



# **Hamilton County Budget Workshop**

**FY 2023 County Budget**

**May 24, 2022**

# FY 2023 Budget

## Key Dates

- Budget Workshops:
  - Hamilton County Schools (May 10, 2022)
  - County Budget Requests (May 17, 2022)
  - **Overall County Budget (May 24, 2022)**
- Budget Hearings: May 11, 2022
  - Elected Officials and Supported Agencies
- **Budget presented to Commission: June 1, 2022**
- **Commission Vote: June 29, 2022**

# FY 2023 Budget

## Key Points

- Budgeted Funds include:
  - General Fund
  - Debt Service Fund
  - Sheriff Special Revenue Fund
    - Narcotics Fund
    - Sexual Offenders Fund
  - Hotel Motel Fund
  - Hamilton County Schools

# FY 2023 Budget Challenges

## 1. Employee Compensation

- Emergency Medical Services
- Sheriff (primarily Corrections)
- Other (nurses, Highway Dept., etc.)

## 2. Maintenance of Effort

## 3. Capital Improvements

## 4. COVID–19 – continued recovery

# FY 2023 Budget

## ALL BUDGETED FUNDS

Total Expenditures:

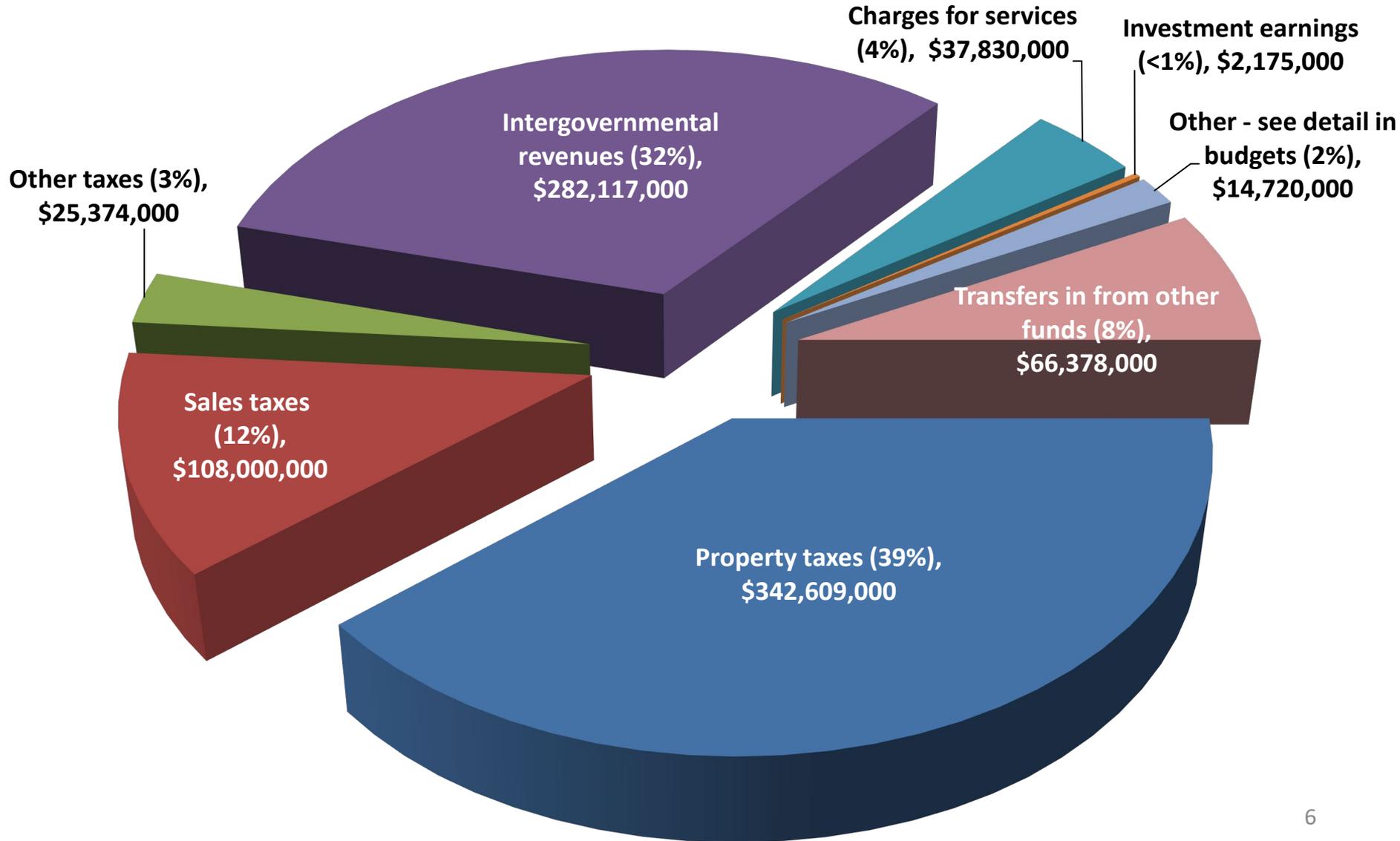
**\$881,203,000**

*Inc. over FY 2022 Budget:*

*\$48,164,000 (5.8%)*

# Revenues by Source

## All Budgeted Funds (\$879,203,000)

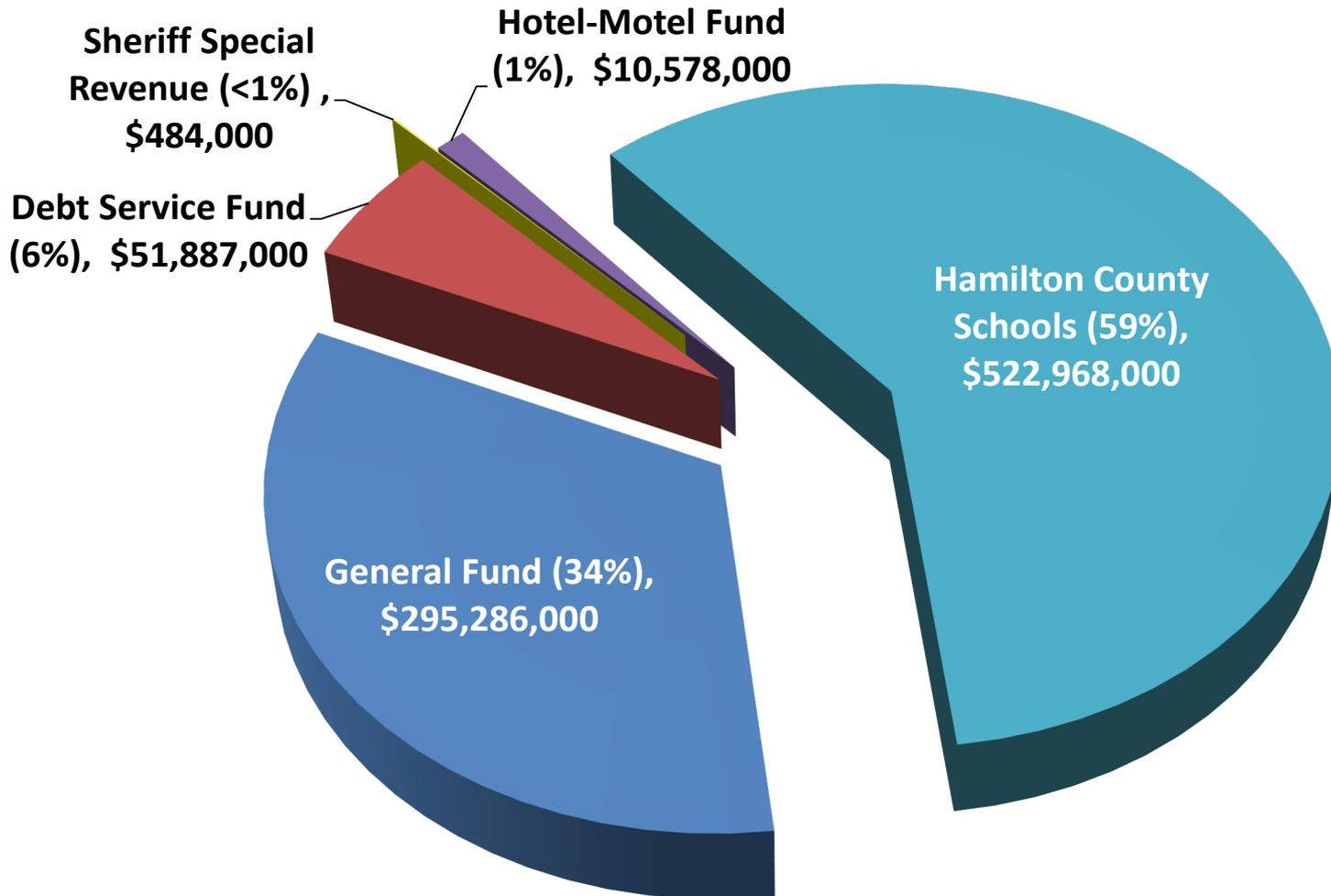


# Expenditures Budget by Fund

|   | <b>FY 2023<br/>Proposed</b> | <b>FY 2022<br/>Budget</b> |
|---|-----------------------------|---------------------------|
| <b>General Fund</b>                     | \$ 295,286,000              | \$ 284,173,000            |
| <b>Debt Service Fund</b>                | 51,887,000                  | 49,065,000                |
| <b>Sheriff Special<br/>Revenue Fund</b> | 484,000                     | 484,000                   |
| <b>Hotel Motel Fund</b>                 | 10,578,000                  | 7,358,000                 |
| <b>Hamilton County<br/>Schools</b>      | 522,968,000                 | 491,959,000               |
|   | <b>\$ 881,203,000</b>       | <b>\$ 833,039,000</b>     |

