

DEKALB COUNTY GOVERNMENT

NARRATIVE FOR PROPOSED FY 2004 BUDGET

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1. The departmental requests are accepted as presented in the FY 2004 Budget Workbook and distributed to the County Board, with the highlights and exceptions as noted in the following paragraphs and on the attached schedules A through D.
2. The Equalized Assessed Value (EAV) for the County is expected to increase by 7.6% overall, to \$1,480,000,000. This includes about \$42,000,000 (3.1%) in new construction. The average homeowner in the County will see an increase in assessed value of 4.5%. This would take the market value of a \$150,000 home to \$156,750. Using those changes in market value, the county property taxes for that property are expected to increase from \$433.43 in 2003 to \$443.46 in 2004. That is an increase of \$10.03 or 2.3%. If the assessment on that home did not increase, the county property taxes would actually be expected to decrease to \$424.36, a drop of \$9.07 or 2.1%.
3. The property tax increases called for in this budget fully comply with the "Tax Cap" (officially called the Property Tax Extension Limitation Law, or informally called, P-TELL) approved by the voters in April, 1999. It was first effective for DeKalb County with the 2000 Tax Year which was Fiscal Year 2001. The limiting factors for the law in FY2004 is a cost-of-living-adjustment (COLA) rate of 2.4%, plus new construction, currently estimated at 3.1%, for a total of 5.5%. No referendums were approved to increase the limiting factor for this year. This budget maximizes the tax levy within this limiting factor, which can be seen on Attachment A (Property Tax Levy Schedule) under Column I, "Adopted Legal Notice Publication".
4. The Health Department has proposed several fee increases as part of their annual review to match costs with fees and are recommended for approval. Their budget request includes increases for dog licenses, restaurant permits, well permits, and septic permits and licenses all of which will generate approximately \$14,000 in additional revenues.
5. State law has been amended to allow for higher filing fees in the courts. This budget proposes increasing several of those fees and they are specifically outlined on Attachment D of this budget recommendation. It is anticipated that these fee increases will generate an additional \$315,000 of revenue for the general fund.

6. Two other fees increases are recommended for funds outside the General Fund. The Court Security fee is recommended to be raised from \$15 to \$25 per case to help cover the increasing costs of providing security in the Courthouse. A fee study is recommended to determine the appropriate level that should be charged per recorded document for continuing to provide an up-to-date and feature-enhanced Geographic Information System (GIS) that is available to the public.
7. This budget provides for a continuation of the pay plan in effect for non-union employees. Employees will receive a 2.4% Cost-of-Living-Adjustment (COLA) effective with the pay period beginning November 30, 2003. In addition, employees who have a hire date prior to December 1, 2003 are eligible for a mid-year merit increase of up to 2%, effective with the pay period beginning May 30, 2004. The salary ranges will increase 2.4%, reflective of the tax cap COLA adjustment. The Executive Committee has set the Exempt employee merit increase at 2% with the pay period beginning November 30, 2003. There are no union contracts which are open for the FY 2004 fiscal year.
8. With the start of the 2003 calendar year, the employee health insurance program was converted from a self-insured plan to a traditional indemnity program through Blue Cross Blue Shield of Illinois. While renewal rates from Blue Cross for 2004 will not be known until closer to the renewal date, this budget anticipates continuing with the same company under the same program structure. A 15% premium increase has been projected into the budget. Once again, an Open Enrollment is authorized for the new plan year. The Insurance Buyout Program for employees is continued with the buyout amount remaining at \$1,200.
9. With the closeout of the self-insured health insurance program, a negative balance exists within that fund of approximately \$1,000,000. A special assessment is being placed on each non-general fund department of \$2,000 for each employee on insurance as of December 31, 2002. This assessment can be paid over a two year period and will generate about \$350,000. The balance of the deficit will be paid by the County's general fund.
10. As of January 1, 2004, term Life Insurance coverage for employees is raised to \$38,000, up from \$37,000, with no change anticipated in the rate paid per thousand dollars of coverage.
11. The Facility Manager has requested the addition of a Maintenance II position (AL10B) at a projected total cost of \$39,000. Noting the expansion on the Sycamore campus as well as the demands to maintain the Health Department, this request is approved as of January 5, 2004.

