



FY 19-20 Recommended Budget

Advancing the
Board of Commissioners'
priorities through
fiscal responsibility





Recommended Budget Framework

1. Priorities set by the Board

- Intelligent Growth & Economic Development
- Superior Education & Workforce
- Superior Public Health & Safety

2. Revenue parameters set by the Board

- Minimize taxes and fees
- Restore fund balance to policy goal of 18-21%



Spending Recommendations for Major Funds

- All funds: \$398.5 million
- General Fund: \$349.9 million
- Environmental Management Fund: \$23.1 million
- Fire Services: \$16.1 million



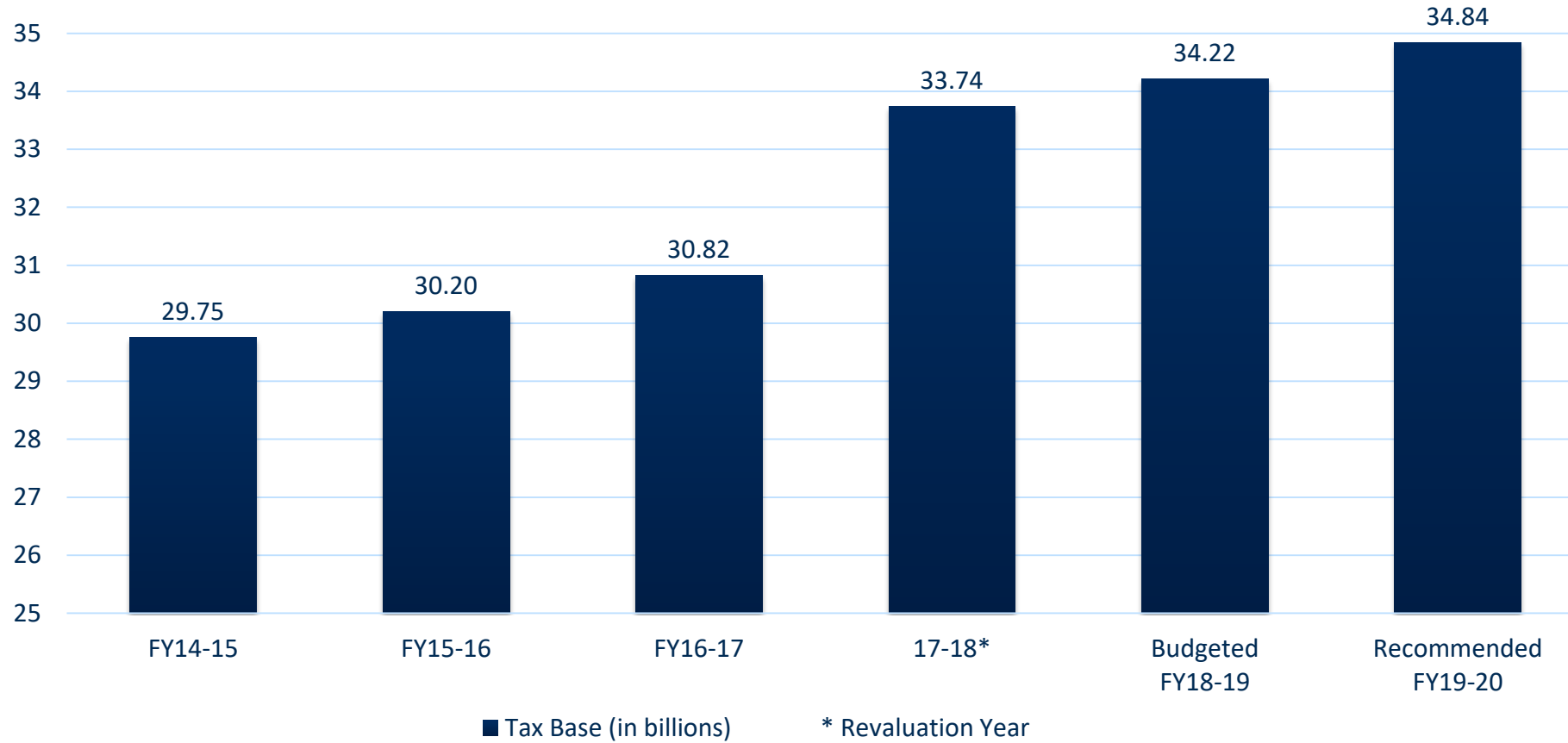
General Fund Revenues

- Ad valorem: \$192 million
 - Tax base: \$34.84 billion
 - Ad valorem rate of \$0.555 (\$0.4903 General Fund, \$0.0647 Debt Service Fund)
- Sales taxes: \$76.5 million
 - Assumes 5.6% growth over current year projected actual collections



