

HABERSHAM COUNTY BOARD OF COMMISSION
EXECUTIVE SUMMARY

SUBJECT: FY2023 Budget Resolution Approval and Final Adoption

DATE: July 12, 2022

(X) RECOMMENDATION

() POLICY DISCUSSION

BUDGET INFORMATION:

() STATUS REPORT

ANNUAL-

() OTHER

CAPITAL-

COMMISSION ACTION REQUESTED ON: July 18, 2022

PURPOSE: Recertify Approval and Adoption of the FY2023 Habersham County General Fund, Special Revenue Funds, Capital Project Funds and Enterprise Funds. Total Budget for all Funds is \$66,291,794

BACKGROUND / HISTORY: The FY2023 budget process began in January 2022 with the collection of position and capital requests from Department Directors and Elected Officials. In February 2022 the Budget Committee reviewed and discussed those requests with the County Manager. In February 2022, the operating budget worksheets were distributed to Department Directors and Elected Officials, then operating budget requests were summarized and presented to the Commissioners, County Manager, and Finance Department staff during budget meetings held on March 24 & 31, 2022 for Department Directors reporting to the County Manager, and for Elected Officials, Board-Appointed Department Heads, and Independent Agencies. Several additional meetings were held April & May 2022 where the budget was examined and further refined, then citizen input was welcomed during a public meeting held on June 20, 2022. The FY2023 budget is scheduled for presentation to the Commission for approval on June 20, 2022. The FY2023 budget for all funds is \$66,291,794 and \$33,234,567 for the General Fund.

The Tax Assessor has had a challenging year compiling the 2022 Tax Digest due to the volatile inflationary prices of the Real Estate Market. Final Tax Digest amounts could not be delivered to the Board prior to the June 20th meeting in order to hold the proper public hearings for the millage rate adoption process to take place. Millage Rate hearings will tentatively be held on July 11, 2022 at 6:00pm and July 18, 2022 at 11:00am and 6:00pm with adoption of the 2022 Mill Rate occurring after the 6:00pm hearing at the Regularly Scheduled Commissioner Meeting.

FACTS AND ISSUES:

- The FY2023 Budget for Habersham County General Fund is proposed at \$33,234,567
 - The FY2023 Budget for Habersham Co Special Revenue Funds is proposed at \$8,302,643
 - The FY2023 Budget for Habersham Co Capital Project Funds is proposed at \$21,550,490
 - The FY2023 Budget for Habersham County Enterprise Funds is proposed at \$3,204,094
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OPTIONS:

- 1) Approve Recertification and Adoption of the FY2023 Budget for Habersham County and the FY2023 Budget Resolution total amount of all Funds is \$66,291,794
 - 2) Deny Recertification and Adoption of the FY2023 Budget for Habersham County and the FY2023 Budget Resolution total amount of all Funds \$66,291,794
 - 3) Commission defined alternative.
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RECOMMENDED SAMPLE MOTION: Move to recertify approval of the FY2023 Habersham County Budget and Budget Resolution for the General Fund \$33,234,567, and totaling \$66,291,794 for all County Funds plus authorize Chairman to sign and execute the Budget Resolution and any other documents needed.

DEPARTMENT:

Prepared by: Tim Sims

Director __Finance_____

ADMINISTRATIVE

COMMENTS: _____

County Manager **DATE:** _____



Budget & Millage Rate

FY 2023 Budget and Proposed Millage Rate Public Hearing

July 11, 2022

Agenda

- **Explanation of 16%**
- **Review Budget for FY2023**
- **Present Proposed 2022 Tax Year Millage Rates**
- **Hold Public Hearing for Proposed Millage Rates**

State Required Wording for Tax Increase Ads

- The 16% is not the tax increase amount but however is the difference in the rollback millage rate vs. the proposed mill rate

