

Chatham County



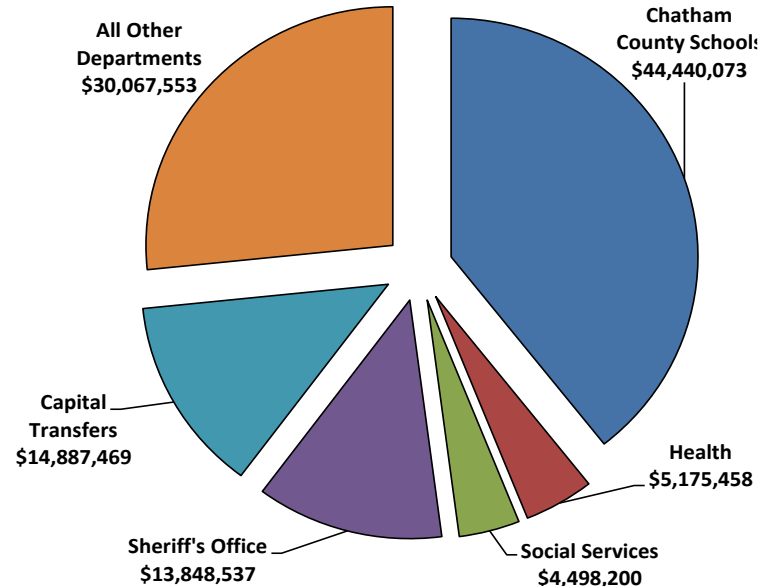
Fiscal Year 2019-2020 Recommended Budget
"Keeping Watch"



Budget at a Glance

- ▶ Total Property Valuation: \$11.55 Billion
- ▶ One Penny Generates: \$1,140,623
- ▶ Tax Rate: 67 cents
- ▶ Total Property Tax Revenue: \$78,051,165
- ▶ General Fund Balance Appropriated: \$3,574,514

Net Cost of County Functions



Budget Summary

General Fund	
Administration	\$25,748,995
Culture/Education/Recreation	\$50,945,033
General Government	\$3,523,659
Human Services	\$18,855,124
Natural Resource Management	\$4,619,168
Public Safety	\$21,335,033
Total General Fund	\$125,027,012
Solid Waste and Recycling Fund	\$3,687,040
Southeast Water District	\$722,500
Water Fund	\$7,555,225

Budget Process

- ▶ Before the budget is finalized, commissioners will:
 - ▶ Hold 2 public hearings to hear from the public (May 20 and 21)
 - ▶ Hold work sessions: May 23 and May 30 (if needed)
 - ▶ Make changes based on public input, etc.
- ▶ Goal is to have the budget finalized on June 17 — state law requires adoption by June 30



FY 2019 in review

▶ Many accomplishments

- ▶ Chatham County Comprehensive Water and Wastewater Management Plan
- ▶ Support for the development of affordable housing at the old Henry Siler School
- ▶ A successful Spring Ag Fest that promoted community engagement and increased awareness of agriculture, forestry, and natural resources

▶ Many challenges

- ▶ Florence
 - ▶ Michael
 - ▶ Record rainfall
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Revenue Highlights

- ▶ Tax revenue is strong
 - ▶ DMV collection up 8% over prior year
 - ▶ Property tax collection up 5%
 - ▶ Locally collected sales tax up 8%; outpacing state average
- ▶ Development services revenue still good but showing slowed growth from FY 18 to FY19
 - ▶ Building inspections revenue -4%
 - ▶ Deed stamps revenue 0%
 - ▶ Watershed protection 8%
 - ▶ Environmental health revenue -15%



Revenue – Other Indicators

- ▶ Unemployment rate is below the rate for the state and the nation
- ▶ Longest period of economic expansion since 1854
 - ▶ At some point an economic downturn will occur
 - ▶ Most economists expect growth to continue in FY2020 but at a slower pace
- ▶ The Triangle Region continues to show strong population growth
- ▶ Per capita income in North Carolina 2017 (latest data available) showed 4% growth over prior year



