

Davidson County Board of Commissioners

Mr. Don Truell, Chairman
 Mr. Steve Shell, Vice-Chairman
 Mr. Zak Crofts
 Mr. Chris Elliott
 Mr. Fred McClure
 Mrs. Karen Watford
 Mr. Todd Yates

The Board of Commissioners holds regular meetings on the 2nd and 4th Tuesdays of each month at 6:00pm. In addition, informational meetings are held on the 1st Thursday of each month at 8:00am. The meetings are held on the 4th floor of the Governmental Center, which is located at 913 Greensboro Street in Lexington and all meetings are open to the public.

Commissioner's Telephone Number: 336-242-2200

County Manager

Zeb M. Hanner 242-2200

Departments

Cooperative Extension	Troy Coggins	242-2081
Ambulance	Larry James	242-2270
Board of Elections	Ruth Huneycutt	242-2190
Assist. County Manager	Casey Smith	242-2213
Clerk of Court	Sandie Chappell	242-2264
911 Communications	Rob Wilson	242-2132
County Attorney	Chuck Frye	236-3084
Finance	Jane Kiker	242-2029
Fire Marshal	Danny Ward	242-2281
Health	Lillian Koontz	242-2349
Human Resources	Kathy Cashion	242-2919
Inspections	Tod Hancock	242-2807
DavidsonWorks	Pam Walton	242-2065
Landfill/Solid Waste	Charlie Brushwood	242-2200
Library	Sheila Killebrew	242-2064
IT	Joel Hartley	242-2032
Museum	Caitlin Williams	242-2064
Planning & Zoning	Guy Cornman	242-2224
Support Services	Dwayne Childress	242-2030
Recreation	Thomas Marshburn	242-2285
Register of Deeds	Michael Horne	242-2150
Senior Services	Thessia Everhart	242-2290
Sheriff	Richie Simmons	242-2100
Social Services	Dale Moorefield	242-2562
Soil & Water	Andy Miller	242-2075
Tax Administration	Jerry Ward	242-2160
Transportation	Richard Jones	242-2008
Veterans Services	Rick Johnson	242-2037

The Layman's Budget

A Citizen's Guide to the Budget

Fiscal Year

Adopted 2019-2020

Beginning July 1, 2019



Statement of Philosophy and Guiding Principles of Davidson County Government

Davidson County delivers services devoted to excellence, maintaining standards of professionalism and integrity while enhancing the well-being of our community.

Our philosophy is based on:

- Encouraging teamwork through collaboration and partnerships
- Offering responsive services to obtain positive results
- Delivering excellent services through committed employees who are sensitive to the needs of our citizens
- Creating and maintaining a safe, professional work environment that promotes leadership and empowers employees
- Providing fiscal accountability and environmental stewardship by effectively using human and natural resources



REVENUES

- Tax rate remains \$0.54 per \$100 of assessed property valuation. Total tax base equals \$14.01 billion, with a 96.75% overall blended collection rate, and the County expects to collect \$73,214,542 in property taxes for next fiscal year. This is an increase of \$724,896 or 1.0% over the FY 2018-19 Adopted Budget total of \$72,489,646.
- Sales Tax accounts for 20% of total County revenues totaling \$27.5 million dollars. This represents a \$1.5M dollar or 5.5% increase over the FY 2018-19 Adopted Budget of \$26 million dollars. The base sales tax growth totals 5.2% or \$1,057,000. The budget includes \$3.15 million dollars in Article 46 Sales Tax revenues (0.25%), as these funds will be used for the debt service related to Oak Grove High School. Lastly, the budget includes an additional \$3.1 million dollars in Article 44 sales tax approved by the North Carolina General Assembly fall 2015. These funds must be spent on Local Schools, Community Colleges and/or Economic Development.
- Intergovernmental revenue is expected to increase by \$1.6M or 8.9%. The majority of this increase is due to increased IV-E Foster Care and State Foster Care funding. The county also expects to receive roughly \$600,000 more in interest earnings than was budgeted in FY 2018-19.
- The adopted budget includes five fire district tax rate increases for the upcoming fiscal year: North Lexington—\$0.02, Reeds—\$0.02, South Emmons—\$0.02, Southmont \$0.015, and Horneytown \$0.02 These increases are needed to deal with increasing call volume, increases in staff workload as well as replacement of aging equipment, and radio upgrades in anticipation of the new VIPER Emergency System.

