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May 30, 2012

Franklin County Board of Commissioners
113 Market Street
Louisburg, North Carolina 27549

Dear Commissioners,

In accordance with N.C. General Statute 159-9, the County Manager serves as the Budget Officer for the County. It is my duty and privilege to recommend a county budget to the Board of Commissioners for fiscal year 2012-2013.

Two themes emerged as this document was being prepared – *Planning* and *Partnerships*. Moving forward, it is crucial that we strategically plan for the future. Recently, business, industry and local governments have focused on the use of analytics in decision making (SAS, a company located in the RTRP region, has been a leader in this arena.) Increasing the use of predictive modeling, simulation and forecasting tools can greatly enhance the decision-making process. Also important is the engagement of key stakeholders or partners in the process of strategic planning. Citizen involvement has never been more important. Limited resources are a given. The decisions as to how resources are allocated can best be made when true collaboration is central to the process. At present, over two hundred citizens serve on various boards, committees, task forces, etc. The County's website has also afforded our citizens a vehicle for communication. We remain committed to seek public input as we plan for the future. Technology serves a valuable role but certainly isn't the sole solution.

Budget Highlights:

The proposed General Fund budget for FY 2012-2013 is \$70.7 million (the *current* approved 2011-2012 budget is \$67.3 million.) Funding for non-profits is recommended to be maintained at the current 2011-2012 level.

Economic/Fiscal Climate

Franklin County's unemployment rate averaged 10.3% during the calendar year 2011. Unemployment stats have shown slight but steady improvement during the first quarter of

2012. The County's labor force was estimated at 28,884 individuals as of March, 2012. The County's unemployment rate stood at 9.0%.

Single family dwelling permits are slightly up from the prior year. One hundred twenty-two SFD permits were issued during 2010-2011. As of 05/24/12 one hundred twenty-one permits have been issued. With approximately one month remaining in the fiscal year, it is anticipated that SFD permits will show only a "slight" increase over the prior fiscal year.

Fiscal information:

The tax administrator has established a fiscal year 2012-2013 assessed tax base at \$4.127 billion. This assessment is 1.7% greater than the current fiscal year budget ordinance. The 2012-2013 budget is based on a 97% collection rate.

As in past years, the proposed 2012-2013 budget does not recommend a tax increase. The recommended tax rate for 2012-2013 is 87.25 cents per \$100 of valuation. Finance staff, however, indicates the revenue neutral rate tax is 89.11 cents per \$100 of valuation after reappraisal. More detailed discussion will be held with the Board during the budget meetings regarding the revenue neutral rate. If the Board chose to set the tax rate at the revenue neutral rate, approximately, \$744,594 could be realized in additional revenue.

Seven fire departments have presented budgets that necessitate a fire tax increase for the respective fire service district. They are as follows:

Central Fire District - 7.25 current, 8.25 proposed
Hopkins - 2.4 current, 3.0 proposed
Youngsville - 6.5 current, 7.5 proposed
Pilot - 7.0 current, 7.25 proposed
Justice - 6.0 current, 7.0 proposed
Gold Sand - 7.0 current, 8.0 proposed
Epsom - 6.0 current, 7.0 proposed

Franklinton Fire Department has requested a decrease in the rate (dropping from 6.0 to 5.5.) All other departments remain the same.

The recommended budget appropriates \$3.03 million from fund balance. Fund balance available for appropriation will be approximately 18.9% at June 30, 2012.

Budgeted Sales Tax collections for FY 2012-2013 are estimated at \$4.9 million representing approximately a five percent increase over the current budget of \$4.68 million. Current estimates indicate the County is on target with regard to sales tax

revenues collected in the 2011-2012 fiscal year (estimated to collect \$4.68 million) Overall, North Carolina has seen a 7.8% gain in sales tax collections during the first six months of the current fiscal year. Management remains cautiously optimistic about estimates for the upcoming year. The price of fuel continues to be a main driver in consumer spending.

The recommended budget for all funds in fiscal year 2012-2013 is as follows:

- General Fund: \$70,733,885
- Public Utility Fund: \$6,900,743
- Fire Protection Fund: \$2,680,487
- Emergency 911 Communications Fund: \$251,820
- Drug Enforcement Fund: \$30,000
- Capital Reserve Fund: \$2,496,900

(Total for all funds - \$83,093,835)

The proposed 2012-2013 budget increases expenditures by \$4,202,207 million (**all funds**) compared to the 2011-2012 proposed budget.

Personnel:

The number of positions recommended for funding is 462 compared to 464 in the current budget. A reduction in force was not necessary as in prior years although several departments continue to have positions frozen. A comparative and detailed listing of the number of staff assigned by department is provided for the Board's review.

The 2011- 2012 budget provided \$95,000 to cover costs associated with overtime for public safety. Of particular note is the fact that our Sheriff's department has done an outstanding job in managing its budget relative to overtime. The Sheriff has utilized \$2,008 of his \$60,000 budget as of April.

Career Advancement funding is recommended for eligible staff in accordance with the Board's direction last year.

An employee furlough is *not* included in the budget proposal for 2012-2013. The Board will recall an employee furlough was implemented in 2009-2010 and again in 2011-2012 effectively decreasing employee pay by 3.84% (when combined.) The net effect of the two furloughs coupled with the fact the County has not approved any COLA's since 2008 reinforces the need to consider a COLA for staff. A 3% cost of living (COLA) for employees is proposed. Note: Since July, 2008 the CPI has risen by 4.9%.

A basic health plan will be provided at no cost to the employee. An optional plan is also available if an employee chooses to participate in cost sharing. No increase in the premium paid by employees is recommended. The one change to the health plan in the upcoming fiscal year will be a waiting period before coverage begins (applicable to new hires after July 01, 2012.)

