2021

Hamilton County Administrator's
Recommended General Fund Budget
November 10, 2020

2021 General Fund Budget

- Background
- 2021 Budget Goals
- Stabilizing County Finances
- Addressing the Policy Agenda
- Enhancing Internal Operations
- Prudent Infrastructure Investments
- Investing in Human Capital
- Summary
- Public Hearing Dates

Background

What is the General Fund?

- Primary operating fund of the County
- Supports mandated and policy-driven functions
- Must be balanced
- Connection to All-Funds Budget

Background
COVID-19

Macroeconomic Impacts of the COVID-19 Pandemic	
Industrial Production	Fell 11.2% in April 2020 (federalreserve.com)
Job Loss	U.S. Lost 21 million jobs in April (BLS)
National Unemployment	Increased to 14.7% in April. Up from 4.4% in March. (BLS)
S&P 500	20% Loss for Q1 2020 (spglobal.com)

Five Budget Goals

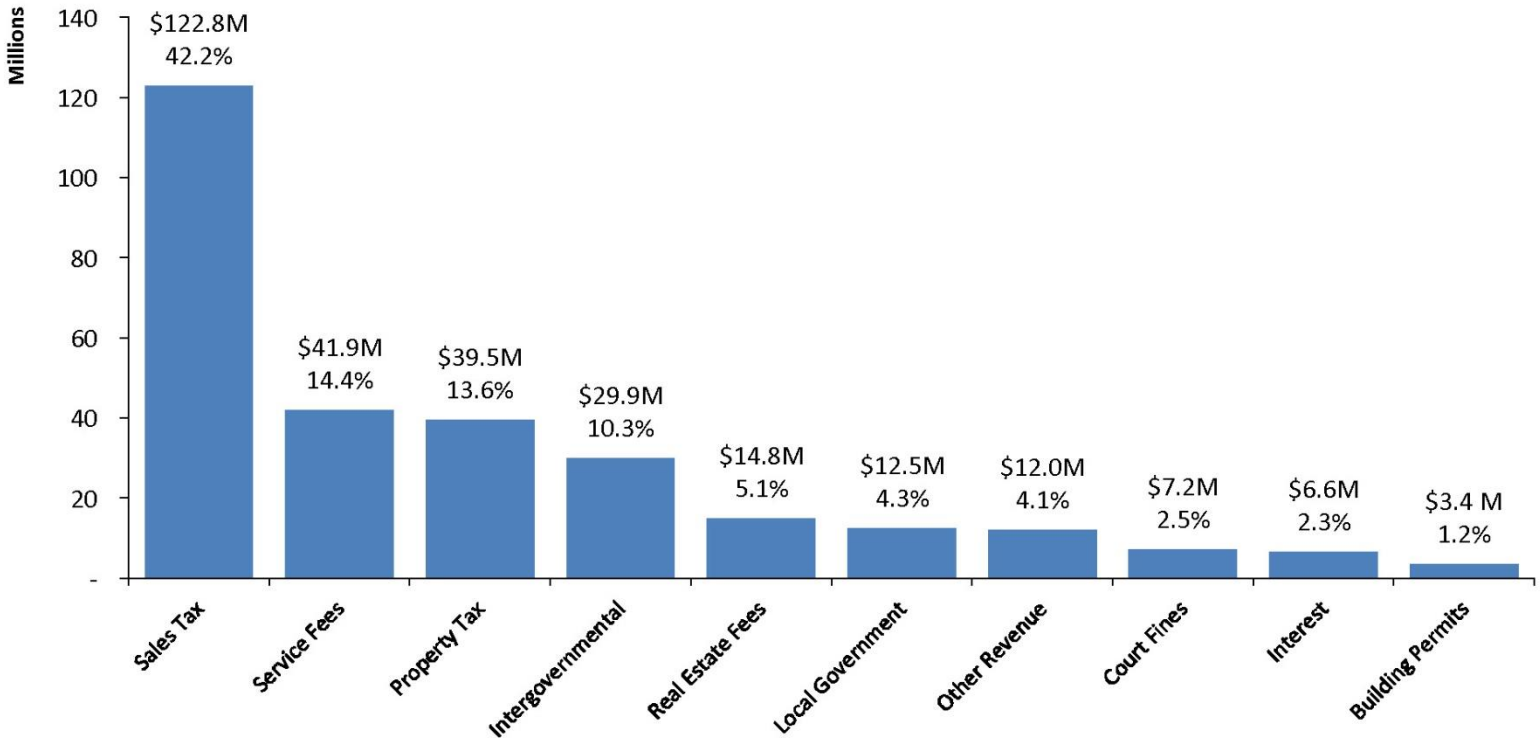
1. Stabilize the financial condition of the County in the wake of COVID-19
2. Address the Board's 2021-2022 Policy Agenda
3. Enhance internal operating capabilities
4. Allow for prudent infrastructure investment
5. Improve human capital strategy