EXPENDITURES

- Employee pay increases are included in the budget using the same formula approved for FY 2018-19 (Base pay + \$500 + 1.5% COLA.). In addition, the budget keeps "flat" health insurance cost for employees by "absorbing" a roughly 7% increase in county group insurance costs for the upcoming fiscal year. The county will use FY 2019 to fully implement new wellness campaigns through the county's insurance provider—Blue Cross / Blue Shield—with a long-term goal of reducing claims.
- The FY 2020 Adopted Budget increases local education funding by \$332K, which is an increase of 1.11% over the previous year. For FY 2020 the per pupil funding totals \$1,210.23 vs. \$1,215.60. The decrease is due to counting charter school enrollment in the FY 2020 allocation. The average per pupil amount (for all three school systems) when adjusting for charter school enrollment during the current year totals \$1,200.30. Therefore, when compared to FY 2020's \$1,210.23 the increase is about \$9.93 per pupil or 0.83%.
- All three school systems also received a 1.0% percent increase in Type II Capital Outlay appropriations. The Adopted Budget removes \$293K in "one-time" funding to complete the Community College's Briggs Building Roof / Parking Lot Renovations, but adds an additional \$1.1M in Type I Capital Outlay funding for critical HVAC / Roof needs. These additional school projects were enabled by the availability of Article 44 Sales Tax Proceeds after "closing out" debt at the I-85 Corporate Center. The net result of this is 28% increase in Type I Capital Outlay for schools.
- Debt Service is expected to increase by roughly \$1M over the previous year. Of this, county funding to debt service is increased by \$710K (or 7.1% over FY 2018-19), and \$585K of the increase comes from Article 44 Sales Tax Revenue specifically earmarked for education / economic development projects. The increase in debt service over the previous year is primarily due to two main projects: fully budgeting for the estimated Courthouse / Clerk of Court project (\$29M total = about \$2.3M in annual debt service), and \$250K per year to pay back the \$2M, interest-free REDLG loan for the I-85 Corporate Center. Lastly, the proposed budget includes \$247K in two-thirds bonds payment (2/3 General Obligation Bond "fall-off" from the prior year) to borrow \$2.4M for critical HVAC / Roof needs for the school systems.
- Finally, the Adopted Budget includes \$479K for an additional (8) authorized high priority positions: DSS (3), Sheriff's Office (3), Public Health (1), Inspections (1), and Landfill (1). While this totals (9), Human Resources reduced (1) position (Safety & Risk Assistant) by redistributing its responsibilities within the department, resulting in a net change to authorized county positions of (8). All of these positions were included to address increased workload, growing regulatory guidelines and assist with major public safety issues / projects. The total funding for these positions total approximately \$366K as majority of the cost is covered via a reduction in operating funding, additional cost reimbursement opportunities and / or an elimination of existing funded positions.
- Social Services expects to receive an additional \$1.4M in state funds for 1) Foster Care, 2) Home Boarding Services and 3) Crisis Intervention Public Assistance programs.