Training and staff development continues to be a priority especially in the current environment. An example of a cost-effective (no cost) training conducted this fiscal year was the "Tilting at Windmills" a multi-module group training. Staff from Vocational Rehabilitation trained department heads, administration and designated staff during "Disability Awareness" month in October. The County had no cost associated with the training other than staff time. The opportunity to participate and the benefit derived significantly outweighed the cost of staff time.

Capital Requests

A total of \$3,671,003 million was requested (by County departments) for Capital Outlay. The recommended appropriation for Capital Outlay is \$987,383 million for all departments (the above amounts exclude Education as it is outlined below.)

Education

Public Schools

An allocation of \$12,350,000 million is recommended for Franklin County Schools for operational expenses representing a 2.92% increase over the current year's allocation of \$12,000,000. Funding for capital is recommended at \$1.1 million representing an increase of 18.9% over the current budget of \$925,000.

Although ***increased*** funding for operational and capital has been less than desirable during the recent "Great Recession," it should be noted that the Board has been proactive in funding school construction thereby taking advantage of unprecedented construction costs and interest rates. Since the 2007-2008 fiscal year, Franklin County has invested \$63.4 million in school construction.

The County has issued \$41.6 million of the \$53 million in bonds approved by the voters. The average interest rate on all projects was approximately 2.8%.

In August, 2011 a new, state-of-the art Franklinton High School opened its doors to 942 students (high school has capacity for 1200 students.) The school features a Bio lab with an extensive array of equipment purchased through a donation from Novozymes North

America, a Culinary Arts Program, separate areas for band and the chorus. Also, noteworthy, is the fact that FHS has reuse irrigation for its five athletic fields. The SMART system utilizes “reuse” waters as needed on the fields.

Overall, Franklin County’s high school graduation rates continue to improve. The current rate stands at 78.59% or approximately 79%. A steady increase has been recognized since 2006-2007.

Early College High School

Three years ago, (June 15, 2009) the Board adopted a “Resolution in Support of the Early College Program in Franklin County”. Fast forward to 2012 – Franklin County’s Early College program is operational with 95 students enrolled. The Early College High School, situated adjacent to Vance Granville Community College, Louisburg Campus opened in the fall, 2011. It is noted and appreciated that VGCC worked with our public school officials to identify temporary space until such time the Early College High School modular facility was completed. Positive feedback has been received from administration, students and their families regarding our Early College High School program as a complement to the educational programs for students in Franklin County. Students in this program are afforded the opportunity to graduate with either a two-year degree or the equivalent in hours that can be transferred.

Vance Granville Community College

In February 2012, Dr. Stelfanie Williams became the sixth President for Vance Granville Community College. Dr. Williams leads an institution of higher learning that is also a premier partner in workforce development training for business and industry in the region. As stated in its mission statement, VGCC “provides excellent, outcome-based education and training programs that promote and sustain the global competitiveness and the intellectual, economic, social and cultural development of our students and communities.”

VGCC – Louisburg campus remains the fastest growing campus in the VGCC system. Currently, facility planning is underway for future construction. The Board approved \$135,000 in the current fiscal year for this activity. VGCC has requested \$326,887 for Operational Expenses and \$20,000 for Capital in the upcoming fiscal year. The Manager’s recommendation is \$310,000 for Operational Expenses and \$15,500 for Capital Expenses.

Public Safety

This budget recommends a *total* public safety budget of \$20,872,599 million (also includes Drug Enforcement Funds, E-911 Communications Fund, Fire Protection.) The Board has made investing in a proactive and responsive public safety system a top priority as demonstrated by the investments in the current fiscal year.

Currently, a \$10 million dollar radio communications project is underway that will significantly impact all sectors of public safety. This project has two main objectives – addressing an inadequate paging system and secondly, meeting the federal FCC mandate of being compliant for narrow banding by January 2013. The design of the new system has been described as robust in order to address the challenges of our topography.

Three new towers have been constructed (located in White Level, T. Kemp Road - Communications Center and Franklinton off US I). In addition, the County is co-locating at two sites – Progress Energy site in Pilot and in Centerville Hwy. Patrol's Hosley Forrest site.

Mobile radios are being installed and are now seventy-five percent complete. A Mobile CAD system for law enforcement which emulates the 911 center's CAD has been installed. Law Enforcement will be able to query the database and will be able to access active warrant information. EMS, Fire & Rescue will have CAD Reporting System (search, and view only).

An Inter-op Gateway ensures public safety partners from surrounding counties can be patched in on predetermined channels for communications.

Testing will occur beginning in June through the end of July. The project is anticipated to be completed by the fall, 2012.

Health and Human Services

Highlights:

This budget recommends a Health and Human Services budget of \$17,412,831 million. Health and human service departments continue to experience the significant impact of the recession.

- Social Services has experienced a greater than 90% increase in the number of households certified for Food & Nutrition since January, 2007. The number of Medicaid recipients increased by 24% during this period. The director and her staff are to be commended for meeting the challenging caseload demands with

essentially no growth in staff during this period. With the exception of adding the Child Support Program (mandated by the State in 2010) the department has maintained approximately the same number of staff that were on board during 2007.

- The Board will recall that our Department of Aging initiated a private contract for in-home services in September, 2011. A concerted effort was made to streamline services, obtain efficiencies and to operate in the most cost-effective manner in the delivery of in-home services. Contracting has proven to be effective and to produce the desired outcomes. Therefore, it is recommended that the department stay the course in the upcoming year.
- The Board adopted a “Joint Resolution for Governance of Five County Mental Health” on April 16, 2012 in response to Session Law 2011-264. The law requires the North Carolina Mental Health/Developmental Disability/Substance Abuse System to operate under the 1915(b)(c) Medicaid Waiver. Area authorities are consolidating based on population under this legislation.
- The Health Department has completed its Comprehensive Community Health Assessment, participated in Lean Training offered by North Carolina State Industrial Extension Service and completed the Re-Accreditation process during the fiscal year. As of May 25, 2012 the department has been notified that it had been awarded “Re-Accreditation Designation.” Staff at multiple levels of the organization were involved in the initiatives listed above.

