

**SUBMISSION OF
PROPOSED ANNUAL BUDGET
TO THE
ROWAN COUNTY
BOARD OF COMMISSIONERS**



Fiscal Year 2019

Fund 101 - General Fund

Aaron Church, County Manager

May 21, 2018

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I. EXECUTIVE SUMMARY

As the Manager and Budget Officer for Rowan County, it's a true honor to present the proposed operating budget of the General Fund for the fiscal year (FY) 2019. The requested expenditures for the General Fund total \$193,691,395, a \$44,339,869 or 29.7% increase from last year's budget. The requested budget would require an approximate 36.6 cents tax rate increase, from 66.25 cents to 102.85 cents, per \$100 of valuation.

The recommended budget is in the amount of \$151,977,628, a \$2,626,102 or 1.8% increase from last year's budget. The budget is balanced and prepared in accordance with the Local Government Budget and Fiscal Control Act.

The central themes for this budget are increased funding for public education and public safety and maintaining our current level of services.

If the local economy does not continue growing to expand our tax base, a property tax rate increase will be required to maintain the current and expanded services recommended in this budget.

REVENUE HIGHLIGHTS

Property Tax

The projected tax base for FY 2019 is \$12,460,000,000 and includes real property, personal property and vehicles, with a tax collection rate of 97.75%. This is a 1.96% increase over last year's \$12,220,000,000 tax base.

The recommended FY 2019 tax rate of 66.25 cents will produce \$80,246,239, a 1.98% increase in revenue over last year's \$78,690,554 projection.

Sales Tax

Of the 7 cents of sales tax charged on purchases in the County, Rowan County Government receives 2¼ cents. The County shares proceeds with the municipalities in the amount of \$3,050,000 for the hold harmless provision in the Medicaid Relief Swap Project initiated by the State in FY 2008. The Article 46¼ cent sales tax, approved by the voters in the November 2010 referendum, is dedicated to public safety.

For FY 2018, the recommended budget included an increase in sales tax of 6.3%, or \$1,400,000. The FY 2019 recommended budget includes an increase of \$1,200,000 or 5.1%, net of the municipal hold harmless. This increase does not include expected revenues from the recent expanded base.

As outlined in the North Carolina General Statutes, the local option one-half cent sales tax known as Article 40 (enacted in 1983) requires that 30% of the proceeds be restricted for public school capital outlay; also, the local option one-half cent sales tax known as Article 42 (enacted in 1988) restricts 60% of its proceeds for the same purpose. Staff estimates that these restricted revenues will provide \$5,250,000 for public school capital outlay. In accordance with an agreement with the Rowan-Salisbury Board of Education, a portion of the above referenced sales tax proceeds (\$2,500,000) will be allocated for the retirement of debt associated with school construction.

Lottery Revenues

In the past, State law required 40% of lottery proceeds to be set aside for school construction. In the 2013 North Carolina Legislative Session, this 40% earmark was eliminated. Now 100% of the funds are paid to the State to be appropriated to the counties at its discretion. The recommended County budget includes \$1,300,000 in lottery funding to pay school debt payments as promised with the lottery approval in 2005.

Fund Balance

All local governments in North Carolina maintain a fund balance to provide cash flow, in part because property taxes, the largest revenue source for local governments, do not become due until January 5th of each fiscal year. The FY 2019 recommended fund balance appropriation to balance the budget is \$10,956,627.

This is \$1,040,962 more than last year's \$9,915,665, a 10.5% increase.

EXPENDITURE HIGHLIGHTS

Education

Rowan County Schools make up approximately 37.8%, or \$57,510,482, of the recommended County budget. This includes \$45,430,012 for operating, and \$12,080,470 for debt service. Operating costs consist of current expense and recurring capital.

The total requested amount from Rowan County Schools (excluding debt service) is \$84,272,589, a 91.5% or \$40,263,421 increase over last year's budgeted amount. To provide this increase would require a 33.2 cents property tax rate increase.

	<u>FY 2018 Original Budget</u>	<u>FY 2019 Requested Budget</u>	<u>Difference in Requested and Original</u>	<u>% Increase</u>
RCCC	\$ 3,037,498	\$ 4,686,670	\$ 1,649,172	54.3%
Rowan-Salisbury Schools	37,943,462	48,051,705	10,108,243	26.6%
Kannapolis City Schools	2,486,609	30,992,615	28,506,006	1,146.4%
Charter Schools	<u>541,599</u>	<u>541,599</u>	-	0.0%
Total	<u>\$ 44,009,168</u>	<u>\$ 84,272,589</u>	<u>\$ 40,263,421</u>	91.5%

The total recommended amount to be paid directly to Rowan County Schools in the FY 2019 budget is \$40,430,012 a 3.5% or \$1,570,844 increase.

	<u>FY 2018 Original Budget</u>	<u>FY 2019 Recommended Budget</u>	<u>Difference in Recommended and Original</u>	<u>% Increase</u>
RCCC	\$ 3,037,498	\$ 3,237,498	\$ 200,000	6.6%
Rowan-Salisbury Schools	37,943,462	39,080,357	1,136,895	3.0%
Kannapolis City Schools	2,486,609	2,623,791	137,182	5.5%
Charter Schools	<u>541,599</u>	<u>488,366</u>	<u>(53,233)</u>	-9.8%
Total	<u>\$ 44,009,168</u>	<u>\$ 45,430,012</u>	<u>\$ 1,420,844</u>	3.2%

Capital

The recommended budget includes \$1,720,850 for a few large one-time capital items, as listed below:

<u>Item</u>	<u>Cost</u>
West Branch Library	\$ 825,000
EMS Base Station (Cleveland)	650,000
New Voting Machines	245,850

The debt service budget lines for DSS renovation, principal and interest was \$536,060 in FY 2018. In FY 2019, the last debt service payment for this Project is due in the amount of \$261,240. The reduction in these budget lines of \$274,820 is recommended in the FY 2019 budget to increase the transfer to the West End Plaza Capital Projects Fund (Fund 317) from \$615,000 to \$889,820. It is the intent to recommend that the remaining reduction in FY 2020 also be transferred to Fund 317, resulting in a transfer of \$1,151,060 in FY 2020. Further, when the debt service for the Town Creek Water Project begins to decrease from FY 2019 to FY 2020 (\$148,900) and from FY 2020 to FY 2021 (\$140,400), the Board may decide to also transfer these reductions to Fund 317.

Currently, there is approximately \$700,000 available in Fund 317. If the above scenarios are adopted, the County could have a balance of \$4,330,140 in Fund 317 at the beginning of FY 2022, as follows:

FY 2018 Balance	\$ 700,000
FY 2019 Transfer	889,820
FY 2020 Transfer	1,299,960
FY 2021 Transfer	<u>1,440,360</u>
Projected FY 2022 Beginning Balance	<u>\$ 4,330,140</u>

II. CONTINUATION EXPENDITURE BUDGET

The objective of the Continuation Budget is to maintain a level of services comparable to previous years while restricting increases in expenditures to those areas where either mandated or contractual obligations occur. For example, an effort has been made to allow minimal increases to recognize increases in utilities, repairs and maintenance, postage and other essential operating costs. Also, adjustments have been allowed for the replacement of needed equipment and vehicles. It is staff's responsibility to carefully analyze, review and adjust all requests to provide for a minimal overall growth in our continuing operations. The Continuation Budget includes the following major items:

1. The County's self-insured employee health plan is budgeted at \$750 per employee per month for all full-time employees. The Expansion Budget recommends an increase of \$30 per employee per month.
2. The proposed budget includes 25 vehicle purchases at a purchase cost of \$1,235,475 for the departments as follows:

<u>Department</u>	<u>Vehicles</u>	<u>Estimated Cost</u>
Animal Enforcement	3	\$ 89,400
Emergency Services	3	474,909
Parks and Recreation	1	29,500
Sheriff	<u>18</u>	<u>641,666</u>
Total	<u>25</u>	<u>\$1,235,475</u>

As in the past, the cost of the vehicles will be financed over three years.

3. The appropriations made by the Board to Rowan County Schools for current expense and capital outlay has been continued at the same level as funded in FY 2018-19.
4. The appropriation to Cardinal Innovations has been recommended at \$492,000.

