

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Virtual Budget Work Session

May 20, 2021

7:00 p.m.

Due to current public health concerns, the Board of Commissioners is conducting a Virtual Budget Work Session on May 20, 2021 utilizing Zoom. Members of the Board of Commissioners will be participating in the meeting remotely. As in prior meetings, members of the public will be able to view and listen to the meeting via live streaming video at orangecountync.gov/967/Meeting-Videos and on Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

- (7:00 – 7:30) 1. FY 2021-22 Fire District Tax Rates, Pgs. 259-264
- Damascus Fire District and Southern Triangle Fire Service District, Pg. 260
 - Efland Fire District, Pg. 260
 - Little River Fire District, Pg. 261
 - Orange Rural Fire District, Pg. 263
 - White Cross Fire District, Pg. 263
- (7:30 – 10:00) 2. Discussion of County Departments' FY2021-22 Recommended Budgets within the Public Safety, General Government, and Support Services Functional Leadership Teams (including Operations, Capital, and Fee Schedule Changes):
- Public Safety**
- Courts, Pg. 133
 - Criminal Justice Resources, Pg. 134
 - Emergency Services, Pg. 237
 - Sheriff, Pg. 384
 - Non-Departmental, Pg. 339
- General Government**
- Board of County Commissioners, Pg. 84
 - Board of Elections, Pg. 88
 - County Attorney, Pg. 120
 - County Manager, Pg. 123
 - Register of Deeds, Pg. 380
 - Tax Administration, Pg. 417
 - Non-Departmental, Pg. 326
- Support Services**
- Asset Management Services, Pg. 74
 - Community Relations, Pg. 110
 - Finance and Administrative Services, Pg. 253
 - Human Resources, including Employee Pay & Benefits, Pg. 294 and Appendix A, Pg. 424
 - Information Technologies, Pg. 306
 - Non-Departmental, Pg. 342

Orange County Board of Commissioners' regular meetings and work sessions are available via live streaming video at <http://www.orangecountync.gov/967/Meeting-Videos> and Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: May 20, 2021

**Action Agenda
Item No. 1**

SUBJECT: FY 2021-22 Fire Districts' Tax Rates

DEPARTMENT: County Manager and Finance and Administrative Services

ATTACHMENT(S):

- A. Fire Districts' Requests for FY2021-22
- B. Historical Fire District Tax Rates (from FY 2004-05 to FY 2021-22)

INFORMATION CONTACT:

Bonnie Hammersley, (919) 245-2300
Travis Myren, (919) 245-2308
Paul Laughton, (919) 245-2152
Gary Donaldson, (919) 245-2453

PURPOSE: To review and discuss the FY 2021-22 fire districts' tax rates, including tax rate increases recommended for six (6) fire districts.

BACKGROUND: During tonight's work session, Commissioners will have the opportunity to dialogue with six (6) fire districts, who requested tax rate increases for FY 2021-22. As in the past, fire districts requesting tax rate increases present their needs for a tax increase to the Commissioners at a work session. Staff has invited representatives from these districts to tonight's virtual work session to answer any questions and/or provide additional information to the Board regarding their increase.

Attachment A provides information regarding tax rate requests from all twelve (12) fire districts and/or fire service districts in Orange County for FY 2021-22, the amount of funds one cent on the tax rate generates, fund balance information, as well as information detailing the reasons for the requested tax rate increases. Information regarding all fire districts is located in the Fire District section of the FY 2021-22 Manager Recommended Budget beginning on page 259.

Attachment B reflects historical Fire District tax rates dating back to FY 2004-05.

The Fire Districts requesting tax rate increases in FY 2021-22 are as follows:

- **Damascus Fire District and Southern Triangle Fire Service District (Page 260)** – increasing from a revenue neutral tax rate of 10.10 cents to 10.80 cents per \$100 valuation. The rate increase will be used to hire additional part-time staff, and to keep up with the growth demands of serving these two districts. This tax rate is consistent with the Chatham County tax rate.
- **Efland Fire District (Page 260)** – increasing from a revenue neutral tax rate of 6.28 cents to 7.28 cents per \$100 valuation. This rate increase will be used to expand current

part-time staff from two to three hours during the day, and cover additional debt service payments on a fire engine.

- **Little River Fire District (Page 261)** – increasing from a revenue neutral tax rate of 5.39 cents to 6.39 cents per \$100 valuation. This rate increase will be used for debt service payments on a new fire engine, and additional operating costs associated with the new Station 2. The district is also requesting \$80,000 from their available fund balance to be used as a down payment on the new fire engine.
- **Orange Rural Fire District (Page 263)** – increasing from a revenue neutral tax rate of 8.79 cents to 9.49 cents per \$100 valuation. This rate increase will be used for debt service payments for their new Station. The district is also requesting \$50,000 from their available fund balance to cover the replacement cost of fire suppression equipment.
- **White Cross Fire District (Page 263)** – increasing from a revenue neutral tax rate of 11.34 cents to 12.34 cents per \$100 valuation. This rate increase will be used to cover increased part-time personnel costs associated with increased hours, as well as debt service payments on a replacement fire engine.

