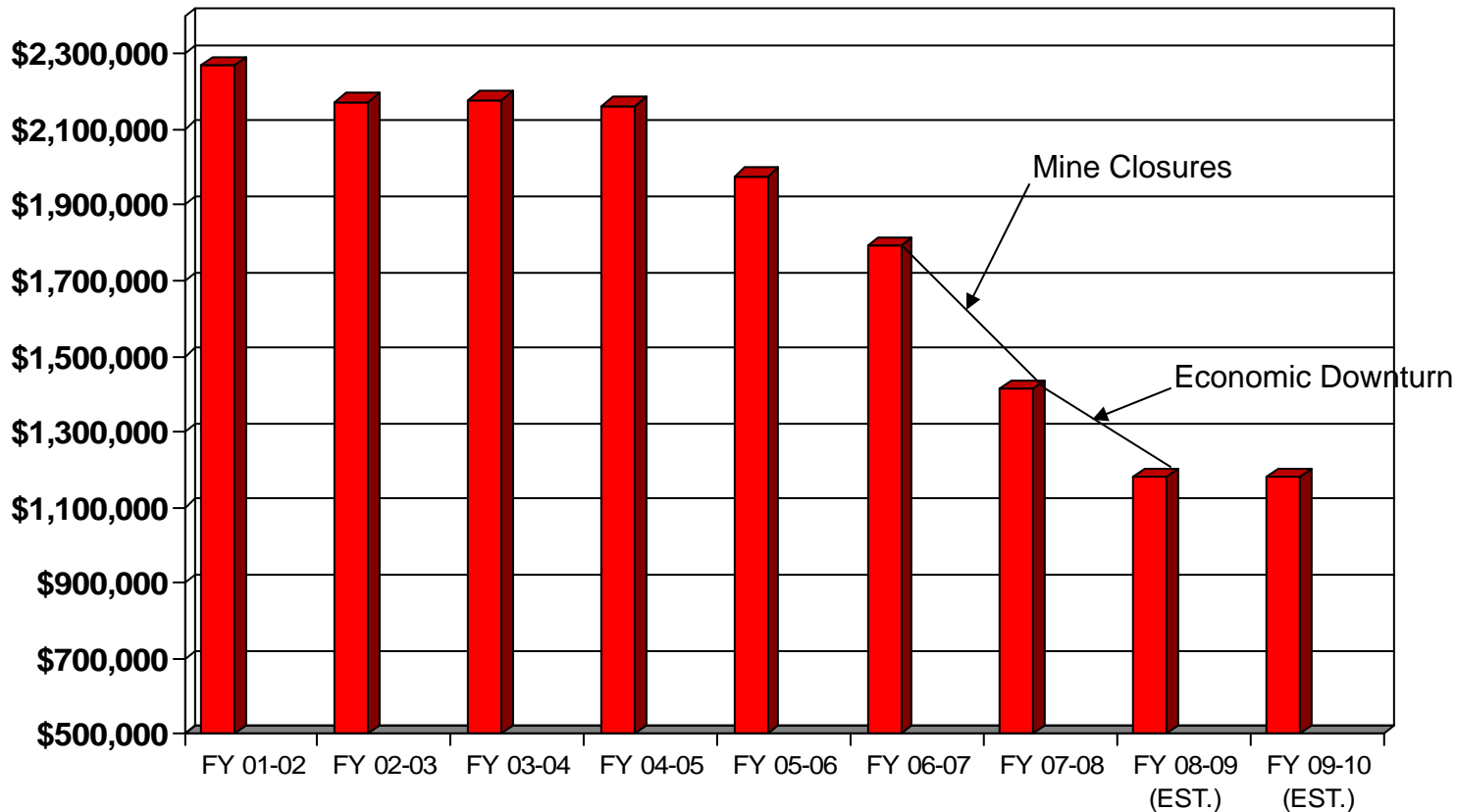


FISCAL HEALTH OF MACOUPIN COUNTY GENERAL FUND

Erosion of Sales Tax Receipts

Fiscal Year 01-02 through Fiscal Year 09-10 (est.)