III. EXPENDITURE EXPANSION BUDGET

It is the Manager's responsibility to recommend a proposed operating budget to the Board of County Commissioners. Importantly, the responsibility also includes advising the Board on statutory regulations dealing with fiscal accountability under State law. For the Board's review of the proposed budget, every request submitted by Department Directors and Elected Officials for expansion of programs, services and positions, and other requests have been listed for the reader on Attachments 3-5 as follows:

Attachment 3 – FY 2019 Expansion Budget Requests with Manager's Recommendations
- Other Expenditures

Attachment 4 – FY 2019 Expansion Budget Requests with Manager's Recommendations
- New Positions and Upgrades

Attachment 5 – FY 2019 Expansion Budget Requests with Manager's Recommendations
- Special Appropriations

The County Manager's recommendation for funding is outlined on these Attachments. Detailed support for these requests can be found in the FY 2019 Budget Requests notebook under the appropriate section listed by department or agency.

The total of all County-funded expansion requests submitted for consideration in the General Fund amounted to \$45,238,454 and represented, for the most part, efforts to improve and expand services and benefits to the citizens of our County; however, funds are not available to provide for all the requests unless the Board elects to substantially increase the current property tax rate. The total recommended expenditures in the Expansion Budget equal \$5,029,912.

The following is a summary of the major items addressed in the recommended Expansion Budget.

Proposed Position Upgrades and Career Development

The FY 2019 budget recommends approving the following upgrades. The below costs include salary and benefits.

<u>Department</u>	<u>Title</u>	<u>Approximate Cost</u>
Health Department	Office Supervisor V to Medical Revenue & Records Supervisor	\$ 3,437
Health Department	Budget Analyst to Administrative Services Manager	5,986
Library	Library Manager to Deputy Director	13,760
Library	Librarian II to Adult Services Supervisor	4,872
Register of Deeds	Staffer to Assistant Register of Deeds	4,713
Register of Deeds	Staffer to Senior Assistant Register of Deeds	6,843
Sheriff	Master Deputy to Sergeant	2,850
Social Services	Office Assistant III to Income Maintenance Caseworker I	4,242
Social Services	Office Assistant III to Income Maintenance Caseworker I	6,644
Social Services	Office Assistant III to Income Maintenance Caseworker I	5,861
Social Services	Office Assistant III to Income Maintenance Caseworker I	6,746
Veteran Services	Office Assistant III to Veteran Services Technician	<u>5,188</u>
Total Increase		71,142
Less - Portion of Social Services increases covered by State and federal dollars		<u>(16,446)</u>
Total County Cost		<u>\$ 54,696</u>

In addition to the recommended upgrades the budget recommends the following:

- Building Inspections incentives program for certificates acquired at a cost of \$8,218.
- Stipends paid for certain specialty or skill assignments for deputies at a cost of \$43,682. The following special teams will be eligible for a \$50 stipend each pay period: Special Response Team, K-9 Handlers and Hostage Negotiators.
- A placeholder of \$750,000 that the board may utilize to fund the outcome of the Law Enforcement pay study.

Proposed New Full-time Positions

During this year’s budget process, Department Directors and Elected Officials requested 23 new positions at a cost of \$1,448,818. Attachment 4 provides a list of requested positions and their estimated cost.

The FY 2019 budget recommends approving the following full-time positions, and the table below is followed by detailed justification:

<u>Department</u>	<u>Title</u>	<u>Approximate Cost</u>
Building Inspections	Permit Assistant	\$ 47,249
Sheriff	Deputy assigned to RCCC North	115,837
Sheriff – Detention Center	Lieutenant	93,243
Sheriff – Detention Center	Lieutenant	93,243
Social Services	Income Maintenance Supervisor II	<u>67,593</u>
Total increase		417,165
Less - Portion covered by State and federal dollars		(47,014)
Less - RCCC North campus reimbursement		<u>(115,837)</u>
Total County Cost		<u>\$ 254,314</u>

Building Inspections – Permit Assistant

This position is very much needed. New building permits have doubled in the last four years and new commercial permits are at their highest level since 2009. The County currently has two permit assistants that work the front desk. Recently, a part-time assistant was added due to increased volume of calls, requests for help and walk-in customers. Without this position, the level of customer service Building Inspections has achieved will decline.

Sheriff’s Office – Deputy at Rowan-Cabarrus Community College (RCCC) North Campus

This position was requested by RCCC. The County will be reimbursed for the cost of the position.

Sheriff’s Office – Detention Center Lieutenants

Adding two Detention Center Lieutenants will provide a Lieutenant position to each Detention Squad. Currently, two Lieutenants are split between the Detention Annex facility and the downtown facility. These two positions will improve supervision and experience, specifically on the night shifts and weekends.

Social Services – Income Maintenance Supervisor II

Recent changes by the State of North Carolina require recoupment of overpayments from a county responsible for the erroneous issuance of Medicaid or NC Health Choice benefits. Adding a supervisor will lower the staff to supervisor ratio and provide additional time to ensure the benefit products created meet the State and federal standards.

Employee Cost-of-Living Adjustment (COLA)

The FY 2019 budget recommends a 2.5% Cost-of-Living Adjustment pay increase for every County employee and official, including seasonal, part-time, temporary, elected and appointed, for \$1,008,781. This shall include Board of Commissioners, Health, Elections and Social Services as well.

Economic Development

The recommended budget continues to include \$1,200,000 of sales tax funding to be spent on economic development. In 2016, the North Carolina General Assembly expanded sales taxes on services not previously required to include sales tax. Some of these services included auto repairs, HVAC work and other items.

Rowan-Cabarrus Community College

For FY 2019, the College requested an increase in current expense of \$299,172. The Expansion Budget recommends an increase of \$200,000, bringing the total current expense appropriation to \$2,742,489. The Expansion Budget also includes a debt service appropriation of \$150,000 for the following capital expenses: mass notification system at the North Campus, repair and roof replacement of Building 200, and parking lot repairs.

Public Schools

Current Expense

The appropriations for public schools' current expense and capital outlay are made in accordance with the projected average daily membership (ADM) of each school unit. The State Department of Public Instruction provides these estimates. The estimated average daily membership percentages for school year 2018-19 are provided below:

School System	FY 2016		FY 2017		FY 2018		FY 2019	
	Students	%	Students	%	Students	%	Students	%
Rowan-Salisbury Schools	19,905	93.3	19,668	92.7	19,257	92.5	19,080	92.5
Kannapolis City Schools	1,284	6.0	1,287	6.1	1,262	6.1	1,281	6.2
Charter Schools	<u>153</u>	<u>0.7</u>	<u>248</u>	<u>1.2</u>	<u>297</u>	<u>1.4</u>	<u>258</u>	<u>1.3</u>
Totals	<u>21,342</u>	<u>100.0</u>	<u>21,203</u>	<u>100.0</u>	<u>20,816</u>	<u>100.0</u>	<u>20,619</u>	<u>100.0</u>

According to State and local estimates for the average daily memberships, it is projected that Rowan-Salisbury Schools will lose 177 students, Kannapolis City Schools will gain 19 students and Charter Schools will lose 39 students.

This budget recommends an increase in the County's appropriation to the public schools' current expense of \$1,070,224. Proposed current expense funding for the School Systems is detailed below:

<u>School System</u>	<u>FY 2018</u>	<u>Proposed Increase</u>	<u>Total Proposed Funding for FY 2019</u>
Rowan-Salisbury Schools	\$ 35,116,372	\$ 1,000,000	\$ 36,116,372
Kannapolis City Schools	2,301,338	123,456	2,424,794
Charter Schools	<u>541,598</u>	<u>(53,232)</u>	<u>488,366</u>
Total Current Expense	<u>\$ 37,959,308</u>	<u>\$ 1,070,224</u>	<u>\$ 39,029,532</u>

Important Note: The annual appropriation made to the School Systems for classroom teachers' supplies, or as a separate education appropriation, is not part of the current expense funding reflected above and has been continued in the Continuation Budget.

Schools Special Appropriation

Since FY 1999, the Board of County Commissioners has appropriated a sum of County funds for the purpose of providing supplies and materials to classroom teachers, or as a separate education appropriation. The appropriation made by the Board has been in the amount of \$375,000 to Rowan-Salisbury Schools, with a comparable amount to the other School Systems based upon average daily membership (ADM). I have included the funds for this appropriation in the Continuation Budget.

