



ESTABLISHED 1842
UNION COUNTY GOVERNMENT
NORTH CAROLINA

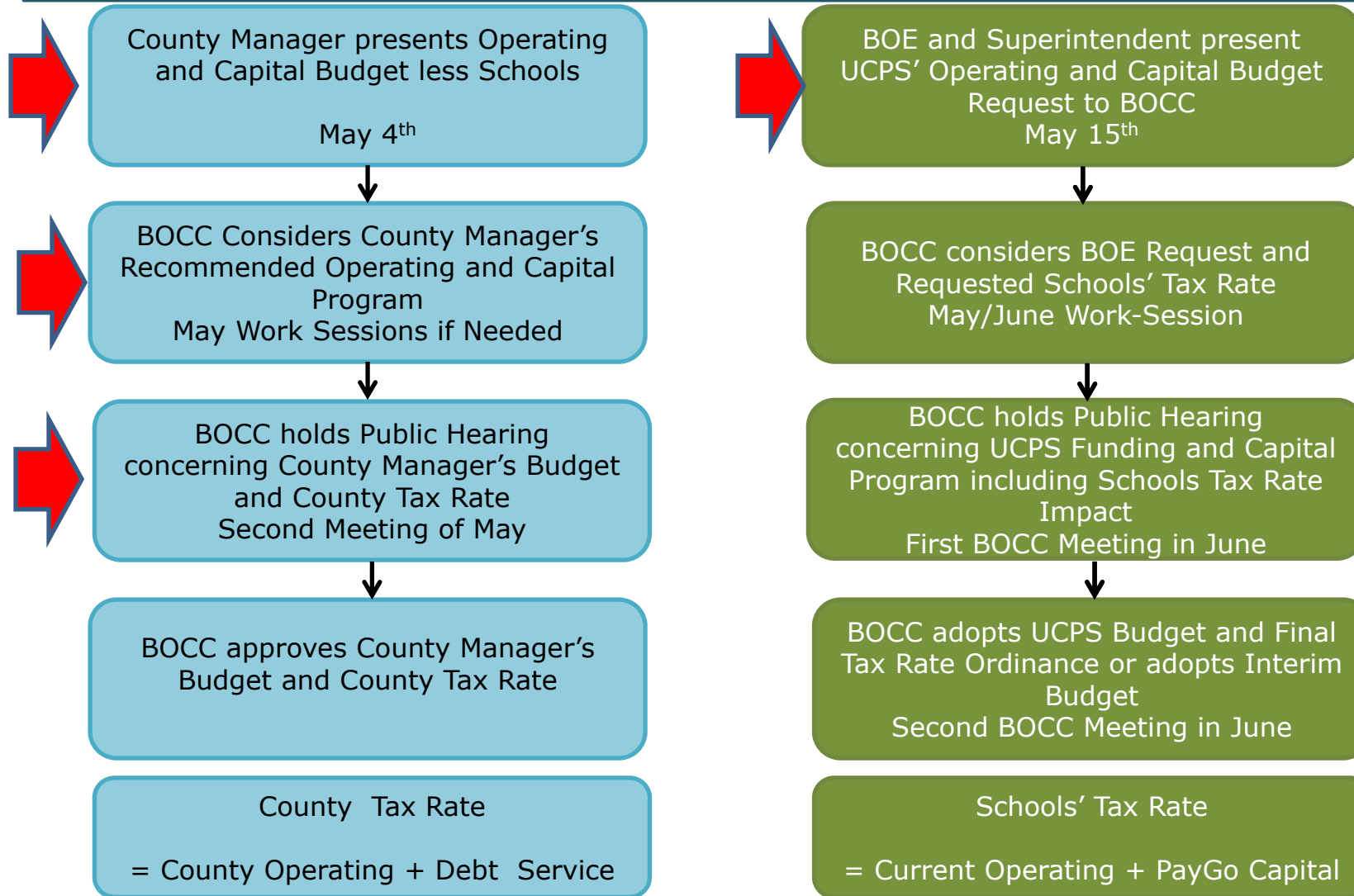
***Proposed FY 2016 Operating and Capital Budget
Union County, North Carolina***

Goals for Today

- Update on the Process
- Review of Manager's Proposed Budget
 - Proposed Tax Rates
 - Total Budget Overview
 - General Fund Model
 - Distribution of Ad Valorem Tax Summary
 - Water and Sewer Fund Model
 - VFD Funding
- Budget Calendar
- Direction?



Where are we in the process?



