

PUBLIC SAFETY SALES TAX SUMMARY

Fund 106-000

The voters of Champaign County approved, by referendum, the establishment of the ¼ Cent Special County Retailers' Occupation Tax for Public Safety, Public Facilities, or Transportation (Public Safety Sales Tax), pursuant to 55 ILCS 5/5-1006.5 on November 3, 1998.

BUDGET HIGHLIGHTS

The state-imposed collection fee on Public Safety Sales Tax revenue effective July 2017, has cost the County \$322,683 since inception through August 2021. The ¼ cent Public Safety Sales Tax is the primary source of revenue for this fund. This sales tax has historically grown at a slower rate than the County's general ¼ cent sales tax. The difference between the two is the Public Safety Sales Tax is not assessed on the sale of any vehicles licensed through the State of Illinois.

Level the Playing Field legislation effective January 2021 (County receipt beginning in April) has significantly increased revenue. While March 2020 through March 2021 distributions reflected reduced revenue over the year-ago periods, April through August of the current year have reflected strong returns. Projecting the economic impact of the ongoing pandemic and the influence of legislation on revenues was challenging. A significant budget surplus is expected in FY2021, with growth of 2.25% budgeted in FY2022.

The following summarizes expenditure highlights for FY2022:

Debt Service

- Forty-three percent, \$2.45 million, of public safety sales tax revenue is budgeted for debt service on bonds issued for the construction of the Courthouse and Juvenile Detention Center.

Justice Technology

- Partial funding for software maintenance for the Courts Technology system (JANO), is paid from this fund. In FY2022 the County budgeted to conduct a study of its Justice System to plan for potential replacement.

Delinquency Prevention

- Five percent of projected FY2021 revenue is designated for delinquency prevention grant funding in FY2022, \$278,750.

County Board

- Funding for the Re-Entry Program is appropriated at \$100,000. The current contract with Rosecrance for Re-Entry programming is through December 2021.
- A transfer to General Corporate Fund budgets, \$104,719 for the salary and health insurance cost of one lieutenant dedicated to Classification System oversight and development in the Jail.
- Payment of annual fees on the debt service covered by the Public Safety Sales Tax Fund, \$1,500.
- A transfer of \$800,000 to the General Corporate Fund to offset the utilities and minor maintenance costs of public safety buildings.
- A transfer to the Sheriff's Corrections budget for \$977,433 for housing inmates out of County.

- A transfer to the Capital Asset Replacement Fund (CARF) for the technology needs of criminal justice system offices, \$884,109.

FINANCIAL

Fund 106 Summary			2020	2021	2021	2022
			Actual	Original	Projected	Budget
318	9	PUB SAFETY 1/4% SALES TAX PROPERTY TAXES	\$4,430,610 \$4,430,610	\$4,648,439 \$4,648,439	\$5,575,000 \$5,575,000	\$5,700,000 \$5,700,000
335	60	STATE REIMBURSEMENT FEDERAL, STATE & LOCAL SHARED REVENUE	\$21,018 \$21,018	\$0 \$0	\$0 \$0	\$0 \$0
361	10	INVESTMENT INTEREST	\$7,718	\$15,000	\$2,000	\$2,000
369	90	OTHER MISC. REVENUE MISCELLANEOUS	\$122 \$7,840	\$0 \$15,000	\$0 \$2,000	\$0 \$2,000
REVENUE TOTALS			\$4,459,468	\$4,663,439	\$5,577,000	\$5,702,000
533	7	PROFESSIONAL SERVICES	\$0	\$0	\$0	\$80,000
533	42	EQUIPMENT MAINTENANCE	\$25,644	\$40,000	\$26,413	\$27,206
533	92	CONTRIBUTIONS & GRANTS SERVICES	\$342,500 \$368,144	\$342,500 \$382,500	\$342,500 \$368,913	\$378,750 \$485,956
571	14	TO CAPITAL IMPRV FUND 105	\$675,946	\$240,437	\$240,437	\$884,109
571	80	TO GENERAL CORP FUND 080 INTERFUND EXPENDITURE	\$1,516,460 \$2,192,406	\$1,633,123 \$1,873,560	\$1,633,123 \$1,873,560	\$1,882,152 \$2,766,261
581	1	GEN OBLIG BOND PRINCIPAL	\$1,510,000	\$1,650,000	\$1,650,000	\$1,805,000
582	2	INT & FEES-GEN OBLIG BONDS DEBT	\$857,141 \$2,367,141	\$756,861 \$2,406,861	\$756,311 \$2,406,311	\$644,783 \$2,449,783
EXPENDITURE TOTALS			\$4,927,691	\$4,662,921	\$4,648,784	\$5,702,000

FUND BALANCE

FY2020 Actual	FY2021 Projected	FY2022 Budgeted
\$2,107,190	\$3,035,406	\$3,035,406

Due to bond covenants for debt financing paid from the Public Safety Sales Tax Fund, appropriation for the current fiscal year must be 1.25 times the debt service. In conjunction with the budgeted sales tax revenues, the fund balance reserve for debt service in FY2022 is \$612,071. The minimum fund balance recommendation is \$1 million plus the reserve required by the bond covenants, which is \$1.6 million in FY2022. Fund balance increases in fiscal year 2021 is attributed to the growth in Public Safety Sales Tax receipts due to the Level the Playing Field legislation.

Included in the fund balance is a set-aside of unspent revenue from previous fiscal years, from Public Safety Sales Tax Fund for Delinquency Prevention Grants of \$46,509. At the beginning of FY2021, the balance decreased by \$20,970 based on the 5% allocation of FY2020 revenues, which declined due to the pandemic. The Board directed use of the set-aside to maintain the level of funding. The balance will remain in the Public Safety Sales Tax Fund balance until it is appropriated for requested one-time expenditures for the delinquency prevention grant funded programs. Funds are committed to the ongoing development of the Juvenile Assessment Center.