FY 20 Budget Highlights

- ▶ Natural growth in revenue covered many critical needs
 - ▶ Increased transfer to capital reserve (pay-go) [+1.4M]
 - ▶ Radios [+500,000]
 - ▶ Animal shelter increased estimate [+900,000]
 - ▶ Mandatory increase in retirement contribution [+321,923]
 - ▶ Employee salary increase [+780,242]
 - ▶ Continued \$200,000 for the Affordable Housing Trust Fund
 - ▶ Chatham Promise [+200,000]
 - ▶ UDO [+90,000]
 - ▶ Revaluation [+400,000]



FY 20 Budget Highlights (continued)

- ▶ Expansions Recommended
 - ▶ All expansions address commissioner goals
 - ▶ Council on Aging facing severe cuts in federal and state funding
 - + 299,833 includes transportation, in-home aide care, general allocation
 - ▶ +50,000 Affordable Housing Trust Fund for emergency housing
 - ▶ +17,000 nonprofit agencies
 - ▶ +29,190 Sheriff recruitment pilot program
 - ▶ +42,386 Building inspector retention incentive
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FY 20 Budget Highlights (continued)

- ▶ The only new positions recommended have offsetting revenue
 - ▶ General Fund
 - DSS: 2 Child welfare workers; 1 Human Services Coordinator [\$92,440]
 - Cooperative Extension: NC A&T funded Agriculture Agent to focus on limited resource populations [+26,863]
 - ▶ Utility Fund
 - Utility Service worker [+78,743]



FY 20 Budget Highlights (continued)

- ▶ North Chatham fire tax rates requested to increase 0.5 cents



Costs that require additional revenue

- ▶ Additional debt-funded CIP projects (1.5 cents)
 - ▶ Radio System Upgrade [18,909,295 budgeted]
 - ▶ EOC Expansion [10,000,000 budgeted]
 - ▶ CCS Central Services Building [11,142,065 budgeted]
- ▶ Chatham County Schools (1.4 cents)
 - ▶ Additional \$1,540,000 includes
 - ▶ Supplement [+825,000]
 - ▶ Allocation [+715,000]
- ▶ Open CCCC Health Sciences Facility (0.2 cents)
 - ▶ +245,000
- ▶ Prepare to open Chatham Grove Elementary (1.4 cents)
 - ▶ +1.4M



Highlights - Major Funds

- ▶ General Fund: \$125,027,012 - 9% increase
- ▶ Utility Fund: \$7,555,225 - 2% increase
 - ▶ Includes Siler City Wastewater Plant [750,000]
- ▶ Solid Waste & Recycling: \$3,687,0403 - 0% increase
- ▶ Southeast Water \$722,500 – 14% increase



New/Increased Fees

▶ Parks and Recreation

- ▶ Increases in certain youth athletics fees to meet County cost recovery goals.
- ▶ Increases in facility rentals due to the increasing cost of maintenance, upkeep, and utilities.

▶ Planning

- ▶ Waiver of floodplain determination fee for burials on private property

▶ Solid Waste

- ▶ Combines the current collection center fee and disposal fee into a single fee that all residents living in unincorporated areas will pay. The rate is equal to the combined cost of the current fees.
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New/Increased Fees continued

- ▶ Watershed Protection
 - ▶ Waiver of floodplain development fee for burials on private property
 - ▶ Stormwater Control Measure (SCM) fee
 - ▶ One-time fee for permanent site features that have to be monitored by staff in perpetuity



In Summary

- ▶ Departments held their budgets very close to previous year.
- ▶ Only expansion positions with offsetting funds and that addressed Commissioner's goals were approved.
- ▶ Many required increases were covered with natural revenue growth.
- ▶ Additional revenue is needed to fund: Radio system upgrades, EOC expansion, CCS central services building, CCS increased operating costs and teacher supplement, CCCC Health Sciences operating cost, and operating cost for the opening of Chatham Grove Elementary School.

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Questions?

