

FY 2016 Budget Adoption

September 8, 2015



COBB COUNTY FINANCE DEPARTMENT

PRESENTED BY : JAMES PEHRSON
DIRECTOR / COMPTROLLER

FY 2016 BUDGET SCHEDULE

**Advertised in the Marietta Daily Journal
~August 11, 2015**

**Public Hearing
~August 25, 2015 (7:00pm)**

**Adoption
~September 8, 2015**



FY 2016 BUDGET PROCESS

+ Key Roles in Budget Process

- × **County Departments** – Generate requests.
- × **Budget Office** – Forecast all revenue sources. Review, analyze, and present all departmental requests and all other changes not related to staffing.
- × **Human Resources** – Receive, analyze, and present departmental staffing requests.
- × **County Manager** – Review and approve, deny, or modify departmental requests.
- × **Chairman** – Make strategic recommendations on the budget and present to the Board of Commissioners.
- × **Board of Commissioners** – Review and Adopt.



FY 2016 BUDGET PROCESS

- + Five Month Process (May – September)
 - × All revenue sources for all funds are analyzed and projected (Millage rate is budgeted, but not set)
 - × All department's requests for operating and capital expenditures are compiled by the Budget Division. All requests reviewed, and presented to the County Manager
 - × All department's requests for personnel are compiled by HR, reviewed, and presented to the Chairman and County Manager
 - × All fringe and benefit costs are analyzed and adjusted
 - × Budget with approved adjustments is consolidated and presented to Chairman and County Manager



BACKGROUND

- × 2009-2011
 - + Economy declines
 - + Revenue decreases
 - + Tax Digest Plummet
 - + Tough decisions made
 - × Millage increase
 - × Furloughs
 - × 10% cuts including services



MAJOR BUDGET IMPACTS SINCE 2009

- ✘ Reduced Water Transfer
- ✘ Public Safety
- ✘ Unfunded Mandates
 - + Pension
 - + Healthcare



FY 2016 OPERATING BUDGETS

Operating Budgets:	FY15 Adopted	FY16 Proposed	% Change
Governmental Fund Types			
General Fund (6.82 mills)	\$340,788,261	\$351,095,410	3.02%
Claims	\$75,911,050	\$76,300,136	0.51%
CSBG	\$558,020	\$555,421	-0.47%
Debt Service (0.33 mills)	\$9,346,026	\$10,323,747	10.46%
E911	\$10,910,412	\$11,497,110	5.38%
Fire (3.06 mills)	\$75,686,198	\$79,020,644	4.41%
Hotel/Motel Tax	\$12,000,000	\$13,500,000	12.50%
Law Library	\$605,122	\$579,540	-4.23%
Parking Deck	\$933,514	\$964,645	3.33%
Street Light District	\$5,520,653	\$5,759,668	4.33%
CSSD I	\$0	\$3,600,000	100%
CSSD II (2.6 mills)	\$0	\$5,150,000	100%
Six Flags SSD (3.5 mills)	\$0	\$720,000	100%
<i>Subtotal</i>	\$532,259,256	\$559,066,321	5.04%
Business-type Funds			
Golf Course	\$1,795,731	\$1,839,288	2.43%
Solid Waste	\$1,020,677	\$1,047,444	2.62%
Transit	\$19,652,226	\$20,780,410	5.74%
Water	\$209,968,723	\$206,432,039	-1.68%
<i>Subtotal</i>	\$232,437,357	\$230,099,181	-1.01%
Total Operating Funds	\$764,696,613	\$789,165,502	3.20%



GENERAL FUND

	FY15 Adopted	FY16 Proposed	% Change
General Fund	\$340,788,261	\$351,095,410	3.02%

The General Fund

- + Primary operating fund of the County
- + Used to account for all financial resources of the government except for those required to be accounted for in another funds.