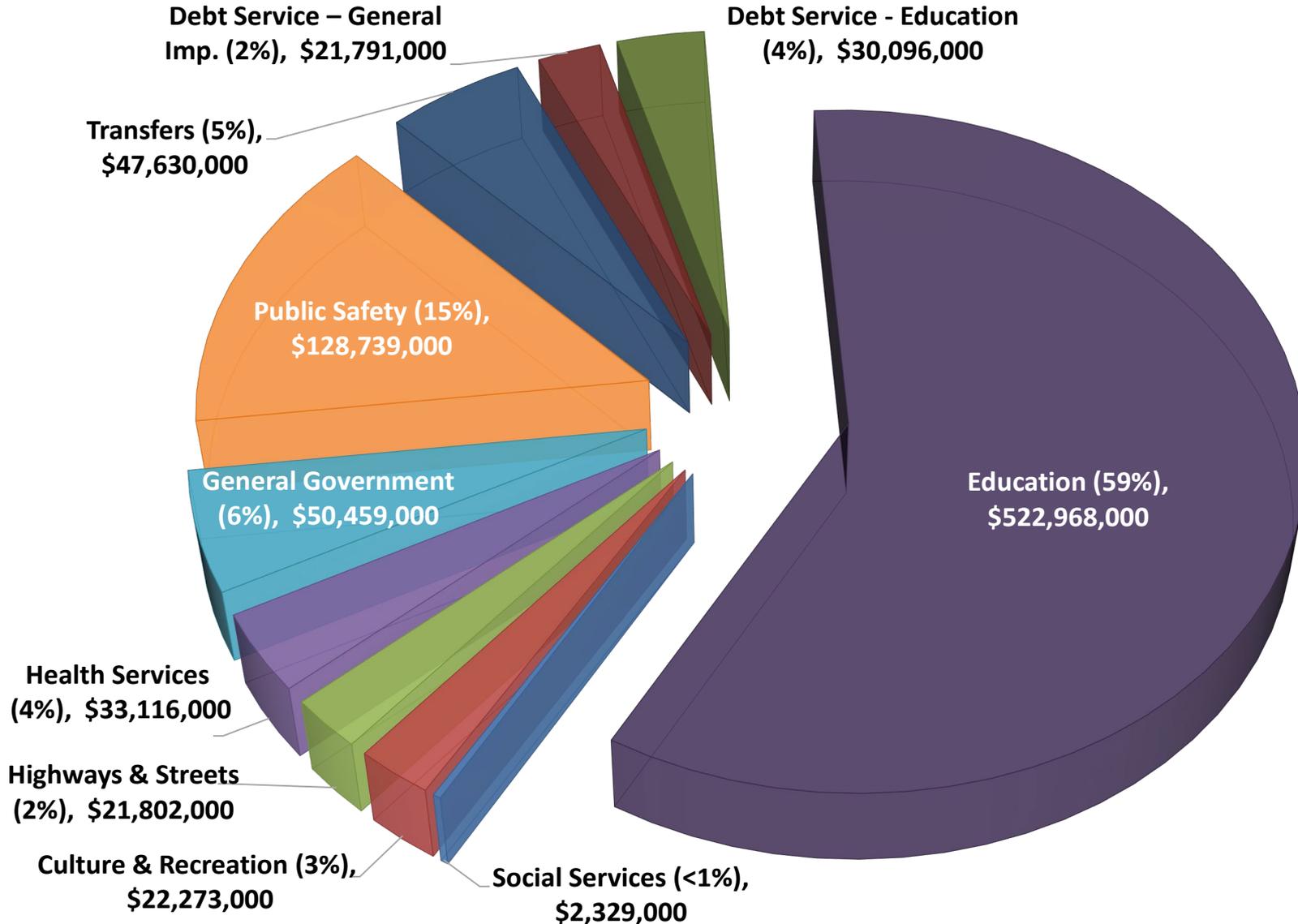
# Expenditures by Fund

## All Budgeted Funds (\$881,203,000)



# Expenditures by Function

## All Budgeted Funds (\$881,203,000)

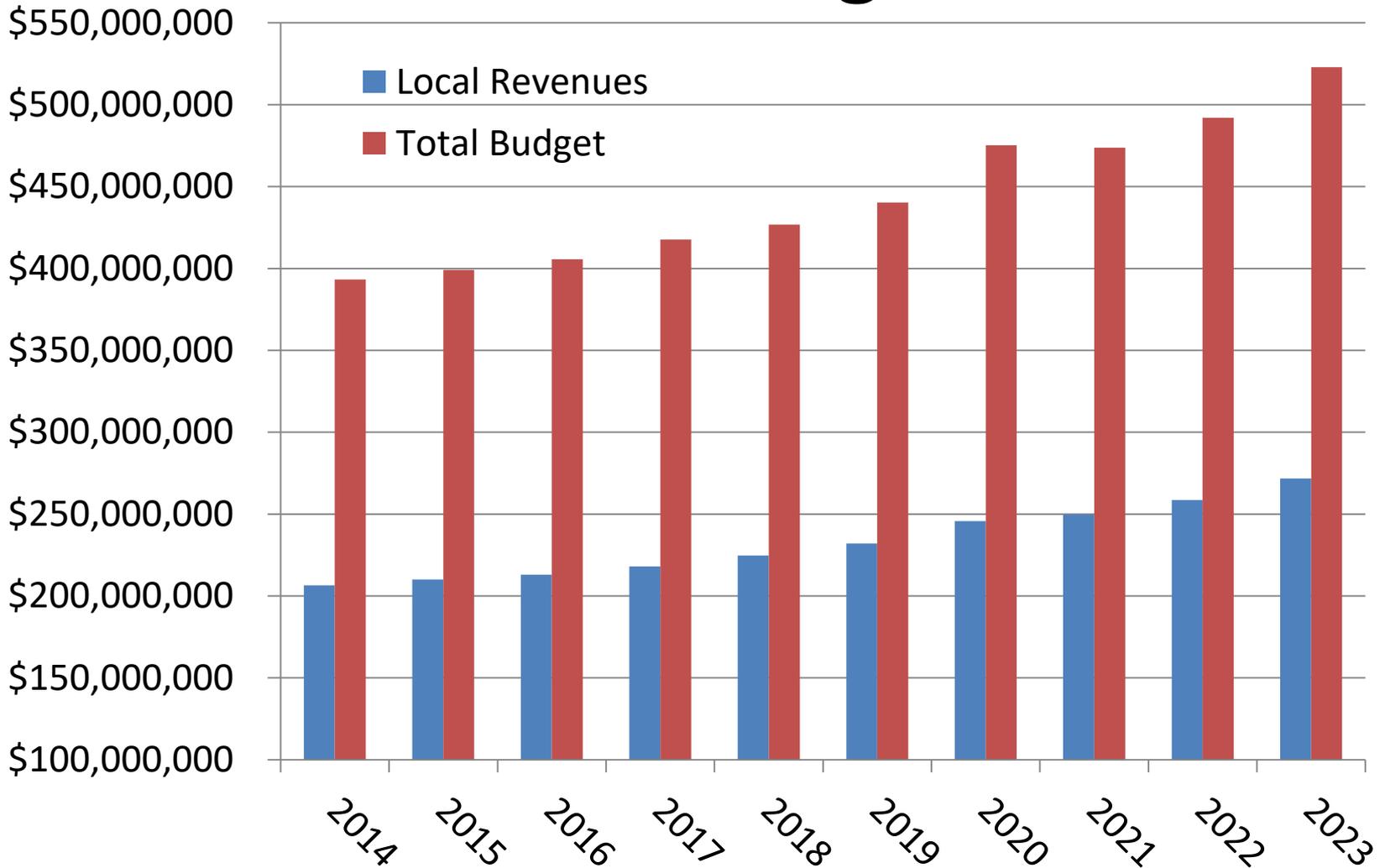


# FY 2023 Budget

## Hamilton County Schools (HCS)

|                                    | FY 2023<br>Proposed        | FY 2022               |
|------------------------------------|----------------------------|-----------------------|
| <b>General Purpose School Fund</b> | \$ 456,097,000             | \$ 434,337,000        |
| <b>Federal Projects</b>            | 36,083,000                 | 28,496,000            |
| <b>Food Service Fund</b>           | 22,875,000                 | 21,758,000            |
| <b>Self Funded Projects</b>        | 7,913,000                  | 7,368,000             |
|                                    | <u>\$ 522,968,000</u>      | <u>\$ 491,959,000</u> |
| <i>Change from FY 2022</i>         | <u><i>\$31,009,000</i></u> | <u><i>(6.3%)</i></u>  |

# HCS – Budgeted Operations FY 2014 through 2023



# FY 2023 Budget

## General Fund

|                               |                            |
|-------------------------------|----------------------------|
| Total Budget:                 | <u>\$295,286,000</u>       |
| <i>Increase over FY 2022:</i> | <i>\$11,114,000 (3.9%)</i> |