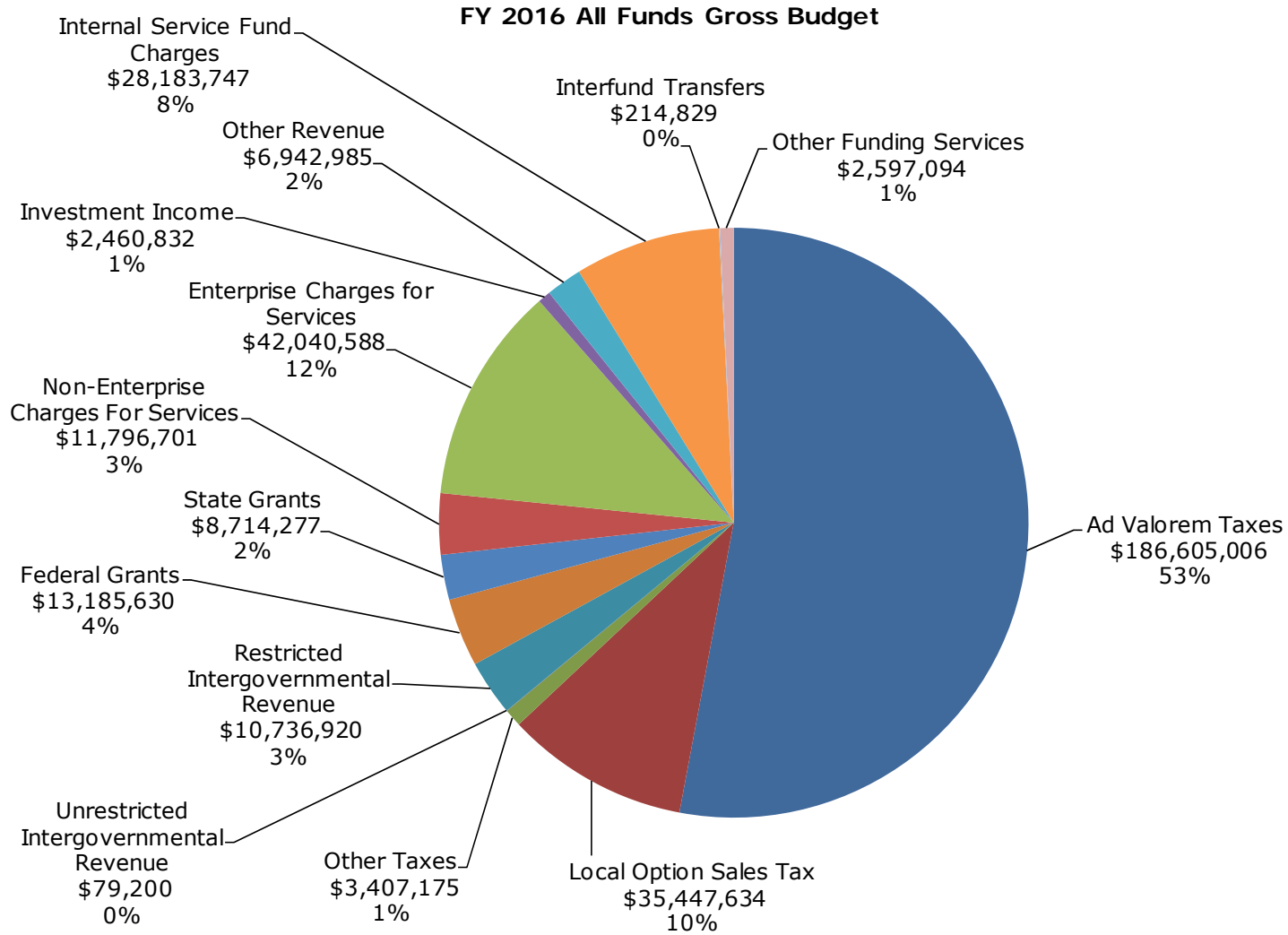
Proposed Tax Rates

Tax Purpose	Rate Per \$100 of Value
General County Operations Tax	0.2882
Countywide Fire and EMS Tax	0.0311
<u>Total Countywide Tax Rate</u>	<u>0.3193</u>

Recommended School's Tax rate will be determined following the deliberation of the School's budget request.

