

Manager's Recommended Budget

Fiscal Year 2025-2026

Presented: May 19, 2025



Board Priorities

Manager's Recommended Budget FY 25-26



- Transparency
- Proactive Budgeting
- Collaboration
- Data-Driven Decision-Making

No Tax
Increase



FY25-26 Budgetary Challenges

- A flat budget with no tax increase would require \$4.4M in service cuts
- Additional service cuts considered:
 - Closing Library Branches: Graham (-\$584K); Mebane (-\$574K); North Park (-\$176K)
 - Eliminating Positions from nonmandated services: approximately 30 layoffs (-\$648K)
 - Impacting: Governing Body, County Manager, Budget & Management Services, Family Justice Center, Information, Technology, Parks, Register of Deeds, Veteran Services
 - Reducing compensation of the county workforce (-\$2.4M)



Tax Rate

\$0.469

**FY24-25 Adopted
Tax Rate**

\$0.485

**FY25-26 Proposed
Tax Rate**

1.59 cent property tax increase recommended



Tax Rate

Impact of a 1.59 cent Tax Increase on a \$265,200* Home:

Tax Rate of 0.485 = \$47.86 per year increase

Collection Rate projected to be 99.18%

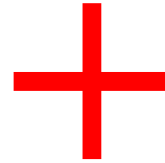


= \$2,652,787
in Tax Revenue

* Median Assessed Home
Value in Alamance County

Additional Revenue Needed

Manager's Recommended Budget FY 25-26



**State-wide mandated increase in
Retirement along with impacts to
salary & fringe benefits
\$2,652,787**

**Revenue loss in sales tax,
intergovernmental, &
fund balance
\$1,570,450**

FY25-26 Overview

Manager's Recommended Budget FY 25-26



General Fund: \$229.7M
+\$4.5M or 2.0% increase
All Funds: \$291.8M
+\$17.9M or 6% increase

*Consumer Price
Index Southeast
Region for the
past 12 months
(April): **2.0%***



Revenues

General Fund Revenues come from the following categories of sources:





Revenues

- Property Tax Revenue: \$118.3M (+\$6.5M)
- RMV Tax Revenues: \$11.3M (+\$1.3M)
- Sales Tax: \$45.6M (-\$368.3K)
- Other Taxes (Real Estate Transfer Tax): \$3.4M (+\$216K)
- Sales and Services: \$11.7M (+\$50.5K)
- Investment Earnings: \$5.8M (+\$2.8M)
- Restricted Intergovernmental: \$27.2M (-\$468.6K)



Revenues

Fund Balance (\$2.9M)

- Reducing reliance on Fund Balance
 - Appropriated Unassigned Fund Balance: \$1M (-\$6.5M)
 - Designated Fund Balance: \$1.9M (+\$808K)
 - Estimated Unassigned Fund Balance was at 19.8% as of the FY23-24 audited financial statements

Budgeting Fund Balance

Manager's Recommended Budget FY 25-26



Total Amount Budgeted:

- \$2.9M
 - Unassigned FB: \$1M (-\$6.5M)
 - Designated FB: \$1.9M (-\$808K)