*The next several slides pertain only to the County General Fund*

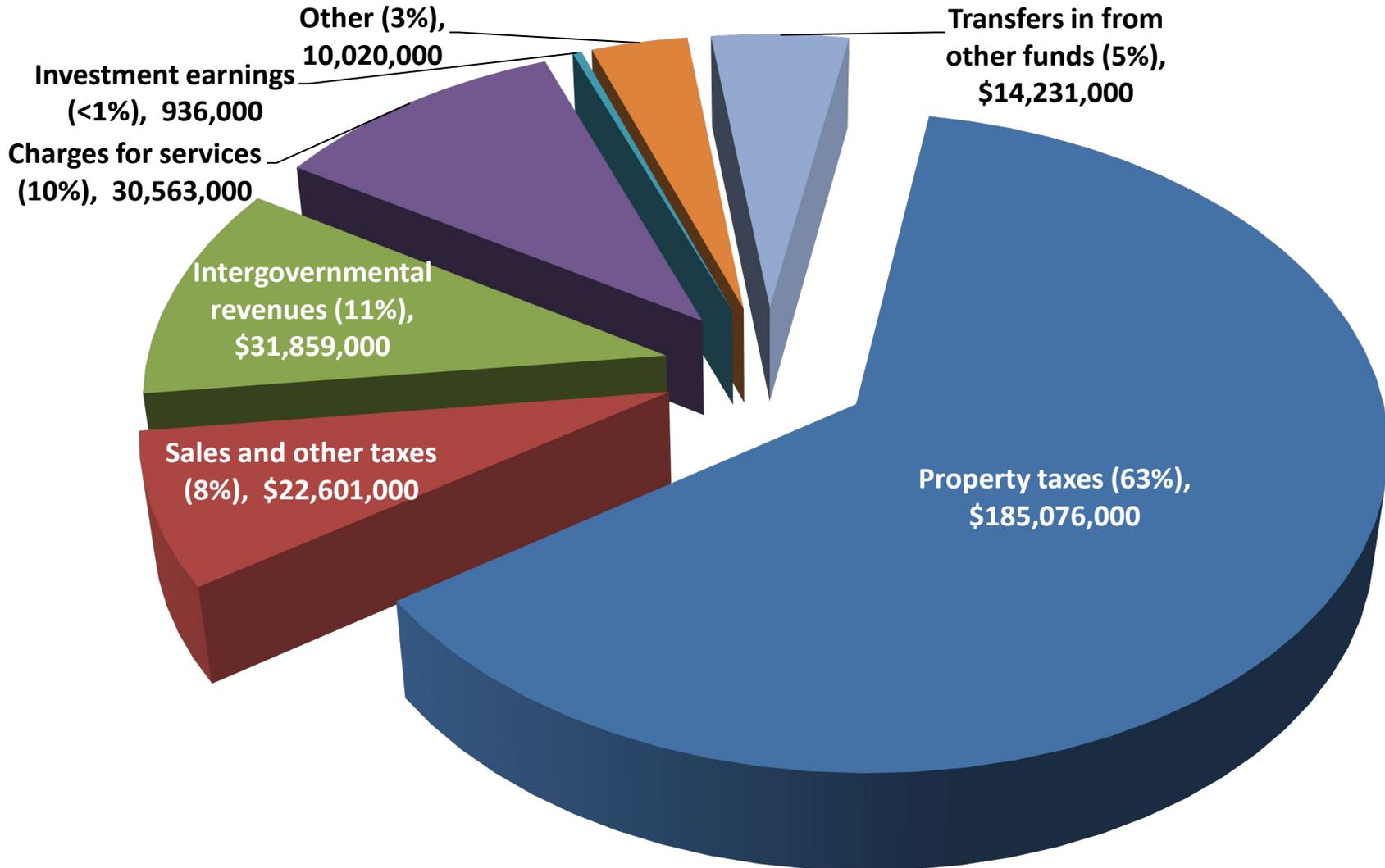
# General Fund Revenues

## (\$295,286,000)

- Increase over FY 2022 of \$11.1 million (3.9%)
  - + \$4.0 million – growth in property taxes (2.2%)
  - + \$2.6 million – growth in sales taxes
  - + \$4.8 million – growth in ambulance billings
  - + \$1.4 million – constitutional officer excess fees
  - - \$2.5 million – boarding Federal and State inmates
  - - \$1.9 million – State grant for infrastructure

# General Fund

## Revenues by Source (\$295,286,000)



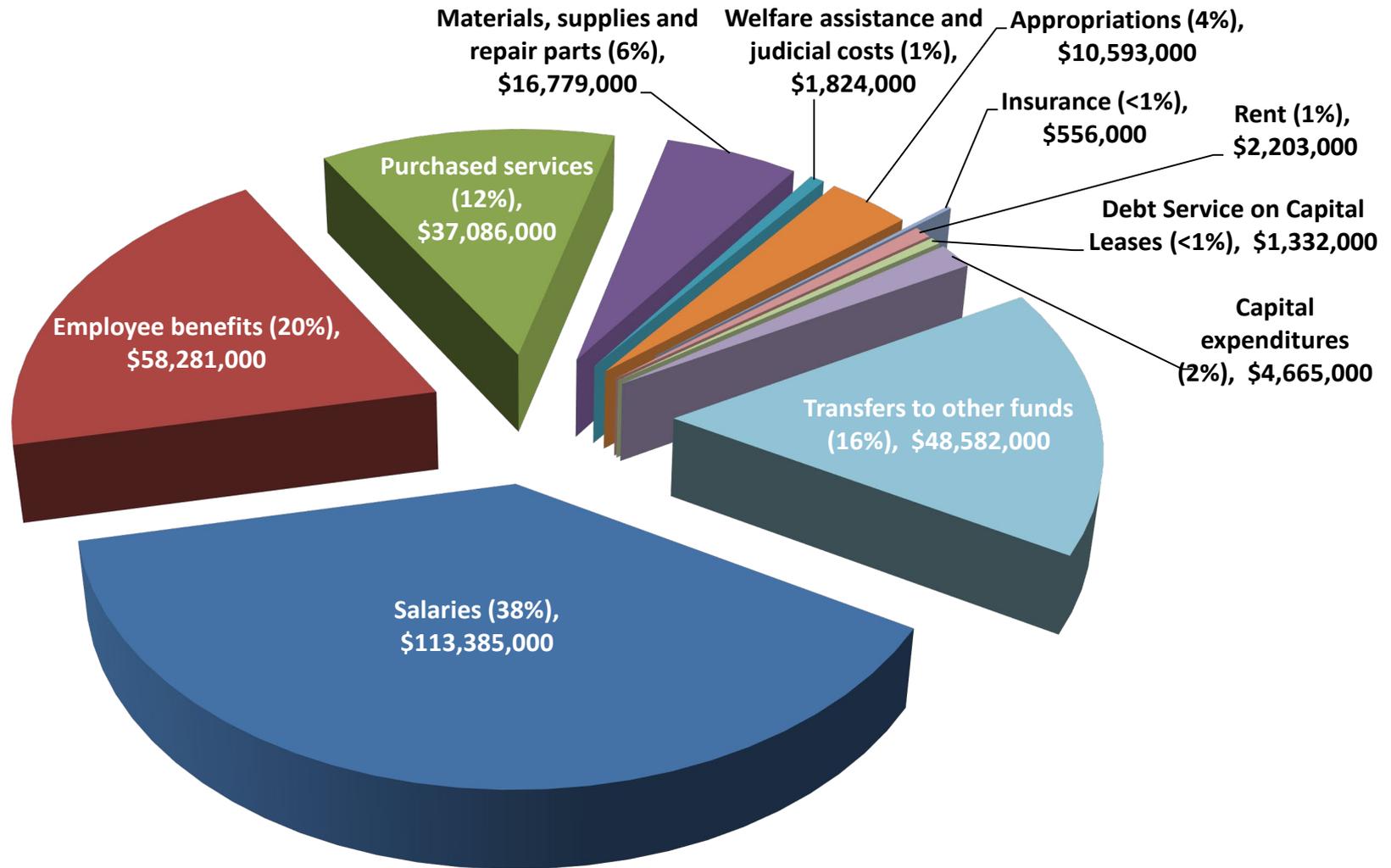
# General Fund Expenditure Cuts

Significant cuts from the requested budgets totaling \$39.8 million were necessary:

- Capital Outlay \$16.1 million
- Sheriff \$ 6.6 million
- Alton Park Dev. Corp. \$ 3.6 million
- Emergency Medical Services \$ 2.4 million
- Volunteer Services (mainly VFDs) \$ 2.2 million
- Debt service appropriation \$ 2.0 million
- Parks & Recreation \$ 1.3 million
- Highway and associated departments \$ 1.3 million

# General Fund

## Expenditures by Type (\$295,286,000)



# General Fund

## Significant Operating Costs

- Salaries and Employee Benefits - 58% of budget
- Changes to Employee Compensation
  - Significant Adjustment to Pay Plan:
    - » Minimum salary - \$31,307 (\$15.05/hr)
    - » Majority of starting salaries increase 10.4%
  - Annual Raise – higher of:
    - » Adjustment to minimum salary of Pay Plan
    - » \$2,500
    - » 3%

# General Fund

## Significant Operating Costs

- Cost of annual raises - **\$6.9 million**
- Other adjustments to salaries:
  - Funds to address compression - **\$1.1 million**
- Employee Positions – Full-time
  - » 10 less FT positions
  - » From 2,015 to 2,005 in FY 2023

# General Fund

## Significant Operating Costs (cont.)

- Employee Benefits (20% of budget)
  - No increase in health insurance costs
  - Slight increase in pension costs (Hybrid only)
- Debt Service appropriation - **\$47.6 million**
- Capital Outlay - **\$6.2 million**