General Fund Revenues

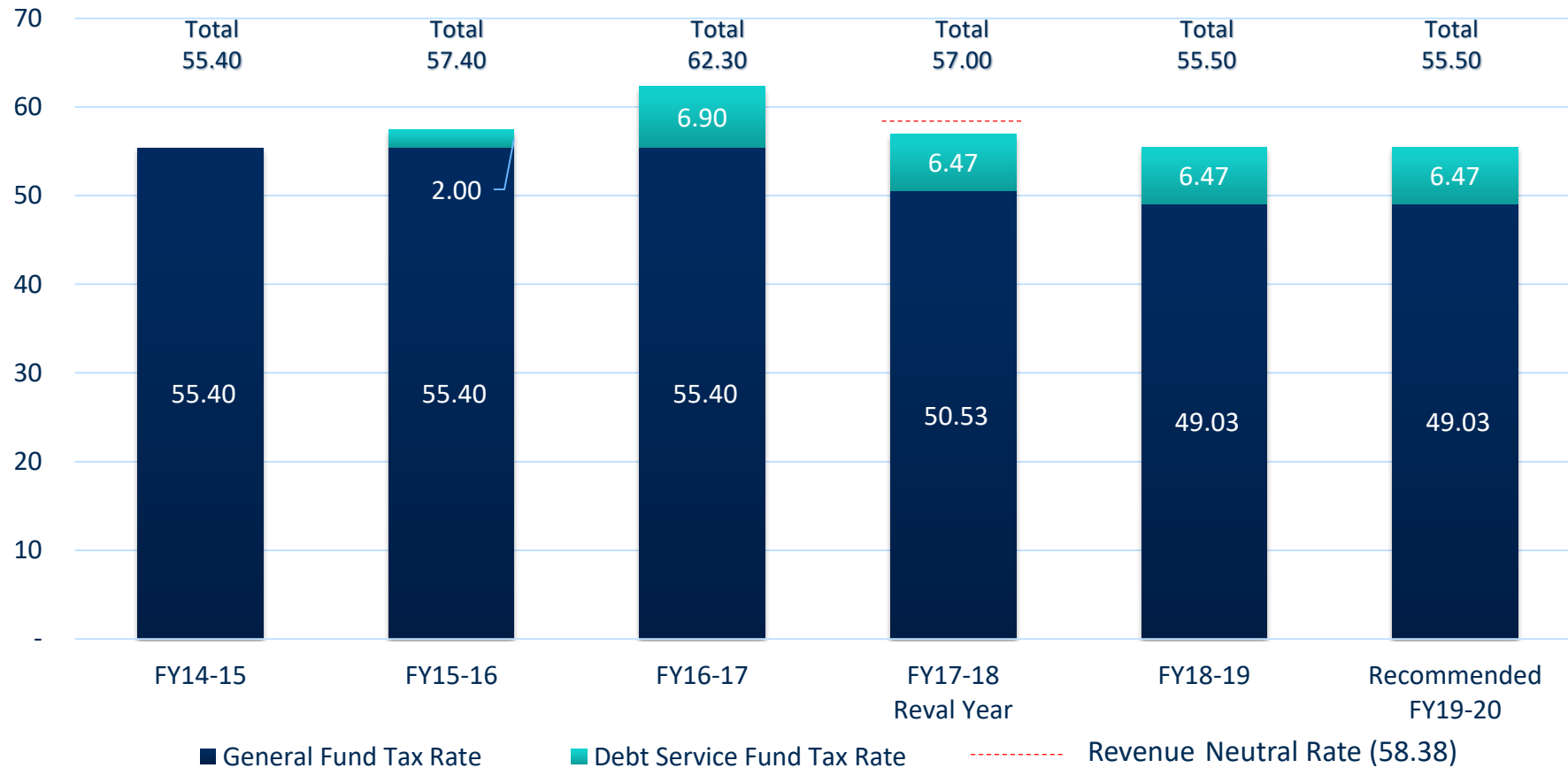
Historical Tax Base





General Fund Revenues

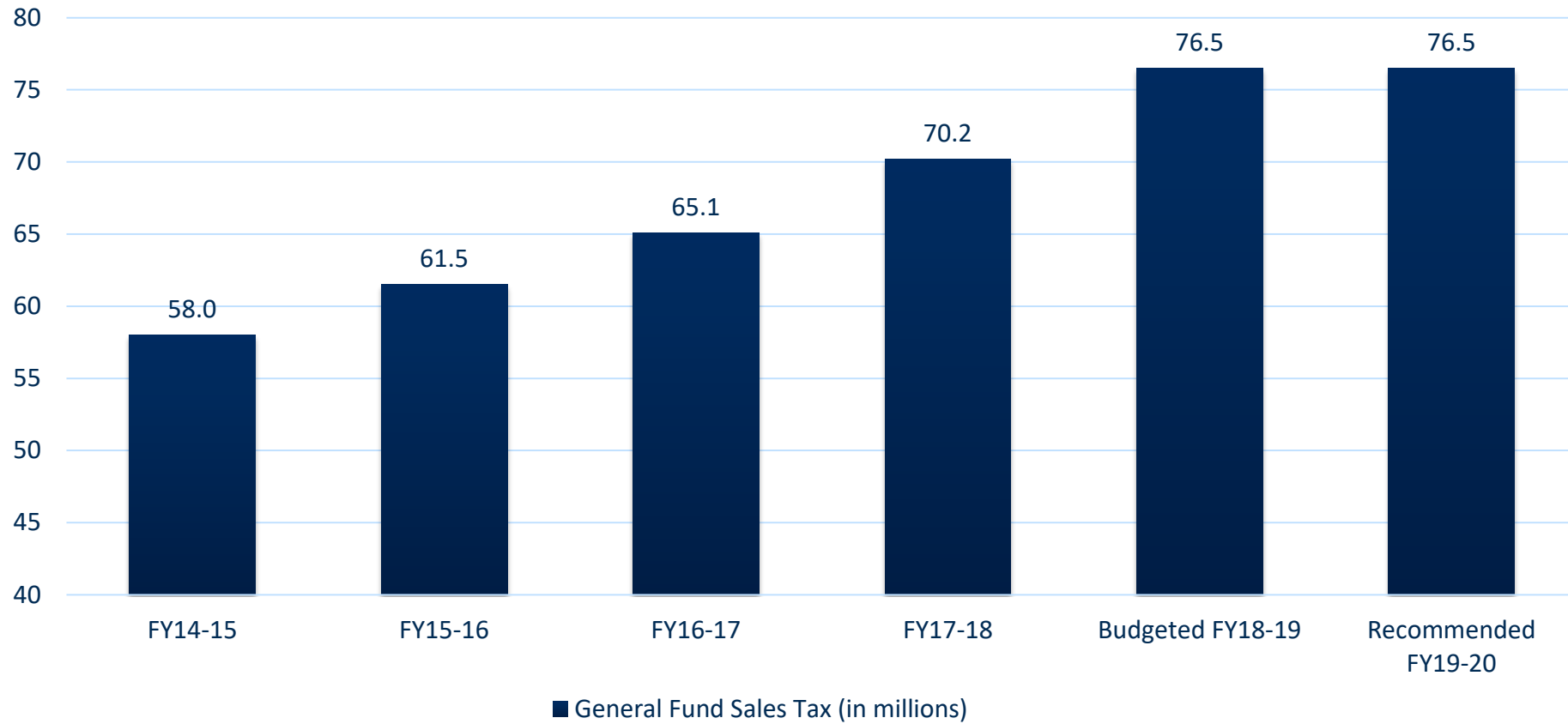
Historical Tax Rates





General Fund Revenues

General Fund Sales Tax





General Fund Revenues

- \$7.2 million in federal and state government reimbursements from Hurricane Florence
 - For capital outlay and other one-time expenditures
- Appropriated fund balance: \$1.9 million
 - Full amount pre-funded via capital reserve
 - Anticipated unassigned fund balance of 13.6% at June 30, 2019