12. The State's Attorney has requested the addition of a half-time (17.50 hours per week) Legal Secretary. This request is approved as of January 5, 2004. The approval of this position provides the opportunity to begin to note that space for staff is once again becoming an issue for this office and as the legal staff needs to grow in future years, this issue will need to be addressed.
13. The Sheriff has requested the addition of one full-time Secretary B position at a cost of \$34,000 to address the ever increasing backlog of work. It is noted that the FY2003 budget contained monies to seek out experimental solutions which could help bring the workload backlog more current, though as of this writing those monies have yet to be utilized. In that light, but also recognizing the general increase in workload, a half-time (20 hours per week) Secretary B position is approved as of January 5, 2004.
14. The Sheriff has also requested the addition of a half-time Evidence Control Officer at a cost of almost \$20,000 per year. The Sheriff's background material presents this as an innovative approach to separate out the highly technical tasks detectives are required to perform from their more administrative and clerical type responsibilities, giving those later responsibilities to a support staff. This should also help with the efficient use of our limited storage space and the timely disposition of evidence. The request is approved at up to 20 hours per week, but to help pay this cost, the Court Security Fund will now be assessed a "charge-back" of \$20,000 to recognize the administrative and overhead costs that are a part of the cost of providing court security.
15. The Information Management Office (IMO) has requested the addition of a full-time Assistant Network Technician at a cost of \$38,000 per year. The salary range is approved at \$16 to \$24 per hour, about 15% below the range for Network Technicians. Noting the ever expanding demands on our computer network that includes hours of coverage, number of users, and types of systems to support, this request is approved as of January 5, 2004. The position is approved as an entry level position thereby addressing the myriad of less technical tasks requested of IMO and utilizing the time and talents and experience of the higher level positions to maintain focus on the more complex problems that may otherwise get farmed out to consultants and private firms.

16. The shared position between the Finance Office and the Information Management Office of Finance Secretary / Trainer is being separated and redefined. The personal internal training is not being heavily utilized by departments so it seems that developing a self-teaching training manual and reference book would be the most efficient way of acclimating employees to the software and equipment we use system-wide. At the same time, the desire to expand the County's Internet site and make more information and business accessible to the public is ever increasing. Therefore, this budget re-directs the training efforts to expanding our web presence by transferring the hours and benefits to the Finance budget. This change will have no dollar impact on pay.
17. The Treasurer's Office has requested the upgrade of the Accounting Clerk B to that of Accounting Clerk A at the AC7A level at a cost of \$2,300. Agreeing with the justification that this position's responsibilities are similar to other accounting positions throughout the county which are classified at that higher level, this request is approved effective with the first pay period after the start of the fiscal year.
18. The Public Defender has requested to increase the salary of the Administrative Secretary that has a total cost of almost \$4,000. We believe this position, without a change in responsibilities, is paid at a level that is consistent internally and externally with market conditions for both hiring and retention and therefore this request is denied.
19. The Public Defender has requested to upgrade the position of one of the two Attorney Level I slots to Attorney Level II at a cost of \$9,000. Noting that the County made changes to the staffing configuration just this year based on the request of the Public Defender, the request is denied in the hopes that a more long-term staffing solution can be mapped out rather than annual changes.
20. The Highway Department has requested that an existing Highway Maintainer position be changed to a Traffic Control Technician II position. This change, at a cost of \$1,200, would then have two individuals assigned to traffic control responsibilities which is reflective of the existing workload. This request is approved as of the start of the first full pay period after the start of the fiscal year.

21. There are several miscellaneous salaries that the County sets for various appointed Boards and employees: the part-time ESDA employee remains at \$2,600; the allocation for part-time Coroners increases from an aggregate of \$28,000 to \$30,000; Conflict Attorneys from \$16,500 to \$17,000 per individual; ESDA Director from \$28,500 to \$30,000; the County Historian remains at \$6,500; the Board of Review is increased from \$7,250 to \$7,500; the per diem for the Merit Commission is increased from \$50 to \$60; Jury Commissioners remain at \$2,500 per individual; the Farmland Assessment Review Board per diem remains at \$45.
22. The Court Appointed Special Advocates (CASA) agency requests \$25,000 in annual funding. The main use of this money will be for the training of volunteers to serve as advocates for abused and neglected children. This request is approved and is available to CASA during their 2004 fiscal year.
23. This budget continues with the County's policy to self-insure the risk normally covered under General Liability Insurance and Worker's Compensation Insurance. Provisions are made within the Tort & Liability Insurance Fund to cover potential claims against the County. The County will continue to purchase Property insurance to cover risks associated with damage to County property.
24. Retirement costs (FICA and IMRF) and Health Insurance costs generated by departments are being charged to those departments in FY2004. This is part of the financial reporting change required by GASB 34. Only the General Fund will be provided revenues by the Retirement Fund tax levy to offset those charges. The Health Department will receive a \$225,000 allocation from the General Fund to help offset the cost of these charges for their non-home health employees, but that is \$15,000 less than they requested. The Highway Department will receive \$160,000 towards their building debt from the Debt Service Fund as a way of helping with the FICA/IMRF charges they incur while they are still working on retiring their building debt through annual payments of \$260,000.
25. Funding is continued and maintained at FY 2003 levels for several entities: Economic Development Corporation at \$35,000; Ag Extension at \$22,000; and the Soil & Water Conservation District at \$15,000. The Joiner History Room is increased from \$6,500 to \$7,000 annually. Funding is not provided for the Law Library from the General Fund as it is anticipated that fees directed to the Law Library will be sufficient to cover all expenses.