# General Fund

## Significant Operating Costs (cont.)

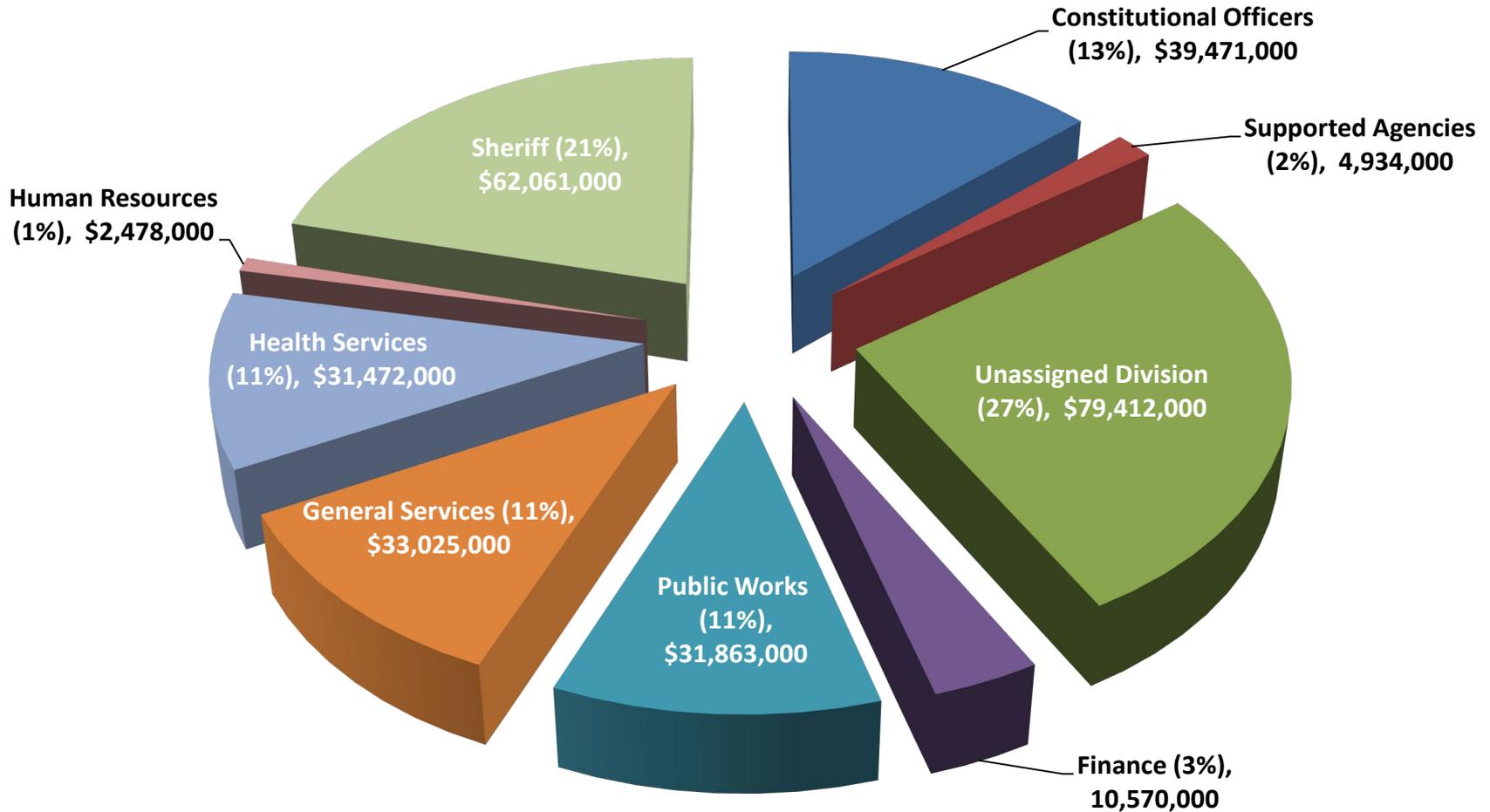
### Capital Outlay

- Total requested: \$22,307,000
- Total recommended: \$ 6,224,000
  
- *Parks & Recreation* \$1,280,000
- *Vehicles (lease program)* \$1,272,000
- *Sheriff* \$1,100,000
- *Highway and PLM Shops* \$ 810,000

# General Fund Budget by Division

|                                | <b>FY 2023<br/>Proposed</b> | <b>FY 2022<br/>Budget</b> |
|--------------------------------|-----------------------------|---------------------------|
| <b>Constitutional Officers</b> | \$ 39,471,000               | \$ 38,416,000             |
| <b>Supported Agencies</b>      | 4,934,000                   | 4,837,000                 |
| <b>Unassigned</b>              | 79,412,000                  | 78,343,000                |
| <b>Finance</b>                 | 10,570,000                  | 10,050,000                |
| <b>Public Works</b>            | 31,863,000                  | 30,696,000                |
| <b>General Services</b>        | 33,025,000                  | 29,116,000                |
| <b>Health Services</b>         | 31,472,000                  | 29,893,000                |
| <b>Human Resources</b>         | 2,478,000                   | 2,316,000                 |
| <b>Sheriff</b>                 | 62,061,000                  | 60,506,000                |
|                                | <b>\$ 295,286,000</b>       | <b>\$ 284,173,000</b>     |

# General Fund Expenditures by Division (\$295,286,000)



# General Fund Expenditures

## Constitutional Officers (13%)

- Total Expenditures: **\$39,471,000<sup>(1)</sup>**  
*Increase over FY 2022* **\$1,055,000 (2.7%)**
- Major changes:
  - Election Commission \$ 596,000
  - Assessor of Property \$ 184,000
  - Juvenile Court Detention Unit \$ 127,000
  - Juvenile Court Judge \$ 114,000
  - **General Sessions Court - \$ 124,000**

*(1) - includes employee raises - \$1,143,000*

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

# General Fund Expenditures Supported Agencies (2%)

- Total Expenditures: **\$4,934,000**  
*Increase over FY 2022* \$ 97,000 (2.0%)
- Major changes:
  - Air Pollution Control \$ 40,000
  - African American Museum 23,000

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 (27%)

- Total Expenditures: **\$79,412,000<sup>(1)</sup>**  
*Increase over FY 2022* **\$1,069,000 (1.4%)**
- Major changes:
  - Debt Service Appropriation \$ 853,000
  - Emergency Management \$ 295,000
  - WWTA \$ 245,000
  - County Attorney \$ 230,000
  - Capital Outlay - **\$ 910,000**

*(1) - includes employee raises - \$347,000*

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 (3%)

- Total Expenditures: **\$10,570,000<sup>(1)</sup>**  
*Increase over FY 2022* **\$520,000 (5.2%)**
- Major changes:
  - Information Technology \$ 226,000
  - Accounting \$ 182,000

*(1) - includes employee raises - \$358,000*

Encompasses the fiduciary aspects of the County, including Accounting, Payroll, Payables, Ambulance Billing, Procurement, IT, GIS, Financial Management, Telecommunications, and Records Management.