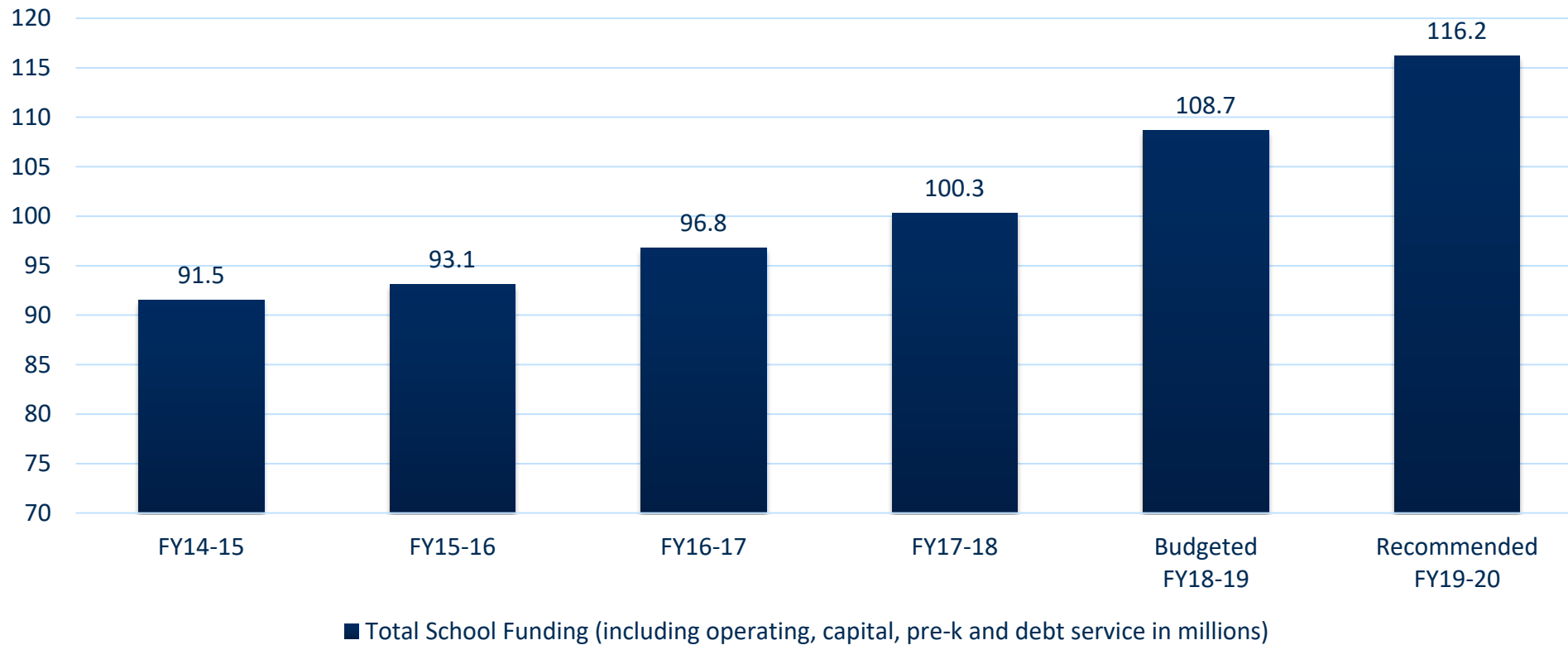
New Hanover County Schools

- Current expense: \$2,900 per pupil
 - \$100 increase
 - \$81 million total (3.4% increase)
 - Increase equates to 40% of county's revenue growth
- Capital: \$3.7 million
- Pre-k expansion: \$487,000 (3rd Year)
- Debt service: \$31 million
- Total: \$116.2 million



