

BUDGET WORK SESSION 2

General Government
Support Services
Community Services



ORANGE COUNTY
NORTH CAROLINA

*June 9, 2016 Budget Work Session
Southern Human Services Center*

FUNCTIONAL LEADERSHIP TEAM PROCESS

- Functional Leadership Teams reviewed all budget requests
 - Scored using eight criteria
 - Supports goals of the Board of County Commissioners
 - Supports a legal mandate
 - Addresses life and safety concerns
 - Expands services to residents
 - Reduces an existing backlog of resident needs
 - Improves operational efficiency
 - Budget neutral or generates additional revenue
 - Promotes interdepartmental cooperation or collaboration
- Final scores informed County Manager recommendations

COMMUNITY SERVICES

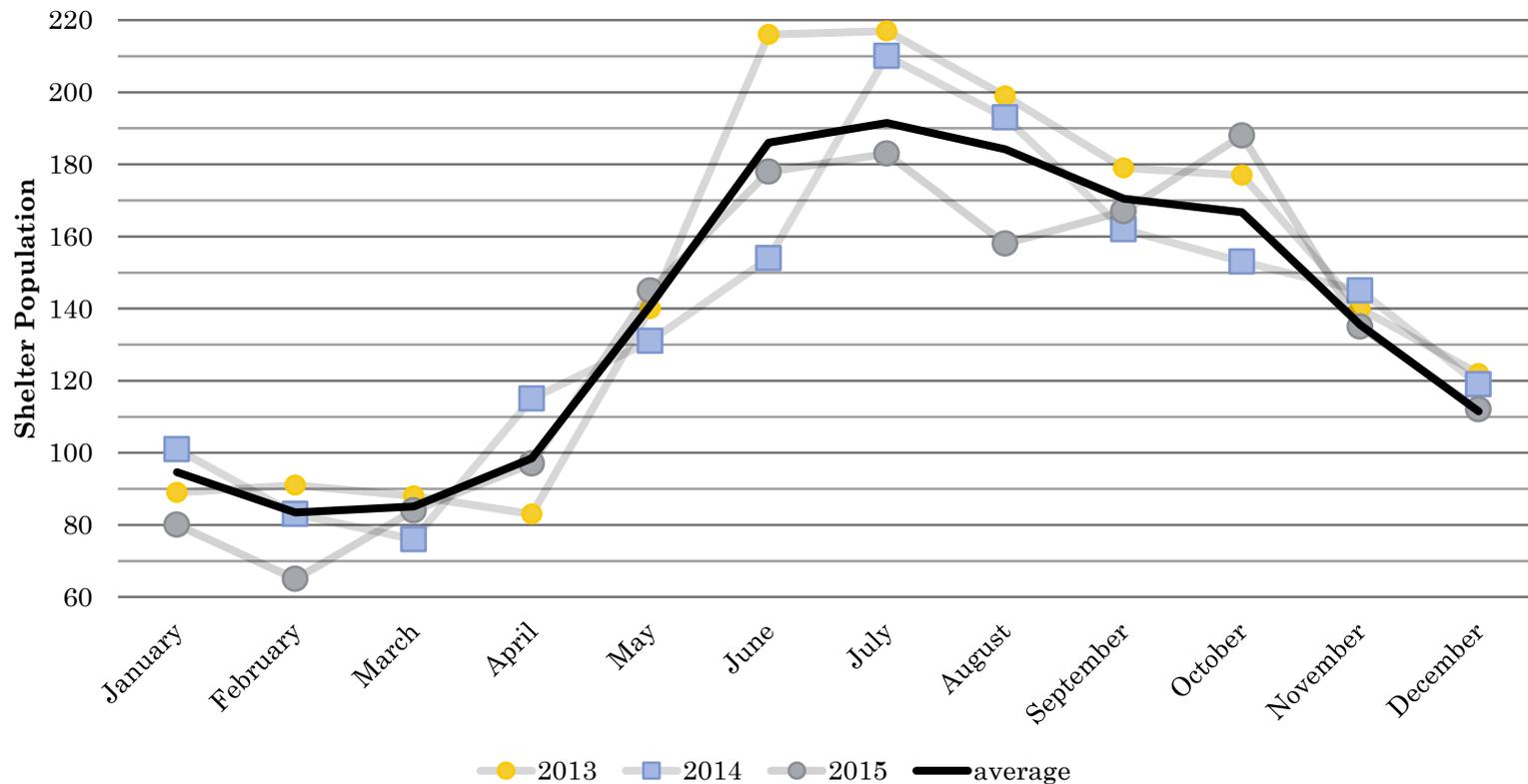
- Animal Services

- Revenues from service charges — \$3,750
- Revenue from previously adopted fee increases - \$6000 for reclaim and \$3,550 from microchipping

COMMUNITY SERVICES

- Animal Services Shelter staffing – \$6,000 additional funding
 - Seasonal funds during peak months of April to October
 - Funded with new fee revenue

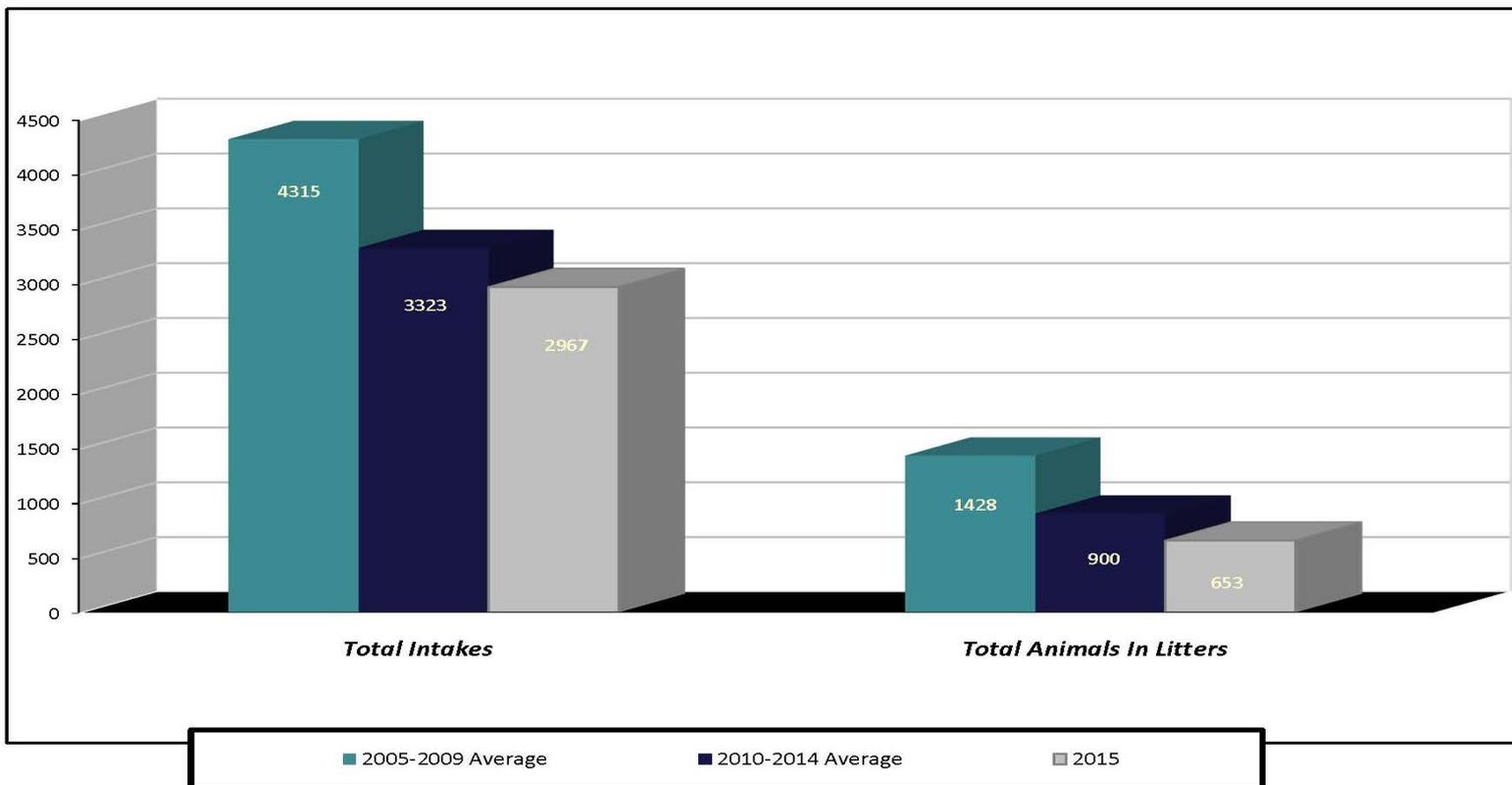
Average Daily Animal Services Shelter Population
(Dogs and Cats)



