



IRFC

Approval of Recommendations

August 24, 2023



Roll Call

Opening Remarks

Approval of the Minutes

Agenda

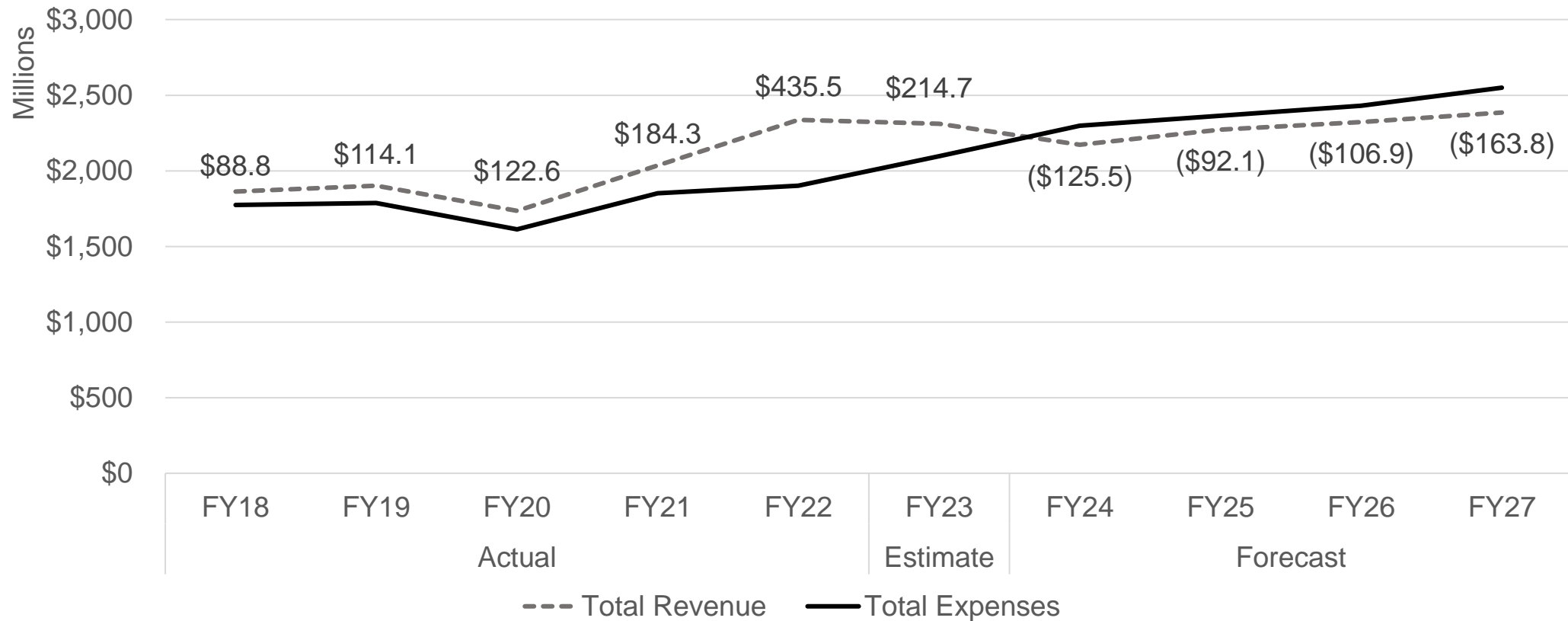
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Long-term forecast



