

Budget Message

2022-2023

June 1, 2022

Madison County Board of Commissioners

Chairman, Mark Snelson

Vice-Chair, Dr. Craig Goforth

Norris Gentry, Interim County Manager

Matt Wechtel

Michael Garrison

Commissioners,

The economic conditions for the foreseeable future remain VERY uncertain. The highest inflation in a generation will have a profound impact on our personal lives, the 2022-2023 County Budget and for years to come. This is the most difficult Budget Year any of us have seen. Property Tax Revenue is projected to increase slightly. It is anticipated that several other selected revenues will continue to increase or hold steady. For example, in fees from the Register of Deeds, Building Inspections, and Interest on Investments. Revenue increases WILL NOT equal the rate of inflation!

The Proposed Fiscal Year 2022-2023 Budget for the general fund totals \$29,703,597.00 (see attached) and is balanced. The FINAL Budget is yet to be determined with several decisions that must be made at our June 6, 2022 Meeting. Final Adoption is set for our June 28, 2022 Regular June Board Meeting.

This Proposed Budget has a Property Tax rate that would remain at \$0.50 cents per \$100 of assessed property valuation.

This Proposed Budget contains substantial additional Capital Investment in Maintenance and various other operational Upgrades. Several hundred thousand dollars coming from ARPA funds.

In the coming months, the County will continue to update the Comprehensive Plan. Zoning and Land Use Regulation are under the most serious updates in decades.

Looking forward, the County will commence the development of a Capital Improvement Program that will identify needs and prioritize capital outlay items. This program will be comprehensive and involve key partners such as the Madison County Board of Education and their staff. The objective of this approach is to provide a blue-print on the vision for Madison County that details how the plan will be implemented.

The County's unrestricted fund balance has increased by over \$3,000,000 in the last couple of years. This is very significant. This is necessary to be able to operate from the end of the fiscal year until the property tax receipts begin to be realized. The fund balance also provides working capital to transition from one fiscal year to the next without having to disrupt services or finance operations through some

form of borrowing. Currently Madison County Fund Balance is in the low to mid 20% range. Historically we have operated at or near the 8-10% lowest legally required level. Most county governments similar in size to Madison County maintain approximately 30% of expenditures in unrestricted fund balance. This is done to assure adequate resources and working capital are available to meet the business needs of the government.

In closing, Madison County will continue to operate within a Balanced Budget. The County Department Heads, Staff, Elected Officials, and all who contributed to this budget are to be commended. It is indeed a privilege to work with colleagues who are determined to meet any challenge and work together to develop the best outcome. Our County will work through these coming difficult budget years and demonstrate our resiliency and resolve to do our best while continuing to maintain the existing level of services, move forward in New or EXPANDED directions, as we have the resources, and keep our budget in balance.

As this budget progresses, staff fully expects the Board of Commissioners to have questions and or make adjustments to this Proposed Budget. Staff stands ready to assist in the deliberations of this budget.

Respectfully,



Norris Gentry, Interim County Manager