



DOUGLAS COUNTY BOARD OF COMMISSIONERS
FINANCE DEPARTMENT

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MEMORANDUM

Date: November 22, 2017

To: Board of Commissioners and Citizens of Douglas County

From: Finance Committee

Subject: 2018 Proposed Budget

After several discussions with Madame Chair and staff, the attached budget summary is the updated 2018 Proposed Budget that will be presented at the December 5th public hearing. Since the October 31st budget workshop, there has been a great deal of progress in reducing the deficit and balancing the budget. Therefore, there is **minimal** impact to the fund balance as well as **no** impact to the current millage rate.

2017 General Fund Budget Status Update

The 2017 Adopted Budget used \$4.9 million of fund balance to balance the budget. However, based on our analysis, we estimate 2017 actual revenue to be \$2.5 million more than the adopted budget, which is primarily due to the 5.55% of new growth in the digest that was experienced this year. Also, we estimate 2017 actual expenditures to be \$3.3 million (4%) under the adopted budget. After the additional defined benefit retirement contribution of \$2.1 million, the net impact to the 2017 fund balance is only \$1.2 million vs. \$4.9 million adopted. We feel comfortable with the estimate due to fiscal years 2014, 2015 and 2016 General Fund expenditures averaging 4.35% under budget. Also, Madame Chair asked each Department Director and Elected Official to find savings in their 2017 budget by limiting expenses for items/services that are only an absolute necessity. The 2017 savings aids the 2018 Proposed Budget all the while maintaining a strong fund balance.

Below is a summary of 2017 Adopted Budget vs. 2017 Estimated:

	2017 Adopted	2017 Estimated	Variance
Revenues	\$ 78,368,083	\$ 80,872,904	\$ 2,504,821
Expenditures	83,308,617	79,976,272	(3,332,345)
Add'l Retirement	-	2,096,432	2,096,432
Impact to Fund Balance	\$ (4,940,534)	\$ (1,199,800)	\$ 1,268,908
Ending Unassigned Fund Balance	\$ 14,184,103	\$ 17,924,837	
% of Expenditures	17.03%	21.84%	

2018 General Fund Proposed Budget Status Update

At Madame Chair’s direction, staff reviewed all options to increase revenue (**without** increasing the millage rate), reduce expenditures and maintain a healthy fund balance. In summary, the 2018 Proposed Budget is balanced using \$3,369,839 of Fund Balance. Revenues were increased primarily due to expected growth and collection rate assumption changes to the digest (i.e. 97% collection and 2% growth in the digest – but **no** increase to the millage rate), expenditures were reduced by a net of \$8.4 million and fund balance remains healthy @ 17.05% of expenditures.

Below is a summary of 2018 Budget presented @ workshop vs. updated 2018 Proposed Budget.

	2018 Budget <u>@ Workshop</u>	2018 <u>Proposed</u>	<u>Variance</u>
Revenues	\$ 81,820,334	\$ 81,974,822	\$ 154,488
Expenditures	93,741,549	85,344,661	(8,396,888)
Impact to Fund Balance	\$ (11,921,215)	\$ (3,369,839)	\$(8,242,400)
Ending Unassigned Fund Balance	\$ 2,262,888	14,554,998	
% of Expenditures	2.41%	17.05%	

Below is a summary of the changes.

	Revenue	Expenditure
Remove ALL Recommended BIRs		\$ (7,866,846)
Remove ALL Rideshare Grant Revenue 33.1300 & RS Fees For Bus Route(s)	(2,505,245)	
Add 1% COLA 2nd Pay Period of January		401,149
Add 1% COLA - General Fund to pay 1/2 Fire & EMS Fund		44,135
Implement As Phase I Only 2.5 % Salary Study 1st Pay Period July (for HR implementation)		506,451
Implement As Phase I Only 2.5 % 1/2 Fire & EMS Fund		55,720
Keurig Revenue not Budgeted	650,000	
Reduce with a 2% Cut to Operating		(585,216)
Reduce with a 2% Cut to Fire & EMS Fund Operating 1/2 paid by GF		(18,324)
Eliminate Contract Angie Brewer & Associates		(39,000)
Reduce 2018 Contingency from \$1M to \$600,000		(400,000)
Reduce General Fund Contribution to the Worker's Comp Fund		(500,000)
Increase Assumptions: Growth fr 1% to 2% & Collection fr 94.5% to 97%	1,509,733	
Add Capital Transportation Fund Contribution to General Fund (No Specific Use)	500,000	
Remove LMIG Match from General Fund (to come from 2016 SPLOST)		(559,746)
Budget Improvement Requests Added during Workshop		368,439
Remove Budget Improvement Requests Added During Workshop due to Chairman's Recommendation		(368,439)
Add Mowing Contract 3 Times per Year		300,000
Add General Purpose DOT Crew		164,788
Add Equipment for General Purpose Crew		100,000
TOTAL INCREASE OR (DECREASE)	\$ 154,488	\$ (8,396,889)

2018 Budget Improvement Requests

While the 2018 Proposed Budget is a bare bones budget with very limited budget improvement requests; Madame Chair proposes for the BOC to revisit all of the budget improvement requests at the end of March 2018. This will allow time to officially close fiscal year 2017. Although we are comfortable in our 2017 estimates, we want to know exactly how the General Fund performed before any changes are made to the 2018 adopted budget.