General Fund Net Surplus/(Deficit) Projection

updated with estimated impacts of extended CBAs and ARPA programs after 2026

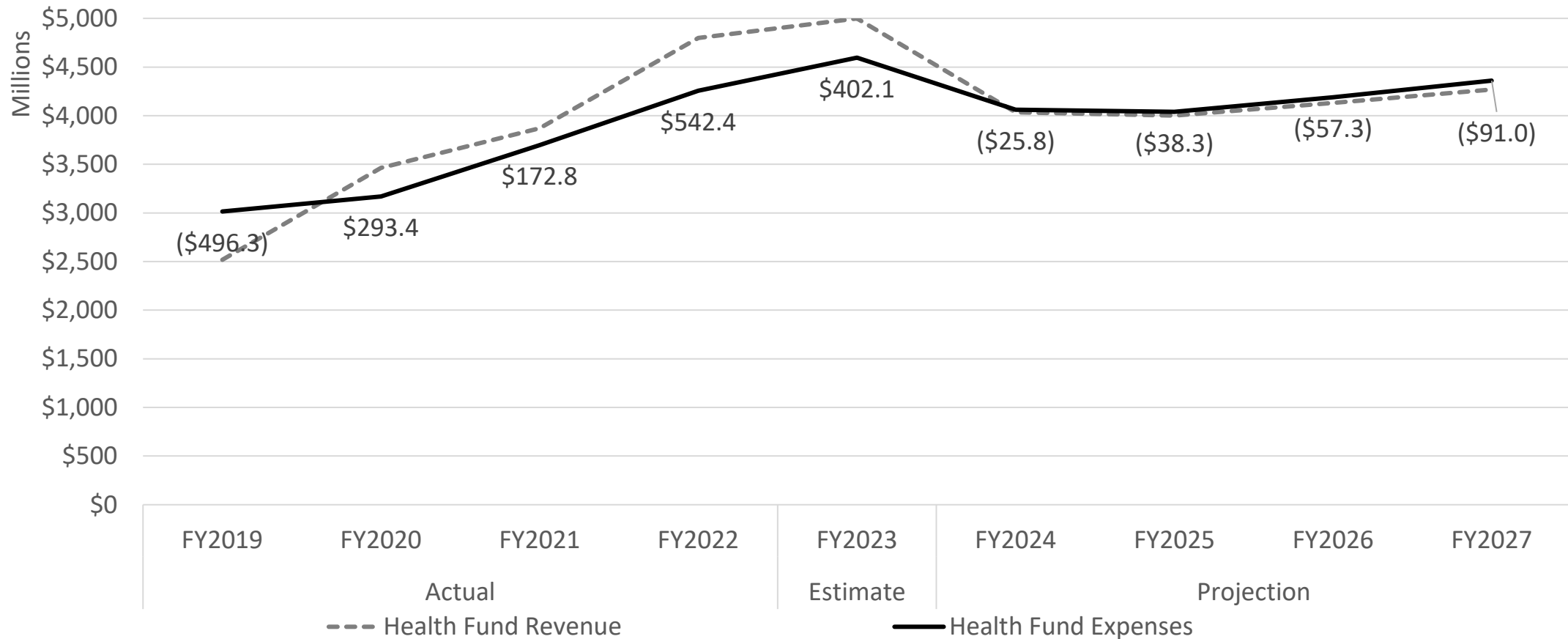


- The amounts displayed along the lines in the chart represent the net operating surplus or (deficit) corresponding to the fiscal year when considering the total revenue against total expenses
- The above chart includes revenues and expenses in the Transportation Fund



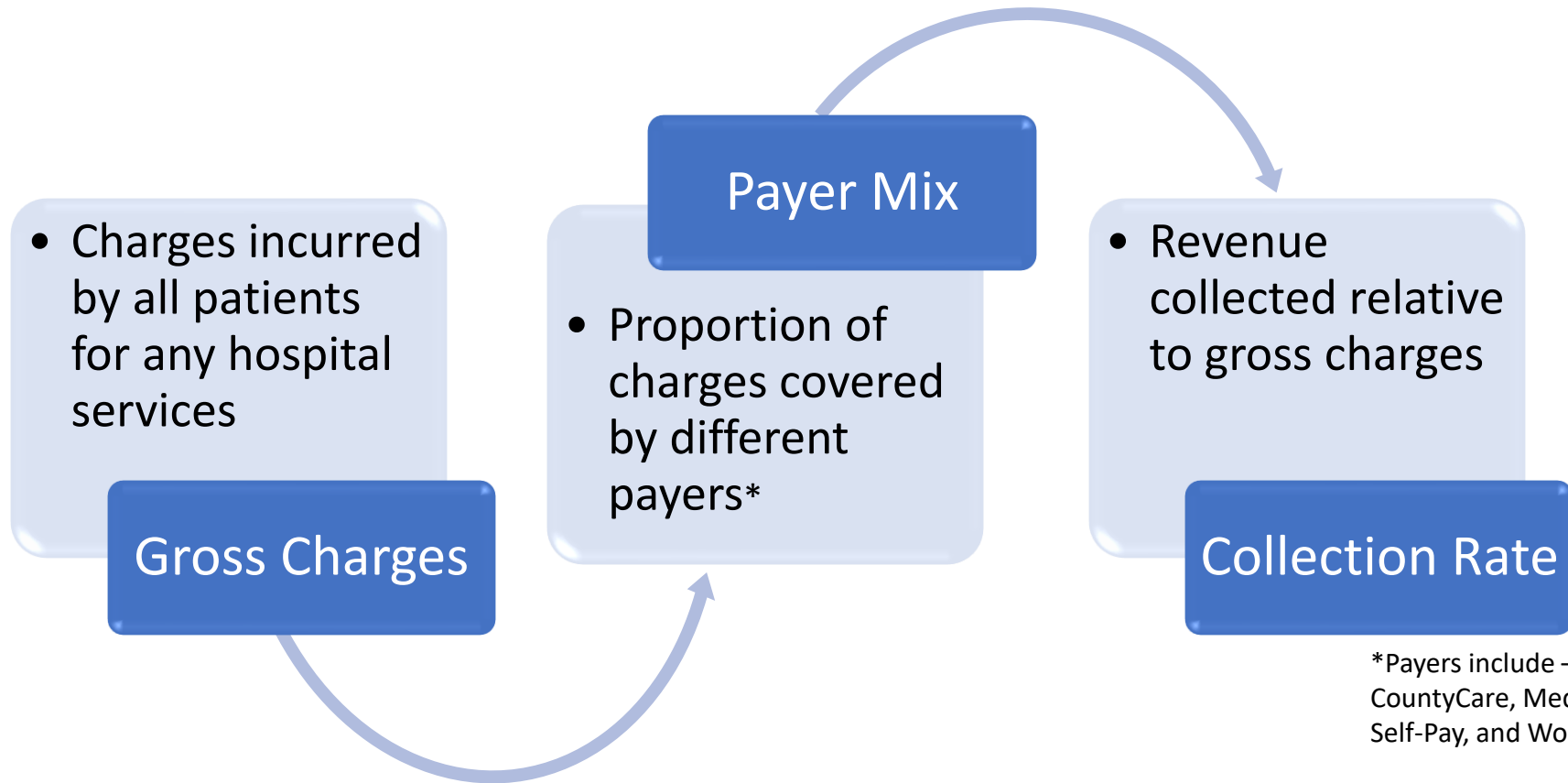
Health Fund Net Surplus/(Deficit)

updated with estimated impacts of extended CBAs and ARPA programs after 2026



- The amounts displayed along the lines in the chart represent the net operating surplus or (deficit) corresponding to the fiscal year
- FY2024 through FY2027 include domestic claims elimination