COMMUNITY SERVICES

- Animal Services Spay/Neuter Program - \$12,600
 - Maintains program due to loss of I-Care grant funds from State
 - Funded with transfer from Spay/Neuter fund accumulated balance

Animals Admitted: 2005-2015



COMMUNITY SERVICES

- Cooperative Extension
 - \$15,000 for Breeze Farm to increase incubator program (operating expenses)
 - \$25,000 in revenue from Farm to Fork event
 - Breeze Farm Master Plan underway
- Breeze Farm incubator program has served 377 individuals over past eight years
 - 40 new farms have been created
 - 30 farms created by individual taking PLANT classes
 - 10 beginning farmers who leased land at Breeze Farm now farm on their own land
 - 24% (83) are involved in local food businesses or local food network

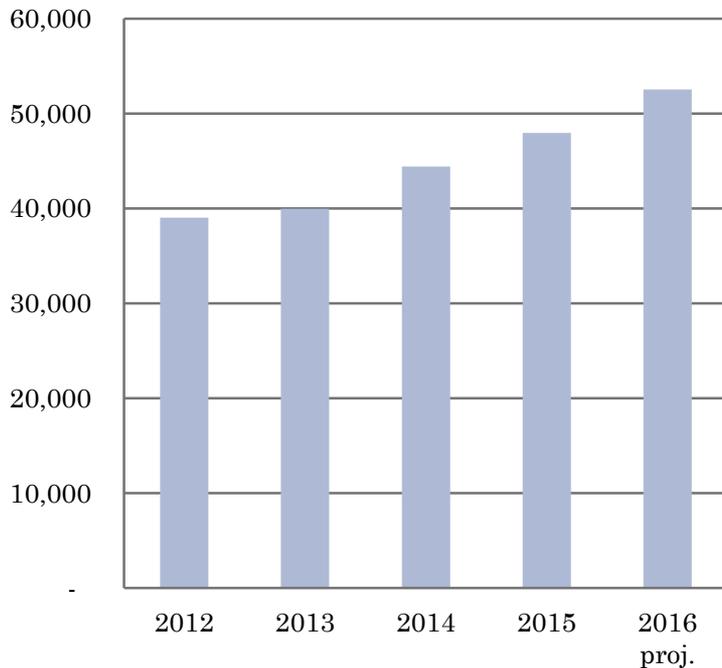
COMMUNITY SERVICES

- Department of Environment, Agriculture, Parks & Recreation
 - Fairview Community Watch - \$5,500
 - Hire temporary employee/intern from neighborhood
 - Moved from outside agencies
 - Family Success Alliance Summer Camp - \$8,700
 - Partnership with FSA and New Hope Elementary
 - STEAM Camps (Science, Technology, Engineering, Art, Mathematics)
 - July 11 through August 18
 - Community Centers Program - \$43,600
 - Cedar Grove, Efland Cheeks, Rogers Road
 - Provides equipment, operating expenses and temporary staffing
 - Core hours of operation – five hours per day
 - Supplemented with Community Groups and Volunteers
 - Cedar Grove Community Center History Wall - \$15,000
 - Exhibits and displays honoring historic school and community

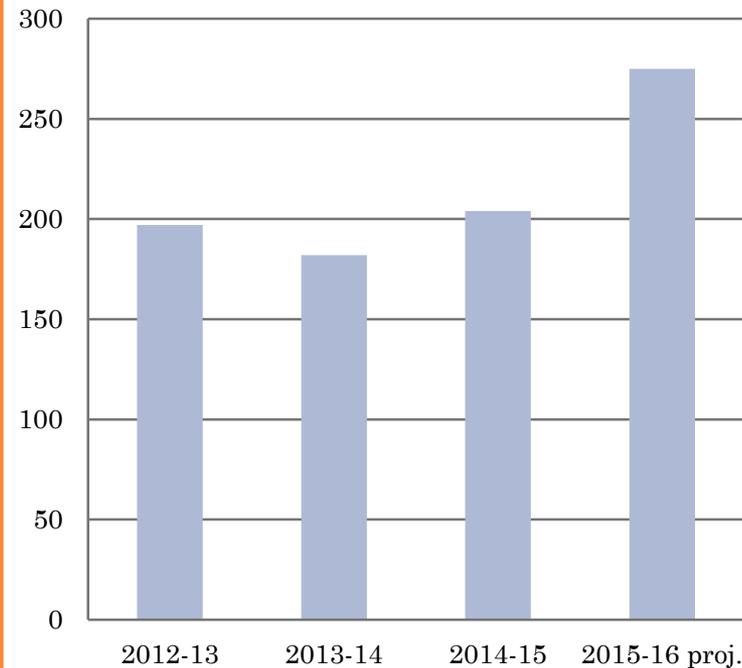
COMMUNITY SERVICES

- Seasonal Staffing - \$69,000
 - Hollow Rock Nature Park & Seven Mile Creek Preserve
 - Demand measures show increase in park access and services

**Little River Park Visitors
2012-2016**



**Park Shelter Reservations
All Facilities**



COMMUNITY SERVICES

- Capital Investment Plan - FY2016-17 Recommendations
 - Blackwood Farm Park - \$1.26 million
 - New access road and entrance
 - Phase 1 of multi-year park development
 - Cedar Grove Park – Phase II - \$60,000
 - Basketball court resurfacing
 - Conservation Easements - \$500,000
 - \$250,000 County funds
 - *Proposed Amendment – Add \$250,000 in County funds for conservation easements in CIP*
 - Mountains to Sea Trail Segment 11-D - \$521,000
 - Occoneechee Mountain to Seven Mile Creek
 - Public meetings during summer of 2016

COMMUNITY SERVICES

- Capital Investment Plan – FY2016-17 Recommendations
 - Hollow Rock Nature Park - \$235,000
 - Relocation of Hollow Rock Store – late 2016
 - ADA loop trail, restrooms, wildlife viewing deck, boardwalk
 - River Park – Phase II - \$50,000
 - Stormwater controls, entry sign from new Churton St. bus turnout
 - Little River Park – Phase II - \$100,000
 - Repave original entry road
 - Fairview Park Access and Parking - \$325,000
 - New entry and parking lot
 - Bid award scheduled June 21
 - Construction scheduled for summer/fall of 2016

COMMUNITY SERVICES

- Economic Development – Article 46 Sales Tax
 - \$3,007,726 Total Recommended FY2016-17
 - Divided between Education and Economic Development
 - Education amount divided between the Districts by average daily membership proportions (ADM)