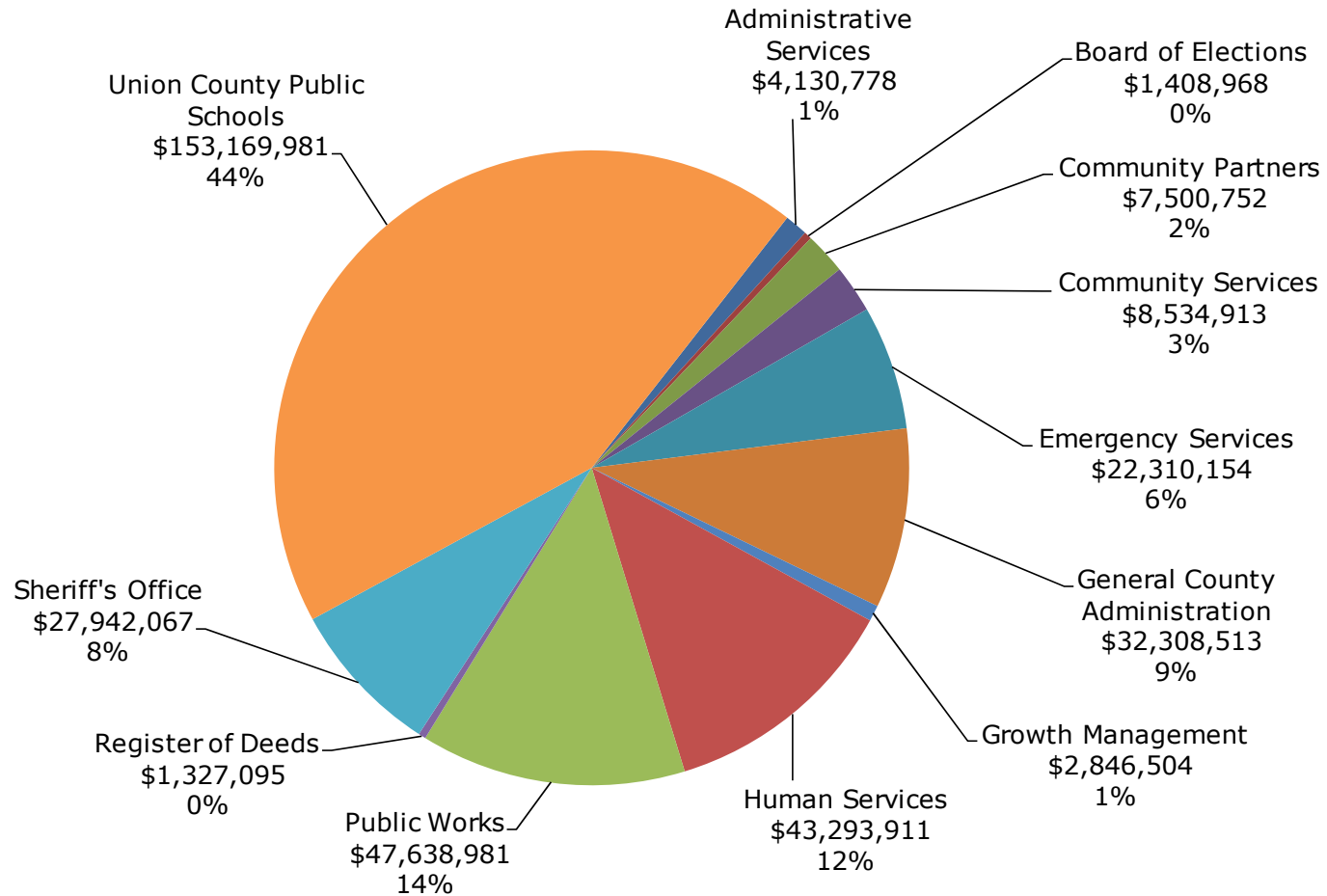


Where does the funding come from?



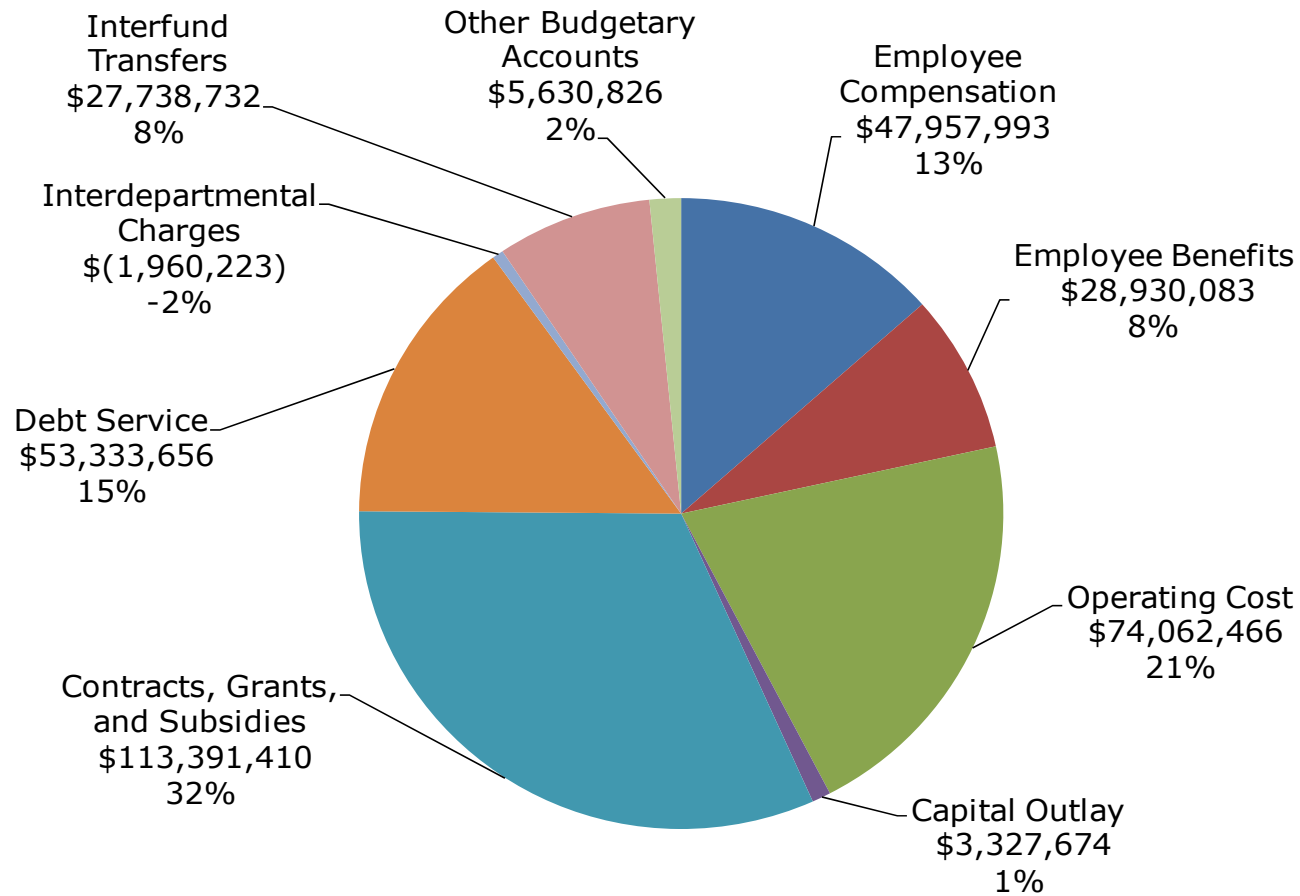
Where does the funding go?