Public Utilities

Public Utility rate remain the same and are as follows for 2012-2013:

Water

Low Volume:

Base	\$30.00	2000 gallons
Consumption	\$ 7.70	per 1000 gallons (after base)

High Volume	\$ 6.05	per 1000 gallons
Municipal	\$7.70	per 1000 gallons
MU fee	\$11.00	per connection (plus \$6.05 per 1000 gallons)

Sewer

Low Volume:

Base	\$35.00	2000 gallons minimum
Consumption	\$ 7.70	per 1000 gallons (after base)

High Volume	\$7.70	per 1000 gallons
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Municipal	\$6.38	per 1000 gallons (after base)
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MU	\$27.50	first 2000 gallons (\$7.70/1000 gallons)
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At the writing of this message, an acquisition agreement (whereby the County would acquire the Town of Youngsville's water and sewer infrastructure) is being drafted for the Board's consideration.

Solid Waste

It is proposed that the operating schedules for each convenient site remain unchanged in the upcoming fiscal year. In addition, no change in the availability fee is recommended.

Current Fiscal Year Review:

As the Board looks to the upcoming year, it is important to take a moment to review the current fiscal year. The following is a *partial listing* of matters/issues that the Board has addressed:

- Redistricting
- Reappraisal of real property
- The appointment of a Sheriff
- The transitioning of Animal Control to the Sheriff's Department
- The appointment of a County Attorney
- The appointment of a County Commissioner
- Radio Communications Upgrade (as outlined in the Public Safety section of the budget message)
- Legal dispute with the Town of Franklinton
- Possible acquisition of the water and sewer infrastructure from the Town of Youngsville
- Revision of the County's incentive policy for business and industry
- Land acquisition adjacent to Triangle North Executive Airport (in process)

In addition to the above, the Board awarded (October, 2011) the contract for road construction as well as construction, engineering and inspections (CEI) for the access road into Triangle North Franklin (7200 linear feet of new roadway from the current terminus of Airport Road to US Hwy 401.) Currently, the exit off of US Hwy 401 is clearly visible and the final grade has been established on the west side of the box culvert with contractors completing the final grade on the east side of the culvert. The project deadline is September, 2013.

Review of the Manager's Goals/recommendations for 2011-2012 FY:

- Identify projects for Board consideration in the development of a CIP

Outcome: Per the Board's direction and in lieu of a CIP, Department Heads have maintained a listing of capital projects for future consideration. Additions, updates are made as necessary. It is anticipated that the Board will have further discussion over the course of the upcoming year. Capital projects have been greatly curtailed during the recent recession as it was necessary to sustain with limited resources.

- Promote wellness programs in an effort to increase participation (ultimate goal is improved employee health and reduced costs).

Outcome: Wellness continues to be a priority for our staff. Employees are encouraged to participate in health risk assessments offered online with confidential feedback to the individual; the County is sent a report in the aggregate with feedback about the top health issues staff face. Programming is then tailored to address the concerns.

During the current fiscal year, staff have been afforded opportunities to attend "Lunch & Learn" seminars on topics on smoking cessation, ABC's of Managing Stress, Nutritional Survival Skills, etc. Physical activities such as hooping, basketball, kickball, etc. are offered. Additionally, staff have made over 1400 visits to the wellness center. All efforts are geared toward promoting a healthy workforce.

- Seek the assistance of N.C. State Industrial Extension service in providing "lean" training and possibly develop "Value Stream Mapping" of a process or department (to be used as a model for other processes)

Outcome: The Health Department participated in "Lean Training" offered by North Carolina State Industrial Extension Service during February, 2012. Grant funds covered the costs associated with this Quality Improvement. This QI initiative focused on the Clinical side of operations with a goal of decreasing the wait time for patients. Processes were examined and a determination made as to whether they

added “value” or served as possible impediments in the delivery of service. Feedback from the staff who participated was very positive. This will serve as a model for future streamlining efforts within the department.

➤ Maintain County’s bond rating

Outcome: The County maintained its rating. The following rates were assigned: Aa2 (Moody’s), AA (S&P) and AA (Fitch).

➤ Develop a plan of action with benchmarks for the work product developed by the Solutions Team

Outcome: “Ideas in Action” or suggestions from the Solutions Team have been implemented as practical during the current fiscal year. For example, the suggestion to have one specific color for vehicles and uniforms for the Sheriff’s department has been instituted. The Sheriff will utilize standard police colors on any new vehicles in the future and has a standard gray uniform for his staff. Another suggestion made by the Solutions Team was to change the effective date for Career Advancement from July 01 to the anniversary date of the individual employee. This was accomplished during the current fiscal year. A suggestion such as “consolidate all county offices into one centralized building” is not feasible at the current time. However, centralization of services and staff to the degree practical is recommended in the future.

➤ Finalize site selection and develop a plan for the V.E. Owens Park

Outcome: After evaluating more than a dozen potential sites, the Parks & Recreation Advisory Board made a recommendation to the Board during the current fiscal year to purchase “The Homestead,” owned by the Girl Scouts. However, the Board of Commissioners rejected the proposal. Among the concerns for rejecting the site were: security concerns, emergency access, limitations regarding the size of pond etc. The Parks & Recreation Advisory Board is currently evaluating additional properties for the Board’s future consideration.

➤ Further develop County’s Strategic Economic Development Plan

Outcome: County staff continue to address each of the six goals outlined in the Strategic Economic Development Plan. January, 2013 will mark the third year of the three year plan. Staff will continue to keep the Board apprised of updates and will deliver a final report prior to the end of the calendar year, 2012 (in preparation for the Board’s next retreat.)

