

# 2021 Budget Process

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# The Timeline and Process

September 21 to September 28	Meet with Department heads.
October 8	Draft of Expenditures Budget – deadline for changes.
October 9	Initial meeting with Commissioners/Chief Clerk
November 18	Adopt preliminary budget Advertise notice of final action for December 17
December 17	Adopt Final Budget, Adopt tax rates

# The Timeline and Process

- ▶ Budget Development Options
- ▶ 1. Webex (or in person ) meeting, Open to the public via Webex
- ▶ 2. Department is satisfied with current funding levels, Budget developed by Finance Department.

# The Timeline and Process

- ▶ General Fund budget developed in accordance to [PA County Code, Act of Aug. 9, 1955, P.L. 323, No. 130, as amended, Article XVII -Fiscal Affairs, Section 1770, 1780, and 1781.](#)
- ▶ Finance Officer develops 2021 budget based on 2019 Actuals, 2020 Budget (as revised), 2020 8-month actuals, and all current personnel rates and benefits available through the October Salary Board.
- ▶ Chief Clerk and Finance Officer will review all additional, extra, and non-normal requests prior to meeting with the Board of Commissioners.
- ▶ Finance Officer will incorporate Commissioner priorities and preliminary guidance regarding tax rates, additional requests, and budget cuts until a balanced budget is reached
- ▶ All decisions are preliminary and only finalized at the December Board meeting.

# Where we are now financially

Year	Fund Balance - 12/31	Decrease	Act 13 used	Increase
2014	\$4,748,604.00			
2015	\$4,134,130.00	12.94%	\$682,000.00	
2016	\$3,121,709.00	24.49%	\$1,082,962.00	37.02%
2017	\$3,027,542.00	3.02%	\$2,814,112.00	61.52%
2018	\$2,063,101.00	31.86%	\$3,715,000.00	24.25%
2019	\$1,308,521.00	36.58%	\$4,288,795.50	13.38%

# Where we are now financially

- ▶ Act 13 used to balance 2020 Budget - 5 Million out of 6 Million
- ▶ Current reductions - 1 Million in expenditures, 430,000 in Act 13
  
- ▶ 2021 Act 13 Allocation - 4.6 Million.
- ▶ Sinking Fund is sufficiently funded
  
- ▶ Normal Annual Increases - 7.35% Salaries and Benefits, 8.35% Utilities and Rent. Expected 2020 to 2021 Increase = \$998,916
- ▶ Coal is 32% of the County taxable value and depletion is estimated at 750K in 2021 with the loss of all Murray Energy value in 2022. Contura is also reportedly looking to sell off all Greene County operations.

# What we need to accomplish moving forward.

- ▶ Balance the Budget and stop using Act 13 to do that.

- ▶ If we don't:

	Budget	Act 13 Needed	Act 13 available	next year Act 13 needed
2020	18,945,622.00	4,570,000	4,570,000	-
2021	19,944,538.69	5,568,916.69	4,900,000	668,917
2022	20,943,455.37	6,567,833.37	3,331,083	2,567,834
2023	21,942,372.06	7,566,750.06	932,166	3,397,834

- ▶ Short Version: We run out of money by 2023
- ▶ Assumes that taxable value of the county does not drop.

# What we need to accomplish moving forward.

- ▶ Ways to balance the Budget:
  - ▶ 1. Raise Taxes. Needed: 5 mills - 66% - added to the current 7.535 mills
  - ▶ 2. Increase County Taxable Value from 1.5 Billion to 2.7 Billion - 43% - with no tax abatement, by 2022.
  - ▶ 3. Cut Expenditures. Needed: 5 Million of 19 Million. 26% cut.
  - ▶ 4. Raise other revenue. Needed: 5 Million
- ▶ Or a combination of all 4, plus Act 13 in a declining amount annually, allowing lower amounts/percentages in each category.