



Hamilton County
Budget Workshop
FY 2018 County Budget
June 6, 2017

FY 2018 Budget Key Dates

- Budget Workshops:
 - Department of Education (May 9, 2017)
 - County Budget Requests (May 16, 2017)
 - **Overall County Budget (June 6, 2017)**
- Budget Hearings: May 31, 2017
 - Elected Officials and Supported Agencies
- Budget presented to Commission: June 7, 2017
- **Vote: June 21, 2017 Agenda Session**

FY 2018 Budget Key Points

- Budgeted Funds include:
 - General Fund
 - Debt Service Fund
 - Sheriff Special Revenue Fund
 - Narcotics Fund
 - Sexual Offenders Fund
 - Hotel Motel Fund
 - Department of Education

FY 2018 Budget Key Points

- Budget is balanced
- NO property tax increase
 - Last property tax increase:
 - FY 2008 for the General Fund (10th consecutive year w/o tax increase)
 - FY 2006 for HCDE (12th consecutive year w/o tax increase)

FY 2018 Budget

ALL BUDGETED FUNDS

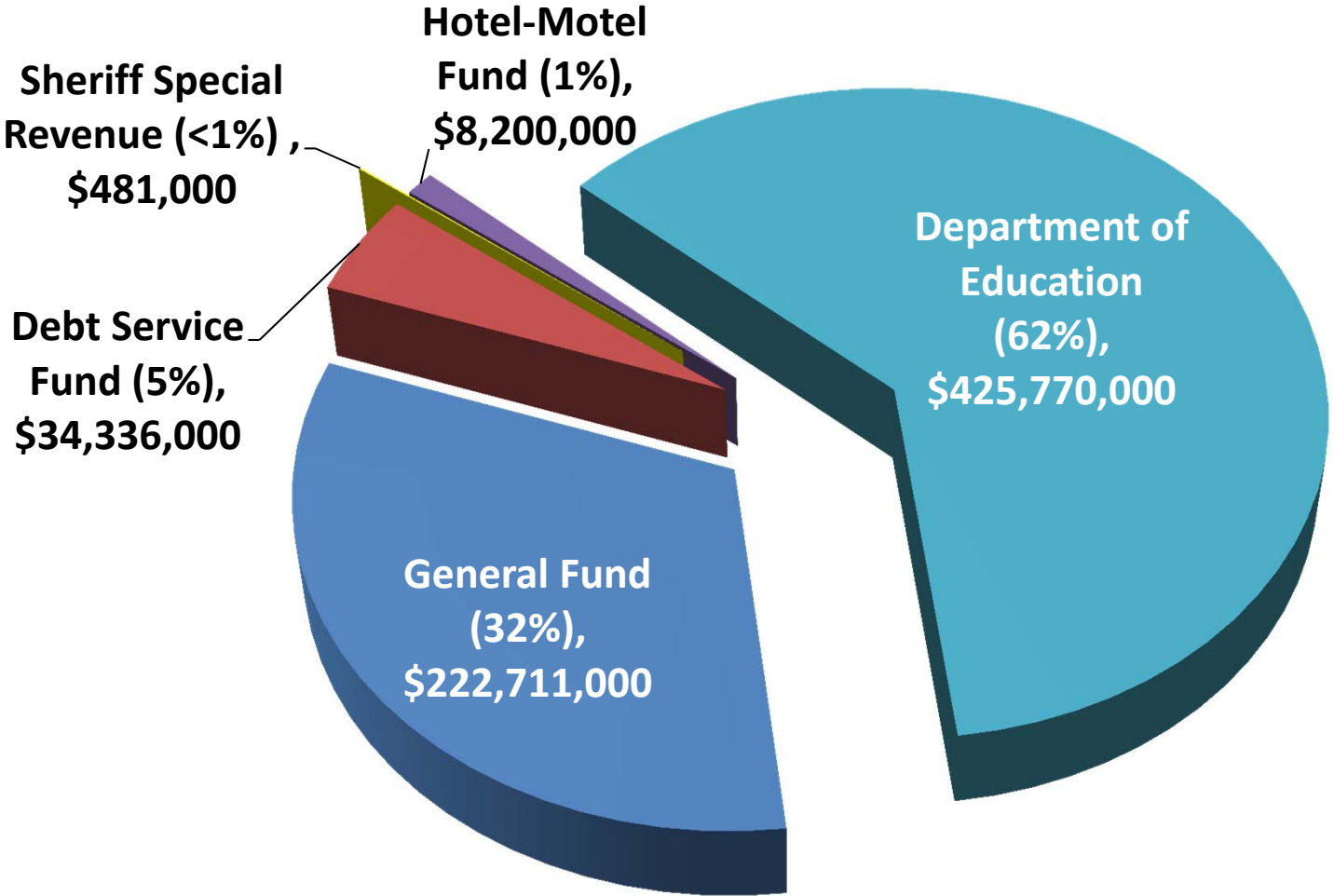
Total Expenditures:	\$691,498,923
<i>Inc. over FY 2017 Budget:</i>	<i>\$11,887,717 (1.7%)</i>

FY 2018 Budget

	FY 2018	FY 2017
General Fund	\$ 222,710,948	\$ 218,802,556
Debt Service Fund	34,336,149	34,826,744
Sheriff Special Revenue Fund	481,486	465,637
Hotel Motel Fund	8,200,000	7,800,000
Department of Education	425,770,340	417,716,269
	\$ 691,498,923	\$ 679,611,206

