



# Chatham County FY 2024-2025 Recommended Budget

May 6, 2024

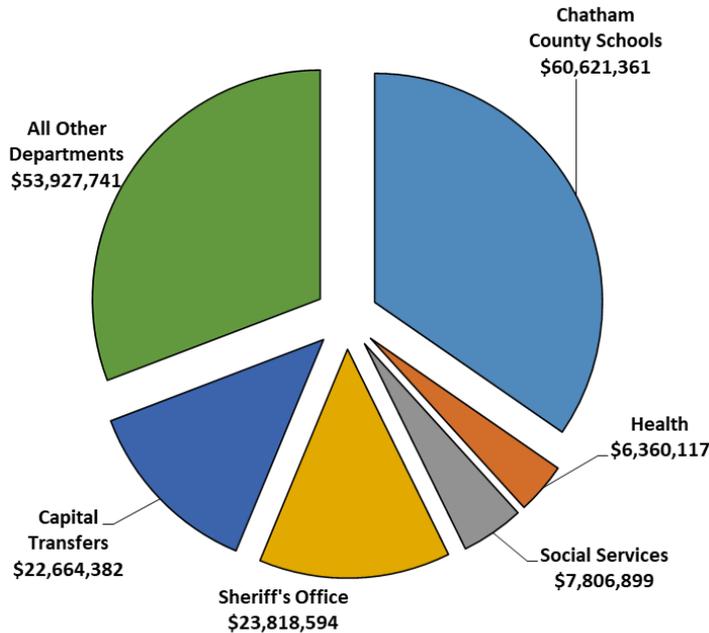
# Budget Process

**Before the budget is finalized Commissioners will:**

- Hold 2 public hearings: May 20, 21
- Hold work sessions: May 23, 24, and 29 (if needed)
- Make changes based on deliberations

Goal: **Finalize on June 17**, state requires adoption by June 30

## Net Cost of County Functions



## General Fund

Administration	\$37,896,252
Culture/Education/Recreation	\$75,080,961
General Government	\$5,743,901
Human Services	\$26,643,820
Natural Resource Management	\$7,638,582
Public Safety	\$40,340,993
<b>Total General Fund</b>	<b>\$193,344,509</b>
<b>Solid Waste &amp; Recycling Fund</b>	<b>\$5,040,551</b>
<b>Southeast Water District</b>	<b>\$754,755</b>
<b>Water Fund</b>	<b>\$11,537,570</b>

# Looking Back FY 2024

- Continued growth and development
  - Wolfspeed facility nearing completion, Vinfast in progress
  - Other commercial/industrial growth increasing
  - Slowdown in residential growth over the last year
- Solid, but slower, revenue growth
  - Slow down in sales tax growth as inflation slows back to a “normal”
  - Continue to be more resilient than state averages
  - Increased commercial/industrial growth helping to reduce impacts of slowed residential growth

# Accomplishments

## Manager's Office

- Successfully administered \$1 million in ARPA funding for non-profit partners
- Received the AT&T GREAT Grant - the grant will provide 542 households and 16 businesses with fiber

## Human Resources

- Received Bronze Level recognition on the American Heart Association Workforce Well-Being Scorecard for our County's wellness programming and initiatives

# Accomplishments

## Soil & Water

- The Agricultural Preservation & Development Trust Fund successfully awarded 4 projects in this inaugural year. Additional program development is ongoing with the development of an updated Farmland Preservation Plan

## Planning

- Moncure small area plan, Plan Moncure, was adopted in October 2023

# Accomplishments

## **Aging Services**

- Released first Directory of Resources, designed to be a single source of key contacts for Chatham County older adults - the guide lists contact information for key resources including caregiver, respite and dementia resources, disability-related services, financial and food assistance, financial management, health supportive services, housing, insurance information and more

## **Social Services**

- Implementing expanded Medicaid eligibility determinations for almost 4,000 uninsured residents in Chatham County

# Current Year Revenue Highlights

## Property tax

- 100% of budget collected by end of March

## Motor Vehicles

- 74% of budget by end of March

## Register of Deeds

- Excise tax and fees at 78% of budget through March

## Development Services

- Overall revenues have already exceeded budget (driven largely by Inspections revenue)