New Hanover County Schools

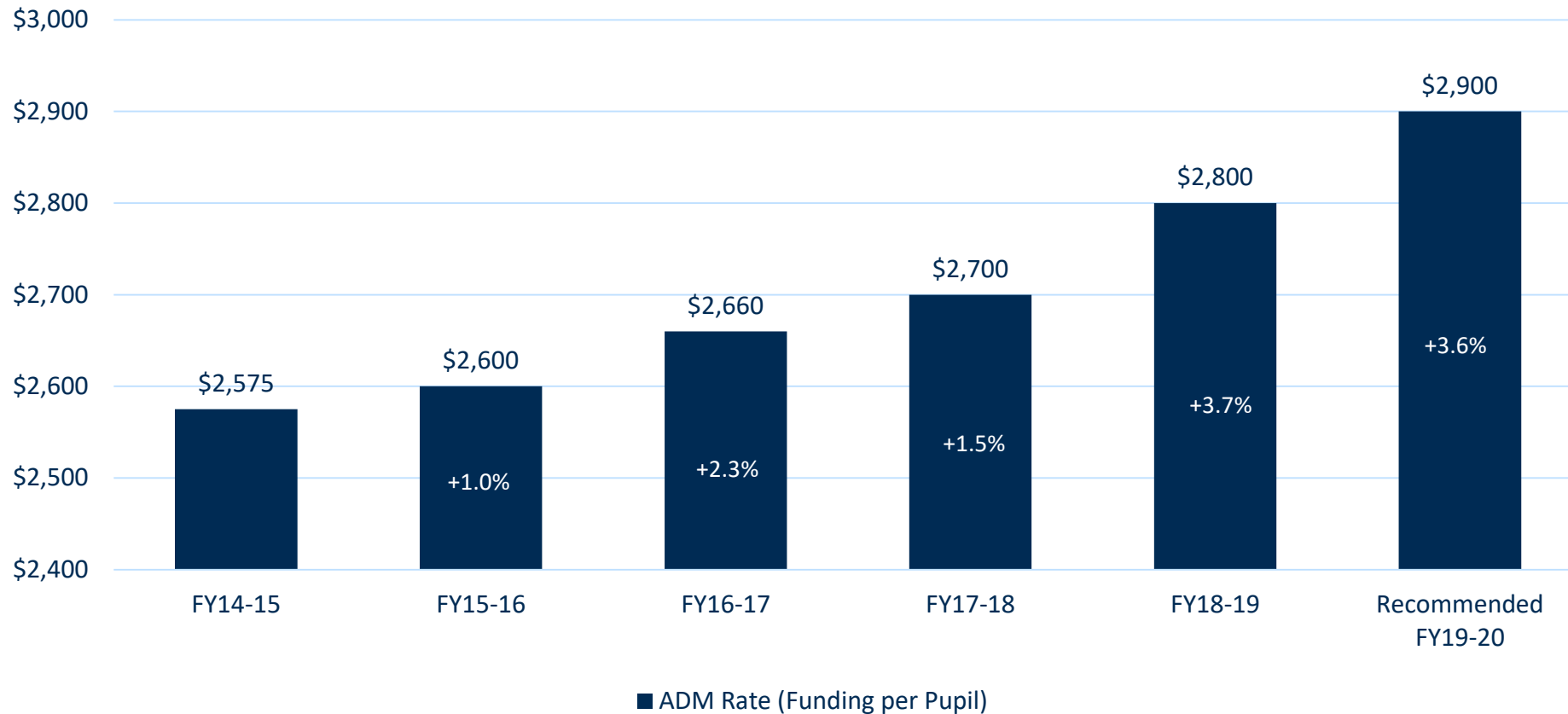
Historical School Funding Comparison





