



FY2022 ANNUAL BUDGET OVERVIEW

EXECUTIVE SUMMARY

CHEROKEE COUNTY FISCAL YEAR 2022:
OCTOBER 1, 2021 – SEPTEMBER 30, 2022



FY2022 Proposed Budget

Expenditures	FY2021 Budget	FY2022 Budget	Inc/(Dec)
Operating	\$227,424,141	\$229,533,027	\$2,108,886
Capital	\$94,370,989	\$106,428,386	\$12,057,397
Total	\$321,795,130	\$335,961,413	\$14,166,283



FY 2022 Proposed Budget
Operating Funds (Including Transfers)
Comparison with Prior Year Budget

Operating Funds	FY2022 Proposed Budget	Inc/(Dec)	% Change From FY2021 Budget
General Fund	\$121,764,437	\$9,818,121	8.8%
Fire	\$40,362,206	\$2,499,322	6.6%
EMS	\$14,919,063	\$915,085	6.5%
E911	\$6,258,764	(\$842,434)	-11.9%
Parks & Rec	\$6,144,565	\$381,493	6.6%
Senior Services	\$1,881,530	(\$33,197)	-1.7%
Insurance/Benefits	\$25,105,004	\$1,946,652	8.4%
Trans./CATS	\$1,701,015	(\$37,995)	-2.2%
Fleet Maint.	\$1,977,214	\$90,054	4.8%
Other Funds & RRDA	\$9,419,229	(\$12,628,215)	-57.3%
Total Operating Expenditures	\$229,533,027	\$2,108,886	0.9%

FY 2022 Proposed Budget
Operating Funds
Expenditures Budget Analysis (Including Transfers)

Operating Funds	Inc/(Dec)	Salary Market Adj.	New Positions	Health Care	Defined Benefit	Other	% Change
General Fund	\$9,818,121	\$2,914,786	\$1,416,427	\$713,078	\$130,736	\$4,643,094	8.8%
Fire	\$2,499,322	\$1,381,015	\$538,700	\$317,912	\$34,368	\$227,327	6.6%
EMS	\$915,085	\$387,607	\$407,066	\$174,705	\$34,508	(\$88,801)	6.5%
E911	(\$842,434)	\$206,879	0	\$161,791	(\$17,031)	(\$1,194,073)	-11.9%
Parks & Rec	\$381,493	\$109,393	\$44,552	\$7,981	(\$1,820)	\$221,387	6.6%
Senior Services	(\$33,197)	\$39,788	\$54,244	\$14,512	(\$1,073)	(\$140,668)	-1.7%
Insurance/Ben	\$1,946,652	\$6,612	0	\$1,511,063	\$584	\$428,393	8.4%
Trans. / CATS	(\$37,995)	\$38,435	0	\$12,713	(\$9,465)	(\$79,678)	-2.2%
Fleet Maint.	\$90,054	\$30,917	0	\$13,740	\$4,421	\$40,976	4.8%
Other Funds & RRDA	(\$12,628,215)	\$71,972	0	(\$43,533)	(\$61,411)	(\$12,595,243)	-57.3%
Total Operating Expenditures	\$2,108,886	\$5,187,405	\$2,460,988	\$2,883,962	\$113,817	(\$8,537,287)	0.9%

