



**STATE OF ILLINOIS  
OFFICE OF THE PUBLIC ADMINISTRATOR  
FOR THE COUNTY OF COOK**

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**Louis G. Apostol**  
PUBLIC ADMINISTRATOR

**MEMORANDUM**

To: Hon. John P. Daley, Chairman, Finance Committee

cc: Annette Guzman, Budget Director  
Mohammad Easa, Budget Analyst  
Veronica Lopez, Executive Assistant  
Department of Budget and Management Services

From: Louis G. Apostol  
Public Administrator for Cook County

Date: October 18, 2021

Re: FY 2022 Executive Budget Summary

The Office of the Public Administrator submitted its 2022 Executive Budget Summary on August 18, 2021. This memorandum includes updated information thru October 15th, submitted ahead of the OPA's presentation to the Finance Committee of the County Board of Commissioners. The FY2022 budget request has been completed in the Budget Request System. Attached is supporting documentation.

## I. EXECUTIVE SUMMARY

- To date in FY2021, the Office of the Public Administrator has investigated 1,264 cases, which is 20% higher than in FY2020.
- The PA's office has (14) full-time staff.
- To date in FY2021, the Public Administrator's Office has have generated over \$3,881,720 in fees, interest, court costs and funds for unknown heirs. The PA's current (FY2021) budget is \$1,412,000.
- The total revenue for the PA's Office is projected over (2) times its appropriated budget for 2021.
- To date in FY20201, the PA's fees alone have generated \$1,092,719 in revenue returned to the County.
- Over \$10,077,863 has been returned to heirs and beneficiaries via estate administration in FY2021.
- The PA continued the collaboration with the State Treasurer's Office in FY2021 to seek and verify additional unclaimed property. To date, over \$4,000,000 has been recovered from the *iCash* program for previously probated estates.
- The budget request for FY 2022 is \$1,570,237 – an increase of \$158,237. These increases are:
  - SEIU CBA salary and benefit increases
    - Please note that even with our increases for salaries and wages, the FY22 request is only up 1.7% from last year.
  - Operating costs of 69 W Washington have gone up 3%
  - Increase for transportation and communication costs
    - Our volume of investigations has risen 20%, requiring us to put another investigator in the field.
  - Increased property management costs due to COVID-19
    - We've been unable to evict tenants due to the eviction moratorium and as such, we've had to insure properties for 1.5 years as well as foot the bill for maintenance costs. (Most of these costs will be reimbursed once we can sell these properties.)
    - This increase is simply to replenish a line item that was removed from our budget 10 years ago.
  - Bond premiums, postage, and communication services have all increased.

- The PA has achieved cost savings in the following areas:
  - An employee resignation and decision to leave the position vacant for most of the year.
  - Labor counsel declined his fee for a quarter of FY21 due to the COVID-19 shut-down.
  - The PA worked with BOT to receive a federal grant to replace PCs with laptops. This allowed employees to work from home and to avoid the PA requesting an appropriation.
  - The PA increased fees on wrongful death and survivor action cases.

The Office of the Public Administrator is a significant revenue-producing agency for both the State and County. As stated above, the PA's Office is a zero-based budget in that the revenues it generates annually exceed its budget appropriation. As such, the PA recommends that additional reductions in FY 2022 will prohibit this office from adequately serving the citizens of Cook County.