New Hanover County Schools

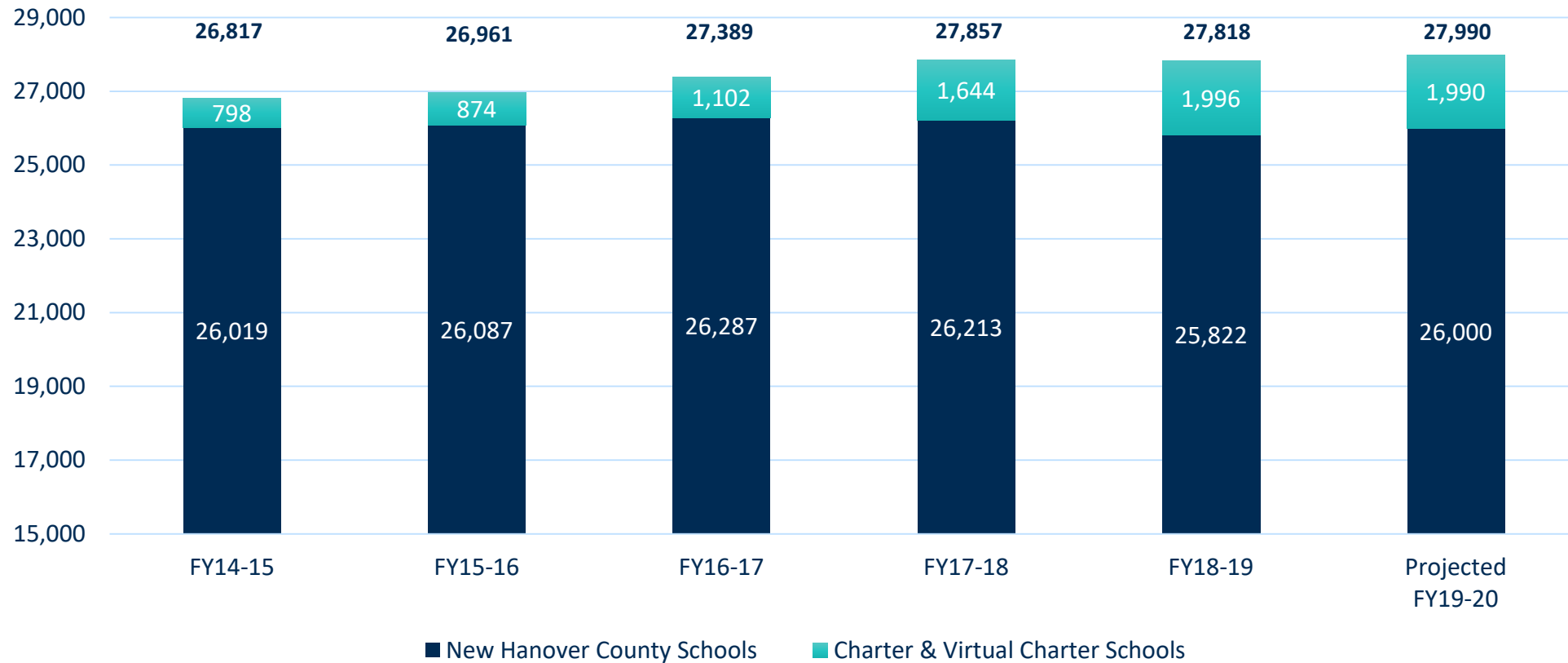
Historical Funding per Pupil (ADM Rate)





