

2020-2021
ALAMANCE COUNTY
MANAGER'S RECOMMENDED BUDGET

Bryan Hagood
County Manager
June 1, 2020

Vision Alamance

County Vision

Alamance County is a cohesive community with a thriving economy that balances respect for our rural history with thoughtful growth and development.

County Mission

Alamance County effectively provides its citizens with high quality public services, the tools for successful economic development, and a responsive, transparent government that supports the community as the preferred place to live, work, and play.

Action Pillars – Decision Making Priorities

Preserving Agriculture

A vibrant, protected rural economy supporting locally owned and operated farms.

World Class Education

A commitment to world-class education to encourage a prosperous community and individual success for all from cradle to career.

Smart Growth and Development

Planned growth that strikes a balance between a thriving economy and an appreciation of natural and agricultural resources.

Public Health and Safety

Develop and implement activities that provide for the well-being of all citizens in a responsive, respectful and engaged manner.

Government Accountability and Resource Management

A commitment to provide leadership through innovative and effective management. Promote trust by providing transparency, openness and appreciating citizen concerns.

Recommended Budget

Total Budget - \$209,166,397

Fund	Budget
General	\$167,615,943
Emergency Telephone	1,028,990
Reserve Funds	13,998,141
Fire Districts	5,844,021
Tourism Development Authority	740,730
Landfill	5,147,000
Employee Insurance	13,766,572
Worker's Compensation	1,025,000

Recommended Budget Summary

- Total General Fund Budget Requests - \$181,717,221
- Manager Recommended GF Budget - \$167,615,943
- Mgr Rec GF Budget Reduction from Requests - **\$14,101,278**
- Mgr Rec GF Budget Reduction from FY19-20 - **-\$4,289,171**
- Recommended Property Tax Rate - 0.67 cents

Recommended Budget Summary, cont.

• County Government	\$90,918,220	(Reduced \$2,024,440)
• Capital Plan	\$24,137,375	(Reduced 1,695,154)
Debt Service	\$8,571,002	
Ala Co Paygo	\$0	
ABSS Paygo	\$1,200,000	
ACC Paygo	\$330,000	
Transfers to Capital Reserves	\$14,036,373	
• Education-Operations	\$45,427,454	(Reduced \$500,000)
• Self Funded Depts/Pass Thru Grants	\$7,132,895	(Reduced \$69,577)

Targeted County Department Reductions *-\$4,729,721*

- Merit Pay *-\$552,440*
- Frozen positions *-\$1,292,944*
- Board of Elections *-\$326,372*
- Parks *-\$122,739*
- Library *-\$307,870*
- Alamance County CIP *-\$250,000*
- ABSS CIP *-\$597,760*
- Ala Co Cap Equip *-\$704,596*
- Farmland Preservation *-\$75,000*
- Education Operations *-\$500,000*

Revenue and Resources Summary

- Property Tax Revenue

- \$100,104,666 property tax revenue
- \$2,458,374 increase from FY 19-20

- Sales Tax Revenue

- \$24,633,643 sales tax revenue
- **\$7,165,687** decrease from adopted FY 19-20

- Other Revenue

- \$38,089,091 other revenue
- \$1,222,095 increase

- Fund Balance Usage

- Appropriated - \$3,500,000
- Designated - \$1,288,543
- Total Resources - \$4,788,543

Property Tax Information – Current Levy

- No Property Tax Increase Proposed – Rate remains at 0.67
- Assessed Values
 - FY 20-21 - \$15,053,672,966
 - FY 19-20 - \$14,590,455,273
 - Change - \$463,217,693
 - 3.17% increase in base value
- Collection Rates
 - Real and Personal – 98.30%
 - Registered Motor Vehicles – 99.50%
- 1 cent equals = \$1,481,505
- Estimated Total Current Levy Prop Tax Revenue = \$99,260,863

Committed Property Tax Information

- Ala Co Capital Plan (*Ed Bonds and Paygo*) = 7.04 cents
 - ABSS – \$8,355,688
 - ACC – \$2,074,107

- Ala Co Equipment Plan – 0.96 cents
 - Ala County – \$1,422,245
 - Year 2 of 4 Debt Service: \$401,329
 - Ambulance: \$195,000
 - Sheriff Vehicles: \$121,320
 - Deferred Vehicle and Equipment Purchases: \$704,596