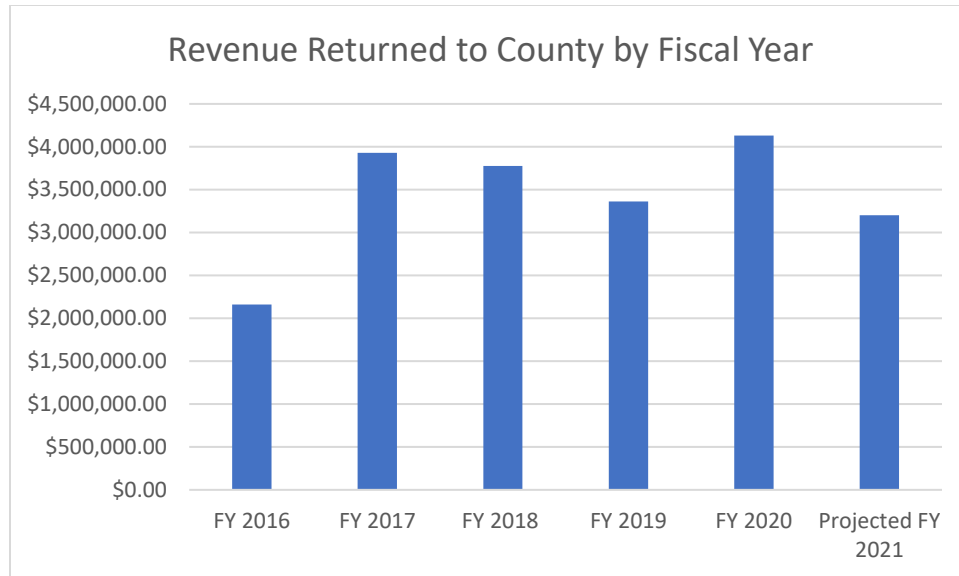
## **II. OFFICE OVERVIEW**

This State of Illinois office and Cook County share a unique and extraordinary relationship. The Office of Public Administrator for Cook County (the "OPA") operates as a quasi-county agency in that our office budget and many personnel, payroll, pension, and collective bargaining aspects are administered under the Cook County systems, although we are legally a state office and almost all operations are judicially supervised probate proceedings.

The OPA is also unique among other county agencies in that it is entirely self-supporting from operations (from fee revenues from administered probate estates) and do not ultimately draw on County or state tax revenues even though our budget is part of the County operating budget.

Also, uniquely, the OPA regularly generates net funds *to the County* in the form of funds of OPA administered estates that are deposited with the County Treasurer for the benefit of unknown or unlocated heirs. In the past five fiscal years, the OPA has deposited the following amounts into the Cook County Treasury: \$2,161,633.65 (FY2016), \$3,929,165.42 (FY2017), \$3,778,221.87 (FY2018), \$1,886,656.68 (FY2019) and \$4,130,146.26 (FY2020).

In the current FY2021, the projected deposit total (to date) is \$3,203,400, which is within the budgeted goals. This is contingent on the number of probate estates, size, and whether heirs exist and are located. In 2021, the PA's office has distributed over \$10,077,863 to known heirs of the administered estates.



### **III. FUNDING SOURCES OF OPA**

The OPA is funded from fees charged to probate estates that the OPA is appointed (by the circuit court) to administer. These fund sources are as follows:

(1) Real estate and personal property -- escheats.

Pursuant to §5/2-1(h) of the Probate Act, if there are no known heirs of the decedent, any real estate owned by the decedent escheats to the situs county.

The personal property physically located in Illinois and the personal estate physically located or held outside Illinois that is the subject of ancillary administration of an estate being administered within this State escheats to the Illinois county of which the decedent was a resident or, if the decedent was not an Illinois resident, to the county in which the asset is located (usually Cook County). (All other personal property of the decedent, wherever situated, or its proceeds, escheats to the State and is delivered to the State Treasurer pursuant to the Uniform Disposition of Unclaimed Property Act, 765 ILCS 1025/1, *et seq.*)

(2) Unknown heirs' distributions – escheat after claim period.

Pursuant to §24-20 of the Probate Act, when a ward, distributee (heir or legatee) of an estate or a claimant is known but cannot be in order to accept the property or distribution, the Public Administrator with court approval may sell the asset/property and deposit the net proceeds with the Cook County Treasurer to hold for that distributee. The person entitled to the deposited money may obtain it, with interest, upon application to the court and with satisfactory proof of right within 7 years; but if no such claim is made and approved by the deadline, the deposited funds escheat to the County.

(3) Public Administrator's Probate Fees.

Revenue is realized by the administrator's fees (and interest thereon) that are awarded by the probate court as compensation for the OPA's administration of estates. These fees are paid to Cook County directly by the OPA.