New Hanover County Schools

Historical School ADM Comparison





Cape Fear Community College

- Operating: \$11 million
- Capital: \$0 requested/recommended
- Debt service: \$15.2 million
- Total: \$26.2 million



Public Health and Safety

- \$203,000 for the Sheriff's Office to assume responsibility of Forensic Lab from City of Wilmington, with the City funding 40% of the annual cost
- \$46,000 for digital forensic equipment for the Sheriff's Office
- Detective for Crimes Against Children Unit in the Sheriff's Office
- Crime analyst for Intelligence and Analysis Unit in the Sheriff's Office
- Administrative support technician for the Community One program in the Sheriff's Office



Public Health and Safety

- \$1 million for new dispatch consoles and radio equipment for 911 Communications
- \$100,000 for a federal prosecutor in the District Attorney's Office (2nd of 2 years)
- 2 school-based health nurse positions
- 5 social worker positions to meet caseload demand and manage supervisors' span of control



Economic Development

- \$320,000: WBD, WDI, SEDC, Arts Council, Southeastern Partnership, Highway 17/64 Association
- \$148,000: Cucalorous Film Foundation, Wilmington Regional Film Commission
- \$60,000 for Blue Clay Road project
- \$100,000 for Preliminary Engineering Review for the Sidbury Road water line
- \$525,000 for CFPUA for fire flow along US 421 (3rd of 3 years)
- \$250,000 for continued partnership with Wrightsville Beach on improvements near Johnnie Mercer's Pier (2nd of 2 years)



Other

- Emergency Preparedness
 - Redesign of WebEOC software: \$30,000
 - Consolidated EOC/logistics facility – space study and design: (\$150,000)
- Stormwater Management
 - Drainage projects (CIP): \$140,000
 - Stormwater utility study – Phase 2: \$10,000
 - Best Management Practices (BMPs) for water quality: \$10,000



Other

- Non-County Agencies – Human Services
 - \$953,000 for 28 agencies and 34 programs
 - Additional \$235,000 for 7 programs transitioning to vendor status
- Workforce Housing
 - 50/50 cost-share with City of Wilmington for Workforce Housing study and survey (\$45,000)



Capital Planning

- Five-year Capital Improvement Plan for General Fund
 - \$2.3 million for FY19-20
 - \$1.9 million funded from capital reserve/\$244,000 grant funding/\$89,000 General Fund revenues
- Capital outlay for General Fund
 - \$9.5 million for FY19-20
 - \$7.1 million financed via loan proceeds/\$2.4 million General Fund revenues