Sales Tax Information

- FY 20-21 Projected Revenue - \$24,633,643
- 20.0% decrease from FY 19-20 anticipated revenues
- Avg. year-over-year growth over past 5 years = 7.34%

Article	Percentage	Purpose	Projected
39	1%	Unrestricted	\$11,146,421
40	½%	Unrestricted - 70%	4,451,969
		Restricted – 30% Schools	1,907,987
42	½%	Unrestricted – 40%	2,850,906
		Restricted – 60% Schools	4,276,360

Unassigned Fund Balance Summary

- Per FY 18-19 Audit:
 - Unassigned Fund Balance = \$18,385,801
 - Percentage of expenditures = 12.49%
 - Ala Co target for UAFB = 20%

	Fund Balance Budgeted	Actual Gain or (Loss)
FY 19-20	5,018,539	<i>TBD</i>
FY 18-19	6,603,895	3,187,881
FY 17-18	6,612,148	708,600
FY 16-17	5,735,255	1,686,910
FY 15-16	3,500,000	7,847,532

Fund Balance Information

Budgeted Use of Unassigned Fund Balance

- FY 20-21 - \$3,500,000
- FY 19-20 - \$5,018,539
- Change - **-\$1,518,539**
- Decrease of 30.26%

Budgeted Use of Designated Fund Balance

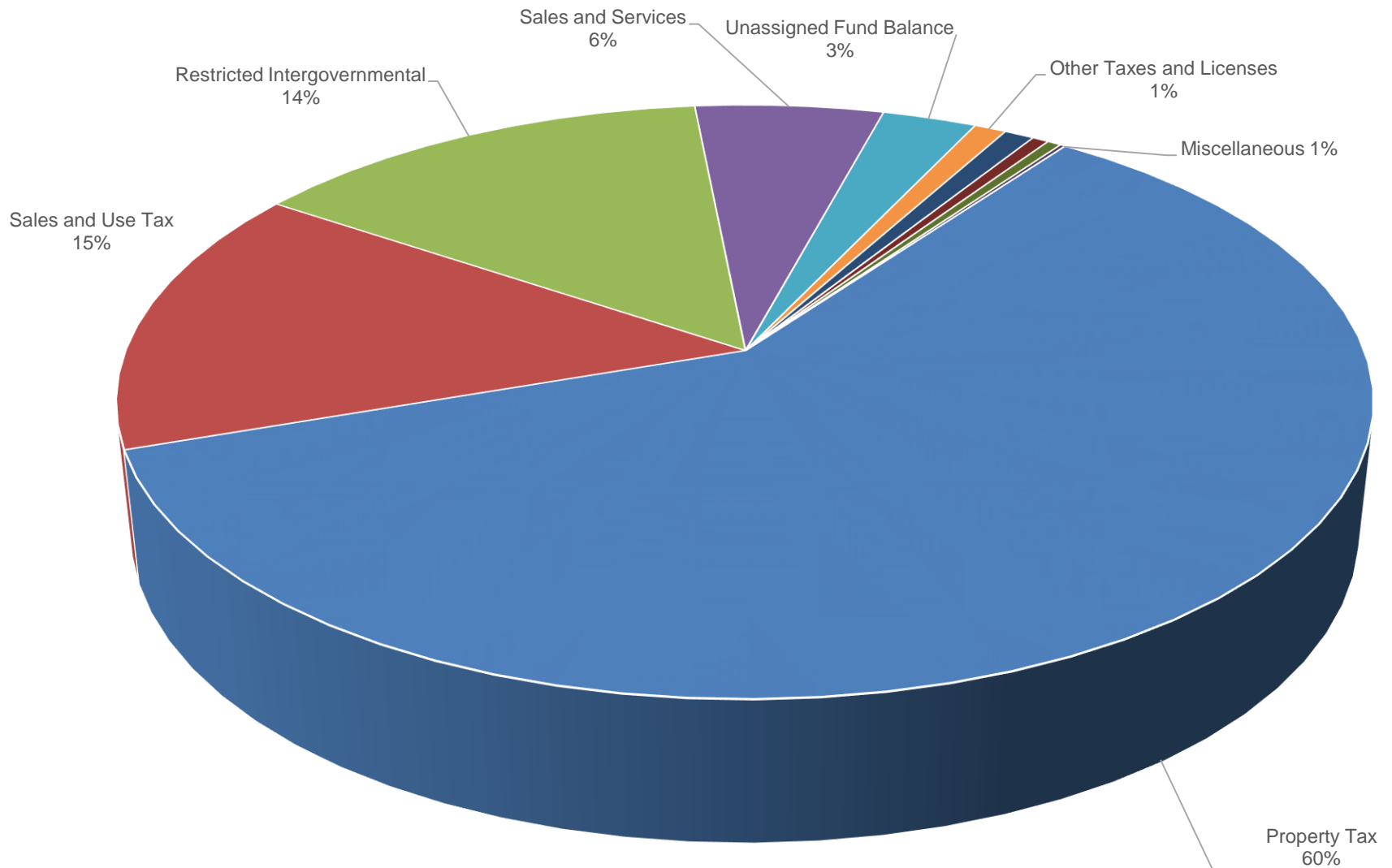
- FY 20-21 - \$1,288,543
- FY 19-20 - \$673,957
- Change - \$614,586
- Increase of 109%

