

# FY 2021 BUDGET

September 16, 2020



VICTOR'S

FUNNY BUSINESS



"I'm not quoting anyone's figures —  
I made them up myself."

2. The cost-of-living adjustment (COLA) under the Property Tax Cap Law is set at 2.3% for the 2020 levy year for 2021 collections. This amount (\$552,000 total for all levies) is based on the consumer price index for all urban consumers as published by the U.S. Department of Labor. This increase is incorporated into the property tax levies found on Attachment A. An additional 0.8% (\$189,000 total for all levies) is included for the increase from new construction. Another 0.4% (\$100,000 total for all levies) is included as an additional contingency for new construction should that end up at higher levels than current estimates.

5. At the end of 2019, the General Fund unassigned fund balance was \$10.8 million or 40% of total expenditures. 2020 operating results will be greatly impacted by the effects of the COVID-19 pandemic in terms of significant revenue loss and expenditure increases. The net effect is expected to result in a decrease in fund balance of \$1.5 million for 2020 leaving the General Fund with a remaining fund balance of \$9.3 million as of December 31, 2020. With 2020 being presented as a balanced budget, that same level of fund balance is expected to carry over to December 31, 2021 and, with 2021 expenditures being budgeted at \$29.7 million, that level of fund balance is equivalent to 31% of General Fund expenditures which is about \$1.8 million in excess of the 25% target level.

7. As of January 1, 2021, three of the six labor contracts are already in place and this budget implements the salary increases in those contracts. The contract with the MAP Union for Court Services (Probation) Department includes a 3.2% increase effective December 1, 2020 which includes step movements. The contract with the MAP Union for Sheriff's Officers includes a 2.25% increase to the pay scales effective January 1, 2021. The contract with the Operating Engineers union (Highway Department) includes a 2.25% increase effective January 1, 2021. The three separate contracts with AFSCME groups (Nursing Home, Public Health, and the Sycamore & Highway campuses) will all expire on December 31, 2020 and negotiations for contract extensions are in the early stages.

8. Non-union increases are being set at 2% for 2021, effective with the pay period beginning December 20, 2020. The Exempt Department Heads will also receive a 2% increase in pay as of the same date.

- 11.

C. Since the IPBC runs on a July 1<sup>st</sup> to June 30<sup>th</sup> Plan Year, County insurance rates charged to employees and departments were guaranteed for 18 months to align the County's renewal with the rest of the IPBC. In essence, this was a guaranteed 18-month period of a blended rate decrease of 7% on average through June 30, 2020. For the 2021 plan year, medical plan premiums will be increasing by 4.5% on average while dental rates will remain flat with a 0% increase for 2021. Employees will continue to pay 25% of the total health insurance premium costs for the PPO and HDHP plans with the County being responsible for the remaining 75% of the cost.

18. The Public Defender has requested three personnel changes. One is to increase the current Investigator's salary by \$3,000 (costing \$3,600 with benefits), the second is to add a second Investigator position to his office for a cost of \$72,000 (including benefits), and the third request was to add an attorney to his staff at a cost of \$91,000 (including benefits). These requests are denied given the loss of General Fund revenue the County is experiencing due to COVID-19.

26. This Budget meets the 95% confidence level reserve goal of \$6,234,000 that will be needed as of December 31, 2021, with an anticipated reserve balance of \$6,237,025. Regarding annual revenues, this Budget is using the 50% confidence level with a ten-year phase-in schedule to reach optimal annual revenues. Consequently, for 2021 the projected revenues are \$808,000, which includes \$25,000 in incremental money to reach the long-term goal of \$967,614.

33. The County sold \$16,000,000 in bonds in late September, 2010. This money was used to finance the Courthouse Expansion project, planning stages for the Jail Expansion project, and issuance and interest costs associated with the bond issue. The debt for this project will be repaid from sales tax money generated from a special "tax sharing agreement" with the City of DeKalb from sales at the former County Farm property (east side of Sycamore Road). The bonds, when sold, were expected to be fully retired on December 15, 2029, subject to a call provision as of December 15, 2020.

It is that call provision that the County will be invoking in the fall of 2020 and will refinance the \$9,900,000 bonds that are currently due each December 15<sup>th</sup> from 2021 through 2029. Given the favorable bond market in 2020, this refinancing is expected to save the County just under \$1,000,000. The debt restructuring should reduce the annual debt payments by \$100,000 (including for the necessary set-aside made during 2020).

37. The Facility Management Office has requested \$45,000 for an upgrade to their Computerized Maintenance Management System (CMMS) which is required to move to a Windows 10 environment as the software currently being used will no longer be supported. This request is denied as we feel another solution is available for substantially less money. We note that the Information Management Office currently manages all of their work orders, assignments, and solutions using Microsoft Outlook. As this software is widely deployed on virtually all County computers, it seems appropriate that this solution should be explored. Alternatively, we note that off-the-shelf software can be purchased that may well address the majority of the department's needs for under \$5,000. Consequently, we do allocate \$10,000 in the Special Projects Fund should Outlook not be a viable solution and it is necessary to purchase more basic software and related equipment.

38. Planned uses for the Opportunity Fund in 2020 include (a) \$32,000 to pay towards the salary and benefits of the Economic Development Coordinator in the Community Development Office; (b) \$15,000 for a contribution to the DeKalb Area Convention & Visitors Bureau; (c) \$2,000 for the Business Incubator program as it phases out; (d) \$25,000 to fund initiatives that emerged during 2017 and 2018 when the County, along with others, funded a process to seek a Community Economic Development Strategy (CEDS) certification; (e) \$47,000 for the Sheriff's Body Camera project; (f) \$386,000 as the County's contribution to work on Peace Road between Highway 38 and I-88 per the terms of an IGA with the City of DeKalb related to sales tax sharing on the County Farm property; (g) \$27,000 in rent for Suite F of the Community Outreach Building; and (h) \$1,680,000 for the build-out of the Courthouse shell space if the County Board separately approves that project. The total expense budget for the Opportunity Fund for uses listed above is \$2,214,000.

## Alternatives & Appeal Process (Items #43 - #44)

- Appeals Due Friday, September 25<sup>th</sup>



DEKALB COUNTY GOVERNMENT  
 FY 2021 BUDGET  
 Appeal of Administrative Recommendation  
 (To be Used by County Board Members, Department Heads, Outside Agencies)

Name of Person Submitting Appeal: \_\_\_\_\_  
 If Applicable, Appeal pertains to which Department: \_\_\_\_\_

Instructions  
 County Board Members, Department Heads, and Outside Agencies should use this form as a method to formally appeal a component of the Administrative Recommendation of the FY 2021 Budget as presented with this appeal. This form will be referred to the appropriate Committee, if the Committee concurs 2020. **Please use one form per item being appealed.**

1. Item Appealed  
 \_\_\_\_\_

2. Total Budget Dollars Under Appeal: \$ \_\_\_\_\_

3. What are your specific appeal requests?  
 \_\_\_\_\_

4. Why do you suggest additional funding sources from or use should be savings be used?  
 \_\_\_\_\_

PLEASE RETURN TO THE FINANCE OFFICE (E-MAIL: [budget@dekalbcounty.org](mailto:budget@dekalbcounty.org))  
 BY FRIDAY, SEPTEMBER 25, 2020  
 — SOONER IF POSSIBLE —