SALES TAX RECEIPTS



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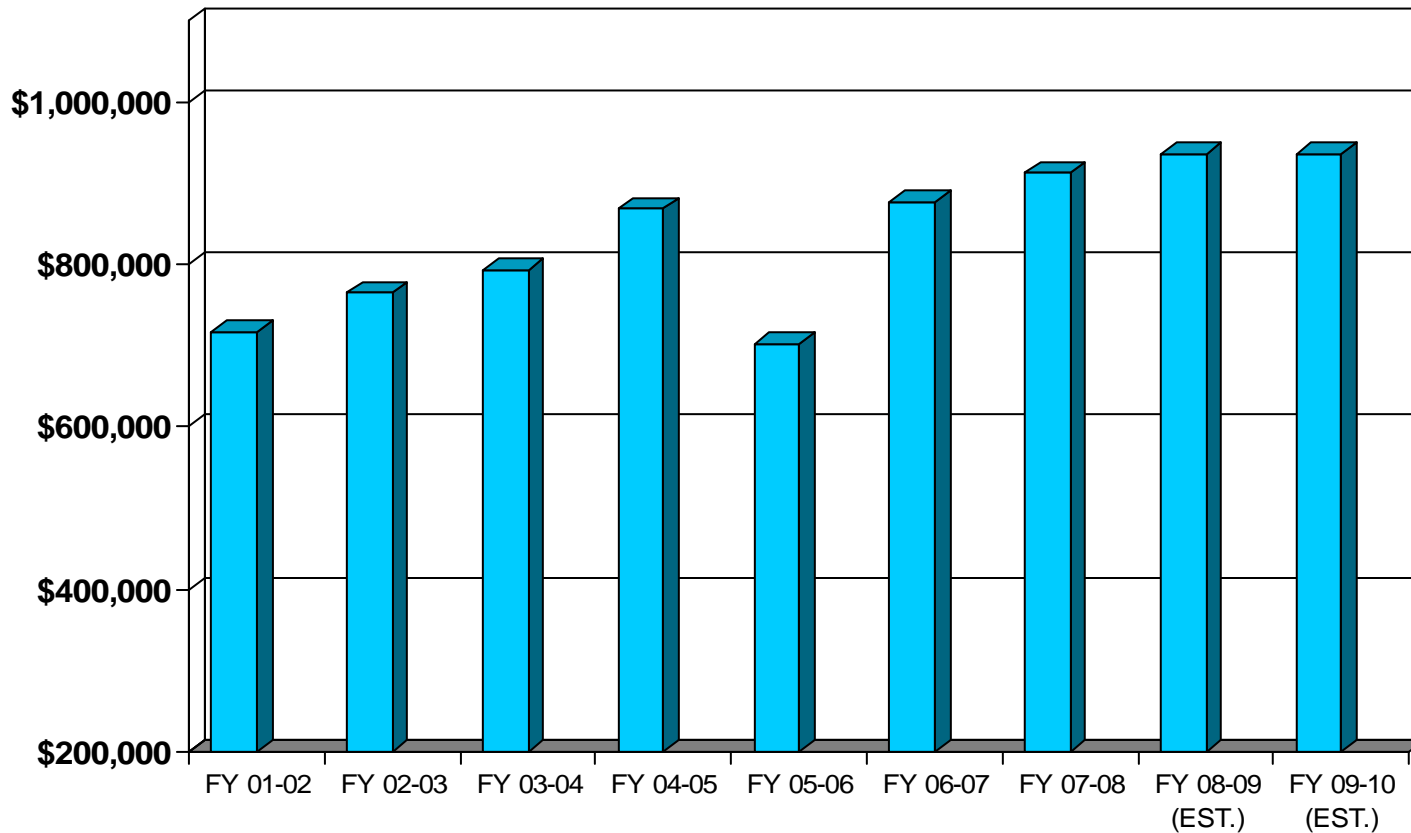


FISCAL HEALTH OF MACOUPIN COUNTY GENERAL FUND

Property Tax Receipts

Fiscal Year 01-02 through Fiscal Year 09-10 (est.)