26. Reductions are made to several departmental capital requests: Assessments (\$2,000), Public Defender (\$3,000), State's Attorney (\$4,000), Sheriff's Office (\$18,000), Sheriff's Communications (\$7,000), and Central Plant (\$3,000). It should be noted that \$16,000 of the Sheriff's request is picked up by the Special Projects fund with the implementation of the digital camera and recording system for the squad cars.
27. The Sheriff has requested an additional \$83,000 in overtime costs. That request is denied except for \$10,000 to the Correction's division. With the jail population anticipated to continue at very high levels, additional staff time will be needed to handle this challenge.
28. In light of the Sheriff's request for overtime hours, noting the hours that have been used in prior years that exceed budgeted hours, and keeping in mind the recently settled union contract change that will pay officers for all accumulated time-off hours in excess of 600 hours, a very large challenge exists as to how best meet the demands for service on the Sheriff's Office while staying within the budget parameters that are adopted by the County Board. Consequently, a salary incentive program is established for the Sheriff's five member administrative team of the Chief Deputy and the four Lieutenants. The incentive will grant the Sheriff the authority to allocate rewards (which do not add to the base salary) from a pool equal to 5% of the administrative team's base wage, if the budget parameters are met in the various divisions of the Sheriff's Office. The specifics are left to the Sheriff's discretion, but the benchmarks to attain must be worked out by the Sheriff, County Administrator, and Deputy County Administrator.
29. The purchasing policy is amended to reflect the most recent changes in State law. Specifically, the minimum amount required for competitive bids is increased from \$10,000 to \$20,000. That being said, the purchasing policy directive to County employees for being a "wise shopper" to attain the best value for procuring goods and services is re-emphasized.
30. This budget continues with the Five Year Renewal & Replacement Program for both the Sycamore Campus and the Health Facility in cooperation with the Public Building Commission. Funding for the Sycamore Campus is provided by the County at \$150,000 plus interest earned by the PBC, estimated at about \$75,000. Funding for the Health Facility is provided by the County at \$100,000. The complete five year program is included in the Budget Workbook.

31. Funding of \$100,000 is allocated to the Five Year Special Projects Program, but this is a substantially reduced amount from prior years. The reduction is attributable to the other demands on the General Fund, mostly notably the loan write-off to the Medical Insurance Fund. The total appropriation for this fund is outlined in the five year plan which is included in the updated Budget Workbook.
32. The City of DeKalb is faced with a debt of slightly more than \$2,000,000 to the Illinois Toll Highway Authority. This obligation was incurred when an agreement to upgrade the Peace Road exit was tied to future toll volumes at that interchange. The collapse of the regional mall project made it impossible to achieve the volumes previously envisioned. The City seeks assistance from the County in meeting this obligation. The City of DeKalb has recently enacted a ½ cent increase in its home rule sales tax rate, to begin January 1, 2004. This increase would automatically increase County revenues under existing agreements at both the DeKalb County Center and DeKalb Market Square. The upgraded Peace Road interchange has regional impact benefitting an area substantially larger than the City of DeKalb. Based on that fact and the strong history of cooperation between the DeKalb County Board and the DeKalb City Council we recommend that for a ten year period beginning January 1, 2004 and ending December 31, 2013 that 50% of the increased revenue received by the County as the result of an increase in home rule sales tax adopted by the DeKalb City Council in 2003, less the annual obligation to the City under Section VIII B of the Intergovernmental Agreement of June 29, 1999, be pledged by the County to repay the debt to the Illinois Toll Highway Authority up to a total of \$1,000,000.
33. At the end of the FY 2004 fiscal year, the loan by the County to the Forest Preserve District of \$323,750 for the acquisition of Potawatomi Woods becomes due and payable. As the Forest Preserve has not yet been able to identify a funding mechanism for this debt, and not wanting to impact the current operating budget of the Forest Preserve, this loan is extended, interest free, for two years, until November 30, 2006.
34. The request by the County Clerk to purchase new voting machines (at an estimated cost of \$225,000) which can scan and count a ballot, which was cast by filling in circles with a pencil, is denied. Currently these machines are leased by the County and it is felt that leasing will provide the County with the most flexibility in the short-term as Federal laws and grants may provide direction and financing as voting machines, nationwide, are under review. However, the County Clerk's note that this large expense looms in the future should be remembered.