FINANCIAL IMPACT: Included in the Background Section above.

SOCIAL JUSTICE IMPACT: There are no Orange County Social Justice Goal impacts associated with this item.

ENVIRONMENTAL IMPACT: There are no Orange County Environmental Responsibility Goal impacts associated with this item.

RECOMMENDATION(S): The Manager recommends that the Board discuss the above mentioned fire districts' tax rate increases and provide direction to County staff, as appropriate.

Fire Districts' Requests for FY 2021-22

District	Current 2020-21 Tax Rate (in cents)	Revenue Neutral Tax Rate for 2021-22	Requested Tax Rate for 2021-22	Requested 2021-22 Tax Rate Change from Revenue Neutral Rate	1 Cent Equals	1/10 Cent Equals	Requested Fund Balance for 2021-22	Fund Balance at June 30, 2020	Reasons for Districts' Requesting a Tax Rate Increase
Cedar Grove	8.10	7.63	7.63	0.00	\$ 35,837	\$ 3,584	\$ -	\$ 39,547	
Chapel Hill	14.91	13.87	13.87	0.00	\$ 19,590	\$ 1,959	\$ -	\$ 19,552	
Damascus	10.80	10.10	10.80	0.70	\$ 10,989	\$ 1,099	\$ -	\$ 33,472	To hire additional part-time staff, and to keep up with the growth demands of serving this district.
Efland	6.78	6.28	7.28	1.00	\$ 87,576	\$ 8,758	\$ -	\$ 111,011	To expand current part-time staff from two to three hours during the day, and cover additional debt service payments on a fire engine.
Eno	9.68	8.98	8.98	0.00	\$ 94,979	\$ 9,498	\$ -	\$ 352,005	
Little River	5.92	5.39	6.39	1.00	\$ 54,627	\$ 5,463	\$ 80,000	\$ 101,668	For debt service payments on a new fire engine, and additional operating costs associated with their new Station 2.
New Hope	10.67	10.12	10.12	0.00	\$ 78,083	\$ 7,808	\$ -	\$ 121,383	
Orange Grove	6.81	6.27	6.27	0.00	\$ 95,597	\$ 9,560	\$ 85,000	\$ 193,205	
Orange Rural	9.48	8.79	9.49	0.70	\$ 165,561	\$ 16,556	\$ 50,000	\$ 208,826	For debt service payments for their new Station.
South Orange	9.68	9.09	9.09	0.00	\$ 65,302	\$ 6,530	\$ -	\$ 186,393	
Southern Triangle	10.80	10.10	10.80	0.70	\$ 25,860	\$ 2,586	\$ -	\$ 164,347	To hire additional part-time staff, and to keep up with the growth demands of serving this district.
White Cross	12.37	11.34	12.34	1.00	\$ 50,968	\$ 5,097	\$ -	\$ 55,951	To cover increased part-time personnel costs associated with increased hours, as well as debt service payments on a replacement fire engine.

\$ 1,587,360

Historical Fire District Tax Rates (from FY 2004-05 to FY 2021-22)
(in cents per \$100 valuation)

	Cedar Grove	Chapel Hill	Damascus	Efland	Eno	Little River	New Hope	Orange Grove	Orange Rural	South Orange	Southern Triangle	White Cross
2004-05	7.30	2.00	3.00	4.65	6.40	5.20	6.50	3.90	5.10	9.20	3.00	4.80
2005-06*	7.30	1.90	2.60	3.475	5.70	4.60	6.25	3.40	5.60	9.20	2.60	4.20
2006-07	7.30	1.90	4.00	4.225	5.70	4.60	6.75	3.90	5.60	9.20	4.00	4.20
2007-08	7.30	1.90	5.00	4.225	5.70	4.60	6.75	3.90	5.60	9.50	5.00	5.00
2008-09	7.30	4.90	6.00	5.225	5.70	4.60	6.75	4.20	6.30	9.50	6.00	6.00
2009-10*	6.36	2.16	5.00	4.66	5.99	4.06	5.70	3.58	5.36	7.85	5.00	6.00
2010-11	7.36	7.50	5.00	4.66	5.99	4.06	6.95	3.58	6.36	7.85	5.00	6.00
2011-12	7.36	7.50	5.00	4.66	5.99	4.06	8.95	4.08	5.61	7.85	5.00	7.00
2012-13	7.36	7.50	5.00	4.66	5.99	4.06	8.95	5.00	5.61	7.85	5.00	7.00
2013-14	7.36	15.00	8.80	7.00	7.99	4.06	9.45	6.00	7.36	10.00	8.80	8.80
2014-15	7.36	15.00	8.80	7.00	7.99	4.06	9.95	6.00	7.36	10.00	8.80	11.00
2015-16	7.36	15.00	10.30	7.00	7.99	4.06	9.95	6.00	8.36	10.00	10.30	11.00
2016-17	7.36	15.00	10.30	7.00	7.99	4.06	10.45	7.00	8.36	10.00	10.30	11.00
2017-18*	8.10	14.91	10.30	6.78	8.68	4.92	9.94	6.81	9.15	9.68	10.30	11.37
2018-19	8.10	14.91	10.30	6.78	9.68	5.92	9.94	6.81	9.15	9.68	10.30	11.37
2019-20	8.10	14.91	10.80	6.78	9.68	5.92	9.94	6.81	9.15	9.68	10.80	12.37
2020-21	8.10	14.91	10.80	6.78	9.68	5.92	10.67	6.81	9.48	9.68	10.80	12.37
2021-22* Recommended	7.63	13.87	10.80	7.28	8.98	6.39	10.12	6.27	9.49	9.09	10.80	12.34