- Further develop County's Strategic Energy Conservation Plan developed in 2010

Outcome: Short-term projects that provide immediate or near term results have been implemented where feasible. For example, lighting changes (T-12 to T-8 when ballasts need replacing) have been made. Additional discussion and planning are necessary in reference to facilities in order to determine the long-range goals of energy conservation in facilities.

- Obtain the Certificate of Achievement of Excellence in Financial Reporting (CAFR)

Outcome: The County has been awarded the Certificate of Achievement of Excellence in Financial Accounting (CAFR) for the thirteenth consecutive year (as of May 15, 2012.)

Goals/Recommendations for 2012-2013 FY

- Conduct a strategic planning session– it is recommended that the Board and staff schedule a planning session to address Economic Development issues (January, 2013 tentative date to update the County's Comprehensive Economic Development Strategic Plan).
- Conduct joint meetings with partners in Education for both updates and strategic planning
- Capital Improvement Planning is recommended.
- Obtain the Certificate of Achievement of Excellence in Financial Reporting (CAFR)
- Maintain County's bond rating

Summary

The 2012-2013 budget proposal does not recommend a tax increase. An ad valorem tax rate of 87.25 cents per \$100 of valuation is recommended. Again, it should be noted that the revenue neutral tax rate is calculated to be 89.11 cents per \$100 of valuation. As pointed out earlier, the fund balance appropriation can be reduced by approximately \$744,594 if the Board chooses the revenue neutral rate.

It is my privilege to serve the Board of Commissioners and the citizens of Franklin County. I sincerely appreciate the efforts demonstrated by all department heads (and

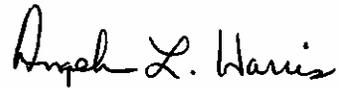
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their staff members) in the preparation of the 2012-2013 proposal. A special "thank you" to Chuck Murray, Finance Director for his steadfast dedication as this document was being drafted. I look forward to further discussions of my budget proposal for 2012-2013 with the Board. Thank you.

Sincerely,



Angela L. Harris
County Manager

Franklin County

Information to the Board of Commissioners
for discussions on the FY 2011-2012
proposed budget.

Budget Schedule

- May 30, 2012 – Deliver Budget to BOC and Public
- June 4, 2012 – Present Budget to BOC and Public
- June 5 at 4:00pm 2012 - conduct budget work sessions starting at 4:00pm.
- June 18, 2011 - Hold public hearing on budget, receive comments from public, address issues if necessary. Establish additional work sessions or Adopt Budget.
- June 19 to 30– other meetings if necessary.

Franklin County

Current Proposed GF Budget

Fiscal Year 2012-2013

FY 2011-2012 Departmental Requests

\$76,036,700

FY 2011-2012 Proposed Budget

\$70,733,885

Requests not included for funding

\$ 5,302,815

Franklin County

Current Proposed Budget

Fiscal Year 2012-2013

FY 2012-2013 Proposed Budget

\$70,733,885

FY 2011-2012 Original Budget

\$66,627,720

Difference

\$4,106,165

**Proposed Budget does not include an increase in
property tax rate for the County.**

Franklin County

Current Proposed Budget

Fiscal Year 2012-2013

FY 2012-2013 Proposed Budget \$70,733,885

(Less) E911 Debt Service Increase (1,140,142)

FY 2011-2012 Original Budget \$66,627,720

Difference (\$2,966,023)

This represents an overall 4.5% increase

Franklin County

Current Proposed Budget

Fiscal Year 2012-2013

FY 2012-2013 Proposed Expenditures \$70,733,885

FY 2012-2013 Proposed Revenues \$67,706,068

Fund Balance Appropriation \$ (3,027,817)

Budget is based on no tax increase
and the following

● FY 2012-2013 Budgeted Tax Base \$4,127,000,000

● FY 2011-2012 Budgeted Tax Base \$4,058,500,000

● 1.7% increase in tax base

● Tax Collection Rate for 2012-2013 is based on a 97.0% rate.

● In 2011-2012, the county used a 96.60% collection rate.

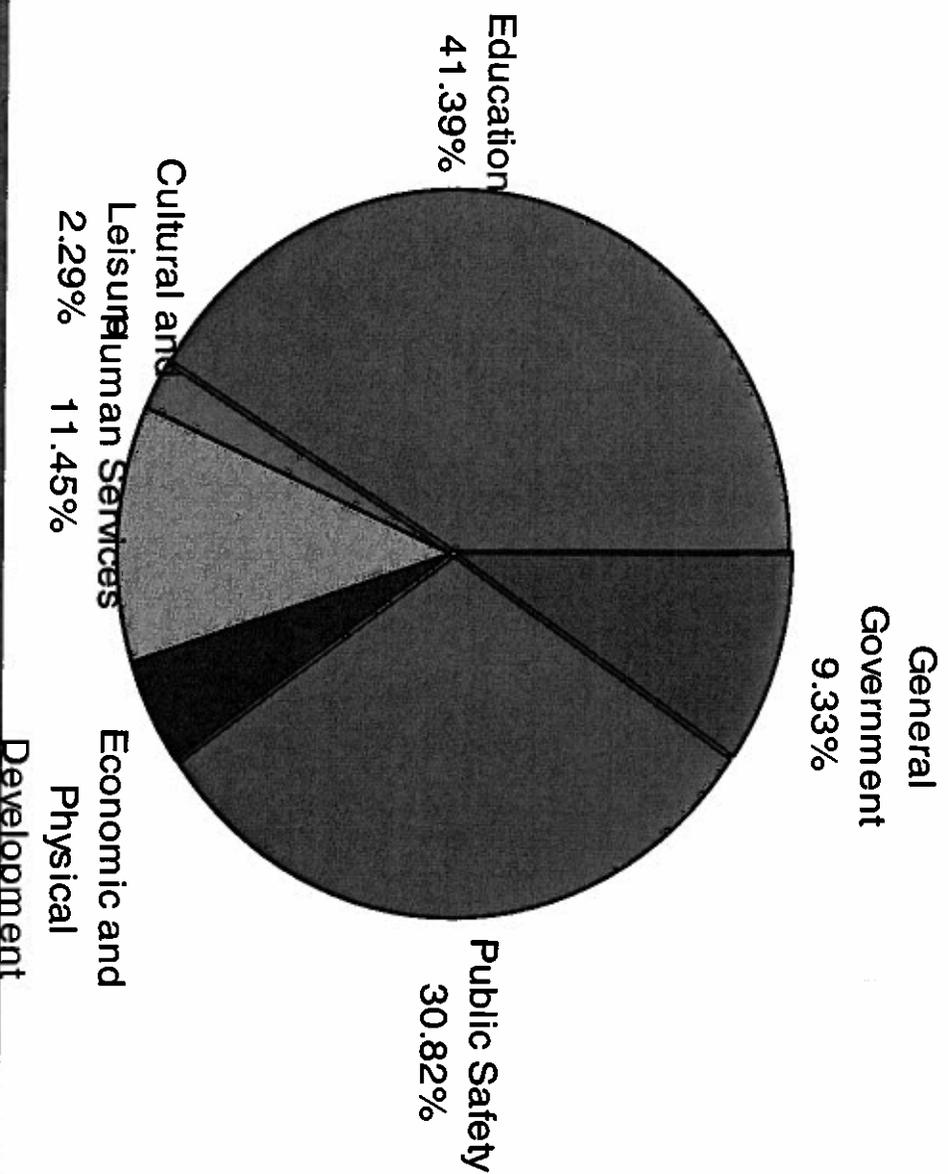
● Budgeted Current Taxes for FY 2012-2013 \$ 34,927,833