FY 2016 All Funds Gross Budget



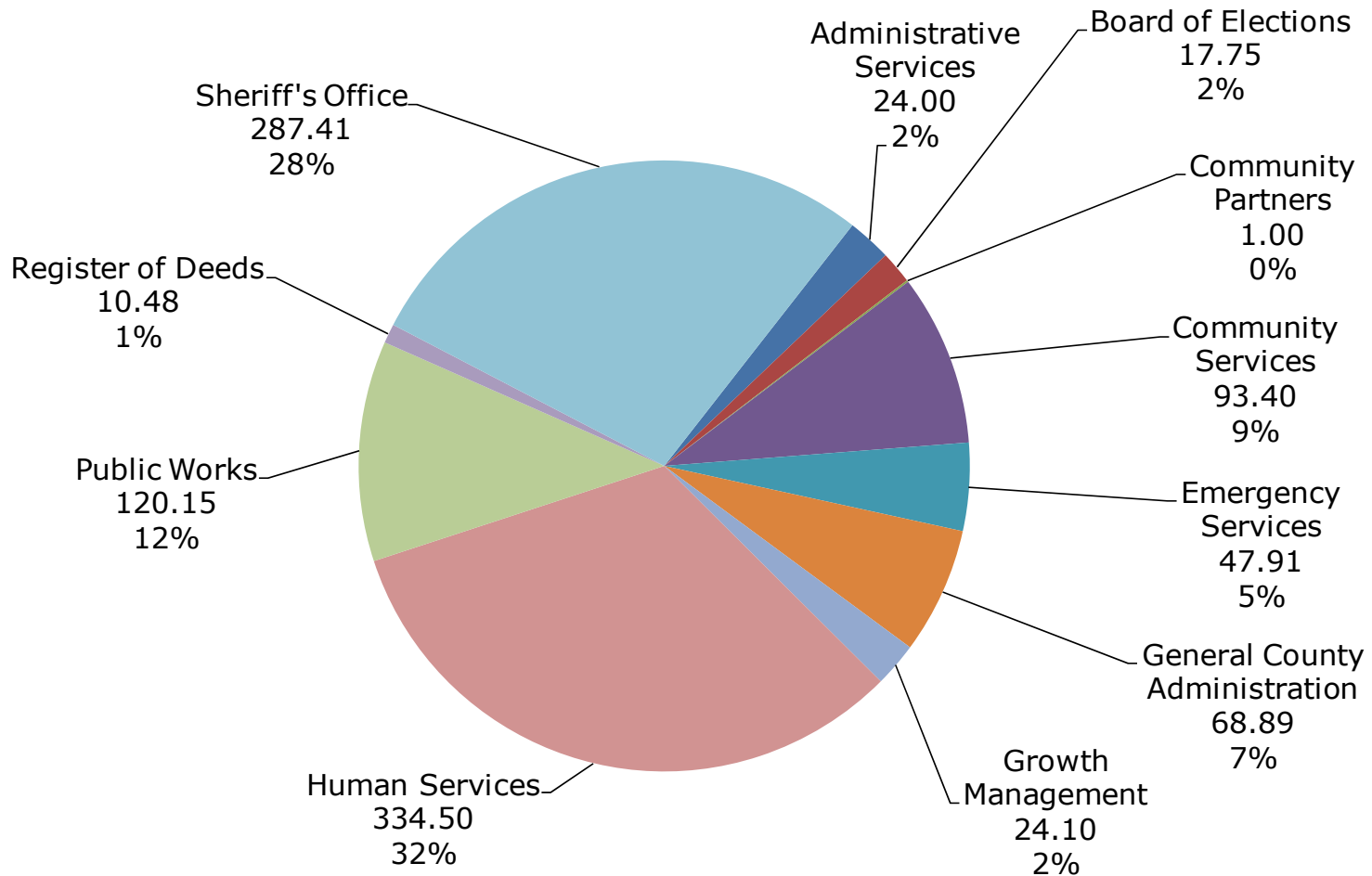
Where does the funding go?