#### **IV. OVERVIEW OF FY2022 BUDGET RELATIVE TO CURRENT YEAR**

The FY2022 budget retains the (13) staff and management positions currently budgeted (including the P.A.) and one part-time contract attorney.

All line items of the operations budget requested for FY22 are being requested at the same or lesser amounts requested in the FY2021 budget, except for the following:

- Line item #190/501838 (Transportation/Travel Services) – an increase of \$3,000 is being requested for a third investigator going out in the field FY2022.
- Line item #220/520150 (Communication Services) – an increase of \$595 is being requested due to a third investigator going out in the field FY2022.
- Line item #521054/10155 (Administration) is being requested in the amount of \$1,467, a 2% increase to provide the Public Administrator with a COLA increase. The Public Administrator receives no health, pension, or other benefits.
- Line item #501160/10155 (Salary/Wages of Regular Employees-Administration) is being requested in the amount of \$13,300 to bring management salaries in line with County averages; and two employee promotions.
- Line item #388/531670 (Computer Operation Supplies) is being requested in the amount of \$300 to purchase a color printer for the investigation department. The current is over 10 years old and needs to be updated.
- As with the other County offices, the FY22 budget contains a line item for “rent” in the Cook County Administration Building. This \$38,981 line item increases the FY22 budget but is an accounting item rather than a spending increase because the funds recirculate into the County treasury and are not actually expended.
- The FY22 budget contains a staff salary increase of \$12,267 which reflects the mandatory step increases per the union contract.

## V. OPA REVENUE TO COOK COUNTY

With respect to FY 2021, to date we have accomplished the following:

**FY: 2021 to date:**

<b>OPA Budget</b>	<b>\$1,412,000.00</b>
Estates Closed:	61
Estates Opened:	53
Investigations:	1,264
Monies Deposited to County:	\$2,761,444.23
Revenue/Interest:	\$1,092,910.57
Total:	<b>\$3,881,720.80</b>

**FY: 2020**

<b>OPA Budget</b>	<b>\$1,318,240.00</b>
Estates Closed:	61
Estates Opened:	52
Investigations:	909
Monies Deposited to County:	\$4,130,143.26
Revenue/Interest/Court fees:	\$2,130,324.94
Total:	<b>\$6,260,471.20</b>

In past years the OPA has accomplished the following:

**FY: 2019**

<b>OPA Budget</b>	<b>\$1,318,240.00</b>
Estates Closed:	60
Estates Opened:	101
Investigations:	1,294
Monies Deposited to County:	\$1,886,656.68
Revenue/Interest:	\$1,450,675.77
Total:	<b>\$3,337,332.45</b>

**FY: 2018**

<b>OPA Budget</b>	<b>\$1,393,586.00</b>
Estates Closed:	47
Estates Opened:	65
Investigations:	1168
Monies Deposited to County:	\$3,778,221.87
Revenue/Interest:	\$1,306,642.01
Total:	<b>\$5,084,863.88</b>

**FY: 2017**

**To date: July 2017**

<b>OPA Budget</b>	<b>\$1,393,586.00</b>
Estates Closed:	57
Estates Opened:	63
Investigations:	1,273
Monies Deposited to County:	\$3,929,165.42

Revenue/Interest:	\$1,070,541.21
Total:	<b>\$4,999,706.63</b>
<b>FY: 2016</b>	
<b>OPA Budget</b>	<b>\$1,111,234.00</b>
Estates Closed:	70
Estates Opened:	68
Investigations:	1,289
Monies Deposited to County:	\$1,402,977.31
Revenue/Interest:	\$ 758,656.34
Total:	<b>\$2,161,633.65</b>

It should be noted that these numbers represent funds directly earned by this office despite how they may be characterized or accounted by the Treasurer's office after they are deposited.

As always, please feel free to contact me if you have any further questions or concerns.

Respectfully submitted,

*Louis G. Apostol*

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Public Administrator for Cook County

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