

FY21 Preliminary Revenue Projections

June 15, 2021

Office of Management & Budget



DeKalb County
G E O R G I A

- The Thurmond Administration prepared the FY2020 budget in expectation that the economy would slow down or contract. Revenue projections were more conservative than in recent years, which helped the county adjust and respond when the pandemic began.
- The FY2020 mid-year budget lowered both revenues and expenditures in response to the economic shocks caused by the coronavirus pandemic.
- Despite these reductions, critical county services were maintained with minimal disruption and enabled the county government to successfully manage the economic and public health challenges brought on by COVID-19.
- The county also avoided layoffs or furloughs of county employees or the use of the rainy-day fund.

Steady, As She Goes



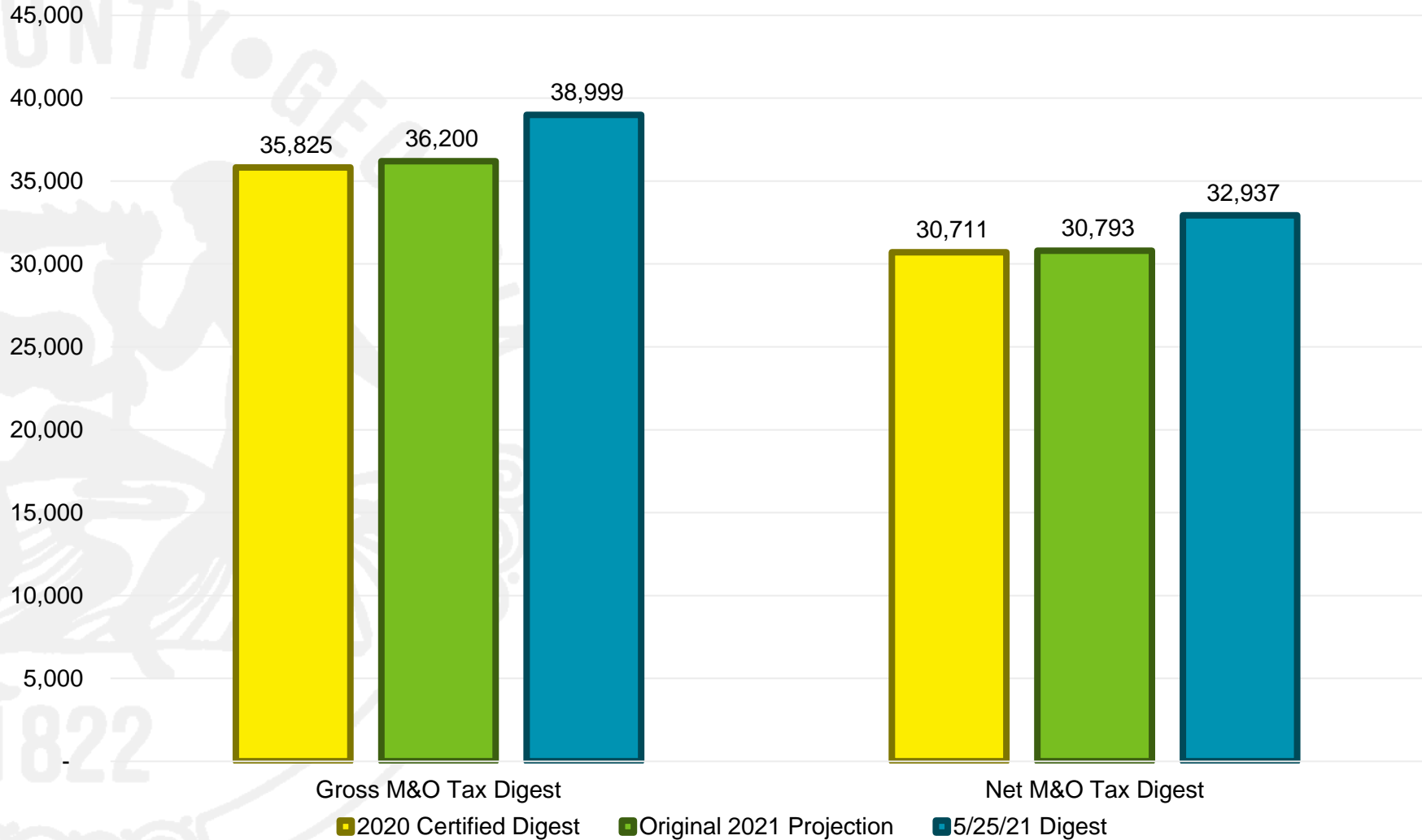
- Due to the uncertain outlook for FY2021, the FY2021 budget recommendation stayed the course established in the FY2020 mid-year budget.
- FY2021 property tax revenue forecast assumed the county-wide net tax digest essentially remaining flat.
- Most other revenue estimates assumed a continuation of trends experienced over the last nine months of FY2020.

