

*Union County, NC Proposed FY 2016 Operating and Capital Budget*

# INITIAL LOOK AT BOE BUDGET REQUEST



# *Preliminary Discussion*

- Received on Friday, May 15, 2015
- More in depth look and analysis and County Manager's Recommendation on May 28, 2015
- Initial analysis based on NC Appellate Court ruling and the associated tax impact – "Worst Case" Scenario
- Initial analysis based preliminary analysis and the associated tax impact
- Possible tax impact of future appeals
- Next steps in process



# UCPS Request Possibilities In Court

	FY 2015 Revised	FY 2016 BOE Request	FY 2015 to 16 \$ Change	FY 2015 to 16 % Change
Current Expense Funding	\$ 87,097,884	104,460,942	17,363,058	19.94%
Capital Maintenance	19,531,582	160,000,000	140,468,418	719.19%
Capital Brick and Mortar	-	232,743,464	232,743,464	
<b>Total</b>	<b>\$ 106,629,466</b>	<b>497,204,406</b>	<b>390,574,940</b>	<b>366.29%</b>
Tax Impact in Pennies	45.50	215.79	170.29	374.25%

## Tax Payer Impact - Worst Case Scenario

	FY 2015	FY 2016
Home Value	\$ 208,400	200,000
Motor Vehicle	9,900	9,500
Taxable Value	\$ 218,300	209,500
Schools Tax Rate in Pns	45.50	215.79
<b>Tax Bill for Schools</b>	<b>\$ 993.27</b>	<b>4,520.70</b>

The total Countywide Tax Rate would be 247.72 pennies



# Capital Request

## Regular Capital Outlay

Repair and Replacement	\$	110,210,444
Technology/Transportation		8,000,000
Scope and Market Adjustments		4,789,556
Roofing Assessments/Reconstruction		21,000,000
Ongoing Preventive Maintenance		16,000,000
<b>Total Regular Capital Outlay</b>	<b>\$</b>	<b>160,000,000</b>

Major Projects	\$	232,743,464
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Total Capital Included		<b>\$ 392,743,464</b>
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# UCPS Request Preliminary Analysis

	FY 2015 Revised	FY 2016 BOE Request	FY 2015 to 16 \$ Change	FY 2015 to 16 % Change
Current Expense Funding	\$ 87,097,884	104,460,942	17,363,058	19.94%
Capital Maintenance	19,531,582	19,786,024	254,442	1.30%
Capital Brick and Mortar DS	-	15,765,000	15,765,000	
<b>Total</b>	<b>\$ 106,629,466</b>	<b>140,011,966</b>	<b>33,382,500</b>	<b>31.31%</b>
Tax Impact in Pennies	45.50	60.76	15.26	33.55%

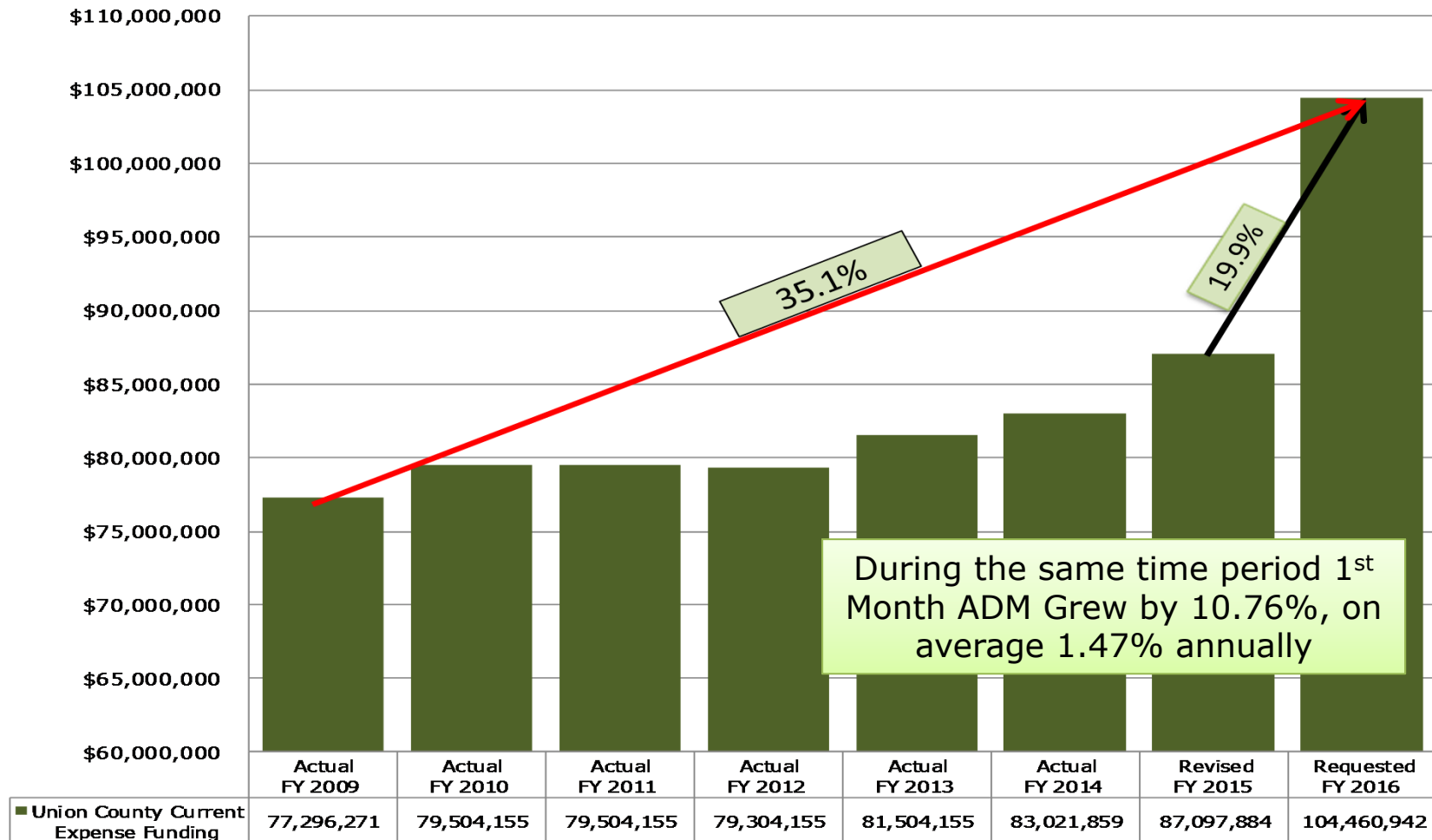
## Tax Payer Impact - Preliminary Analysis