Health Fund: Modeling Forecasting Assumptions

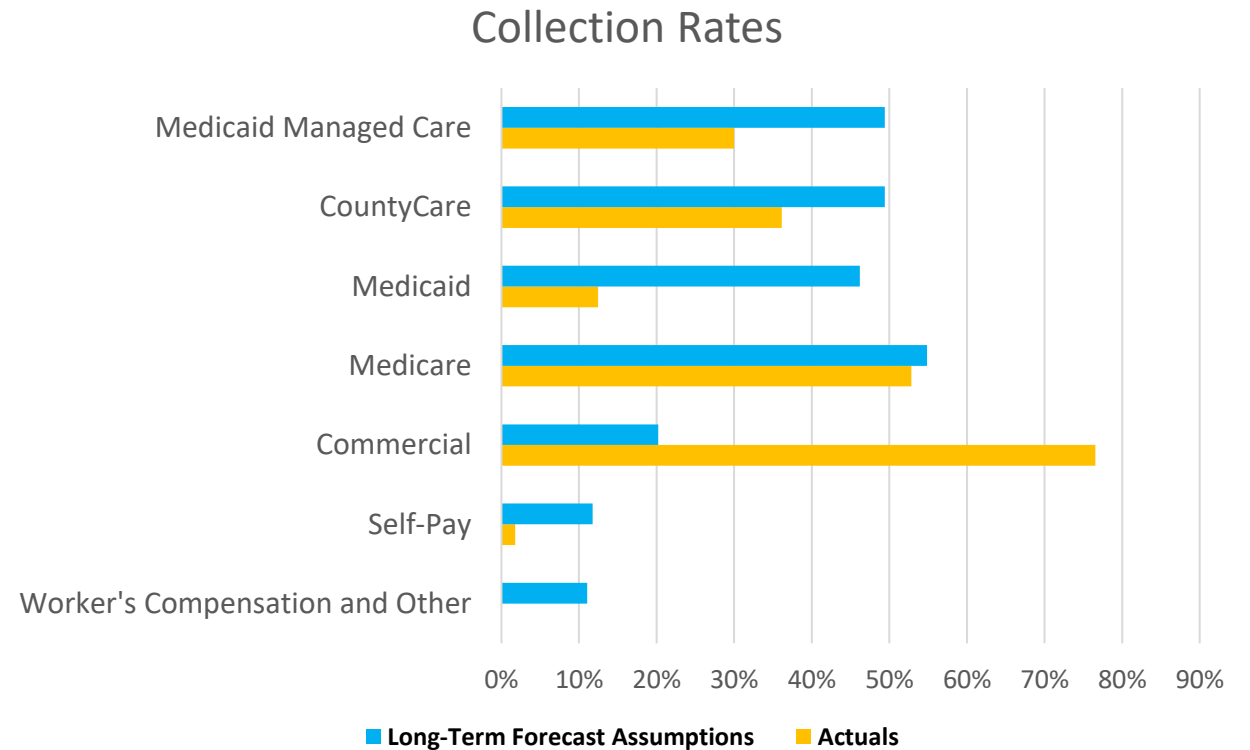
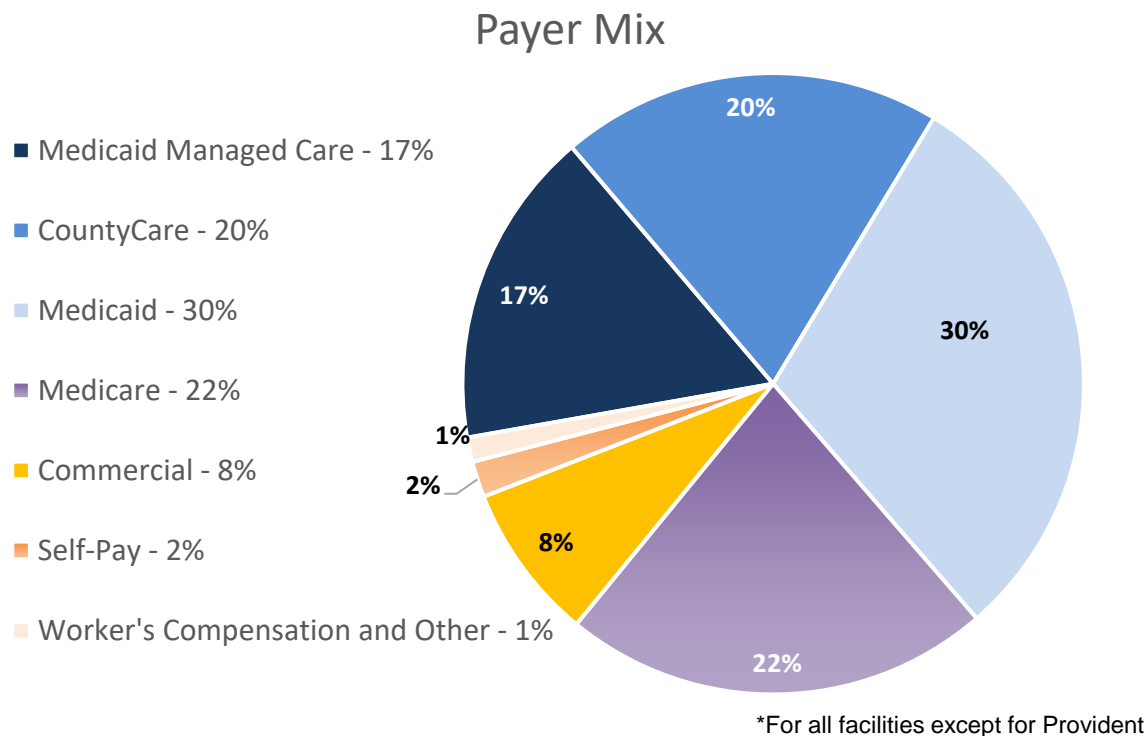


*Payers include – Medicaid Managed Care, CountyCare, Medicaid, Medicare, Commercial, Self-Pay, and Worker’s Compensation/Other.

Model created to validate the long-term forecast payer mix and collection rate assumptions for Net Patient Service Revenue.