Steady, As She Goes



- Most operating line items in the recommended FY2021 budget stayed at the same level as FY2020.
- The budgets for employee salaries and benefits were based on filled positions as of late November 2020.
- The FY2021 budget added virtually no new spending.
- The goal was to maintain the county's strong financial position throughout the pandemic and make strategic investments to assure DeKalb County emerges stronger than before.

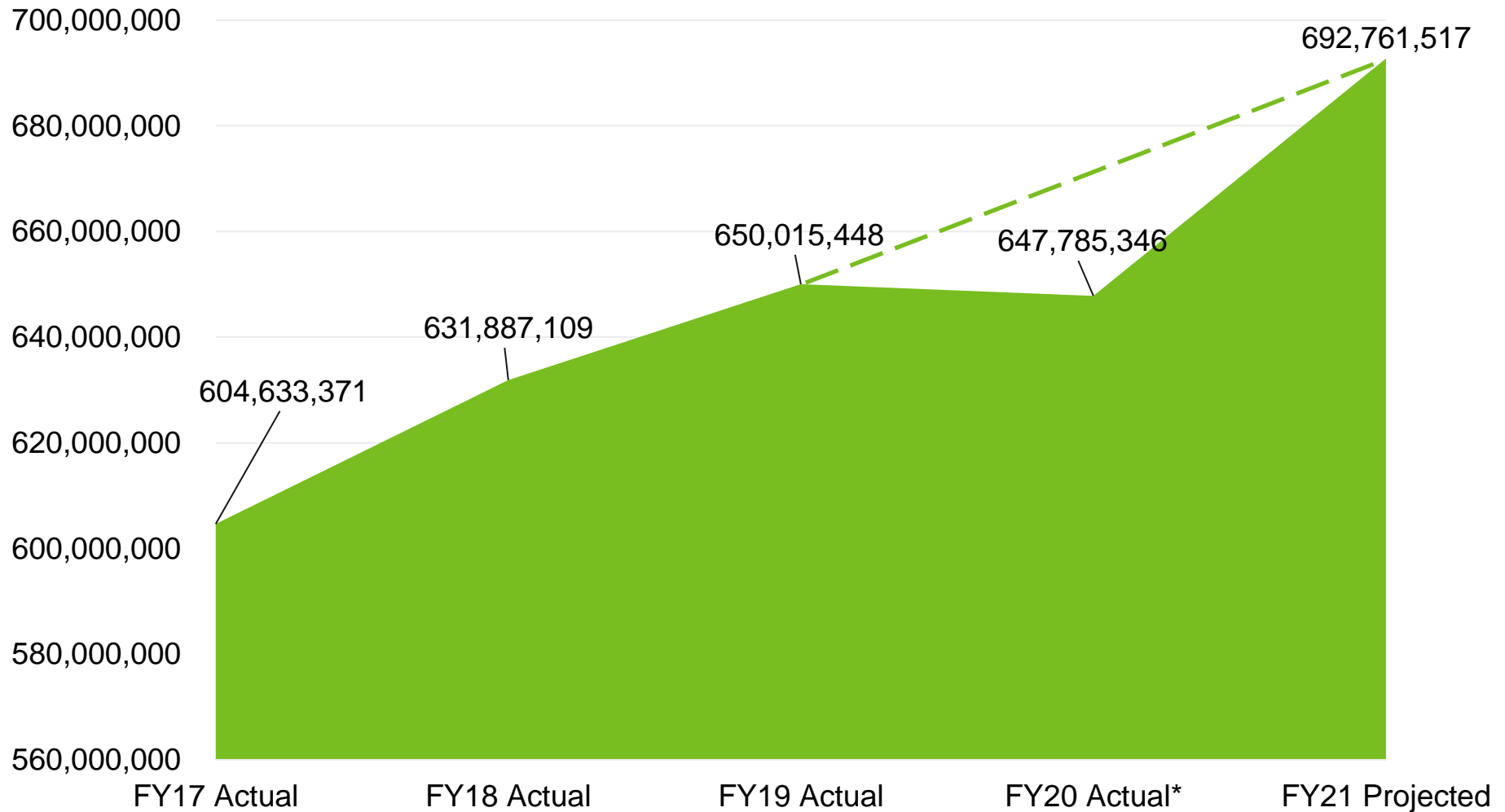
Tax Digest vs. Projections (Millions \$)