Fee Changes

Personal Health Clinic and Education Fees

- 5% increase to all fees effective 07/01/2020
- Approved by the Board of Health
- Flu vaccination fee change
- See Budget Ordinance page 31 for details

General Fund Revenues by Category



Personnel Recommendations

Recommended New Position

- School Resource Officer – Deputy I
 - Officer will be assigned to EM Holt and Alexander Wilson Elementary Schools

Vacant Positions Frozen

- Detention - Equivalent to 11 full time positions
- DSS - Equivalent to 11 full time positions
- Human Resources - 1 full time position
- Library - 1 full time and 5 part time positions
- Maintenance - 1 full time position
- Total 25 full time and 5 part time positions

Compensation & Benefits

Merit Plan Program Discontinued **-\$552,440**

Retiree Health Contribution Increase = \$335,172

Dental Health Insurance Contribution Increase = \$57,000

- No change in premiums per employee per month

Worker's Compensation Increase = \$116,331

Mandatory LGERS Increase = \$549,796

- Increase law enforcement by 1.20% to 10.90%
- Increase all other employees by 1.20% to 10.21%

Ala Co Equip Plan

- Ambulance (1) = \$195,000
- Sheriff Vehicles (3) = \$121,320
- Transport Vans (2) ICE = \$72,000
- Emergency Management radios = SARA \$10,000

- Rescue Crash Truck financing
 - \$85,000 for Rescue debt service
 - Possible additional funding for equipment
 - Annual payment recurs for 10 years

Capital Needs-Landfill

- Landfill (Enterprise Fund) - \$1,219,000
 - Equipment - \$644,000
 - Hydro Seeder*
 - Heavy Equipment Rebuild*
 - Backup Leachate Pump*
 - 40-Yard Dumpsters*
 - Building - \$25,000
 - Pole Barn*
 - Other Improvement - \$550,000
 - Paving Projects*
 - Design and Permitting for next phase 16-Acre cell*

Debt Service

- Legal Debt Margin = \$1,013,188,890
- Ala County Max Debt Margin = \$450,000,000 (3% of tax base)
- Total Outstanding Principal July 1 = \$40,688,582

Agency	Bonds	Installment
Ala County Govt	\$ -	\$ 4,529,182
Alamance-Burlington School System	15,620,747	3,004,400
Alamance Community College	<u>17,534,253</u>	<u>-</u>
Total	\$ 33,155,000	\$ 7,533,582

- Ala Co Max Annual Debt Payment = \$25,000,000 (15% GF Spending)
- FY 2020-2021 Debt Payments = \$8,571,002
 - Ala County = \$1,497,837
 - Alamance-Burlington = \$4,710,527
 - Ala Community College = \$2,362,637