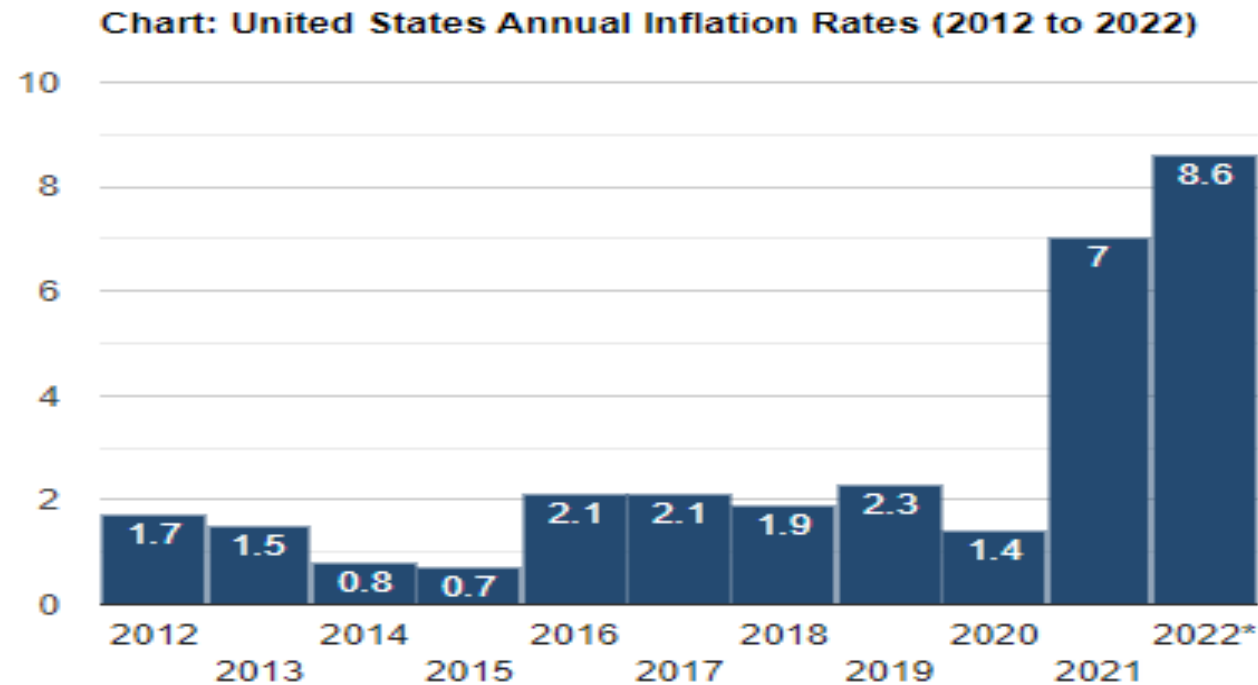
$$12.682 - 10.993 = 1.689 / 10.993 = 16\%$$

- Revenue Shortfall is only \$1,493,000 or 8.5% increase in taxes over last years millage rate

$$\$1,493,000 / \$17,450,297 = 8.5\%$$

Current U.S. Inflation

- **U.S. Inflation rate is currently at 8.6% (June 2021 vs. June 2022)**



Examples of Inflation 2021 vs. 2022

	<u>2021</u>	vs.	<u>2022</u>	
• Gallon of Unleaded	\$2.32		\$4.03	74% ↑
• Gallon of Diesel	\$2.48		\$5.01	102% ↑
• Yard of Concrete	\$110		\$160	45% ↑
• Patrol Vehicle	\$26,800		\$35,000	30% ↑
• Bush Hog	\$6,421		\$9,262	44% ↑
• Replacement AC Unit	\$6,800		\$10,300	51% ↑
• Resurface 1 Mile Road	\$114,400		\$161,000	41 % ↑

FY2023 General Fund - Budget At a Glance

- **Total Budget Requests: \$36,897,807**
- **Total Budget Cuts: \$3,663,240**
- **44 New Positions Requested: \$2,307,886**
- **Capital Projects Requested: \$2,858,337**
- **3 New Agency Requests: \$61,000**

FY2023 Budget

- The FY2023 Budget is a balanced budget supports the long-term goals of Habersham County and continues to reflect conservative financial management while recognizing our residents' demands for effective and efficient services.
- Work Force Stabilization is a major goal for the FY2023 budget to improve wage and benefit structures to attract and retain trained staff and reduce turnover rates in County departments.
 - a. The turnover of all workers remains high at 24% overall but is down from last year's 27.5%.