# General Fund Expenditures

## Public Works Division (11%)

- Total Expenditures: **31,863,000<sup>(1)</sup>**  
*Increase over FY 2022* **\$1,167,000 (3.8%)**
- Major changes:
  - Parking Garages (Cherry St., Health Dept.) \$ 367,000
  - Highway and associated departments \$ 279,000
  - Security Services \$ 253,000

*(1) - includes employee raises - \$789,000*

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 (11%)

- Total Expenditure Requests: **\$33,025,000**<sup>(1)</sup>  
*Increase over FY 2022* **\$3,909,000 (13.4%)**
- Major changes:
  - Emergency Medical Services: \$ 3,014,000
  - Parks and Recreation \$ 588,000

*(1) - includes employee raises - \$1,123,000*

Includes Emergency Medical Services, Corrections,  
Parks & Recreation

# General Fund Expenditures

## Health Services Division (11%)

- Total Expenditure Requests: **\$31,472,000<sup>(1)</sup>**  
*Increase over FY 2022* \$1,580,000 (5.3%)
- Major changes:
  - Coronavirus \$ 549,000

*(1)- includes employee raises - \$1,105,000*

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

# General Fund Expenditure Requests

## Human Resources Division (1%)

- Total Expenditure Requests: **\$2,478,000**<sup>(1)</sup>  
*Increase over FY 2022* **\$162,000 (7.0%)**
- Major changes:
  - Benefits **\$ 118,000**

*(1)- includes employee raises - \$89,000*

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

# General Fund Expenditure Requests Sheriff Division (21%)

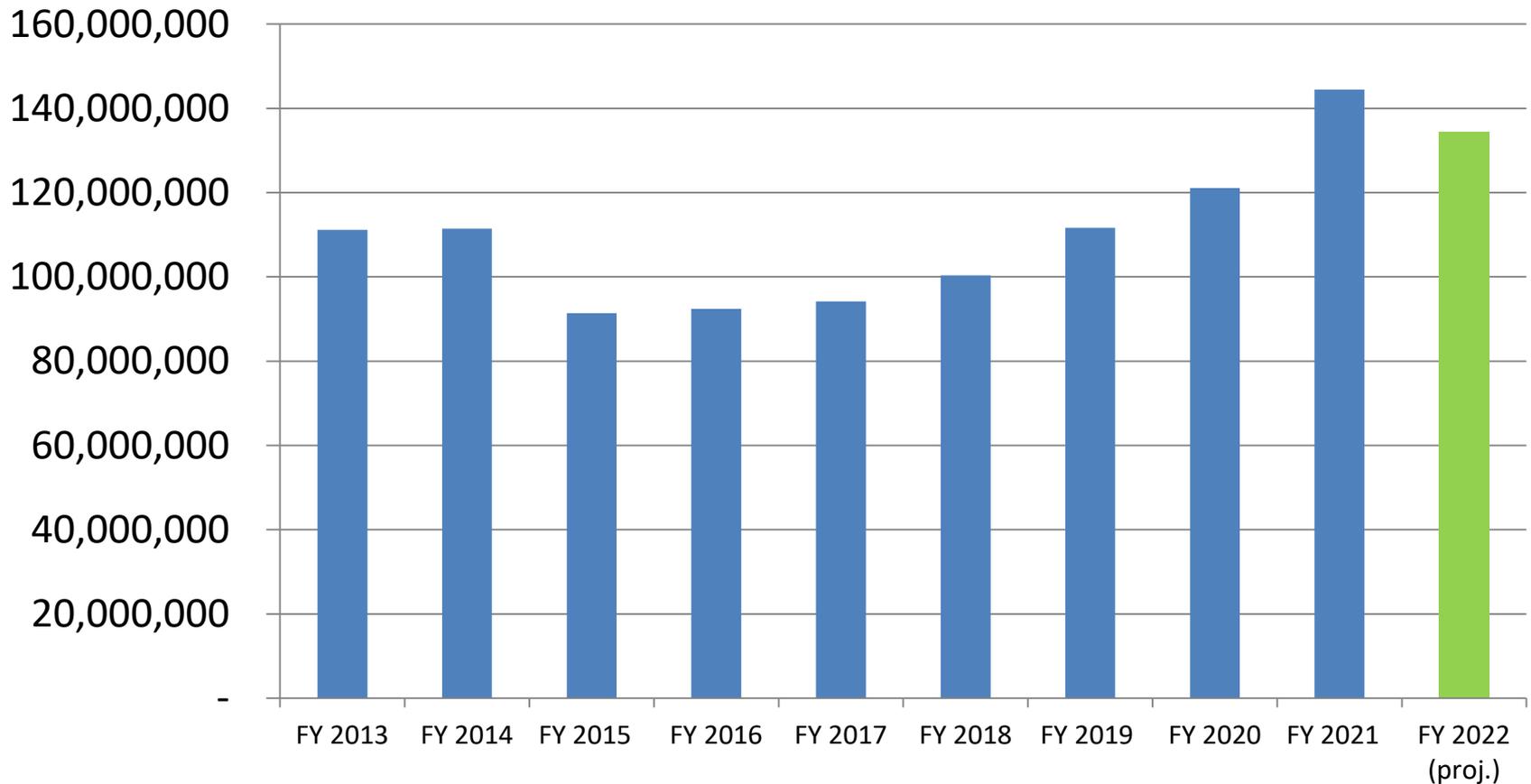
- Total Expenditure Requests: **\$62,061,000**<sup>(1)</sup>  
*Increase over FY 2022* **\$1,555,000 (2.6%)**
- Major changes:
  - Corrections **\$ 874,000**

*(1) - includes employee raises - \$1,711,000*

An accumulation of several departments whose primary function is  
law enforcement

