

Budget Work Session 2

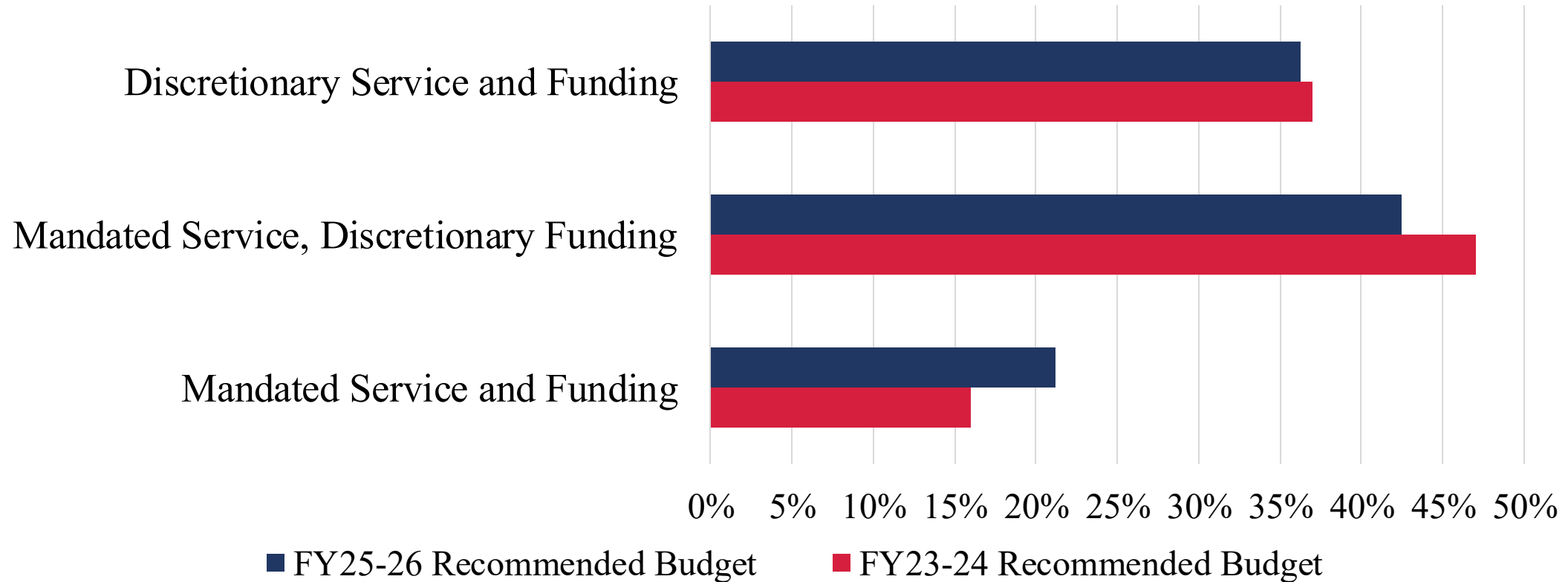
Fiscal Year 2025-2026

Presented: June 10, 2025





Mandated vs Non-Mandated Service Distribution



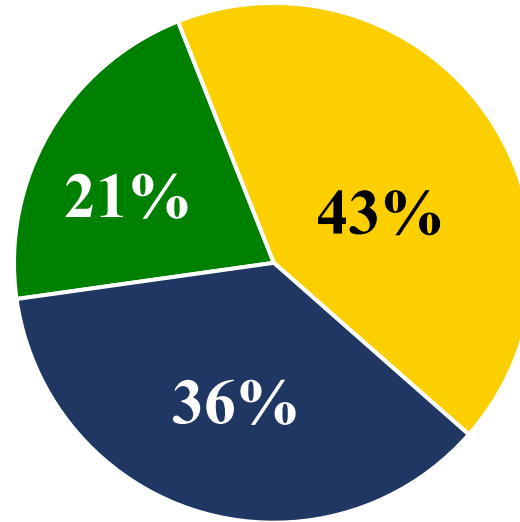
FY25-26 Distribution

FY 25-26 Budget Work Session 2



Mandated Services and Mandated Funding

- Social Services
- Public Health
- Unemployment
- Retirement Contributions
- Law Enforcement Separation Allowance
- Debt Service



Discretionary Services and Discretionary Funding

- | | | |
|--|--------------------------|------------------------|
| • Administration (County Manager, Human Resources, Clerk to Board, Budget) | • GIS | • Economic Development |
| • Facilities Maintenance | • Library | • Court Services |
| • Veteran Services | • Planning | • Animal Shelter |
| | • Parks | • Transportation |
| | • Cooperative Extension | • Fire Marshal |
| | • Information Technology | • Fire Services |
| | • Education Operating | |

Mandated Services and Discretionary Funding

- | | |
|--------------------------|---------------------|
| • Board of Commissioners | • EMS |
| • Board of Elections | • CCOMM |
| • Inspections | • Finance |
| • Public Health | • Detention |
| • Court Facilities | • Medical Examiner |
| • Education Facilities | • Mental Health |
| • Emergency Management | • Register of Deeds |
| • County Attorney | • Sheriff |
| • Tax | • Social Services |
| | • Soil and Water |
| | • Solid Waste |
| | • Health Benefits |



Cost Reductions

\$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)