FY2023 Budget Highlights

- A Contingency of \$800,000 is reflected in the FY2023 budget to fund a Salary Study that is underway to determine where Habersham County Salaries should be in the market with continued investment in employee recruitment and retention, succession planning, and expanded career path opportunities.
- The 5-Year Capital Improvement Plan (C.I.P.) addresses the County's aging capital assets and articulates a strategic plan moving forward to phase-in capital replacements incrementally. We have many items that have been put off and kicked down the road from previous Commissions that have become an absolute necessity at this time.
- The FY2023 Capital Projects proposed to be funded from the General Fund this year totals \$1,467,995. \$635K more than FY22 and includes:

\$364K Courtroom Technology	\$287K Technology Equip. Replacement
\$214K Park & Rec Improvements	(end of life hardware)
\$375K Facilities Improvements/Repairs	\$227k of various other capital items
	(vehicles, equipment, repairs)

FY2023 Budget Highlights

- Twenty Four (24) additional Full-time and three (3) Part-Time positions are included in the FY2023 General Fund Budget.
 - 16- Sheriff's Dept: 4 Patrol; 4 Jail; 2 Investigators & 6 SRO officers
 - 1 - Other Public Safety (Code Enforcement Officer)
 - 4 - General Gov't (Admin, Procurement Officer; Risk Manager; Network Admin)
 - 2 - Parks (Custodian & Aquatic Center Maint. Tech)
 - 1 - Planning & Development (GIS Network Admin)
 - 3 – Part Time (1 – Animal Control & 2 Parks & Rec Program Coordinators)
- Habersham HUB and Habersham Food 2 Kids were approved to be added to the list of agencies that receive County support as well.
- FY2023 SPLOST Funded Projects total \$16.51 million and include the E-911 Radio System upgrade/replacement, the Emergency Operations Center (Fire/EMS Station & Headquarters plus 911), the Animal Control Building, Road Improvements and resurfacing. We are now in the 2nd year of collections for SPLOST VII, Collections began April 1, 2021 and are running 10% over projections.

FY2023 General Fund

Expenditure Budget Summary by Function

Function	FY 2022	FY 2023	%
	Budget	Proposed Budget	Change
General Government	\$ 5,522,510	\$ 7,203,996	30.45%
Judicial	3,695,337	3,942,839	6.70%
Public Safety	12,144,611	13,500,511	11.16%
Public Works	2,432,198	2,713,138	11.55%
Health, Welfare & Agencies	495,621	529,434	6.82%
Culture & Recreation	1,339,745	1,525,090	13.83%
Housing & Development	964,662	1,162,164	20.47%
Salary Study Contingency	-	800,000	
Capital Outlay	832,920	1,467,995	
Debt Service	392,113	389,400	-0.69%
Total	\$ 27,819,717	\$ 33,234,567	19.46%