Alamance-Burlington School System

Recommended Operations Budget

- \$42,003,142
- Decrease of **\$460,000** from FY19-20 Budget

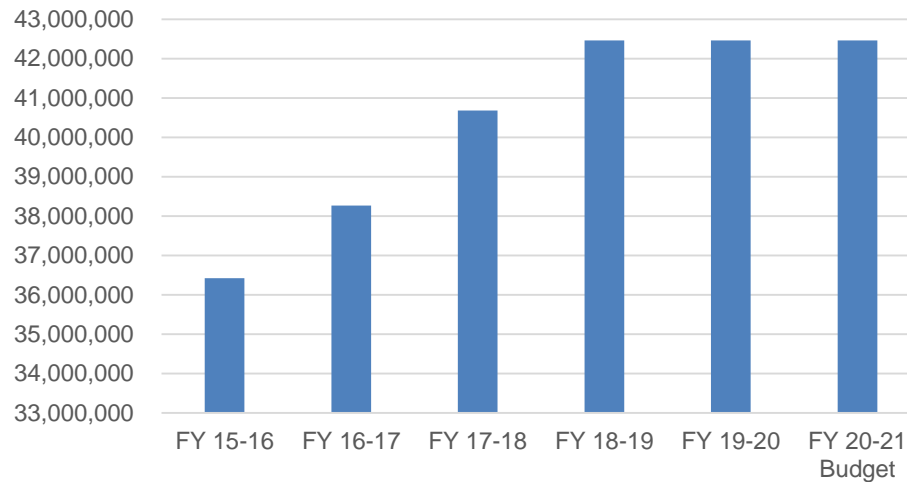
Recommended Paygo Capital Budget

- \$1,200,000
- Decrease of **\$2,100,000** from FY19-20 Budget
- Sales tax revenue projection may add \$1,502,240 to ABSS capital reserve
- May be requested by ABSS for paygo in FY 20-21

