Franklin County
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2026 Recommended Budget Message
from the
Franklin County Administrator

Good afternoon, I am Kenneth Wilson, County Administrator, and I am pleased to present to the Board of Commissioners the 2026 Recommended Budget for Franklin County. With me today to present the recommended budget are our three deputy county administrators. I cannot begin this address without expressing my appreciation for the work and dedication of Deputy Administrators Kris Long, Joy Bivens, and Damika Withers.

I would also like to thank all of the elected County officials and agency directors for their cooperation and commitment to the residents of Franklin County during this year's budget process. For the first time in over a decade, reductions were required due to the end of pandemic support, concerns about an economic downturn, and uncertainty over the upcoming federal and state budgets. Despite these challenges, we have been able to put together budget recommendations that align with the Commissioners' strategic priorities.

These priorities are embodied through the six core principles. These were established to provide more clarity about why the programs the County offers exist, what value they offer to residents, and how they benefit the community. Over the last few years, we have worked on optimizing our budget documents to streamline the format, spotlight performance, and identify the primary services within each agency's programs.

Last year, Franklin County leadership refined the strategic goals associated with each of its core principles. For each core principle, we have identified a vision of the ideal state we seek to achieve, objectives that represent the strategic areas of investment necessary to advance toward our vision, and the values that are the core beliefs guiding our work. The County continues to be a growing, vibrant community with ever-evolving opportunities and challenges. By providing direction and intention to the County's day-to-day operations, this strategic direction ensures that we will uphold our mission to serve every resident, every day.

The budget presented today aligns with the core principle of efficient, responsive, and fiscally sustainable government operations. The vision is to practice strong fiscal stewardship, following a clear and sustainable strategy, to ensure the long-term economic health and stability of the County.

This can be achieved by maintaining the County's prudent financial management as evidenced from its triple-A bond ratings from Moody's and Standard & Poor's; promoting efficiencies such as investments in electric vehicles to help drive down operating costs; investing in staff that reflects the community and reducing employee turnover to promote succession planning and maintain institutional knowledge, and assisting community partners to grow a sustainable network of local service providers.

The Recommended Budget embraces the values of Transparency, Responsible Stewardship, and Sustainability. Transparency requires us to provide information about County operations and finances that is easily understood by the public. Budget briefs have been developed and posted on the County's website for each of the 35 agencies. In addition to a detailed review and comparison of revenues, expenditures, and staffing, the documents provide highlights from the agency's strategic business plan and details of each program.

Responsible stewardship requires that we use taxpayer funds efficiently and effectively; while sustainability involves managing finances in a way that ensures necessary services receive funding while maintaining the County's long-term financial health. In addition to reviewing various requests, budget analysts monitor adherence to appropriation levels and performance targets throughout the year. Furthermore, by developing and updating the long-term financial forecast annually, the County can identify future revenue and expenditure trends, promoting sustainability and avoiding adverse decisions that could impact community services.

The 2026 budget process began in the spring. Following the first-quarter review, the Office of Management & Budget (OMB) prepares an update to the County's long-term financial forecast. This document is used to develop the guidance provided to agencies when the budget instructions are released.

In May, the 35 agencies included in the budget identify strategic initiatives and operational performance measures, which are linked to the Board of Commissioners' Core Principles, for each program in their Strategic Business Plan. At the same time, agencies and OMB staff review baseline payroll information for the upcoming year.

Throughout the summer, agencies submit their budget requests for review. OMB staff meets with agencies to review prior and current year expenditures and determine the necessary resources to accomplish their performance targets for the next year.

In the fall, OMB prepares budget briefs and presents them to County Administration to develop budget recommendations for each program, ensuring the most cost-effective use of available resources. This culminates in the Recommended Budget totaling $2.2 billion being presented to you today.

When County Administration reviews the General Fund ending cash balance as part of the County's long-term forecast, it looks at both the unrestricted cash balance within the General Fund as well as certain reserve funds. This includes the Economic Stabilization Reserve, more commonly referred to as the Rainy Day Fund; the Risk Management Fund that is used to cover costs for legal services and settlements; the Stadium and Hotel Pledge funds that provide the appropriation backstop for Huntington Park and the Convention Center Hotel, respectively; and the 27th Pay Reserve that sets aside funds to cover the costs associated with the extra pay period that will next occur in 2032.

While the preliminary long-term forecast developed by OMB maintained the $92 million in the County's Rainy Day Fund, as well as the balances in the other reserve funds, the unrestricted cash was set to decline to $32 million by 2029. Although still positive, it was clear that the continued use of these cash reserves would not be sustainable.