● Budgeted Current Taxes for FY 2011-2012 \$ 34,206,458

● Additional Revenue from Property Tax \$721,375

What are our County Tax Dollars used for?

Where do your County Tax Dollars Go Proposed Budget FY 2012 -2013



County Dollars compared to previous FY

- FY 2012-2013 Budgeted County Dollars \$ 45,616,496
- FY 2011-2012 Approved County Dollars \$ 43,942,013
- County dollar increase \$ 1,674,483
- Debt Service for E911 Communication Project is \$1,140,142

Current Proposed 2012-2013 General Fund Budget

- FY 2012-2013 Budgeted Expenditures \$70,733,885
- FY 2011-2012 Budgeted Expenditures \$66,627,720
- **Increase in Expenditures** \$4,106,165
- FY 2012-2013 Budgeted Revenues \$67,706,068
- FY 2011-2012 Budgeted Revenues \$63,904,050
- **Increase in Revenue** \$3,802,018

Let's look at revenues:

- ❑ Tax Base estimated to increase by \$68,500,000 and our collection rate increased from 96.6 to 97.0 percent.

❑ Net Gain of \$721,375

- ❑ Sales Tax – General Fund and Capital Reserve Fund.

❑ Net Gain of \$535,580

- ❑ Lottery Funds – Utilizing all available.

❑ Net Gain of \$200,000

Let's look at revenues:

- ❑ Transfer of approx. 50% of remaining dollars that are unobligated in the School Construction Fund to reimburse County for interest paid on debt for school bonds during construction of the projects.

- ❑ Net Gain of \$850,000

- ❑ State Hold Harmless – Medicaid Swap – Article 44

- ❑ Net Gain of \$279,620

- ❑ Solid Waste Tipping Fees and Availability Fees–

- ❑ Net Gain of \$240,000

Let's look at revenues

- The budget again contains a transfer from the Water and Sewer Fund for a partial repayment of previous General Fund Loans beginning in FYE 2002. With the County purchasing water at a cheaper rate than in the past, the proposed budget includes a transfer of \$400,000 to the County's General Fund.
- At June 30th, 2012, the Water and Sewer Fund owes the General Fund \$5,994,590.

FY 2012-2013 Revenues compared to FY
2011-2012 Revenues

- Total Revenues Budgeted in FY 2012-2013
 - \$ 67,706,068
- Total Revenues Proposed in FY 2011-2012
 - \$ 63,904,050
- Total Increase - \$3,802,018 or 5.9%

Growth?

□Where has the growth been in the past 6 years?

Where has the growth been?

Category	FYE 2012	FYE 2011	FYE 2010	FYE 2009	FYE 2008	FYE 2007
General Govt.	4,773,939 (-264,005) (-5.2%)	4,642,472	4,389,582	4,770,823	4,700,296	5,037,944
Public Safety	16,294,413 3,341,639 25.80%	18,136,996	16,138,368	16,998,678	16,195,790	12,952,774
Human Services	16,475,494 (2,471,438) (-13.0%)	17,551,445	16,485,807	18,642,587	19,610,329	18,946,932
Education	22,787,351 7,297,553 47.10%	21,543,770	19,610,428	19,571,331	18,114,748	15,489,798
Cultural + Leisure	1,174,385 (-105,196) (-8.2%)	1,229,755	1,371,839	1,174,944	1,556,936	1,279,581

Proposed FY 2012-2013 compared to Budget FY 2011-2012

<u>Budget Category</u>	<u>Proposed FY 2012-2013</u>	<u>FY 2011-2012 Original Budget</u>	<u>Amount of Change</u>	<u>% of Change</u>
General Govt.	5,161,908	4,335,699	826,209	19.10%
Public Safety	17,980,730	15,960,170	2,020,560	12.70%
Human Svcs.	17,412,831	16,551,285	861,546	5.20%
Education	23,137,827	22,787,351	350,476	1.50%
Cultural/Leisure	1,241,343	1,174,385	66,958	5.70%
EDC- Dev.	5,799,246	5,122,137	677,109	13.20%

Capital Projects

Budget includes the following:

