



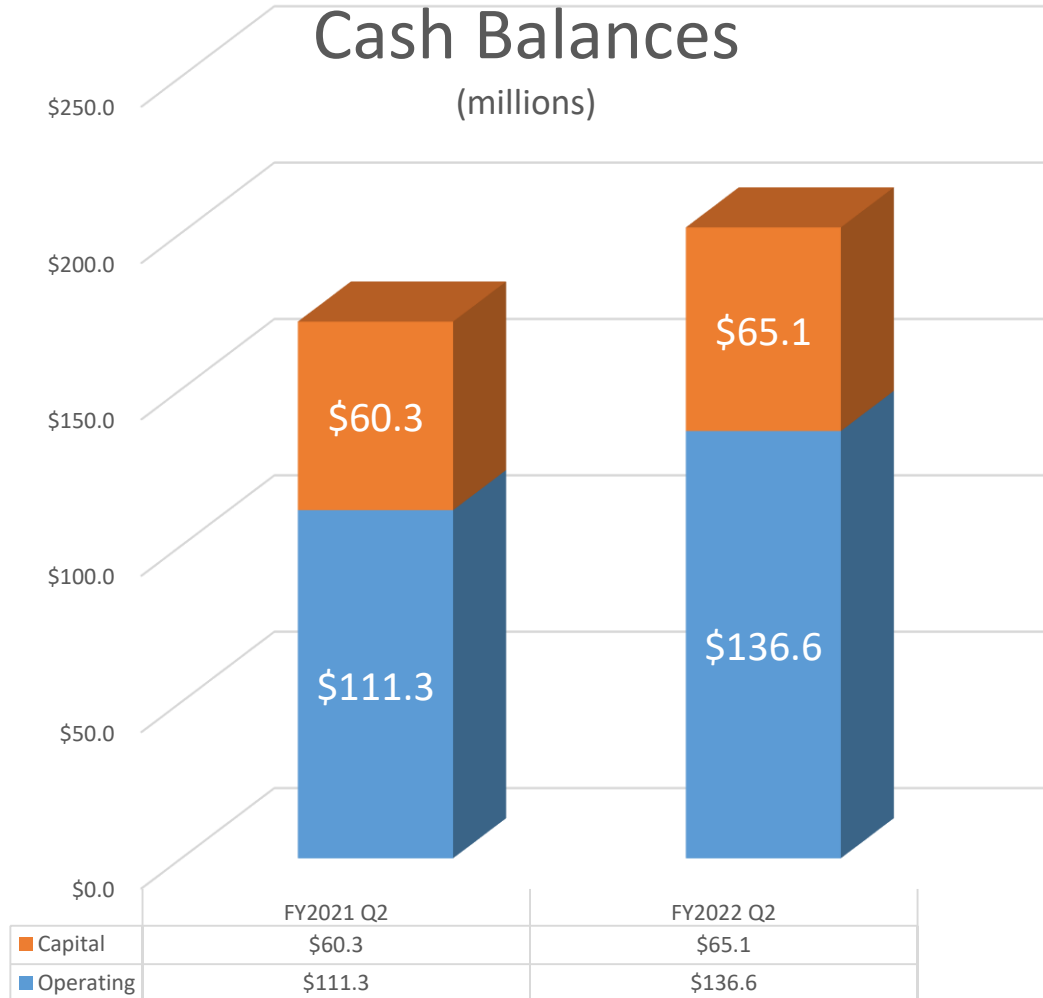
Cherokee County Board of Commissioners Financial Update

- FY2022 Q2 Results
- FY2022 Preliminary Millage Rate
- FY2023 Preliminary Budget

County Wide Cash Position Q2 FY2022

(Millions)