FY 2016 All Funds Gross Budget



FTE Summary By Service Area

FY 2016 All Funds FTE



General Fund Financial Projection

	FY 2014 Actual	FY 2015 Revised	FY 2016 Proposed	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected
Sources								
Ad Valorem Taxes	\$ (165,029,950)	(76,391,825)	(67,560,062)	(68,377,131)	(69,205,116)	(70,044,184)	(70,894,507)	(71,756,259)
Local Option Sales Taxes	(29,449,465)	(30,093,981)	(34,518,523)	(35,554,079)	(36,620,701)	(37,719,322)	(38,850,902)	(40,016,429)
Other Taxes	(2,410,251)	(2,383,000)	(2,458,900)	(2,496,873)	(2,535,614)	(2,575,145)	(2,615,483)	(2,656,649)
Unrestricted Intergovernmental Revenue	(75,773)	(82,500)	(79,200)	(80,545)	(81,917)	(83,316)	(84,744)	(86,199)
Restricted Intergovernmental Revenue	(10,195,143)	(10,931,560)	(10,736,920)	(10,883,051)	(11,031,608)	(11,182,640)	(11,336,196)	(11,492,326)
Federal Grants	(14,965,362)	(12,494,598)	(13,185,630)	(13,185,630)	(13,185,630)	(13,185,630)	(13,185,630)	(13,185,630)
State Grants	(4,194,339)	(8,572,620)	(8,714,277)	(8,714,277)	(8,714,277)	(8,714,277)	(8,714,277)	(8,714,277)
Non-Enterprise Charges for Services	(9,428,436)	(9,537,161)	(8,820,171)	(8,996,574)	(9,176,506)	(9,360,036)	(9,547,237)	(9,738,181)
Debt Proceeds	(5)	-	-	-	-	-	-	-
Investment Income	(391,543)	(500,000)	(602,400)	(602,400)	(602,400)	(602,400)	(602,400)	(602,400)
Other Revenue	(7,075,905)	(6,901,931)	(6,738,328)	(6,738,328)	(6,738,328)	(6,738,328)	(6,738,328)	(6,738,328)
Interfund Transfers	(1,576)	(220,000)	-	-	-	-	-	-
Total Sources	\$ (243,217,748)	(158,109,176)	(153,414,411)	(155,628,888)	(157,892,097)	(160,205,278)	(162,569,702)	(164,986,679)
Uses								
Employee Compensation	\$ 36,290,619	39,035,264	41,310,503	43,070,791	44,360,479	45,688,856	47,057,085	48,466,361
Employee Benefits	20,176,147	22,464,398	23,779,417	25,296,934	26,783,978	28,378,787	30,089,004	31,922,927
Operating Costs	31,944,327	33,483,739	34,803,732	35,601,793	36,431,315	37,054,031	37,692,099	38,345,934
Capital Outlay	1,847,328	1,624,544	1,632,450	1,660,715	1,689,545	1,718,952	1,748,947	1,779,542
Contracts, Grants, and Subsidies	6,082,858	5,886,292	5,796,254	5,912,179	6,030,423	6,151,031	6,274,052	6,399,533
UCPS Current Expense Funding	82,260,408	-	-	-	-	-	-	-
Volunteer Fire Department Funding	546,868	1,535,396	-	-	-	-	-	-
EMS Contract	4,332,073	5,279,955	-	-	-	-	-	-
General Fund Related Debt Debt Service	2,103,957	3,378,987	3,312,061	3,324,247	3,252,402	4,240,233	2,948,092	2,077,476
UCPS Related Debt Service	43,283,124	45,021,743	43,990,217	43,444,618	42,162,664	39,813,153	37,017,169	32,986,697
Interdepartmental Charges	(6,034,481)	(1,602,626)	(1,960,223)	(1,997,153)	(2,034,821)	(2,073,243)	(2,112,433)	(2,152,407)
Interfund Transfers	17,943,931	12,717,600	250,000	2,254,500	1,413,600	1,430,000	350,000	350,000
Contingency	-	1,108,358	500,000	525,000	551,250	578,813	607,753	638,141
Total Uses	\$ 240,777,159	169,933,650	153,414,411	158,568,626	160,089,585	162,401,801	161,064,016	160,176,063
Sources (Over)/Under Uses	\$ (2,440,589)	11,824,474	-	2,939,738	2,197,488	2,196,523	(1,505,687)	(4,810,616)
Over/(Under) %			0.00%	1.85%	1.37%	1.35%	-0.93%	-3.00%
Variance to Sensitivity % goal is +/- 3%			-3.00%	-1.15%	-1.63%	-1.65%	-3.93%	-6.00%