Budgeted FT Headcount – New Positions

2022 Full Time Headcount New Positions

- **29 New Full Time Positions to start 10/1/21**
 - **3 Court Administration – 1 Account Coordinator, 1 Deputy Court Administrator, 1 Interpreter Services Coordinator \$277K**
 - **1 District Attorney – Public Information Officer to replace PT Position – Net increase \$39K**
 - **1 Juvenile Court – Program Manager \$73K**
 - **2 Tax Commissioner – Senior Clerks \$90K**
 - **1 Property Management – Janitorial Technician \$45K**
 - **2 IT – 1 Infrastructure Systems Administrator, 1 Solutions Analyst \$208K**
 - **1 Coroner – Admin Assistant, to replace PT position – Net increase \$54K**
 - **9 Sheriff – 7 Deputy Sheriffs, 1 Crime Analyst, 1 Open Records Coordinator \$593K**
 - **1 Senior Services – Congregate Meals Assistant \$54K**
 - **1 Parks - Maintenance \$45K**
 - **1 Fire Admin – Business Intelligence Chief \$132K**
 - **6 EMS – Fire Fighter Entry Level \$407K**
- **12 New Full Time Positions to start 4/1/22**
 - **12 Fire Fighting – Fire Fighter Entry Level \$407K**
- **Net Increase for 2022 FT Changes \$2.4M**

Insurance & Benefits Fund

(\$millions)

BUDGETS	2021	2022
Expenditures	\$23.2	\$25.1
2022 v 2021 Increase %		8.4%
2022 v 2021 Increase \$		\$1.90

Significant drivers of \$1.9M, or 8.4% Increase:

- Medical Claims budgeted to increase \$1.5M based on previous twelve month history and 5% inflation rate.
- Administration costs increased \$.4M

<u>Fund Balance</u>				
		Undesignated	Designated	Total
2020 Actual	\$	-	\$ 326,838	\$ 326,838
2021 Forecast	\$	-	\$ 237,425	\$ 237,425
2022 Budget	\$	-	\$ 148,011	\$ 148,011

Note: The Insurance & Benefits Fund is an Internal Service Fund which recovers its costs from employee contributions and charges collected from each department. Costs that are not recovered are charged to the fund's reserve.



General Fund

(\$millions)

BUDGETS	2021	2022
Expenditures & Transfers	\$111.9	\$121.8
2022 v 2021 Increase %		8.8%
2022 v 2021 Increase \$		\$9.82
2022 v 2021 Operating Increase %		8.4%
2022 v 2021 Operating \$ Increase		\$8.67

Significant drivers of \$9.82M, or 8.8% increase:

- 4%/5% COLA salary adjustment +\$2.9M
- Health Care Costs +\$713K
- 20 new FT positions +\$1.4M
 - 1 Account Coordinator, 1 Deputy Court Administration, 1 Interpreter (Court Administration), 1 Public Information Officer (District Attorney), 1 Program Manager (Juvenile Court), 2 Senior Clerks (Tax Commissioner), 1 Janitorial Technician (Property Management), 1 Infrastructure Systems Administrator, 1 Solutions Analyst (IT), 1 Administrative Assistant (Coroner), 7 Deputy Sheriffs, 1 Crime Analyst, 1 Open Records Coordinator (Sheriff)
- Other Personnel/Benefits Changes +\$0.6M
- Operating Increases +\$2.2M
- Capital +\$0.9M
- Increase in Transfers to Other Funds +\$1.1M (see next slide for breakdown)



Funding Notes: The Fund will be required to use \$3.4M of its available fund balance. 2020 ending \$45.4M, 2021 forecasted ending \$51.4M, 2022 budgeted ending \$47.9M

General Fund Transfers

The General Fund provides support to the following funds:



<u>Interfund Transfers</u>	<u>2021</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
EMS	4,440,068	5,469,063	1,028,995	23%
Parks	1,767,162	1,966,765	199,603	11%
Transportation	103,425	136,938	33,513	32%
Senior Services	788,679	828,468	39,789	5%
RRDA	681,349	585,644	(95,705)	-14%
DUI Court	-	50,000	50,000	0%
Grant Match	488,676	378,498	(110,178)	-23%
Total	8,269,359	9,415,376	1,146,017	14%