Q2 FY2022



Significant Operating Funds	FY2021 Cash Balance	FY2022 Cash Balance	Variance Better/Worse
General Fund	\$73.9	\$79.4	\$5.6
E911	2.4	2.9	0.5
Senior Services	0.2	0.3	0.0
Parks & Recreation	0.7	1.3	0.6
Transportation	0.5	0.7	0.2
Fire District	21.0	22.8	1.8
CDBG	(0.1)	(0.0)	0.1
EMS	1.7	2.1	0.4
Ins & Benefits Fund	0.4	(1.2)	(1.6)
Other Funds	10.6	28.3	17.7
Total	\$111.3	\$136.6	\$25.3

Capital Funds	FY2021 Cash Balance	FY2022 Cash Balance	Variance Better/Worse
Impact Fee	\$8.2	\$9.5	\$1.4
SPLOST V, 2012, 2018	46.3	49.7	3.3
Debt Service	5.7	6.0	0.3
RRDA	0.1	(0.1)	(0.2)
Total	\$60.3	\$65.1	\$4.8

GRAND TOTAL	\$171.6	\$201.7	\$30.1
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Other Funds includes \$19.7M ARPA in FY2022



General Fund Revenue

Q2 FY2022 vs Q2 FY2021

	FY2021 Q2 Actual	FY2022 Q2 Actual	Budget Variance (Under)/Over	Variance Explanations
Taxes	\$65,567,896	\$70,911,062	\$5,343,166	Property Tax +\$4.8M, TAVT +\$627K, Real Estate Taxes (\$73K)
Licenses and Permits	\$1,933,235	\$1,984,785	\$51,550	Building Inspections +\$44K, Alcohol/Business Licenses +\$5K
Intergovernmental	\$17,350	\$130,688	\$113,338	One time reimbursements
Charges and Services	\$5,504,900	\$6,064,789	\$559,889	Tax Commissions +\$348K, Landfill Fees +\$112K, Probation Fees +\$88K
Fines and Forfeitures	\$2,058,296	\$1,856,952	(\$201,344)	Superior Court (\$68K), State (\$5496K), Probate (\$22K), Speed Cameras +\$115K, Penalties (\$45K)
Investment Income	\$37,275	\$41,305	\$4,030	
Miscellaneous	\$298,450	\$312,285	\$13,835	
Other Financing Sources	\$510,006	\$585,730	\$75,724	Custodial +\$53K, Capital leases (\$46K), Insurance Recovery +\$65K
Use of Reserves Budgeted			\$0	
Total Revenue	\$75,927,408	\$81,887,596	\$5,960,188	



General Fund Revenue FY2022 Forecast vs Budget

	FY2022 Budget	FY2022 Forecast	Budget Variance (Under)/Over	Variance Explanations
Taxes	\$98,534,471	\$100,383,498	\$1,849,027	TAVT +\$2.4M, Real Estate +\$32K, Insurance Premium (\$500K), TV/Bank Franchise (\$114K)
Licenses and Permits	\$2,840,000	\$3,179,787	\$339,787	Alcohol/Business Licenses +\$57K, Building Inspection +\$260K
Intergovernmental	\$102,000	\$202,188	\$100,188	Unbudgeted reimbursements +\$95K, Land Protection Grant +\$17K, Range Revenue (\$12K)
Charges and Services	\$10,169,503	\$10,633,024	\$463,521	Tax Commissions +\$60K, Probation Fees +\$42K, Recycling +\$19K, Landfill +\$275K
Fines and Forfeitures	\$4,670,449	\$4,849,739	\$179,290	Superior +\$204K, State (\$353K), Magistrate (\$19K), Probate +\$119K, Juvenile (\$16K), Speed Cameras +\$240K
Investment Income	\$60,000	\$63,379	\$3,379	
Miscellaneous	\$791,730	\$867,966	\$76,236	Rents +\$83K (RRDA Rent), Indigent Defense (\$12K)
Other Financing Sources	\$1,221,050	\$1,251,268	\$30,218	Insurance Recovery
Use of Reserves Budgeted	\$5,626,003	\$5,626,003	\$0	
Total Revenue	\$124,015,206	\$127,056,852	\$3,041,646	