Schools Capital Outlay

The Board has routinely appropriated the proceeds from the restricted portions of the local option sales taxes for debt service to the public schools for use in capital outlay and technology. It is anticipated that the following amounts will be received and be eligible for distribution in FY 2019:

	<u>FY 2018</u>	<u>FY 2019</u>	<u>Difference</u>
Estimated Revenue from Article 40 Restricted	\$ 1,700,000	\$ 1,750,000	\$ 50,000
Estimated Revenue from Article 42 Restricted	3,400,000	3,500,000	100,000
Deduct: Principal Payments for Bonds	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>-</u>
Sales Tax Appropriation for Capital Outlay	<u>\$ 2,600,000</u>	<u>\$ 2,750,000</u>	<u>\$ 150,000</u>

There is approximately \$635,000 provided in Debt Service in line items School Loan Principal and School Loan Interest that maybe utilized by the school systems for immediate capital needs.

The proposed appropriation for capital outlay, utilizing the restricted portion of the local option sales taxes based on the projected ADM for FY 2019, is as follows:

Rowan-Salisbury Schools	\$ 2,576,985
Kannapolis City Schools	<u>173,015</u>
Total Appropriation for FY 2019	<u>\$ 2,750,000</u>

Appropriation of Expanded Sales Tax Base Revenue

The recommended budget includes \$1,000,000 of the expanded sales tax to be spent on education. The funds are allocated based on ADM percentages to Rowan-Salisbury Schools, Kannapolis City Schools and Charter Schools in the amounts of \$925,400, \$62,100 and \$12,500, respectively.

Special Appropriations to Non-County Agencies

Annually, many agencies and non-profit groups request funds from Rowan County to provide their services. These special grants and appropriations are made on an annual basis with consideration to continue the funding. A complete listing of the requests can be found on Attachment 5.

IV. CONCLUSIONS FROM THE PROPOSED FY 2019 BUDGET

Rowan County is fortunate to have a professional and solid Finance Department under the leadership of Assistant County Manager/Finance Director Leslie Heidrick. Much of the credit for this budget goes to Leslie, Rita Peters (Accountant) and Jim Howden (Assistant Finance Director).

The proposed budget for FY 2019 reflects growth in property tax revenue due to small incremental growth, a sales tax revenue increase and expansion of the sales tax base.

If you have any questions regarding the proposed budget, please contact staff or myself.

**ROWAN COUNTY
MANAGER'S BUDGET SUMMARY
FY 2019 RECOMMENDED BUDGET
REVENUES**

ATTACHMENT 1

Description/Department	FY 2017	FY 2018	FY 2019	Dollar Difference to 2018 Budget	Percent Difference to 2018 Budget
	Actual Amounts	Original Budget	Recommended Budget		
AD VALOREM TAX - CURRENT YEAR	\$ (71,871,019)	\$ (72,000,000)	\$ (73,474,000)	\$ 1,474,000	2.0%
AD VALOREM TAX - NCVTS	(7,591,480)	(7,561,000)	(7,692,000)	131,000	1.7%
AD VALOREM TAX - PRIOR YEARS	(1,531,196)	(1,500,000)	(1,350,000)	(150,000)	-10.0%
AD VALOREM - WRITE OFF COLL	(104,568)	(50,000)	(80,000)	30,000	60.0%
ABATEMENTS - CURRENT YEAR	307,531	250,000	300,000	(50,000)	-20.0%
ABATEMENTS - PRIOR YEARS	212,104	200,000	150,000	50,000	25.0%
TAX DISCOUNTS	598,751	620,000	620,000	-	0.0%
DOG TAXES	(19,515)	(15,000)	(15,000)	-	0.0%
TAX OVER/SHORT	-	-	-	-	N/A
INTEREST - TAXES	(436,303)	(420,000)	(410,000)	(10,000)	-2.4%
PENALTIES - GARNISHMENTS	(152,960)	(120,000)	(140,000)	20,000	16.7%
INTEREST - NCVTS	(51,833)	(50,000)	(50,000)	-	0.0%
1 CENT SALES TAX	(9,946,801)	(10,000,000)	(10,325,000)	325,000	3.3%
MUNI HOLD HARMLESS	2,872,416	3,000,000	3,050,000	(50,000)	1.7%
1/2 CENT - ARTICLE 40 - UNRESTRICTED	(4,593,562)	(4,700,000)	(4,850,000)	150,000	3.2%
1/2 CENT - ARTICLE 40 - RESTRICTED	(1,660,530)	(1,700,000)	(1,750,000)	50,000	2.9%
1/2 CENT - ARTICLE 42 - UNRESTRICTED	(1,564,954)	(1,500,000)	(1,700,000)	200,000	13.3%
1/2 CENT - ARTICLE 42 - RESTRICTED	(3,321,060)	(3,400,000)	(3,500,000)	100,000	2.9%
1/2 CENT - ARTICLE 44 - UNRESTRICTED	(2,290,393)	(2,200,000)	(2,475,000)	275,000	12.5%
1/4 CENT - ARTICLE 46 - UNRESTRICTED	(3,145,118)	(3,100,000)	(3,250,000)	150,000	4.8%
REAL ESTATE TRANSFER TAX	(430,158)	(400,000)	(460,000)	60,000	15.0%
ABC 5 CENTS/BOTTLE	(41,658)	(45,000)	(50,000)	5,000	11.1%
BEER & WINE EXCISE TAX	(349,783)	(360,000)	(360,000)	-	0.0%
ABC PROFIT DISTRIBUTIONS	(148,660)	(150,000)	(150,000)	-	0.0%
OCCUPANCY TAX	(420,213)	(450,000)	(1,070,000)	620,000	137.8%
OCCUPANCY TAX PENALTIES	(47)	-	-	-	N/A
HEAVY EQUIPMENT TAX	(30,390)	(35,000)	(40,000)	5,000	14.3%
RENTAL VEHICLE TAX	(64,825)	(60,000)	(65,000)	5,000	8.3%
PRIVILEGE LICENSES	(4,880)	-	(4,000)	4,000	100.0%
PAYMENT IN LIEU OF TAXES	(35,745)	(30,000)	(25,000)	(5,000)	-16.7%
CONTRIBUTION - KANNAPOLIS	-	(62,500)	(62,500)	-	0.0%
CONTRIBUTION - SALISBURY	-	(50,000)	(50,000)	-	0.0%
CABLEVISION FRANCHISE FEE	(407,313)	(400,000)	(390,000)	(10,000)	-2.5%
INTEREST - GENERAL FUND	(398,217)	(310,000)	(480,000)	170,000	54.8%
RENT - AGRICULTURE BLDG	(18,348)	(18,300)	(18,300)	-	0.0%
RENT - CELL TOWERS	(13,688)	(13,600)	(13,600)	-	0.0%
RENTS - OTHER	(21,600)	(21,600)	(21,600)	-	0.0%
OTHER MISCELLANEOUS RECEIPTS	(142,519)	(90,000)	(110,000)	20,000	22.2%
OFS: INSTALLMENT PURCHASES	(1,325,000)	(1,000,000)	(1,150,000)	150,000	15.0%
SALE OF PROPERTY	(420,493)	-	-	-	0.0%
GENERAL REVENUE TOTAL	(108,564,027)	(107,742,000)	(111,461,000)	3,719,000	3.5%