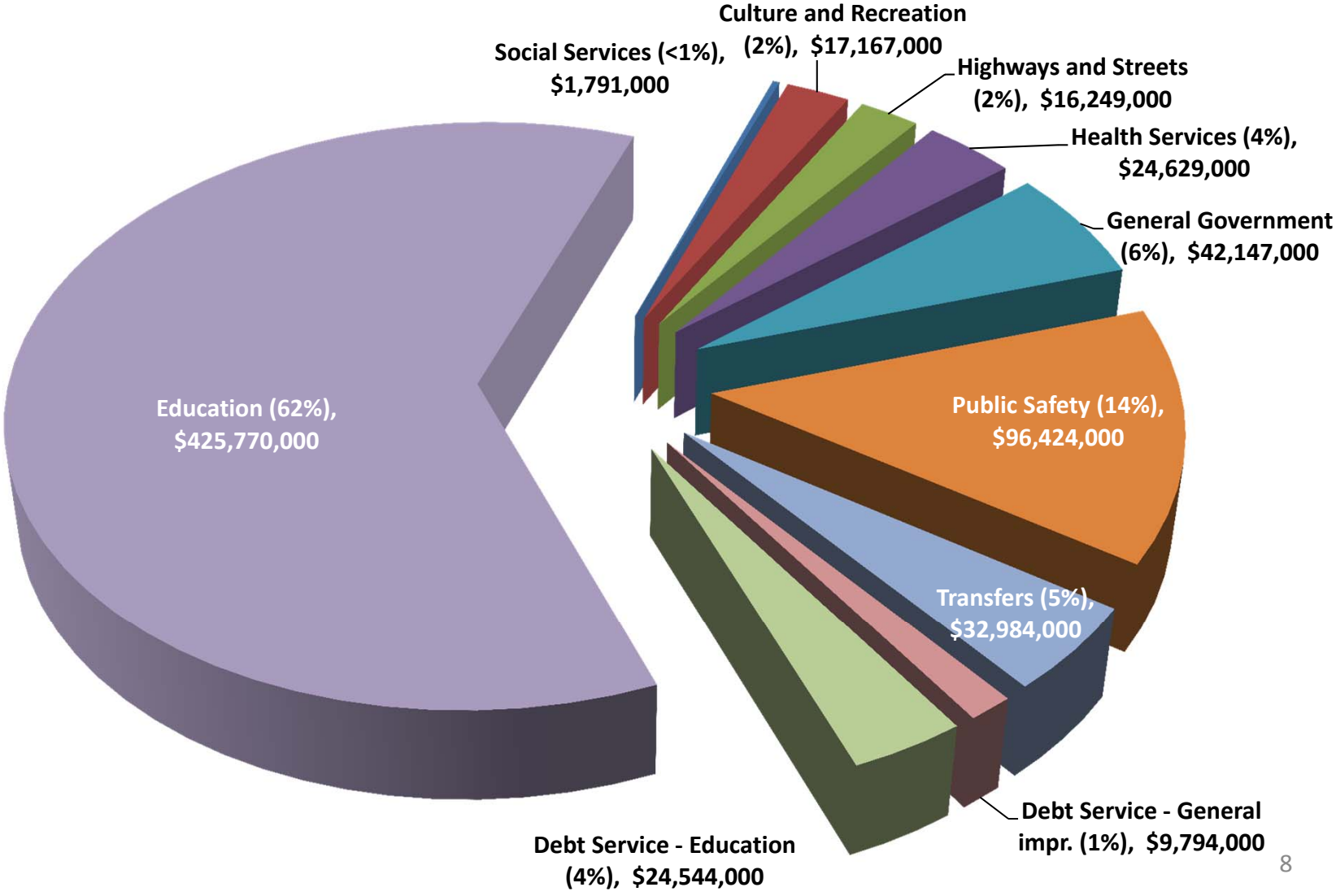
Expenditures by Fund

All Budgeted Funds



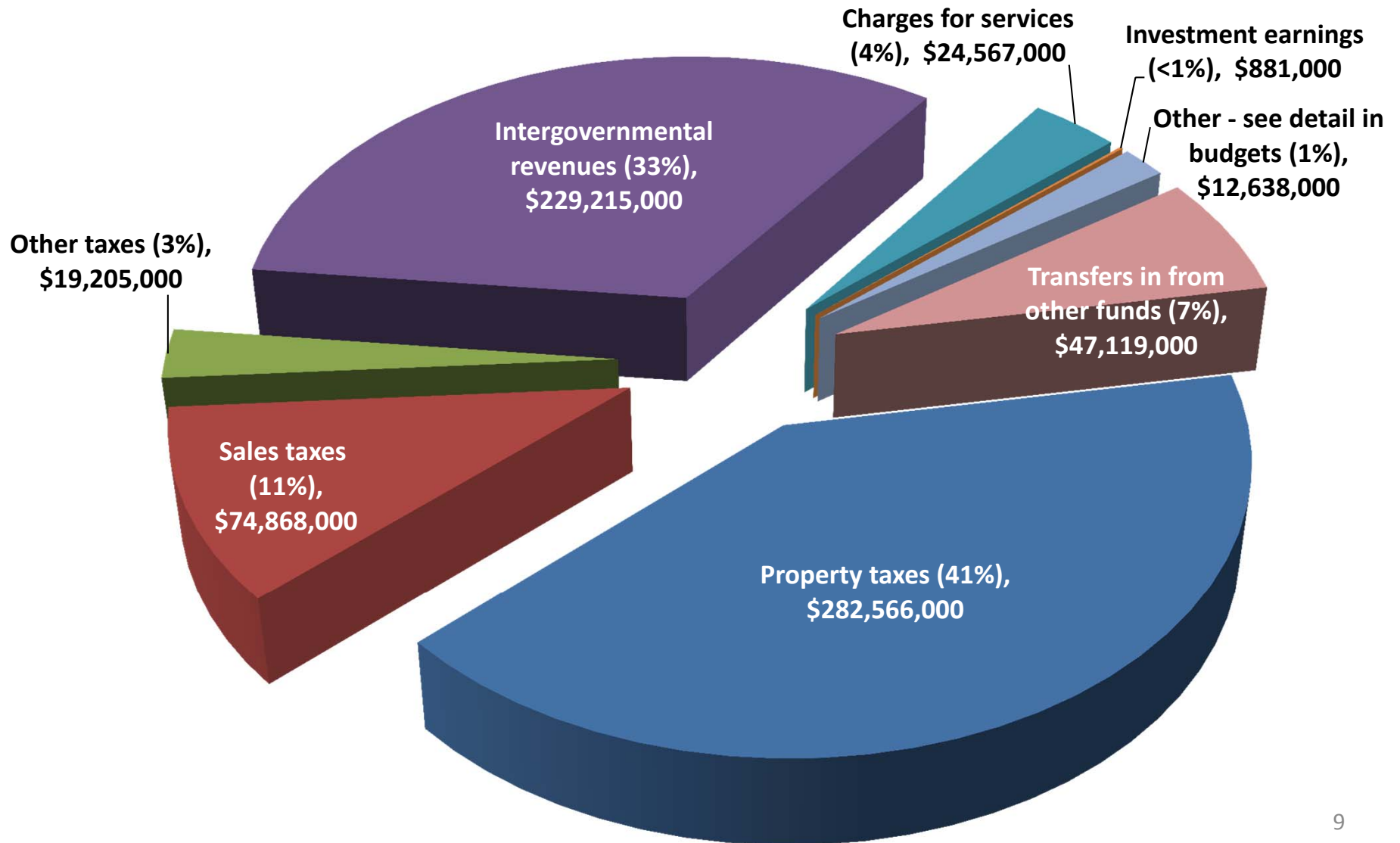
Expenditures by Function

All Budgeted Funds



Revenues by Source

All Budgeted Funds



FY 2018 Budget

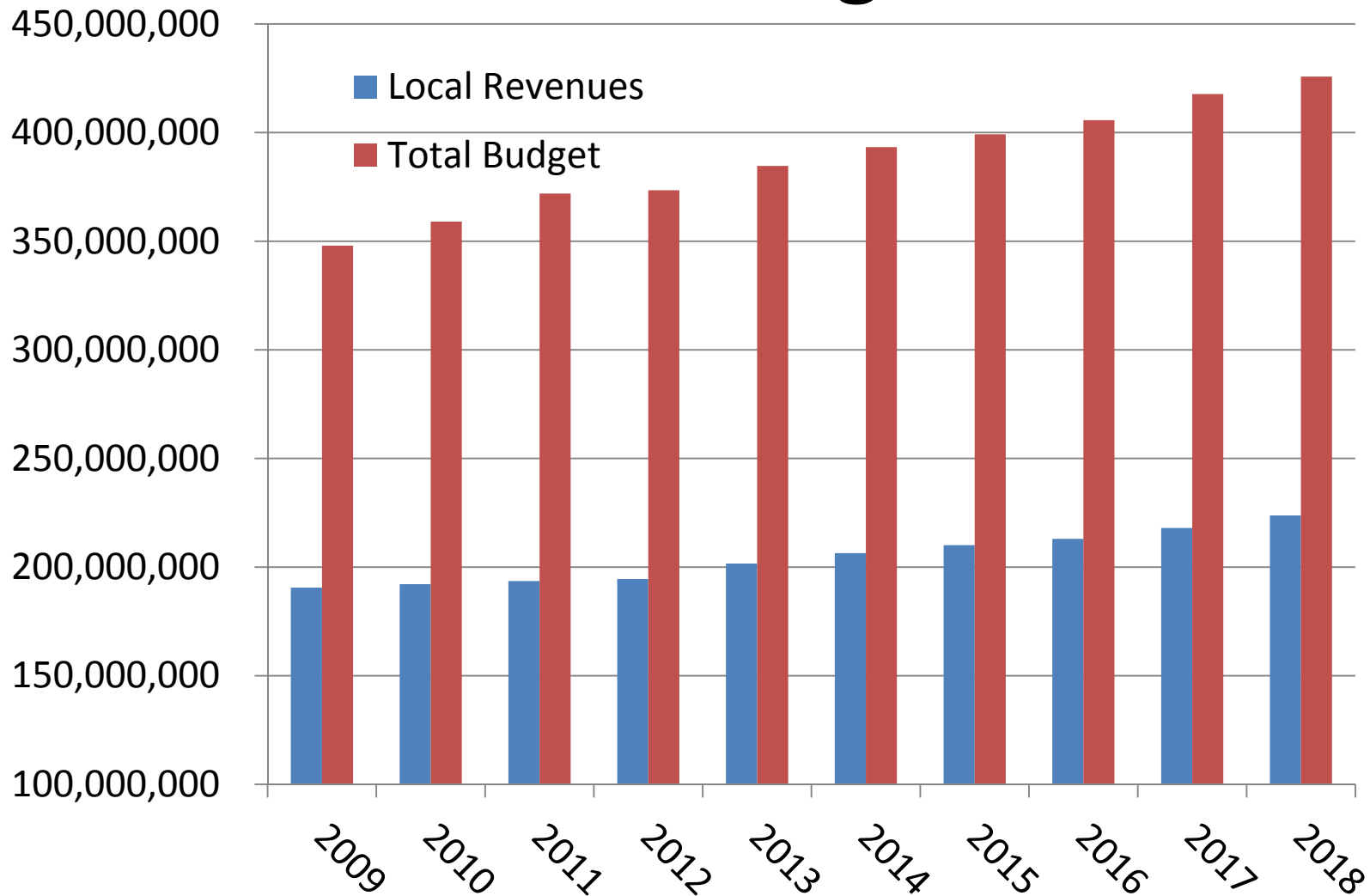
Department of Education (HCDE)

Total Expenditures:	\$425,770,000
Increase over FY 2017:	\$ 8,054,000 (1.9%)

Department of Education (HCDE)

- HCDE Board approved:
 - Balanced budget – increase of \$8.1 million
 - Priority requests – totaling \$24.4 million
 - Priority requests are NOT in this budget proposal
- Growth in Budget in FY 2018 of:
 - Total \$8,054,000
 - Growth in local funding \$5,713,000
- Will use \$439,000 in fund balance to balance the FY 2018 HCDE budget

HCDE – Budgeted Operations FY 2009 through 2018



FY 2018 Budget

General Fund

Total Expenditures:	<u>\$222,711,000</u>
<i>Increase over FY 2017:</i>	<i>\$ 3,908,000 (1.8%)</i>

The next several slides pertain only to the County General Fund

General Fund Budget Overview

Major items of note from prior year:

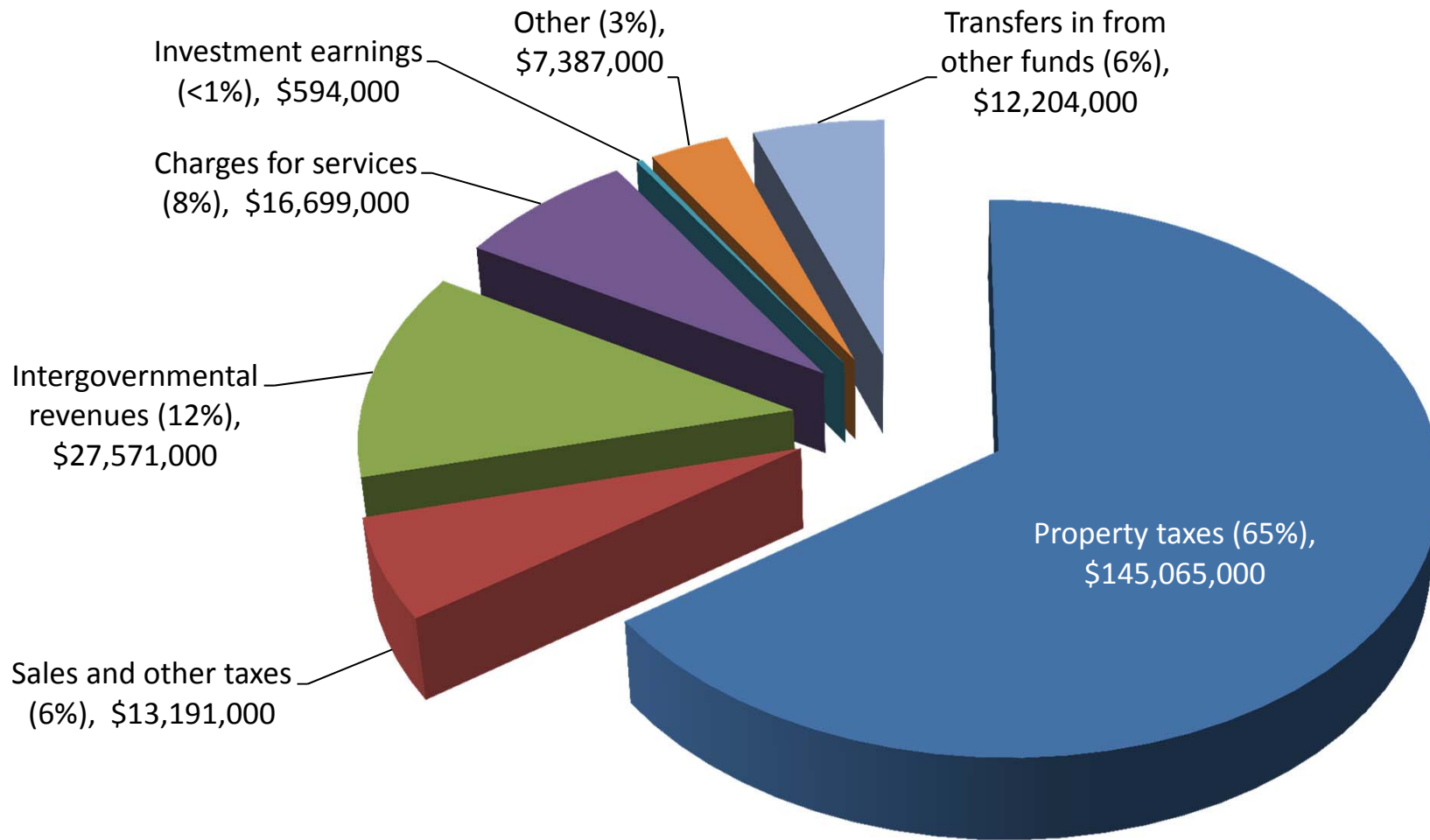
- Growth in all property taxes (\$3.5 million - 2.5%)
- 32 additional full-time employees
- Employee salary increases (\$1.6 million)
 - 1.5% with floor of \$750
- No increase in Employee Health Insurance costs
- Debt Service Appropriation decreased \$982,000

General Fund Revenues

(\$222,711,000)

- Budgeted to increase over FY 2017 by \$3.9 million (1.8%)
- \$3.5 million increase in all property taxes over FY 2017 (2.5% estimated growth)
- \$1 million increase in State Gas Tax

General Fund Revenues by Source



General Fund Expenditure Cuts

Significant cuts from the requested budgets totaling \$15.5 million were necessary:

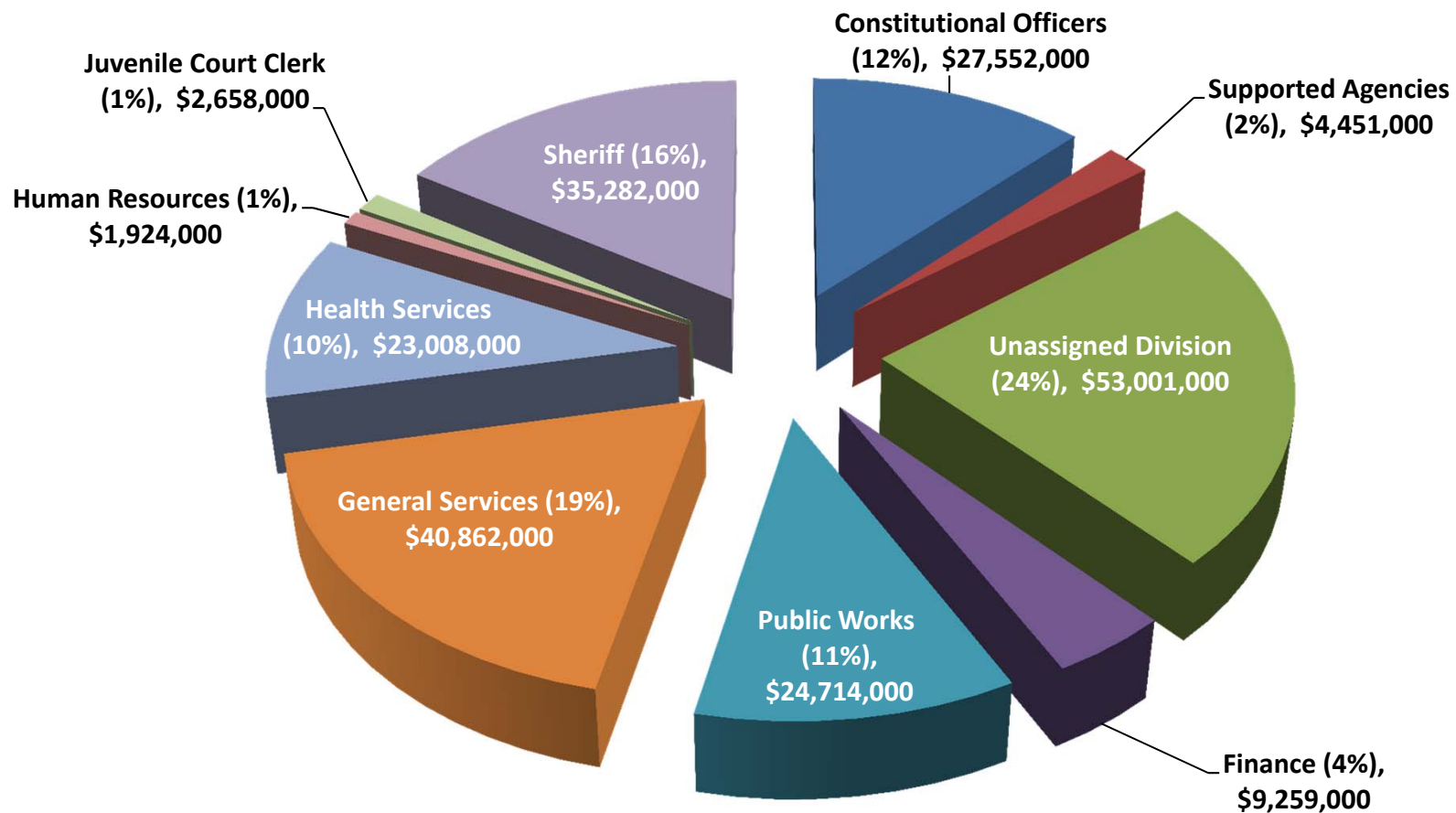
• Constitutional Officers	\$574,000
• Supported Agencies	\$47,000
• Capital Outlay	\$9 million
• Open Data Portal	\$125,000
• Finance Division	\$254,000
• Public Works Division	\$804,000
• General Services	\$833,000
• Health Services	\$93,000
• Sheriff	\$3.3 million