Stabilize Financial Condition

- Budget balanced at **$290.70 Million**
- Increase of $13.80 million vs. 2020
  - Incorporates additional half year of ¼ cent sales tax
- Projecting a fund balance of $44.51 million or 16.1% of 2020 budget

Stabilize Financial Condition

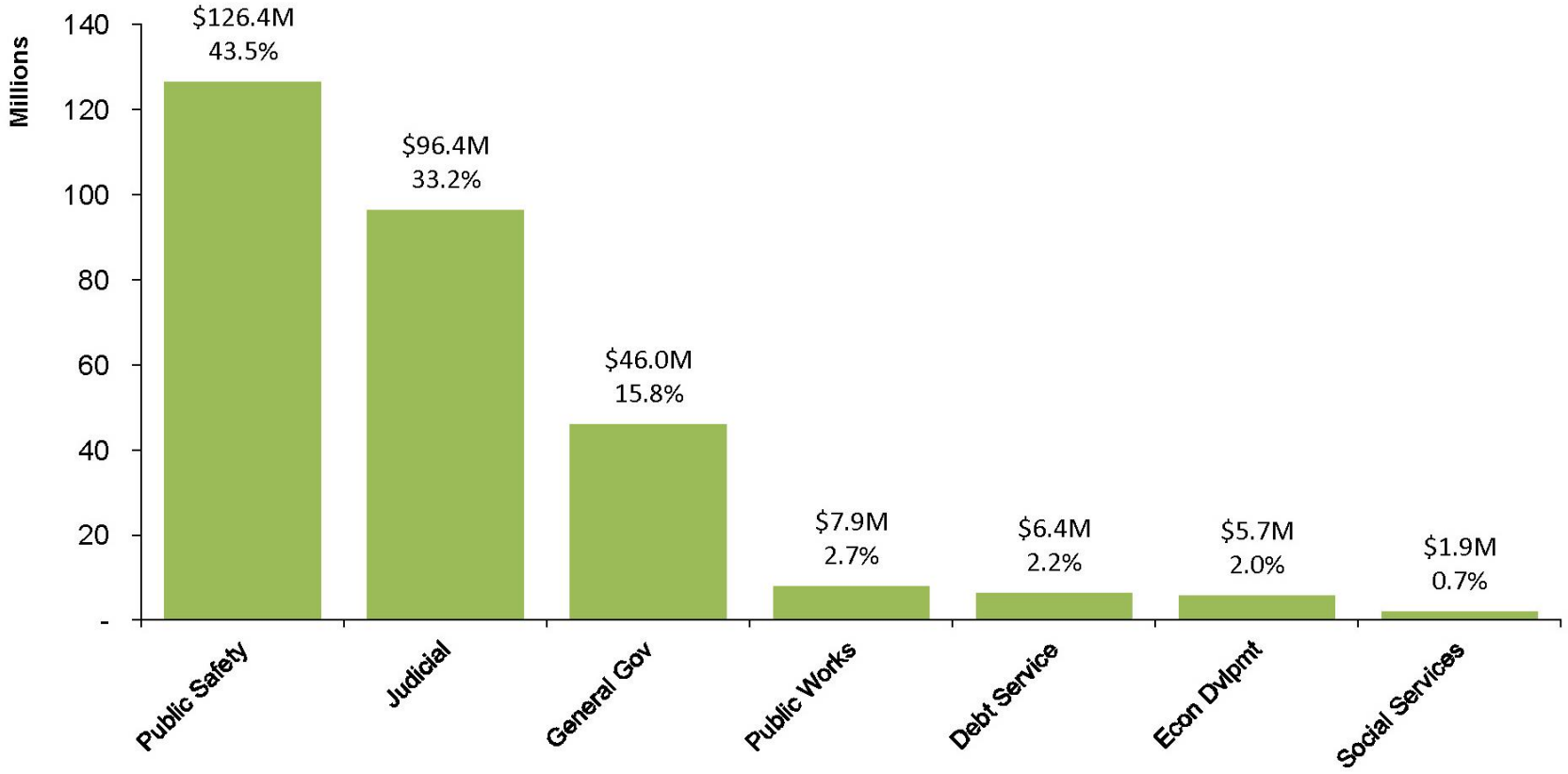
Revenue Detail



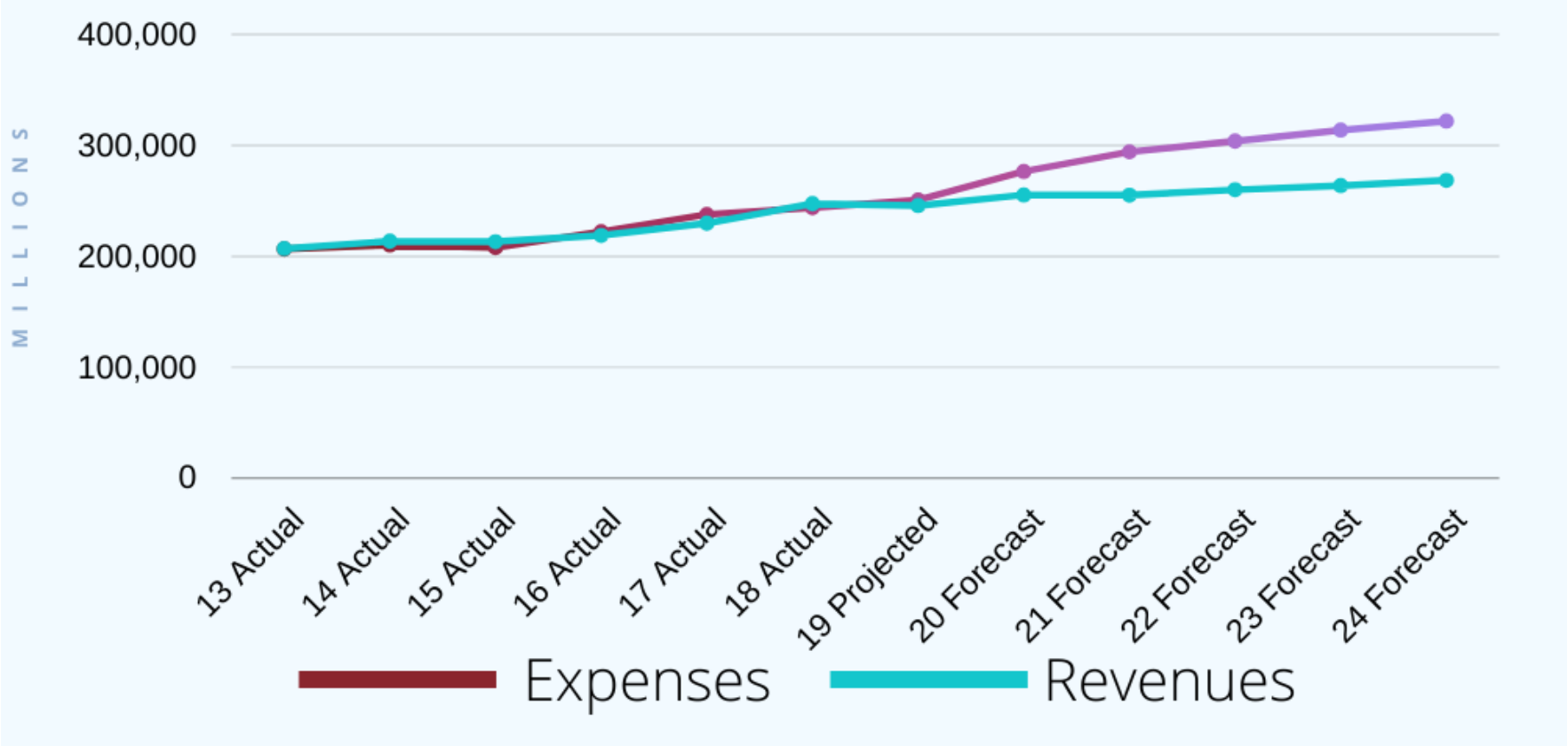
The "other revenues" category includes various reimbursements, transfers from restricted funds, auction proceeds, licenses, refunds, and unclaimed money.

