

Fulton County

FY2018 Proposed Budget





FY 2018 Introduction

- Fulton County proposed FY2018 budget totals \$965 million, including \$667 million for the general fund.
- The General Fund FY2018 budget is balanced through a combination of revenue enhancements and expenditure reductions.
- The FY2018 budget takes in consideration the full year effect of legislative actions and voter approved changes occurring in 2016 and 2017.
- The revenue budget also assumes the majority of the 2017 property tax levy being collected in early 2018, due to collection delays.
- The best estimates to date are reflected in the proposed budget, but changes may be needed down the line as more information is made available.

FY 2018 Introduction (continued)

Among the most prominent legislative changes in 2016 and 2017 having budgetary effects in FY2018 are;

- The voter approved incorporation of unincorporated South Fulton into a new city in 2016. Full change of this transition will be felt during FY2018
- The transition of the Health Department's services to the Fulton County Board of Health during FY2017. Full change of this transition will be felt during FY2018
- Changes in compensation to court officials

2018 Budget Process Recap

- The FY18 Proposed Budget was prepared using Budgeting for Outcomes (BFO), which is designed to improve services and the return on investment of public dollars.
- All County agencies submit “offers” and explain how they can achieve the best results that matter to residents for the lowest cost and assess over performance.
- To continue our path of improving overall service delivery through this budgeting process, we align every “offer” to one of the six (6) key Priority Areas.

2018 Budget Process Recap (continue)

- All People are Safe
- All People are Healthy
- All People Have Economic Opportunities
- All People are Self-Sufficient
- All People Trust Government is Efficient, Effective, and Fiscally Sound
- All People's Lives are Culturally and Recreationally Enriched



FY2018 All Funds Investment by Strategic Priority Area

in millions (\$)

Fund	Culture	Economic Opp.	Healthy	Safe	Self Sufficient	Trust	Total
General Fund -100	\$ 37.8	\$ 3.0	\$ 91.4	\$ 315.9	\$ 33.8	\$ 185.1	\$ 666.9
Airport Fund -200	-	3.6	-	0.3	-	-	3.9
Water and Sewer Revenue -201	-	-	127.4	-	-	1.5	128.9
Water and Sewer Renewal -203	-	-	66.9	-	-	-	66.9
Wolf Creek -215	0.7	-	-	-	-	-	0.7
Special Services District -300	-	-	-	-	-	2.9	2.9
Fulton Industrial District -301	-	0.8	-	6.6	-	8.2	15.6
Emergency 911-340	-	-	-	6.5	-	-	6.5
Bond Fund -600	15.4	-	-	-	-	-	15.4
Risk Fund-725	-	-	-	-	-	43.9	43.9
Special Appropriation	1.1	0.9	-	9.2	-	1.9	13.0
Total	\$ 55.0	\$ 8.4	\$ 285.7	\$ 338.5	\$ 33.8	\$ 243.4	\$ 964.7

% By Priority Area of Total Budget	6%	1%	30%	35%	3%	25%
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All People's Lives are Culturally Enriched

It is Fulton County's responsibility to ensure that residents have access to a variety of quality cultural and recreational activities county-wide.

Accomplishments

- Awarded \$104M for phase II of the Library Bond renovation & construction projects.
- 4.7M visits to Fulton Arts centers and CFS funded programming.
- Transition of Wolf Creek to Live Nation as the operator.

All People's Lives are Culturally Enriched - 2018 Investment \$55 million or 6%



Goals and investments

- Continue the investment of the Library Bond improvements to existing facilities.
- Develop a Strategic Plan for All People's Lives are Culturally and Recreationally Enriched, with a focus on Cultural Enrichment.
- Implement governance structure to allow for the generation of private funding in the area of Arts and Culture.

All People Have Economic Opportunities

It is the County's responsibility to ensure that public resources are aligned in the effort to support business growth and develop the skills and training of the workforce.

Accomplishments

- Implemented TSPLOST oversight/reporting.
- Established tax abatement reporting protocols.
- Engaged consultant to develop evaluation & governance standards for tax abated projects.
- Closed 16 bond deals resulting in \$1.3B of private capital investments for Fulton County.
- Concluded Fulton County transit study with ARC.