Distribution of Ad Valorem Taxes

Service Area	General County Operating Tax	Proposed FY 2016	Current Ad Valorem Taxes	Non-Current Ad Valorem Taxes	Local Option Sales Tax	Other Taxes	Inter-Governmental	Non-Enterprise Charges for Services	Investment Income	Other Revenues
Administrative Services	0.63	\$ 1,458,079	(1,457,650)	-	-	-	-	(429)	-	-
Board of Elections	0.55	1,408,968	(1,265,083)	-	-	-	(141,685)	(2,200)	-	-
Community Partners	0.27	7,500,752	(624,707)	-	-	-	(661,101)	(31,041)	-	(6,183,903)
Community Services	3.23	8,534,913	(7,450,301)	-	-	-	(244,901)	(638,051)	-	(201,660)
Emergency Services	2.40	5,629,631	(5,520,771)	-	-	-	(76,060)	(32,800)	-	-
General County Administration	0.01	10,701,359	(13,519)	(1,154,040)	-	(2,458,900)	(6,270,800)	(700)	(602,400)	(201,000)
Growth Management	(0.03)	2,846,504	67,296	-	-	-	-	(2,913,800)	-	-
Human Services	7.79	42,457,145	(17,942,764)	-	-	-	(20,965,945)	(3,401,132)	-	(147,305)
Public Works	(0.30)	(681,635)	681,635	-	-	-	-	-	-	-
Register of Deeds	0.01	1,221,095	(26,775)	-	-	-	-	(1,194,160)	-	(160)
Sheriff's Office	10.88	27,942,067	(25,076,364)	-	-	-	(2,255,385)	(606,018)	-	(4,300)
UCPS Debt Service & Facilities Charges	3.38	44,395,533	(7,776,860)	-	(34,518,523)	-	(2,100,150)	-	-	-
Total	28.82	\$ 153,414,411	(66,405,863)	(1,154,040)	(34,518,523)	(2,458,900)	(32,716,027)	(8,820,331)	(602,400)	(6,738,328)



Water and Sewer Fund Financial Projection

	Actual FY 2014	Revised FY 2015	Proposed FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Revenue								
Water and Sewer Rate Revenues	\$ (28,850,724)	(29,497,367)	(33,212,043)	(36,387,519)	(40,173,496)	(44,568,404)	(49,452,703)	(54,881,803)
Water Tap Fees	(2,921,188)	(1,230,000)	(1,334,730)	(1,724,085)	(1,380,621)	(1,415,488)	(1,451,235)	(1,487,885)
Sewer Tap Fees	(5,522,945)	(2,016,225)	(2,486,678)	(2,669,288)	(2,137,525)	(2,191,507)	(2,246,852)	(2,303,595)
Water Miscellaneous Revenue	(1,750,493)	(10,200)	(5,242)	(5,399)	(5,561)	(5,728)	(5,900)	(6,077)
General Miscellaneous Revenue	(1,048,613)	(1,823,617)	(1,111,105)	(1,144,438)	(1,178,771)	(1,214,134)	(1,250,558)	(1,288,075)
Interest Income	(168,066)	(325,000)	(312,932)	(729,743)	(717,152)	(689,531)	(613,321)	(518,021)
Total Revenue	\$ (40,262,029)	\$ (34,902,409)	\$ (38,462,730)	\$ (42,660,472)	\$ (45,593,126)	\$ (50,084,792)	\$ (55,020,569)	\$ (60,485,456)
Expenses								
Personnel	\$ 6,518,743	6,677,276	7,177,918	7,727,776	8,307,036	8,917,112	9,350,812	9,805,833
Utilities	1,412,798	1,421,018	1,578,393	1,711,281	1,842,223	1,983,185	2,134,932	2,298,291
Water Purchase for Resale	3,525,441	3,427,786	3,643,599	3,804,390	3,941,490	4,084,042	4,232,280	4,386,451
All Other Operating	7,120,883	8,995,228	8,797,825	9,061,760	9,333,613	9,613,621	9,902,030	10,199,090
Payments to Other Gov't Units	489,026	2,614,402	2,692,361	2,748,055	2,814,877	2,881,699	2,948,522	3,015,344
Debt Service	6,112,235	6,155,226	6,031,378	10,083,260	12,346,072	17,678,172	28,225,811	34,943,806
Capital Outlay	647,149	748,057	884,108	910,631	937,950	966,089	995,071	1,024,923
Interfund Transfer	319,893	287,282	214,829	221,274	227,912	234,749	241,792	249,046
PayGo Capital	10,589,089	21,696,400	4,763,600	8,477,160	6,274,960	8,817,360	7,140,000	3,472,000
Total Expenses	\$ 36,735,257	52,022,675	35,784,011	44,745,587	46,026,133	55,176,029	65,171,250	69,394,784
Revenue (Over)/Under Expenditures	\$ (3,526,772)	17,120,266	(2,678,719)	2,085,115	433,007	5,091,237	10,150,681	8,909,328
Projected % Rate Increases	3.50%	6.50%	6.50%	6.50%	7.00%	7.50%	7.50%	7.50%
Projected Fund Balance as of June 30, 2XXX	\$ 88,458,383	71,338,117	74,016,836	71,931,721	71,498,714	66,407,477	56,256,796	47,347,468
Less: Reserve Requirement	(31,492,098)	(36,323,751)	(38,230,468)	(40,434,110)	(42,475,448)	(47,195,510)	(49,086,641)	(51,519,463)
Appropriable Fund Balance	\$ 56,966,285	35,014,366	35,786,368	31,497,611	29,023,266	19,211,967	7,170,155	(4,171,995)

