



2025 & 2026 Budget Request Summary

Presented By: Bill Volckmann



COBB COUNTY BOARD OF COMMISSIONERS

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Lisa N. Cupid
Chairwoman

TO: Board of Commissioners
FR: Chairwoman Lisa Cupid *LC*
DATE: September 27, 2023
RE: FY25/26 Biennial Budget process

Commissioners:

My sincere appreciation to all of you for your help in making it through the recent approval of the FY24 budget and FY23 millage rate. I appreciate your feedback which will help shape the process of forming the next biennial budget. Working with finance, I would like to kickoff this next biennial budget as soon as possible with an eye on getting as much information to you earlier in the process and being as transparent as possible to our residents.

The 23/24 Biennial Budget

Cobb County's 2023-2024 Biennial Budget focused on critical areas such as staffing levels, employee retention and recruitment, and infrastructure. It added \$158.9M of additional investment during the two years. Personnel expenses drove nearly half that increase (49.3% or \$78.4 million). This included:

- 181 new positions,
- the impact of the Class and Pay Study,
- salary increases and recruitment incentives for public safety,
- annual merit for nonsworn employees,
- annual step increases for public safety,
- increases in pension, and,
- increases in healthcare costs.

The County also increased the investment in countywide infrastructure by \$41.9M, representing 26.4% of the total budgetary increase. The three departments that received the most significant increases in infrastructure were the Water System, with an additional investment of \$18.3M, Public Safety, at \$12.5M; and Property Management, at \$5.5M.

The 25/26 Biennial Budget

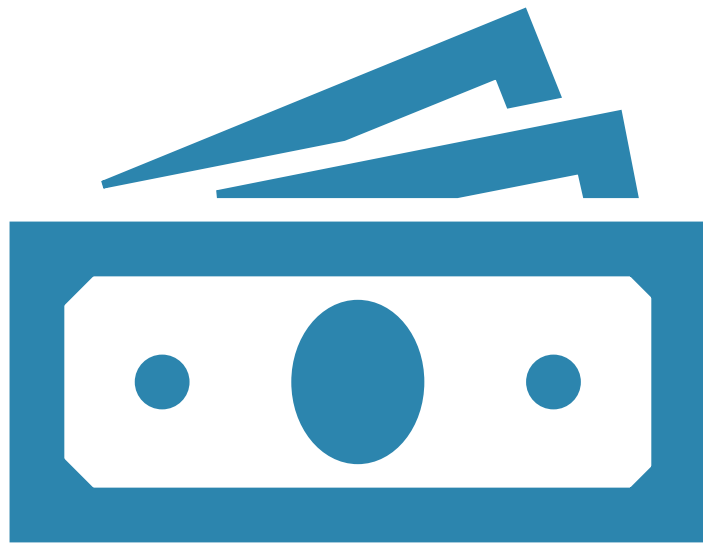
County departments will prepare for the 2025-2026 Biennial Budget process by participating in a budget kickoff this September, with their budgetary requests required to be finalized in the OpenGov budget software by December 15, 2023.

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Chairwoman's 2025-2026 Budget Message

- Departments are encouraged to identify savings areas that can be realigned to meet funding needs for 2025.
- Budget requests should be critical and align with the County's strategic outcome areas as defined in the Strategic Plan.
- The Biennial Budget Process letter can be found on the Cobb County Finance Website.
<https://www.cobbcounty.org/finance/budget>



What Makes Up The County Budget?

- 18 Funds- 4 Have Millage Rates
- 43 Departments
- 113 Units
- 163 Expenditure Codes & 153 Revenue Codes
- 4,110 Different Expenditure Lines & 336 Different Revenue Lines
- 2,183 Expenditure Lines Requested an Increase

