

FY 2018/19 OPERATING BUDGET COMMENCEMENT MEETING

Department Heads, Elected & Appointed Officials

Monday, December 11, 2017

2:00 PM

AGENDA

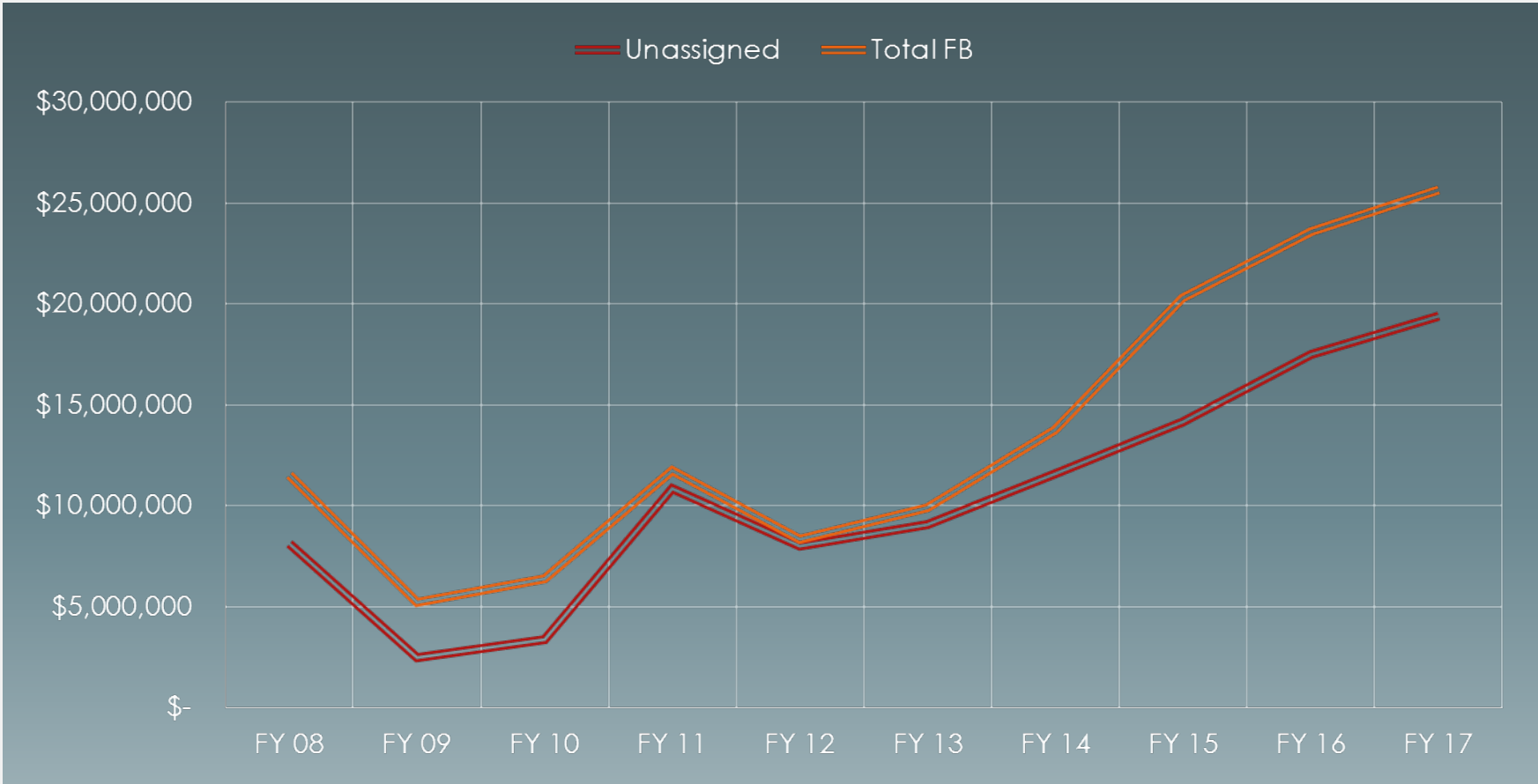
- Financial Status Update
 - FY 2016/17 Results
 - FY 2017/18 Budget Outlook
- FY 2019-23 CIP Update
- FY 2018/19 Operating Budget
 - Parameters & Process
- Questions and Comments