**ROWAN COUNTY
MANAGER'S BUDGET SUMMARY
FY 2019 RECOMMENDED BUDGET
REVENUES**

ATTACHMENT 1

Description/Department	FY 2017	FY 2018	FY 2019	Dollar Difference to 2018 Budget	Percent Difference to 2018 Budget
	Actual Amounts	Original Budget	Recommended Budget		
GENERAL GOVERNMENT	\$ -	\$ -	\$ (370,000)	\$ 370,000	N/A
WEST END PLAZA	(555,086)	(490,000)	(490,000)	-	0.0%
COURT FACILITIES	(482,596)	(470,000)	(450,000)	(20,000)	-4.3%
TAX ADMINISTRATION	(371,644)	(354,750)	(363,400)	8,650	2.4%
INFORMATION TECHNOLOGY	(85,230)	(84,500)	-	(84,500)	-100.0%
BOARD OF ELECTIONS	(66)	(31,600)	(60)	(31,540)	-99.8%
REGISTER OF DEEDS	(648,283)	(632,500)	(624,000)	(8,500)	-1.3%
RESTRICTED APPROPRIATED FUND BALANCE	-	(63,000)	(63,000)	-	0.0%
TELECOMMUNICATIONS	-	(79,332)	(81,482)	2,150	2.7%
INSPECTIONS	(806,940)	(627,010)	(950,000)	322,990	51.5%
EMERGENCY SERVICES	(3,801,260)	(3,465,000)	(3,550,000)	85,000	2.5%
DJJD PROGRAM	(325,700)	(322,700)	(325,000)	2,300	0.7%
SHERIFF	(2,375,847)	(1,934,808)	(1,919,421)	(15,387)	-0.8%
PRE-TRIAL SERVICES	(9,759)	(9,000)	(9,000)	-	0.0%
RESTRICTED APPROPRIATED FUND BALANCE	-	(35,000)	(35,000)	-	0.0%
ROWAN TRANSIT	(1,369,408)	(1,635,731)	(1,669,474)	33,743	2.1%
RESTRICTED APPROPRIATED FUND BALANCE	-	-	(60,720)	60,720	N/A
ECONOMICAL DEVELOPMENT	(75,000)	-	-	-	N/A
INDUSTRIAL PARK	(116,580)	(17,080)	(17,080)	-	0.0%
PLANNING	(48,360)	(18,545)	(17,950)	(595)	-3.2%
COOPERATIVE EXTENSION	(23,682)	(6,500)	(6,500)	-	0.0%
SOIL & WATER CONSERVATION	(28,292)	(28,100)	(27,801)	(299)	-1.1%
HEALTH	(3,613,032)	(3,290,986)	(3,261,463)	(29,523)	-0.9%
RESTRICTED APPROPRIATED FUND BALANCE	-	(406,571)	(430,908)	24,337	6.0%
SOCIAL SERVICES	(14,608,225)	(14,271,148)	(11,417,958)	(2,853,190)	-20.0%
RESTRICTED APPROPRIATED FUND BALANCE	-	(20,000)	(20,000)	-	0.0%
SENIOR SERVICES	(632,910)	(605,171)	(619,737)	14,566	-2.4%
VETERAN SERVICES	(2,130)	-	(2,130)	2,130	N/A
LIBRARY	(337,248)	(278,000)	(281,306)	3,306	1.2%
PARKS & RECREATION	(1,370,994)	(1,380,900)	(1,416,100)	35,200	2.5%
FAIRGROUNDS	(6,500)	(6,500)	(6,500)	-	0.0%
ANIMAL SERVICES	(428,455)	(354,000)	(383,639)	29,639	8.4%
DEBT SERVICE	(1,400,000)	(1,300,000)	(1,300,000)	-	0.0%
UNRESTRICTED APPROPRIATED FUND BALANCE	-	(9,391,094)	(10,346,999)	955,905	10.2%
TOTAL GENERAL FUND	\$ (142,087,254)	\$ (149,351,526)	\$ (151,977,628)	\$ 2,626,102	1.8%
RESTRICTED APPROPRIATED FUND BALANCE		\$ (524,571)	\$ (609,628)		
UNRESTRICTED APPROPRIATED FUND BALANCE		(9,391,094)	(10,346,999)		
TOTAL APPROPRIATED FUND BALANCE		\$ (9,915,665)	\$ (10,956,627)		

**ROWAN COUNTY
MANAGER'S BUDGET SUMMARY
FY 2019 RECOMMENDED BUDGET
EXPENDITURES**

ATTACHMENT 2

Department	FY 2018	FY 2019	FY 2019	Dollar Difference to 2018 Budget	Percent Difference to 2018 Budget
	Original Budget	Continuation & Expansion Requested	Total Recommended Budget		
GOVERNING BODY	\$ 145,250	\$ 149,525	\$ 149,525	\$ 4,275	2.9%
GENERAL GOVERNMENT	5,453,096	6,328,563	7,241,330	1,788,234	32.8%
COUNTY MANAGER	724,983	724,784	731,585	6,602	0.9%
WEST END PLAZA	460,237	457,176	451,874	(8,363)	-1.8%
FINANCE / ABC	1,325,939	1,346,036	1,355,848	29,909	2.3%
HUMAN RESOURCES	509,351	530,783	539,424	30,073	5.9%
FACILITIES MANAGEMENT	3,382,103	3,318,385	2,449,753	(932,350)	-27.6%
COURT FACILITIES	765,912	700,832	701,083	(64,829)	-8.5%
GARAGE	55,000	55,000	55,000	-	0.0%
TAX ADMINISTRATION	2,873,219	3,836,130	3,393,055	519,836	18.1%
INFORMATION TECHNOLOGY	2,769,958	2,547,545	2,385,395	(384,563)	-13.9%
BOARD OF ELECTIONS	532,597	872,938	832,685	300,088	56.3%
REGISTER OF DEEDS	660,947	667,394	674,304	13,357	2.0%
TELECOMMUNICATIONS	2,605,187	3,274,179	2,871,135	265,948	10.2%
INSPECTIONS	810,845	905,437	884,341	73,496	9.1%
MEDICAL EXAMINER	180,000	180,000	190,000	10,000	5.6%
EMERGENCY SERVICES	6,856,720	7,982,815	7,569,649	712,929	10.4%
DJJDP PROGRAM	322,700	325,000	325,000	2,300	0.7%
SHERIFF	16,409,346	17,683,427	17,253,808	844,462	5.1%
PRE-TRIAL SERVICES	75,634	76,078	76,544	910	1.2%
ROWAN TRANSIT	1,715,416	1,633,117	1,785,990	70,574	4.1%
ECONOMIC DEVELOPMENT	1,200,000	1,200,000	1,200,000	-	0.0%
TOURISM DEVELOPMENT	445,500	1,059,300	1,059,300	613,800	137.8%
INDUSTRIAL PARK	20,500	20,500	20,500	-	0.0%
PLANNING	573,280	593,870	594,751	21,471	3.7%
COOPERATIVE EXTENSION	286,841	291,241	291,241	4,400	1.5%
SOIL & WATER CONSERVATION	69,299	127,470	74,787	5,488	7.9%
SPECIAL APPROPRIATIONS	1,122,336	1,187,837	1,124,087	1,751	0.2%
HEALTH	5,831,435	5,963,007	5,989,199	157,764	2.7%
SOCIAL SERVICES	22,083,523	19,280,986	19,175,601	(2,907,922)	-13.2%
MENTAL HEALTH	537,000	540,000	542,000	5,000	0.9%
SENIOR SERVICES	986,052	986,052	1,009,328	23,276	2.4%
VETERAN SERVICES	159,339	174,211	175,801	16,462	10.3%
LIBRARY	3,074,399	4,002,060	3,205,820	131,421	4.3%
PARKS & RECREATION	2,306,798	2,560,067	2,447,401	140,603	6.1%
ANIMAL SERVICES	1,512,466	1,826,331	1,675,040	162,574	10.7%
COMMUNITY COLLEGES	3,037,498	4,686,670	3,272,200	234,702	7.7%
ROWAN-SALISBURY SCHOOLS	37,943,462	48,051,705	39,080,357	1,136,895	3.0%
KANNAPOLIS CITY SCHOOLS	2,486,609	30,992,615	2,623,791	137,182	5.5%
ROWAN CHARTER SCHOOLS	541,599	541,599	488,366	(53,233)	-9.8%
DEBT SERVICE	16,499,150	16,010,730	16,010,730	(488,420)	-3.0%
TOTAL GENERAL FUND	\$ 149,351,526	\$ 193,691,395	\$ 151,977,628	\$ 2,626,102	1.8%