Cobb County Operating Budgets

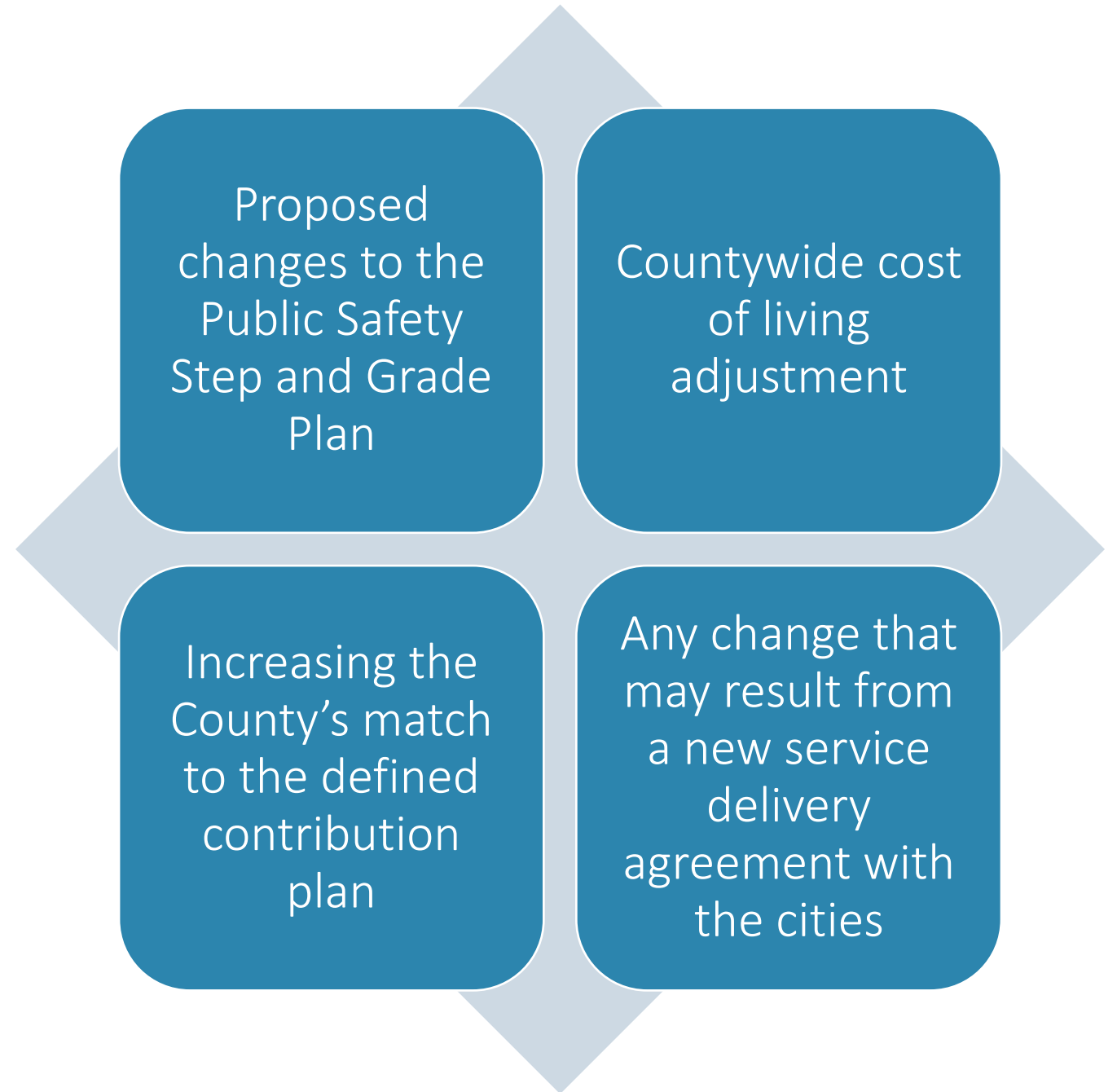
(In millions)	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2025 Requested
Governmental Fund Types	\$733	\$733	\$768	\$865	\$898	\$1,030
Business-Type Funds	\$266	\$278	\$273	\$291	\$302	\$322
Total Operating Budgets	\$999	\$1,011	\$1,041	\$1,156	\$1,200	\$1,352
Full-Time Positions Added	19	0	4	147	34	382

Cobb County's Total Budget Adjusted for Inflation

(In millions)	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2025 Requested
Total Operating Budgets	\$999	\$1,011	\$1,041	\$1,156	\$1,200	\$1,352
Inflation Factor	1.205870	1.191783	1.121975	1.041320	1.008629	1.000000
Adopted Budget Adjusted for Inflation	\$1,205	\$1,205	\$1,168	\$1,204	\$1,210	\$1,352

Inflation Data from the U.S Bureau of Labor Statistics CPI for All Urban Consumer (CPI – U)

WHAT IS CURRENTLY NOT INCLUDED IN THE REQUEST, BUT IS BEING DISCUSSED



Governmental Funds – Expenditure Summary

Governmental Funds	2024 Adopted	2025 Requested	Increase / (Decrease)
General	\$583.5	\$710.6	\$127.1
Claims	\$118.1	\$118.1	\$0.0
Fire	\$138.9	\$140.7	\$1.8
Hotel Motel	\$18.0	\$20.5	\$2.5
E911	\$17.3	\$17.9	\$0.6
CSSD I	\$3.5	\$3.7	\$0.2
CSSD II	\$9.0	\$8.8	(\$0.2)
SFSSD	\$1.2	\$1.3	\$0.1
Parking Deck	\$0.9	\$0.8	(\$0.1)
CSBG	\$0.8	\$0.8	\$0.0
Law Library	\$0.6	\$0.6	\$0.0
Street Light District	\$6.1	\$6.4	\$0.3
Total	<u>\$897.9</u>	<u>\$1,030.2</u>	<u>\$132.3</u>

