

# Recommended Budget

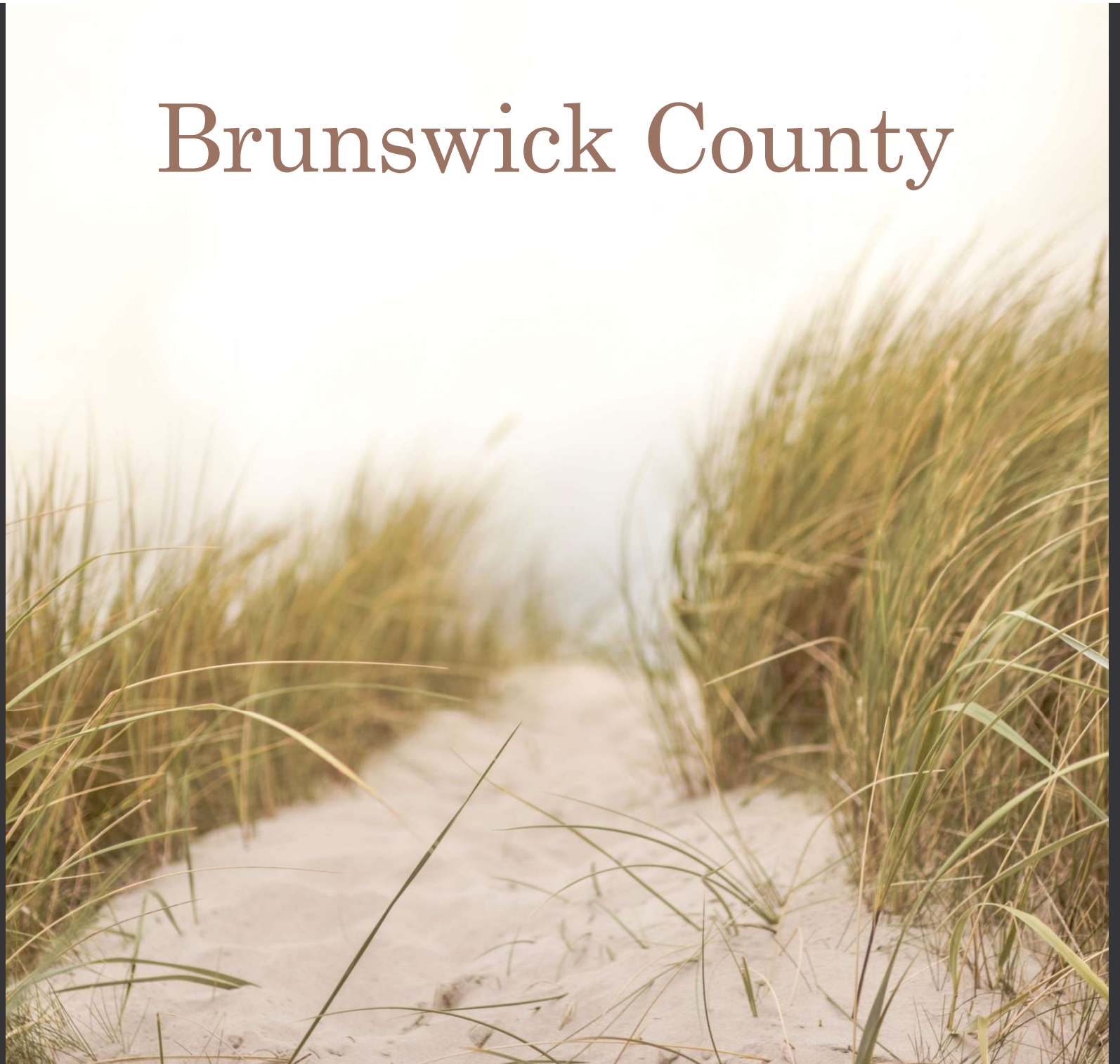
## Fiscal Year 2023

Steve Stone

County Manager

May 16, 2022

# Brunswick County



# Brunswick County Commissioners



**District 1**  
Randy Thompson,  
Chairman



**District 2**  
J. Martin (Marty) Cooke



**District 3**  
Pat Sykes



**District 4**  
Mike Forte,  
Vice Chairman



**District 5**  
Frank Williams

# Budget Principles

- ✓ **Conservative revenue and expenditure projections**
- ✓ **Preserve reserves to maintain bond rating and provide flexibility to respond to changing circumstances/ opportunities**
- ✓ **Maintain low property tax rate**