FY 2016/17 RESULTS

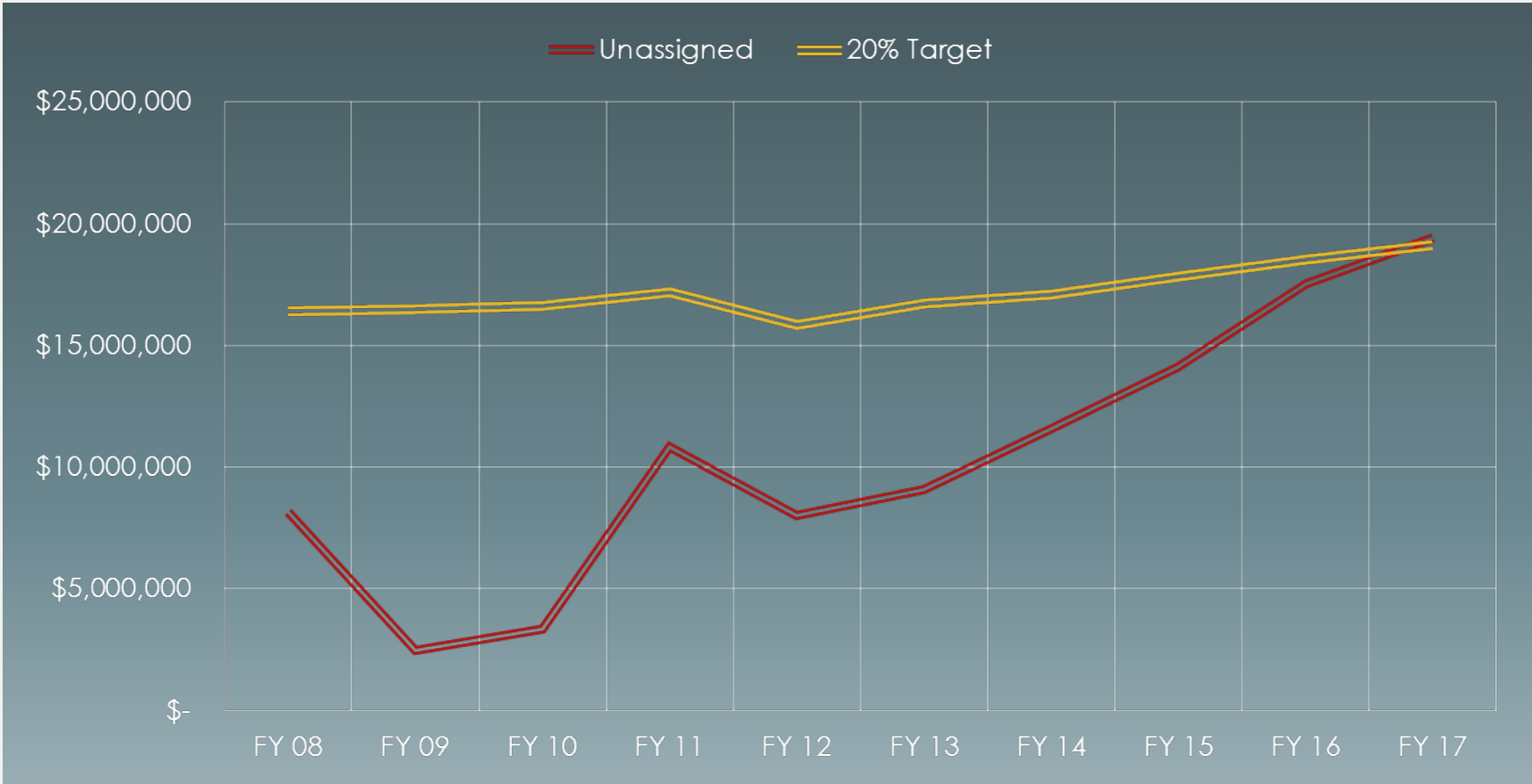
FY 2016/17 RESULTS

- **General Fund**
 - Continued improvement in fund balance & cash position aided by positive FY 17 operating results
 - Revenues exceeded expenditures resulting in a \$2,046,764 contribution to fund balance in the General Fund
 - Total Fund Balance - \$25,639,290
 - Unassigned Fund Balance is at \$19,424,939 or 20.3% of revenues
 - As fund balance has improved, so too has our liquidity and our ability to withstand financial distress
 - Assignment of fund balance for future capital
- **Major Highlights**
 - Departmental expenditures key contributor to financial success
 - Improved current tax revenues
 - Continued growth in building permits, county stamps, ROD fees

GENERAL FUND – FUND BALANCE



GENERAL FUND – FUND BALANCE



BOND RATING

- Current Ratings – General Obligation Bonds
 - S&P – AA+ (upgraded FY 16)
 - Moody's - Aa2 (upgraded FY 17)
 - Fitch – AA+ (upgraded FY 17)
- Ongoing efforts to positively influence ratings
 - Achievement of 20% unassigned
 - Demonstrate reliability/stability in financial performance
 - Keep an eye on long-term liabilities (OPEB, Pensions)
 - Continue progress on per capita income and diversification of economic base
 - Continue focus on long-term financial planning – biennial budget & 5 year model

**FY 2017/18 BUDGET OUTLOOK &
UPDATE**

FY 2017/18 BUDGET OUTLOOK

- Tax Trends
 - Tax base growth: \$28,908,180 or 2.72%
 - Consistent with budget for FY 18
 - By comparison, prior year growth of \$10,301,592 or 0.98%
 - Modest growth for vehicles 3.28%
 - Compared to 3.36% last year
 - Mixed results in areas of DOR assessed property
 - Real Estate (including mobile homes) grew 2.75%
 - Compared to 2.51% last year