<input type="checkbox"/> Human Resources Software -	\$ 22,384
<input type="checkbox"/> Register of Deeds – Resolution 3 software -	\$ 38,000
<input type="checkbox"/> Economic Development Incentives -	\$ 501,838
<input type="checkbox"/> Building Improvements –	\$ 110,000
<input type="checkbox"/> Sheriff Vehicles, Software, Computers Equip.	\$ 383,060
<input type="checkbox"/> EMS Equipment, Ambulance, Defibs -	\$ 286,300
<input type="checkbox"/> Jail Renovation – Architect, Engineering,	\$ 100,000
<input type="checkbox"/> IT Services – Software, server, ect..	\$ 30,300
<input type="checkbox"/> VGCC Building Plans -	\$ 135,000
<input type="checkbox"/> Solid Waste – Equipment, Construction, Ect..	136,000
<input type="checkbox"/> School Capital Outlay – Various projects	<u>\$ 1,100,000</u>
<input type="checkbox"/> Total	\$2,742,882

New Debt Payment

- Budget includes the following:
- E911 Communication Enhancement Debt Payment of:
- E911 Debt Service Increase \$1,140,142
- This equates to : 2.85 cents on the tax rate
 - One penny equals - \$400,319

Human Services

▣ Social Services Program Expenditures:

Daycare for Children -	\$2,060,226
Daycare for Adults -	\$89,875
Crisis Intervention -	\$328,600
County's Share SAA/SAD -	\$528,000
Foster Care Payments -	\$524,622
Medical Transportation Services -	\$236,869
Adoption Asst. -	\$198,111

Medicaid Pmts last FY -	\$65,291,710
Food Stamps Authorized last FY -	\$14,885,439

Human Services

▣ Health Department Program Expenditures:

General Health Care -	\$731,133
Clinical Health Care -	\$3,141,015
Dental Health Care -	\$456,757
Home Health Care -	\$1,051,648

WIC Payments - \$1,275,923

What positions continue to be frozen?

- ❑ Board of Elections: Administrative Support Specialist

Net reduction : \$38,070

- ❑ Register of Deeds: Deputy Clerk

❑ Net reduction: \$45,886

- ❑ Planning : Planning Supervisor, Comprehensive Planning Supervisor

❑ Net reduction: \$121,283

- ❑ Inspections: Two Building Code officers and an Administrative Support Specialist

❑ Net reduction: \$140,625

What positions continue to be frozen?

- ❑ Recreation - Recreation Services Manager

Net reduction : \$43,970

- ❑ Sheriff's Office: Three Deputy Sheriff Positions

❑ Net reduction: \$131,915

- ❑ Communications: Telecommunicator

❑ Net reduction: \$38,310

- ❑ EMS: Administrative Support Specialist, Six Paramedics – filling in with Part-time.

❑ Net reduction: \$117,721

What positions continue to be frozen?

- ❑ Emergency Management - Deputy Fire Marshall

Net reduction : \$52,835

- ❑ General Health: Four Environmental Health Specialist, Administrative Support Worker

❑ Net reduction: \$231,118

- ❑ Home Health: Social Worker, Medical Office Asst., Community Health Asst., Processing Asst., two Public Health Nurses.

❑ Net reduction: \$259,766

- ❑ Veterans: Administrative Office Asst:

❑ Net reduction: \$24,580

What positions continue to be frozen?

- ❑ Social Services: Social Work Supervisor II

Net reduction: \$55,860

- ❑ Senior Center: Adult Day Activity Asst., Senior Services Director, Social Work Asst.

❑ Net reduction: \$127,680

- ❑ Water and Sewer: Utilities Lead Inspector

❑ Net reduction: \$50,465

❑ Grand total of positions frozen: \$1,480,084

Non-profit funding

- Central Services Budget: Maintains current level of funding.
- Boys and Girls Club – Current Level \$8,640, requested \$10,000, recommending \$8,640.
- Franklin County Arts - Current Level \$4,840, requested \$10,000, recommending \$4,800.
- Franklin County Chamber - Current Level \$8,640, requested \$10,000, recommending \$8,640.
- Volunteers in Medicine - Current Level \$8,640, requested \$???????, recommending \$8,640.
- FVW Opportunities - Current Level \$15,120, requested \$15,750, recommending \$15,120.
- Safe Space - Current Level \$8,640, requested \$25,000, recommending \$8,640.

Education

Board of Education:

Requested for Operations: \$ 12,967,355
 Recommended: \$ 12,350,000

\$ (617,355)

FY 2011-2012 Allocation \$ 12,000,000

Recommended: \$ 12,350,000

Increase \$ 350,000

Requested for Capital: \$ 1,853,103

Recommended for Capital: 1,100,000

Decrease \$ 753,103

FY 2011-2012 Allocation \$ 925,000

Recommended: \$ 1,100,000

Increase \$ 175,000

Vance Granville Community College

VGCC:

Requested for Operations: \$ 326,887

Recommended: \$ 310,000

\$ (16,887)

FY 2010-2011 Allocation \$ 300,000

Recommended: \$ 310,000

Increase \$ 10,000

Requested for Capital: \$ 20,000

Recommended for Capital: 15,500

Decrease \$ (4,500)

Number of FT County Positions included in the proposed budget

	Proposed FY 2012-2013	Proposed FY 2011-2012	Difference
Total County	462	Total County 464	(2)
EMS	48	EMS 54	(6)
Health Dept.	63	Health Dept. 58	5
Recreation	4	Recreation 3	1
Aging dept.	7	Aging dept. 8	(1)
Inspections	7	Inspections 8	(1)

Est. Fund Balance Position at 6/30/2012

- Estimated Expenditures are: \$ 66,509,209

- Estimated Revenues are: \$ 66,139,313

- Difference - (\$ 369,896)

- The County appropriated \$2,756,170 during FY 2011-2012.