# Sales Tax

**Article 39 and 42** locally collected trending **18%** over prior year

**Article 40** - based on statewide collection - trending **6%** over prior year

**Article 46** – **69%** of budget collected (7 months of collections)

# Looking Ahead



Economic Indicators

Budget Highlights

# Economic Indicators

Unemployment

Labor Market

Inflation

Residential Development

Commercial/Industrial Development

# Revenue Highlights

Property tax budget is increased to \$113.2M

- Increase of 4 cents on the Property Tax rate from 68.5 cents per \$100 of valuation to 72.5 cents per \$100 of valuation

Permitting budget is decreased to \$2.8M

Excise tax budget is increased to \$1.5M

Sales tax budget is increased to \$30.5M

Transfers-In budget is decreased to \$20.6M

# Revenue

	2022 Actual	2023 Actual	2024 Amended	2024 Estimated	2025 Total Req.	2025 Total Rec.	Variance	Total % Inc./Dec.
<b>Revenues</b>								
Permits and Fees	2,843,811	3,965,464	3,639,832	6,774,811	3,246,186	3,246,186	(393,646)	(11%)
Intergovernmental	15,046,545	16,283,467	15,683,111	14,032,685	13,688,532	13,655,635	(2,027,476)	(13%)
Interest	(4,694,877)	778,108	205,805	1,124,800	410,000	710,000	504,195	245%
Contributions from others	1,317,844	861,920	1,013,681	943,155	759,117	759,117	(254,564)	(25%)
Miscellaneous	520,941	494,717	360,000	371,678	400,310	400,310	40,310	11%
Other Taxes/Licenses	1,952,455	1,698,749	1,420,324	1,446,000	1,766,819	1,788,071	367,747	26%
Property Tax	92,588,702	96,757,366	102,106,792	103,331,500	106,948,356	113,155,908	11,049,116	11%
Charges for Services	3,289,495	2,614,664	2,990,959	2,839,474	2,895,494	2,895,494	(95,465)	(3%)
Sales Tax	25,697,393	28,513,274	28,416,672	30,241,908	30,555,483	30,555,483	2,138,811	8%
Transfers In	14,820,700	26,810,668	21,216,210	20,428,110	20,507,692	20,578,305	(637,905)	(3%)
Appropriated Fund Balance	0	0	14,989,689	0	0	5,600,000	(9,389,689)	(63%)
<b>Total Revenues</b>	<b>153,383,009</b>	<b>178,778,397</b>	<b>192,043,075</b>	<b>181,534,121</b>	<b>181,177,989</b>	<b>193,344,509</b>	<b>1,301,434</b>	<b>1%</b>

# Expense

	2022 Actual	2023 Actual	2024 Amended	2024 Estimated	2025 Total Req.	2025 Total Rec.	Variance	Total % Inc./Dec.
<b>Expenditures</b>								
Salaries	26,001,585	30,021,878	39,275,708	36,148,046	44,153,208	43,201,226	3,925,518	10%
Other Salaries and Benefits	12,854,652	14,743,061	17,894,573	15,835,682	20,616,247	20,125,570	2,230,997	12%
Operating	14,048,371	17,373,822	22,290,182	18,630,529	24,098,263	23,525,511	1,235,329	6%
Debt	23,327,645	23,997,787	24,351,816	24,351,816	23,950,136	23,950,136	(401,680)	(2%)
Lease	109,280	9,952	0	128,800	153,751	153,751	153,751	
Transfers Out	25,161,804	30,260,650	22,753,375	22,753,375	22,868,796	22,664,382	(88,993)	(0%)
Allocations/Programs	49,311,377	48,753,792	57,996,106	53,898,162	60,025,560	57,856,360	(139,746)	(0%)
Capital Outlay	736,365	2,591,383	2,213,313	1,643,817	2,217,573	1,867,573	(345,740)	(16%)
<b>Total Expenditures</b>	151,551,080	167,752,325	186,775,073	173,390,226	198,083,534	193,344,509	6,569,436	4%