FY2023 General Fund

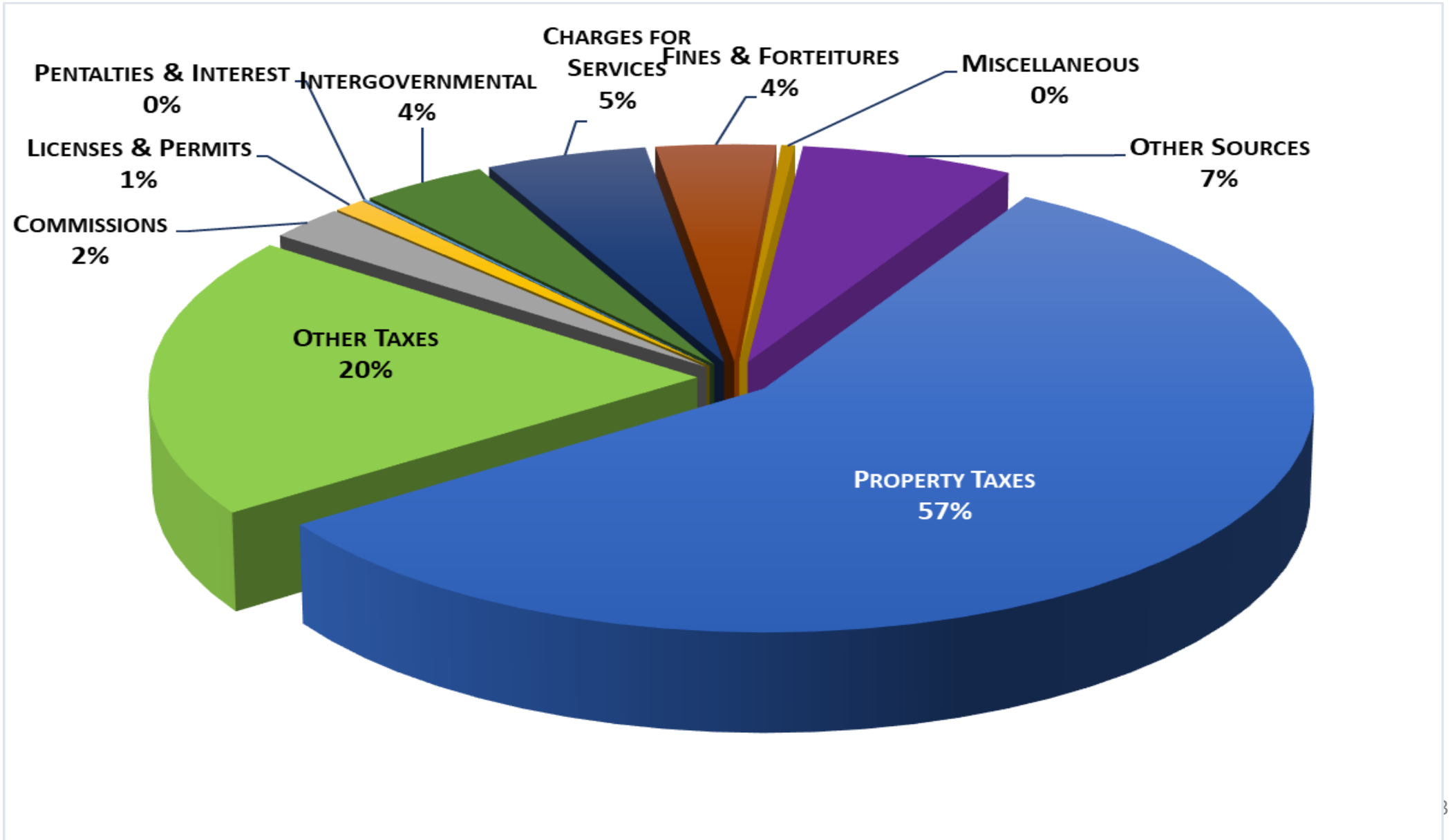
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General Fund Revenues

Revenue by Type	FY 2022	FY 2023	%
	Budget	Proposed Budget	Change
Property Taxes	\$ 15,710,174	\$ 18,945,273	20.59%
Other Taxes	5,973,890	6,567,000	9.93%
Commissions	797,500	797,000	-0.06%
Licenses & Permits	212,000	325,000	53.30%
Intergovernmental	1,282,612	1,312,350	2.32%
Charges for Services	1,235,700	1,709,199	38.32%
Fines & Forfeitures	1,166,624	1,239,350	6.23%
Miscellaneous	126,373	141,400	11.89%
Other Financing Sources	655,000	730,000	11.45%
Use of Fund Balance- Capital	659,844	1,467,995	122.48%
Total	\$ 27,819,717	\$ 33,234,567	19.46%