*Revaluation Year

BOLD and highlighted denotes tax rate increase

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: May 20, 2021

**Action Agenda
Item No. 2**

SUBJECT: Discussion of County Departments' FY2021-22 Recommended Budgets within the Public Safety, General Government, and Support Services Functional Leadership Teams

DEPARTMENT: County Manager and Finance and Administrative Services

ATTACHMENT(S):

INFORMATION CONTACT:

Bonnie Hammersley, (919) 245-2300

Travis Myren, (919) 245-2308

Gary Donaldson, (919) 245-2453

Paul Laughton, (919) 245-2152

PURPOSE: To review and discuss FY 2021-22 recommended departmental budgets within the Public Safety, General Government, and Support Services Functional Leadership Teams.

BACKGROUND: The County Manager presented the FY 2021-22 Recommended Operating Budget on May 4, 2021. Since then, the Board has conducted one public hearing to receive residents' comments regarding the proposed funding plan. On May 13, 2021, the Board discussed recommended FY 2021-22 budgets for Durham Technical Community College – Orange County campus, Chapel Hill-Carrboro City Schools Board of Education and Orange County Schools Board of Education, as well as reviewed and discussed recommended FY 2021-22 funding for Outside Agencies.

Tonight's work session offers the Board an opportunity to review and discuss the recommended budgets directly with County departments within the structure of Functional Leadership Teams, including operations, capital, and department fee schedule change recommendations.

Functional Leadership Teams:

The following Functional Leadership Teams are scheduled to attend tonight's work session:

Public Safety:

- Courts
- Criminal Justice Resources
- Emergency Services
- Sheriff

General Government:

- Board of County Commissioners
- Board of Elections
- County Attorney
- County Manager
- Register of Deeds
- Tax Administration

Support Services:

- Asset Management Services
- Community Relations
- Finance and Administrative Services
- Human Resources, including Employee Pay and Benefits
 - Employee Pay and Benefits - staff has provided information relating to FY 2021-22 employee pay and benefits in Appendix A of the Manager's Recommended Budget. The information provided includes background information on employee pay and benefits over recent years and information on specific pay and benefits plan elements. Key components of the recommended employee pay and benefits plan include:
 - No wage increase for FY 2021-22.
 - Resumption of the Merit Pay Program on employees' base salaries at the dollar values in effect in FY 2019-20. Merit Pay increases, if any, will be applied to employees' base salaries on the first full pay period in January 2022.
 - Continue the \$27.50 per pay period County contribution to non-law enforcement employees' supplemental retirement accounts and the County matching employees' contributions up to \$63.00 semi-monthly (for a maximum annual County contribution of \$1,512) for all general (non-sworn law enforcement officer) employees; continue the mandated Law Enforcement Officer contribution of 5.0% of salary, and continue the County's required contribution to the Local Governmental Employees' Retirement System (LGERS) for all permanent employees. For FY 2021-22, the Law Enforcement Officers (LEOs) rate increases from 10.90 to 12.10 percent of reported compensation, and all other employees rate increases from 10.15 to 11.35 percent of reported compensation.
 - Continue to participate in the North Carolina Health Insurance Pool (NCHIP), and continue medical and prescription third party administrators with Blue Cross Blue Shield of North Carolina (BCBSNC) and Prime Therapeutics, a division of BCBSNC, respectively. No increase to health and dental appropriations. No increase to employee premium equivalent for health, dental, or vision insurance. No increase for health coverage premium equivalent for pre-65 retirees enrolled in the County's group plans, and no increase for post-65 (Medicare eligible) retirees.
 - Increase the Living wage to \$15.40 per hour for all permanent and temporary employees, effective October 1, 2021.
 - Continue the additional eight hours of annual leave to be awarded at an employee's anniversary date, prorated for part time employees.
 - Continue the six-week paid parental leave policy.
- Information Technologies

FINANCIAL IMPACT: There is no financial impact associated with the discussion of the Manager's Recommended FY 2021-22 Operating Budget. Decisions that the Board makes as part of its discussion on the Manager's Recommended FY 2021-22 Annual Operating Budget will have financial impacts.

SOCIAL JUSTICE IMPACT: There are no Social Justice Goal impacts associated with this item.

ENVIRONMENTAL IMPACT: There are no Orange County Environmental Responsibility Goal impacts associated with this item.

RECOMMENDATION(S): The Manager recommends that the Board review and discuss the Manager's Recommended FY 2021-22 budget and provide direction to staff, as appropriate.