Health Fund: Modeling Forecasting Assumptions

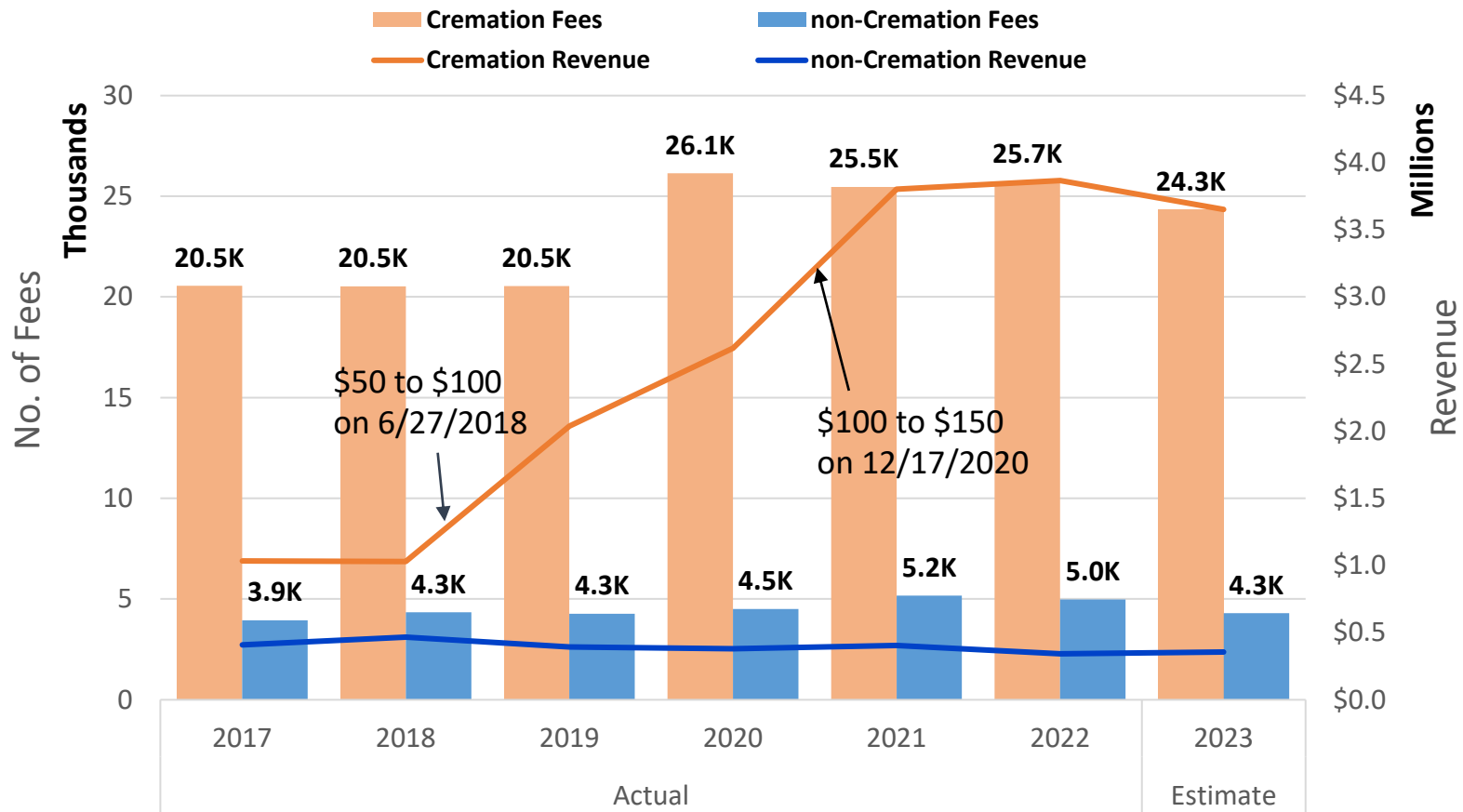
Collection rate for commercial payers is higher than assumed, we will monitor this to see if it a continuing trend for FY2023



- Date Range: Gross Charges – October 2022 through April 2023; Actual Revenues – December 2022 through June 2023.
- Gross Charges from CCH income data were compared to actual revenues received two-months later to account for processing.
- This model is very preliminary, represents a partial year, and will be continually updated.

Fee analysis

Medical Examiner's Office



Source: Medical Examiner's Office

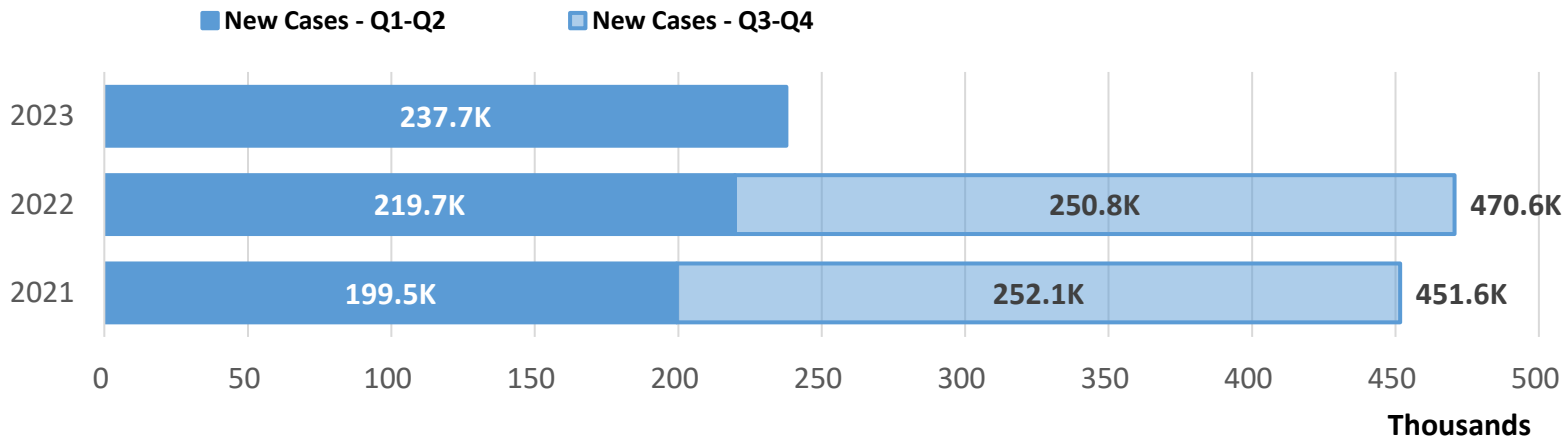
- Cremation Permits increased from \$50 to \$100 on 6/27/2018.
- Cremation Permits increased from \$100 to \$150 on 12/17/2020.