Estimated Fund Balance Position

FYE 2011-2012

- Total Fund Balance 6/30/2011: \$21,492,922
- (less) estimated Expenditures for FYE 2011 (66,509,209)
- (add) Estimated Revenues for FYE 2011 66,139,313
- Difference in revenues and expenses (369,896)
- Total Fund Balance FYE 2011-2012 \$21,123,026

Fund Balance position based on estimate for FY 2011-2012

- Total Fund Balance 6/30/2012 \$21,123,026

- (less) Est. Required Reserves by Statute: \$3,356,518
- (less) Earmarked Reserves 2,184,556
- (less) FYE 2011 Fund Bal. Appropriation 3,027,817

- Projected Undesignated Fund Balance \$12,554,135

- Using Total GF Budget of \$ 66,509,209

- **Est. % of Undesignated Fund Balance** **18.9%**

Undesignated Fund Balance Comparison

• FYE 2011-2012	\$ 12,554,135	est..
• FYE 2010-2011	12,757,375	
• FYE 2009-2010	13,312,790	
• FYE 2008-2009	14,545,686	
• FYE 2007-2008	11,455,767	
• FYE 2006-2007	11,730,851	
• FYE 2005-2006	12,146,678	
• FYE 2004-2005	12,870,944	

Fire Departments

• Several Fire Tax rate increases are Proposed.

Fire Dept.	Proposed Tax Rate	Current Tax Rate	Tax Increase
Central Fire District	8.25	7.25	1.0
Hopkins	2.40	3.00	0.60
Epsom Fire District	7.00	6.00	1.00
Franklinton	5.50	6.00	-.50
Gold Sand Fire District	8.00	7.00	1.00
Youngsville Fire District	7.50	6.50	1.00
Justice Fire District	7.00	6.00	1.00
Pilot	7.25	7.00	0.25

Fire Protection

Department

Requested

Recommended

Central Fire District	225,000	225,000
Epsom Fire District	85,000	85,000
Gold Sand Fire District	57,500	57,500
Justice Fire District	88,500	88,500
Kittrell Fire District	1,000	1,000
Pilot Fire District	165,068	165,068
White Level Fire District	73,500	73,500
Brassfield Fire District	7,979	7,979
Mitchiners Fire District	148,500	148,500
Hopkins Fire District	11,800	11,800
Franklinton Fire District	214,367	214,367
Youngsville Fire District	1,023,073	1,023,073
Bunn Fire District	519,000	519,000
Castalia Fire District	1,200	1,200
Centerville Fire District	59,000	59,000
TOTAL	2,680,487	2,680,487

Water and Sewer FY 2012-2013

Proposed Budget

- Proposed Operational Expenditures: \$ 5,019,887
 - Proposed Debt Service 1,880,856
 - Total Proposed Expenditures 6,900,743

 - Current Proposed Revenues \$ 6,900,743

 - Transfer to General Fund for partial repayment of prior
Year loans:
 - \$400,000
- Last year transfer \$440,615 to General Fund to repay loan.

DEBT POSITION- General Fund

OUTSTANDING PRINCIPAL DEBT @ 4/30/2012 \$108,705,913.

DEBT EVIDENCED BY

G.O. BONDS \$ 64,573,167
 COPS - other 29,459,450
 Total \$ 94,032,617

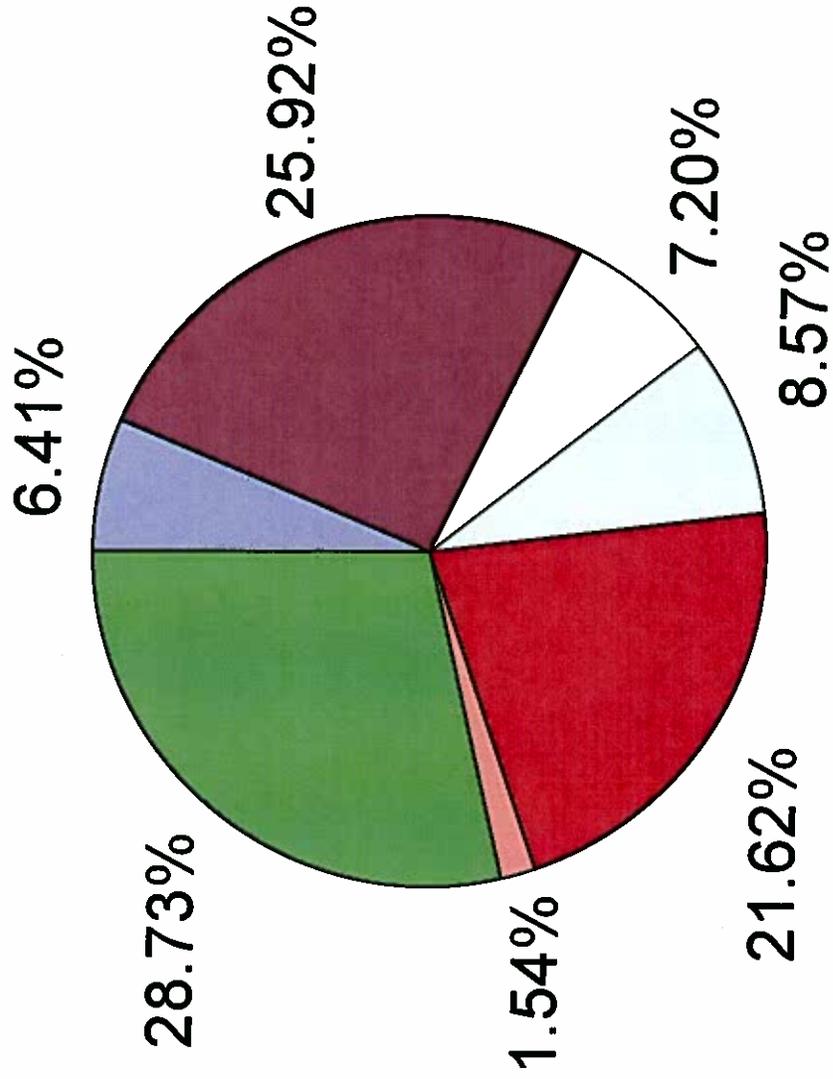
Water and Sewer: \$ 14,673,296

Total Debt: \$ 108,705,913

Debt per Capita: \$ 1,796.79

Based on 60,500 citizens

TOTAL EXPENDITURES BY FUNCTION (All Funds)