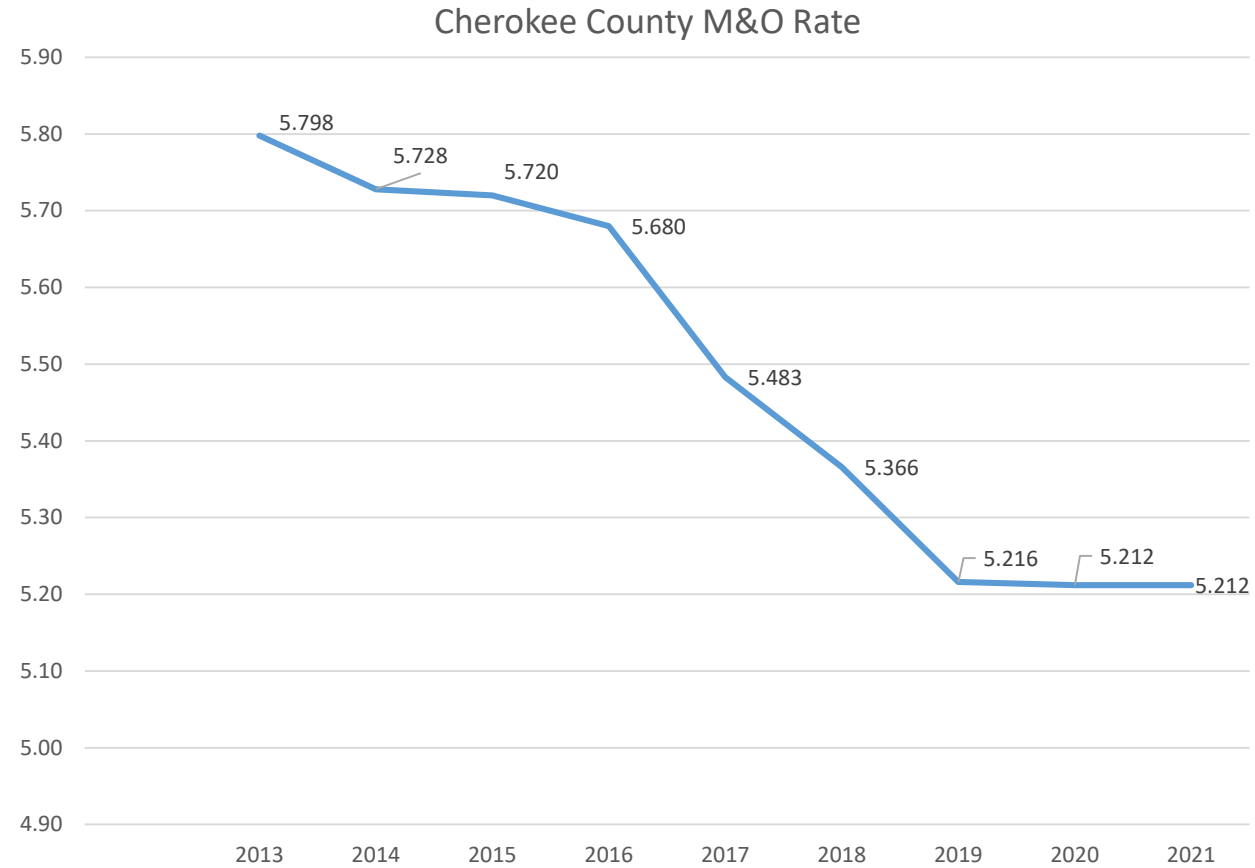
- Parks, Senior Center, Transportation, Grant Funds: 4% COLA, increased Health Care Costs
- EMS: 5% COLA, Increased Health Care Costs, 6 new Firefighter Entry Level positions
- RRDA Fund: Budget based on Debt payments due
- DUI Court Fund: Replace transfer amount previously received from Drug Screening Lab Fund