# Key Focus Areas

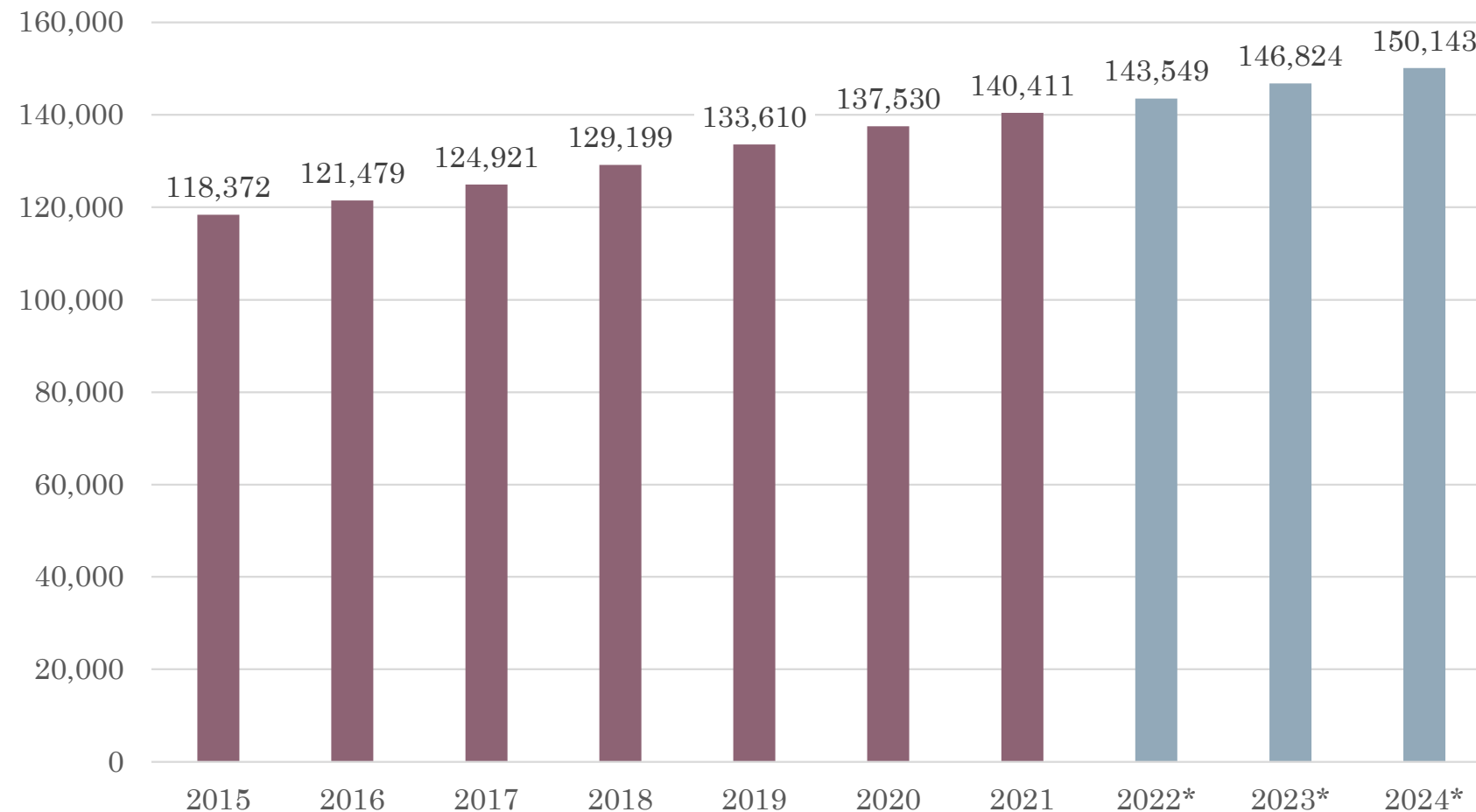
- **Employee Retention, Recruitment and Succession Planning**
  - Funding for the implementation of the Classification and Total Compensation Study results approved April 18, 2022
  - 0.75% to 1.58% non-recurring merit bonus to employees who are satisfactory performers
  - 1.70% to 2.53% non-recurring merit bonus to employees who are who are high performers
  - 2.65% to 3.35% non-recurring merit bonus to the County's highest performers
  - Maintaining competitive employee benefits with no reductions
- **Meet the Needs of a Growing County with Diverse Demographics**
  - Increase of 5.8% per the funding agreement with Brunswick County Schools for the operating budget resulting from growth in ad valorem taxes
  - Increase of 4.8% to Brunswick Community College to support existing programs and \$350,000 for the Foundation Grant providing tuition assistance
  - Increase of 4.4% to Brunswick Senior Resources for program support for 5 district senior centers
  - Added 50 new positions and 1 position reduction (35 Governmental, 14 Enterprise)
  - Continued funding for technology/computer software support and increased cybersecurity
  - Maintain computer replacement program
  - Provide employees training, resources, and equipment to facilitate high service levels to citizens

# FY 2022-2023 Recommended Budget

- 315.3 million all funds
- Recommending no change in the property tax rate of 48.50 cents