Davidson County Adopted 2019-2020

General Fund Budget

General Government

County Commissioners	\$ 360,064
County Manager	\$ 753,798
County Attorney	\$ 602,933
Human Resources	\$ 1,009,441
Finance	\$ 879,567
Purchasing	\$ 411,814
Assessor & Collector	\$ 2,715,077
Board of Elections	\$ 692,499
Register of Deeds	\$ 491,960
State Agencies	\$ 159,768
Public Buildings	\$ 3,428,280
P.A.R.T	\$ 130,000
IT	\$ 1,604,947
Contingency	\$ <u>250,000</u>
Total General Government	\$13,490,148

Public Safety

Sheriff	\$12,264,981
Sheriff Resource Officers	\$ 1,020,965
Jail	\$ 4,492,602
Emergency Communications	\$ 2,276,027
Inspections	\$ 1,085,213
Medical Examiner	\$ 177,500
Emergency Management	\$ 128,428
Fire Marshal	\$ 359,616
Ambulance	\$ 8,039,081
Animal Shelter	\$ 629,423
JCPC Operating Supplies	\$ 2,500
Contributions to National Guard	\$ 3,000
Contributions to Rescue Squads	\$ <u>72,000</u>
Total Public Safety	\$30,551,336

Transportation

Financing Use-Transfer to Airport	\$ 119,317
Financing Use-Transfer to Transportation	\$ 114,240
Financing Use-Transfer Airport Project	\$ <u>16,667</u>
Total Transportation	\$ 250,224

Environmental Protection

Sanitation	\$ 1,269,122
Soil & Water	\$ <u>215,609</u>
Total Environmental Protection	\$ 1,484,731

Economic And Physical Development

Planning	\$ 528,414
GIS	\$ 210,819
Cooperative Extension	\$ 261,815
Contribution to Economic Development	\$ 248,000
Contribution to Forester	\$ 88,000
Contribution to Chambers of Commerce	\$ 27,500
Financing Use-Transfer JTEC	\$ <u>144,220</u>
Total Economic and Physical Development	\$ 1,508,768

Human Services

Health	\$ 7,242,774
Social Services	\$ 13,091,174
Public Assistance	\$ 6,449,251
Senior Services	\$ 2,159,314
Veterans Services	\$ 136,854
Contribution to Life Center (HHCBG)	\$ 96,726
Family Services Grant	\$ 88,733
Financing Use-Transfer to Mental Health	\$ <u>797,900</u>
Total Human Services	\$ 30,062,726

Culture and Recreation

Recreation	\$ 837,673
Library	\$ 3,406,593
Museum	\$ 159,937
Lake Thom-a-Lex	\$ 145,202
Tourism	\$ <u>70,360</u>
Total Culture and Recreation	\$ 4,619,765

Debt Service

Principal	\$ 11,156,614
Interest	\$ <u>4,917,456</u>
Total Debt Service	\$ 16,074,070

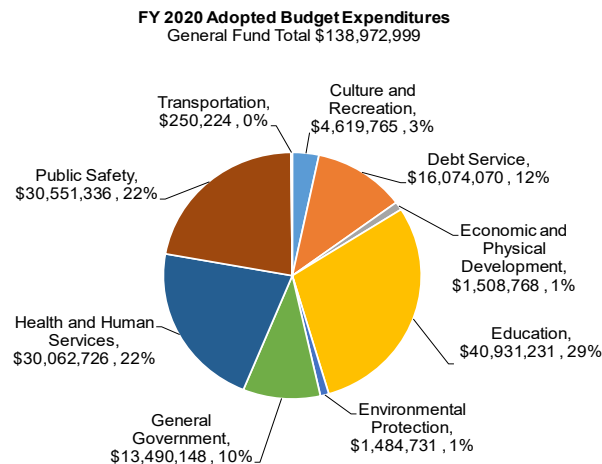
Education

School Current Expense	\$ 31,468,211
School Capital Outlay	\$ 5,696,494
Community College - Current Expense	\$ 3,360,526
Community College - Capital Outlay	\$ <u>406,000</u>
Total Education	\$ 40,931,231

Total General Fund \$ 138,972,999

Other Funds Budget

Mental Health Fund \$ 824,344
Mental Health is funded by County dollars in the amount of \$797,900. The remainder comes from other sources.



DavidsonWorks \$ 1,215,905

DavidsonWorks is to help retrain workers and get them back in the workforce. DavidsonWorks receives \$144,220 in County Funds.