Revenue Summary

2021 Budget vs 2022 Budget

	2021 Budget	2022 Budget	Change Increase/ (Decrease)	Variance Explanation
Property Taxes	90,675,972	97,594,914	6,918,942	Reflects increase from new growth, inflation
Motor Vehicle/TAVT	14,143,780	17,277,004	3,133,224	TAVT Tax budgeted based on 2021 Forecast
SPLOST	48,350,000	56,200,428	7,850,428	2022 Budget based on 2021 Forecast
Insurance Premium Tax	11,400,000	13,029,770	1,629,770	Based on 2020 actual/2021 forecast
Other Taxes	7,904,500	9,269,000	1,364,500	2022 Budget based on 2021 Forecast
Licenses & Permits	2,757,000	2,840,000	83,000	2022 Budget based on 2021 Forecast
Intergovernmental	29,108,569	17,107,995	(12,000,574)	2022 budget based on known grants
Charges for Services	56,344,148	57,843,137	1,498,989	Internal service charge for medical contributions +\$1.8M, Commissions on Tax Collections (\$0.4M), Impact Fees +\$0.2M, Ambulance Fees (\$0.5M), Landfill Fees +\$0.8M
Fines & Forfeitures	5,978,712	6,100,893	122,181	2022 Budget based on 2021 Forecast
Investment Revenue	635,500	127,177	(508,323)	Investment Revenue decreased drastically due to pandemic
Miscellaneous Revenue	3,674,941	2,640,185	(1,034,756)	Only known items budgeted in this category
Bond Proceeds	59,000	168,295	109,295	Lease Agreements for vehicles
Use/(Save) of Reserves	35,571,761	45,664,376	10,092,615	General Fund (\$0.8M), Fire Fund (\$1.8M), Capital Funds +\$12.0M, E911 (\$0.8M), ERAP +\$1.6M
Transfers	15,191,247	10,098,239	(5,093,008)	Transfer from Impact Fee to SPLOST (\$6.1M), General Fund transfers to other funds +\$1.2M
TOTAL FUNDING SOURCES	321,795,130	335,961,413	14,166,283	

Cherokee County M&O Rate Trend Analysis



Your Tax Dollars

For an average homeowner in a house assessed at \$303,600:

Summary of Total Tax Bill	2020	2021	Dollar Change
General Fund	\$606.89	\$606.89	\$0.00
Fire Fund	\$399.78	\$399.78	\$0.00
Parks Bond	\$55.98	\$52.70	(\$3.28)
Total County Portion	\$1,062.65	\$1,059.37	(\$3.28)
School Operations	\$2,203.67	\$2,173.81	(\$29.86)
School Bond	\$121.44	\$151.80	\$30.36
Total County Schools	\$2,325.11	\$2,325.61	\$0.50
Total Tax Bill	\$3,387.76	\$3,384.98	(\$2.78)