# Expense

## **Chatham County Schools**

- Additional \$2,400,000 to address compensation and fixed cost benefit adjustments from current year state budget and some operational cost increases
- Additional \$1,405,000 to provide a \$1,200 base increase to the local teacher salary supplement
- Additional \$115,000 in annual Capital Outlay

# Expense

## Chatham County Sheriff's Office

- Approximate increase of \$2.8 million over FY2024 Revised Budget
- Additional approximately \$880,000 in continuation increases – including full-year implementation of pay study, contractual increases, increased operating and capital outlay costs
- Additional \$1,867,828 in expansion items, including 14 additional staff

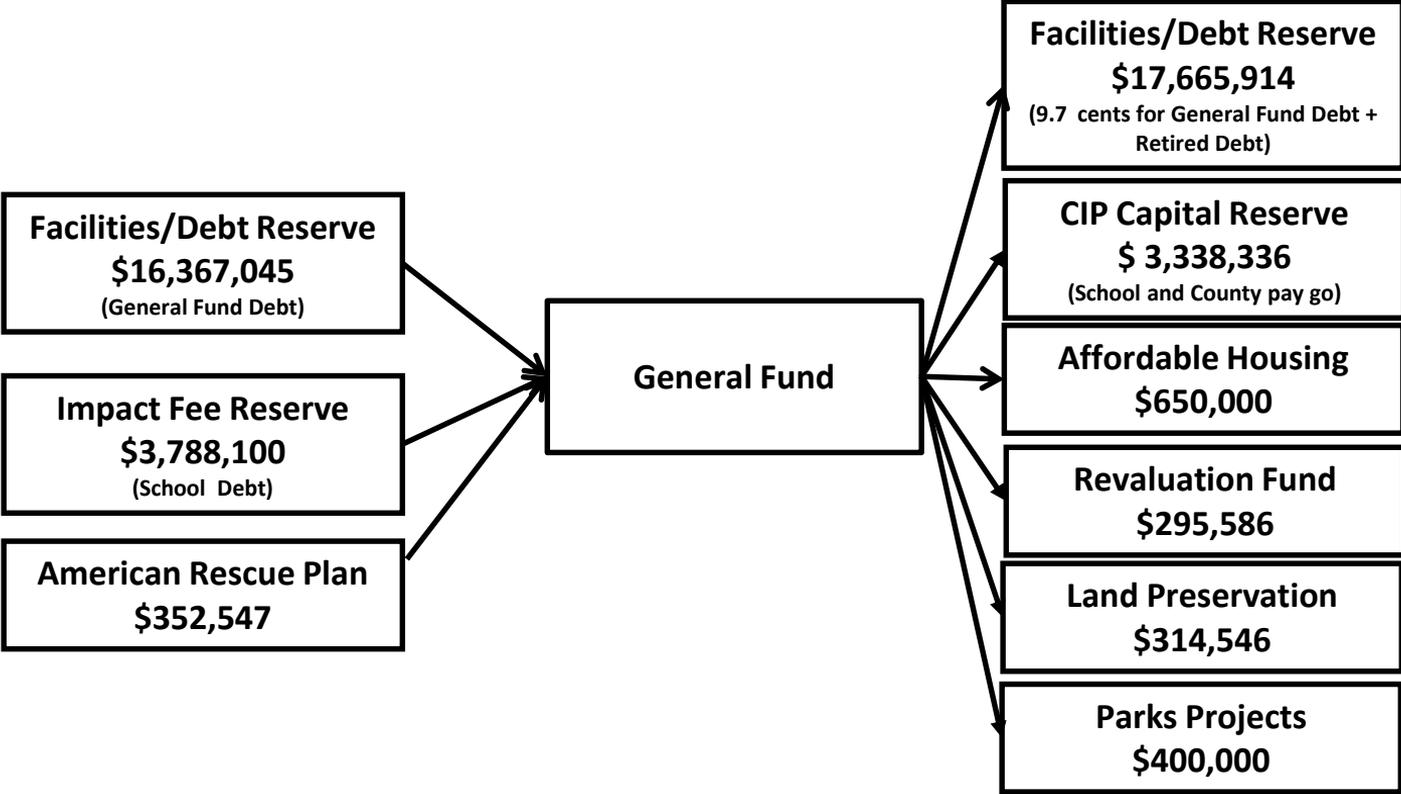
# Expense – CCSO continued

- 8 Deputy Sheriffs
- 1 Animal Resource Officer
- 4 Animal Shelter Attendants
- 1 Maintenance Officer
- Completion of surgical suite in Animal Resource Center
- Additional contract nurse for Detention Center medical contract
- Forensic Tower
- Phase 1 body camera replacements and migration to cloud-based server storage