Article 46 Sales Tax - Education		
CHCCS	Student Access to Computing Devices	\$451,835
CHCCS	Facility Improvements to Older Schools	\$451,835
OCS	Technology Upgrades – Districtwide	\$600,193
TOTAL		\$1,503,863

COMMUNITY SERVICES

- Economic Development – Article 46 Sales Tax

Article 46 Sales Tax – Economic Development	
Debt Service - Infrastructure	\$817,477
Utility Agreement – Mebane	\$50,000
Collaborative/Outreach	\$20,000
Small Business Loan Program	\$100,000
Innovation Center – Launch Chapel Hill	\$40,000
Agriculture Grant Program	\$60,000
Business Investment Grant Program	\$100,000
Incentives	\$258,886
Agriculture Summit	\$7,500
Orange Connect Scholarship Program	\$50,000
TOTAL	\$1,503,863

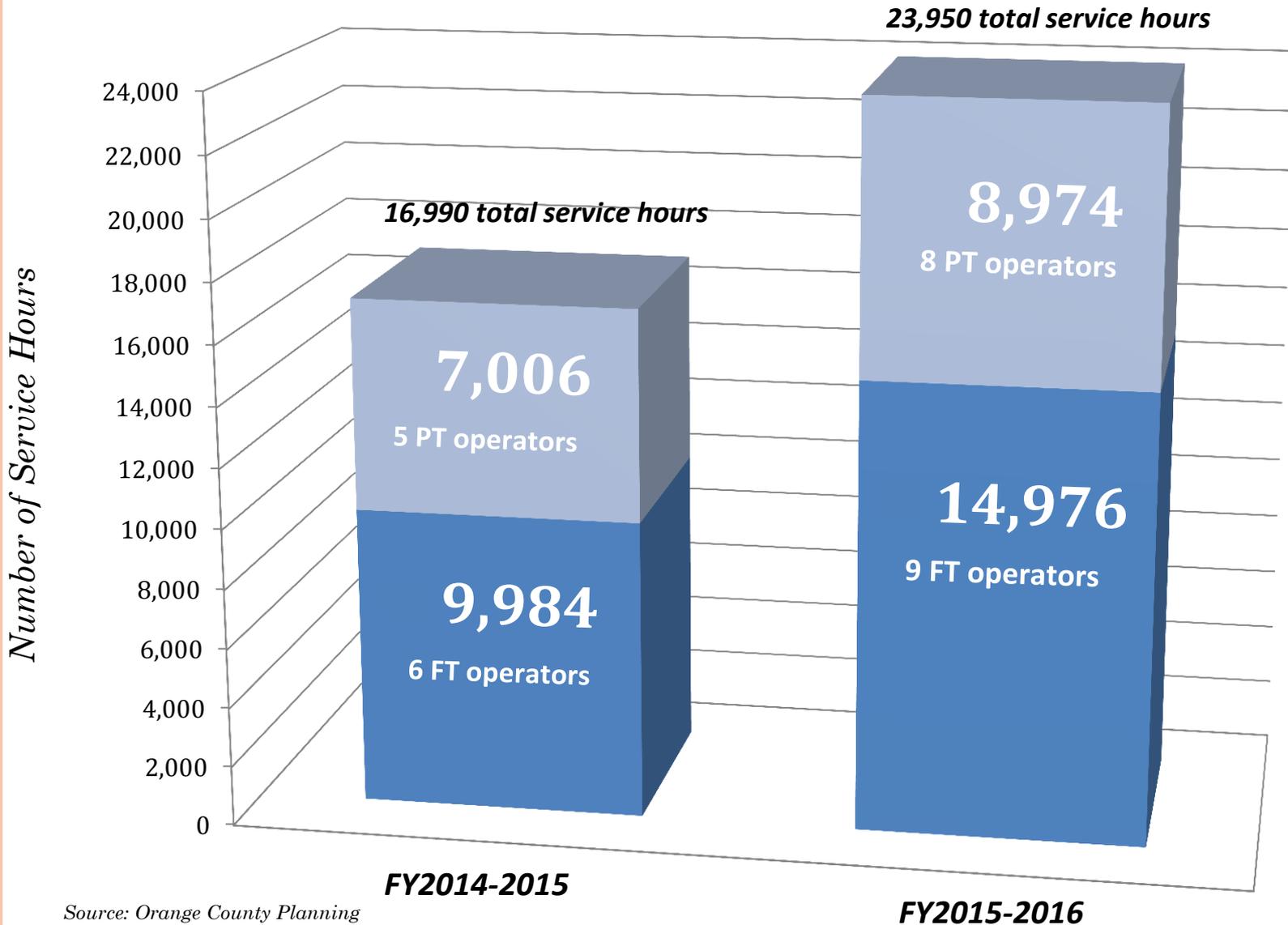
COMMUNITY SERVICES

- Economic Development – Article 46 Sales Tax
 - Reallocation of Prior Year Balance - \$765,600
 - Education amount (\$382,800) reallocated 12/15/15
 - Economic Development Recommendation
 - SWOT Analysis - \$75,000
 - Incentives - \$307,800
 - *Proposed Amendment – Launch Expansion - \$33,500*
 - *Request received after budget was introduced*
 - *Double space for incubator program*
 - *Three party agreement – County, Chapel Hill, UNC*
 - *Up to three year agreement*
 - *Reallocate from FY2016-17 incentive recommendation*

COMMUNITY SERVICES

- Orange Public Transportation
 - Create Department of Public Transportation
 - Report to the County Manager
 - Department Director effective 1/1/17 - \$33,131
 - Three additional buses - \$31,678
 - 10-20% County share
 - Fare boxes - \$68,000
 - Prepaid fare cards
 - Bus passes

