



**DUPAGE
COUNTY**

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District 5
James Healy
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Kevin Wiley
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DANIEL J. CRONIN
County Board Chairman

630-407-6060
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December 1, 2016

Dear DuPage County Taxpayers and County Board Members:

I hereby present my recommended FY2017 budget as passed November 22, 2016 and effective December 1, 2016. The FY2017 budget for County operations, capital improvements and debt service totals \$433.8 million, which is \$10.6 million under the original FY2016 budget of \$444.4 million. FY2017 marks another step in the County's effort to continuously reduce budget and expenditures, without sacrificing the quality of services we provide. Working with a County Board of like mindset, budgets have consistently been reduced, and FY2017 is \$43.9 million less than FY2011, which was a \$477.7 million budget during my first year in office. (Historic figures adjusted for gross debt service transfers.)

On November 22, the County Board also approved a \$52.3 million budget for the County's Board of Health and a \$22.3 million budget for the County Emergency Telephone Systems Board. These programs are operated by separate boards.

A major element of our approach to maximize cost effectiveness has been to reduce full-time headcount wherever feasible and warranted. In FY2012, the County Board transferred day-to-day operations of the County Youth Home to Kane County, reducing full-time headcount by 25 and saving \$1.3 million on an annual basis. In FY2013, the County Board outsourced most of its campus security functions, further reducing headcount by another 10 positions. Streamlining operations has resulted in the reduction of 19 positions in the Sheriff's Office, 16 in the Clerk of the Circuit Court and 9 positions in the States Attorney's Office since FY2011. FY2017 full-time budgeted headcount will total 2,210, compared to 2,270 when I took office. FY2017 General Fund headcount will decrease by 4. In strategic terms, controlling personnel expenditures – the largest single area of cost – has been a County priority for the last decade. In addition, personnel policy changes to control the cost of benefits enacted at the end of 2011 have stabilized employee benefit payouts and compensated absence accruals.

The budget operates within natural revenue growth expectations. There is no property tax increase, as the total extension will remain at \$66.9 million. Due to growth in the equalized assessed valuation, the county tax rate will decline. The primary growth component is sales tax revenue, which has slowed in 2016 and is expected to increase 1.25% in FY2017. Other revenues are mixed. The General Fund budget of \$177.0 million is balanced solely by anticipated revenue during FY2017, and is at FY2015 actual revenues. The General Fund is the County's chief operating fund, covering most personnel and program operations.

The FY2017 budget maintains current services for major government functions and maintains several initiatives to improve operations. These initiatives include continued spending on heroin prevention, and continued spending to maintain our campus facilities. County grants to human service agencies are maintained at \$1 million. Contracts with community organizations such as the Naperville Hazardous Waste recycling program, the Convention and Visitors Bureau,

the SCARCE environmental education program, the Northern Illinois Food Bank, and the U. of I. Extension program are generally maintained at FY2016 levels.

The FY2017 budget is generally a maintenance budget that reflects continued restraint in spending and costs. However, we are not without challenges. The resolution of the State of Illinois budget is still the biggest uncertainty. We will also continue to monitor state and federal legislation that could adversely impact local revenues and/or drive up local costs.

Nationally, the economic recovery from the Great Recession began in 2009 and is now seven years underway. In October 2016, the DuPage County unemployment rate stood at a not seasonally adjusted 4.7%, compared to a seasonally adjusted October rate of 5.6% for Illinois and 4.9% for the nation. Our outlooks remain cautious and we must continue to look for innovative, cost-efficient approaches of service delivery to the citizens of DuPage County.

I welcome any input and look forward to hearing from our residents in the coming year.

Respectfully,

A handwritten signature in black ink, appearing to read "Dan Cronin". The signature is fluid and cursive, with the first name "Dan" and last name "Cronin" clearly distinguishable.

Daniel J. Cronin

DuPage County Board Chairman