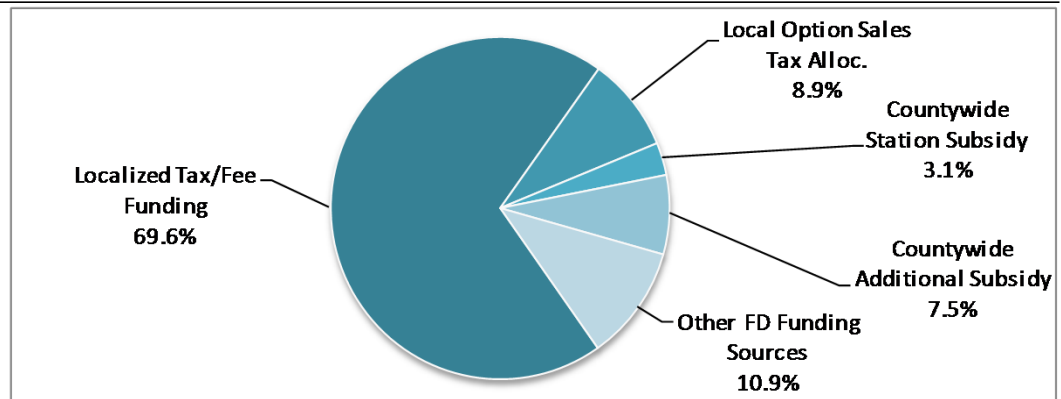
Note: Rate increases for FY 2015, FY 2016, and FY 2017 Approved in June 2014.



Volunteer Fire Departments (VFD's)	FY 2015 Tax/Fee Rate	FY 2016 Tax/Fee Rate	Proposed FY 2016	Localized Tax/Fee Funding	Sales Tax Allocation	Countywide Station Subsidy	Countywide Additional Subsidy	Other FD Funding Sources	FY 2016 Total Funding
FIRE TAX DISTRICTS									
Hemby Bridge	0.0526	0.0512	\$ 1,430,154	1,201,358	228,796	-	-	-	\$ 1,430,154
Springs	0.0483	0.0474	599,508	476,143	101,615	-	-	21,750	599,508
Stallings	0.0428	0.0509	1,316,928	1,100,915	180,013	-	-	36,000	1,316,928
Waxhaw	0.0386	0.0380	900,416	741,733	152,083	-	-	6,600	900,416
Wesley Chapel	0.0281	0.0282	1,776,258	1,336,670	266,604	-	-	172,984	1,776,258
COUNTYWIDE PROGRAMS									
Countywide	-	0.0048	181,000	-	-	-	181,000	-	181,000
FIRE FEE DISTRICTS									
Allens Crossroads	100.00	100.00	147,290	106,190	-	21,600	2,900	16,600	147,290
Bakers	89.57	86.49	566,200	544,600	-	21,600	-	-	566,200
Beaver Lane	100.00	100.00	441,400	249,400	-	21,600	126,900	43,500	441,400
Fairview	100.00	100.00	260,565	171,040	-	21,600	29,925	38,000	260,565
Griffith Road	100.00	62.01	106,040	43,550	-	21,600	-	40,890	106,040
Jackson	65.02	63.34	135,039	84,519	-	21,600	-	28,920	135,039
Lanes Creek	100.00	100.00	290,120	116,128	-	21,600	152,392	-	290,120
New Salem	100.00	85.60	311,152	217,352	-	68,400	-	25,400	311,152
Providence	100.00	100.00	693,106	15,110	-	-	24,165	653,831	693,106
Sandy Ridge	100.00	100.00	180,331	153,740	-	21,600	4,441	550	180,331
Stack Road	100.00	100.00	231,250	128,919	-	21,600	52,531	28,200	231,250
Unionville	100.00	100.00	518,620	351,370	-	37,200	129,935	115	518,620
Wingate	100.00	100.00	299,211	184,180	-	21,600	75,931	17,500	299,211
Total			\$ 10,384,588	7,222,917	929,111	321,600	780,120	1,130,840	\$ 10,384,588