General Fund Expenditures Q2 FY2022

	FY2021 Budget	FY2021 Q1 Actual	FY2022 Budget	FY2022 Q1 Actual	FY2021 % Spent	FY2022 % Spent
Compensation	\$53,044,069	\$24,779,506	\$56,823,550	\$25,211,865	46.7%	44.4%
Insurance Benefits	\$9,660,171	\$4,594,528	\$10,598,457	\$5,007,861	47.6%	47.3%
Payroll Taxes	\$4,019,901	\$1,780,839	\$4,346,544	\$1,797,614	44.3%	41.4%
Workers Comp	\$732,186	\$391,978	\$853,647	\$369,236	53.5%	43.3%
Retirement Plans	\$8,105,559	\$3,745,853	\$8,771,937	\$3,867,960	46.2%	44.1%
Other Personnel	\$3,300	(\$907)	\$0	\$0	-27.5%	
Total Personnel	\$75,565,186	\$35,291,797	\$81,394,135	\$36,254,536	46.7%	44.5%
Operating Costs	\$19,420,595	\$7,671,796	\$21,211,070	\$9,388,822	39.5%	44.3%
Capital	\$153,151	\$107,522	\$1,397,389	\$73,337	70.2%	5.2%
Non-Op Costs	\$3,869,608	\$1,897,721	\$4,120,576	\$2,038,463	49.0%	49.5%
Debt Service	\$335,661	\$168,110	\$390,178	\$201,071	50.1%	51.5%
Utilities/Insuran ce	\$3,515,536	\$1,961,975	\$3,906,482	\$2,303,016	55.8%	59.0%
Transfers	\$8,269,359	\$3,982,218	\$11,595,376	\$7,080,728	48.2%	61.1%
Total Expenditures	\$111,129,096	\$51,081,139	\$124,015,206	\$57,339,973	46.0%	46.2%



Fire Fund Expenditures Q2 FY2022

	FY2021 Budget	FY2021 Q1 Actual	FY2022 Budget	FY2022 Q1 Actual	FY2021 % Spent	FY2022 % Spent
Compensation	22,106,935	10,161,900	23,797,718	10,620,523	46.0%	44.6%
Insurance Benefits	4,524,436	2,099,922	4,957,063	2,322,113	46.4%	46.8%
Payroll Taxes	1,691,179	725,668	1,820,526	761,672	42.9%	41.8%
Workers Comp	298,869	111,650	393,147	115,678	37.4%	29.4%
Retirement Plans	3,534,750	1,677,829	3,801,755	1,677,829	47.5%	44.1%
Other Personnel			-	-		
Total Personnel	32,156,169	14,776,969	34,770,209	15,497,815	46.0%	44.6%
Operating Costs	4,059,159	1,324,426	4,322,128	1,436,727	32.6%	33.2%
Capital			-	184,280		
Non-Op Costs	-	2,452	-	3,938		
Debt Service	-	-	13,320	8,622		64.7%
Utilities/Insuran ce	1,421,454	528,219	1,105,194	545,279	37.2%	49.3%
Transfers	144,148	72,074	151,355	75,678	50.0%	50.0%
Total Expenditures	37,780,930	16,704,140	40,362,206	17,752,339	44.2%	44.0%

2023

The Financial Road..... What Lies Ahead?

2022

- Inflation
- Employee Turnover
- Employee Vacancies



- Growth
- Capacity Restraints
- State Mandates

Annual inflation rate in the US slowed to 8.3% in April from a 41-year high of 8.5% in March, but less than market forecasts of 8.1%. [U.S. Bureau of Labor Statistics](#)



Social Security recipients are on track to receive the **biggest cost-of-living raise in four decades**. The estimated COLA is 8.6% for 2023.