As a result, when the budget guidance for 2026 was released, it called on agencies to reduce their budgets by 2.5%. This reduction excluded appointed counsel, debt service, and social services, and was applied after any increases associated with healthcare and collective bargaining agreements. In addition, discretionary General Fund grants were reduced by approximately 25% and any new initiatives or positions were only considered if they could be fully funded from outside sources or other budgetary savings.

Applying this guidance to the Recommended Budget stabilizes the County's long-term financial outlook. The 2026 Recommended Budget maintains the cash balance in line with the median levels of other counties rated triple-A by Moody's and Standard & Poor's, with the projected General Fund ending cash balance at 34% of expenditures.

The General Fund is the primary operating fund for the County, and encompasses all revenues unless they are specifically required to be accounted for in another fund.

General Fund revenue in the 2026 Recommended Budget is expected to be $676 million, which is $12 million or 2% less than the amount projected to be received in 2025. The most significant proportion of General Fund revenue is the Sales Tax, which accounts for 64% of the total. While sales tax collections at the beginning of the year were below projections, revenues have rebounded over the summer, with revenue coming in 4.8% higher than last year through October.

Unfortunately, this level of growth is expected to decline over the next year to 2.4% based on Moody's Analytics' forecast for retail sales. As a result, the 2026 Recommended Budget expects collections of $431 million.

While sales tax receipts are expected to increase, Investment Earnings are expected to be negatively impacted by the Federal Reserve lowering rates and the expenditure of the remaining one-time federal assistance from the pandemic. Investment Earnings are expected to decrease from $50 million projected in 2025 to $47 million in the 2026 Recommended Budget.

Real Estate tax collections in 2025 were relatively flat from the prior year at $73 million. Based on the amounts provided by the County Budget Commission, the 2026 Recommended Budget estimates real estate tax collections will increase slightly to $74 million.

Intergovernmental revenue includes $28 million for reimbursement from the State Public Defender's Office. The state biennial budget for fiscal years 2026 and 2027, as outlined in House Bill 96, allowed the State Public Defender's Office to set the initial reimbursement rate, effective July of this year, at 82%. For the 2026 Recommended Budget, County agencies and the courts agreed that it would be prudent to budget for an 80% reimbursement rate based on historical fluctuations.

Intergovernmental revenue also includes $18 million from the state Local Government Fund and $9.5 million for the County's share of Casino Tax Revenue. In both cases, these revenue sources are expected to remain relatively flat.

The 2026 Recommended Budget contains $687 million in General Fund appropriations, which is $25 million or 3.5% less than the 2025 projected expenditures. A majority of the General Fund budget is related to personnel costs, with $294 million allocated for salaries and wages, and $127 million for fringe benefits.

The next largest category is Materials & Services, covering 21% of the General Fund budget. This category includes $32 million associated with the jail medical contract, $13 million for appointed counsel, $11 million for maintenance and repair, and $9 million for utilities at the County's facilities.

The 2026 Recommended Budget includes $47 million in grant expenditures, representing a decrease of more than 25% from last year. It includes $24 million for Community Partnerships, $8 million for Economic Development & Planning, $8 million for the Office of Economic Engagement

& Community Development, and $4 million for the Veterans Service Commission.

In addition to the other budgeted expense categories, the 2026 Recommended Budget includes $5 million in Contingency to meet unforeseen expenses during the year. This is below the maximum of 3% authorized by the Ohio Revised Code, and it is recommended to use this sparingly, as long as revenues come in at or above estimates.

As shown in the chart, 62% or $427 million of the General Fund Budget is allocated to the provision of Justice & Public Safety. More than half of that amount, $257 million, supports the operations of the Franklin County Sheriff's Office. The 2026 Recommended Budget includes the staffing needed for James A. Karnes Corrections Center to fully implement the philosophy of Strategic Inmate Management and Direct Supervision, which will create a safer community for everyone.

General Government totals almost $140 million. This includes over $42 million for Public Facilities Management to maintain the County's physical infrastructure, $24 million for the Data Center to maintain the County's technology infrastructure, and $14 million for the Board of Elections to maintain and operate the County's voting infrastructure.

Reserves and Debt total $84 million, including $25 million for the payment of the County's annual debt service obligations and almost $42 million in various inter-fund transfers. These transfers include over $5 million for the "mandated share" of programs administered by the Franklin County Department of Job and Family Services, $5 million for the support of Animal Care & Control, and $2.7 million for the Drainage Engineer in support of the County's stormwater efforts.