# Expense - Transfers/Debt

Transfer-out	\$22,664,382
Debt	\$23,950,136

# General Fund Transfers In and Out



# Expense – 23.75 New Positions

- Sheriff's Office (14)
- Diversions & Advocacy Programs (1)
- Social Services (5)
- Finance (+0.5) – increase in hours to 1.0
- Visitor's Bureau (+0.25) – increase in hours to 1.0
- Tax Revaluation (2)
- Utilities (1)\*

# Expense – Other

Contractual Increases

Operational (inflation driven) Increases

Capital needs (equipment, vehicle replacements)

Cloud-based software

Full-year costs associated with pay study implementation

Employee pay adjustment

# Highlights – Major Funds

	<b>Total</b>	<b>Change</b>
<b>General Fund</b>	\$193,344,509	+4%
<b>Solid Waste &amp; Recycling</b>	\$5,022,551	+6%
<b>SE Water District</b>	\$754,755	-0%
<b>Utility</b>	\$11,414,648	+5%

# New/Increased Fees

## **Chatham County Agriculture & Conference Center**

- Rental fee – increases to increase cost recovery
- Adjustment to non-profit rental discount rate – from 50% to 25%

## **Parks, Recreation, & Cultural Resources**

- Summer Camp – increase in standard fee due to recent increases in camp counselor pay
- Also introducing an income-based sliding scale for this fee

# New/Increased Fees (continued)

## **Central Permitting & Inspections**

- Significant changes to fee structure to increase equity and consistency of fee charges and to account for increasing cost of service provision
- New (optional) fees for express/preliminary review (for both additions/alterations and new construction) and after-hours inspections (for commercial projects only)

## **Fire Inspections**

- Significant changes to fee structure to increase equity – adjusted fees are based on size and type of structure being inspected

# New/Increased Fees (continued)

## **Environmental Quality**

- Increases to EV Charging Fees due to increased electricity rates

## **Library**

- Color Copy fee (0.25/copy) – new fee to allow for cost recovery of copying/printing color copies as a new service at all 3 library locations
- Service has been frequently requested by patrons
- Fee is consistent with state average

# New/Increased Fees (continued)

## **Environmental Health**

- Pool Remodel Plan Review – new fee to capture additional staff time required to evaluate and approve remodels of various aspects of existing swimming pools
- Educational Class Registration – increase due to increasing costs of educational classes, fee increase is needed to ensure operational expenses are covered by the attendees

# New/Increased Fees (continued)

## Public Utilities

- Meter Set Fee (3/4 Inch) – increase needed to cover cost of materials
- Standard 3/4” Water Tap Fee – separates meter set fee from water tap fee. Increase is needed due to increasing cost of materials and labor
- System Development Fee – increase needed to address rising costs of materials, equipment, and labor required to expand the capacity of the County water system
- Water Usage Rates – 15% increase to existing rates. Increase is needed in order for the enterprise fund to remain financially solvent and to address recent financial pressures (a result of increased cost of materials, equipment, and labor)

# Fire District Tax Rate Changes

- Silk Hope – 1.5 cent increase (from 8.25 to 9.75)
- Northview – 0.4 cent increase (from 8.6 to 9.0)

All rates are in cents per \$100 of valuation

# Summary

- Significant financial pressures in the upcoming fiscal year – primarily around education, public safety, and utilities
- Organization is well-positioned to address continued growth and development
- Optimistic about continued consistent growth in the County
- Prepared to adjust based on changing economic circumstances

# Reminder - Key Dates

Public  
Hearings

May 20 + 21

Work  
Session

May 23, 24, 29

Finalize

June 17, 2024



# Thank you!

Comments/Questions?

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