Annual Revenue (est.) FY 2023	Percent of Total GF Revenue
\$4.0 million	0.2%

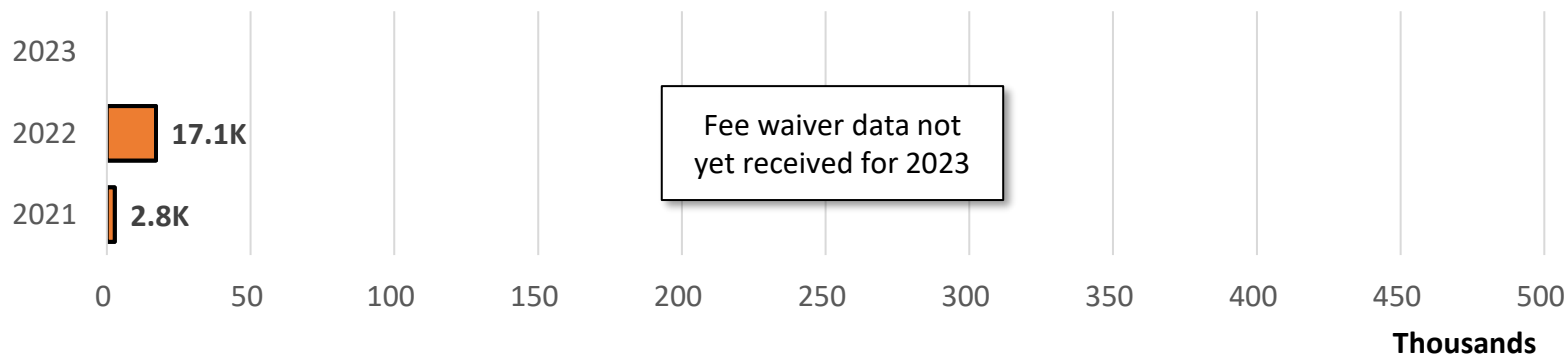
Data received	Monthly (2017 – YTD 2023)
Fee driver(s)	Cremation permits
Forecast implementation	Monitor and forecast cremation permits in conjunction with MEO staff

Clerk of the Circuit Court

Overview of New Cases



Fees Waived on New Cases



- Along with economic conditions, an increase in fee waivers contributed to lower revenues in FY22.
- Fee waivers on New Cases increased from 2,756 in FY21 to 17,072 in FY22.

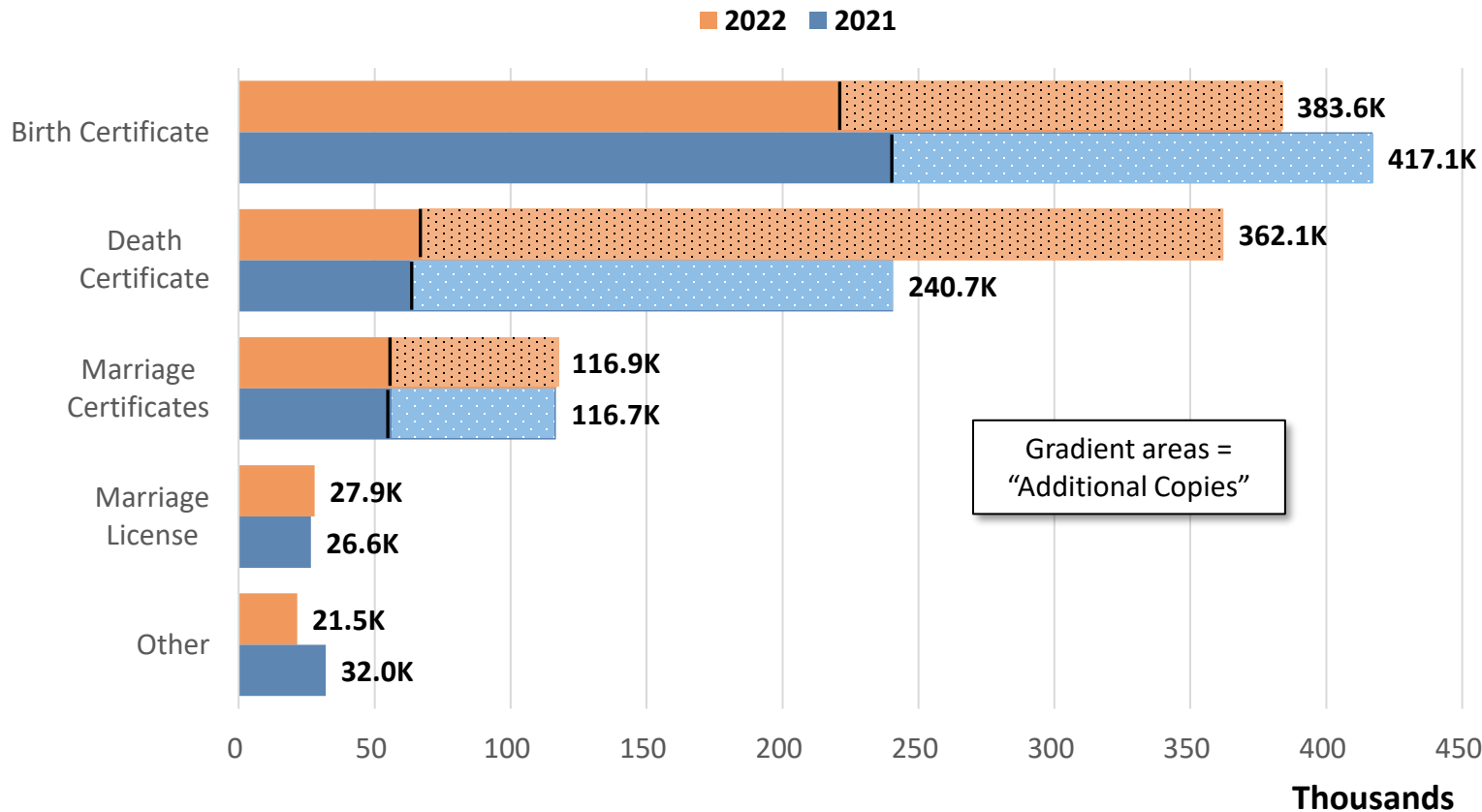
Annual Revenue (est.) FY 2023	Percent of Total GF Revenue
\$59.7 million	2.9%