# Population Growth

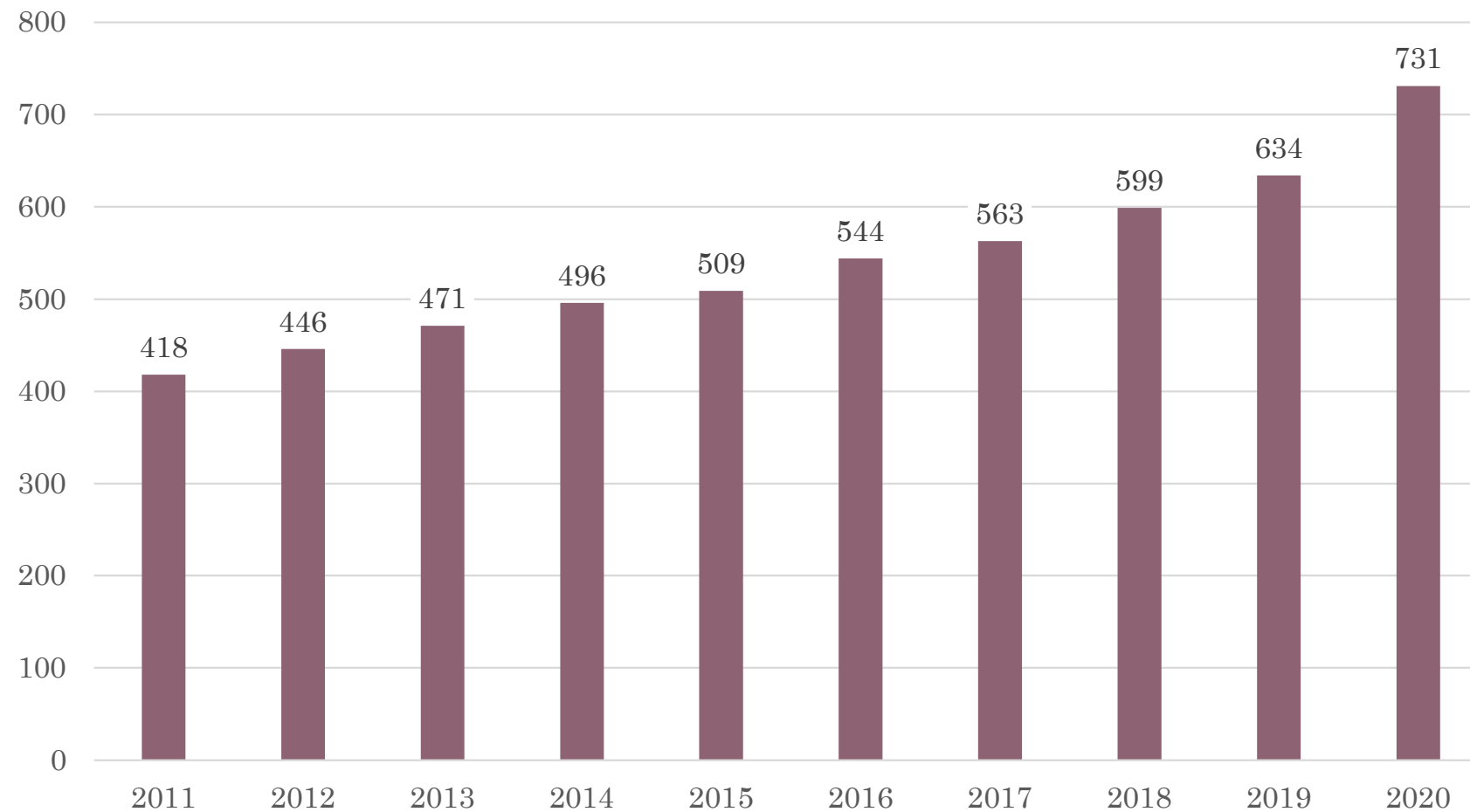


- Population Growth in 2021:
  - Ranked #2 NC % Population Growth
  - Ranked #3 NC Numeric Population Growth
  - Ranked #30 US County Growth
  - Ranked #21 County Growth > 10,000 County Population
  - Included in Myrtle Beach MSA, 3<sup>rd</sup> Fastest Growing Metro Area in US at 3.7%

*Source: US Census Bureau; NC Office of State Budget and Management*

\*Projected

# Visitor Spending

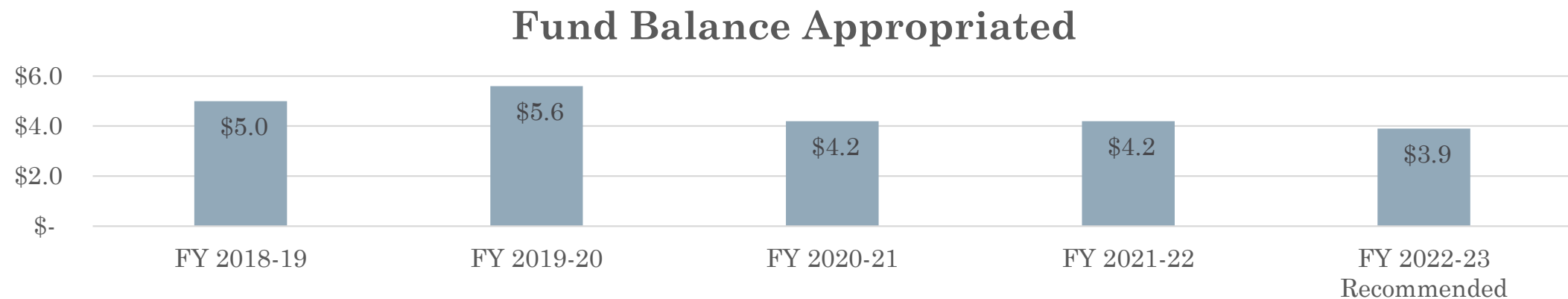
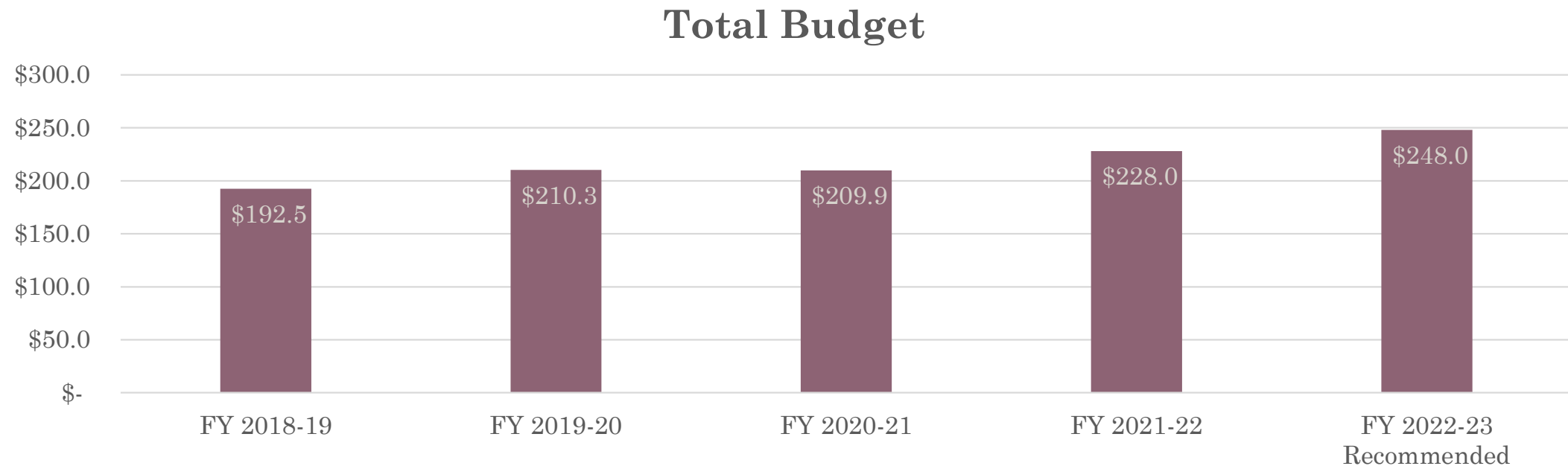