 - Consistent with last year, growth in owner occupied residential outpaced commercial real estate

FY 2019-23 CIP UPDATE

- Current status
- Immediate Capital Needs
 - EMS Cardiac monitors
 - Comp Plan & Area Performance Planning
 - VHF radio infrastructure & 800 MHz radio lifecycle replacement
 - Road Infrastructure (resurfacing, bridges, safety improvements)
 - Technology replacements & upgrades (network, server, software upgrades, document management, digitizing property records)
 - Building renovations & repairs

FY 2018/19 OPERATING BUDGET

FY 18/19 CHANGES/CHALLENGES

- SCRS & PORS contribution rates challenge
 - Already announced 2.0% increase for employers (1% increase + no credit for 1%)
 - Current employee rates are capped
- House Ways & Means Ad Hoc Committee to review LGF funding formula
- Pay package
- Health Insurance – rate increase likely, however unlikely to require any change to our internal premiums (dept. cost)
- Staffing pressure – road infrastructure & service level demand

FY 18/19 CHANGES/CHALLENGES

- Fuel rates expected to increase slightly over the next year
- Electricity and Natural gas rates expected to increase modestly, consumption up
- Capital needs
 - Infrastructure
 - Technology
- Continued integration of Strategic Visioning process with budget development process
 - Allocating resources to support accomplishment of goals

ADMINISTRATION PRIORITIES

- Present Council with an efficient budget that incorporates funding for initiatives that help them to achieve their goals & objectives
- Continued focus on long-term fiscal stability and compliance with financial policies
- Identify streamlined service delivery models and operational improvements
- Address capital needs, specifically those that help to meet Council's goals and objectives
- Continue transition to pay-go funding capital needs