All People Have Economic Opportunities - 2018

Investment \$8 million or 1%



Goals and investments

- Continue to provide TPLOST oversight and reporting.
- Move Fulton County Transit Plan forward, and seek legislative funding options.
- Implement tax abatement reporting protocols and enhance return on investment for tax incentives.
- Implement marketing campaign to raise awareness of and increase economic investment in Fulton County.
- Align workforce development function with economic development and take the lead in coordination of business outreach and workforce development strategy.

All People Are Healthy

Fulton County is continuing its commitment to enhancing collaborative, community based healthcare.

Accomplishments

- Transitioned the Health Department into the Fulton County Board of Health, including relocation of its services into a new facility.
- Increased cooperation between the County and the State to advance management and delivery of health related services to County residents continues.
- Continued to support the efforts to increase services and performance for behavioral health services

All People Are Healthy - 2018

Investment \$286 million or 30%



Goals and investments

- Develop strategic framework with Grady and BOH to target specific population health outcomes and optimize resources.
- Continue to implement HIV Task Force recommendations.
- Continue to invest \$10M in the new Behavioral Health service delivery model, reaching 3,000 patients and demonstrating a more effective model working with State DBHDD partners.
- Continue \$590M capital investment program in Water Resources expansion program.
- Develop a Strategic Plan for Sustainability that promotes the County as a leader in environmentally friendly development and practices.

All People Are Safe

Fulton County is continuing the investment in the Justice Reinvestment Initiative to reform the Justice System into a more efficient and effective system

Accomplishments

- Established the Justice Reinvestment Initiative (JRI), an effort to continue the County's progress on developing and implementing system-wide reforms with a particular focus on the criminal justice system
- Implemented a series of reforms including improved case management, monitoring of inmates awaiting trial, competency restoration programs, and anti-recidivism efforts
- Reduced misdemeanor and felony backlogs

All People Are Safe - 2018

Investment \$338 million or 35%



Goals and Investments

- Refocus Justice Reinvestment Initiative toward 4 specific outcomes, and invest an additional \$5.5M for projects.
 - The reduction in the jail population,
 - Reduction of costs at the jail,
 - Reduction of administrative costs,
 - and Consolidation of clerk functions
- Evaluate existing programs to develop a robust, scalable, criminal justice diversion effort .
- Enhance prosecution resources to improve misdemeanor intake processes and reduce backlogs.

All People Are Self-Sufficient

It is Fulton County's responsibility to connect our residents to the right resources at the right time to ensure these periods of dependency are rare, brief, and non-recurring.

Accomplishments

- Reduced senior transportation backlog.
- Invested \$5.3M in CSP Program that served 86,000+ individuals.
- Executed lease with Invest Atlanta for the use of Jefferson Place to serve homeless population.

All People Are Self-Sufficient - 2018

Investment \$34 million or 3%



Goals and investments

- Strengthen neighborhood senior center model to deliver more robust programs and service levels.
- Implement senior transportation options to maximize service and reduce backlog.
- Complete transfer of Jefferson Place to City of Atlanta for new homeless capacity.
- Develop north and south Fulton complimentary homeless programs using consistent profile and enhanced assessment tools.

All People Trust Government is Efficient, Effective and Fiscally Sound



Government must promote trust among its citizens by regularly reporting on its performance, conducting itself in a transparent and legal manner, and engaging with its residents in setting the direction of County government.

Accomplishments

- Adopted new Customer Service standards & policy.
- Transitioned Planning, Code Enforcement & Business License city services to Renaissance.
- Continued the investment in facility and infrastructure improvements.
- Continued the investment in IT improvements.

All People Trust Government - 2018

Investment \$243 million or 25%



Goals and investments

- Successfully transition remaining services to new city of Renaissance.
- Implement pay for performance plan with primary focus on customer satisfaction and key departmental metrics.
- Deliver new website experience and target customer self-serve capabilities.
- Utilize performance reporting at the strategic and department levels to drive performance oriented culture and transparency.
- Develop an intense focus on three core processes related to criminal justice, elections, and property tax and manage effectively through metrics and process management.
- Invest \$3.4M in technology and people enhancements to make the property tax appraisal process timely, credible and responsive.
- Continue investment in capital program for facilities and improvements.
- Continue investment in the Information and Technology roadmap implementation.

FY 2018 General Fund

Summary

The FY2018 General Fund proposed budget is \$667 million

- Approximately \$377 million allocated to personnel expenditures
- Approximately \$290 million allocated to other operating expenditures.