- Visitor Spending in 2020:
  - Up 15.3%
  - County ranks 6th among 100 in spending
  - More than 4,500 tourism-related jobs
  - Population rises over 350,000 during tourism season, peaking on the July 4th week

*Source: Economic Impact of Travel on North Carolina Counties study prepared for the NC Division of Tourism, Film and Sports Development by the US Travel Association*

*Reported October 2021*

# Recent General Fund Approved Budgets and Fund Balance Appropriated



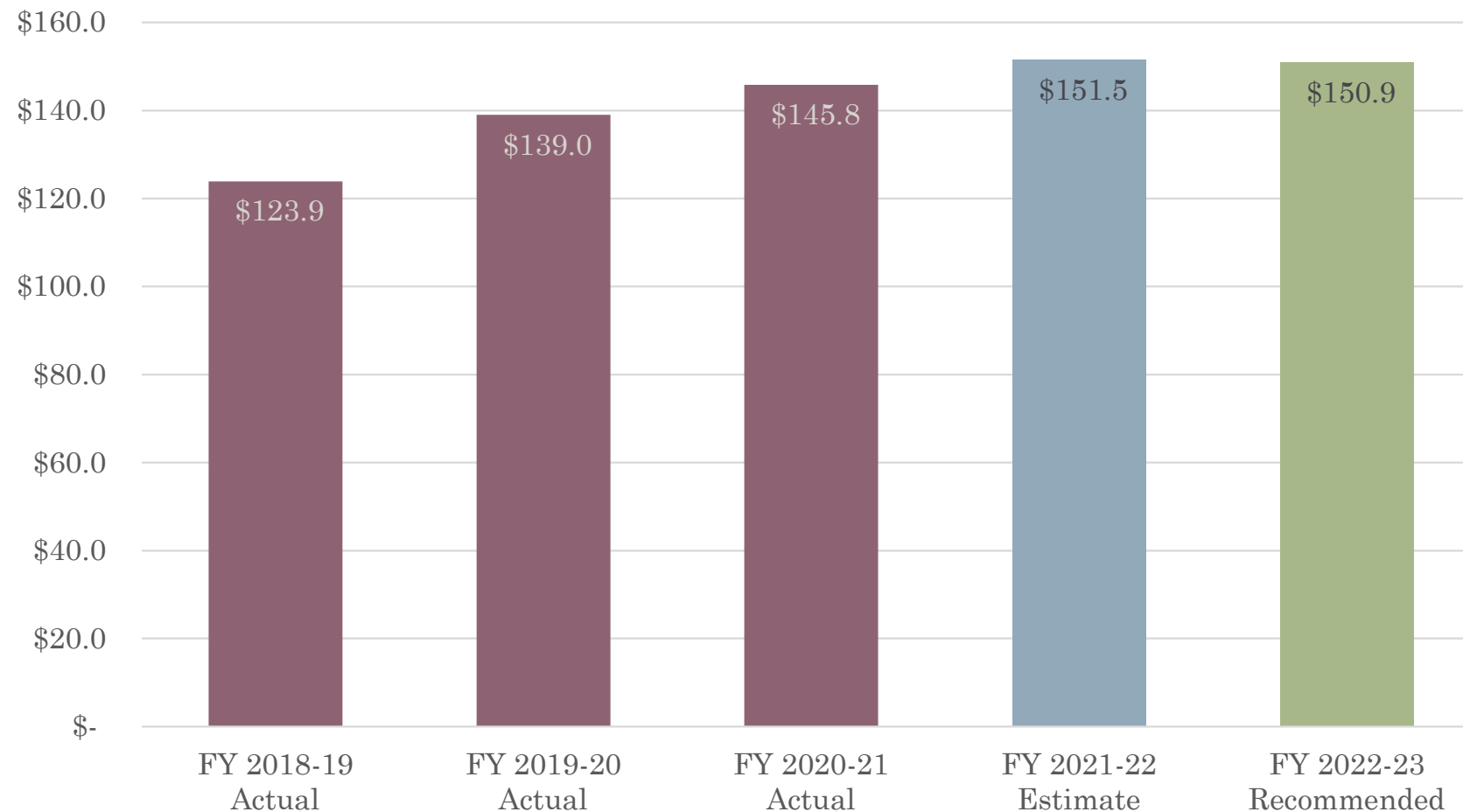


# FY 2022-23 Recommended Budget

## General Fund Revenues

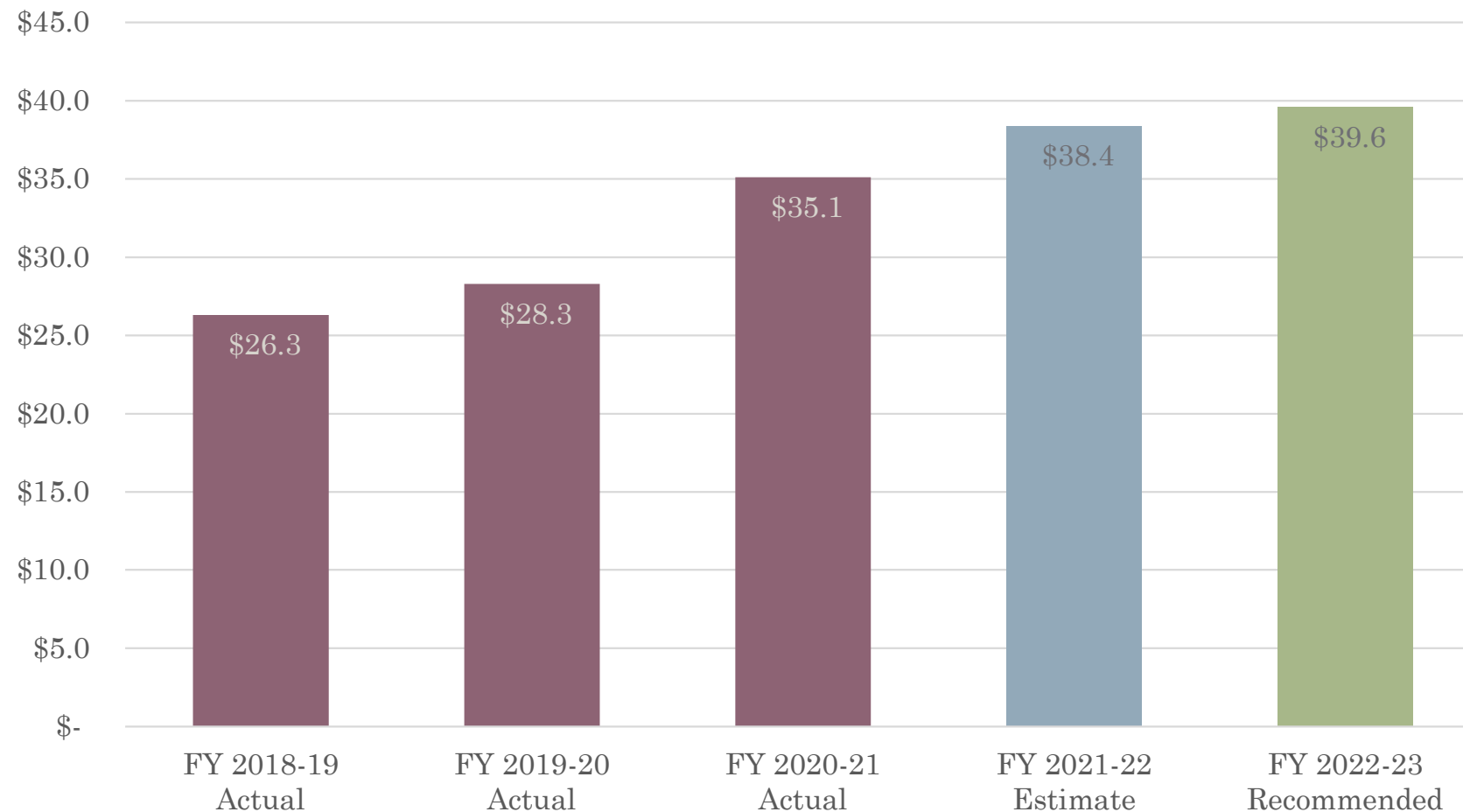
	FY 2022-2023 Recommended	% of Total	FY 2021-2022 Approved	% of Total	% Change Over Prior Year
Ad Valorem Taxes	\$153,849,442	62.0%	\$148,800,658	65.2%	3.4%
Local Option Sales Taxes	39,563,234	16.0%	31,718,980	13.9%	24.7%
Other Taxes and Licenses	7,525,000	3.0%	5,245,000	2.3%	43.5%
Unrestricted Intergovernmental	2,706,600	1.1%	2,710,000	1.2%	-0.1%
Restricted Intergovernmental	17,440,772	7.0%	15,654,560	6.9%	11.4%
Permits and Fees	6,416,010	2.6%	4,966,110	2.2%	29.2%
Sales and Service	14,728,936	5.9%	13,423,392	5.9%	9.7%
Investment Earnings	60,380	0.0%	100,275	0.0%	-39.8%
Other Revenue	1,866,142	0.8%	1,186,332	0.5%	57.3%
General Fund Balances Appropriated	3,885,288	1.6%	4,221,480	1.9%	-8.0%
<b>Total Revenues</b>	<b>\$248,041,804</b>	<b>100%</b>	<b>\$228,026,787</b>	<b>100%</b>	<b>8.8%</b>

# Revenues from Property Tax



- **Excluding Prior Years' Collections**
- Last Revaluation January 2019
- Recommending No Change in the Tax Rate of 48.50 Cents
- Expected Collection Rate 98.10%