PROPERTY TAX RECEIPTS



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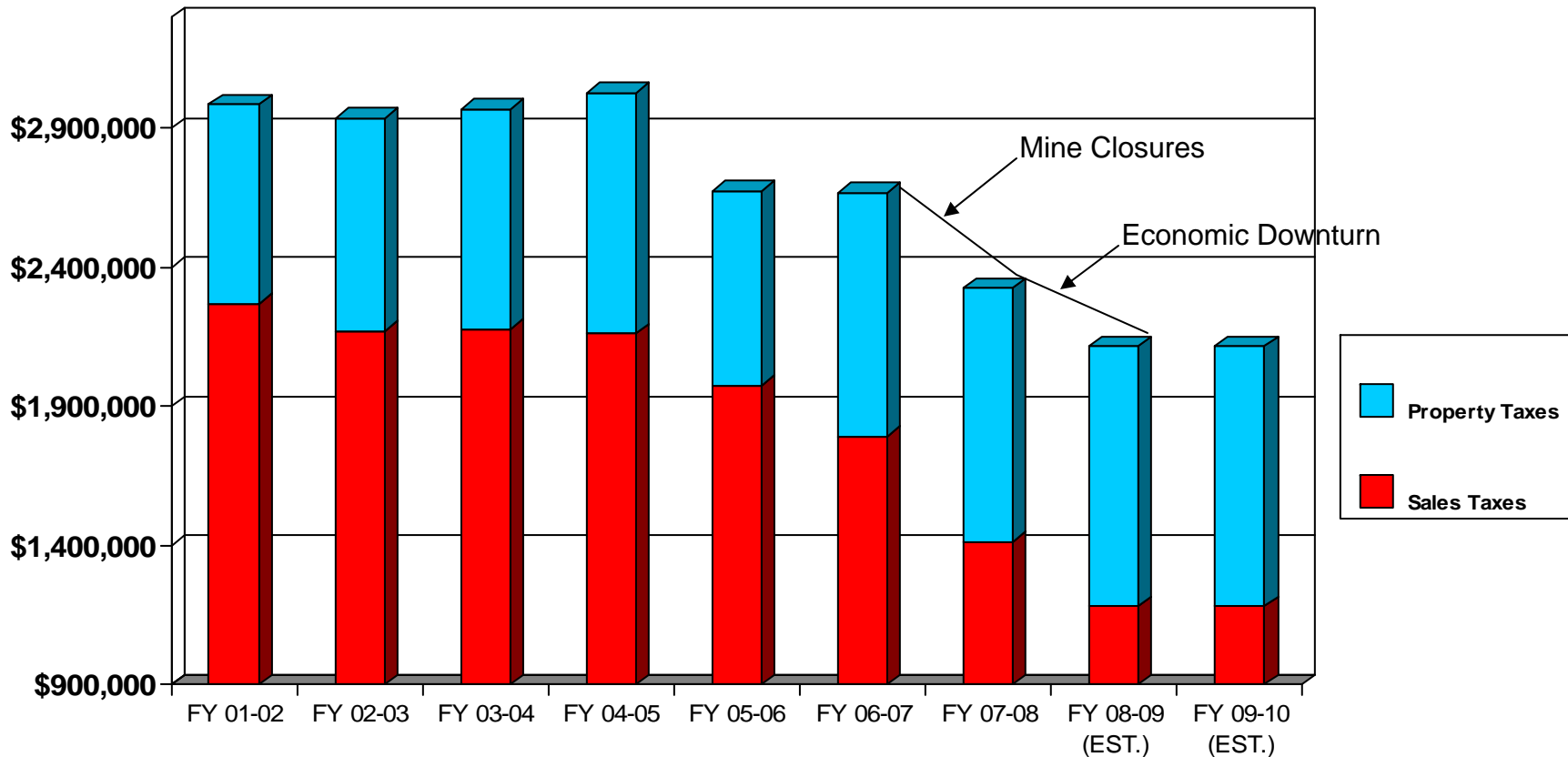


FISCAL HEALTH OF MACOUPIN COUNTY GENERAL FUND

Property and Sales Tax Receipts Combined

Fiscal Year 01-02 through Fiscal Year 09-10 (est.)

