



A G E N D A

OFFICE OF COUNTY AUDITOR

County Auditor
Carri L. Brown, PhD, MBA, CGFM
carri.brown@fairfieldcountyohio.gov

Fairfield County Budget Commission Meeting Minutes

Date: August 7, 2023

Location: 108 N. High Street, Lancaster, OH

Meeting Purpose Statement: The purpose of the meeting is to determine if tax levies are properly authorized, to set the appropriate taxing rates, to accept testimony and comments from political subdivisions and members of the public, and to identify allocations for local governments and libraries.

A. Call to Order/Pledge of Allegiance

The meeting was called to order at 8:30 a.m. Those in attendance pledged allegiance to the Flag of the United States of America.

B. Announcements/Attendance Record

Attending the meeting were Budget Commission members:

- Kyle Witt, County Prosecutor (joining following the approval of the minutes of April 3, 2023)
- Jim Bahnsen, County Treasurer
- Carri Brown, County Auditor

Also attending were Bart Hampson and Staci Knisely from the Fairfield County Commissioners Office.

This meeting and agenda item was announced to all participants and entities by email, in the media, and on the county website.

C. Approval of Minutes from April 3, 2023

The minutes from April 3, 2023, were presented in draft form earlier, and were posted on the county website.

Motion for the Approval of Minutes of April 3, 2023

On the motion of Jim Bahnsen and the second of Carri Brown, the Budget Commission voted to approve the minutes of April 3, 2023.



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Roll call vote of the motion resulted as follows:

Voting aye thereon: Jim Bahnsen and Carri Brown; not present: Kyle Witt

D. Testimony Regarding the Alternate Formula in Use & Other Public Comments

A summary of the basic formula for the distribution of Local Government Funds was reviewed. DR. Brown provided history of the alternative formula. Each county has different factors and variables they evaluate to arrive at an alternative formula. Population is usually a factor, as it is in the alternative formula for Fairfield County.

The alternative formula was first in place in 1996. There are no outstanding questions about the alternative formula that is in use.

The formula was used for the allocation calculation for the resolution “b” posed during this meeting. The formula was discussed, as below:

The Basic Formula for the Distribution of Local Government Funds

The Fairfield County Budget Commission distributes **Local Government Funds** based on an **alternative formula**. The alternative formula is operationalized for the 2024 allocation as follows:

Fairfield County	45%
Fairfield County Park District	1%
City of Lancaster	27%
Corporations (Villages and Cities other than Lancaster)	11%
<i>prorated by population, using recent U.S. Census population</i>	
Townships	16%
<i>prorated by population, using recent U.S. Census population</i>	

There were no public comments.

E. Review of Report from Settlements and Administration Manager

A written report from the Settlements and Administration Manager was reviewed and is included with these minutes.



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The new manager is Sarah Quinn. Dr. Brown stated Ms. Quinn has learned a lot in a short time and is doing very well in her new role. Sufficient information from the multiple entities was received to prepare resolutions for this meeting and to recommend them for approval.

Dr. Brown mentioned that Bloom Township has prepared a long-term plan that is a good example for other townships who are creating and evaluating long term plans.

F. County General Fund Update

Dr. Brown provided an overview of the county general fund.

For the county general fund, the unassigned cash balance at 12.31.2022 was \$32.5 million, a 25% increase over the prior year and about three times the formally targeted cash balance. The long-term projections show use of carry-over cash.

The county bond rating is Aa2, reviewed twice in 2021 and again in 2022. This shows a healthy financial structure and excellent ability to meet obligations.

Within the enterprise resource planning system in budget level 3 for 2024, 2024 revenue estimates mirror those of 2023.

For 2024, the top four general fund revenue sources are sales tax, property taxes, interest, and conveyance fees. Interest has shown an increase recently based on the rise in interest rates and management strategies for funds.

Preliminary estimates are within the system even though a tax budget is no longer required.

The Commissioners have communicated their expenditure budget parameters for 2024, which includes a 5% increase for health benefits.

Looking at a mid-year 2023 review, general fund revenues are slightly exceeding estimates. As of June 30, 2022, of the estimated \$61.5 M, \$33.2 M, or 54%, has been received. We are tracking slightly ahead of estimates in main categories of sales taxes, property taxes, and conveyance fees, as well as in the category of casino revenues.

The Clerk of Courts Certificate of Title interfund transfer has not been negotiated yet.



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Overall, since 2022, we have shifted away from the historical practice of understating revenue estimates and have more realistic estimates in place.

Expenditure activity is below the budget, as required, and there have been budget adjustments for capital outlay.

A relatively small amount of debt was issued for airport hanger construction. The current legal debt margin exceeds \$110 M.

G. Resolutions, Voting List

Motion for the Approval of Resolutions 08.07.2023.a.; 08.07.2023.b; 08.07.2023.c; and 08.07.2023.d

On the motion of Jim Bahnsen and the second of Kyle Witt, the Budget Commission voted to approve Resolutions 08.07.2023.a.; 08.07.2023.b; 08.07.2023.c; and 08.07.2023.d, as follows:

08.07.2023.a : A resolution to approve multiple Fairfield County taxing district tax collection estimates and tax rates to be levied for tax year 2023, collected in 2024

08.07.2023.b A resolution to approve an allocation of Local Government Funds based on the alternative formula and the estimate received from the State of Ohio

08.07.2023.c A resolution to approve an allocation of Public Library Funds supported by an agreement among libraries

08.07.2023.d A resolution to sign the Official Certificates of Estimated Resources for multiple taxing districts

Discussion:

Dr. Brown reported a summary of some basic options was presented to the libraries who requested some support when they came to an impasse earlier in the year. That summary was distributed to the Budget Commission members individually.



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The summary was helpful in developing new perspectives this year, and the libraries ultimately came to an agreement for 2024. The agreement is the basis for the allocation as presented in the resolution. The libraries plan to meet regularly to review longer term options. They have invited Dr. Brown to participate in discussions.

Also, the Local Government Funds (shared revenues) were about 4.7% lower than the previous year, and there is a possibility of an adjustment or a slight increase later, as the state continues its budgeting process. The reduction is based on the tax structure changes at the state level.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Jim Bahnsen, Kyle Witt, and Carri Brown

H. Open Items

Dr. Brown reported *electronic signatures* would be used and copies of resolutions and documentation would be provided to the multiple entities.

In addition, the *notice procedure* for the Budget Commission was reviewed and is posted online and in the two buildings of the County Auditor, the Sandstone Historical Courthouse and the Real Estate Assessment Offices, for consistency, as there are other notices of public meetings in both buildings.

Dr. Brown reported there was a new presentation available that *explains governmental accounting* at a high level, and she is willing to provide that presentation to others. It has received good reviews from departmental officials and other counties.

Finally, Dr. Brown reported that *fact sheets* about proposed levies for the November ballot will be posted on the county website following the August election, so as not to be confusing about the November election date.

I. Next Meeting

The next meeting for the Budget Commission is February 3, 2024, at 8:30 a.m.

J. Adjourn

Kyle Witt made a motion to adjourn at 8:54 a.m. Jim Bahnsen seconded the motion which carried unanimously.



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I certify the minutes above are true and accurate for the Fairfield County Budget Commission Meeting held August 7, 2023.

Dr. Carri L. Brown, County Auditor