Special Revenue Funds Budget

Fire District Fund \$ 9,195,444

This fund includes revenue collected through fire district taxes for operational cost and capital needs for the County's 26 volunteer fire districts.

Transportation Fund \$ 1,177,802

This fund is for the Davidson County Transportation System. The fund will receive \$114,240 from the General Fund. The remainder comes from charges for services, sale of Fixed Assets, Federal / State funds as well as contributions from the Cities of Lexington and Thomasville.

Special School District Fund \$ 1,545,472

This fund includes revenue collected for the Lexington City Schools through a special school district tax.

Emergency Telephone Fund \$ 499,014

This fund holds revenues from the monthly surcharge fee on telephone service. The fees are used to pay for maintenance and upgrades to the County's emergency communication system.

Capital Improvement Project Plan \$ 16,667

This fund is used for specific capital projects, with the \$16,667 being for the airport.

School Capital Outlay Fund \$ 3,780,908

This fund pays for construction of new buildings, additions to older facilities and purchase of land and equipment.

Total Special Revenue Funds \$ 16,215,307

Internal Service Fund Budget

Garage \$ 1,731,990

This fund is used by the Garage for maintenance, gas and insurance of County owned vehicles. The cost is distributed to the various County Departments.

Insurance Fund \$ 11,385,172

This fund is used to charge the various departments health insurance cost. Davidson County is self insured. Health claims and administration cost are paid from this fund.

Workers Compensation \$ 845,665

Davidson County is self insured for workers compensation claims. All departments are charged based on the workers compensation rate for their job code. All claims and administration are paid from this account.

Total Internal Service Funds \$ 13,962,827

Enterprise Funds Budget

Landfill \$ 2,809,325

Revenues in this fund are raised through landfill tipping fees, tire disposal fees, and sale of recyclable materials are used for capital improvements and operations of the solid waste system of the County.

Airport \$ 368,817

This fund is used to operate the local airport. The County portion of this is \$119,317.

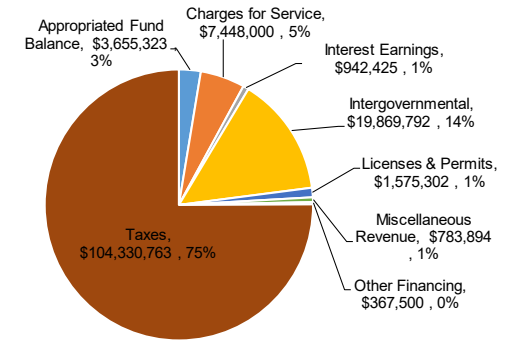
Sewer \$ 597,046

This fund is used to track the operating cost of the Davidson County sewer program.

Total Enterprise Funds \$ 3,775,188

Total of All Types of Funds \$ 174,966,570

FY 2020 Adopted Budget Revenues
Total \$138,972,999



Property Tax Rate

The FY 2019-2020 Adopted Budget tax rate of \$0.54 is equal to the current property tax rate of \$0.54 per \$100 dollars of valuation. The County Budget is 54% funded by property tax revenue. The adopted tax rate will yield total revenue of \$73,214,542 on a collection rate of 96.75%. One penny of property tax equals \$1,355,825. The current tax base is \$14.01 billion.

Davidson County Profile

Davidson County was formed in 1822 including an area of 549 square miles. It was named for General William Lee Davidson, who was killed in a battle with British forces during the Revolutionary War. With a mild climate free of extremes, citizens enjoy each of the distinct four seasons of the year. The average annual temperature is 59 degrees and the average rainfall is 45 inches. Lexington is the county seat of Davidson County and is located in the center of the North Carolina industrial piedmont. The County has six municipalities Lexington, Thomasville, Denton, Wallburg, Midway and High Point. The County population is approximately 166,614.

Davidson County Parks



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The full contents of the Budget can be viewed at the website above