FY2023 Budget – General Fund Proposed Revenues



FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
General Government	Budget	Proposed Budget	Change
County-wide	\$ 1,080,485	\$ 1,316,214	21.82%
Commissioners	236,368	308,673	30.59%
County Manager	382,224	304,553	-20.32%
Finance	375,898	475,547	26.51%
Human Resources	307,886	488,862	58.78%
Tax Commissioner	431,382	432,260	0.20%
Tax Assessor	707,185	701,118	-0.86%
Board of Equalization	2,900	2,750	-5.17%
County Clerk	80,691	79,988	-0.87%
Elections & Registration	289,252	393,563	36.06%
Safety	2,300	-	-100.00%
Facilities Maintenance	955,874	1,120,837	17.26%
Public Information Office	-	102,454	100.00%
Information Technology	570,065	851,337	49.34%
Total	\$ 5,422,510	\$ 6,578,156	21.31%

FY 2023 General Fund Expenditures

Judicial	FY 2022 Budget	FY 2023 Proposed Budget	% Change
Probate Court	\$ 240,228	\$ 250,187	4.15%
Magistrate Court	267,167	303,354	13.54%
Clerk of Court	811,943	823,087	1.37%
Juvenile Offenders	3,000	-	-100.0%
Superior Court	295,123	290,187	-1.67%
District Attorney	553,193	701,906	26.88%
Public Defender	786,542	807,399	2.65%
Juvenile Court	279,239	293,504	5.11%
State Court	292,355	294,874	0.86%
Solicitor	166,547	178,341	7.08%
Total	\$ 3,695,337	\$ 3,942,839	6.70%

FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
Public Safety	Budget	Proposed Budget	Change
Sheriff	\$ 4,508,000	\$ 5,740,236	27.33%
Jail	3,881,911	3,927,114	1.16%
Heat	109,963	112,576	2.38%
Animal Control	507,384	565,070	11.37%
Coroner	30,027	53,936	79.63%
Fire	2,273,376	2,422,549	6.56%
EMA	147,871	125,140	-15.37%
E-911 Transfer Out	563,145	543,890	-3.42%
EMS Transfer Out	122,934	-	-100.0%
Public Safety	\$ 12,144,611	\$ 13,490,511	11.08%

FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
Public Works	Budget	Proposed Budget	Change
Fleet Maintenance	\$ 636,450	\$ 782,930	23.02%
Roads & Bridges	1,795,748	1,930,208	7.49%
Total	\$ 2,432,198	\$ 2,713,138	11.55%

	FY 2022	FY 2023	%
Culture & Recreation	Budget	Proposed Budget	Change
Parks & Recreation	\$ 1,019,745	\$ 1,200,090	17.69%
Library System	320,000	325,000	1.56%
Total	\$ 1,339,745	\$ 1,525,090	13.83%

FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
<u>Health, Welfare & Agencies</u>	<u>Budget</u>	<u>Proposed Budget</u>	<u>Change</u>
Health Department	\$ 198,788	\$ 198,788	0.00%
DFACS	92,300	92,300	0.00%
Mental Health - AVITA	30,000	30,000	0.00%
Soque River Watershed Assoc.	5,000	5,000	0.00%
Legacy Link	12,450	12,450	0.00%
Forestry Commission	7,660	7,660	0.00%
Boys & Girls Club	30,000	30,000	0.00%
Habersham Hub	-	20,000	100.00%
Habersham Food 2 Kids	-	6,300	100.00%
Extension Services	119,423	126,936	6.29%
Total	\$ 495,621	\$ 529,434	6.82%

FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
Housing & Development	Budget	Proposed Budget	Change
Planning & Development	\$ 573,582	\$ 712,103	24.15%
Planning Commission	5,000	5,300	6.00%
Transit Transfer	6,080	64,761	0.00%
Board of Education	380,000	380,000	0.00%
Total	\$ 964,662	\$ 1,162,164	20.47%

	FY 2022	FY 2023	%
Debt Service	Budget	Proposed Budget	Change
Debt Service	\$ 392,113	\$ 389,400	-0.69%
Total	\$ 392,113	\$ 389,400	-0.69%