Impact of Commissioner Proposed Adjustments

- Revenue:
 - Add \$175,000 in revenue to Board of Elections
 - Municipal elections are not held in even numbered years, therefore, no revenue in even years. In odd years (municipal elections) if there is a county-wide referendum/bond on the ballot, & ALL precincts must be open, the municipalities do not reimburse the county. No other type of elections provide reimbursement.
 - Potential elections in FY25-26:
 - October 2025 Burlington Primary-TBD after July candidate filing - Reimbursement Possible (\$115K max)
 - November 2025 Municipal Elections-guaranteed – No Reimbursement
 - March 2026 Mid-Term Primary (Federal, State and Local)-guaranteed – No Reimbursement
 - May 2, 2026 Primary-TBD – Reimbursement Possible (\$62K max)



Impact of Commissioner Proposed Adjustments

- Reduce merit pay from 3% to 2% (budget 1.5% instead of 2.5%)
 - FY25-26 Recommended Budget Merit Pay budgeted at 2.5%
 - \$1,957,732
 - FY25-26 Commissioner Proposed Merit Pay budgeted at 1.5%
 - \$1,174,639
- Savings = \$783,093



Impacts of Commissioner Proposed Adjustments

Estimated savings: \$1.1M proposed - \$600K contract offset to staff reductions = \$500K

- Reduce staff – Tax Department
 - Removing 5 FTEs: the County would need to increase the contract with Vincent Valuations for an additional \$600K for appraisal work that must occur outside of the reval. process. FY24-25 Benchmarking Data shows that the number of FT positions in the Tax Dept is 7 fewer than the benchmarking average.
- Reduce staff – Library
 - Removing 6 FTEs: the County would need to either close a branch or reduce hours across multiple branches to adjust for reduced staffing. FY24-25 Benchmarking Data shows that the number of FT positions in the Library system is 5 fewer than the benchmark average.



Impacts of Commissioner Proposed Adjustments

Estimated savings: \$1.1M proposed - \$600K contract offset to staff reductions = \$500K

- Reduce staff – County Manager's Office
 - Removing 2 FTEs: the management of 25 departments would be divided between two managers instead of four, limiting the capacity to undertake special projects, respond to requests for information, oversee capital improvement efforts—such as building renovations, new construction, and economic development projects—and adequately support and respond to Board and departmental requests. FY24-25 Benchmarking Data shows that the number of FT positions in the County Manager's Office is 2 fewer than the benchmarking average.



Impact of Commissioner Proposed Adjustments

- Reduce transfer from General Fund to County Capital Fund from \$3,921,019 to \$1,521,019: -\$2,400,000
 - Recommended Capital Projects:
 - Technology: \$878,900
 - Computers
 - Facilities Improvements: \$1,998,437*
 - Roof, HVAC, Clinic Flooring
 - Equipment: \$225,682
 - EMS, Sheriff
 - Vehicles: \$818,000*
 - Ambulance, Medic Unit Truck, EM Truck for SARA Program

*Includes \$355,331 in designated fund balance and \$103,553 in occupancy tax proceeds



Impact of Commissioner Proposed Adjustments

- Remove \$25K to City of Burlington Transit: -\$25,000
- Restore funding for Crossroads and Family Abuse Services: +\$150,000
- Restore airport funding: +\$125,000
- Restore Alamance Rescue Squad funding: +\$125,000



Adjustments to the Recommended Budget



Next Steps

Budget Adoption

- June 16, 6:30pm Historic Courthouse*

*location has changed



Copies of the Manager's Recommended Budget & Materials

alamancecountync.gov





Afternoon Slides



Commissioner

Proposed Adjustments: Revenue Recap

- Add Revenue to Board of Elections **+\$175,000**
- Remove Recommended property tax increase of 1.59 cents **-\$4,200,000**
- Increase the projected sales tax growth rate from 3% (of the updated estimate for FY24-25 of \$44,286,203 of the governor's 4.5%) **+\$664,293**
- Appropriate the unfunded Bond Par for ABSS Capital Projects **+\$1,370,000**
- Increase the appropriated fund balance from \$2.9million to \$3.6 million **+\$700,000**



Commissioner

Proposed Adjustments: Expenditure Recap

- Reduce budgeted merit pay from 2.5% to 1.5% (pay for "exceeds expectations" only) **-\$757,544**
- Reduce staff (Tax -5.0 FTE, Library -6.0 FTE, Administration -2.0 FTE) **-\$1,100,000**
- Reallocate \$25,000 from City of Burlington Transit to Crossroads **\$0**
- Reduce transfer from General Fund to County Capital Fund from \$3,921,019 to \$1,521,019 **-\$2,400,000**
- Restore funding for Crossroads and Family Abuse Services **+\$150,000**
- Restore Airport Funding **+\$125,000**
- Eliminate 8 positions from county government **-\$648,000**



Commissioner

Proposed Adjustments: Revenue + 2 cent

- Increase property tax to a total of 2 cent increase (.489)
+\$1,082,336



Commissioner

Proposed Adjustments: Expenditure + 2 cent

- Restore Funding to Airport +**\$125,000**
- Restore Funding to Rescue Squad +**\$125,000**
- Restore Funding to Family Abuse Services +**\$75,000**
- Restore Funding to Crossroads +**\$75,000**
- Restore Economic Development Incentives +**\$50,000**
- Restore Frozen positions at 10 months only and eliminated positions +**\$632,336**



Commissioner

Proposed Adjustments: Revenue – Increase Fund Balance

- Increase the appropriated fund balance by \$8 Million
+\$8,000,000



Commissioner

Proposed Adjustments: Expenditure— Increase Fund Balance

- Restore County CIP
+\$4,000,000
and
- Increase ABSS Capital and current expense by \$4 Million
+\$4,000,000