The General Fund is one of 95 funds included within the Recommended Budget. This includes Special Revenue Funds, which receive revenues from tax levies, grants, and federal and state social service programs; Capital Project Funds, which pay for the acquisition or construction of major capital items; Debt Service Funds, which pay the principal and interest on County-issued bonds; and Internal Service &

Enterprise Funds, which support business-like activities for internal and external customers.

While a majority of the General Fund budget supports Justice & Public Safety, the largest portion of the all funds budget is dedicated to Social & Human Services. Every day, we work to make Franklin County a place where every resident has the opportunity to live a healthy and productive life, regardless of their background or circumstances. This budget and our agencies embrace the values of access, efficiency, and equity.

The 2026 Recommended Budget supports the creation of a streamlined model of wrap-around services, direct outreach to meet residents where they are, and the modernization of county policies and practices. We will continue to be guided by our core beliefs, ensuring that all residents can access County services, connecting them with the resources they need in a timely manner, and addressing disparities by enhancing services.

The resources to support these services are provided primarily through the $599 million collected from the property tax levies approved by the voters. Property taxes are the largest source of the total all-funds revenue in the 2026 budget. Along with the sales tax and permissive conveyance fees, these taxes account for 52% of the $2.0 billion in all funds revenue.

Intergovernmental Revenue, which includes state and federal funds, is the second largest source of funding at 23%. This is the primary funding source that supports the operations of the Franklin County Department of Job & Family Services, Child Support Enforcement Agency, Justice Policy & Programs, and the Engineer’s Office.

The next largest category is Service Fees & Charges, which represents 16% of all funds revenue. This is primarily received through chargebacks to county agencies for healthcare, as well as workers’ compensation coverage, which totals nearly $192 million.

Other revenue sources represent the final 9% of all funds revenue, and include $71 million in Interfund Revenue and $43 million in Miscellaneous

Revenue. Overall, all funds revenue is expected to remain flat when compared to the current 2025 projections.

Nine agencies fall primarily within Supportive Health & Human Services, totaling $919 million of the all funds budget. By embracing the values of access, efficiency, and equity, we are working to make Franklin County a place where every resident has the opportunity to live a healthy and productive life regardless of their background or circumstances.

Just over three-fourths of the total is allocated to the four agencies that are supported by property tax levies approved by the voters. Of the remaining five agencies, three are primarily supported by state and federal funds, while the County's General Fund supports Community Partnerships and the Veterans Service Commission.

Compared to the previous budget that was approved last December, these four levy-supported agencies will see a 3% decrease; however, if you exclude the construction costs of the Franklin County Crisis Care Center, there would be an increase of 1%.

The 2026 Recommended Budget includes $287 million for the Franklin County Board of Developmental Disabilities. The Board serves over 7,700 individuals in the Residential Support Program, who receive Home and Community-Based Services such as housing, transportation, and employment services that are leveraged with federal Medicaid funding; as well as providing instructional programs to 2,700 children.

Another $242 million of these expenditures support the work of Franklin County Children Services. The agency conducts over 17,000 intake-related assessments each year. Franklin County Children Services prioritizes placing youth with kin. Research shows that youth who need to be removed from their home due to safety concerns reunify more quickly and are less likely to re-enter agency custody when they are initially placed with relatives or non-relatives with whom they have a bond or special relationship. The percentage of kinship placements for youth entering agency custody is 34%.

The Recommended Budget includes $120 million for the Alcohol, Drug, & Mental Health, or ADAMH, Board. The agency works to ensure that people in Franklin County have access to vital mental health and substance use disorder services, in an environment where both costs and unmet demand are increasing faster than they were before the pandemic.

The current ADAMH levy is set to expire at the end of next year. Earlier this month, voters in Franklin County reaffirmed their support for ADAMH with the successful passage of a ten-year levy that will begin collections in 2027. We are grateful to the community for their continued trust and support.

In September, ADAMH opened the Franklin County Crisis Care Center, which provides a complete crisis care continuum for adults that will offer a no-wrong-door philosophy to ensure that anyone who arrives at the facility receives or gets connected to services. While the Center has a phased opening and will not fully implement all services until 2027, ADAMH is pleased to report that the Center has already helped 880 individuals maintain their health and well-being. When fully operational in 2027, the center is projected to have a capacity of up to 34,000 encounters per year.