ORANGE PUBLIC TRANSPORTATION: BUS SERVICE



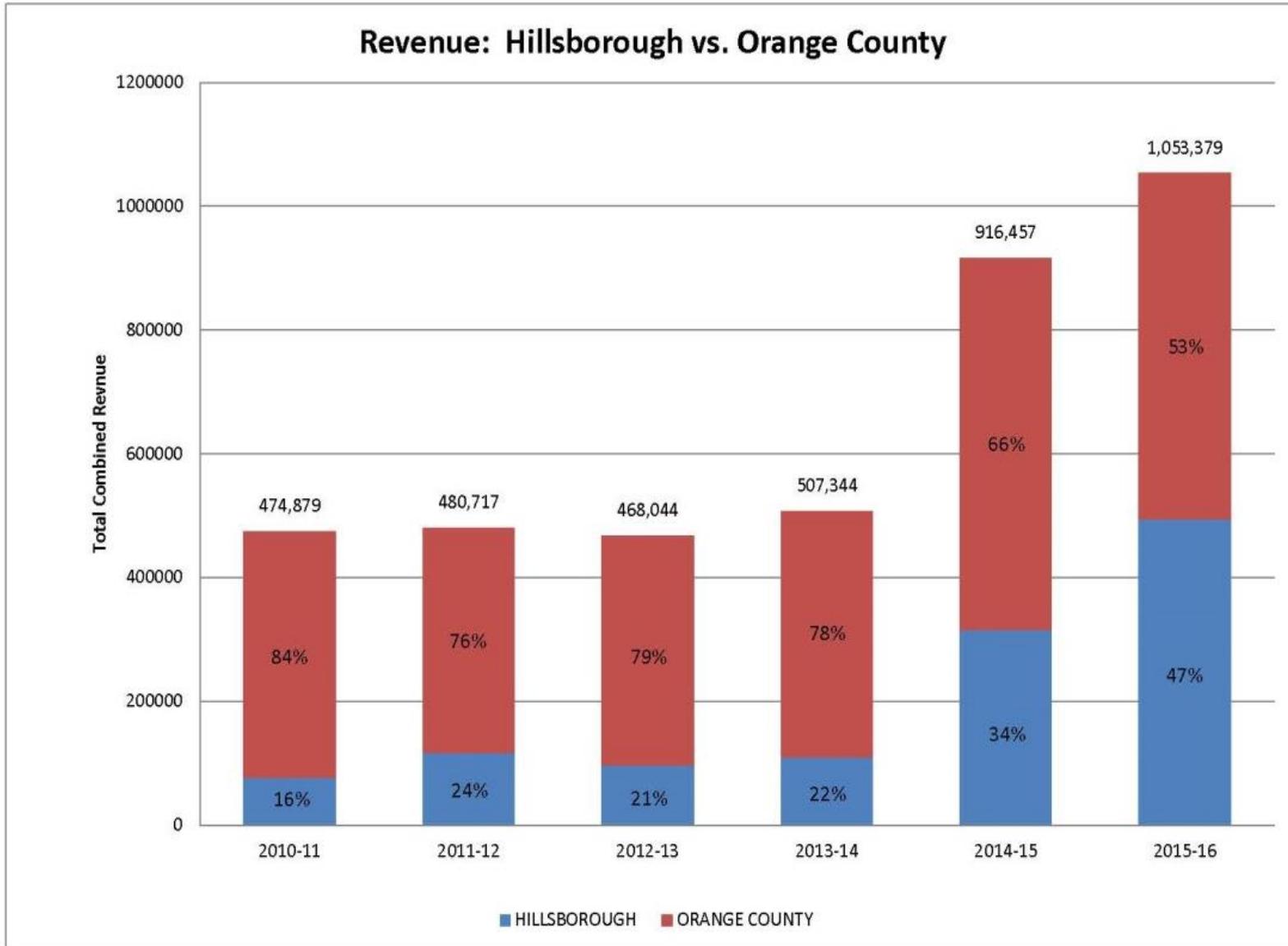
Source: Orange County Planning and Inspections/OPT Department; April 2015



COMMUNITY SERVICES

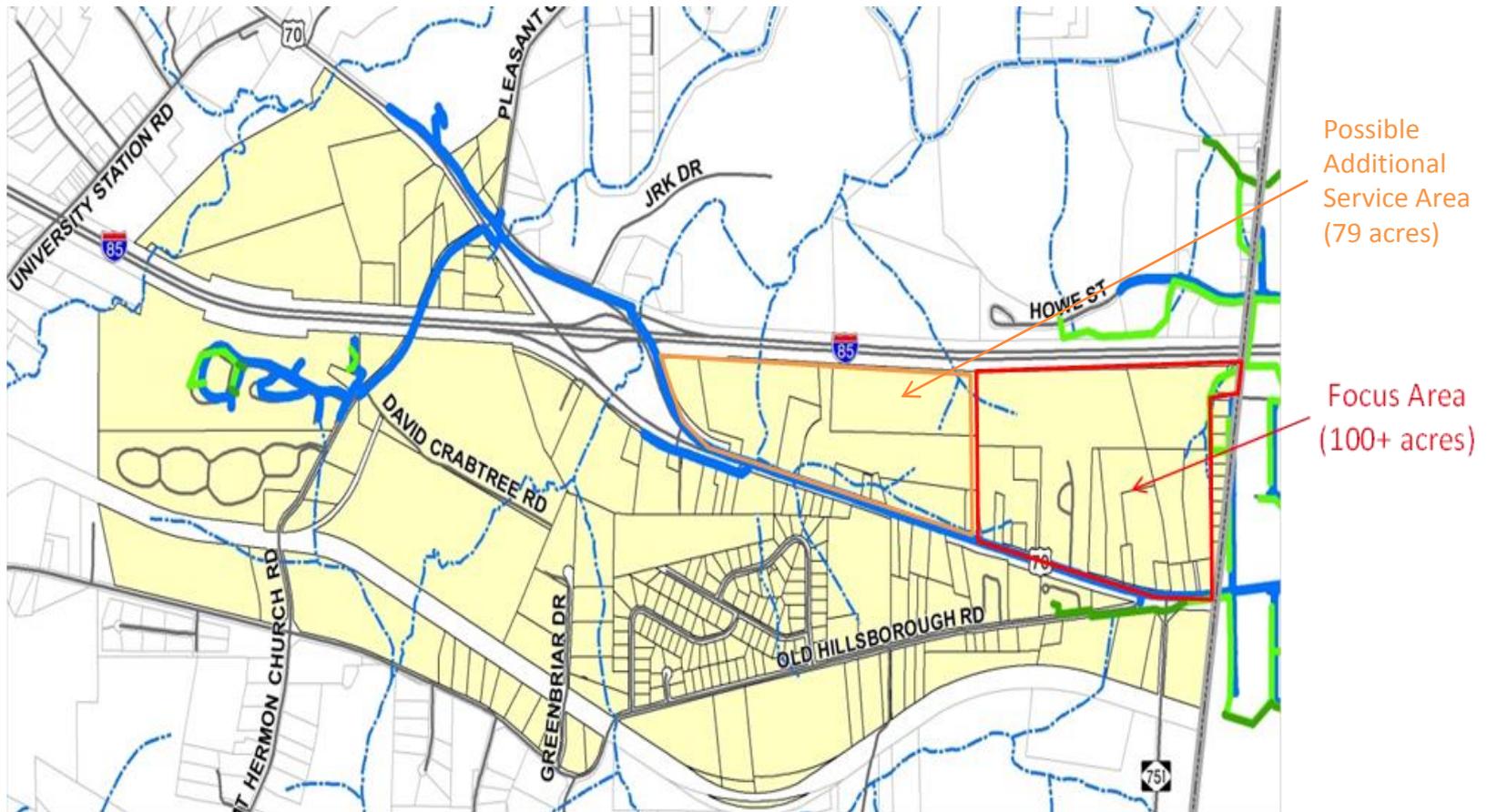
- Planning and Inspections
 - New Division Structure
 - Decrease in consulting services – completion of School Impact Fee study - \$20,800
 - Code Compliance Officer - \$84,300
 - Includes \$26,100 in start up costs
 - Position funded with Permit and Inspection Fee Revenue - \$138,152

PERMIT FEE REVENUE



COMMUNITY SERVICES

- Planning and Inspections - Capital Investment Plan
 - Water/Sewer – Eno EDD smaller scope - \$120,000 design



COMMUNITY SERVICES

○ Solid Waste Operations

- Solid Waste Financial Consultant
 - Review Expenditures/Revenues
 - Review Program/Services Effectiveness
 - Evaluate Other Regional Annual Fee Structures/Rates
 - Develop 5-Year Financial Plan
 - Recommend Enterprise Fund Fee Schedule
 - Consider Other Revenue Options
 - Propose Enterprise Fund Reserve Allocations
- Maintain \$107 Solid Waste Programs Fee for FY2016-17
- Utilize Enterprise Fund Reserves to Temporarily Fund Budget Gap
- Submit Consultant Recommendations to SWAG and BOCC for consideration
- General Fund contribution to Sanitation increases by \$286,701 to maintain standard contribution amount of 65% net division expenses

COMMUNITY SERVICES

- Solid Waste – Mobile Home Fee Collection Options
 - Solid Waste Program Fee charged to real property owners
 - Mobile home park owners charged for each lot occupied by a mobile home
 - Other multifamily buildings charged by # of units
 - Commercial property assessed by # of store fronts
 - Condominiums billed to owner of the unit
 - Alternatives
 - Maintain status quo
 - Shift fee to mobile home owners instead of land owner
 - Current personal property tax paid on a MH shows a median bill of \$20.02
 - Budget impact - \$40,000 revenue reduction
 - Reduce the rate charged to mobile home park owners
 - Solid Waste consultant has seen models using 75% to 80% of total fee due to less waste generated
 - Budget impact - \$30,000 revenue reduction
 - Shift a reduced fee to mobile home owners
 - Budget impact - \$57,000 revenue reduction