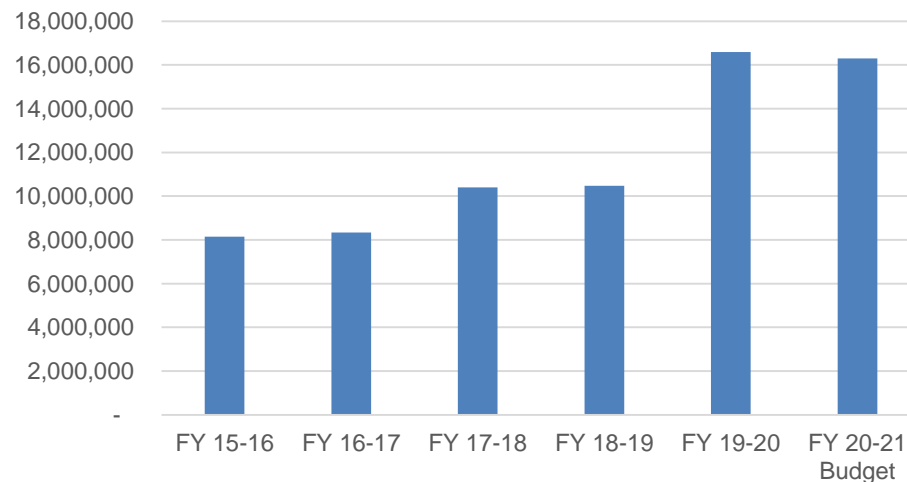
Total Recommended – \$43,203,142

ABSS Funding History

County Funding for ABSS Operations



County Allocations for ABSS Capital



Alamance Community College

Recommended Operations Budget

- \$3,424,312
- Decrease of **\$40,000** from FY19-20 Budget

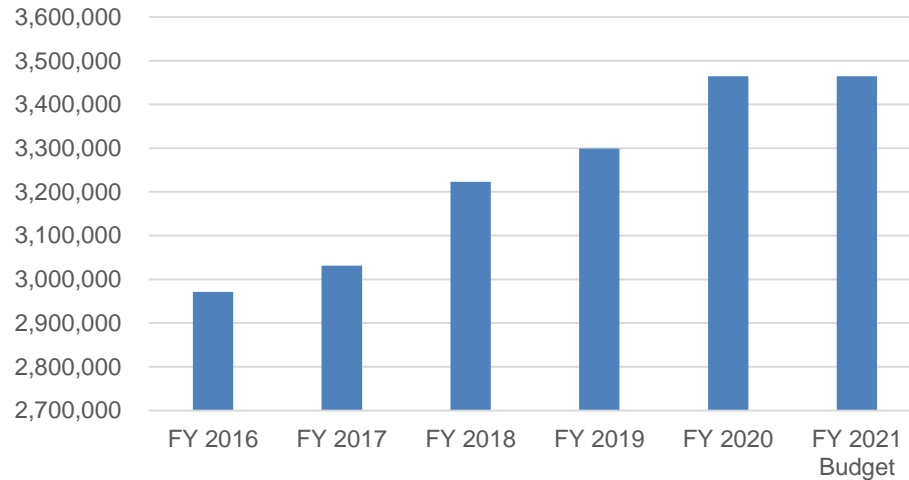
Recommended Paygo Capital Budget

- \$330,000
- Amount stipulated for FY 20-21 in Ala Co Capital Plan

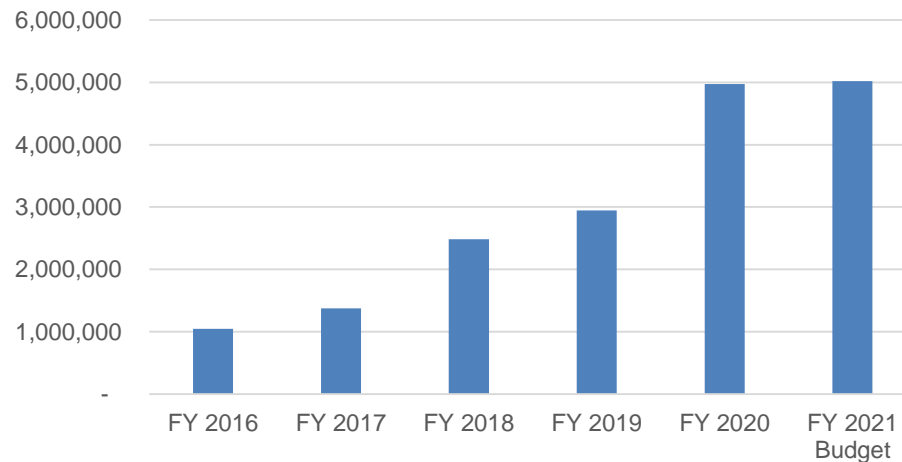
Total Recommended – \$3,754,312

ACC Funding History

County Funding for ACC Operations



County Funding for ACC Capital



Outside Agency Summary

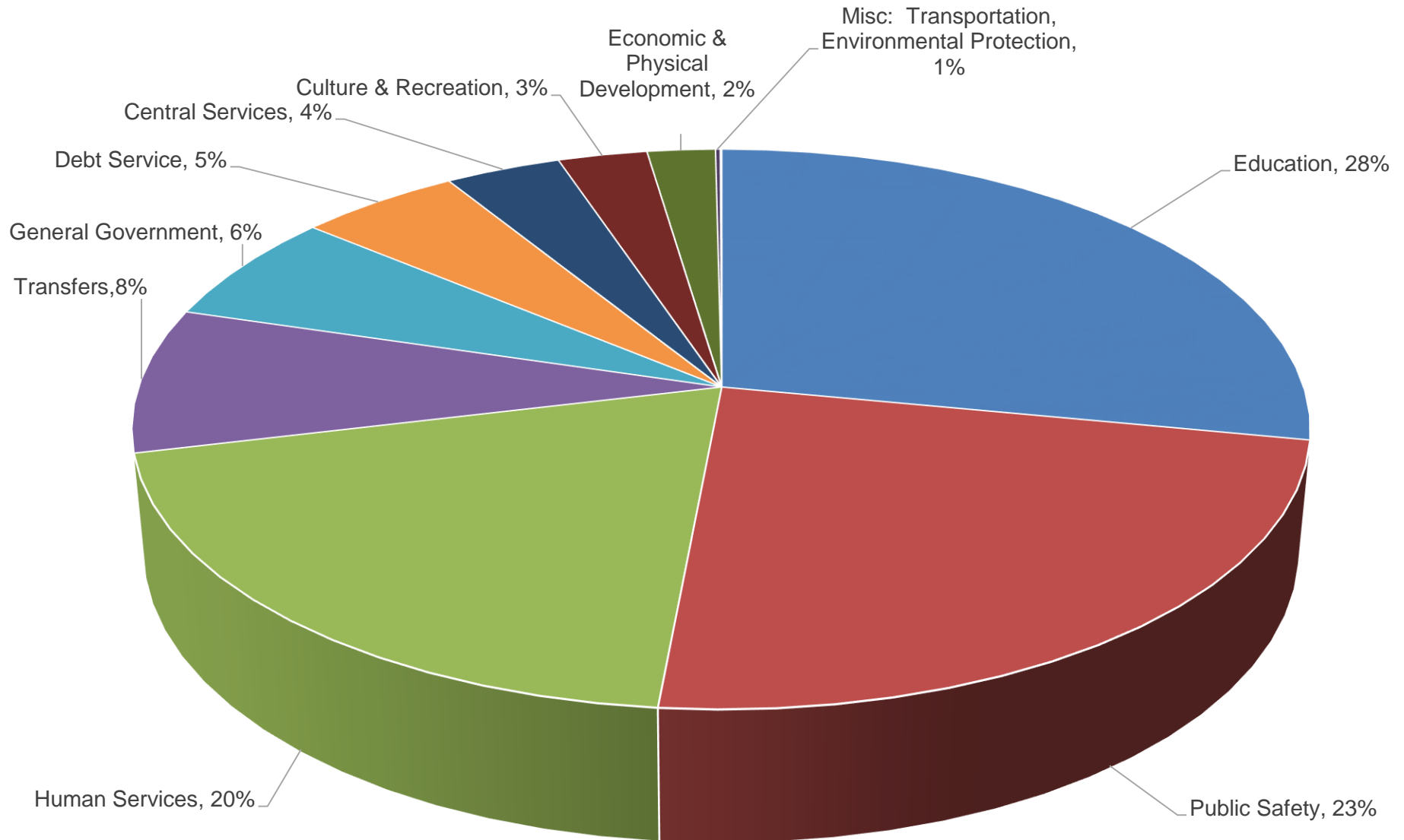
- Total Amount Recommended = \$3,092,149
- Total Grant/Passthru Funds = \$2,140,758
- Total County match/funds = \$951,391
- **-\$36,477** or 4% County match/funds decrease from FY19-20
- Detailed information in MRB book page 47 and 65