The Franklin County Office on Aging provides centralized access to programs and individualized services for older adults and their caregivers, enabling them to preserve their independence and quality of life. The proposed budget of $67 million will support the anticipated 13,600 seniors who will be enrolled in the Senior Options program during 2026, which provides community-based services such as home-delivered meals, homemaker services, adult day care, emergency response systems, and respite care.

Five other non-levy agencies support Health and Human Services totaling $203 million. Compared to the previous budget that was approved last December, these agencies will see a 7% decrease, which is primarily related to the reduction in discretionary grants as well as the ending of federal pandemic support.

The largest agency within this group is the Department of Job & Family Services. The 2026 Recommended Budget includes support for the Mobile

Unit, which allow the agency to meet with residents outside of normal office spaces. This reduces transportation barriers and increases the agency's accessibility to residents across the County. It is expected that 6,000 residents will be served by the Mobile Unit in the upcoming year.

Support for the Veterans Service Commission is proposed at $9.5 million. This reconciles the budget with the anticipated and growing needs for food assistance, as well as transportation and other immediate financial assistance. The Veterans Service Commission provides food assistance to veterans and their family members who are at or below 185% of the federal poverty level, as well as offers holiday meal cards for those at or below 250% of the federal poverty guidelines.

Thirteen agencies fall primarily under the core principle of Community Safety, Security, and Effective Justice, totaling just over $485 million of the all funds budget. By embracing the values of respect, fairness, and trust, we work every day to make Franklin County a place where every resident feels safe, protected, and supported by a justice system that is fair and is invested in good outcomes for the community.

Over half of the 2026 Recommended Budget in this core principle is allocated to the Sheriff's Office, with an all-funds budget of $261 million. Included within this budget is $32 million for the provision of complete health services and an electronic health records system for inmate medical care. As the Sheriff's Office has been able to add staff over the last couple of years to support the operations of the James A. Karnes Corrections Center, it is expected that overtime costs will decrease. The 2026 Recommended Budget includes $7.8 million in the General Fund for overtime, or $300,000 per pay period. These costs will be monitored regularly by the Office of Management & Budget, and any variances will be reconciled on a quarterly basis.

The 2026 Recommended Budget includes funding for five different Courts, along with the Clerk of Courts and Municipal Court Clerk, totaling $143 million. This represents a 2% increase over the prior budget, which is primarily due to increased healthcare costs in 2026, as well as the impact of the 2025 non-bargaining increase.

The 2026 Recommended Budget includes $13 million for Appointed Counsel expenses across the courts, various specialty dockets, along with continued support for the Probate Court Resource Center, which helps residents with small estate or guardianship matters. In 2025, the Common Pleas Court created a Reentry Pilot Program to address the needs of offenders released from prison. Next year, the Court will assess the success of the program to determine whether to pursue certification from the Ohio Supreme Court to create an official Specialized Docket for Reentry.

Within Domestic Court, one of its goals for the upcoming year is to enhance access to justice for residents without legal representation. In 2026, the Court is implementing a virtual helpdesk project that streamlines form preparation, thus expediting court proceedings and reducing errors. By reducing the administrative burden on Court staff, resources can be allocated more efficiently to other court functions.

Five other agencies outside of the Courts support Community Safety, Security, and Effective Justice. The Recommended Budget for these entities totals just over $80 million, which is a 6% increase from the prior year.

Similar to the courts, a significant amount of the year-over-year growth is primarily attributed to the increase in healthcare costs and the impact of the 2025 non-bargaining increase. Additionally, the Public Defender’s Office includes costs associated with the collective bargaining agreement with its attorneys, which was approved during the current year.

The 2026 Recommended Budget includes continuation of funding for the four additional attorneys in the Prosecuting Attorney’s Office for the Discovery Unit, which streamlines communication, standardizes evidence submission, and implements best practices to increase integrity and transparency as well as greater trust in the criminal justice system.

The next Core Principle that we will highlight is Efficient, Responsive, and Fiscally Sustainable Government Operations. Nine agencies fall primarily within this Core Principle, totaling $582 million. This represents a decrease of nearly 16% from the budget approved last year.

While most agencies will see a decrease or remain flat, Human Resources will see an increase of 14% which is primarily attributed to Employee Health & Wellness expenditures. Based on the actuarial analysis of the County's Health Improvement Plan, the composite rate charged to employees and County agencies will increase by 13%. To mitigate this increase, a premium holiday will be included in the first pay in January, reducing the annual increase to 8%, in line with the County's long-term forecast projection.