COMMUNITY SERVICES

- Solid Waste – Mattress Disposal/Recycling Options
 - Average of 187 Mattresses and Box Springs processed per month through Eubanks Road facility over approximately three years
 - 61% of materials were recycled
 - Annual cost - \$36,000
 - Annual Revenue - \$23,000
 - No other County collection sites; Carrboro, Chapel Hill, Hillsborough, Mebane offer curbside collection

COMMUNITY SERVICES

○ Alternatives

1. Eliminate fee at Eubanks and expand to Walnut Grove Church Road
 - Disposal only
 - Annual cost - \$65,400
 - Start-up cost - \$13,300
 - Recycling and Disposal
 - Annual cost - \$100,300
 - Start-up cost - \$142,600
2. Collect at Waste & Recycling Centers on Rotation – Walnut Grove Church Road, Ferguson Road, High Rock Road, and Eubanks Road
 - Disposal only
 - Annual cost - \$21,150
 - Start-up cost - \$13,294
3. Provide collection in unincorporated area for a \$20/unit fee
 - Recycling and Disposal
 - Annual Cost - \$94,170
 - Start-up cost - \$112,180
 - Annual costs net of revenue - \$76,170

COMMUNITY SERVICES

- Solid Waste – Capital Investment Plan

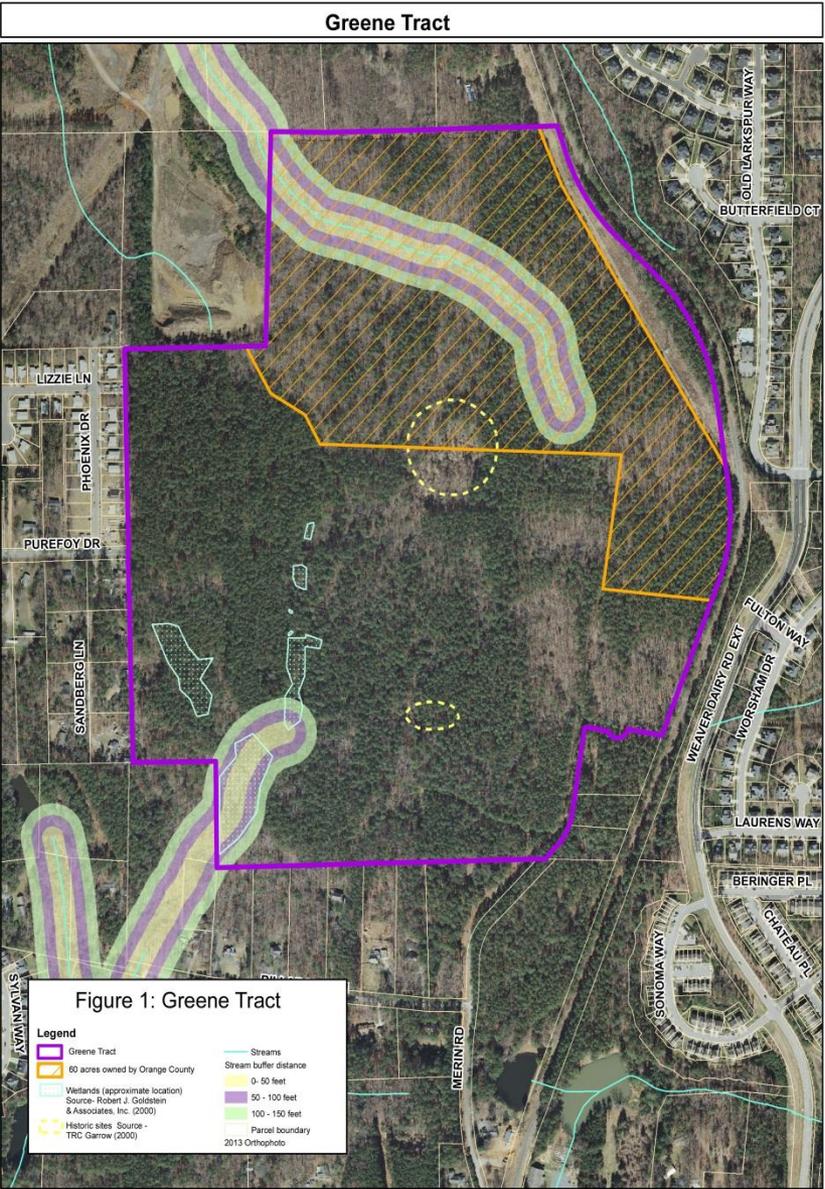
Recycling Program	
Rubber Tire Loader	\$128,197
Roll-Off Truck	\$217,235
TOTAL	\$345,432

Sanitation Program	
Roll-Off Truck	\$217,285

COMMUNITY SERVICES

- *Proposed Amendments – Solid Waste*
 - *Planning funds to begin a joint effort with Towns for a potential transfer station or other alternative waste disposal process - \$100,000 in the CIP*
 - *Purchase 60 acres of Greene Tract owned solely by Orange County/Solid Waste - \$668,178 original purchase price plus interest*

COMMUNITY SERVICES



107 acres - Owned jointly by Orange County, Town of Chapel Hill and Town of Carrboro

COMMUNITY SERVICES

○ Sportsplex

- Revenues – 8.3% Growth
 - Ice revenues up \$100K
 - Fitness up \$50K
 - Kidsplex growth of \$35K
 - Swim Team growth of \$20K
 - Healthy food options up \$20K
- Operating expenses mostly flat, with increases primarily variable payroll costs related to revenue growth.
- Master Swim Program – 50 participants
- Silver Sneakers Program at Seymour Center
- 6,000 members

COMMUNITY SERVICES

○ Sportsplex – Capital Investment Plan

Sportsplex – FY2016-17 CIP Projects	
Rotating Fitness Equipment	\$100,000
Telephone/Server Upgrade	\$35,000
HVAC Contingency	\$50,000
Ice Rink/Fitness Wall Repair/Paint	\$40,000
Ice Rink Scoreboard	\$20,000
Outside Play Area	\$45,000
Bounce House/Inflatable Slide	\$30,000
TOTAL	\$320,000

COMMUNITY SERVICES

- Non-Departmental Recommended Changes
 - Parks Payment in Lieu Plan Update - \$60,000
 - DEAPR & Planning collaborative effort
 - Payment in lieu fee/land dedication analysis for development
 - Lake Orange Maintenance - \$7,260
 - Maintenance, repair, and aquatic weed control
 - Forest Service Contract – decrease of \$13,117
 - Cost share of Ranger position with Durham County

GENERAL GOVERNMENT

- Board of County Commissioners
 - No changes requested or recommended
- Board of Elections
 - Decrease of \$370,371 – election administration
 - One election budgeted for FY2016-17, down from four in FY2015-16
 - November 2016 General Election - \$225,000
- County Attorney
 - Additional \$10,000 contingency to offset costs of litigation – court costs and attorney fees

GENERAL GOVERNMENT

○ County Manager

- Consulting Services - \$100,000 for Development Impact Study and Double Taxation Study
- Reflects reorganization of Risk Management and Criminal Justice Resource Office as Divisions in Manager's Office