# Revenues from Sales Tax



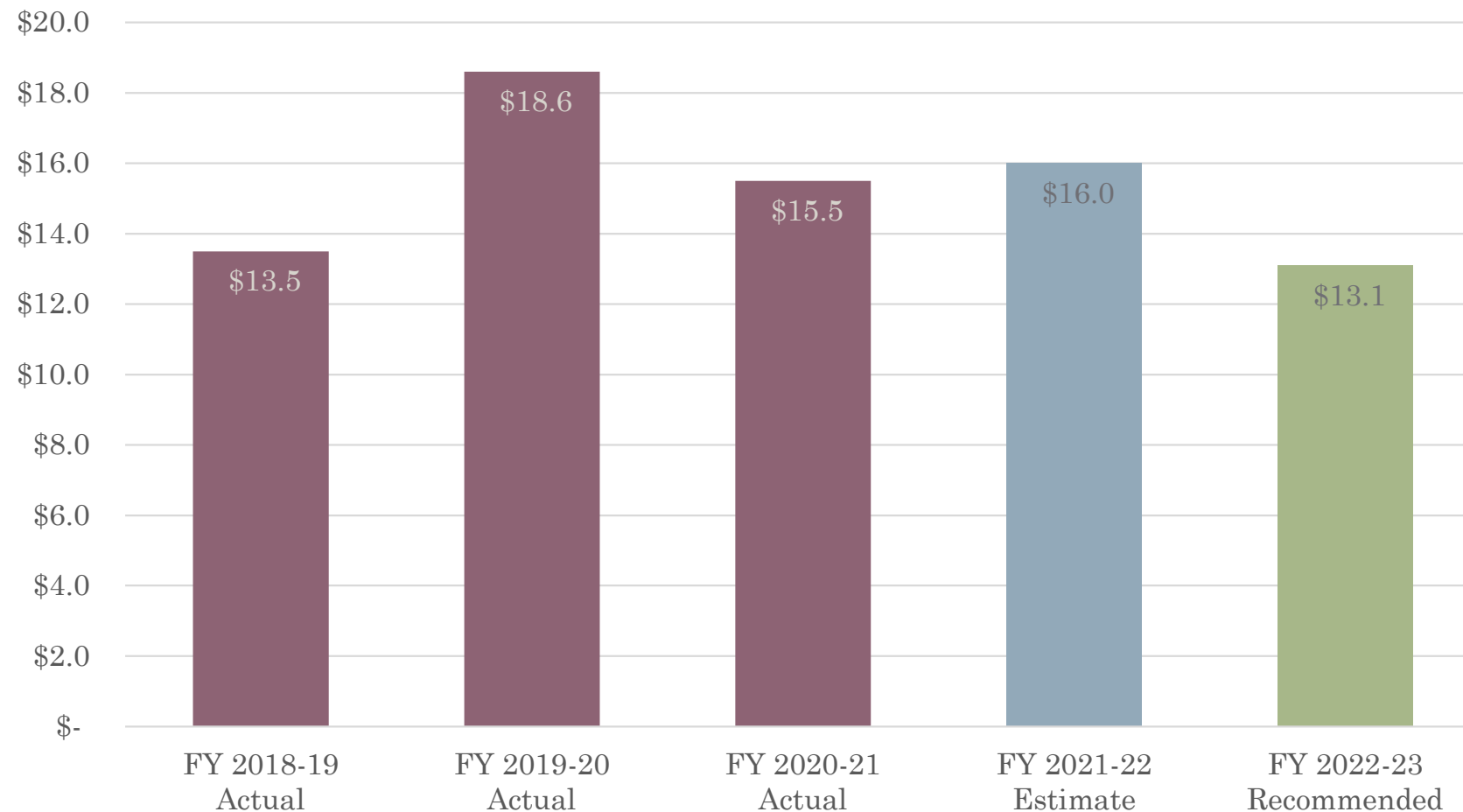
- **Includes Amounts Legislated for Schools Capital**
- 2022-23 Recommended increased \$7.8 million over 2021-22 approved due to continued COVID-19 uncertainties, increasing 24.7%

# FY 2022-23 Recommended Budget

## General Fund Expenditures

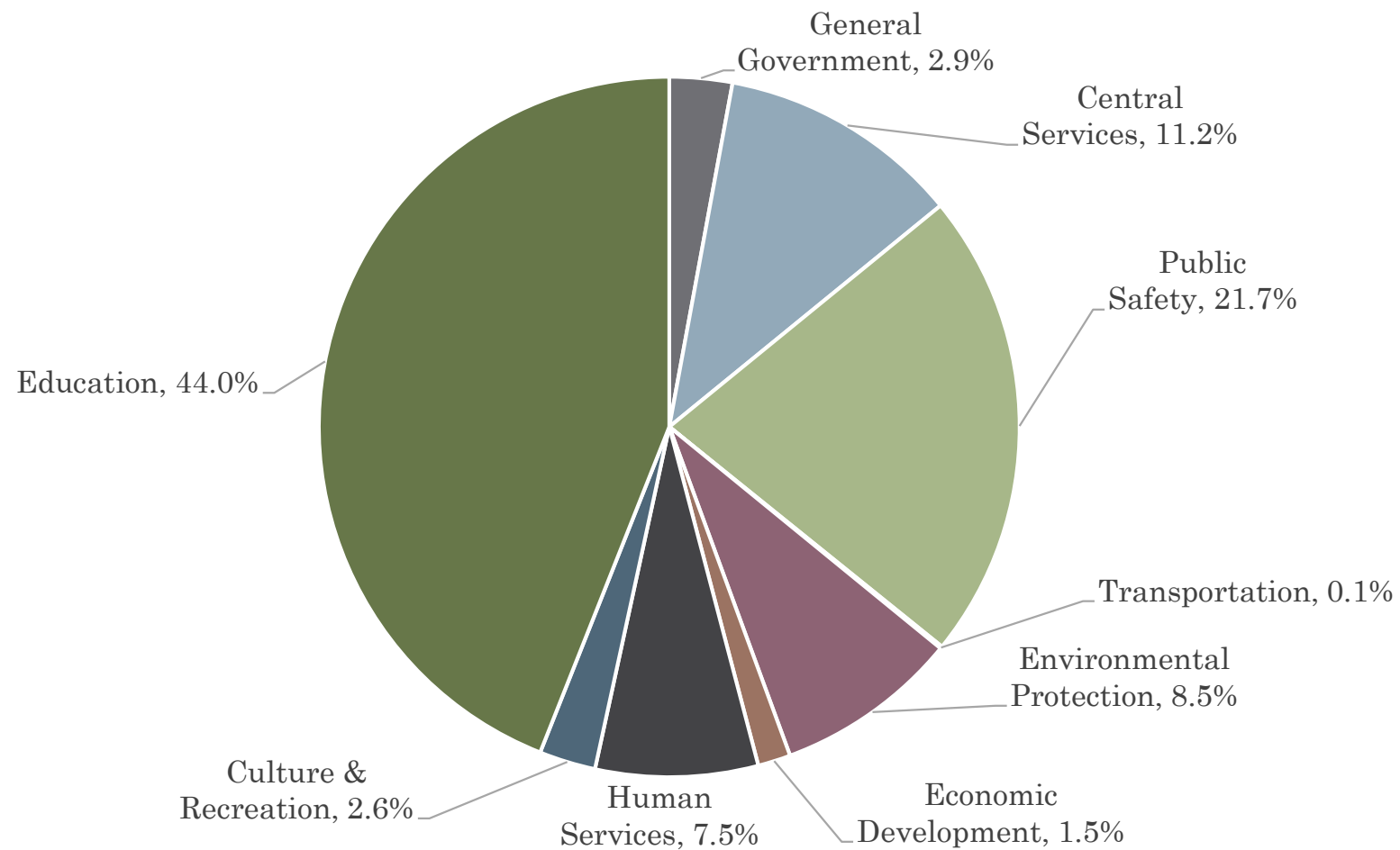
	FY 2022-2023 Recommended	% of Total	FY 2021-2022 Approved	% of Total	% Change Over Prior Year
General Government	\$16,534,590	6.7%	\$14,796,186	6.5%	11.7%
Central Services	22,208,343	9.0%	19,256,727	8.4%	15.3%
Public Safety	62,373,021	25.1%	55,608,099	24.4%	12.2%
Transportation	161,000	0.1%	161,000	0.1%	0.0%
Environmental Protection	20,935,449	8.4%	19,272,998	8.5%	8.6%
Economic Development	8,771,765	3.5%	8,641,052	3.8%	1.5%
Human Services	33,923,542	13.7%	29,155,754	12.8%	16.4%
Education	69,166,744	27.9%	68,500,738	30.0%	1.0%
Culture & Recreation	5,666,180	2.3%	5,745,497	2.5%	-1.4%
Net Transfer to Project Reserves	8,301,170	3.3%	6,888,736	3.0%	20.5%
<b>Total Revenues</b>	<b>\$248,041,804</b>	<b>100%</b>	<b>\$228,026,787</b>	<b>100%</b>	<b>8.8%</b>