NOTE: Ability to issue debt for major capital projects without incurring future budget deficits is limited

General Fund Budget by Division

	FY 2018 Budget	FY 2017 Budget
Constitutional Officers	\$ 27,551,880	\$ 27,087,921
Supported Agencies	4,450,909	4,439,116
Unassigned	53,000,835	54,287,744
Finance	9,258,930	9,236,286
Public Works	24,714,000	22,945,262
General Services	40,861,981	39,615,320
Health Services	23,008,542	23,248,462
Human Resources	1,923,791	1,835,833
Juvenile Court Clerk	2,658,123	2,635,982
Sheriff	35,281,957	33,470,630
	\$ 222,710,948	\$ 218,802,556

General Fund Expenditures by Division (\$222,711,000 – 1.8% increase)



General Fund Expenditures Constitutional Officers (12%)

- Total Expenditures: \$27,552,000 ⁽¹⁾
Increase over FY 2017 \$464,000 (1.7%)
- Primary changes:
 - Mental Health Court \$313,000
 - General Sessions Court \$228,000
 - Drug Court \$522,000
 - Assessor of Property - \$488,000
 - Election Commission - \$131,000

(1) - includes employee raises - \$242,000

Includes multiple departments headed by an elected official and/or constitutional officer.

General Fund Expenditures Supported Agencies (2%)

- Total Expenditures: **\$4,451,000**
Increase over FY 2017 **\$12,000 (0.3%)**
- Primary changes:
 - City-County Planning Agency \$15,000
 - African-American Museum Bldg. Maint. \$ 3,000
 - Soil Conservation - \$ 6,000

Includes various outside agencies such as the Planning Commission, Erlanger, Humane Educational Society, Air Pollution Control and others that receive direct support from Hamilton County.

General Fund Expenditures

Unassigned Departments (24%)

- Total Expenditures: **\$53,001,000** ⁽¹⁾
Decrease from FY 2017 - \$1,287,000 (-2.4%)
- Primary changes:
 - Debt Service appropriation - \$982,000
 - Capital outlay - \$479,000
 - County Auditor - \$136,000
 - County Attorney \$ 97,000
 - Social Services – Title XX (reclass from Health) \$338,000

(1) - includes employee raises - \$82,000

Includes departments and cost centers such as Capital Outlay, Debt Service Appropriation, Commission Office, Mayor 's Office, etc. whose function is not specific to that of the other major divisions.

General Fund Expenditures

Finance Division (4%)

- Total Expenditures: **\$9,259,000** ⁽¹⁾
Increase over FY 2017 **\$23,000 (0.2%)**
- Primary changes:
 - Telecommunications - \$158,000
 - Purchasing and Fleet Management \$118,000

1) - includes employee raises - \$102,000

Encompasses the fiduciary aspects of the County, including Accounting, Payroll, Payables, Ambulance Billing, Purchasing, ITS, GIS, Financial Management, Telecommunications, and Records Management

General Fund Expenditures Public Works Division (11%)

- Total Expenditures: **\$24,714,000** ⁽¹⁾
Increase over FY 2017 **\$1,769,000 (7.7%)**
- Primary increases:
 - Highway \$795,000
 - Utilities (incl. telephone) \$677,000
 - Facilities Maintenance \$149,000

1) - includes employee raises - \$208,000

Responsible for maintaining the County's infrastructure including highway, engineering, major capital projects, real property, security, custodial services, maintenance, and building utilities

General Fund Expenditures

General Services Division (19%)

- Total Expenditures: **\$40,862,000** ⁽¹⁾
Increase over FY 2017 **\$1,247,000 (3.1%)**
- Primary changes from FY 2017:
 - Corrections - CoreCivic \$722,000
 - Emergency Medical Services \$456,000
 - Ross's Landing Park & Plaza \$142,000

(1) - includes employee raises - \$254,000

Includes Emergency Management & Homeland Security,
Volunteer Services, EMS, Corrections, Parks & Recreation

General Fund Expenditures

Health Services Division (10%)

- Total Expenditures: **\$23,009,000** ⁽¹⁾
Decrease from FY 2017 **-\$240,000 (-1.0%)**
- Primary changes:
 - Social Services–Title XX (reclass to Unassigned) **-\$338,000**
 - OVW – Justice for Families (end of grant) **-\$125,000**
 - State TB Clinic **\$ 76,000**
 - Family Planning **\$ 72,000**
 - STD Clinic – Viral Hepatitis **\$ 70,000**

(1) - includes employee raises - \$293,000

Core functions deal with the community's health assessment, education, service delivery, prevention, compliance, policy development, regulation, etc.

General Fund Expenditures

Human Resources Division (1%)

- Total Expenditures: **\$1,924,000** ⁽¹⁾
Increase over FY 2017 **\$88,000 (4.8%)**
- Primary increases:
 - Benefits **\$75,000**
 - Risk Management **\$14,000**

(1) - includes employee raises - \$23,000

Responsible for the County's human resources, medical insurance and other employee benefits, risk management, wellness and fitness programs, mailroom, etc.