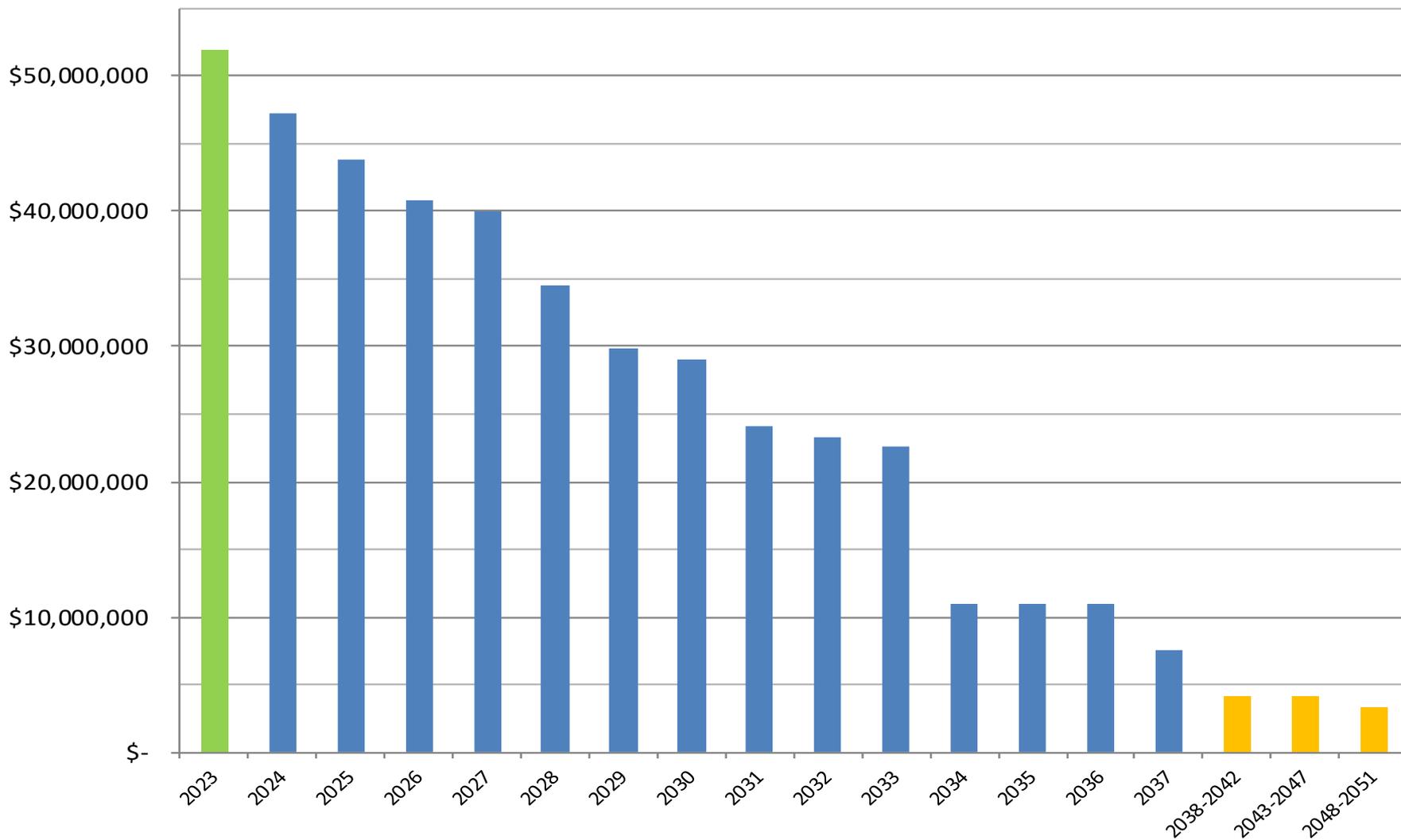
# General Fund Fund Balance

FY 2013 – 2021 (Actual), 2022 (Projected)