**ROWAN COUNTY
FY 2019 EXPANSION BUDGET REQUESTS
OTHER EXPENDITURES**

ATTACHMENT 3

Department	Line Item	Proposed Expansion	Funding		Manager's Recommendation
			Other Funds	County Funds	
FUND 101 - GENERAL FUND					
4112 - General Government	Cost of living adjustment of 2.5 percent	\$ 1,121,940	\$ (113,159)	\$ 1,008,781	\$ 1,008,781
4112 - General Government	Health insurance adjustment	310,600	-	310,600	310,600
4112 - General Government	Law Enforcement salary study	750,000	-	750,000	750,000
4112 - General Government	Mobile Air System for Rescue Squad and Emergency Services	40,000	-	40,000	40,000
4134 - Facilities Management	Closed circuit TV equipment for high liability blind spots in Detention Center	7,600	-	7,600	7,600
4134 - Facilities Management	Door access control upgrades for County-wide door access	10,600	-	10,600	10,600
4135 - Court Facilities	Engineering and design fee for potential Probation Parole move to Crawford Building	5,000	-	5,000	5,000
4160 - Information Technology	Replace audio-video equipment in Board of Commissioner's meeting room (\$6,000 in annual maintenance begins in FY 2019)	120,000	-	120,000	-
4160 - Information Technology	EnerGov System Review and Citizen Self Service upgrade for Building Inspections and Planning & Development	16,800	-	16,800	-
4160 - Information Technology	Server and storage hardware refresh for all County's server data	68,000	-	68,000	68,000
4160 - Information Technology	Storage switch infrastructure replacement	45,000	-	45,000	35,000
4210 - Telecommunications	Radio Consultant	150,000	-	150,000	150,000
4210 - Telecommunications	Fiber path from Animal Services to the 9-1-1 Center	35,000	-	35,000	35,000
4330 - Emergency Services	Emergency Services Intel Management Suite (ESIMS) (installation - \$4,000; annual cost - \$16,000)	20,000	-	20,000	20,000
4371 - Emergency Services	Permanent ambulance station in Town of Cleveland	650,000	-	650,000	650,000
4371 - Emergency Services	Operative IQ: Inventory and Narcotics tracking program	6,290	-	6,290	6,290
4371 - Emergency Services	Fire and Rescue Pension Fund	9,600	-	9,600	9,600
4410 - Sheriff's Office	17 Body camera plans through AXON International for RSCO Civil Deputies and RSCO School Resource Officers	31,955	-	31,955	31,955
4410 - Sheriff's Office	Police vehicle printers for 48 patrol vehicles	16,500	-	16,500	-
4410 - Sheriff's Office	Trinity Force Oris sight for County issued AR-15 rifles	6,570	-	6,570	6,570
4410 - Sheriff's Office	10 Kenwood Viking VM6000 mobile radios	39,338	-	39,338	-
4410 - Sheriff's Office	Star Witness Forensic Field Agent Kit for video evidence collections	19,260	-	19,260	-
4410 - Sheriff's Office	Chemical munitions for Riot Control Agents	3,765	-	3,765	3,765
4410 - Sheriff's Office	2 Level IIIA Ballistic Shields	5,676	-	5,676	5,676
4410 - Sheriff's Office	PROTECH Mighty Mite IIIA Ballistic Shield	2,860	-	2,860	2,860
4410 - Sheriff's Office	Special legal counsel contract	25,597	-	25,597	25,597
4420 - Detention Center	Aiphone for Captain Hannold's office	2,325	-	2,325	2,325
4830 - Planning and Development	Office chairs and standing desks	3,600	-	3,600	3,600
4830 - Planning and Development	Credit card machine	1,000	-	1,000	1,000
5010 - Soil and Water	New educational projects and materials	3,400	-	3,400	3,400
6230 - Parks and Recreation	Consulting and engineering fee for concessions and admin offices at DNP	5,000	-	5,000	5,000
6420 - Animal Services - Enforcement	Field laptops for Animal Control Officers (annual maintenance/license costs \$12,000)	17,400	-	17,400	17,400
6430 - Animal Services - Shelter	Cremation equipment repair	12,140	-	12,140	12,140

**ROWAN COUNTY
FY 2019 EXPANSION BUDGET REQUESTS
OTHER EXPENDITURES**

ATTACHMENT 3

Department	Line Item	Proposed Expansion	Funding		Manager's Recommendation
			Other Funds	County Funds	
7110 - Rowan-Cabarrus Community College	Current Expense	\$ 299,172	\$ -	\$ 299,172	\$ 200,000
7110 - Rowan-Cabarrus Community College	Capital Outlay (financed over 5 years - 1 semiannual payment in FY 2019)	1,350,000	-	1,350,000	150,000
7120 - Rowan-Salisbury Schools	Current Expense	4,472,028	-	4,472,028	1,000,000
7120 - Rowan-Salisbury Schools	Capital Outlay	5,636,215	-	5,636,215	-
7130 - Kannapolis City Schools	Current Expense	280,886	-	280,886	67,137
7130 - Kannapolis City Schools	Capital Outlay	28,225,120	-	28,225,120	-
7140 - Charter Schools	Current Expense	-	-	-	13,522
FUND 101 - GENERAL FUND		43,826,237	(113,159)	43,713,078	4,658,418
Add: Expansion Requests for New Positions and Upgrades		1,922,686	(471,644)	1,451,042	360,910
Add: Expansion Requests for Special Appropriations		74,334	-	74,334	10,584
Total Expansion Requests		\$ 45,823,257	\$ (584,803)	45,238,454	5,029,912
Add: Continuation Expenditures				148,452,941	148,452,941
Total Requested/Recommended Expenditures				\$ 193,691,395	\$ 153,482,853
Continuation Revenues				\$ 141,021,001	\$ 141,021,001
Add: Appropriated Fund Balance					
Restricted				609,628	609,628
Undesignated				52,060,766	10,346,999
Total Appropriated Fund Balance				52,670,394	10,956,627
Total Estimated Revenues and Appropriated Fund Balance				\$ 193,691,395	\$ 151,977,628
FUND 603 - AIRPORT OPERATIONS					
4540 - Airport	Instrument Landing System	\$ 565,000	\$ (508,500)	\$ 56,500	\$ 56,500
4540 - Airport	Fuel Farm	825,000	-	825,000	98,139
FUND 603 - AIRPORT OPERATIONS		\$ 1,390,000	\$ (508,500)	\$ 881,500	\$ 154,639

ROWAN COUNTY
 FY 2019 EXPANSION BUDGET REQUESTS
 NEW POSITIONS AND UPGRADES

ATTACHMENT 4

Dept. #	Department	#	Position Title	Estimated Cost			Total Position(s)	Other Funds	County Funds	Manager's Recommendation
				Salary	Benefits	Equipment				
FUND 101 - NEW POSITIONS										
4170	Board of Elections	1	Permanent Part-time Election Assistant II	\$ 19,188	\$ 13,181	\$ -	\$ 32,369	\$ -	\$ 32,369	\$ -
4210	Telecommunications	1	Quality Assurance and Compliance Officer	32,845	16,157	-	49,002	-	49,002	-
4210	Telecommunications	4	Telecommunicators	122,316	62,653	-	184,969	-	184,969	-
4250	Building Inspections	1	Permit Assistant	29,312	15,387	2,550	47,249	-	47,249	47,249
4250	Building Inspections	1	Part-time assistance	8,650	-	-	8,650	-	8,650	-
4330	Emergency Services / EM	1	Hazard Mitigation Specialist	51,955	20,321	62,231	134,507	-	134,507	-
4330	Emergency Services / EM	1	Captain	45,000	18,806	67,091	130,897	-	130,897	-
4410	Sheriff - Administration	1	Deputy Sheriff assigned to RCCC North	43,827	19,296	52,714	115,837	(115,837)	-	YES
4420	Detention Center	1	Lieutenant	58,733	23,360	11,150	93,243	-	93,243	93,243
4420	Detention Center	1	Lieutenant	58,733	23,360	11,150	93,243	-	93,243	93,243
5010	Soil and Water	1	Support Staff Secretary IV / Education Coordinator	32,000	15,973	4,710	52,683	-	52,683	-
5300	Social Services	1	Income Maintenance Caseworker II	38,586	16,143	9,750	64,479	(44,160)	20,319	-
5300	Social Services	1	Income Maintenance Caseworker II	38,586	16,143	3,010	57,739	(40,116)	17,623	-
5300	Social Services	1	Income Maintenance Caseworker III	42,541	16,875	3,010	62,426	(43,397)	19,029	-
5300	Social Services	1	Income Maintenance Caseworker III	42,541	16,875	3,010	62,426	(43,397)	19,029	-
5300	Social Services	1	Income Maintenance Caseworker III	42,541	16,875	3,010	62,426	(43,397)	19,029	-
5300	Social Services	1	Income Maintenance Supervisor II	46,901	17,682	3,010	67,593	(47,014)	20,579	-
5300	Social Services	1	Income Maintenance Supervisor II	46,901	17,682	3,010	67,593	(47,014)	20,579	20,579
6230	Parks and Recreation	1	Maintenance Mechanic II	30,579	15,663	-	46,242	-	46,242	-
6430	Animal Services	1	Part-time Animal Enforcement Officer	15,245	-	-	15,245	-	15,245	-
23 Subtotal - Fund 101 - New Positions				846,980	362,432	239,406	1,448,818	(424,332)	1,024,486	254,314
FUND 101 - UPGRADES										
4134	Facilities Management	1	Maintenance Mechanic II	6,183	1,348	-	7,531	-	7,531	-
4140	Tax Administration	5	Office Assistant III to new titles	25,000	4,930	-	29,930	-	29,930	-
4141	Tax Revaluation	1	Office Assistant IV to new title	5,800	1,144	-	6,944	-	6,944	-
4150	Tax Collector	1	Tax Collections Manager to new title	11,400	2,248	-	13,648	-	13,648	-
4150	Tax Collector	1	Deputy Tax Collector to Assistant Tax Collections Manager	5,600	1,104	-	6,704	-	6,704	-
4150	Tax Collector	4	Tax Collection Assistants to Deputy Collectors	24,800	4,892	-	29,692	-	29,692	-
4150	Tax Collector	1	Senior Tax Assistant to Deputy Tax Collector II	6,500	1,282	-	7,782	-	7,782	-
4150	Tax Collector	1	Accounting Tech to Accounting Supervisor	7,500	1,479	-	8,979	-	8,979	-
4160	Information Technology	1	Network Manager	10,620	2,314	-	12,934	-	12,934	-
4160	Information Technology	1	Creative Services Manager	7,700	1,678	-	9,378	-	9,378	-
4170	Board of Elections	1	Office Assistant III to Office Assistant IV	1,343	293	-	1,636	-	1,636	-
4180	Register of Deeds	1	Staffer to Assistant Register of Deeds	3,870	843	-	4,713	-	4,713	4,713
4180	Register of Deeds	1	Staffer to Senior Assistant Register of Deeds	5,619	1,224	-	6,843	-	6,843	6,843