Data received	Annual (2021, 2022)
Fee driver(s)	E-Filings; New Cases; Fee Waivers related to New Cases
Forecast implementation	Monitor fee waivers on New Case activity and its impact on overall revenues

Historical Revenues		
Actual FY 2020	Actual FY 2021	Actual FY 2022
\$68.2 million	\$68.2 million	\$66.6 million

County Clerk: Vital Records Fees

Overview of Vital Records



Annual Revenue (est.) FY 2023	Percent of Total GF Revenue
\$8.5 million*	0.4%

*County Clerk is combined with County Recorder and Registrar in the budget as of Dec 2020.

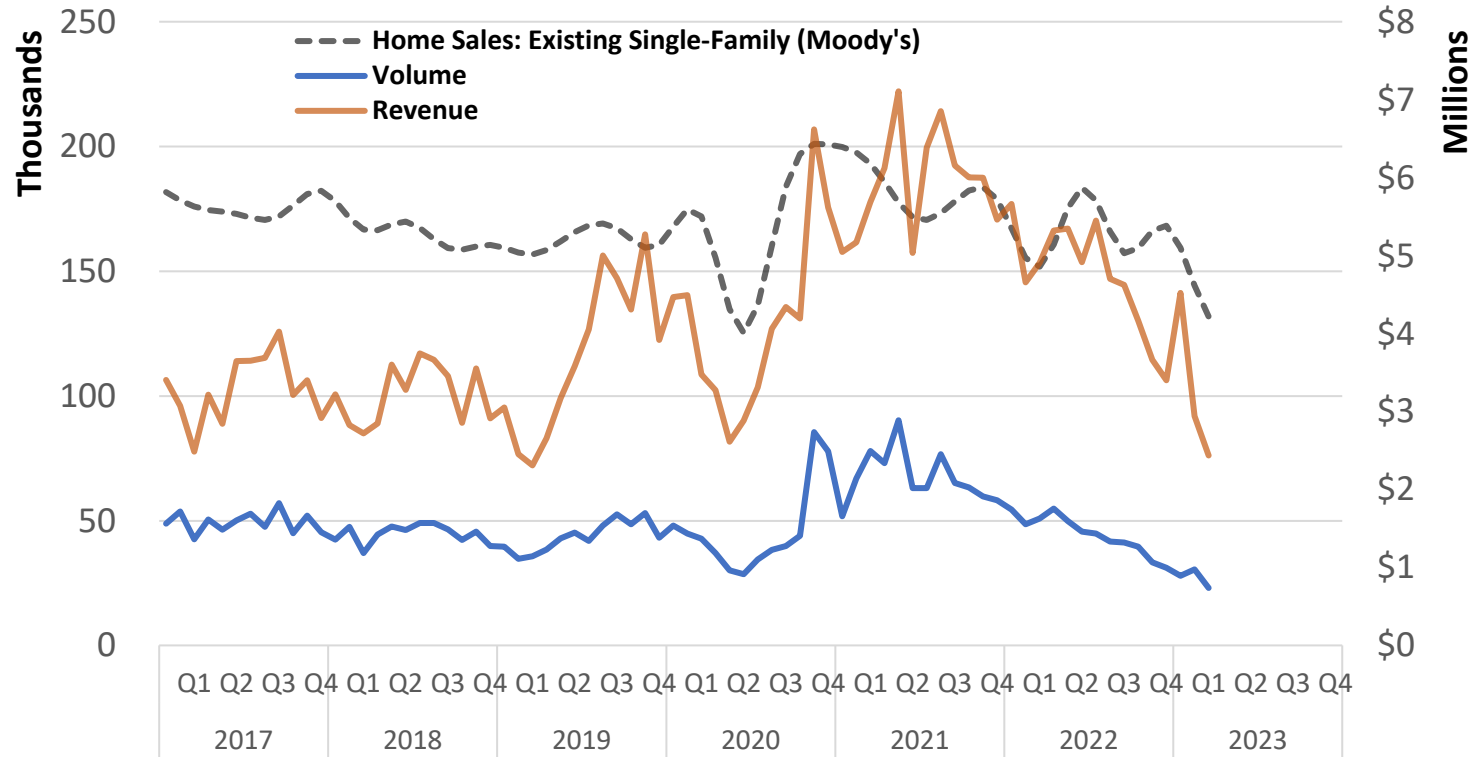
Data received	Annual (2021, 2022)
Fee driver(s)	Certificates and 'Additional Copies' related to Births, Deaths, Marriages; Marriage Licenses
Forecast implementation	Monitor certificates and licenses issued on primary fee drivers, as well as fees collected from 'additional copies' on these drivers

- Four (4) fees account for more than 95% of Clerk fee volume and 90% of Clerk revenues.
- Increase in 'Additional Copies' of Death Certificates drove year-over-year revenue increase in FY22.



County Clerk: Recording Fees

Recorder Volume and Revenue



- FY 2020 and 2021 saw increases in Recorder of Deeds activity as a result of strong housing and commercial sales.
- Slowdown in growth in FY 2022/2023 tied to higher interest rates, in turn lowering inventory and affordability. Existing homeowners opting not to sell.