Proposed Budget Summary	FY 2016
Localized Tax/Fee Funding	\$ 7,222,917
Local Option Sales Tax Alloc.	929,111
Countywide Station Subsidy	321,600
Countywide Additional Subsidy	780,120
Other FD Funding Sources	1,130,840
Total FY 2016 Funding	\$ 10,384,588

* Surplus revenue will go to fund balance for future needs.



Union County, NC Proposed FY 2016 Operating and Capital Budget

VFD Freeze Analysis of 1x Funding and Capital Items in Accordance with BOCC Direction 4/20/2015

Volunteer Fire Departments (VFD's)	FY 2015 Revised	FY 2015 FB Usage*	Capital Reserve***	Loan Payment****	Salaries & Wages	PPE	FD Fire Fees	FD Other Revenue	FY 2016 Proposed	15-16 \$ Change
FIRE TAX DISTRICTS										
Hemby Bridge	\$ 1,430,154	-	-	-	-	-	-	-	1,430,154	-
Springs	619,508	-	(20,000)	-	-	-	-	-	599,508	(20,000)
Stallings	1,325,100	-	(8,172)	-	-	-	-	-	1,316,928	(8,172)
Waxhaw	945,491	-	(45,075)	-	-	-	-	-	900,416	(45,075)
Wesley Chapel	1,776,258	-	-	-	-	-	-	-	1,776,258	-
COUNTYWIDE PROGRAMS										
Countywide	-	-	-	-	-	-	-	-	181,000	181,000
FIRE FEE DISTRICTS										
Allens										
Crossroads**	188,915	-	(20,000)	(52,725)	31,100	-	-	-	147,290	(41,625)
Bakers	566,200	-	-	-	-	-	-	-	566,200	-
Beaver Lane**	383,400	-	(27,000)	-	80,000	5,000	-	-	441,400	58,000
Fairview	260,565	-	-	-	-	-	-	-	260,565	-
Griffith Road	449,080	-	(343,040)	-	-	-	-	-	106,040	(343,040)
Jackson	135,039	-	-	-	-	-	-	-	135,039	-
Lanes Creek	320,120	-	(30,000)	-	-	-	-	-	290,120	(30,000)
New Salem	341,152	-	(30,000)	-	-	-	-	-	311,152	(30,000)
Providence	741,308	-	-	-	-	-	5,700	(53,902)	693,106	(48,202)
Sandy Ridge	182,320	(1,989)	-	-	-	-	-	-	180,331	(1,989)
Stack Road	441,250	-	(210,000)	-	-	-	-	-	231,250	(210,000)
Unionville	536,120	-	(17,500)	-	-	-	-	-	518,620	(17,500)
Wingate	299,211	-	-	-	-	-	-	-	299,211	-
Total	\$ 10,941,191	(1,989)	(750,787)	(52,725)	111,100	5,000	5,700	(53,902)	10,384,588	(556,603)

* Fund Balance Usage is a one-time revenue source and as such is not included in the funding for the following year.

** Funding included for probationary departments.

*** Capital reserves and capital purchases were excluded from funding in anticipation of results from working group and anticipated change in capital funding. -

Per Commission Direction 4/20/2015

**** Allens Crossroads paid off their outstanding debt in 2015, loan payment was not needed in FY 2016.



Next Steps

- May 15, 2015 – The Board of Education will provide the UCPS requested current expense and capital funding.
- May 18, 2015 – Public hearing concerning the County Manager's Proposed Operating and Capital Budget, including VFD funding.
- May ??, 2015 – Board of County Commissioners Tentative Approval of FY 2016 County Operating and Capital Budget.
- Week of May 25th, 2015 – Joint Meeting with the Board of Education concerning the UCPS FY 2016 Budget Request.



Next Steps

- May 29, 2015 – County Manager provides UCPS Addendum to County Manager’s Proposed Budget.
- June 1, 2015 – Public hearing concerning UCPS FY 2016 Budget Request.
- June 15, 2015 – Statutorily required public hearing concerning County Manager’s Proposed Operating and Capital Budget.
- June 30, 2015 – Board of County Commissioner’s approve the FY 2016 Operating and Capital Budget.



Continued Transparency

- Budget Website at www.unioncountync.gov
 - Presentations and Historical Documents
- Email Address for Ask the County Manager
 - askthecountymanager@co.union.nc.us
- Email Address for Public Comments
 - publiccomments@co.union.nc.us



Additional budget information available at
www.unioncountync.gov