ROWAN COUNTY
 FY 2019 EXPANSION BUDGET REQUESTS
 NEW POSITIONS AND UPGRADES

ATTACHMENT 4

Dept. #	Department	#	Position Title	Estimated Cost			Total Position(s)	Other Funds	County Funds	Manager's Recommendation
				Salary	Benefits	Equipment				
FUND 101 - UPGRADES (Continued)										
4210	Telecommunications	1	Battalion Chief to Assistant Chief	\$ 1,560	\$ 340	\$ -	\$ 1,900	\$ -	\$ 1,900	\$ -
4210	Telecommunications	4	Telecommunicator to Captain	10,152	2,212	-	12,364	-	12,364	-
4210	Telecommunications	4	Telecommunicator to Lieutenant	5,408	1,180	-	6,588	-	6,588	-
4210	Telecommunications	34	Change to 12-hour shifts	113,161	24,658	-	137,819	-	137,819	-
4250	Building Inspections	1	Incentive program for certificates acquired	6,803	1,415	-	8,218	-	8,218	8,218
4410	Sheriff - Administration	1	Master Deputy to Sergeant	2,290	560	-	2,850	-	2,850	2,850
4410	Sheriff - Administration	27	Stipend paid for certain specialty or skill assignments	35,100	8,582	-	43,682	-	43,682	43,682
5100	Health Department	1	Officer Supervisor V to Medical Revenue & Records Supervisor	2,822	615	-	3,437	-	3,437	3,437
5100	Health Department	1	Budget Analyst to Local Health Administrative Services Manager	4,915	1,071	-	5,986	-	5,986	5,986
5300	Social Services	1	Information Processing Assistant to Information Security Officer	7,866	1,456	-	9,322	(5,594)	3,728	-
5300	Social Services	1	Office Supervisor V to Income Maintenance Supervisor I	2,171	402	-	2,573	(1,801)	772	-
5300	Social Services	1	Office Assistant III to Income Maintenance Caseworker I	3,579	663	-	4,242	(2,970)	1,272	1,272
5300	Social Services	1	Office Assistant III to Income Maintenance Caseworker I	5,606	1,038	-	6,644	(4,651)	1,993	1,993
5300	Social Services	1	Office Assistant III to Income Maintenance Caseworker I	4,945	916	-	5,861	(4,103)	1,758	1,758
5300	Social Services	1	Office Assistant III to Income Maintenance Caseworker I	5,692	1,054	-	6,746	(4,722)	2,024	2,024
5300	Social Services	1	Office Assistant III to Income Maintenance Caseworker I	5,098	944	-	6,042	(4,230)	1,812	-
5300	Social Services	1	Social Worker II to Social Worker III Adult Services	4,131	870	-	5,001	(2,601)	2,400	-
5300	Social Services	1	Social Worker II to Social Worker III Adult Services	1,506	318	-	1,824	(949)	875	-
5300	Social Services	1	Social Worker II to Social Worker III Adult Services	2,763	582	-	3,345	(1,740)	1,605	-
5300	Social Services	1	Office Assistant III 5% salary request for bi-lingual	1,354	251	-	1,605	(1,060)	545	-
5300	Social Services	1	Office Assistant III 5% salary request for bi-lingual	1,414	262	-	1,676	(1,106)	570	-
5300	Social Services	1	Office Assistant III 5% salary request for bi-lingual	1,440	267	-	1,707	(1,195)	512	-
5300	Social Services	1	Office Assistant III 5% salary request for bi-lingual	1,359	252	-	1,611	(1,128)	483	-
5300	Social Services	1	Office Supervisor V 5% salary request for bi-lingual	1,606	298	-	1,904	(990)	914	-
5300	Social Services	1	Income Maintenance Caseworker I 5% salary request for bi-lingual	1,606	298	-	1,904	(1,333)	571	-
5300	Social Services	1	Income Maintenance Caseworker II 5% salary request for bi-lingual	1,770	328	-	2,098	(1,469)	629	-
5300	Social Services	1	Income Maintenance Caseworker II 5% salary request for bi-lingual	1,770	328	-	2,098	(1,469)	629	-
5300	Social Services	1	Income Maintenance Caseworker II 5% salary request for bi-lingual	1,770	328	-	2,098	(1,469)	629	-
5300	Social Services	1	Social Worker I 5% salary request for bi-lingual	1,782	330	-	2,112	(1,099)	1,013	-
5300	Social Services	1	CPS Social Worker 5% salary request for bi-lingual	2,594	547	-	3,141	(1,633)	1,508	-
5580	Veteran Services	1	Office Assistant III to Veteran Services Technician	4,260	928	-	5,188	-	5,188	5,188
6110	Library	1	Library Manager to Deputy Director	11,298	2,462	-	13,760	-	13,760	13,760
6110	Library	1	Librarian II to Adult Services Supervisor	4,000	872	-	4,872	-	4,872	4,872
6230	Parks and Recreation	1	Maintenance Mechanic II	5,695	1,241	-	6,936	-	6,936	-
119 Subtotal - Fund 101 - Upgrades				391,221	82,647	-	473,868	(47,312)	426,556	106,596
Total - Fund 101 - New Positions/Upgrades				\$ 1,238,201	\$ 445,079	\$ 239,406	\$ 1,922,686	\$ (471,644)	\$ 1,451,042	\$ 360,910

ROWAN COUNTY
 FY 2019 EXPANSION BUDGET REQUESTS
 NEW POSITIONS AND UPGRADES

ATTACHMENT 4

Dept. #	Department	#	Position Title	Estimated Cost			Total Position(s)	Other Funds	County Funds	Manager's Recommendation
				Salary	Benefits	Equipment				
FUND 603 - UPGRADES										
4540	Airport	<u>1</u>	Administrative Secretary V	\$ 1,000	\$ 218	\$ -	\$ 1,218	\$ -	\$ 1,218	\$ 1,218
		<u>1</u>	Total - Fund 603 - UPGRADES	\$ 1,000	\$ 218	\$ -	\$ 1,218	\$ -	\$ 1,218	\$ 1,218