Tax Funds Revenue Trend, 2017 - 2021



Tax Fund Revenue 2017 - 2021



Adopted Tax Fund Revenue vs. Projected

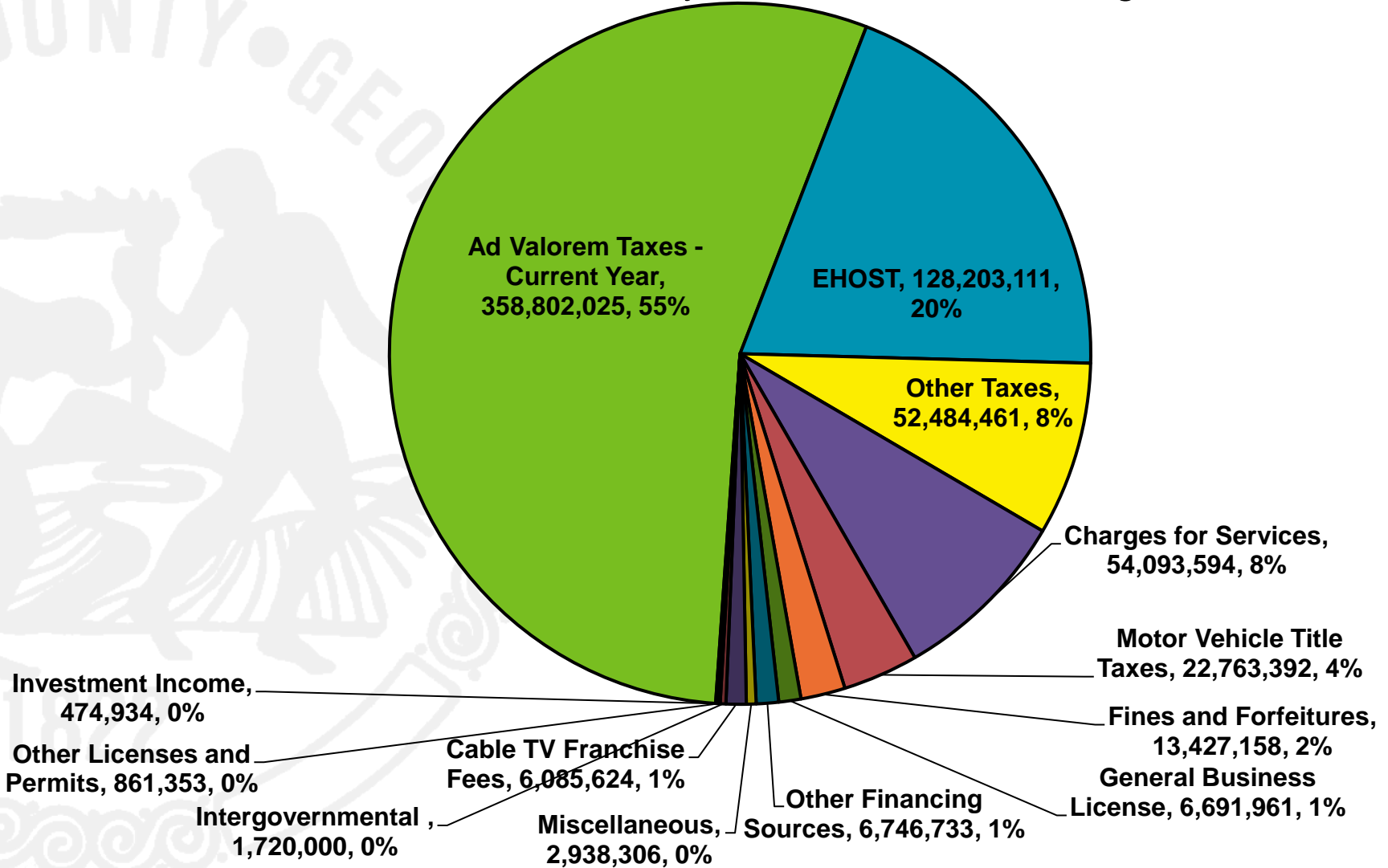


Revenue Categories	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual*	FY21 Adopted	FY21 Projected	FY21 Projected vs. Adopted
Ad Valorem Taxes - Current Year	323,917,181	324,543,182	338,932,242	354,507,797	358,802,025	387,199,866	28,397,841
Other Taxes	57,299,439	58,683,895	56,951,589	52,538,874	54,093,594	56,869,372	2,775,778
Charges for Services	51,412,143	52,693,228	51,253,219	51,367,971	52,484,461	51,860,135	(624,326)
Motor Vehicle Title Taxes	18,907,938	22,241,532	24,643,519	24,214,458	22,763,392	23,787,437	1,024,045
Fines and Forfeitures	19,494,473	18,626,092	18,593,328	12,264,594	13,427,158	13,872,219	445,061
General Business License	7,673,073	8,060,815	7,453,250	6,875,247	6,691,961	6,691,961	-
Other Financing Sources	13,807,800	7,331,580	8,373,295	4,666,091	6,746,733	5,747,252	(999,481)
Cable TV Franchise Fees	10,114,232	5,340,890	6,607,386	6,085,623	6,085,624	6,085,624	-
Miscellaneous	6,348,706	10,174,994	5,498,142	2,488,893	2,938,306	3,203,034	264,728
Intergovernmental	833,105	1,581,208	1,722,931	1,665,755	1,720,000	2,249,474	529,474
Other Licenses and Permits	919,639	1,387,739	1,378,697	891,441	861,353	545,796	(315,557)
Investment Income	(530,094)	1,005,494	947,784	473,654	474,934	84,173	(390,761)
Subtotal	510,197,635	511,670,649	522,355,382	518,040,398	527,089,541	558,196,343	31,106,802
HOST/ EHOST	94,435,736	120,216,460	127,660,066	129,744,948	128,203,111	134,565,174	6,362,063
Total	604,633,371	631,887,109	650,015,448	647,785,346	655,292,652	692,761,517	37,468,865