BUDGET PROCESS

- New Process with Munis
 - Budget Requests including New Budget Initiatives will be made through Munis
 - Individual meetings with Budget Management
 - Joint meetings with Administration & Budget Management
- Operating Budget document designed to tie the allocation of resources to the strategic visioning process, improve information about how the County intends to spend funding & what it will accomplish with it.
- Requested information from each office to include on your budget page(s) to identify what objective(s) your office/budget request is helping to address

BUDGET FORMS

- Forms to be distributed via e-mail:
 - Budget Book Page (already distributed)
 - Personnel
 - Account Cross Reference
 - Historical Account Information
 - Fee Exhibits (for applicable departments)
- Forms/supplemental information posted to intranet
 - Personnel Calculator
 - Copy of Presentation
- Munis Next Year Budget Entry available January 2nd
 - Next Year Budget Request
 - New Budget Initiatives (packages)
- Budget Request, New Budget Initiatives, Personnel Verification, and Fee Schedule changes due to Budget Management by Tuesday, January 16, 2018

BUDGET SUBMISSION

- Budget Book Pages
 - Mark-up the page that was sent to you
 - If no changes, send an e-mail to let us know
 - Due back to Budget Management by December 19th
- Personnel Form
 - Any changes or clarifications need to be noted on the excel sheet
- Budget Request Submittal (Munis)
 - Personnel line items do not need to be filled in, except overtime and part-time pool (if applicable)
 - Explanation and justification for requests will be noted using Budget Detail (Note: Budget Detail is required for some accounts such as Contract Services, Maintenance Agreements, etc.)
 - Additional Documentation should be uploaded via Attach by Account
 - Any request for minor capital will be considered a new initiative/package (i.e. furniture and office equipment)

BUDGET FORMS

- New Initiatives /Packages
 - Used for requests of
 - New program/minor capital
 - Personnel changes (unfreeze, new or reclassify)
 - Entered in Munis through the Budget Scenarios Program by adding a Package
 - Title: Department # and Title of Request
 - Description: Describe request, specify council goal & objective # and how your project helps to achieve it, how it benefits the county, location, and ongoing operational budget impact
 - Priority: High = mission critical; Medium = important, not critical; Low = desired
 - On Personnel Requests include accounts lines for Salary, FICA, SCRS/PORS, Workers Comp, and Group Insurance (if applicable) – use Personnel Calculator for estimates

BUDGET FORMS

- New Initiatives continued
 - Departments who are able to redirect funds to fully fund a new initiative should note the affected accounts in the description and by adding accounts/lines
 - Technology & Facility related requests to be reviewed by Kim Danner & Mike Emory
 - Personnel requests to be reviewed by Tony Bell
- Once all items in Munis are complete, use department notify to let Budget Management know
- Fee Exhibits
 - Departments with County-set fees to receive FY 18 exhibit for review and recommended modification
 - In most cases, separate meetings to review fee changes, comparisons to other counties, legal analysis, etc. will be scheduled.
- Departments with State-set fees should review applicable statutes to ensure the correct fees are being charged. Please notify us of any needed alterations.

BUDGET MEETINGS

- Individual department budget meetings with budget management begin January 22, 2018
 - Will discuss budget request, how the request supports Council's goals & objectives, department pressures, go through changes/new initiatives, etc.
 - Develop a budget recommendation for FY 18/19
- Department budget request with Budget Management recommendation and supporting documentation provided to Administration
- Departmental Meetings with Administration will begin February 19, 2018

RECAP OF DATES

- Budget Request Packet Distributed & Forms Available for Download – 12/12/17
- Departmental Budget Book Page due to Budget Management – 12/19/17
- Budget Requests via Munis and Personnel sheet(s) via email due – 1/16/18 at 5:00 PM
 - Budget entry period closes, further entry not available
- Review & Expenditure Analysis Begins – 1/17/18
- Budget Meetings Begin – 1/22/18
- Budget Meetings With Administration Begin – 2/19/18
- Budget Progress Presentation to Council – 4/16/18

QUESTIONS & COMMENTS