**ROWAN COUNTY
FY 2019 EXPANSION BUDGET REQUESTS
SPECIAL APPROPRIATIONS**

ATTACHMENT 5

Line Item	FY 2017 Appropriation	FY 2018 Appropriation	FY 2019 Continuation	FY 2019 Total Request	FY 2019 Expansion Request	Manager's Expansion Recommendation	Total Manager's Recommendation
FUND 101 - GENERAL FUND							
Army Aviation Support Facility	\$ 2,500	\$ 2,500	\$ 2,500	\$ 5,000	\$ 2,500	\$ -	\$ 2,500
Cabarrus-Rowan MPO	14,286	15,353	15,353	15,256	(97)	(97)	15,256
CCOG - Older American Lunch	-	1,000	-	-	-	-	-
Communities In Schools	1,400	1,400	1,400	2,000	600	-	1,400
Community Foundation	-	10,000	10,000	10,000	-	-	10,000
Families First NC, Inc.	-	-	-	25,000	25,000	-	-
Food for Thought	5,000	5,000	5,000	7,500	2,500	-	5,000
Human Relations Council	5,000	5,000	5,000	5,150	150	-	5,000
Iredell Soil and Water - Third Creek Watershed	5,534	5,534	5,534	5,534	-	-	5,534
NC Civil War Trail	200	200	200	200	-	-	200
NC Forest Service	53,809	53,809	53,809	54,390	581	581	54,390
NC Mission of Mercy (NCMOM)	-	2,400	-	-	-	-	-
NC Transportation Museum Foundation	30,000	30,000	30,000	50,000	20,000	-	30,000
Prevent Child Abuse Rowan	5,000	5,000	5,000	10,000	5,000	-	5,000
RiverPark at Cooleemee Falls	3,000	3,000	3,000	4,000	1,000	-	3,000
Rowan Arts Council	24,692	24,692	24,692	34,692	10,000	10,000	34,692
Rowan County Chamber of Commerce	2,500	2,500	2,500	2,600	100	100	2,600
Rowan Crosby Scholars	5,500	5,500	5,500	5,500	-	-	5,500
Rowan Museum, Inc.	18,000	18,000	18,000	25,000	7,000	-	18,000
Rowan Rescue Squad	433,580	433,580	433,580	433,580	-	-	433,580
Rowan Vocational Opportunities, Inc.	66,532	66,532	66,532	66,532	-	-	66,532
Rowan EDC*	416,403	416,403	416,403	416,403	-	-	416,403
Salisbury Rowan Crime Stoppers	-	1,500	1,500	1,500	-	-	1,500
Saving Grace Farm	-	2,500	-	-	-	-	-
Town of East Spencer	47,000	-	-	-	-	-	-
United Way Day of Caring	-	3,000	3,000	3,000	-	-	3,000
Yadkin-Pee Dee Water Management Group	5,000	5,000	5,000	5,000	-	-	5,000
	\$ 1,144,936	\$ 1,119,403	\$ 1,113,503	\$ 1,187,837	\$ 74,334	\$ 10,584	\$ 1,124,087

*Rowan EDC's FY 2019 request totaled \$616,403, as in the prior two fiscal years. The remaining \$200,000 of EDC's request is budgeted in Division 4805 - Economic Development because it is tied to sales tax revenue restricted for economic development purposes.

Department / Description	Unit Charge	FY 2018 Rate	FY 2019 Rate
FUND 101 - GENERAL FUND			
6200 - PARKS AND RECREATION			
Dan Nicholas Park rental house fee	Monthly rent	\$ 400.00	\$ 700.00
Sloan Park rental house fee	Monthly rent	500.00	600.00
Sloan Park rental house fee	Monthly rent	350.00	700.00

Please see the Budget Requests notebook for each Department for further fee information.

**SUBMISSION OF
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Fiscal Year 2019

Fund 201 - Fire District Fund

Aaron Church, County Manager

May 21, 2018

The Fire District Fund was established by the Board of Commissioners to account for fire and special service district taxes levied by the Board for the purpose of providing fire services to the unincorporated areas of Rowan County. For fiscal year 2019, the County received budget requests from 23 fire and service districts.

The Board of Commissioners may choose to have budget work sessions to discuss these requests and determine an appropriate funding level for each volunteer fire department. If you have questions, staff can provide additional information at the budget work sessions.

Each request has a section that reads, *“The Board of Directors recommends a tax rate of ___ cents per \$100 valuation. We certify that this budget has been proposed by the Fire Department Board and approved by a majority of the District’s Fire Commissioners.”* The tax rate proposals are certified under the signature of the Chairman of the Fire Department Board and Chairman of the Fire Commission appointed by the Board of Commissioners. Proposed tax rates range from 3.5 cents to 9.36 cents.

I. ESTIMATED AVAILABLE REVENUES FOR FY 2019

It is estimated that Rowan County will receive the following revenues to be recorded in Fund 201 for fiscal year 2019:

Ad valorem taxes	<u>\$ 5,757,729</u>
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A worksheet is provided that details estimated property tax valuation, proposed tax rate and proposed tax levy for each fire district for fiscal year 2019. The worksheet also shows the current ISO rating for each district. Please see Attachment 1.

II. CONTINUATION EXPENDITURE BUDGET FOR FY 2019

The Fund will support the following expenditures:

Public safety: Fire Districts	<u>\$ 5,757,729</u>
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ROWAN COUNTY
FIRE DISTRICT BUDGETS TAX LEVY VALUES
For Fiscal Year Ending June 30, 2019 (FY 2018-19)

ATTACHMENT 1

Fire District	FY 2018			FY 2019			Increase/ (Decrease)	Current ISO RATING
	Estimated Valuation per County Assessor	Tax Rate	Tax Levy at 97.50%	Estimated Valuation per County Assessor	Proposed Tax Rate	Proposed Tax Levy at 97.75%		
Atwell Township	\$ 605,076,927	0.0775	\$ 457,211	\$ 620,113,495	0.0775	\$ 469,775	\$ 12,564	7
Bostian Heights	804,705,442	0.0845	662,977	833,073,642	0.0845	688,108	25,131	5
Cleveland Community	449,123,817	0.0936	409,870	469,540,098	0.0936	429,601	19,731	3/5
East Gold Hill	123,231,883	0.0800	96,121	130,163,658	0.0800	101,788	5,667	6
East Landis	59,331,035	0.0425	24,585	59,991,749	0.0425	24,923	338	4
East Rowan Service:								
East Gold Hill - 15%	3,779,525	0.0700	2,580	3,806,222	0.0700	2,604	24	6
Pooletown - 85%	21,417,308	0.0700	14,617	21,568,592	0.0700	14,758	141	9S
Ellis Cross Country	159,088,740	0.0850	131,845	160,883,572	0.0850	133,674	1,829	6
Enochville	286,510,162	0.0800	223,478	289,394,102	0.0800	226,306	2,828	4
Franklin Township	351,795,050	0.0716	245,588	358,994,316	0.0716	251,257	5,669	5
Liberty (West)	387,981,454	0.0537	203,137	401,476,312	0.0537	210,742	7,605	6
Locke Township	928,501,121	0.0900	814,760	960,761,671	0.0900	845,230	30,470	4
Miller Ferry	599,160,079	0.0800	467,345	631,442,112	0.0800	493,788	26,443	6
Mt. Mitchell	100,140,510	0.0726	70,884	102,277,311	0.0726	72,583	1,699	5
Poole Town	122,918,117	0.0900	107,861	113,784,213	0.0900	100,102	(7,759)	9S
Richfield-Misenheimer	9,882,081	0.0700	6,745	13,092,845	0.0700	8,959	2,214	9S
Rockwell Rural	565,476,504	0.0900	496,206	585,459,750	0.0900	515,058	18,852	5
Rowan Iredell	50,270,852	0.0648	31,761	50,891,550	0.0648	32,236	475	9S
Scotch Irish	117,271,498	0.0600	68,604	118,893,600	0.0600	69,731	1,127	5
South Rowan Service:								
China Grove - 100%	5,549,886	0.0855	4,627	5,371,582	0.0855	4,489	(138)	4
South Salisbury	522,110,505	0.0775	394,520	535,378,980	0.0775	405,583	11,063	6
Union	348,034,079	0.0350	118,767	357,028,706	0.0350	122,148	3,381	7
West Rowan	345,063,620	0.0700	235,506	356,792,261	0.0700	244,135	8,629	5
Woodleaf	495,200,442	0.0600	289,692	494,715,294	0.0600	290,151	459	6
	<u>\$ 7,461,620,637</u>		<u>\$ 5,579,286</u>	<u>\$ 7,674,895,633</u>		<u>\$ 5,757,729</u>	<u>\$ 178,442</u>	

Note: None of the Fire Districts requested a tax rate change for fiscal year 2019.

**SUBMISSION OF
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Fiscal Year 2019

Fund 202 - Emergency Telephone System Fund

Aaron Church, County Manager

May 21, 2018

The Emergency Telephone System Fund was established in accordance with North Carolina General Statutes that provided counties with the opportunity to secure funding from telephone ratepayers to support the cost of an emergency 911 telecommunications response system. The Statutes required any surcharge authorized by the Board of Commissioners to be accounted for in a separate Fund. For the period July 1, 1997 through December 31, 2007, the Board of Commissioners established a 65 cents per month fee on all telephone landlines for the purpose of providing emergency 911 dispatching and related services.

In May 1999, the North Carolina General Assembly authorized the “Wireless Telephone Surcharge Fund”, which included the provision that mobile telephone providers must develop technology to identify the location of mobile telephone users in the event of a call for emergency assistance. It also provided revenues to local governments who operate emergency 911 response services for the development of technological capabilities to receive and process location information. From July 1, 1999 through December 31, 2007, the statewide wireless fee was set at 70 cents per month.