The summary of the 2018 Proposed Budget for the General Fund as well as all other funds is attached.

DOUGLAS COUNTY, GEORGIA
2018 PROPOSED BUDGET
DECEMBER 5, 2017

GENERAL FUND

Revenues:	Proposed Budget
Taxes	\$ 67,907,210
License and Permits	45,000
Intergovernmental	2,569,908
Charges for Service	3,894,493
Courts & Law Enforcement	4,946,200
Investment Earnings	15,150
Miscellaneous	71,693
Amount from 2017 Fund Balance to Balance Budget	3,369,839
Other Financing Sources	<u>2,525,168</u>

TOTAL GENERAL FUND REVENUES **\$ 85,344,661**

General Government

Board of Commissioners	\$ 936,114
Communications	371,247
Courthouse Maintenance	968,797
Election Board & Voter Registration	548,870
External Affairs	154,339
Finance	834,124
General Appropriations (Includes \$5,124,333 transfer to fund EMS)	11,609,628
Human Resources	374,162
Information Services	1,173,899
Legal Services	698,465
Printing & Mail	139,922
Property Management	507,677
Purchasing	367,809
Records Retention	155,606
Risk and Safety	234,016
Tax Appraisal	1,033,215
Tax Assessor	159,059
Tax Commissioner	1,476,134
Tax Equalization Board	<u>77,896</u>

TOTAL GENERAL GOVERNMENT **\$ 21,820,979**

Judicial

Clerk of Superior Court	\$ 2,220,540
District Attorney	2,914,973
Juvenile Court	1,545,394
Juvenile Programs Administration	962,881
Magistrate Court	768,270
Probate Court	462,274
Public Defender	2,314,647
State Court Clerk	534,101
State Court - DUI	273,121
State Court Judges	789,187
State Court Solicitor	1,517,761
Superior Court	579,891
Superior Court Felony Drug Court	<u>351,922</u>

TOTAL JUDICIAL **\$ 15,234,961**

DOUGLAS COUNTY, GEORGIA
2018 PROPOSED BUDGET
DECEMBER 5, 2017

Public Safety	
Coroner	\$ 145,565
Emergency Management	274,890
Sheriff Detention	17,694,307
Sheriff Enforcement	<u>15,098,310</u>
TOTAL PUBLIC SAFETY	\$ 33,213,072
Public Works	
D.O.T. - Administration	\$ 726,739
D.O.T. - Maintenance & Const.	2,503,004
D.O.T. - Traffic Operations	1,074,543
Fleet Management	1,279,857
Motor Pool	<u>1,793</u>
TOTAL PUBLIC WORKS	\$ 5,585,936
Health and Welfare	
Board of Health	\$ 401,800
Boys & Girls Club (Annual Allotment)	14,700
Community Services Board	123,480
Family and Children Services	82,908
Senior Citizen Services	<u>1,230,813</u>
TOTAL HEALTH AND WELFARE	\$ 1,853,701
Parks, Recreation and Culture	
Cultural Arts Council (Annual Allotment)	\$ 52,799
Douglas County Libraries	1,815,812
Parks and Recreation	2,944,843
Aquatic Center	843,538
Senior Center	<u>393,297</u>
TOTAL PARKS, RECREATION AND CULTURE	\$ 6,050,290
Planning and Community Development	
Cooperative Extension	\$ 134,121
Economic Development (Quarterly Allotment)	343,000
Geographic Information System	211,229
Rideshare Program	888,552
S.H.A.R.E. House (Annual Allotment)	<u>8,820</u>
TOTAL PLANNING AND COMMUNITY DEVELOPMENT	\$ 1,585,722
TOTAL GENERAL FUND	<u>\$ 85,344,661</u>

DOUGLAS COUNTY, GEORGIA
2018 PROPOSED BUDGET
DECEMBER 5, 2017

ALL OTHER FUNDS

Special Revenue Funds

Animal Control Services	\$ 1,490,269
District Attorney	371,977
Drug Abuse Treatment & Education	211,200
Emergency Telephone System	2,899,174
Fire Protection Services & EMS	15,284,459
Hotel-Motel Tax	573,367
Law Library	603,100
Neighborhood Stabilization Program	200,201
Sheriff Asset Forfeiture	2,281,125
Sheriff Inmate Commissary	231,876
Sheriff Other Programs	45,285
Sidewalk	13,365
Uninc Special Services District	10,563,952
Victim Assistance	226,238
Transfers Out	<u>(8,758,263)</u>

TOTAL SPECIAL REVENUE FUNDS \$ 26,237,324

Capital Projects Funds

Capital Transportation	\$ 1,865,819
2016 SPLOST Capital Project	<u>9,844,250</u>

TOTAL CAPITAL PROJECTS FUNDS \$ 11,710,069

Debt Service Fund

2016 SPLOST Debt Service	\$ <u>9,844,250</u>
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TOTAL CAPITAL TRANSPORTATION FUND \$ 9,844,250

Enterprise Funds

Solid Waste Disposal	\$ <u>2,548,871</u>
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TOTAL ENTERPRISE FUNDS \$ 2,548,871

Internal Service funds

Self-Insurance	\$ 15,342,411
Workers Compensation	<u>739,500</u>

TOTAL INTERNAL SERVICE FUNDS \$ 16,081,911

TOTAL ALL FUNDS \$ 151,767,086