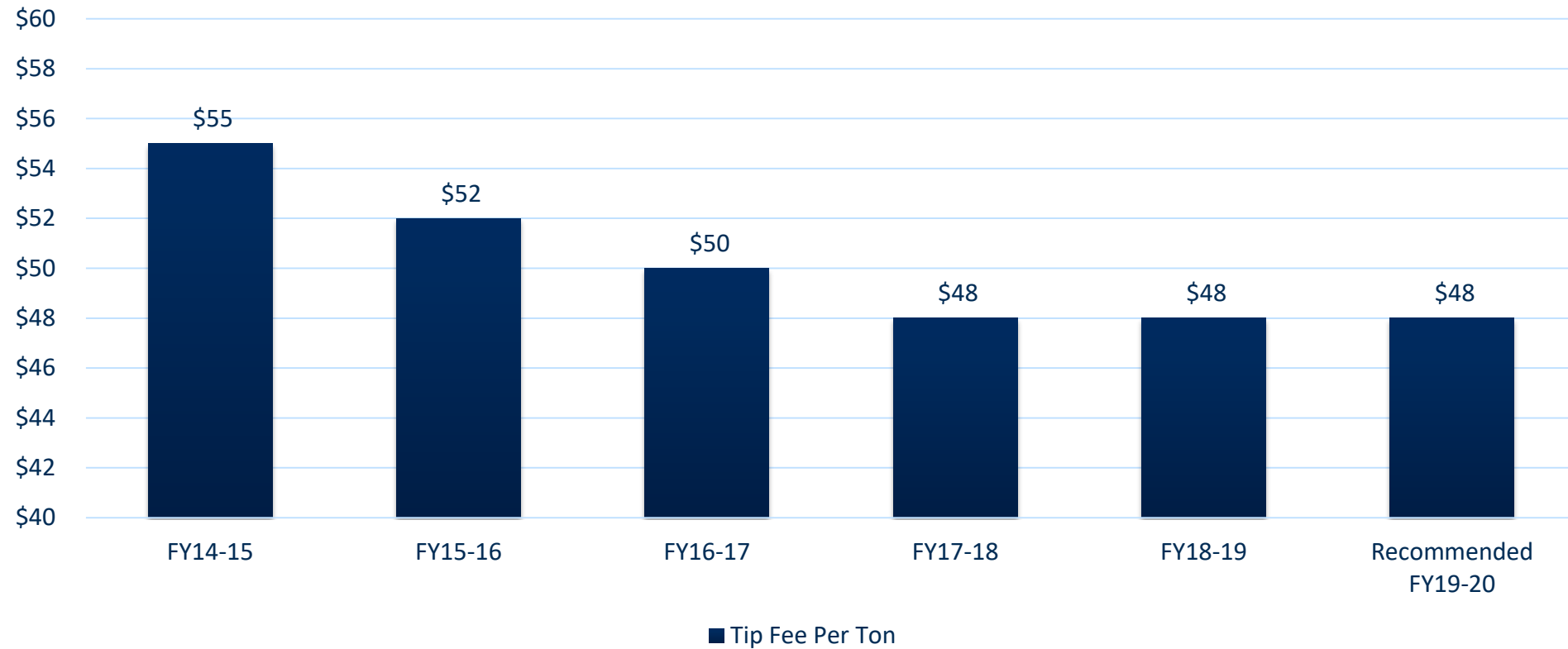
Environmental Management

- \$48 per ton tip fee (no change)
- Capital projects: \$8 million
- Capital outlay: \$2.9 million
- 3 new positions
 - 2 equipment operators
 - 1 fiscal support technician



Environmental Management

Environmental Management Tipping Fee





Fire Services

- Revenues
 - 7.75 cents per \$100 of value (unchanged)
- Capital outlay: \$1.2 million (equipment, vehicles)
- \$151,000 to improve fire flow capacity for the Northern Water Main



Personnel

- 20 new positions recommended for the General Fund
 - 8 for Sheriff's Office (5 for Forensic Lab, 1 detective, 1 crime analyst, 1 administrative support technician)
 - 5 for Social Services (2 social workers, 2 social worker supervisors, 1 senior social worker trainer)
 - 4 for Building Safety (2 code compliance officials, 2 development services specialists)
 - 2 for Health (public health school nurses)
 - 1 for Parks (program coordinator)
- 3 new positions recommended for Environmental Management
 - 2 equipment operators, 1 fiscal support technician



Personnel

- Market: Greater of 2% or \$1,040
- 1.5% merit pool (same as two previous fiscal years)
- \$3 million salary lag



Non-County Agency Funding Recommendations



FY 2019-2020 Recommended Budget in Summary

- Advances the board's stated strategic priorities of Superior Education & Workforce, Superior Public Health & Safety and Intelligent Growth and Economic Development
- Fully funds prior obligations and policy commitments
- Enhances and expands services while maintaining ad valorem tax rates and tipping fees
- Demonstrates fiscal responsibility and sets the county on a path to rebuild our fund balance position to the stated policy range of 18-21%



Next Steps

- Public hearing scheduled for Monday, June 3
- Budget workshop – recommended for Thursday, May 30
- Budget adoption – recommended for Monday, June 17



Questions?