COLA vs Salary Market Adjustments

COLA

- ▶ A COLA is a countywide compensation increase that corresponds to a rise in the cost of living.
- ▶ The calculation of a COLA should be based on changes in the prices of essential consumer goods and services.
- ▶ All Employees

Salary Market Adjustments

- ▶ Market adjustments are linked to labor market conditions, not cost of living.
- ▶ Market adjustments are intended to improve the County's ability to recruit and retain quality employees in positions where current pay levels are below competitive levels.
- ▶ Specific Positions – Evergreen Study

County Comparisions

			2021	2021	2021	2021	Total	2023 Proposed COLA County	2023 Proposed MKT Public Safety
County	Year End	Population	M&O	Fire	Bond	Other	Millage		
Bartow	12/31	111,818	8.560				8.560	Not Available	
Cherokee *	9/30	273,350	5.212	3.292	0.434		8.938		
Clayton	6/30	301,433	14.746	4.750			19.496	10.00%	
Cobb *	9/30	772,354	8.460	2.860	0.130		11.450	Not Available	
DeKalb	12/31	772,470	25.156	2.996	0.504		28.656	Not Available	
Douglas	12/31	150,300	12.563				12.563	7.00%	
Fayette	6/30	118,141	4.034	3.070		0.666	7.770	10.45%	8.55%
Forsyth	12/31	266,029	4.791	2.175	0.930		7.896	Not Available	
Fulton	12/31	1,105,355	9.333		0.210		9.543	7.00%	
Gordon	6/30	58,968	9.515				9.515	10.00%	
Gwinnett *	12/31	962,989	6.950	3.200		4.560	14.710	8.00%	
Henry	6/30	213,150	9.119	1.105		2.509	12.733	8.50%	
Pickens	12/31	34,322	7.489				7.489	5.00%	
Rockdale	12/31	92,069	16.690				16.690	8.00%	

* Counties that do not have a Lost or Host

County Viewpoints

Gwinnett County 8%

“Gwinnett County Board of Commissioners calls the salary boost a market adjustment as the nation sees an **8.5 percent inflation rate for 2022.**”

Douglas County 7%

“Officials are pitching a 7% across-the-board pay increase for county workers **in an effort to staunch the flow to surrounding jurisdictions.**”

Gordon County 10%

“As we know, inflation is hitting everybody, and we’ve lost quite a few people to better paying jobs — not better jobs, but better paying jobs,”

Rockdale County 8%

“This board has always been a supporter of making sure that we are competitive in the region and in the market.”

Clayton County 10%

“Clayton Council members voted Tuesday to approve 10% more in pay for all full-time employees as a cost of living increase.”

Cobb County

“Evergreen to provide numbers in April 2022. The total cost to fully implement the Class & Pay study from 2016 was \$20.4 million. That study was never fully implemented.”

Fayette County 10.45%, 19%

“Chairman Lee Hearn said that the small increase for taxpayers is a beyond equal tradeoff for better safety throughout the county.”

Henry County 8.5%

“The county has lost nearly 100 employees, many of whom left because **they can make more money in other places doing the same job.**”

- Inflation
- Competitive Pay
- Public Safety
- Employee Turnover

Cherokee County Sheriff's Office

Deputy Statistics

Department	Deputy Count	Average Salary	Average Years Of Service
ADC	99	\$48,259	3.3
ADC PART TIME	3	\$35,343	8.7
ADMIN	4	\$55,865	7.8
CID	14	\$55,651	9.9
CMANS	5	\$54,568	6.8
COURT	24	\$54,550	13.0
SPEC OPS	18	\$54,745	7.7
UPD	53	\$52,063	5.1
UPD PART TIME	3	\$11,790	5.7
Total	223	\$50,441	5.8