\$0.68

Cherokee County
School District

\$0.18

Cherokee County

\$0.12

Cherokee County Fire
& Emergency Services

\$0.02

Cherokee County Parks

Your Tax Dollars

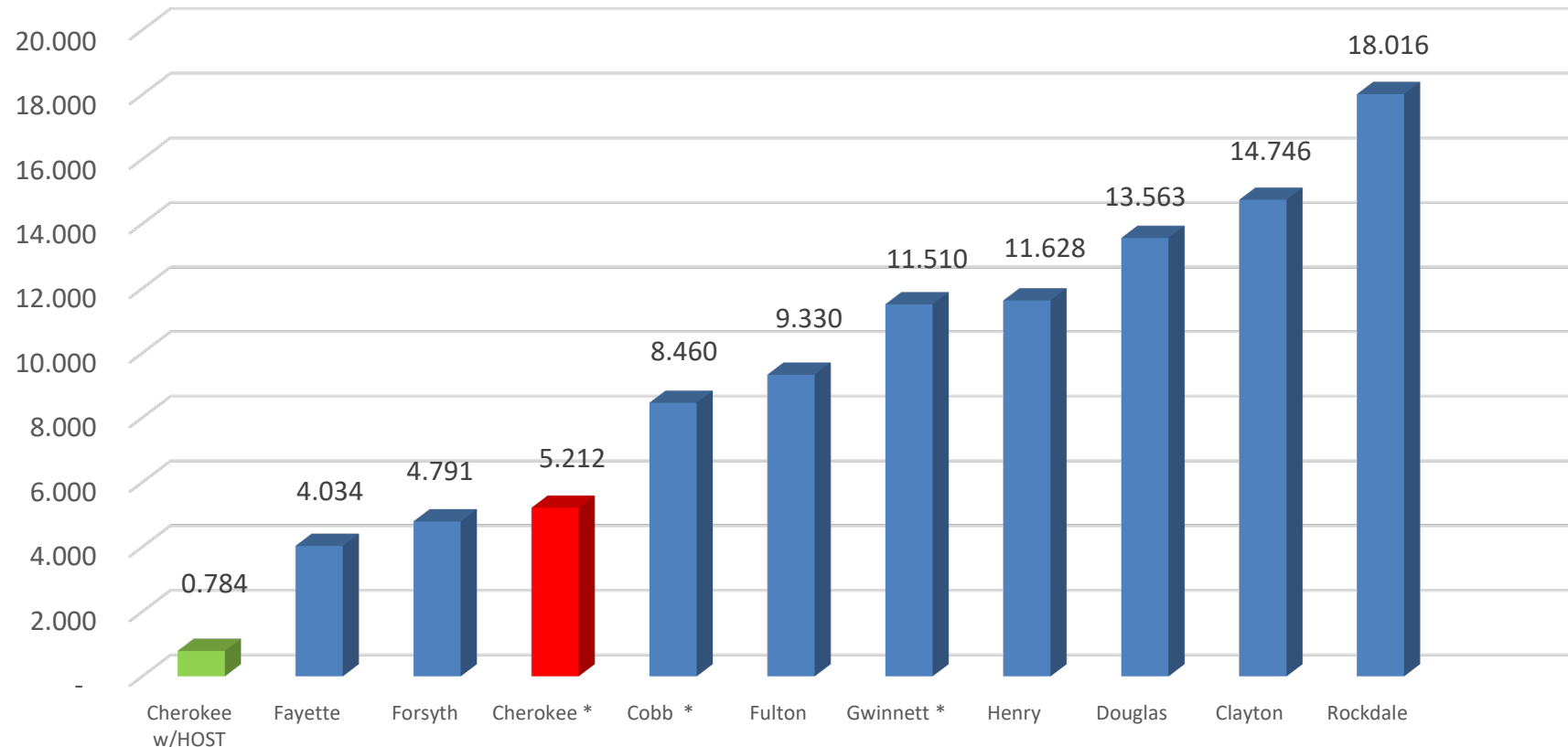


	DEPT %	YOUR TAX DOLLARS
Function	Of Total	GO TO:
Public Safety	54.05%	\$328.02
Judicial	18.87%	\$114.52
General Administration	16.83%	\$102.15
Public Works	3.79%	\$23.02
Housing and Development	0.57%	\$3.45
Culture and Recreation	4.37%	\$26.55
Health and Welfare	1.51%	\$9.18
TOTAL GENERAL FUND	100%	\$606.89

How does this compare to other counties?...