Stabilize Financial Condition

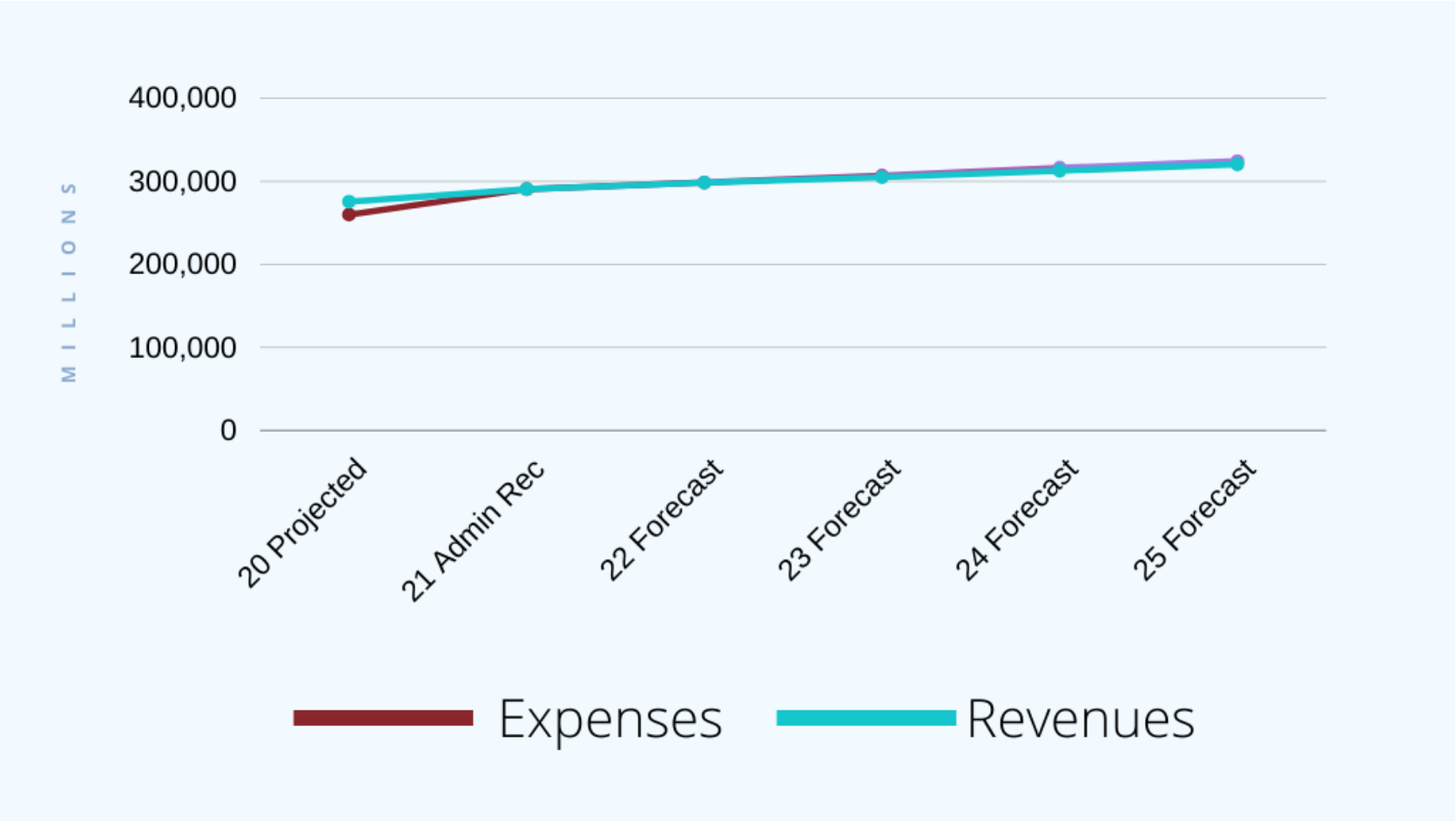
Expenditure Detail



Stabilize Financial Condition 5-Year Plan (2019 Budget)



Stabilize Financial Condition 5-Year Plan (Recommended Budget)



Stabilize Financial Condition

2021 Budget Strategies

- Reducing requested departmental expenditures
- Use of CARES Act to support public safety levy costs
- Maintenance of prudent General Fund Reserve
- Establishing Stabilization Fund

Addressing Board's Policy Agenda

- Establish a Sustainable Public Safety Model
- Equity and Inclusion
- Community Development and Revitalization

Policy Agenda

Establish a Sustainable Public Safety Model

- Complete build-out of 90 bed treatment-oriented expansion of Justice Center and fund commensurate staffing

Policy Agenda
Enhance Equity and Inclusion Efforts

- Expand Office of Inclusion and Diversity
  - ✓ Focus on connecting County operations to marginalized populations
- Economic Disparity Study
- Office of Family Voice
- Staff training efforts within Hamilton County Sheriff's Office

Policy Agenda

Invest in Community Revitalization Efforts

- County recognizes challenges of first ring suburban communities
- Budget contains a $1.5 million grant for community development / revitalization efforts
- $2 million for site readiness activities to facilitate attraction of jobs to Hamilton County.

Policy Agenda
Enhance Internal Operations

- Transition County Email Systems
- Departmental Operational Reviews:
  - County Purchasing
  - County IT Systems
- Creation of County Grants Office
- Invest in new Records Management System

Prudent Infrastructure Investment

- $6.5 million in critical capital projects
  - ✓ E.g. Justice Center elevators, Fire Alarm Systems
- $7.6 million in energy conservation projects