Occupancy Tax Information

- Total Recommended - \$442,805
 - Projected 50% decrease from FY19-20
 - 1/3 County Share - \$147,601
 - 2/3 TDA Share - \$295,204

Agency	1/3 County Share	2/3 TDA Share
Tourism Development Authority	\$ 0	\$ 295,204
African-American Cultural Arts	14,153	
Arts Association	45,289	
Glencoe Textile Museum	40,606	
Historic Museum	47,553	

General Fund Expenditures by Function



Recommended Ordinance Change

Section XVII. Purchase Orders

- The purchase amount requiring a purchase order shall be \$1,000.00.
- Previous amount was \$600.00
- Alamance County implementing Purchase card system in FY20-21 with a recommended \$1,000 spending limit.

Volunteer Fire Departments

- Fire district tax increases:

District	19-20 Rate	20-21 MRB	Increase
Faucette	0.11	0.12	0.01
Elon	0.11	0.12	0.01
Eli Whitney	0.08	0.11	0.03

- FY 20-21 Budget - \$5,844,021

Fire District Tax Increase Explanation

Eli Whitney Volunteer Fire Department (3 Cent Increase)

- Technology
- Regulatory change costs
- Changing volunteer workforce

Elon Fire Department (1 Cent Increase)

- Purchased new fire engine
- Financed over 10 years at \$90,000 per year
- 1/3 of fire calls outside of Elon Town limits
- 1 cent increase = \$32,000 about 1/3 cost of new engine
- Equivalent to share of responses outside of Town

Faucette Township Fire Department (1 Cent Increase)

- Vehicle and equipment maintenance costs
- Staffing needs
- Reduction in volunteer response
- Increased paid staffing levels to ensure adequate response

See Page 66 in Budget Book for more details from each Department

Mid Year Considerations

Pre-covid19 Personnel Issues for December 2020 Consideration

- ACSO Compensation Program - *Contingent on sales tax & available salary*
- DSS Compensation Program - *Contingent on sales tax & available salary*
- EMS/CCOM Fluctuating Work Week - *Contingent on sales tax & dept revenues*
- Health Nurses Compensation Program - *Contingent on sales tax revenues*
- Dental Clinic Compensation Program - *Contingent on dept revenues stability*

FY19-20 Budget Reductions for December 2020 Consideration

- Parks Dept
 - Athletic, Seniors, Special Pops and Summer Camp Programming
- Library Books and Materials

FY 2020-2021 Budget Steps

Budget Work Session

Monday, June 8th at 9:00 AM

Ala County Annex, 201 W Elm Street, Graham

Budget Public Hearing

Monday, June 15th at 7:00 PM

Location TBD