General Fund Expenditures Juvenile Court Clerk (1%)

- Total Expenditures: **\$2,658,000** ⁽¹⁾
Increase over FY 2017 \$22,000 (0.8%)

(1) - includes employee raises - \$33,000

Comprised of the Juvenile Court Clerk and the IV-D Child Support departments.

General Fund Expenditures

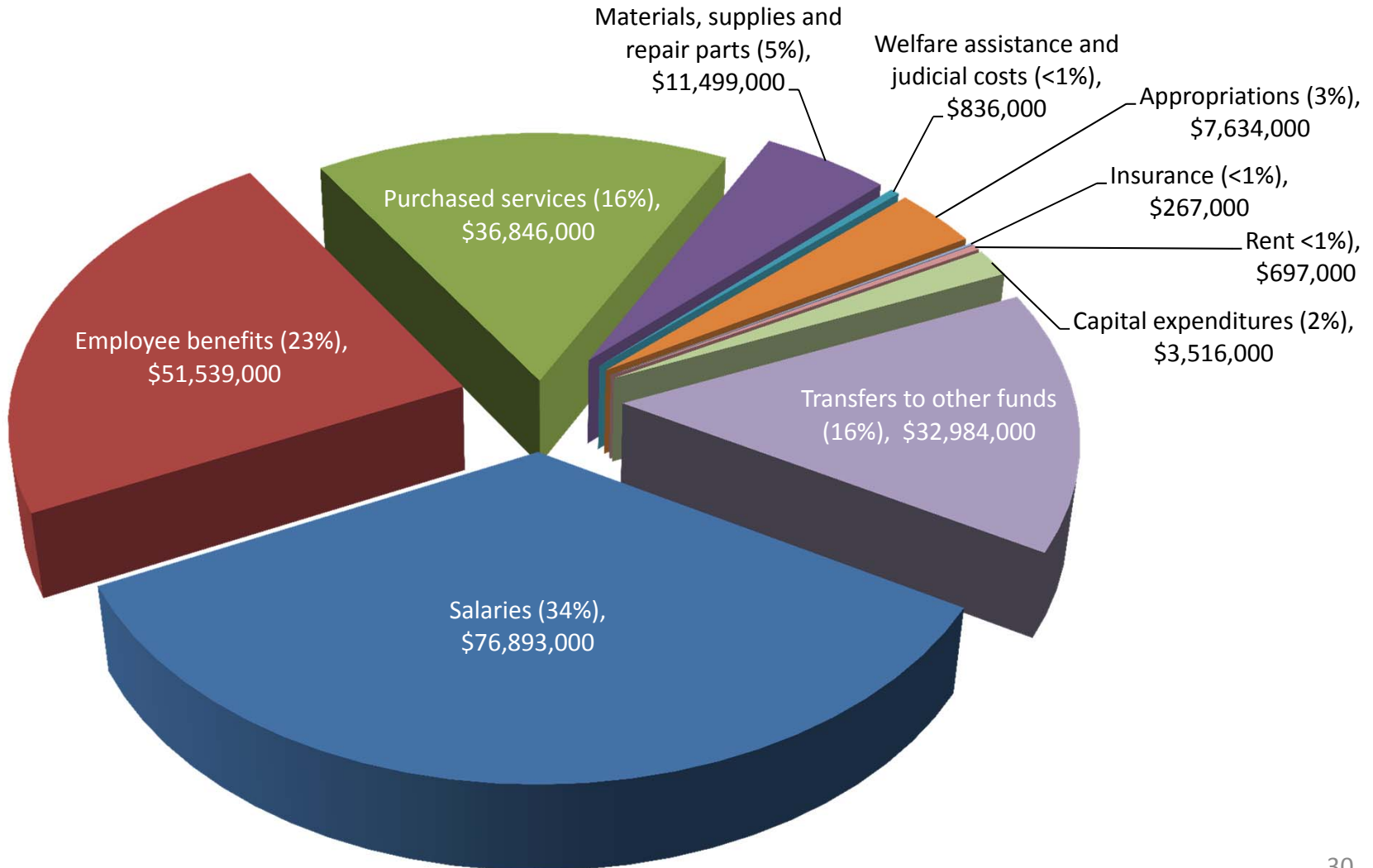
Sheriff Division (16%)

- Total Expenditures: **\$35,282,000** ⁽¹⁾
Increase over FY 2017 **\$1,811,000 (5.4%)**
- Primary changes from FY 2017:
 - Jail **\$1,276,000**
 - SRO's **\$ 639,000**
 - Patrol **\$ 102,000**

(1) - includes employee raises - \$372,000

An accumulation of several departments whose primary function is law enforcement.

General Fund Expenditures by Type



General Fund

Significant Operating Costs

- Salaries and Employee Benefits make up 57% of General Fund budget. Budget includes:
 - Employee raises
 - » 1.5% (with floor of \$750)
 - » cost of \$1.6 million
 - No increase in health insurance costs
- Costs to House Inmates –\$28.6 million (13% of total general fund budget)