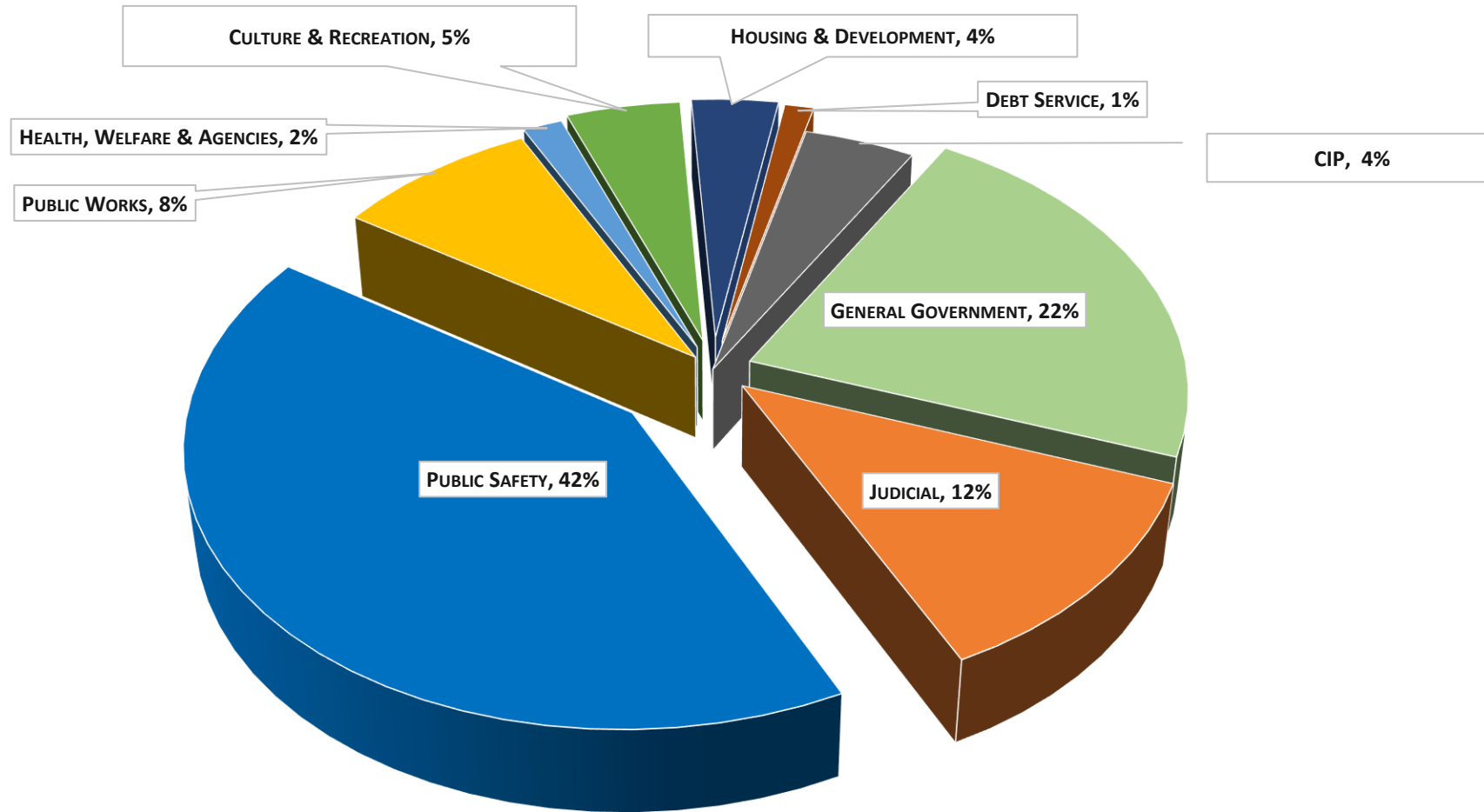
FY 2023 General Fund Expenditures

	FY 2022	FY 2023	%
Capital Improvement Prog.	Budget	Proposed Budget	Change
CIP Transfer	\$ 832,920	\$ 1,467,995	76.25%
Total	\$ 832,920	\$ 1,467,995	76.25%