○ Register of Deeds

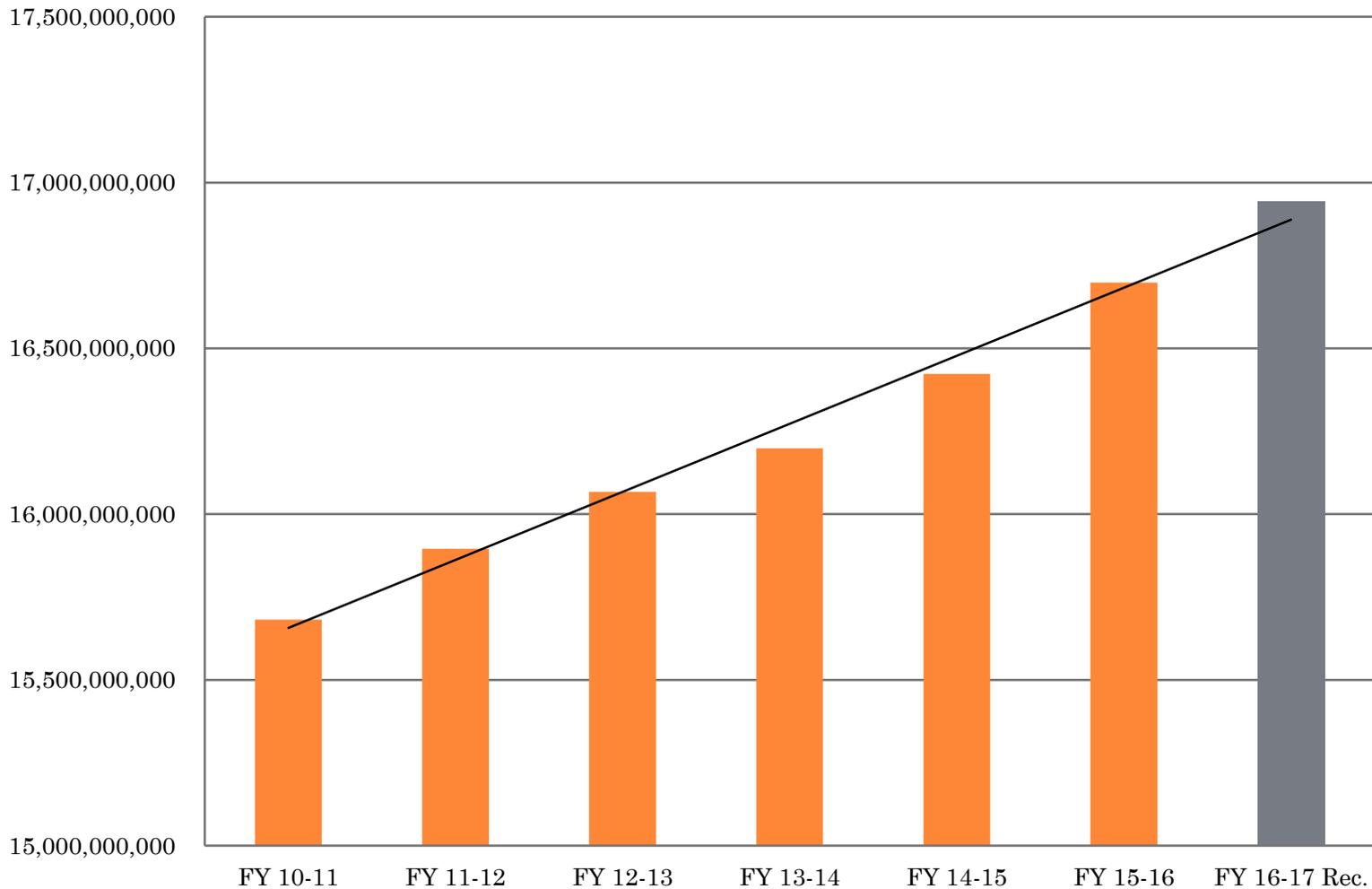
- Revenue increase \$160,000 in Excise Stamp fees associated with real estate transactions
- CIP – Annual Register of Deeds Automation - \$80,000
 - 10% of revenue deposited in automation enhancement and preservation fund by general statutes
 - Scanning equipment - \$4,300

GENERAL GOVERNMENT

- Tax Administration
 - 1% Growth in real and personal property tax base, compared to 0.9% in FY15-16
 - 159.7 million in new property value
 - \$1.4 million yield
 - Motor vehicle value projected to increase 6%
 - Budgeted collection rate increased from 98.5% to 99%