# Debt Service Fund

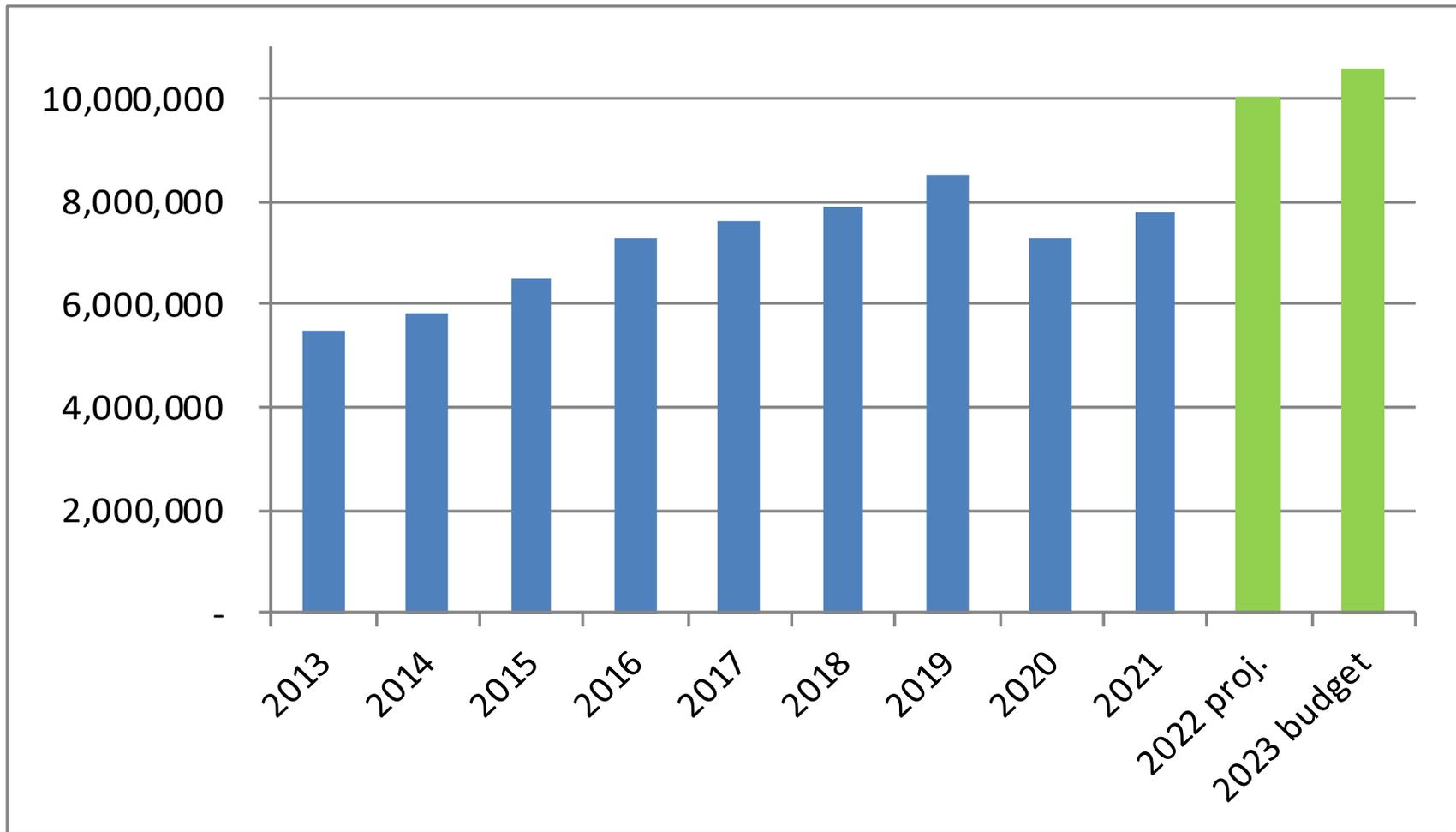
## Scheduled Debt Service Payments



# Other Budgeted Funds

## Hotel Motel Fund

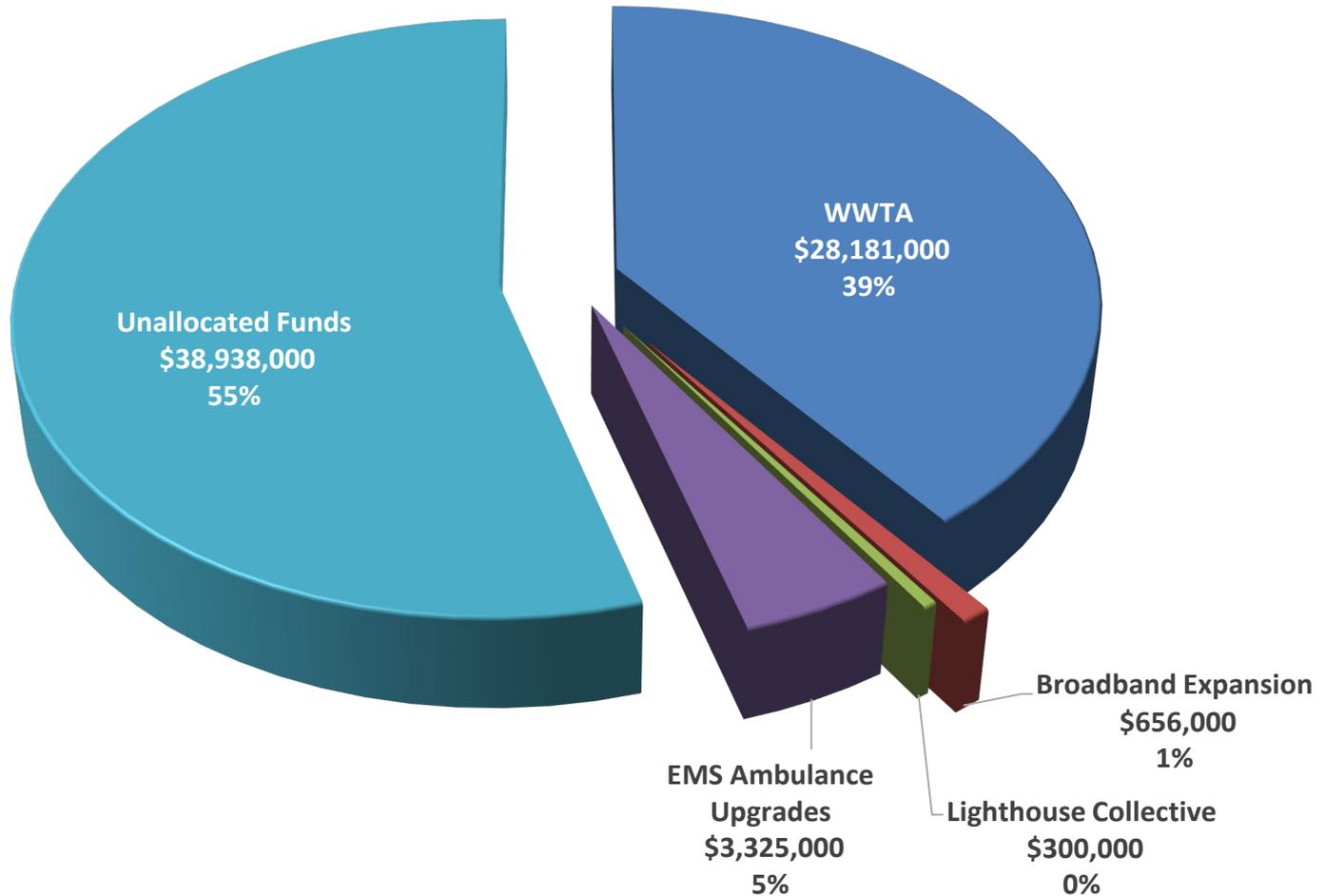
### 10-Year History of Collections



# American Rescue Plan (ARP)

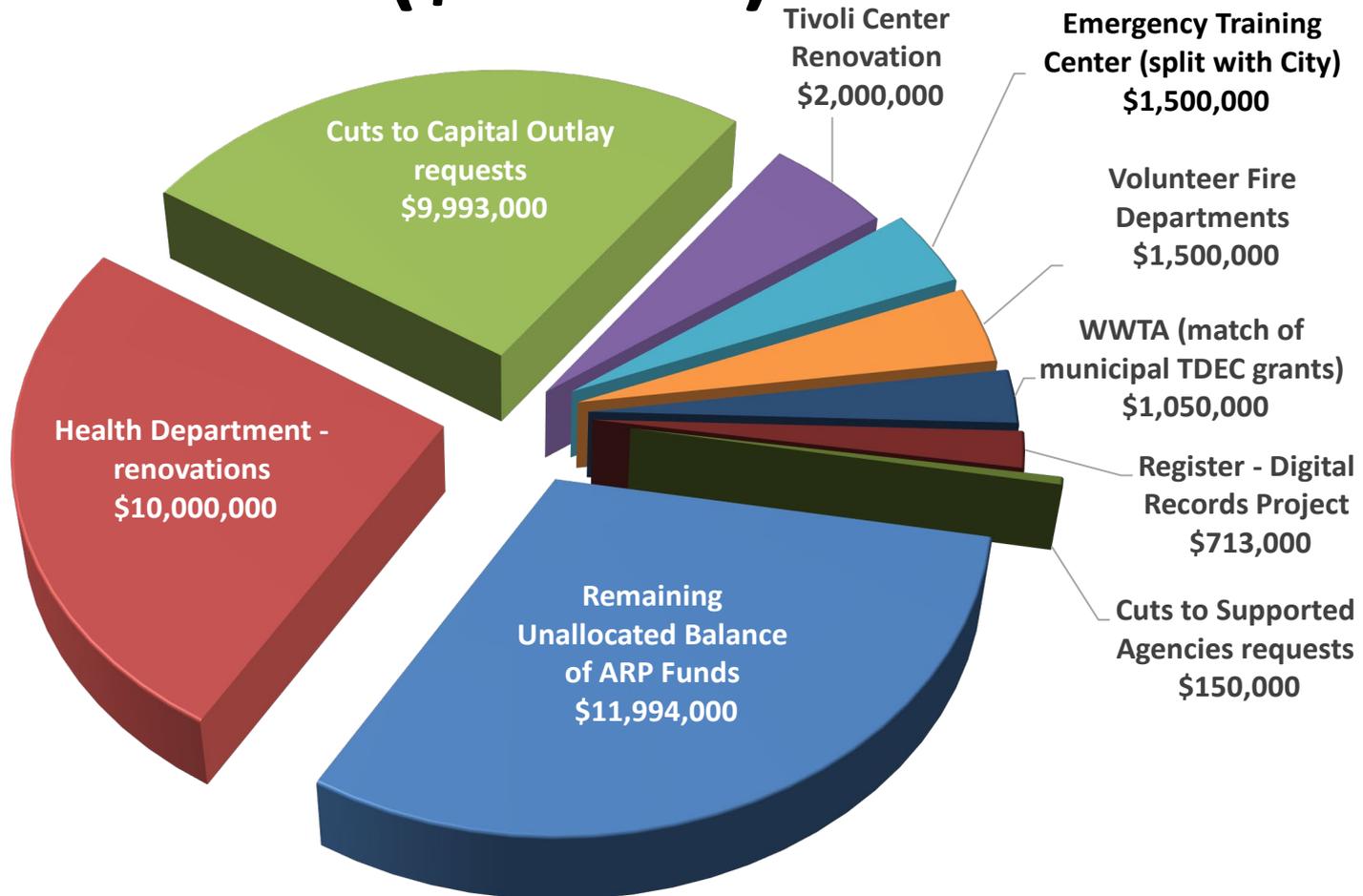
- Awarded \$71.4 million in proceeds
  - Final payment of \$35 million to arrive this month
- ARP revenues/expenditures are NOT included in the FY 2023 budget
- Commission has appropriated spending to date - \$32.5 million
- Balance remaining - \$38.9 million

# American Rescue Plan (ARP) Total Awarded - \$71.4M



# American Rescue Plan (ARP)

## Allocation of Remaining Balance (\$38.9M)



# FY 2023 Budget – Priorities

1. Maintain services within fiscal constraints
  - Public Health – continue to address COVID-19
  - Meet all Maintenance of Efforts requirements
2. Employee Compensation
  - Majority of revenue growth used to address issues with recruiting and retention of employees
3. American Rescue Plan Act
  - \$10 million used to fund capital outlay
  - \$1.5 million of ARP to address VFD capital needs
4. No increase in property tax rates

# **Hamilton County Budget Workshop**

**NEXT STEP**

**Presentation of FY 2023 Budget**

**June 1, 2022**

# FY 2023 Budget Book

- Budget Book will be posted on the County's website on June 1, 2022
- Printed copy of the budget book will be given to each Commissioner requesting one.
  - Others can access budget book at website and on CERP.

# **Hamilton County Budget Workshop**

**QUESTIONS**