*As of 6/13/2021; may not include all audit adjustments



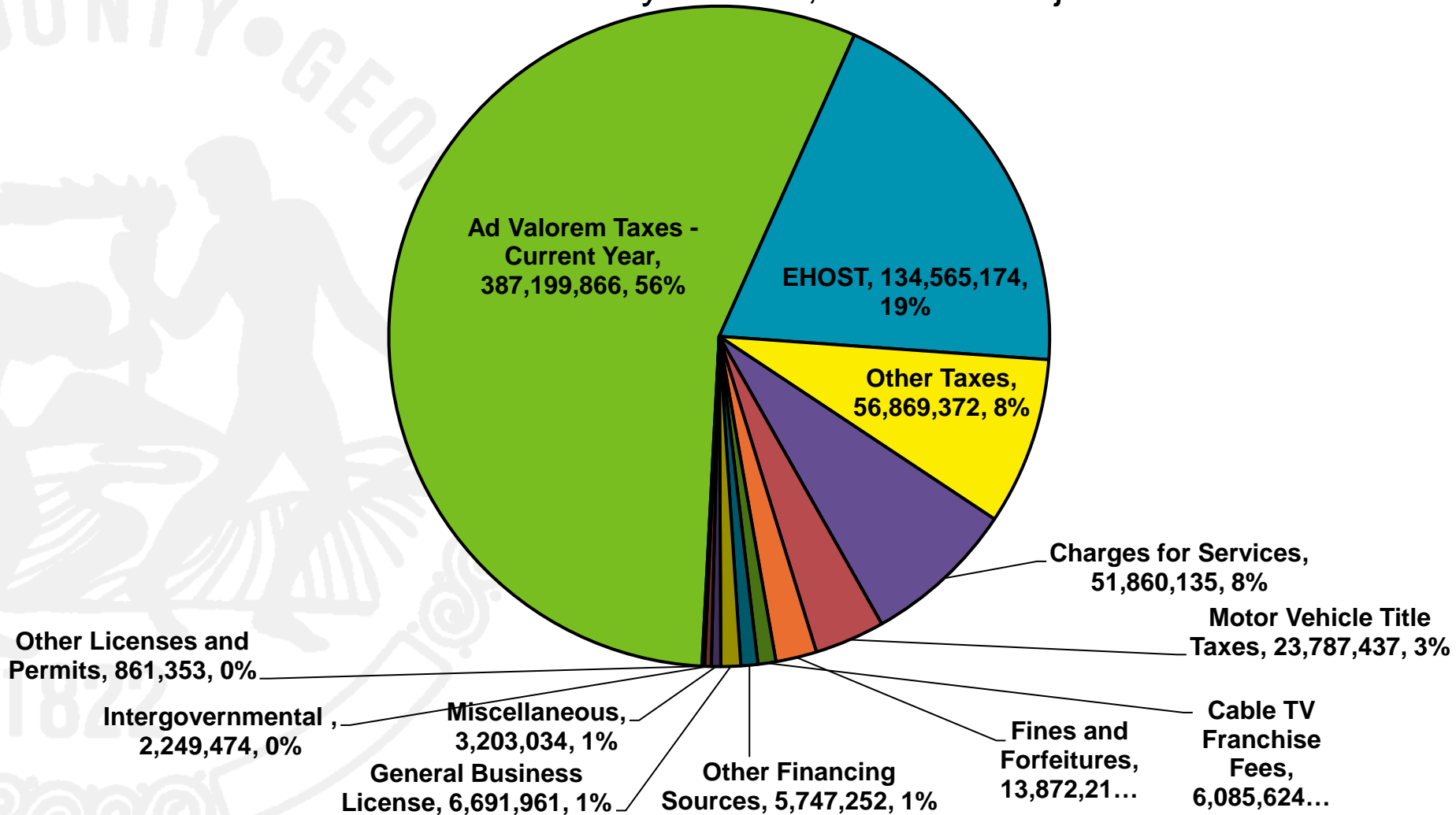
Tax Fund Revenue by Source, FY2021 Budget



Projected FY21 Tax Fund Revenue



Tax Fund Revenue by Source, FY2021 Projected



- Counties are required by state law to annually calculate a “rollback rate.”
- State law requires the county to publish a notice of property tax increase if the proposed millage rate exceeds the rollback rate and hold three public hearings on the proposed millage rate increase.
- The 2021 rollback rate for the two millage rates levied countywide (General and Hospital Fund) was calculated as **9.464** mills.
- The proposed 2021 combined millage rate for General and Hospital Fund is **9.426**, which is 0.038 mills below the rollback rate.

- Potential funding needs:
 - Additional Internal Service Charges - \$8.8M
 - Health Insurance
 - Litigation Costs
 - Vehicle Maintenance Charges
 - Workers Compensation
 - Sheriff requests – \$8.7M
 - Retention Bonuses for non-public safety personnel - \$5.8M
 - COVID Backlog - \$2.2M
 - Violence Interruption - \$2.0M
 - Other requests - \$4.2M

DeKalb County is stronger because of our unwavering commitment to fiscal integrity and accountability.

- ✓ Bond rating upgrade of Aa2, up from Aa3.
- ✓ FY2021 millage rate for unincorporated DeKalb remains 20.810 mills.
- ✓ Maintained the county's high standard of delivering core services residents depend on during the COVID pandemic.
- ✓ Two-month rainy-day fund.
- ✓ No furloughs or reduction in force.
- ✓ DeKalb's strong financial position allows funding from the American Rescue Plan (ARP) to be channeled to infrastructure and other investments rather than supplementing the annual budget.

Mid-Year Budget Timeline



- June 22: First public hearing via Zoom at 10:00 AM at BOC Regular Meeting; second public hearing at 6:00 PM
- July 1: 5-YR Millage Rate and Tax Digest History published in the Champion newspaper
- July 13: Third public hearing at 10:00 AM via Zoom at BOC Regular Meeting; adoption of mid-year budget and millage rates
- July 27 (tentative): Tax digest is submitted to the Department of Revenue for certification