SALES & PROPERTY TAX RECEIPTS COMBINED



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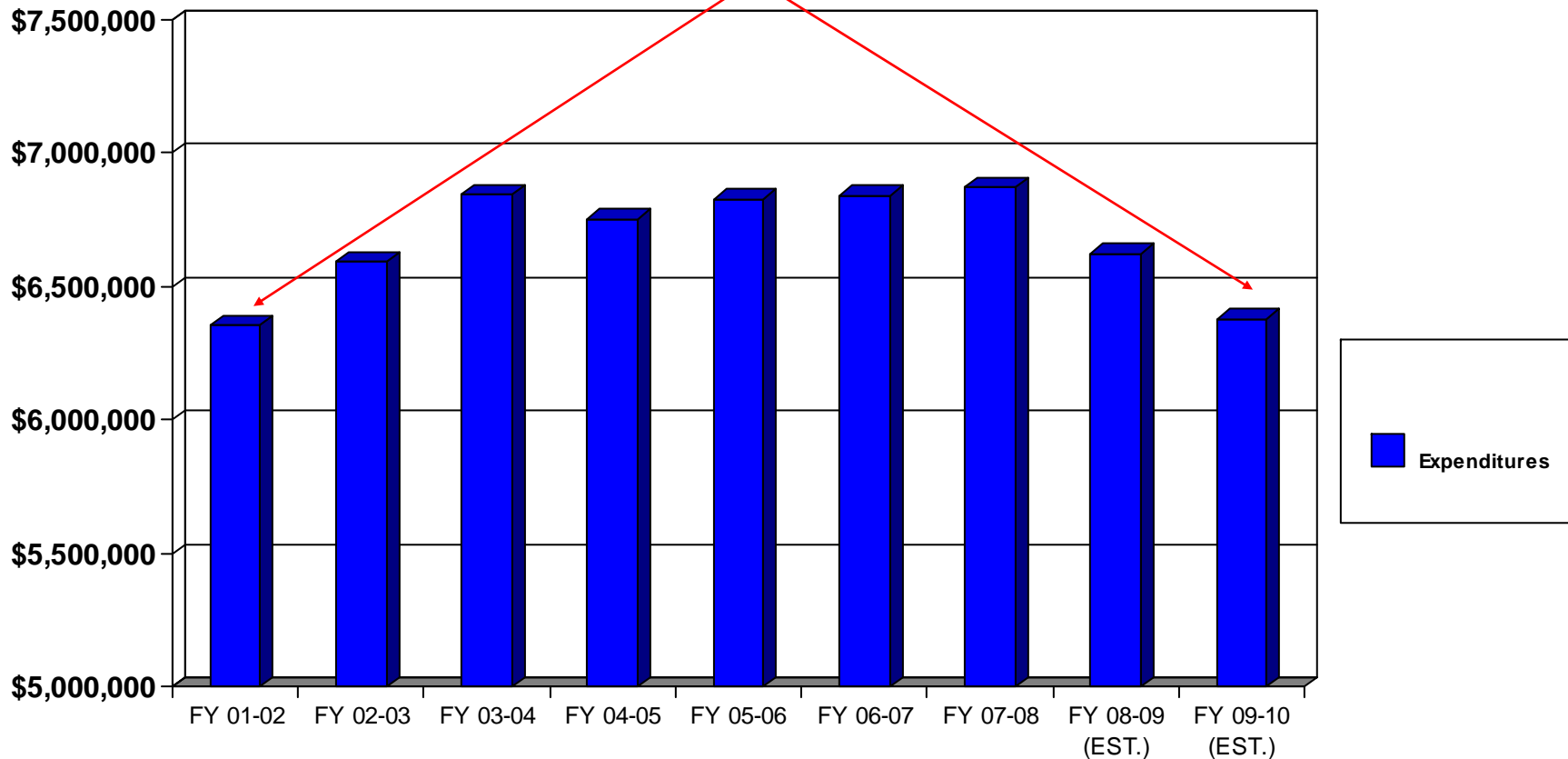


FISCAL HEALTH OF MACOUPIN COUNTY GENERAL FUND EXPENDITURES

Fiscal Year 01-02 through Fiscal Year 09-10 (est.)

GENERAL FUND EXPENDITURES

County Government is operating at the same level as FY 01-02



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SUMMARY OF FY 07- 08 AUDIT

Revisiting FY 07-08

- **Timeline:** FY 07-08 began on September 1, 2007. Crown II and III mines were sold and Crown II mine closed. The following January, Monterey Mine announced its closure.
- **Spending was Reduced:** The County Board and County Officials did a good job of keeping spending under control.
 - Health Insurance Costs: The County continued to buck a trend and manage its employee health insurance plan by minimizing costs and preserving health/dental benefits.
 - Employee Health Reimbursement Account (HRA) has a) saved County taxpayers approximately \$500,000 since its inception and b) has helped make preserving the employees insurance coverage affordable. Source: Special Committee on Health Insurance
- **Revenue was Reduced:** Overall General Fund Revenues were down approximately \$723,000. Sales tax revenues were down approximately \$380,000.
- **New Tone:** The County Board and County Officials set a positive tone for responding to a fiscal crisis and working together to solve the fiscal without cutting services.



FINISHING OUT CURRENT FISCAL YEAR Supplemental Recommendation for FY 08-09

FY 2008-2009 General Fund Supplemental Proposal\

THREE PRINCIPALS

1. Address expenditure needs.

2. Address revenue gap.

3. Maintain County's continues fiscal responsibility.

1. **Revenue Shortfall:** The current fiscal year began on September 1, 2008. In December 2008, nearly every unit of local government in the State and across the County was experiencing a revenue crisis due to the condition of the economy. To address the revenue shortfall, the Finance Committee is recommending transfers from Special Funds totaling \$190,000.00.