	FY 2015	FY 2016
Home Value	\$ 208,400	200,000
Motor Vehicle	9,900	9,500
Taxable Value	\$ 218,300	209,500
Schools Tax Rate in Pns	45.50	60.76
<b>Tax Bill for Schools</b>	<b>\$ 993.27</b>	<b>1,273.02</b>

The total Countywide Tax Rate would be 92.69 pennies



# Current Expense Funding History



# *Incremental Increases*

Utility Costs	\$	737,863
Charter Schools		1,115,000
Virtual Charter Schools		86,373
State Teacher Pay Increases		385,471
State Benefits Costs		377,970
Assistant Principals Pay Grade Incr.		49,495
General Liability		45,117
Cola of 1.6% non-Certified		868,806
Teacher Supplements		11,295,486
Principal Supplements		522,579
Assistant Principal Supplements		552,343
Supplies Cost Increases		327,670
Athletic Supplements		173,245
Salary Adjustments for UCPS Empl.		72,780
Loss of Driver's Ed		752,860
<b>Total Incremental Increase</b>	<b>\$</b>	<b>17,363,058</b>



# Capital Request

## Capital at First Glance

1/8th Regular Capital Request	\$	19,786,024
Brick and Mortar-2016 Bond Election		157,650,000
<b>Total Capital Request</b>	<b>\$</b>	<b>177,436,024</b>





# Tax Impact of Future Appeals

## Jury Award Analysis

Current Expense Award	\$ 4,973,134
Capital Award	86,184,005
Capital Funding Paid*	(14,936,454)
<b>Total Remaining Award</b>	<b>\$ 76,220,685</b>
1x Tax Impact In Pennies	33.08

\*Exceeded FY 2014 Request by \$9.6 million

## Tax Payer Impact - Jury Award

Home Value	\$ 200,000
Moto Vehicle	9,500
<b>Taxable Value</b>	<b>\$ 209,500</b>
<b>Tax Bill for FY 2014 Jury Award</b>	<b>\$ 693.02</b>

Based on the NC Appellate Court decision, the jury award no longer exists; the funding dispute has been remanded for retrial.



# *Next Steps*

- Week of May 25<sup>th</sup>, 2015 - Joint Meeting with the Board of Education concerning the UCPS FY 2016 Budget Request.
- May 29, 2015 – County Manager provides UCPS Addendum to County Manager’s Proposed Budget.
- June 1, 2015 – Public hearing concerning UCPS FY 2016 Budget Request.
- June 15, 2015 – Statutorily required public hearing concerning County Manager’s Proposed Operating and Capital Budget.
- June 30, 2015 – Board of County Commissioner’s approve the FY 2016 Operating and Capital Budget.



# *Continued Transparency*

- Budget Website at [www.unioncountync.gov](http://www.unioncountync.gov)
  - Presentations and Historical Documents
- Email Address for Ask the County Manager
  - [askthecountymanager@co.union.nc.us](mailto:askthecountymanager@co.union.nc.us)
- Email Address for Public Comments
  - [publiccomments@co.union.nc.us](mailto:publiccomments@co.union.nc.us)



Additional budget information available at  
**[www.unioncountync.gov](http://www.unioncountync.gov)**