  - ✓ Backed by energy savings
- $2 million to address additional, smaller scale deferred maintenance needs

Human Capital Strategy

- Allow for 3% general wage adjustment
  - ✓ Consistent with World at Work estimate
- 1.5% one-time payment to employees furloughed during 2020
- Health Benefits
- Continue employee health clinic

Budget Risks
2021 and Beyond

- Path of the Pandemic and Economy
- Departmental Operating Strains
- Health of Restricted Funds
- Compensation Disparities

2021 Work Plan
Sample Milestones

Work Plan Initiatives for 2021 Rollout	Fund	Anticipated 2021 Delivery
Completion of Justice Center Treatment Space Expansion	General	Q3
Opening of New County Crime Lab	General	Q1
Finalizing Comprehensive Housing Plan	Multiple	Q3
Expansion of the Office of Diversity and Inclusion	General	Q1
Finalizing Transition to Web Based Permitting System in Building Department	General	Q3
Initiation of Community Revitalization Grant Program	General	Q2
Opening of the County's Office of Family Voice (assisting those struggling to navigate the County's system of children services)	JFS	Q1
Completion and Opening of West End Garage	Parking	Q2
Completion of Music Venue on the Banks	Parking	Q1
TLRC Review of Children Services Levy for November Ballot	JFS	Q2

Summary

- The recommended budget is structurally balanced in 2021
- The 5-year plan shows a sustainable fiscal path for the general fund
- Fund balance is healthy and exceeds GFOA recommended standards
- The County is able to sustainably make investments to improve the organization and community

Public Hearing Dates

- Recommend two public hearings:
  - **Thursday December 3rd at 1:30 pm**
  - **Thursday December 10th at 1:30 pm**
- Recommend additional discussion Dec. 8 & 15
- Recommend potential passage Dec. 17