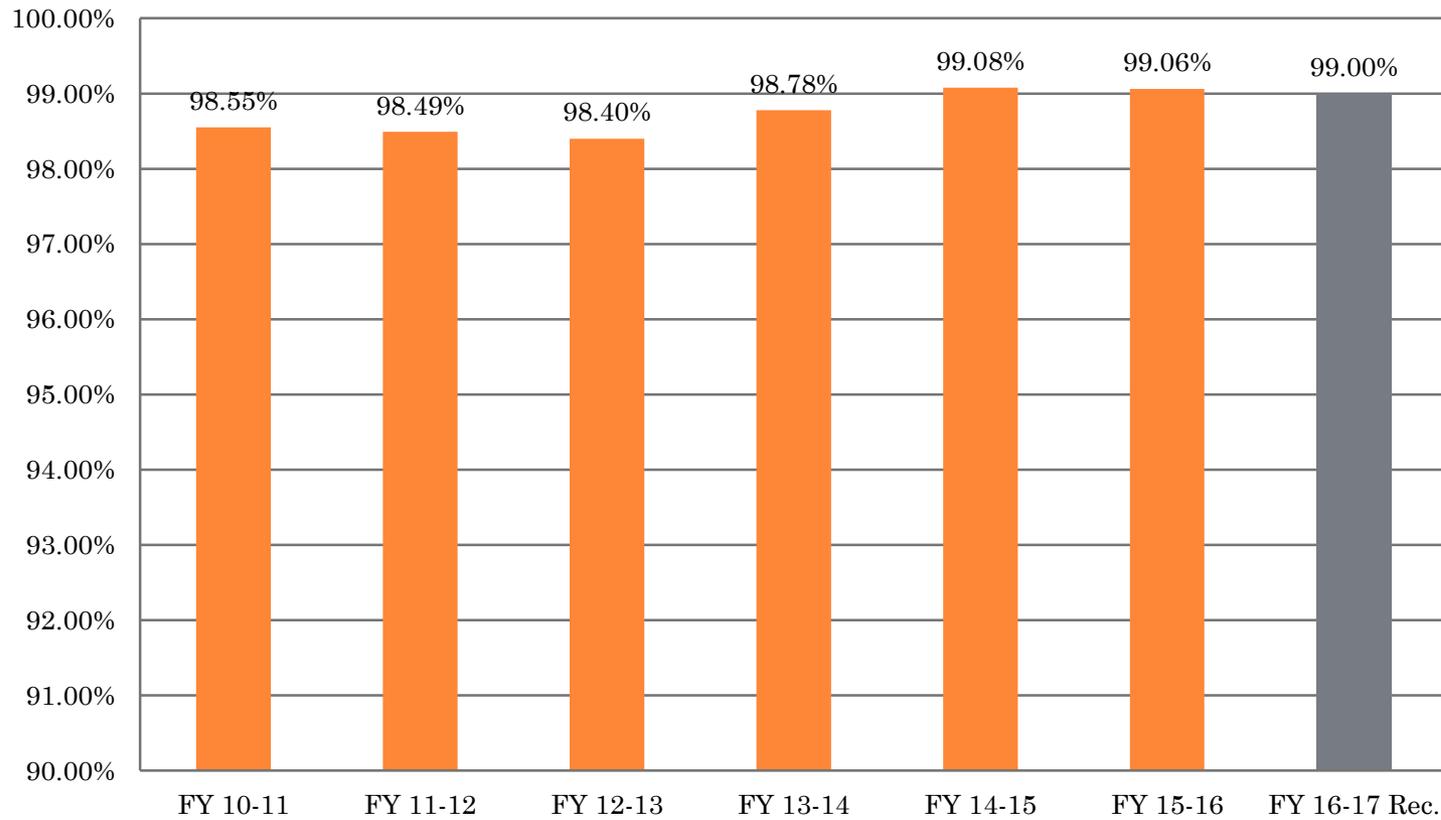
GENERAL GOVERNMENT

Tax Base Growth Real, Personal, Motor Vehicles



GENERAL GOVERNMENT

Property Tax Collection Rates



GENERAL GOVERNMENT

- Tax Administration Operations
 - Remove time limited designation from Office Assistant II position
 - Revaluation Project
 - \$10,010 for temporary staff
 - \$21,250 in contract services
 - \$10,000 for Board of Equalization and Review
 - New Revenue
 - \$21,000 revenue from collecting new Town of Hillsborough Stormwater fee = 3% of gross collections
 - *Proposed Amendments*
 - *\$35,000 for commercial valuation services due to staffing changes; offset by reclassification savings*
 - *\$5,000 new revenue from City of Mebane Tax collection*

GENERAL GOVERNMENT

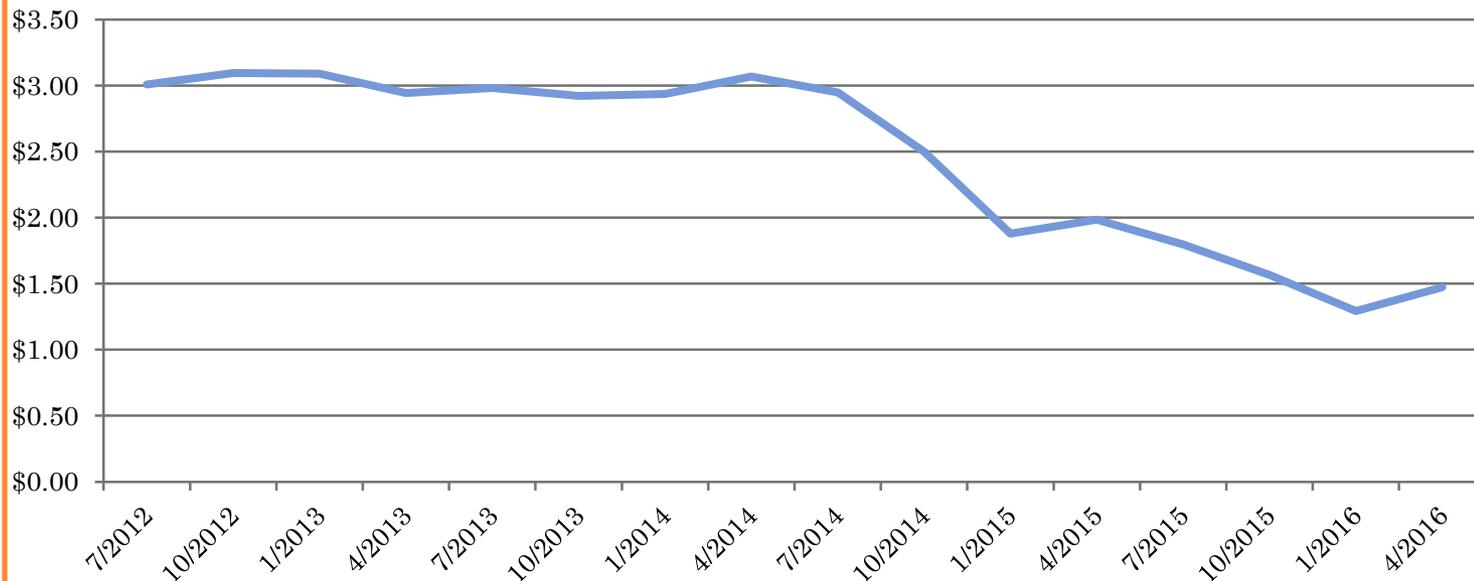
- Non-Departmental Recommended Changes
 - Bond Referendum Education Committee - \$30,000
 - Supplements \$20,000 authorized when Committee was created
 - Total budget - \$50,000
 - Stormwater Fees for County Facilities - \$23,000
 - New Hillsborough stormwater utility fee

SUPPORT SERVICES

○ Asset Management Services

- Duke Energy rate increase - \$22,000 reduced by retro commissioning study of Whitted Campus
- Decrease in gas, oil, diesel fuel accounts - \$340,000 due to fuel cost decrease offset by \$80,000 increase in propane purchase

Average Combined Cost per Gallon for Diesel and Gasoline, Purchased between July 2012 and May 2016



SUPPORT SERVICES

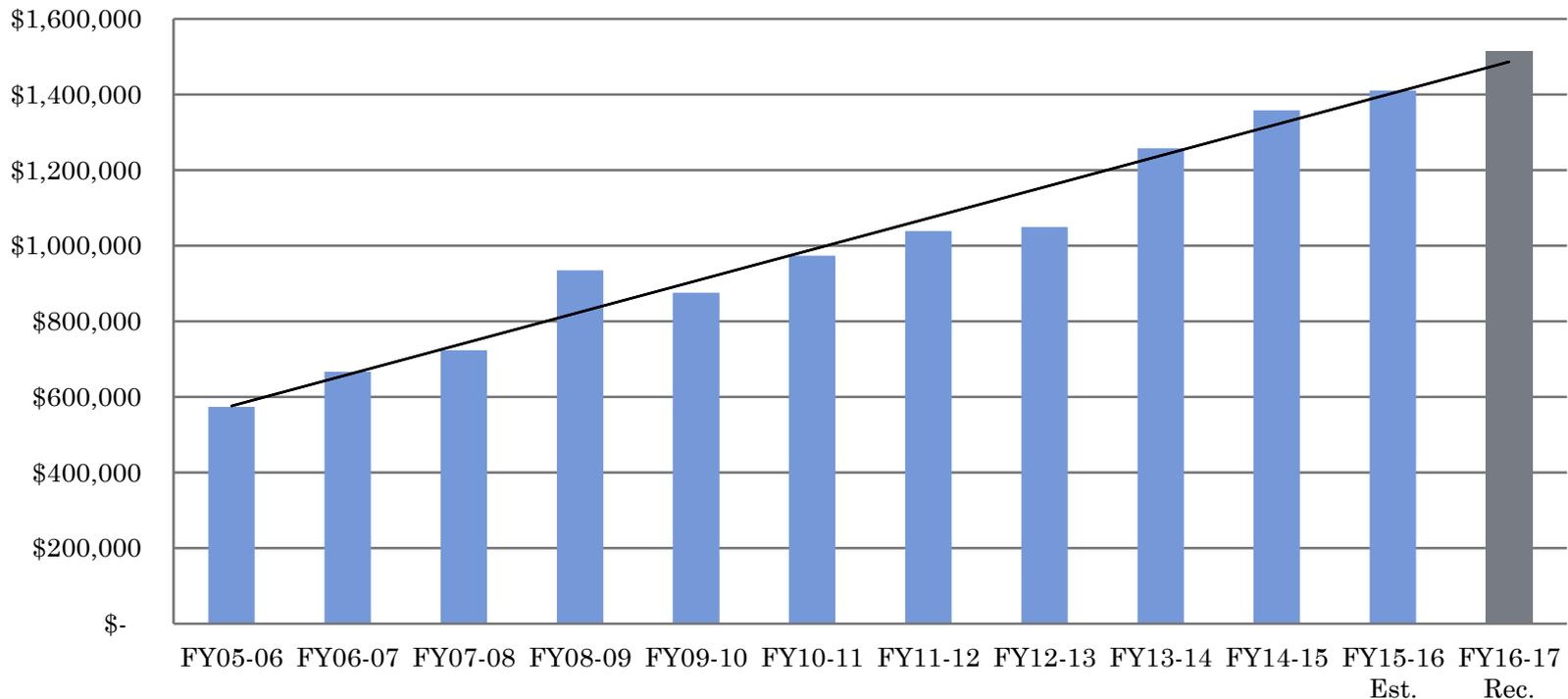
- *Proposed Amendments - AMS*
 - *Remove rental income expectation for Piedmont Food and Agricultural Processing Center - \$17,000*
 - *Relocate two monitors at Whitted from ceiling to side carts - \$9,000 in recurring capital*
 - *Single Occupancy Restrooms (5) - \$100,000 in CIP*
 - *Sidewalk on Cameron St. from Margaret to King St. - \$24,000 in CIP*
- **Finance and Administrative Services**
 - Treasury and Investment Optimization Plan - \$30,000
 - Offset by \$102,500 increase in investment earnings
 - Budget policies for Budget Ordinance
 - OPEB Trust
 - Pay-as-you-go funds
 - Sales Tax recovery on school projects
 - Financial reporting deadlines