FY20-21 Adopted

\$3,500,000

FY21-22 Adopted

\$2,766,785

FY22-23 Adopted

\$4,985,827

FY23-24 Adopted

\$6,189,483

FY24-25 Adopted

\$8,663,000

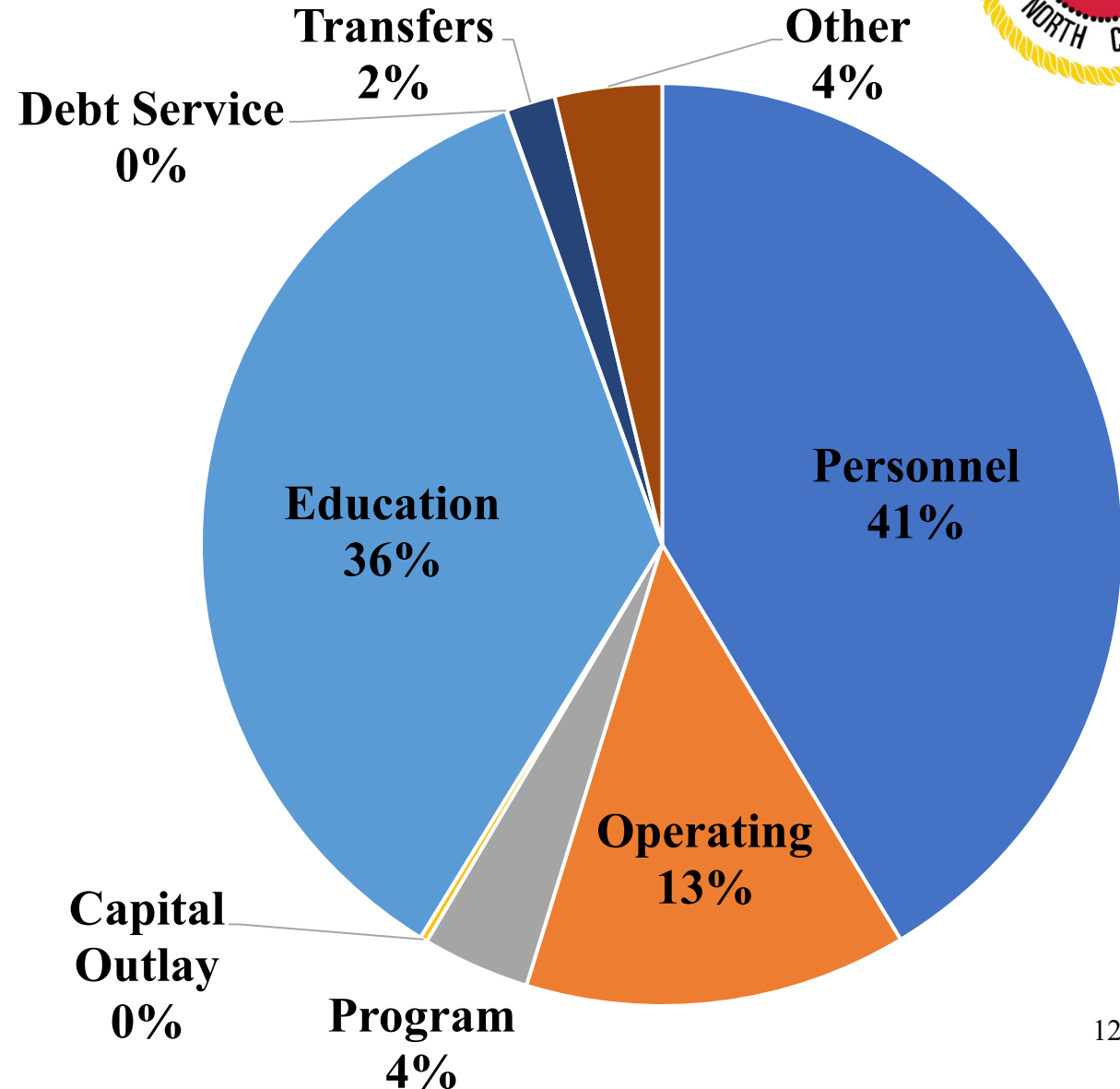
FY25-26 Recommended

\$2,937,489



Expenditures

- Personnel: \$94.9M (+\$5.9M)
- Operating: \$30.8M (+\$1.5M)
- Program: \$8.6M (-\$22K)
- Capital Outlay: \$580K (-\$3.3M)
- Education: \$82.0M (-\$2.5M)
- Debt Service: \$100K (-\$492K)
- Transfers: \$3.9M (+\$3.9M)
- Other: \$8.6M (-\$628K)





Expenditures

General Fund Expenses are made in the following categories:



Cost Reductions

Manager's Recommended Budget FY 25-26



\$9.8M cut from requests; 6.1 cent tax increase needed

- Across the board cuts to all departments include:
 - no increases in training/conferences
 - 11% cut to printer/copier expenses
 - 6% cut to contract services
 - 15% cut to uniform replacements
 - Freeze employee service bonuses (-\$570K)
- Freeze vacant positions in non-public safety departments: HR, GIS, IT, Inspections, Parks (-\$543K)
- Holiday Pay Unfunded (-\$773K)
- Cost of Living Adjustment decreased to 2%



Cost Reductions

- Reduced funding for Rescue Squad; Airport, Economic Development Incentives, Family Abuse Services, Crossroads (-\$525K)
- Reduced Animal Shelter Increase (-\$90K)
- Reduced Parks Operating Budget (-\$50K)
- Applied Vacancy Rates: DSS, EMS, Health, Detention (-\$3.1M)
- CIP Cuts:
 - No vehicles other than ambulances & EM vehicle (Designated Fund Balance) (-\$965,618)
 - Reduced County Facility Maintenance for Emergency Repairs (-\$100K)
 - Removed Phase II AO Ballfield project (-\$650K)