Deputy County Comparisons

County	Position	Salary	Upper
Cobb	Police Recruit Master's Degree	\$52,000	
Forsyth	Entry Level Patrol Deputy II	\$51,953	
Dekalb	Deputy Sheriff	\$51,000	
Fayette	Deputy Sheriff	\$50,117	
Clayton	Police Recruit Bachelor's Degree	\$49,421	
Cobb	Police Recruit Bachelor's Degree	\$49,000	
Forsyth	Deputy Sheriff	\$48,606	
Douglas	Certified Deputies	\$48,353	\$58,914
Cherokee	Certified Master's	\$48,270	
Clayton	Police Recruit Associate's degree	\$47,613	
Cobb	Police Recruit Associate's degree	\$47,000	
Cherokee	Uncertified Master's	\$46,270	
Cherokee	Certified Bachelor's	\$46,270	
Cobb	Police Recruit/ HS/GED	\$46,000	
Clayton	Police Recruit/ HS/GED	\$45,871	
Fayette	Detention Officer	\$45,403	
Cherokee	Certified Associates	\$45,270	
Dekalb	Detention Officer	\$44,818	\$47,060
Pickens	Deputy Sheriff 2 (Certified)	\$44,377	
Cherokee	Certified Base	\$44,270	
Cherokee	Uncertified Bachelor's	\$44,270	
Cherokee	Uncertified Associates	\$43,270	
Cherokee	Uncertified Base	\$42,270	
Douglas	Jailer II	\$41,770	\$46,106
Pickens	Deputy sheriff 1	\$38,295	

Deputy County Comparisons Potential \$5000 Increase @ Each Level

County	Position	Salary	Upper
Cherokee	Certified Master's	\$53,270	
Cobb	Police Recruit Master's Degree	\$52,000	
Forsyth	Entry Level Patrol Deputy II	\$51,953	
Cherokee	Uncertified Master's	\$51,270	
Cherokee	Certified Bachelor's	\$51,270	
Dekalb	Deputy Sheriff	\$51,000	
Cherokee	Certified Associates	\$50,270	
Fayette	Deputy Sheriff	\$50,117	
Clayton	Police Recruit Bachelor's Degree	\$49,421	
Cherokee	Certified Base	\$49,270	
Cherokee	Uncertified Bachelor's	\$49,270	
Cobb	Police Recruit Bachelor's Degree	\$49,000	
Forsyth	Deputy Sheriff	\$48,606	
Douglas	Certified Deputies	\$48,353	\$58,914
Cherokee	Uncertified Associates	\$48,270	
Clayton	Police Recruit Associate's degree	\$47,613	
Cherokee	Uncertified Base	\$47,270	
Cobb	Police Recruit Associate's degree	\$47,000	
Cobb	Police Recruit/ HS/GED	\$46,000	
Clayton	Police Recruit/ HS/GED	\$45,871	
Fayette	Detention Officer	\$45,403	
Dekalb	Detention Officer	\$44,818	\$47,060
Pickens	Deputy Sheriff 2 (Certified)	\$44,377	
Cherokee	Uncertified Associates	\$44,270	
Douglas	Jailer II	\$41,770	\$46,106
Pickens	Deputy sheriff 1	\$38,295	

FY2023 Proposed Expenditures General Fund

FY2023 General Fund Proposed Expenditures as of 5/12/2022

Expenditures

Initial Department Budgets **\$128,583,778**

Departmental Budget Cuts (\$565,145)

Additional Expenditures

Health Insurance \$400,000

Potential COLA 7% \$5,662,020

Potential Sheriff Market Adjustments

Deputies \$5000 @223 \$1,379,255

Vacancies \$5000 @58 \$358,730

All Other Sworn \$5000 @128 \$791,680

Total Potential Sheriff Market Adjustments \$2,529,665

Potential Marshall \$5000 @17 \$105,145

Potential Evergreen Study Market Adjustments \$500,000

Total FY2023 Proposed Expenditures \$137,215,463

Total FY2022 Budgeted Expenditures \$124,015,206

FY2023 Proposed Increased Expenditures \$13,200,257

Major Items

- 32 New Positions
- Market Adjustments
- COLA
- Health Insurance
- 4th Superior Court Judge
- Mandates
- New Facilities
- One Time Expenditures