- General Government
- Public Safety
- Environmental
- Water and Sewer
- Human Services
- Cultural and Recreation
- Education

Summary of Proposed County Budget			
For Fiscal Year 2012-2013			
By Major Category			
	Approved	Proposed	Inc./Dec.
	Fiscal Year	Fiscal Year	by
Category	2011-2012	2012-2013	Category
General Government	\$4,773,939	5,161,908	\$ 387,969
Public Safety	16,294,413	17,980,730	1,686,317
Economic and Physical Development	5,122,137	5,799,246	677,109
Human Services	16,475,494	17,412,831	937,337
Cultural and Leisure	1,174,385	1,241,343	66,958
Education	22,787,351	23,137,827	350,476
Drug Enforcement Fund	15,000	30,000	15,000
Fire Protection Fund	2,506,590	2,680,487	173,897
E-911 Communication Fund	748,613	251,820	(496,793)
Capital Reserve Fund	2,200,000	2,496,900	296,900
Public Utilities Fund	6,793,706	6,900,743	107,037
Total Proposed	\$78,891,628	\$83,093,835	\$4,202,207

		Franklin County Positions by Department												
Department	2004	2005	2006	2007	2009	2010	2011	2012	Requested					
	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	Full-Time Positions	FY 12-13	Full-Time Positions	New Positions in Budget		
County Commissioners	5	7	8	8	8	8	8	8	8	8	8	0		
Manager	3	3	2	2	3	2	3	3	3	3	3	0		
Human Resources					0	1	2	2	2	2	2	0		
Information Technology														
Elections	3	0	1	2	2	2	3	3	3	3	3	0		
Finance Office	5	5	5	6	5	5	5	5	5	5	5	0		
Tax Assessor	9	9	9	9	9	9	9	9	9	9	9	0		
Tax Collector	5	5	5	5	5	5	5	5	5	5	5	0		
Register of Deeds	5	5	5	5	5	5	5	5	5	5	5	0		
Planning	6	6	6	7	7	7	7	7	7	7	7	0		
Inspections	9	9	9	9	9	9	9	9	9	9	9	0		
GIS	3	3	3	3	3	3	3	3	3	3	3	-1		
Recreation	5	5	5	5	4	3	3	3	3	3	3	0		
Economic Development	2	2	2	3	3	3	3	3	3	3	3	1		
Public Buildings-Maintenance	13	13	12	12	12	12	12	12	12	12	12	0		
Sheriff's Department	44	45	47	50	64	64	70	67	67	67	67	0		
Communications - E911	12	12	12	13	17	17	18	17	17	17	17	0		
Jail Operations	31	34	34	39	38	33	36	35	35	35	35	0		
Emergency Medical Services	30	29	37	46	59	54	54	54	54	54	54	0		
Emergency Management	3	3	3	5	4	3	3	3	3	3	3	-6		
Emergency Management	3	2	1	2	3	0	0	0	0	0	0	0		
Cooperative Extension	3	2	1	2	3	0	0	0	0	0	0	0		
Health Department	82	79	73	72	66	59	63	58	63	63	63	5		
Animal Control														
Soil and Water Conservation	4	4	4	4	5	5	5	5	5	5	5	0		
Veterans Services	1	1	2	2	4	4	4	4	4	4	4	0		
Social Services	87	87	89	92	92	91	91	92	92	92	92	0		
Child Support - DSS														
Library	8	8	8	8	0	0	8	9	9	9	9	0		
Aging Department	9	9	11	11	9	9	9	9	9	9	9	0		
Solid Waste-Landfill	6	6	6	6	11	11	11	8	8	7	7	-1		
Airport Operations		0	1	1	6	6	6	6	6	6	6	0		
Water and Sewer Department	16	17	17	18	3	3	3	3	3	3	3	0		
					18	16	17	17	17	17	17	0		
Total Full-Time Positions	409	411	426	453	479	450	476	464	476	464	464	-2		

Departmental Capital Request		
FY 2012-2013		
	Requested	Approved
Governing Body	-	-
Manager	-	-
Human Resources	22,384	22,384
Board of Elections	5,000	1,200
Finance	-	-
Tax Assessor	3,750	3,750
Tax Collector	2,300	2,300
Register of Deeds	-	-
Planning	-	-
Inspection	25,000	-
GIS Mapper Service	3,000	3,000
Recreation	14,150	-
Economic Development	1,000	1,000
Maintenance	32,480	-
Central Services	-	-
Sheriff	725,940	383,060
Communications	-	-
Jail	35,690	16,451
Jail - Meal Operations	-	-
Clerk of Court	2,000	2,000
Fire Protection	-	-
Rescue & Ambulance Services	741,300	286,300
Emergency Management Services	-	-
Rescue Squad Contributions	-	-
Revaluation	-	-
Health	35,000	-
Animal Control	16,907	-
Clinical Health	20,464	-
Dental Health	-	-
Home Health	7,122	7,122
Capital Improvements	1,890,000	190,000
Information Technology Department	49,000	30,300
Cooperative Extension Services	2,500	2,500
Soil & Water Conservation	-	-
Veterans Services	-	-
Legal & Professional Services	-	-
Solid Waste	186,000	136,000
Social Services	11,700	11,700
Social Services Programs	-	-
DSS Child Support Program	3,050	3,050
Library	1,600	1,600
Aging	1,000	1,000
Airport Operations	18,666	18,666
Debt Services	-	-
Education Allocations	2,008,103	1,250,500
Water and Sewer	109,750	109,750
Total	5,974,856	2,483,633