1. From the Macoupin County COPS Grant Fund: \$60,000.00.
2. From the GIS Fund (total): \$48,513.84
3. From the Tax Sale in Error Interest Fees Fund: \$25,000.00
4. From the Delinquent Real Estate Tax Liquidation Fund: \$15,000.00
5. From the Probation Fees Fund: \$42,100.00

2. **Budget Adjustments:** Approximately 1% of the General Fund budget is being changed; 99% of the budget is going unchanged. See attached Chart for full details.

3. **Other Recommended Measures:**

Inter-Fund Loans: Inter-fund loan will be used to help pay bills for the States Attorney's office and the Coroner's Office & must be re-paid by the General Fund to the originating fund on September 1, 2009 (which marks the first day of Fiscal year 2009-2010).

End the Current Practice of Approval of Bills: Finance Committee will approve all claims received after the August 11, 2009 meeting of the County Board and the end of the fiscal year.



FINISHING OUT CURRENT FISCAL YEAR Supplemental Recommendation for FY 08-09

- **Proposed Increases:** The Finance Committee is recommending the following increases be made to finish out the current fiscal year:
 - **Coroner's Office:** +\$18,500.00 increase (+26.5%) (\$15,000.00 from General Fund / \$3,500.00 from interfund loan to be re-paid on September 1, 2009). Purpose: to pay off bills on hand and meet payroll expenses.
 - **EMA Office:** +\$4,300.00 increase. Purpose: to pay off bills that were carried over from FY 07-08 and meet payroll expenses. Source: transfer from Special Funds.
 - **Probation Department:** +\$42,100.00 increase (+14.7%). Purpose: to meet payroll for the remainder of the fiscal year. Source: transfer from the Probation Fees Fund.
 - **States Attorney's Office:** +\$43,000.00 increase (+10.9%). (\$21,500.00 from General Fund / \$21,500.00 from interfund loan to be re-paid on September 1, 2009). Purpose: to meet payroll for the remainder of the fiscal year.
 - **Tax Assessment & Collection:** +\$12,000.00 increase (+23.2%). Purpose: to pay bills associated with administration of property taxes.
- **Proposed Decreases:** The Finance Committee is recommending the following decreases be made to finish out the current fiscal year:
 - **Circuit Court:** -\$20,850.00 decrease (-21.7%). Purpose: appropriations will go unspent.
 - **County Administration:** -\$41,150.00 decrease (-4.5%). Purpose: savings realized from one-time expenditures that were not spent.
- **Summary:** Increases: +\$119,900.00 / Decreases: -\$62,000.00 / Transfers In: +\$190,000.00



NEXT FISCAL YEAR Fiscal Year 2009-2010

- **Beginning of Fiscal Year:** The County's new fiscal year begins on September 1, 2009.
- **Summary of Revenues:** The Finance Committee estimates that General Fund Revenues will decrease slightly next fiscal year. While an estimate is very preliminary, the Finance Committee is recommending Quarterly Reports to the County Board regarding revenues received.
- **Summary of Spending:** The County's General Fund budget as recommended by the Finance Committee will be reduced by approximately \$294,000.00 (based on the final supplemental appropriation). This represents a decrease of approximately -4.4% overall.
 - **Health/Dental Insurance:** The County is expecting an estimated 9.2% increase in health insurance premiums beginning September 1, 2009. The Special Committee on Health Insurance made up of union employees, non-union employees and elected officials is meeting to come up with proposals to mitigate this increase so that some budget decreases can be restored.
- **No "temporary" Budget:** This year the Finance Committee is not recommending a "Temporary" budget but is recommending a full spending plan to cover the full 12 month fiscal year.
- **Quarterly Review:** The Finance Committee will review the budget in November 2009 to a) gauge the progress of work that is still ongoing (see below) and make recommendations and b) monitor and make further recommendations regarding expenditures and revenues.
- **Work that Still needs to be Done:** Several very significant issues remain that will impact the FY 09-10 budget including:
 - Timing and Distribution of State of Illinois Reimbursement
 - Timing and Distribution of Base Revenues from the State of Illinois
 - Reasonable User Fee increases
 - Implementation of Dispatch Consolidation
 - Revenue Fluctuations
 - Determine the Cost of Health/Dental Insurance Plan
 - Voluntary Employee Severance Program