Effective January 1, 2008, House Bill 1755 preempted local authority to set an emergency 911 landline fee and substituted a statewide rate of 70 cents on all voice communications service connections, including landline, wireless and voice over internet protocol (VoIP). The North Carolina 911 Board subsequently lowered this rate to 60 cents effective July 1, 2010. The County receives distributions of combined landline, wireless and VoIP fees from the State on a monthly basis.

I. ESTIMATED AVAILABLE REVENUES FOR 2019

It is estimated that Rowan County will receive the following revenues to be used in Fund 202 for fiscal year 2019:

Emergency 911 fees	\$ 721,630
Investment earnings	<u>4,000</u>
Total estimated revenues	<u>\$ 725,630</u>

II. CONTINUATION EXPENDITURE BUDGET FOR 2019

The Emergency Telephone System Fund supports the operations of the 911 telecommunications program.

The Fund will support the following expenditures:

Public safety:

Emergency 911 program

\$ 725,630

**SUBMISSION OF
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Fiscal Year 2019

Fund 501 - Risk Management Fund

Aaron Church, County Manager

May 21, 2018

On July 1, 1992, the Board of Commissioners approved a plan to operate the County's workers' compensation program as a self-insured entity. Under the plan, premiums charged to each department were set aside in a separate Fund as opposed to being remitted to an insurance company. Actual claims were handled internally and deducted from the actual cash in the Fund. Specific stop-loss insurance was obtained to protect the County against a catastrophic accident. The plan to self-insure the County for workers' compensation was developed as a means of controlling the County's costs. Effective July 1, 2012, the County began contracting with the North Carolina Association of County Commissioners (NCACC) to assist with the management of workers' compensation claims.

From July 1, 1998 through June 30, 2013, Rowan County participated in the Carolina Governmental Alliance with Cabarrus County for professional liability, general liability, property, and vehicle insurance coverage. Effective July 1, 2013, the County transferred all policies to the NCACC Liability and Property Risk Pool. Under the NCACC, the County operates as a self-insured group but has the "buying-power" benefit of participating in an insurance pool with 58 other counties.

I. ESTIMATED AVAILABLE REVENUES FOR 2019

It is estimated that the County will transfer \$480,000 from the General, Emergency Telephone System, Landfill and Airport Funds to the Risk Management Fund for workers' compensation premiums and claims. Transfers are made bi-weekly to reflect these costs in individual department budgets. The costs are primarily based on rates assigned by insurance rating companies to various classifications of employees in accordance with the relative risk of the jobs. These rates are revised annually, based on occurrence history and costs of medical care.

It is recommended that \$480,000 be transferred from the General Fund to the Risk Management Fund for professional and property liability insurance to be purchased through the NCACC for the payment of insurance costs and claims.

The estimated revenues for Fund 501 for fiscal year 2019 are as follows:

Charges for services	\$ 480,000
Investment earnings	40,000
Transfer from other funds	480,000
Appropriated fund balance	<u>230,000</u>
Total estimated revenues	<u>\$ 1,230,000</u>

II. CONTINUATION EXPENDITURE BUDGET FOR 2019

For fiscal year 2019, it is estimated that the risk management programs will support the claims incurred by employees injured while working on the job and other professional and property liability claims. Adequate reserves will be available to address major incidents. In addition, insurance to provide stop loss maximums will be acquired.

Administration	\$ 193,920
Professional and property liability	531,750
Workers' compensation	<u>504,330</u>
Total estimated expenditures	<u>\$ 1,230,000</u>

**SUBMISSION OF
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Fiscal Year 2019

Fund 601 - Landfill Fund

Aaron Church, County Manager

May 21, 2018

During fiscal year 1989-90, Rowan County opened the Rowan County Landfill for the disposal of solid waste by County citizens. Two types of cells were created, one for municipal solid waste and one for construction and demolition (C&D) debris. Effective July 1, 2008, due to requirements contained in Senate Bills 6 and 1492, the County ceased operation of the C&D debris cell. All waste taken to the Landfill is now disposed of in the municipal solid waste cell.

Also effective July 1, 2008, the North Carolina General Assembly enacted a \$2 per ton statewide “tipping tax”. The proceeds of the excise tax were first used to pay entities that had incurred expenditures but were denied landfill permits due to passage of the new law. The remaining proceeds of the tax are distributed as follows: 50% to the Inactive Hazardous Sites Cleanup Fund to help pay for assessment and remediation of pre-1983 landfills, 18.75% to both cities and counties on a per capita basis for solid waste management programs and services, and 12.5% to the Solid Waste Management Trust Fund for grants to local governments and State agencies. For fiscal year 2019, it is estimated that the County will collect and remit \$295,000 to the State for this tax and receive \$60,000 to supplement solid waste programs and services.

I. ESTIMATED AVAILABLE REVENUES FOR 2019

It is estimated that the Board can expect to receive from various revenue sources approximately \$5,999,500 for fiscal year 2019. This amount includes several significant areas as shown below. Fund balance, in the amount of \$154,962, will be appropriated.

Charges for services	\$ 5,635,500
Scrap tire and white goods disposal tax	224,000
Solid waste disposal tax	60,000
Investment earnings	80,000
Appropriated fund balance	<u>154,962</u>
Total estimated revenues	<u>\$ 6,154,462</u>

The tipping fees are recommended to remain at current levels: Rowan County - \$34 per ton, Davie County contracted service - \$37 per ton, and all other waste from outside the County - \$39 per ton.

II. CONTINUATION EXPENDITURE BUDGET FOR 2019

For fiscal year 2019, the Landfill Fund will continue to support the disposal of solid waste in Rowan County primarily through the use of tipping fees. It is estimated that the following program operations will be provided:

Administration	\$ 296,776
Landfill operations	3,343,084
Recycling operations	693,087
Sanitation	<u>1,821,515</u>
Total estimated expenditures	<u>\$ 6,154,462</u>

**SUBMISSION OF
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Fiscal Year 2019

Fund 603 - Airport Fund

Aaron Church, County Manager

May 21, 2018

Effective July 1, 2007, Rowan County began accounting for airport grants and operations in Fund 603, the Airport Fund. This Fund is an enterprise fund, indicating that grant funds and charges for services should support operations and capital improvements. In fiscal year 2019, the Airport Fund will require a General Fund transfer of \$366,667 to balance.

I. ESTIMATED AVAILABLE REVENUES FOR 2019

It is estimated that the Airport can expect to realize and collect the following revenues:

State grants	\$ 1,947,858
Charges for services	1,325,600
Interest revenue	15,000
Transfer from General Fund	366,667
Appropriated fund balance	<u>439,671</u>
Total estimated revenues	<u><u>\$ 4,094,796</u></u>

II. CONTINUATION AND EXPANSION EXPENDITURE BUDGET FOR 2019

The objective of the continuation expenditure budget is to provide for the operation and maintenance of the Airport. As in all the continuation budgets, minimum adjustments are made based on historical cost and anticipated inflationary cost.

The recommended expansion budget includes the installation of a new grant-supported instrument landing system, debt service for a new fuel farm and a personnel upgrade.

The Fund will support the following expenditures:

Airport grant projects	\$ 2,164,287
Airport operations	1,550,139
Debt service	<u>380,370</u>
Total estimated expenditures	<u><u>\$ 4,094,796</u></u>

**SUBMISSION OF
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Fiscal Year 2019

Fund 605 - Water Fund

Aaron Church, County Manager

May 21, 2018

During fiscal year 2017, Rowan County began the design of potable water infrastructure for the northeastern area of the County. Construction began in fiscal year 2018 and is scheduled to be completed in late summer. During fiscal year 2019, the County will begin operating the water system, which will be accounted for in Fund 605, the Water Fund. The water system is described as the Northeast Rowan County (NERW) system and contains the system ID number of 20-80-082.

I. ESTIMATED AVAILABLE REVENUES FOR 2019

It is estimated the County will receive the following revenues during fiscal year 2019:

Sale of water	\$ 134,000
Contribution from Duke Energy	<u>100,000</u>
Total estimated revenues	<u>\$ 234,000</u>

II. CONTINUATION EXPENDITURE BUDGET FOR 2019

The objective of the continuation expenditure budget is to provide for the operation and maintenance of the water system.

The Fund will support the following expenditures:

Purchase of water	\$ 66,000
Licenses	11,000
Repairs and maintenance	93,000
Operations and management fees	<u>64,000</u>
Total estimated expenditures	<u>\$ 234,000</u>