GENERAL FUND REVENUES

General Fund	FY15 Adopted	FY16 Proposed	% Change
Property Taxes	\$ 209,983,723	\$ 208,091,142	-0.90%
Penalties & Interest	\$ 4,361,000	\$ 4,359,000	-0.05%
Other Taxes	\$ 36,984,000	\$ 39,899,000	7.88%
Licenses and Permits	\$ 21,821,700	\$ 22,937,921	5.12%
Intergovernmental Revenues	\$ 3,115,500	\$ 2,873,000	-7.78%
Charges for Services	\$ 35,529,182	\$ 38,049,938	7.09%
Fines and Forfeitures	\$ 9,995,000	\$ 9,618,000	-3.77%
Miscellaneous Revenue	\$ 3,069,025	\$ 3,377,100	10.04%
Other Financing Sources	\$ 365,100	\$ 490,100	34.24%
Transfers	\$ 15,564,031	\$ 21,400,209	37.50%
Total General Fund	\$ 340,788,261	\$ 351,095,410	3.02%

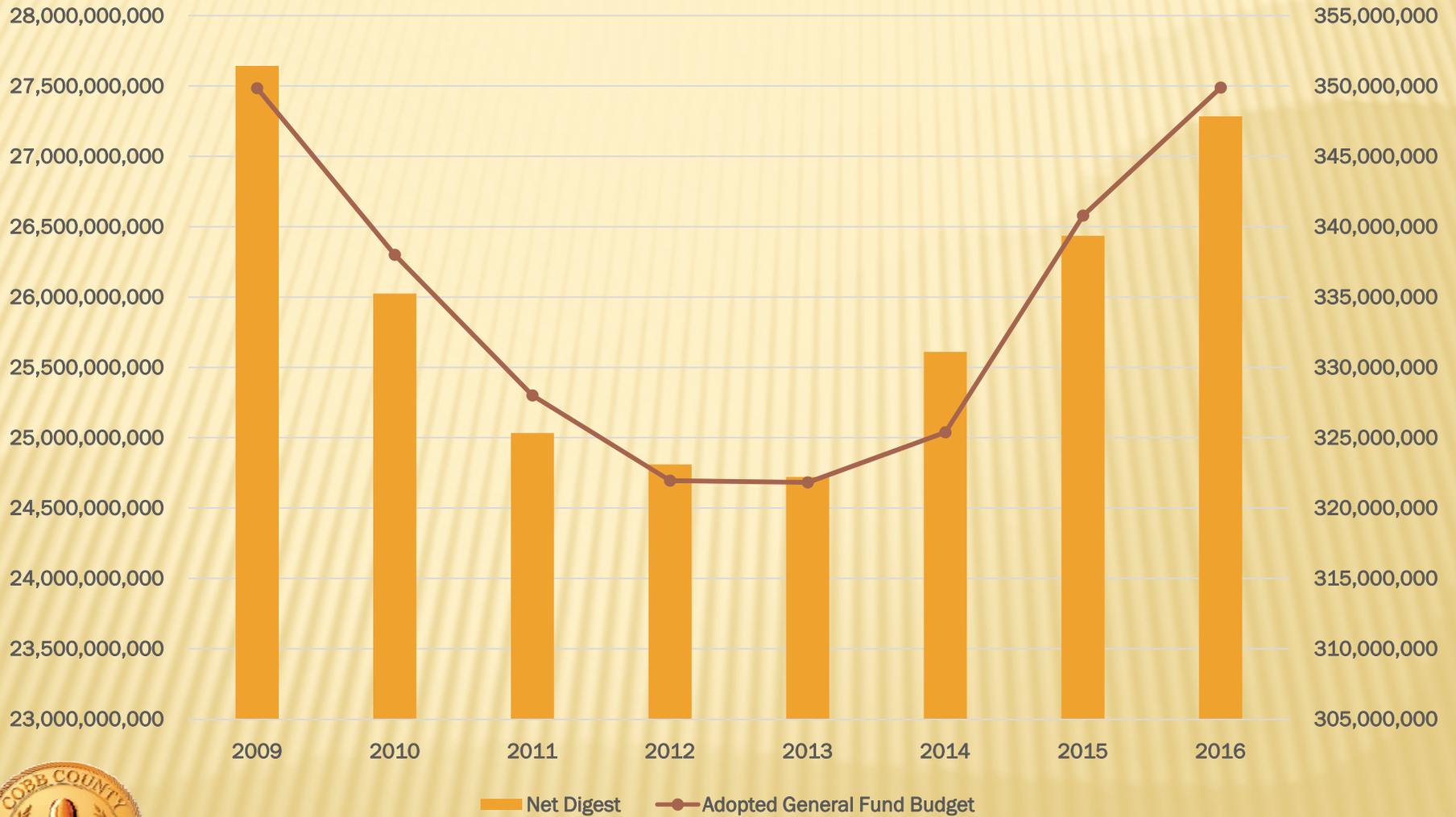


GENERAL FUND REVENUE SOURCES

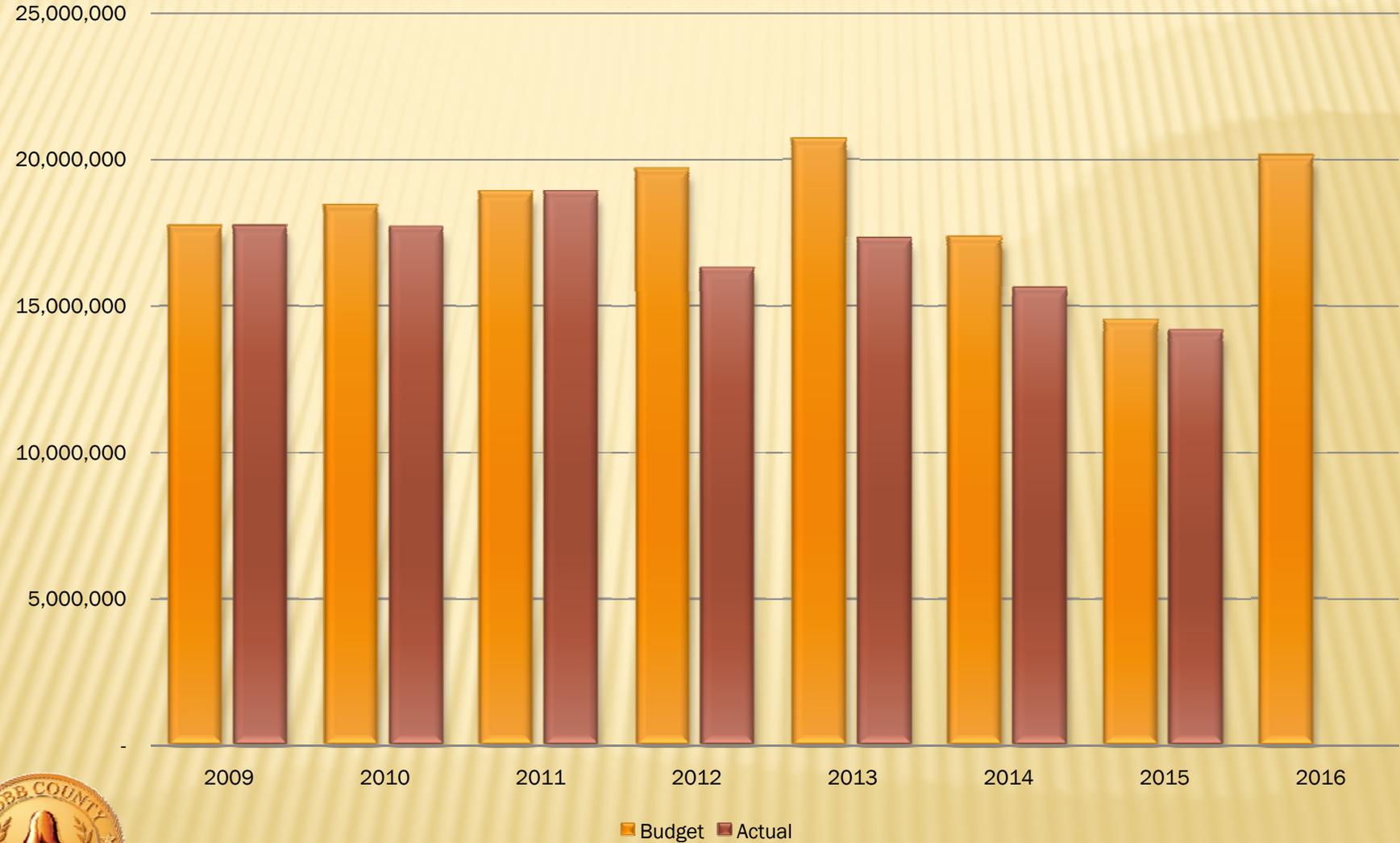
	<u>% Budget</u>
+ Property Taxes (Net of TAVT)	52.7%
+ TAVT	6.5%
+ Penalties & Interest	1.2%
+ Other Taxes	11.4%
+ Licenses and Permits	6.6%
+ Intergovernmental Revenue	0.8%
+ Charges for Services	10.9%
+ Fines and Forfeitures	2.7%
+ Miscellaneous Revenue	1.0%
+ Other Financing Sources	0.1%
+ Transfers In	6.1%
	100%



