

## Fund 408 - Economic Development Income Tax

Fund Type	Economic Development Income Tax					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
<b>Revenue</b>												
Local Income Taxes	9,031,709	9,594,602	10,433,361	5,233,357	10,720,965		11,078,287	11,416,394	11,765,060	12,123,837	287,604	3%
Charges for Services	150,000	150,000	300,000	150,000	150,000		150,000	150,000	150,000	150,000	(150,000)	-50%
Fines, Forfeitures, and Fees	354,660	354,660	354,660	354,660	354,660		354,660	354,660	-	-	-	0%
Interest Earnings	56,631	92,820	128,145	50,914	60,000		50,000	45,000	40,000	35,000	(68,145)	-53%
Other Income	82	3,034	2,702	1,137	-		-	-	-	-	(2,702)	-100%
Transfers In	-	-	735,241	735,240	-		-	-	-	-	(735,241)	-100%
<b>Total Revenue</b>	<b>9,593,082</b>	<b>10,195,116</b>	<b>11,954,109</b>	<b>6,525,308</b>	<b>11,285,625</b>		<b>11,632,947</b>	<b>11,966,054</b>	<b>11,955,060</b>	<b>12,308,837</b>	<b>(668,484)</b>	<b>-6%</b>
<b>Expenditures by Type</b>												
<b>Supplies</b>	-	1,718	83	-	-		-	-	-	-	(83)	-100%
<b>Services &amp; Charges</b>												
Professional Services	12,023	73,451	2,690,641	1,064,544	3,176,506		3,323,781	3,479,420	3,641,741	3,811,078	485,865	18%
Printing & Advertising	10,760	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	14,000	-	-		-	-	-	-	(14,000)	-100%
Repairs & Maintenance	420,782	9,531	28,441	6,167	46,000		47,000	50,000	53,000	55,000	17,559	62%
Debt Service												
Principal	1,365,978	1,041,667	228,334	123,333	215,000		220,000	225,000	225,000	230,000	(13,334)	-6%
Interest & Fees	457,423	229,901	190,226	103,885	171,107		164,732	158,132	151,382	144,557	(19,119)	-10%
Grants & Subsidies	653,286	619,716	816,597	284,563	2,010,416		2,820,000	733,000	738,000	743,000	1,193,819	146%
Transfers Out	6,483,782	6,323,782	6,667,496	3,303,748	5,441,596		6,967,000	7,124,000	6,393,000	6,538,000	(1,225,900)	-18%
Other Services & Charges	482,028	614,610	820,666	188,405	35,000		137,000	140,000	145,000	150,000	(785,666)	-96%
<b>Total Services &amp; Charges</b>	<b>9,886,062</b>	<b>8,912,658</b>	<b>11,456,401</b>	<b>5,074,645</b>	<b>11,095,625</b>		<b>13,679,513</b>	<b>11,909,552</b>	<b>11,347,123</b>	<b>11,671,635</b>	<b>(360,776)</b>	<b>-3%</b>
<b>Capital</b>												
Land	-	-	45,000	2,700	140,000		140,000	140,000	140,000	140,000	95,000	211%
Land Improvements	3,200	-	-	-	50,000		50,000	50,000	50,000	50,000	50,000	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	57,700	57,617	-		-	-	-	-	(57,700)	-100%
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
<b>Total Capital</b>	<b>3,200</b>	<b>-</b>	<b>102,700</b>	<b>60,317</b>	<b>190,000</b>		<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>87,300</b>	<b>85%</b>
<b>Total Expenditures</b>	<b>9,889,262</b>	<b>8,914,376</b>	<b>11,559,184</b>	<b>5,134,962</b>	<b>11,285,625</b>		<b>13,869,513</b>	<b>12,099,552</b>	<b>11,537,123</b>	<b>11,861,635</b>	<b>(273,559)</b>	<b>-2%</b>
<b>Net Surplus / (Deficit)</b>	<b>(296,180)</b>	<b>1,280,740</b>	<b>394,925</b>	<b>1,390,346</b>	<b>-</b>		<b>(2,236,566)</b>	<b>(133,498)</b>	<b>417,937</b>	<b>447,202</b>		
Beginning Cash Balance	10,159,360	9,859,022	11,135,200		11,530,125		11,530,125	9,293,559	9,160,061	9,577,997		
Cash Adjustments	(4,158)	(4,561)	-		-		-	-	-	-		
<b>Ending Cash Balance</b>	<b>9,859,022</b>	<b>11,135,200</b>	<b>11,530,125</b>		<b>11,530,125</b>		<b>9,293,559</b>	<b>9,160,061</b>	<b>9,577,997</b>	<b>10,025,199</b>		
Cash Reserves Target	4,944,631	4,457,188	5,779,592		5,642,813		6,934,757	6,049,776	5,768,562	5,930,818		
											<b>Cash Reserve</b>	50% of Annual expenditures

**Fund Purpose:**

The Economic Development Income Tax (EDIT) Fund receives a 0.4% income tax on wages within St. Joseph County and the City of South Bend receives an allocated share of this revenue. The fund is used to pay for debt service on the 2014 PSAP (Public Safety Answering Point) Bonds and 2015 Parks Bonds, various economic development initiatives, and transfers to the Department of Community Investment, Streets Department, Code Enforcement/Animal Control Department and the consolidated county-wide 911 call center.

**Explain Significant Revenue and Expenditure Changes/Variations Below:**

In 2018 and 2019, the fund includes \$2.0 million dollars in funding for neighborhood strategy implementation and small business development. In order to maintain adequate cash reserves in this fund, this funding is not included beyond 2019. The contribution to consolidated county 911 center is estimated to increase by 20% during 2018 as a placeholder amount and will be adjusted to actual after the county budget is finalized. Beginning in 2021, transfers to the Department of Community Investment, Street Department and Code Enforcement/Animal Control were reduced by approximately 12% to maintain adequate reserves in the fund. The EDIT Fund is a source of bonding capacity for the City and efforts are made to keep significant reserves in order to receive a higher credit rating and lower interest rates. The final payment of the TJX job penalty amount of \$354,660 will be received in 2020. The job penalty fines were assessed because the company A.J. Wright violated its development agreement with the city, under which it benefited from a taxpayer-funded incentive package worth more than \$10 million. TJX, the parent company of A.J. Wright, has been paying the job penalty fines since 2011.

**St. Joseph County Public Safety Communications Center**

Indiana State law allows counties to have no more than two 911 dispatch centers by December 31, 2014.

St. Joseph County, the City of South Bend, and the City of Mishawaka consolidated 911 dispatch centers throughout the county into one.

The PSAP center opened in January 2017.

Much of the center's cost is covered by \$9 million in property tax-financed bonds that will be paid back by the County, Mishawaka and South Bend.