FY2023 Proposed Expenditures Fire Fund

FY2023 Fire Fund Proposed Expenditures as of 5/12/2022

Expenditures

Initial Department Budgets **\$42,139,948**

Departmental Budget Cuts

Additional Expenditures

Health Insurance \$157,477

Potential COLA 7% \$2,123,082

Contingency \$242,523

Total FY2023 Proposed Expenditures **\$44,663,030**

Total FY2022 Budgeted Expenditures \$40,218,058

FY2023 Proposed Increased Expenditures \$4,444,972

Major Items

- 11 New Positions
- COLA
- Health Insurance
- Facilities

CHEROKEE COUNTY BOARD OF COMMISSIONERS

FY2023 Preliminary Property Taxes

AS OF May 17, 2022

	<u>M&O</u>	<u>Fire Fund</u>	<u>Parks Bond</u>
ZBB As Submitted	\$128,583,778	\$42,139,948	\$6,682,474
Less Non-Property Tax Revenue	(\$62,321,790)	(\$11,023,886)	(\$660,260)
Balance to Be Recovered By Taxes	\$66,261,988	\$31,116,062	\$6,022,214
Property Taxes Must Equal	<u>\$66,261,988</u>	<u>\$31,116,062</u>	<u>\$6,022,214</u>
Other Items NOT in ZBB: Budget Decrease/Revenue Increases			
Departmental Budget Cuts	(\$565,145)		
Health Insurance	\$400,000	\$157,477	
COLA 7%	\$5,662,020	\$2,123,082	
Deputies \$5000 @223	\$1,379,255		
Vacancies \$5000 @58	\$358,730		
All Other Sworn \$5000 @128	\$791,680		
Total Marshall \$5000 @17	\$105,145		
Evergreen Study	\$500,000	\$242,523	
Contingency			
Use of Reserves	(\$2,539,010)	\$0	
Final Property Taxes Must Equal	<u>\$72,354,664</u>	<u>\$33,639,144</u>	<u>\$6,022,214</u>
Digest- After Appeals-Est DOR submittal	13,882,378,028	11,301,449,210	17,044,367,129

2022 Cherokee County Tax Digest Increase

➤	Gross Digest	23.21%
➤	Net Digest	16.07%
➤	Growth	2.65%
➤	Inflation	13.42%

Use of Reserves

➤	One Time Expenditures	\$1,114,120
➤	Employee Vacancies (50% of General Employees only)	<u>\$1,424,890</u>
➤	Total use of Reserves	\$2,539,010

Preliminary Millage Rate Analysis

	<u>M&O</u>	<u>Fire Fund</u>	<u>Parks Bond</u>	<u>Total</u>
Proposed Rate	5.212	2.977	0.354	8.543
Current Rate	5.212	3.292	0.434	8.938
Above/(Below) Current Rate	0.000	-0.315	-0.080	-0.395
Rollback Rate	4.609	2.770	0.371	
Above/(Below) Rollback Rate	0.603	0.207	-0.017	
Proposed Millage Rate - Taxes increase	13.08%	7.47%	-4.58%	

Proposed Advertisement

The Cherokee County Board of Commissioners has tentatively adopted a millage rate, which will require an increase in property taxes by 13.08% percent.



Next Steps

- **June 7** Preliminary 2022 Millage Rate Presentation
- **June 21** Second 2022 Millage Rate Presentation (BOC determines the rate to advertise)
- **June 25** 2022 Tax Digest and Proposed Millage rate to be published in the Cherokee Tribune
- **July 5-19** Public Hearings
- **July 19** The Board of Commissioners will adopt the Millage Rates