	FY 2022	FY 2023	%
Contingencies	Budget	Proposed Budget	Change
Salary Study Contingency	\$ -	\$ 800,000	100.00%
Contingency	250,000	635,840	154.34%
Total	\$ 250,000	\$ 635,840	154.34%

FY2023 Habersham County Budget – General Fund

Total \$33,234,567



Special Revenue Funds

Fund	FY 2022 Budget	FY 2023 Proposed	Change
Jail / Inmate	\$200,000	\$145,000	-\$55,000 -27.5%
ARPA Fund	\$0	\$65,510	\$65,510 100%
Law Library	\$23,575	\$24,000	\$425 1.8%
Emergency Medical Services	\$3,653,903	\$3,706,748	\$52,845 1.5%
E-911	\$1,800,862	\$1,698,866	-\$101,996 -5.7%
Senior Center	\$684,492	\$709,742	\$25,250 3.7%
Hotel/Motel	\$141,667	\$268,000	\$126,333 89.2%
Accountability Courts	\$992,119	\$1,150,277	\$158,158 15.9%
TOTAL SPECIAL REVENUE FUNDS	\$7,496,618	\$7,767,843	\$271,225 3.6%

Capital Funds			
Fund	FY 2022 Budget	FY 2023 Proposed	Change
CIP	\$832,920	\$1,467,995	\$635,075 76.2%
State Roads Fund	\$0	\$781,026	\$781,026 100.0%
SPLOST VII	\$12,064,659	\$16,513,647	\$4,448,988 36.9%
TOTAL CAPITAL FUNDS	\$12,897,579	\$18,762,668	\$5,865,089 45.4%

Hospital Debt Fund			
Fund	FY 2022 Budget	FY 2023 Proposed	Change
Hospital Debt	\$2,890,953	\$2,787,822	-\$103,131 -3.6%

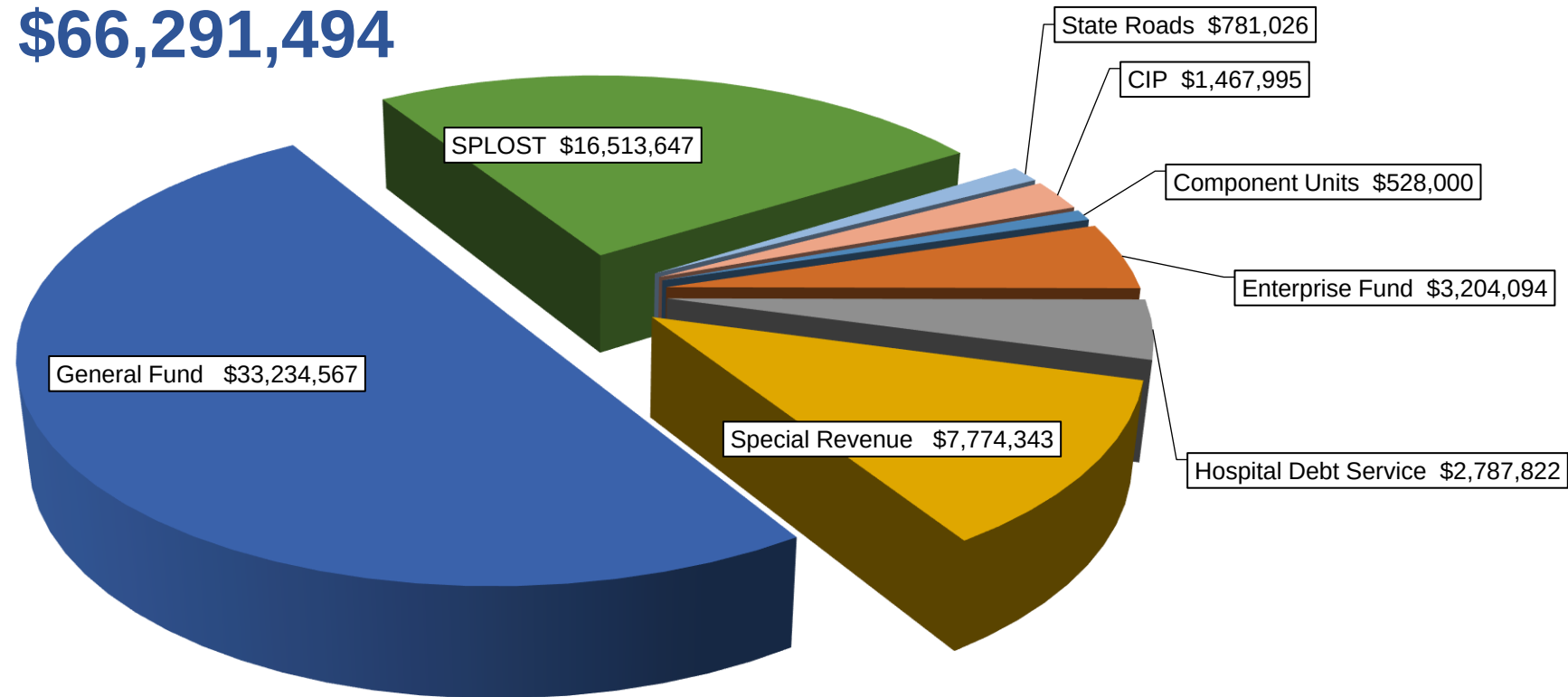
Component Unit			
Fund	FY 2022 Budget	FY 2023 Proposed	Change
Development Authority Fund	\$120,430	\$528,000	\$407,570 338.4%