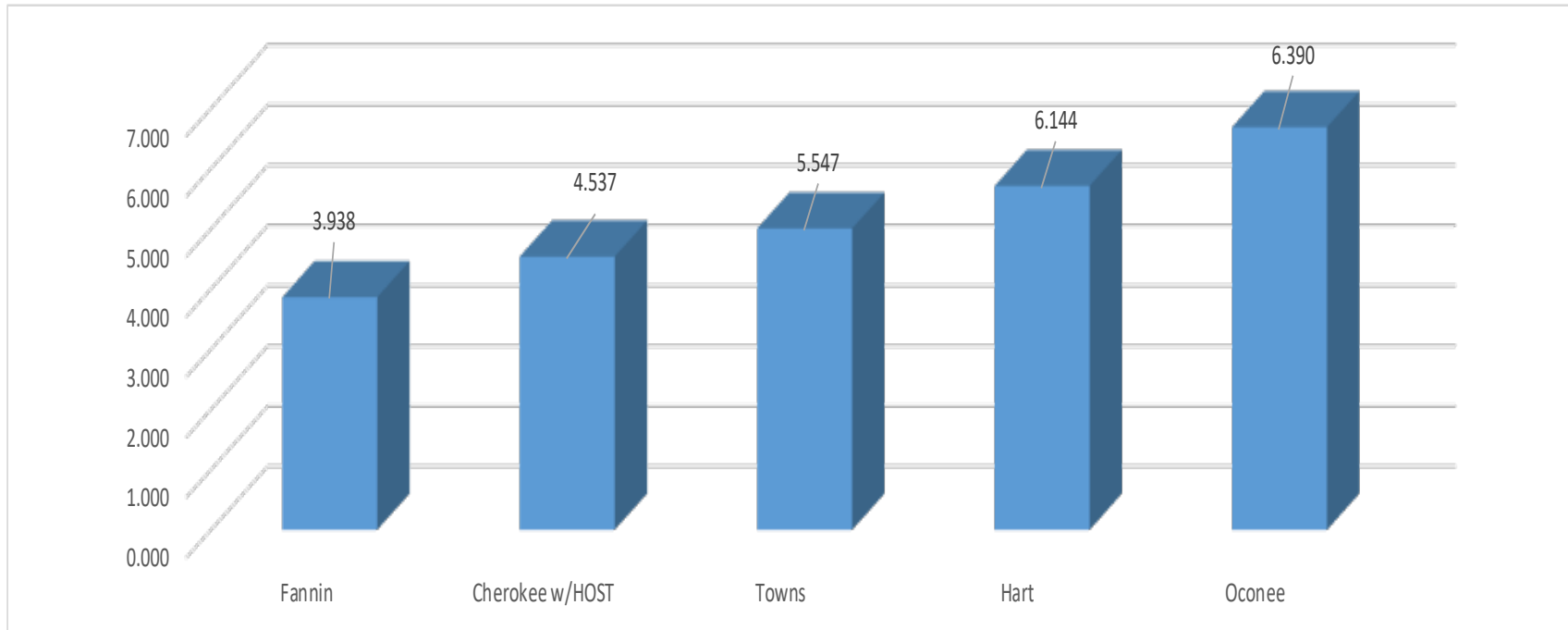
2021 General M&O Millage Rates in the Metro-Atlanta Area

Both counties that have a lower M&O millage than Cherokee have an extra 1% sales tax to supplement their property taxes . Based on SPLOST receipts, if Cherokee County had the additional 1%, the millage rate would be only .784mls



* Cobb, Cherokee, and Gwinnett are the only 3 of 159 counties in Georgia not using a sales tax to offset property taxes.

Combined* Millage Rate Comparison if Cherokee County Had a HOST



If Cherokee County had a HOST, the combined County Millage Rate would be the 2nd lowest in the state. In addition, the other counties that are comparative have much smaller populations/different level of service requirements.

**This includes M&O, Fire, and Parks Bond*

All Funds Budget Summary

Expenditures – Capital (Includes Transfers)

	2021 Revised Budget	2022 Proposed Budget	Change Increase/ (Decrease)	%
Impact Fees	6,828,096	2,335,872	(4,492,224)	-65.8%
SPLOST V (2006-2012)	38,113	1,488,113	1,450,000	3804.5%
SPLOST 2012 (2012-2018)	20,535,762	16,000,000	(4,535,762)	-22.1%
SPLOST 2018 (2018 - 2024)	60,630,827	80,360,665	19,729,838	32.5%
Total Capital Projects	88,032,798	100,184,650	12,151,852	13.8%
Debt Service	6,338,191	6,243,736	(94,455)	-1.5%
TOTAL CAPITAL RELATED	94,370,989	106,428,386	12,057,397	12.8%

FY 2022 Proposed Budget Capital Funds Expenditures

(Does not include \$15.7M SPLOST for Cities)