The FY2018 proposed budget represents a \$44.2 million increase from projected FY2017 expenditures of \$622.8 million.

The proposed budget is balanced with FY2018 revenue of \$966 million, a carry forward fund deficit of \$192 million for FY2017, and FY2018 expenditures of \$667 million. The projected ending Fund Balance for FY 2018 is \$106.4 million, or 16.67% of recurring costs.



FY 2018 General Fund (Continued)

<i><u>in millions \$</u></i>	2017 Amended Budget	2017 Projection	2018 Proposed Budget
Revenue	\$ 638	\$ 301	\$ 609
Rev 2017 Property Tax Billing delay	-	-	\$ 357
Total Revenue	\$ 638	\$ 301	\$ 966
Total Expenditures	\$ 662	\$ 623	\$ 667
Revenue > Expenditures	\$ (24)	\$ (322)	\$ 299
Fund Balance Beginning	\$ 130	\$ 130	\$ (192)
Fund Balance Ending	\$ 105.6	\$ (192.3)	\$ 106.4

FY 2018 General Fund Revenue Assumptions

Property Tax

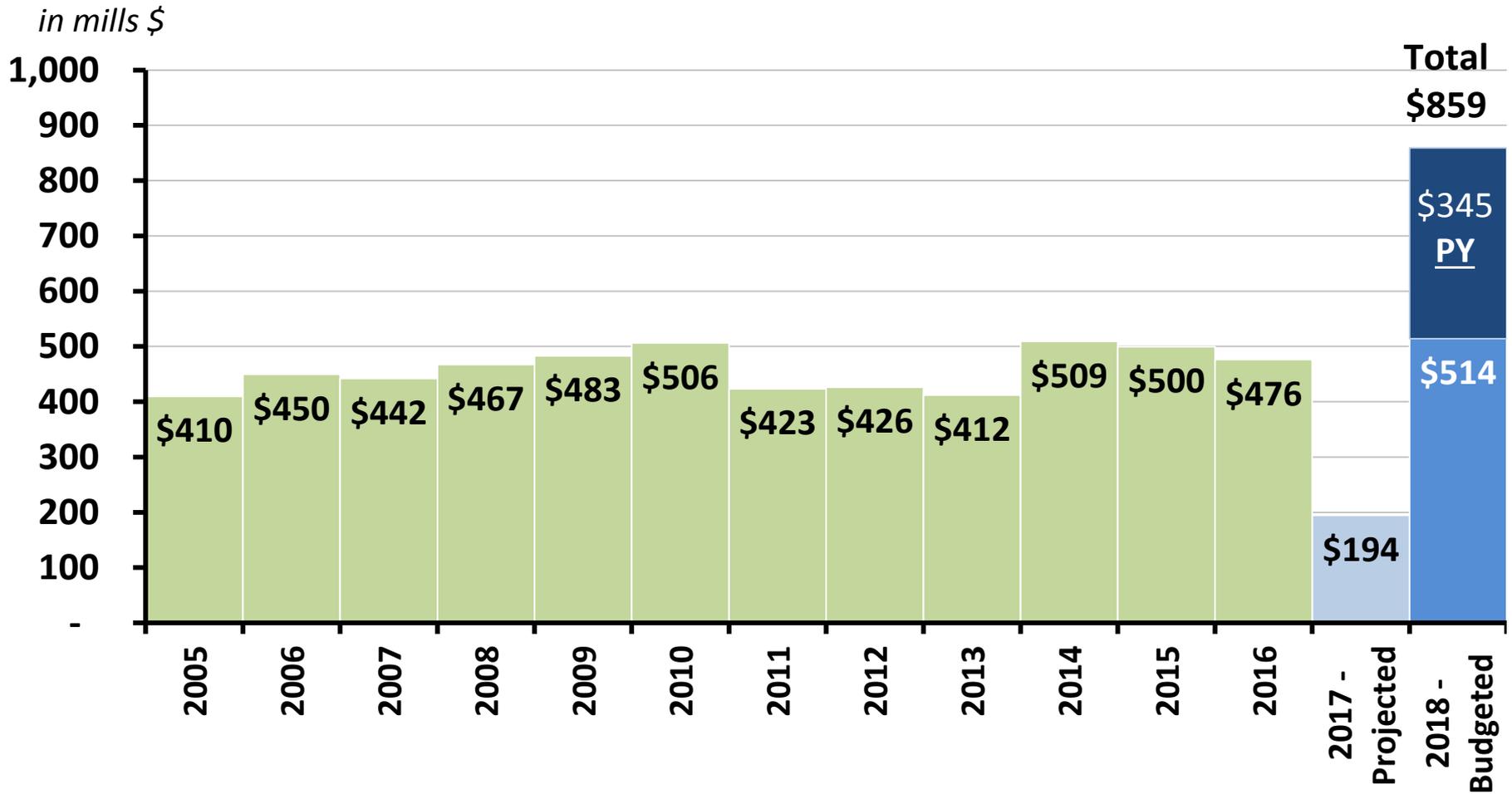
- 2% growth in the value of new construction
- 2% increase in the reassessment value of existing property
- A millage rate to be set at an appropriate level to ensure that sufficient 2018 property tax revenue is generated to balance the budget
- A shift in revenue due to delayed property tax billings is projected between FY2017 and FY2018 for \$357 million (including tax revenue and commissions)

