

Cook County, Illinois
Management's Discussion and Analysis
Year Ended November 30, 2018, continued

As of November 30, 2018, the County's governmental funds reported a combined fund balance of \$606.5 million, an increase of \$137.8 million (29.4%) in comparison with the prior fiscal year fund balance of \$468.7 million. Of the current fiscal year total, \$279.9 million is restricted, \$15.2 million is committed, \$57.7 million is assigned and \$253.8 million is unassigned.

Revenues from all governmental funds for the current year were \$2,645.3 million which represented a decrease of \$43.2 million (1.6%) from the previous year of \$2,688.5 million. Expenditures for all governmental funds in the current year were \$2,631.2 million representing a decrease of \$13.8 million (0.5%) from the previous year of \$2,644.9 million.

The General Fund is the County's principal operating fund and is primarily used to account for its governmental activities. The General Fund had a total fund balance of \$352.8 million at November 30, 2018, which represented an increase of \$87.4 million (32.9%), as compared to \$265.4 million at the beginning of the fiscal year. Of the current fiscal year total, \$57.7 million is assigned and \$295.1 million is unassigned. General Fund revenues during the current year were \$1,834.7 million, which represented a decrease of \$54.9 million (2.9%) from the previous fiscal year of \$1,889.6 million.

The following items explain significant changes in General Fund revenues and expenditures:

- Property tax revenues decreased by \$35.7 million (17.8%) compared to FY 2017 primarily due to the allocation of property taxes levied in 2017 to other funds.
- Revenues from non-property taxes decreased by \$3.5 million compared to FY 2017, due to increases in Sales Tax, County Use Tax, and Hotel Tax, which were off-set by decreases in Cigarette Tax, Amusement Tax, Non-Retailer Transaction Use Tax, and Other Non-property Taxes. The overall decrease was mainly due to a decrease in the sweetened beverage tax. The County assessed a sweetened beverage tax which went into effect August 2017 and was repealed effective December 1, 2017. Non-property taxes are for the most part taxes imposed by the County under the Home Rule authority granted by the 1970 Illinois Constitution.
- Revenues from fee offices decreased by \$12.7 million (5.7%) compared to FY 2017. These decreases were primarily due to a decrease in the County Treasurer's penalty on taxes due to the accelerated timing of the annual tax sale.
- Revenues from the State of Illinois increased by \$7.4 million due to more timely payments primarily in Grant Funded Appropriations.
- Miscellaneous Revenues decreased by \$14.5 million mainly due to \$17.2 million in one-time legal settlement payments in 2017.

The General Fund expenditures for FY 2018 decreased by \$83.4 million (5.0%), primarily due to a planned reduction in personnel costs. A number of positions were eliminated and overtime costs were reduced in conjunction with the County's adopted FY 2018 budget.

The Annuity and Benefit Fund's total expenditures and transfers totaled \$201.3 million, a 2.1% increase from fiscal year 2017. Changes from year to year relate primarily to the timing of property tax collections and the related distribution to the Plan.