Capital Funds	FY2022 Proposed Budget
Capital Expenditures	
Impact Fees	\$2,335,872
SPLOST V (2006-2012)	\$1,488,113
SPLOST VI (2012 -2018)	\$16,000,000
SPLOST VII (2018-2024)	\$64,650,535
Total Capital Projects	\$84,474,520
Debt Service	\$6,243,736
Total Capital Related	\$90,718,256

Capital Highlights

Safety & Security

Sheriff

- Vehicles \$750k
- New Precinct \$2.2M

Fire

- Stations \$10M
- Training Facility \$369k
- Ambulances \$2.2M
- Support Vehicles \$227k
- Fire/Air Trucks \$1.7M

Marshal

- Radio Project \$3.1M
- Vehicles \$240k

Environmental Stewardship

Parks & Recreation

- Recreation Center \$11.7M
- Hickory Flat Gym \$1.2M
- Other Projects \$1.9M

Public Works

- Roads & Bridges \$35.9M



SPLOST V* Spending of Reserves = \$1.49M



Fire Department \$26K

- Software



Roads & Bridges \$12K

- Projects & Equipment



Library Facilities & Books

Building Expansion/Equip \$1.45M

*SPLOST V sales taxes were collected 2006 - 2012



SPLOST 2012*

Spending = \$16M



Road Construction \$10M



"The Buzz" Recreation Center \$5.0M



Airport Expansion \$1M

*SPLOST 2012 sales taxes were collected 2012 – 2018

SPL^{OST}

PENNIES AT WORK

SPLOST 2018*

Spending = \$80.4M
Includes City Portion



**Fire Stations, Vehicles,
Ambulances \$14.5M**



Road Construction \$26M



Emergency Communication \$3.3M



**Court House – New
Parking Deck \$8.4M**



**Law Enforcement Vehicles, K-
9 Center/New Precinct \$3M**



**“The Buzz” Recreation Ctr, Hickory
Flat Gym, Other Park Projects \$8.1M**

*SPLOST 2018 sales taxes will be collected 2018 – 2024

**Other Projects \$1.4M
Cities Portion \$15.7M**

RRDA Analysis @ 9/30/2021

Series 2007 A Bonds

- Remaining Principal \$2,840,000
- Remaining Interest \$472,348
- Years remaining 6 Years
- Interest Rate 4.65% - 4.75%
- Type Callable
- Maturity Date 2029

- Payment of an additional \$2,180,000 in January 2022 will generate interest savings of \$406,249.

Series 2007 B Bonds

- Remaining Principal \$450,000
- Remaining Interest \$26,100
- Years remaining 1 Year
- Interest Rate 5.8%
- Type Non Callable
- Maturity Date 2022




Fund Balance Analysis

Fund	FY2021 Forecast Fund Balance Ending Balance	FY2022 Budget Use of Fund Balance	Operations	One Time Use	One Time Use Explanations
General Fund	\$51.4M	\$3.4M	\$2.4M	\$1.0M	Elections Building
Fire Fund	\$10.5M	\$.47M	\$.47M		
EMS Fund	\$1.9M	\$1M	\$.5M	\$.5M	Non Cash - Depreciation
E911 Fund	\$3.3M	\$.25M	\$.25M		

Notes:

1. Recommend using \$2.2M of General Fund Balance (Unincorporated) for additional principal payment of RRDA Bonds , saving \$406k in interest
2. The E911 Fund Balance forecast of \$3.3M does not include the \$1.1M budget amendment for the backup center upgrade

FY 2022 Proposed Budget Risk Evaluation

Risk Items	Status	Key Drivers
Use of Reserves for Recurring Expenditures		<ul style="list-style-type: none"> • General Fund \$2.4M • Fire Fund \$467k • EMS \$545k
Economy Impact on Revenue Sources and Expenditures	 Current Inflation rate 5.8%	<ul style="list-style-type: none"> • TAVT • SPLOST • Judicial • Investment Income • Parks & Rec
American Rescue Plan Act		<ul style="list-style-type: none"> • Treasury clarification on the use of Funds for Capital Projects • E911 Backup Center • Elections Building