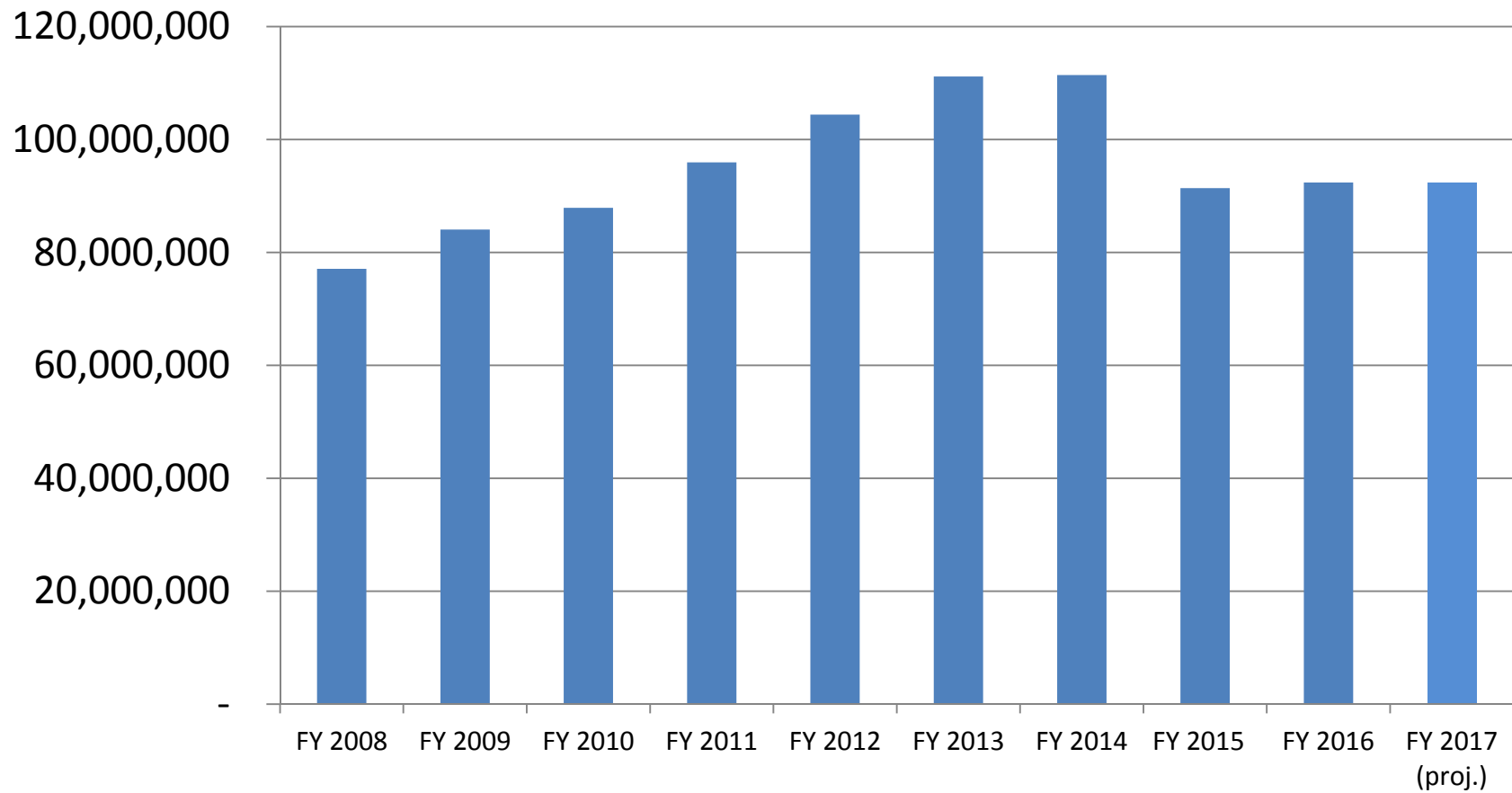
General Fund Capital Outlay

- Total requested: \$13,409,000
- Total recommended: \$ 3,516,000
 - *Includes \$1,086,000 for Sheriff*
 - *Includes \$950,000 for EMS*
 - *Includes \$327,000 for Emergency Management*
 - *Includes \$330,000 for IT hardware*
 - *Includes \$119,000 to lease 20 vehicles*

General Fund

Changes in Total Fund Balance

Fiscal Years 2008 – 2017 (Projected)



Other Budgeted Funds

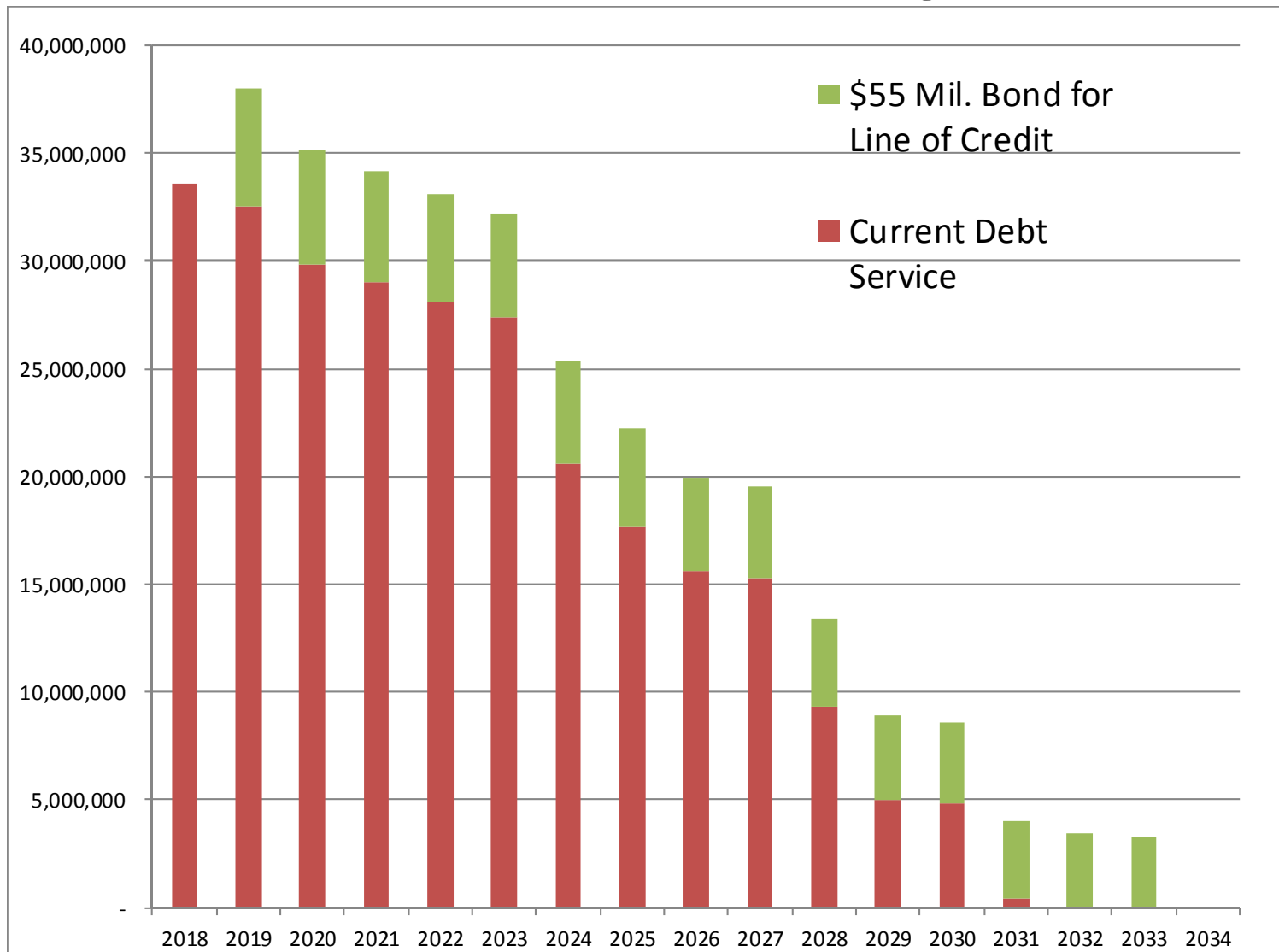
Debt Service Fund

- Debt Outstanding at June 2017:
 - General Obligation Bonds
 - General Improvement \$ 62,979,000
 - Schools 157,656,000
 - Total General Obligation Debt **\$220,635,000**
 - Line of Credit Debt outstanding **\$ 55,000,000**