NET TAXABLE DIGEST VS. ADOPTED GENERAL FUND BUDGET



WATER FUND TRANSFERS TO THE GENERAL FUND



GENERAL FUND EXPENDITURES

General Fund	FY15 Adopted	FY16 Proposed	% Change
Personnel Services	\$243,168,041	\$249,942,552	2.79%
Operating	\$75,763,563	\$76,201,252	0.58%
Capital	\$0	\$0	0.00%
Debt Service	\$100,000	\$100,000	0.00%
Transfers Out	\$15,235,537	\$15,846,931	4.01%
Contingency	\$6,521,120	\$9,004,675	38.08%
Total	\$340,788,261	\$351,095,410	3.02%



UNFUNDED MANDATES

- ✘ Healthcare

 - + Increase in Health Care cost and plan changes.

- ✘ Pension

 - + Increase in Annual Required Contribution.

 - + Changes to Plan (Closing Amortization Period, Lowering expected rate of return, Actuarial adjustments)



GENERAL FUND PUBLIC SAFETY DEPARTMENTS

	FY 2016	% of General Fund Budget
Public Safety Related Departments		
Department Of Public Safety	69,981,823	20.0%
Sheriff Department	72,945,775	20.8%
Medical Examiner	1,654,294	0.5%
Clerk Of State Court	4,524,958	1.3%
Clerk Of Superior Court	6,089,280	1.7%
District Attorney Office	7,079,264	2.0%
Chief Magistrate	3,289,484	0.9%
Drug Treatment/Education	540,950	0.2%
Juvenile Court	5,273,530	1.5%
Probate Court	1,539,868	0.4%
Solicitor Office	5,274,745	1.5%
State Court	7,226,105	2.1%
Superior Court	6,489,836	1.9%
Circuit Defender	5,396,741	1.5%
	197,306,653	56.4%



PUBLIC SAFETY

Cobb County Public Safety Additions from Fiscal Year 2014 - 2016

Additions	Cost in Fiscal Year 2016
Shift Differential	1,000,000
Education Pay Police & Sheriff	1,020,000
Positions	
Police 40 Officers Agenda Item on 02/25/2014	2,739,463
Police Positions Adopted / Restored in FY15	563,846
Police 40 Officers Proposed for FY16	1,369,732
Equipment for the 80 Police Positions (\$7500 per)	600,000
Animal Control Adopted in FY15	68,634
Medical Examiner Agenda 9/23/2014	649,973
Court Positions Adopted / Restored in FY15	408,420
Circuit Defender Agenda Item 2/24/2015	33,358
Clerk of Superior Court Agenda 5/13/2014	26,352
Sheriff Positions Adopted / Restored in FY15	1,658,694
TOTAL	10,138,471
Millage Rate Increase Required to Cover Public Safety Additions	0.400

*Total County Wide Investment in Public Safety: \$287,824,407 (includes General Fund, Fire Fund, and E911)



CAPITAL BUDGETS

	FY15 Adopted	FY16 Proposed	% Change
Capital Funds			
800 MHz Radio System	\$1,111,965	\$482,644	-56.60%
Capital Projects	\$4,362,711	\$4,503,634	3.23%
Water RE&I	\$51,722,828	\$49,752,828	-3.81%
Water System Dev Fee	\$20,657,310	\$21,332,310	3.27%
Total Capital Funds	\$77,854,814	\$76,071,416	-2.29%



2016 PROPOSED BUDGET

✘ INCLUDES:

- + 6.82 millage
- + 10% water transfer
- + 3% merit
- + 2 new positions
- + Parking deck subsidy
- + Healthcare cost increase
- + Pension cost increase



2016 PROPOSED BUDGET

✘ DOES NOT INCLUDE:

- + Departmental operating or capital requests
- + New personnel requests outside of public safety and county attorney
- + Funding for vacant positions
- + Implementation of pay & class study



BUDGET RECAP

+ Balanced Budget

- × General Fund Millage Reduced to 6.82
- × Water Transfer of 10%
- × General Fund Investment
in Public Safety of \$197,306,653
 - County Wide Investment in Public Safety \$287,824,407
- × 3% Merit for Employees
- × Strategic Personnel Growth Freeze
- × Only 2 Additional Positions Outside of Public Safety

+ Reaffirmation of Triple Triple A



QUESTIONS