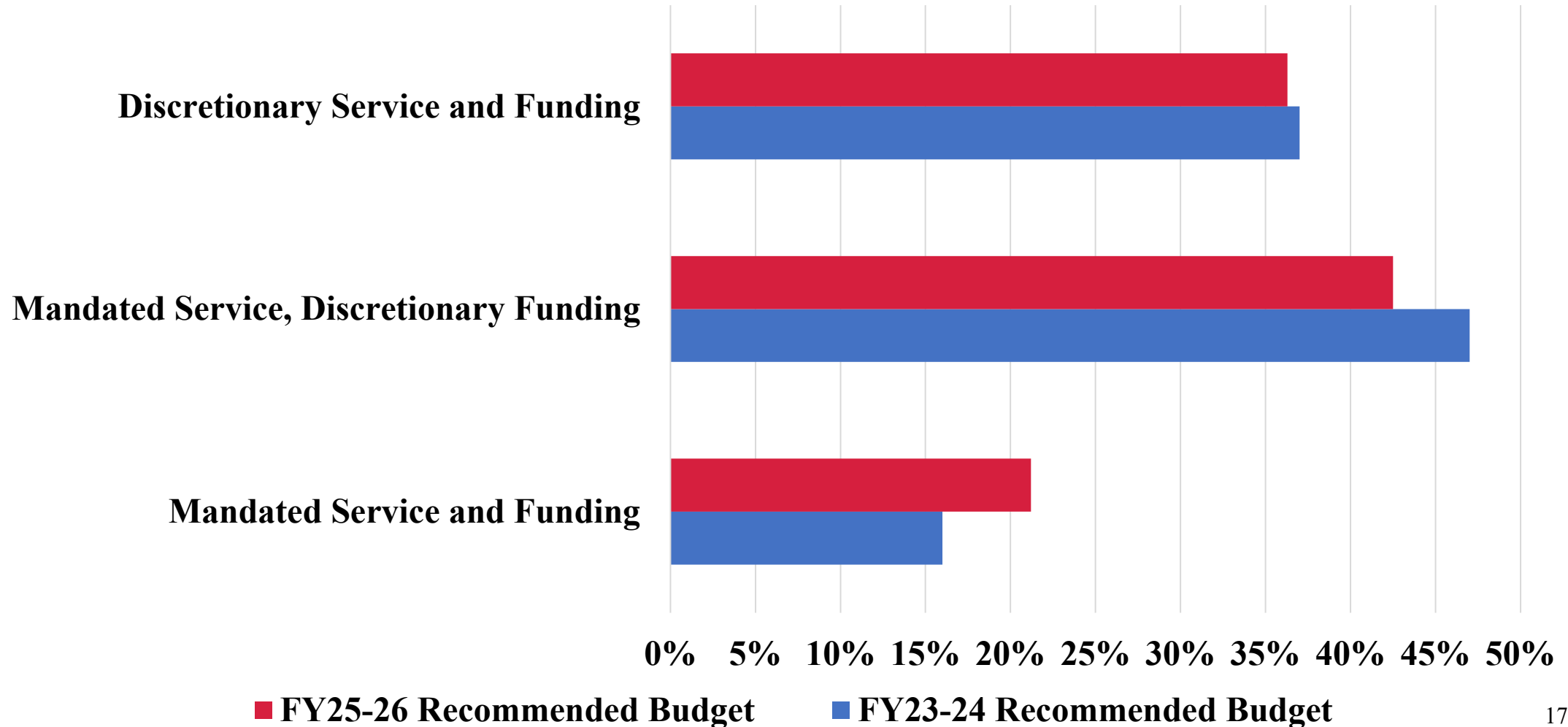
Personnel

31.13 new full-time positions requested and justified with data

- 2 new positions with funding outside of General Fund included:
 - 1.0 FTE Dentist II (Charges for Services)
 - 1.0 FTE Human Services Planner (Opioid Settlement Funds)
- 1 new General Fund position included:
 - 1.0 FTE Assistant County Attorney
- 3 FTE proposed cuts included:
 - manager's office, vacant fire inspector, and DSS vacant position

Mandated vs. Discretionary Spending

Manager's Recommended Budget FY 25-26





Alamance Burlington School System

Total recommended current expense & capital outlay: \$46,795,651

- **Current Expense:** requested \$59,047,151 (+\$5.7M or +10.7%)
Recommend shifting \$10M to Capital Projects; move SRO costs (\$1.3M) to Sheriff's Budget
- **Capital Outlay:** requested \$4.8M; recommend funding

Current Expense	Capital	Fines & Forfeitures	Debt Service	Transfer to Capital Projects	Total
\$41,975,151	\$4,820,500	\$800,000	\$12,955,019	\$11,400,000	\$71,950,670

Alamance Community College

Manager's Recommended Budget FY 25-26



Total recommended current expense & capital outlay: \$5,413,822

- **Current Expense:** Requested \$5,224,453 (+\$347K or +7.1%)
Recommended budget is level with FY24-25 at \$4.9M
- **Capital Outlay:** Requested \$626,000. Recommended budget is level with FY24-25 at \$536K

Current Expense	Capital	Debt Service	Transfer to Capital Reserve	Total
\$4,877,822	\$536,000	\$4,395,111	\$241,767	\$10,050,700



Next Steps

Budget Public Hearing

- June 2, 6:30pm Historic Courthouse

Budget Work Sessions

- June 9, 9:30am Alamance Agricultural Building Auditorium
 - Education and Fire Tax Districts
- June 10, 9:30am Alamance Agricultural Building Auditorium
 - County Departments

Budget Adoption

- June 16, 6:30pm Commissioners' Meeting Room



Copies of the Manager's Recommended Budget & Materials

alamancecountync.gov