SUPPORT SERVICES

○ Community Relations & Tourism

- New Community Relations Director – July Start Date
- *Proposed Amendment - Visitors Bureau return to Economic Development*
- \$79,000 projected occupancy tax increase = 7%

Occupancy Tax History

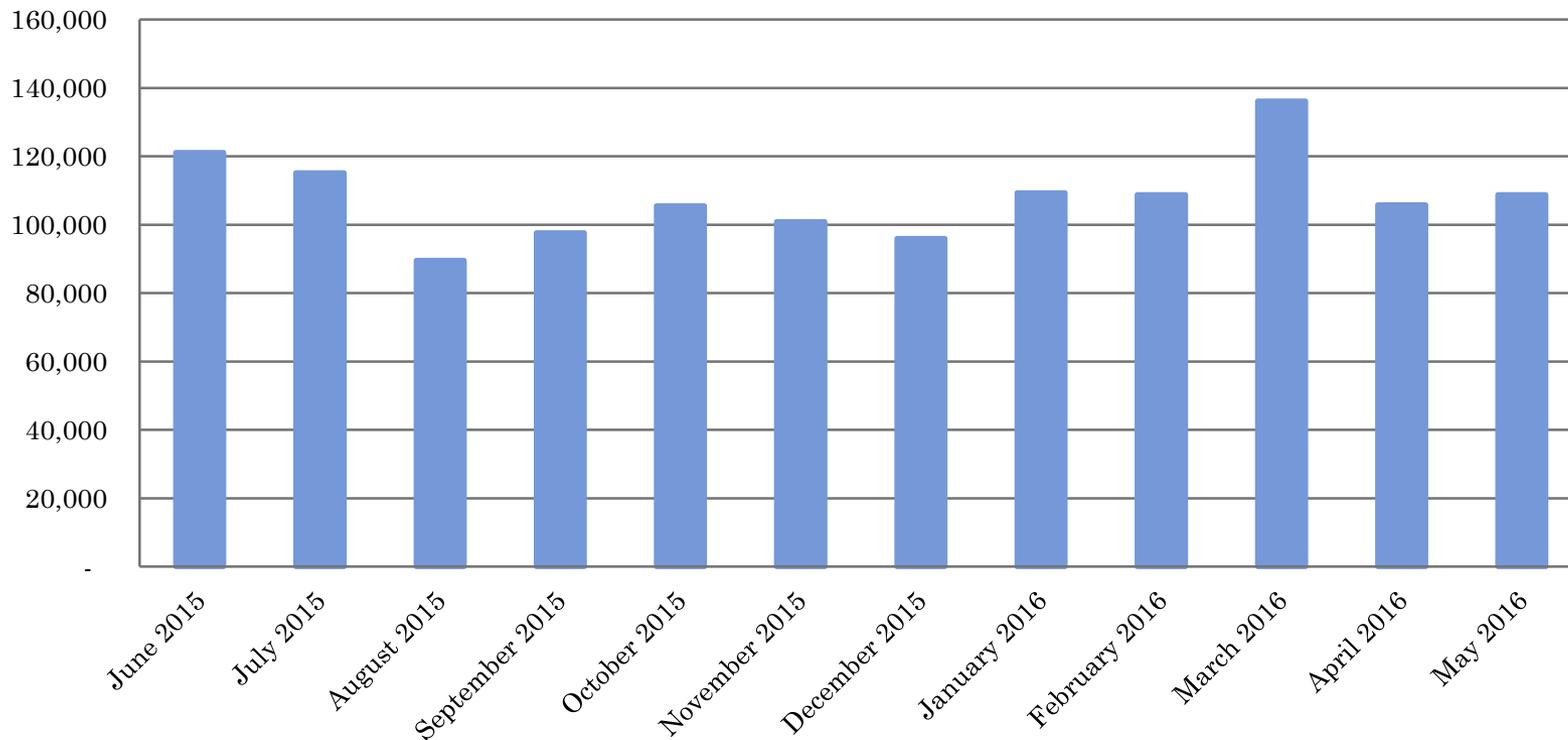


SUPPORT SERVICES

○ Community Relations

- Digital Media and Website Coordinator - \$55,800

**County Website Sessions
June 2015-May 2016**



SUPPORT SERVICES

○ Human Resources

- Student Internship Program - \$27,500
 - Funds 2,000 hours of intern time
 - Five interns for 10 weeks each
- Employee Bus Passes - \$1,500
 - Go Triangle Passes
 - Part of commuter benefits analysis

EMPLOYEE PAY AND BENEFITS

- Employee Pay and Benefits
 - Salary savings increased from 1.5% of budgeted salaries to 3.0% based on experience - \$1.5 million total
 - 3% across the board increase split 7/1/16 and 1/1/17
 - No in-range adjustments
 - Meritorious Service Awards – recommends three levels as one time performance bonuses
 - \$500 – proficient performance
 - \$750 – superior performance
 - \$1,000 – exceptional performance
 - Compression Reduction Program - \$500,000
 - No changes to retirement, health, or dental premium contributions
 - Living wage increase to \$13.15 per hour for all County employees - \$32,400
 - Retiree health insurance - \$151,409 increase (8%) for Medicare eligible enrolled employees

SUPPORT SERVICES

- Information Technology
 - Hotspot Program – \$21,000
 - 2016 Pilot Project – 25 units
 - Partnership with Library
 - 3 week check out period
 - 41 holds at Main & Cybrary
 - 5 holds at Carrboro McDougal
 - Pilot program evaluation underway
 - 50 additional hotspot units proposed for FY2016-17
 - Software maintenance/contractual increases - \$268,000

SUPPORT SERVICES

○ Information Technology Capital Investment Plan

Information Technology CIP FY2016-17 Recommendations	
Technology Infrastructure	\$500,000
New Technology Improvements*	\$500,000
Fiber Initiative – Engineering	\$60,000
BOCC Initiatives	\$50,000
TOTAL	\$1,110,000

*New Technology Improvements

- Encryption Software – DSS & Health
- Scheduling and Mobile Data Terminals – OPT
- Mobile Computing and Vehicle Location – Sheriff's Office
- Pretrial and Drug Court Case Management Software
- KRONOS Timekeeping Improvements
- MUNIS Financial System Content Management
- Performance and Training Management Software – Human Resources

POTENTIAL FIBER PATH