Business Type Funds – Expenditure Summary

Funds	2024 Adopted	2025 Requested	Increase / (Decrease)
Water	\$266.9	\$275.7	\$8.8
Transit	\$30.7	\$37.9	\$7.2
Golf Course	\$2.2	\$2.6	\$0.4
Sustainability, Waste and Beautification	\$2.0	\$6.2	\$4.2
Total Business Type Funds	<u>\$301.8</u>	<u>\$322.4</u>	<u>\$20.6</u>
Total All Funds	<u>\$1,199.7</u>	<u>\$1,352.6</u>	<u>\$152.9</u>

Expenditure Summary - General Fund Only

- General Fund Positions Requested 373
- Top Three Departments for Position Requests
 - Sheriff 112
 - Police 101
 - Animal Services 32
- Top Three Departments with the Largest Requested Increases
 - Sheriff \$35.0 Million
 - Police \$21.0 Million
 - Probate Court \$8.2 Million*

Presented in millions	Adopted 2024	Requested 2025	Increase / (Decrease)
Personnel	\$388.0	\$441.8	\$53.8
Operating	\$117.8	\$150.6	\$32.8
Capital	\$18.2	\$43.2	\$25.0
Debt Service	\$22.5	\$22.5	\$0.0
Transfers Out	\$33.5	\$46.6	\$13.1
Contingency	\$3.5	\$5.9	\$2.4
Total	<u>\$583.5</u>	<u>\$710.6</u>	<u>\$127.1</u>

* \$7.0M is a capital request for renovation

General Fund – Impact Items and Other Items that Must Be Included

BOC Impact Items

05/11/21 #10	Sheriff Axon	\$	1,755,420
08/08/23 #26	NCGLEA Local Match	\$	580,739
08/22/23 #37	Transit Increase from new operator contract	\$	8,518,231
11/14/23 #23	Police Axon	\$	154,263
11/14/23 #36	IS Ecolane USA	\$	19,779
11/14/23 #37	DA Positions for Family Advocacy Center	\$	660,670
11/28/23 #24	All Star Game Contingency	\$	1,589,752
12/12/23 #14	EMA Compact Rapid Deployment Unit	\$	6,388
12/12/23 #28	Probate Positions	\$	404,022
02/13/24 #25	IS/Novatech Agreement	\$	57,387
01/23/24 #14	IS/Microsoft Licensing	\$	262,621
02/13/24 #70	Elections Positions	\$	318,791
02/27/24 #26	Police/Fire Internal Affairs 1165 Northchase Pkwy	\$	175,015
02/27/24 #31	Police Utility Associates	\$	201,175
2/27/24 #29	IS Prosys information Systems	\$	153,294
3/26/24 Pending	Indigent Ambulance Contract	\$	1,764,422
3/26/24 Pending	IS/Saas Tyler Tech Tax System	\$	1,020,932
		\$	<u>17,642,901</u>

Must Have Adjustments

Sheriff Medical / Dental / Mental Health	\$	2,251,145
Probate (1x cost for microfilm digitization)	\$	150,000
Probate (Armored Courier)	\$	8,040
Cas/Liability	\$	1,259,250
Overtime Police & Sheriff	\$	5,000,000
F380 Existing Projects (Cyber Security, PC/Printers, GIS, etc)	\$	1,142,354
	\$	<u>9,810,789</u>

Please note, the personnel numbers presented in the model is an estimate. The model will be updated with a current roster in April, which will include salaries after merit/step & grade. In addition, health care and pension costs will also be updated at that time.

Expenditure Summary - Fire Fund

- Fire Fund Positions Requested 3
- Revenue projections based on current millage rate for the Fire Fund
- Projected revenues could fund the proposed budget request

Presented in millions	Adopted 2024	Projected 2025	Increase / (Decrease)
Personnel	\$101.6	\$104.7	\$3.1
Operating	\$13.7	\$18.7	\$5.0
Capital	\$21.3	\$15.0	(\$6.3)
Debt Service	\$1.5	\$0.8	(\$0.7)
Transfer Out	\$0.8	\$1.5	\$0.7
Total	<u>\$138.9</u>	<u>\$140.7</u>	<u>\$1.8</u>

Expenditure Summary – E911 Fund

- Revenue projections based on the current rate of \$1.50
- Expenditure requests will be adjusted to equal projected revenue

Presented in millions	Adopted 2024	Projected 2025	Increase / (Decrease)
Personnel	\$13.7	\$13.9	\$0.2
Operating	\$3.6	\$4.0	\$0.4
Capital	\$0.0	\$0.0	\$0.0
Total	<u>\$17.3</u>	<u>\$17.9</u>	<u>\$0.6</u>



Board of Commissioner Requests – April 2024

- Board of Commissioners discuss any of their requests that are not already included in the requests presented by the departments.
- Departments will update OpenGov to include those requests, and any requests added during this phase will be shared with the entire Board of Commissioners.

Next Steps

- Meet with the Board to discuss options to address differences between projected revenues and requests
- Final numbers for healthcare and pension
- Adjust revenue numbers based on digest and proposed millage rate

Requests



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graph TD; A[Requests] --> B[Revisions]; B --> C[Final];
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Revisions

Final

Key Dates