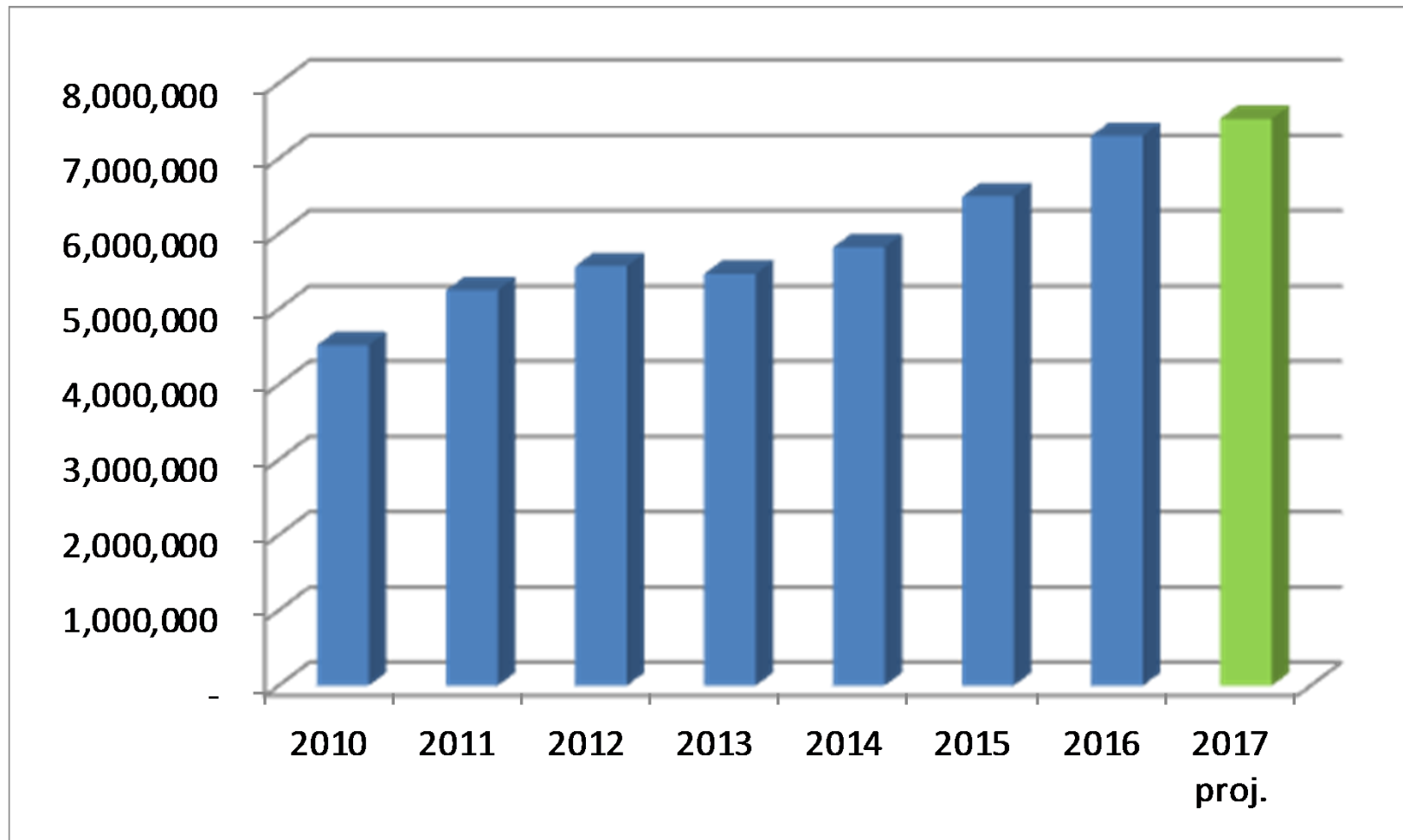
- Debt Service scheduled payments:
 - FY 2018 bond payments \$33,600,000
 - FY 2019 bond payments \$32,527,000

Debt Service Fund

Future Debt Service Payments



Other Budgeted Funds Hotel Motel Fund History of Collections



Hamilton County Budget Workshop

QUESTIONS

Hamilton County Budget Workshop

NEXT STEP

Presentation of FY 2018 Budget

June 7, 2017

FY 2018 Budget Book

- Budget Book will be posted on the County's website on June 7, 2017
- Printed copy of the budget book will be given to each Commissioner requesting one.
 - Others can access budget book at website and on CERP.

FY 2018 Budget Book

- Same format as FY 2017
- Separate Tabs for:
 - Summary of All Budgeted Funds
 - Presented by
 - Fund
 - Major Category
 - General Fund Budget
 - Presented by
 - Revenue and Expenditure Category/Account
 - Division and Department
 - Capital Outlay

FY 2018 Budget Book

- Debt Service Fund presented by:
 - Revenue and Expenditure Category/Account
 - Summary of debt service payments due in FY 2018
- Hotel-Motel Fund presented by:
 - Revenue and Expenditure Category/Account
 - (NOTE: all proceeds of Hotel/Motel tax collections are forwarded to Chattanooga CVB)
- Sheriff Special Revenue Fund
 - Revenue and Expenditure Category/Account
- Department of Education presented by:
 - Major Category
 - Expenditures by Function

FY 2018 Budget Book

- Detail Expenditure Information
 - Listed by Division and Department
 - Details all Expenditure Requests and Budget Cuts
 - Lists current salaries (before effect of across-the-board pay increases) for all employees
- Summary of Proposed Budget will be reported in newspaper (Times Free Press) by June 10, 2017