Other Revenue

- Local option sales tax of \$16 million
- Decline in revenue for environmental fees and vital records revenue. These will now be collected by the Board of Health. The decline in revenue is offset by a corresponding reduction in the expenditure allocation to the BOH

FY 2018 General Fund Revenue (Continued)

- Property Tax 2005 to 2018



FY 2018 General Fund Revenue (Continued)

- Sales Tax 2005 to 2018



in mills \$



FY 2018 General Fund Expenditure Assumptions

Expenditures

- Increase in defined benefit pension annual required contribution by approximately \$9.5 million in FY2018
- Reduction in excessive vacancies and administrative costs by approximately \$4.9 million
- Funding of \$3.5 million for the Living Wage increase effort and potential impact of the comp and class study for the courts. Available in the second half of 2018
- Allotment of \$500,000 for Public Works for Transportation
- Increase in Health Care costs by approximately \$1.7 million
- Board of Health allotment of approximately \$8.3 million

FY 2018 General Fund Expenditure Health Department to BOH Funding



Sources of Funding <i>(in mills \$)</i>	Health Dep. 2017	Board of Health 2018
General Fund Appropriation *	14.9	8.3
State Allocation Budget **	15.8	16.1
Charges for Services ***	-	6.6
Total Funding	30.7	31.0

* After adjustment for Animal Control, New County Attorney Staff and Drop off Child Additional Funding

** Amended Budget 2016 / Tentative Budget for 2017

*** Estimated Revenue for Environmental and Vital Records services. Revenues previously collected by the General Fund and now being collected by the Board of Health

FY 2018 General Fund Enhancements

The 2018 budget was designed to reflect our strong commitment to the County's strategic priority objectives. Despite limited available resources restricting the number of new programs and enhancements, the proposed budget focused its allocation among justice agencies, infrastructure, and tools and services to make County government more efficient and effective.

Justice Reinvestment

Funding of \$5.5 million (non-recurring) to be used for the Justice Reinvestment Initiatives. This funding is geared towards continuing the County's investment in making the Justice System more efficient, equitable and effective.

Registration and Elections

Funding by \$7 million (non-recurring) to account for a mid-term election year, which includes several Primary, Federal, State and General elections. Additional \$280,000 (recurring) to finance a lease for the replacement of elections equipment.



FY 2018 General Fund Enhancements (Continued)

Infrastructure Investment

Facilities

As part of our ongoing efforts to modernize and bring County facilities to par we are recommending \$7.5 million (non recurring) in General Fund funding for major repairs and \$2.5 (recurring) million for deferred maintenance to County facilities and infrastructures.

Technology:

\$1.4 million (non recurring) is being recommended to continue our investment efforts in IT infrastructure and \$4.6 (recurring) million for the reorganization of the IT Department.

Tax Assessor

Funding of \$3.4 million (non-recurring) has been included to assist the Tax Assessors' Office with the implementation of a plan to comply with a Consent Order from the Georgia Department of Revenue.



FY 2018 Budget Calendar

Activity	When ?
Community Engagement Meetings	November 16th - December 19th
Legally Required Public Hearing	December 20th
Budget Work Sessions	November 16th - December 19th
Adoption of 2018 Budget	January 10th or January 24th
Offsite Meeting (workshop)	Early January