The largest agency under this core principle is the Board of Commissioners, at just under $211 million. Approximately 3.5% of this amount supports the operations of the Commissioners, including County Administration, OMB, Public Affairs, the Clerk's Office, Community Appointments, and Government Affairs. The remaining $203 million includes the budget for various reserves, pledge funds, and debt service. Most of the decrease from last year's budget is related to the ending of federal support that was provided during the COVID-19 pandemic.

In recent years, the County has been able to maintain its General Fund cash balance with the help of federal support. Beginning with the CARES Act in 2020 and the subsequent support provided by the American Rescue Plan, the County received nearly $430 million in direct federal support. This includes $8 million from the Federal Emergency Management Agency, $76 million from the Coronavirus Relief Fund authorized by the CARES Act, $89 million through the Emergency Rental Assistance Program, and $256 million from the Coronavirus Local Fiscal Recovery Fund through the American Rescue Plan.

Through the end of 2025, the County will have fully utilized all of this funding, providing rental, food, employment, and other assistance throughout the community, including support for our employees who deliver County services to residents. The County is currently working through the close-out of the Emergency Rental Assistance Program, which required expenditures to be made by September 30, 2025. The County will work next year on the close-out of the Coronavirus Local Fiscal Recovery Fund, meeting the required expenditure deadline of December 31, 2026.

The 2026 Recommended Budget supports over sixty-eight hundred employees across the 35 County agencies. Personnel costs encompass over one-third of the all funds budget and almost 60% of the budget for the General Fund. However, only about one of every four employees reports directly to the Board of Commissioners. The remaining 75% are under the authority of the other elected officials, courts, and independent boards.

In order to continue investing in our employees, the 2026 Recommended Budget includes a reserve within the General Fund for non-bargaining pay increases equivalent to three percent of budgeted payroll. Unlike previous years, there will not be an additional allocation to assist agencies with issues such as wage compression or retention. For employees under the appointing authority for the Board of Commissioners, the goal will be to allocate these funds through the annual merit pay plan.

For Board of Commissioner employees, we will continue making investments in employee development programs, such as Forward Franklin County for entry level staff to develop core leadership skills; BOLD for higher level staff to focus on Belonging, Opportunity, Leadership, and Development; and the alift program which provides coaching, assessments and access to a variety of resources and tools for employees in leadership positions.

However, while we are committed to investing in our current employees, we must also be aware of the challenges that we will continue to face given the ending of pandemic support, concerns about an economic downturn, and uncertainty over upcoming federal and state actions. As a result, county administration is recommending a process of controlled hiring for Board of Commissioner agencies. Under this process, agencies must provide justification prior to posting any position. This justification will be reviewed by Human Resources and the Office of Management & Budget to ensure that there is a demonstrated need for the position to be filled. For those agencies under the appointing authority of other elected officials, the courts, and independent boards, we ask that they follow suit in the upcoming year.

By taking these actions, we can better position the County for the long term, as the more we save now we will mitigate the need for future reductions. The County will continue to face fiscal challenges and uncertainties going into the 2027 budget – from increased administrative cost share for the Department of Job & Family Services to the various internal capital needs related to both current and new facilities.

These words from the late Dr. Martin Luther King, Jr. are fitting for the times we are in today, “If you can’t fly, then run, if you can’t run, then walk, if you can’t walk, then crawl, but whatever you do, you have to keep moving forward.” Despite the challenges we face, we will continue to move forward by following the vision and actions of the Board of Commissioners. By following our Core Principles, the 2026 Recommended Budget will enable us to maintain the County’s strong financial position while providing innovative programming that allows all residents to share in the community's progress and growth. Perseverance and the continued dedication of our employees to every resident every day will keep this county strong.

Before concluding, special acknowledgment goes to Zak Talarek and his team in the Office of Management & Budget for their assistance in developing the 2026 Budget Recommendations. Additional discussion on the budget has been scheduled for December 4th at the Commissioners’ Briefing and for December 9th, prior to the approval of the annual budget resolution. Summary documents for the revenues and expenditures for the General Fund and All Funds budget by agency, as well as individual budget briefs for each of the 35 agencies, have been posted on the County’s website. County Administration looks forward to working with the Board of Commissioners as it deliberates and takes final action on the 2026 Budget.

Kenneth N. Wilson, ICMA-CM M.P.A., CTA, ECI

County Administrator

Franklin County Board of Commissioners