Source: Federal Reserve Bank of St. Louis data; National Association of Realtors

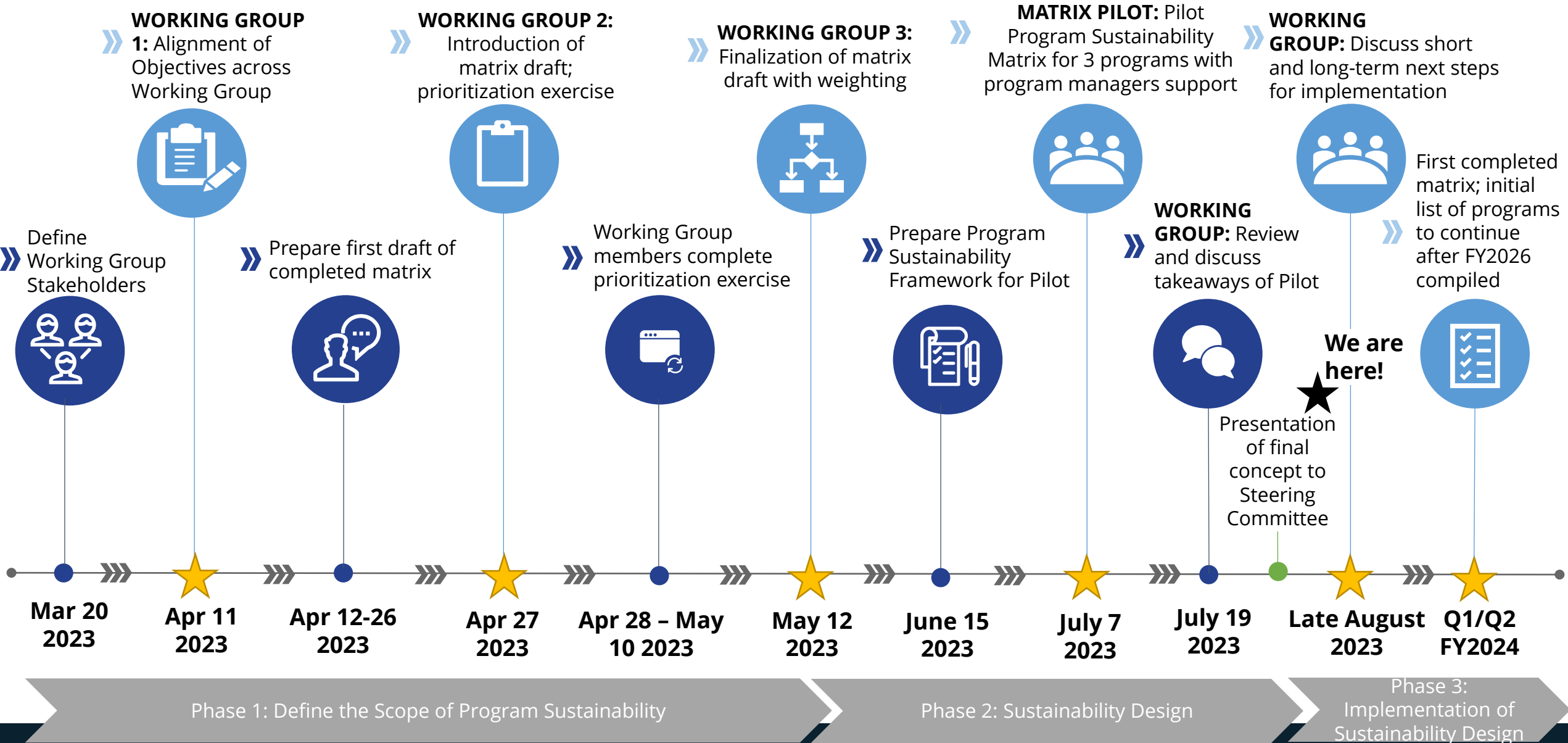
Annual Revenue (est.) FY 2023	Percent of Total GF Revenue
\$41.6 million*	2.0%

*County Recorder and Registrar is combined with County Clerk in the budget as of Dec 2020.