Enterprise Funds

Funds	FY 2022 Budget	FY 2023 Proposed	Change
Landfill	\$2,342,921	\$2,325,895	-\$17,026 -0.7%
Transit	\$133,771	\$177,800	\$44,029 32.9%
Airport	\$634,087	\$700,399	\$66,312 10.5%
TOTAL ENTERPRISE FUNDS	\$3,110,779	\$3,204,094	\$93,315 3.0%

FY2023 Total Budget By Fund

Total \$66,291,494



TOTAL ALL FUNDS	FY 2021 Budget	FY 2022 Proposed	Change
	\$54,736,082	\$66,291,794	21.1%

Proposed 2022 Millage Rates

	<u>2022</u>	<u>2021</u>
General Fund M&O Millage	• 12.682	• 11.682
Hospital Bond - Billed at Bond rate (a rollback of .192 mills)	• 0.842	• 1.034
Emergency Services	• 0.825	• 0.673

Effect of millage 2022 rate vs. 2021 rate on \$150K home

Taxable Value (40%)	11.682 mills	12.682 mills	Difference
Without Homestead exemption:			
\$60,000	\$700.92	\$760.92	\$60.00
Calculates out to \$5.00 per month or \$0.17 cents per day			
With Typical Homestead exemption (\$2,000):			
\$58,000	\$677.56	\$735.55	\$57.99
Calculates out to \$4.83 per month or \$0.16 cents per day			

Effect of millage rate vs. rollback rate on \$150K home

Taxable Value (40%)	10.993 mills	12.682 mills	Difference
Without Homestead exemption:			
\$60,000	\$659.64	\$760.92	\$101.28
Calculates out to \$8.44 per month or \$0.28 cents per day			
With Typical Homestead exemption (\$2,000):			
\$58,000	\$637.59	\$735.55	\$97.96
Calculates out to \$8.16 per month or \$0.27 cents per day			

Questions?

Public Comment...



HABERSHAM COUNTY
GEORGIA | Est. 1818

What's Next?

- **Tax Year 2022 Millage Rates Hearings**

Two Additional Hearings will be held July 18, 2022

11:00am County Administration Bldg – 2nd Floor

6:00pm HC Courthouse Jury Assembly Room

- **Tax Year 2022 Millage Rate Adoption and Official Adoption of FY2023 Budget Resolution**

- July 18, 2022 immediately after Public Hearing during Regularly scheduled Commission Meeting

Items for Consideration

- **Final Official Adoption:**
 - **FY2023 Budget & Budget Resolution**
 - *General Fund \$33,234,567*
 - *Other Funds \$33,057,227*
 - *Total All Funds \$66,291,794*
- **Tax Year 2022 Millage Rates**

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