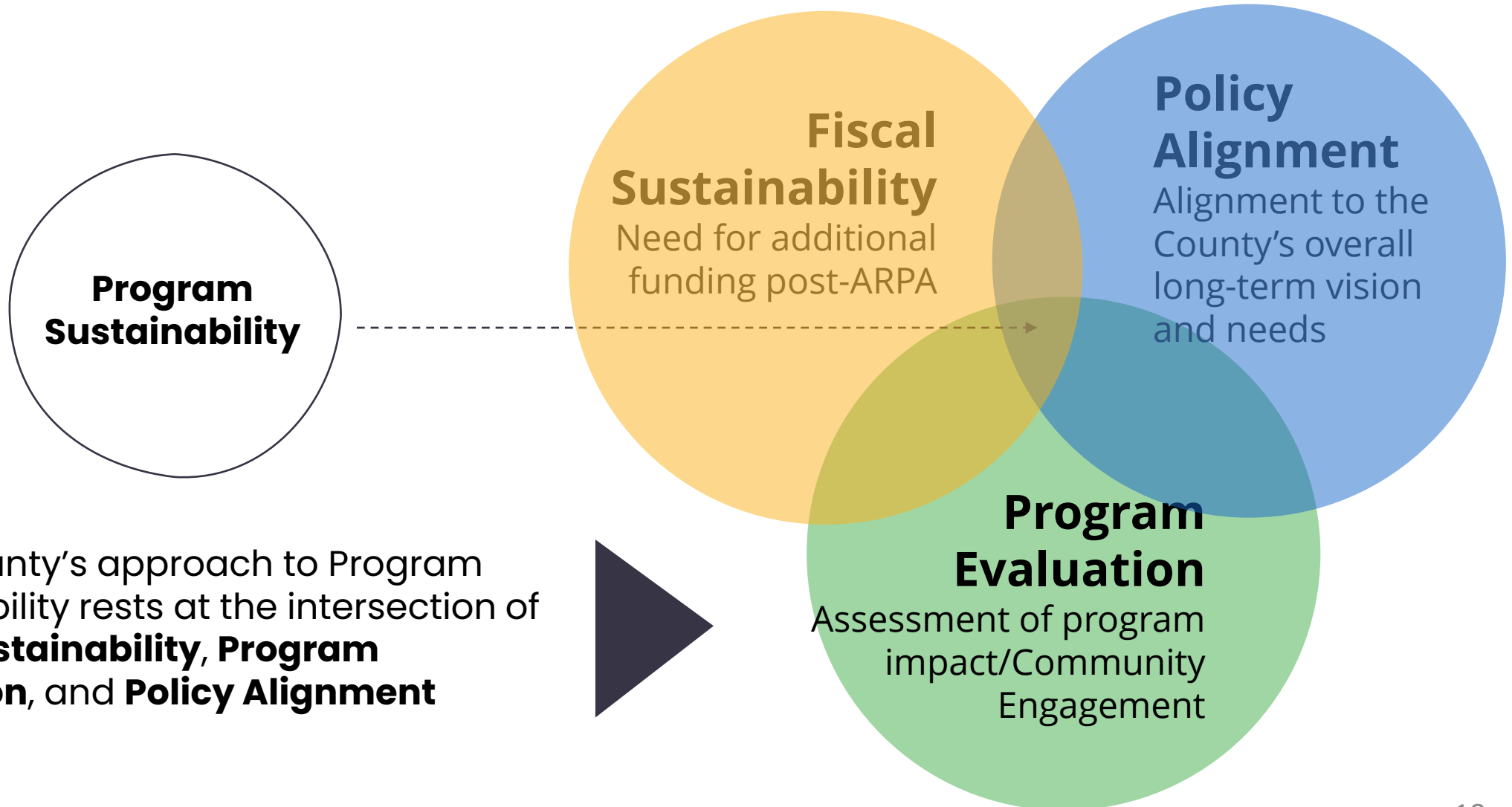
Data received	Monthly (2017 – Q1 2023). Only received high-level data
Fee driver(s)	Fees related to the sale/purchase of real estate, including the RETT. RETT accounts for ~45% of Recorder revenue
Forecast implementation	Monitor volume against department's annual projection, adjusting revenues based on volume trends

ARPA sustainability

Process and timeline



Defining program sustainability



Cook County's approach to Program Sustainability rests at the intersection of **Fiscal Sustainability, Program Evaluation, and Policy Alignment**

Program sustainability framework



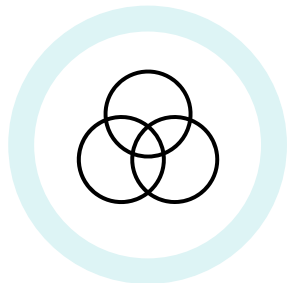
Program sustainability next steps



In late August, the Program Sustainability Working group will meet again **to discuss long and short-term next steps for Program Sustainability** including timeline, data collection methods and cadence of Program Sustainability Matrix and data review



Begin data collection for the first Program Sustainability analysis of ARPA-funded initiatives



Big Picture Discussion:

Assess **Program Sustainability** with the Matrix as one of three tools alongside **Impact Metrics** and **Community Engagement** response

IRFC recommendations

Recommendation 1

Assess the role of economic and policy factors utilized in the CCH revenue forecast and revise techniques accordingly

- Review literature to determine what metrics should be analyzed as potential drivers Medicaid membership
- Perform sensitivity tests to determine whether economic factors have a material impact to the CountyCare forecast relative to policy changes
- Reexamine current inputs to net patient service revenue forecast

Recommendation 1

Next steps

Deliverable	Timing
Work with CCH staff to review literature, scope potential data needs, and perform analysis to determine what economic metrics should be analyzed as potential drivers of overall Medicaid membership	1 st Quarter FY2024
Collaborate with CCH to re-examine the current inputs and assumptions used for the net patient service revenue forecast, by using a comparison of current assumptions against actual revenues to see whether there are any gaps within the factors used to develop the forecast or its assumptions	1 st Quarter FY2024
Collaborate with CCH to perform sensitivity tests to determine whether economic factors have a material impact on the CountyCare forecast relative to factors used in the current forecast	2 nd Quarter FY2024
If there is a need to integrate new factors or inputs into the forecast, the OCFO should work with CCH to integrate these into the forecast	2 nd Quarter FY2024

Recommendation 2

Engage with Illinois Department of Revenue (IDOR) to access detailed sales tax data

- Work with the IDOR on a way to receive sales tax data pertaining to incorporated areas of Cook County

Recommendation 2

Next steps

Deliverable	Timing
Engage with IDOR to request access to countywide sales tax data	FY2023
Work with IDOR to pursue the steps necessary to gain access to the countywide sales tax data	Ongoing

Recommendation 3

Continue to consider options to sustain ARPA programs in the long term

- Determine revenue options for programs that will remain after 2026

Recommendation 3

Next steps

Deliverable	Timing
Develop a process for evaluating revenue options for funding these programs after 2026 based on their fiscal, economic, and equity impacts	1 st Quarter FY2024
Provide an updated analysis of the potential impact on the fund balance of providing funding support to initial list of programs initiatives determined via the program sustainability process to continue after 2026	2 nd Quarter FY2024
Identify revenue options for funding these programs	3 rd Quarter FY2024

Recommendation 4

Update and enhance tax history and methodological reports

- Continue to enhance report on long-term forecasting methods
- Update tax history document

Recommendation 4

Next steps

Deliverable	Timing
Update the tax history document and incorporate selected sources of fee revenue and publish an updated version	1 st Quarter FY2024
Continue to enhance and expand the OCFO's forecasting methodology document and publish an updated version	4 th Quarter FY2024

Schedule and next steps



Meeting calendar

September

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

September 21: County Board meeting

October

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

October 5: Executive Recommendation

October 19: County Board meeting

October 26: IRFC quarterly meeting

November

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

November 16: County Board meeting – budget vote

December

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
						31

December 14: County Board meeting

Public comment

Adjournment