# Governmental Debt Service



- General Debt Service 5.3% of Recommended Expenditures
- Debt Service Policy Annual Range not to exceed 10-13% of Total Expenditures
- Planned Phase 3 (\$51.5M final phase) and Two-Thirds GO Bond Debt Issues in July 2022 adding debt service of \$1.3M in FY 23 and \$5.3M in FY 24

# 2022 Tax Levy Distribution





# General Fund

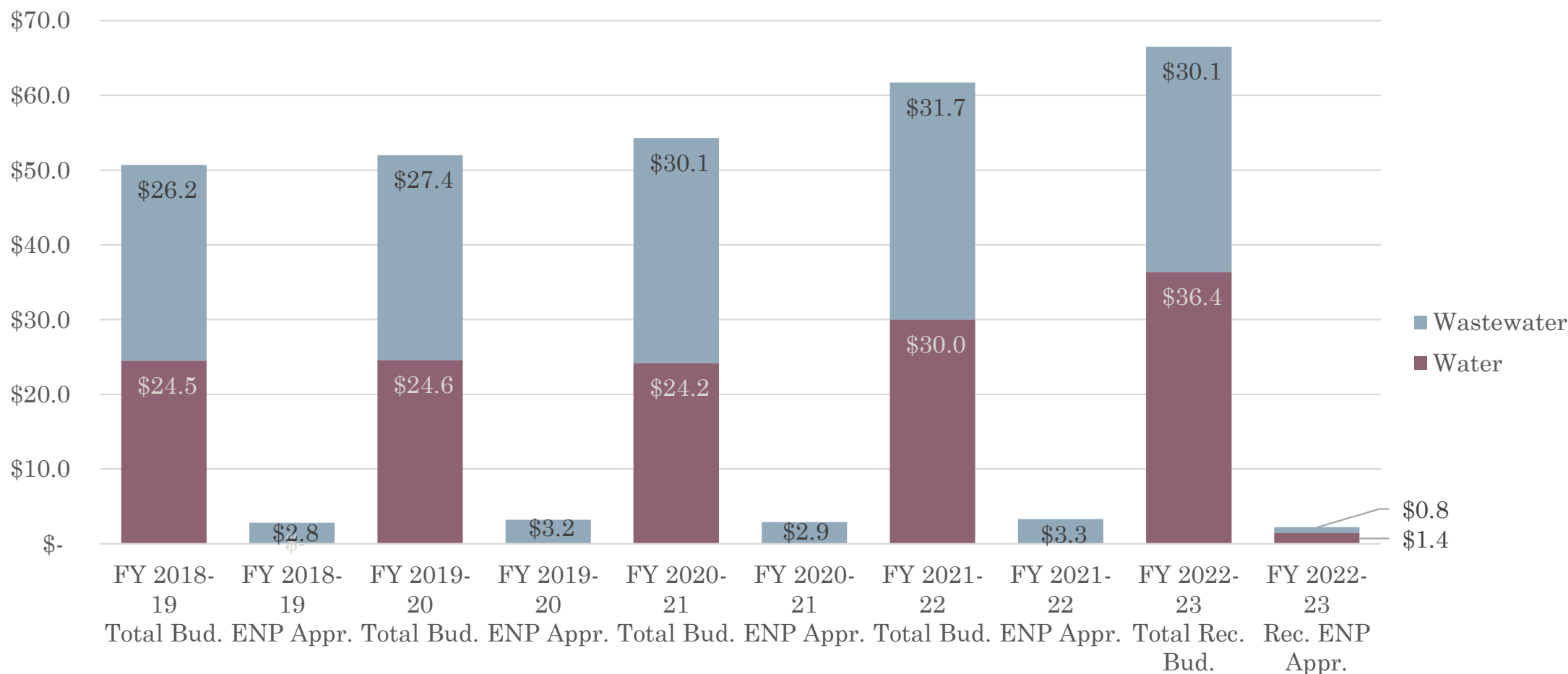
## Employee Compensation

FTEs	FY 2022 Current	FY 2023	2022-2023	FTEs	% Increase	County Cost
General Government	103.00	106.00	3.00	Market Adjustment	*	\$8,633,217
Public Safety	493.00	503.00	10.00	Merit Bonus	Range .75-3.35%	\$1,525,603
Central Services	94.00	99.00	5.00	Retirement Increase	0.85%	\$486,000
Human Services	235.98	250.98	15.00	<b>Total</b>		<b>\$10,644,820</b>
Environmental Protection	9.00	9.00	-	*Market adjustment for FY 2023 included with implementation of the Classification & Total Compensation Study on April 18, 2022		
Culture & Recreation	46.00	47.00	1.00			
Economic Development	26.62	27.62	1.00			
<b>Total</b>	<b>1,008.60</b>	<b>1,043.60</b>	<b>35.00</b>			

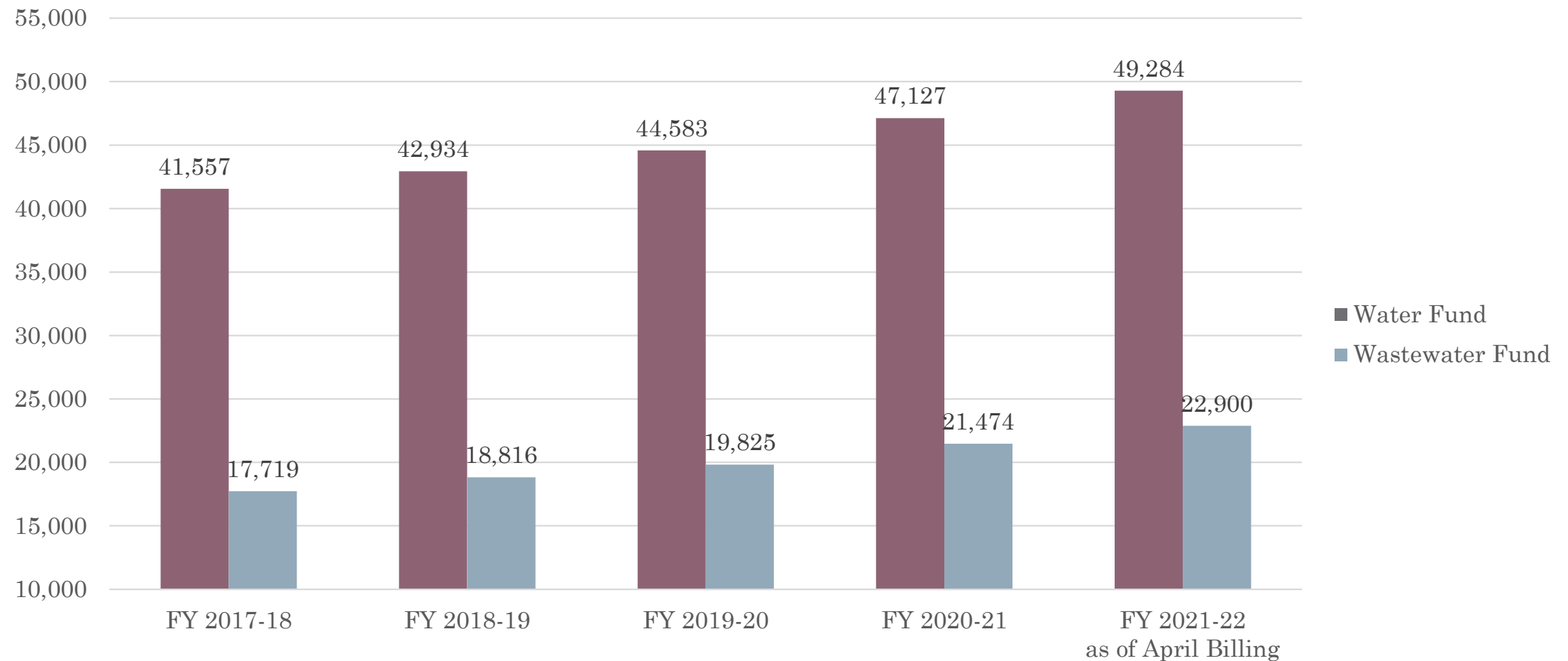
# General Fund Recommended Fee Changes

- **Countywide**
  - Non-Sufficient Funds Penalty-if not adopted as part of Department Fee Structure
- **Building Inspections and Central Permitting**
  - Various fee changes to commercial permits and plan reviews and to standard residential fees
- **Fire Inspections**
  - Various fees changes to inspection fees, construction permits, operational permits, and fire plan reviews
- **Solid Waste Fees**
  - Created a fee for single-wide mobile homes with contents
  - Removed yard debris tip fee
  - Added Yard Debris Tip Fee based on contents with 4' logs or less
- **Health Services Fees**
  - Various fee changes reflecting both the cost to provide the service as well as the allowable billable rates from third party payors
- **Environmental Health**
  - Well Monitoring Application

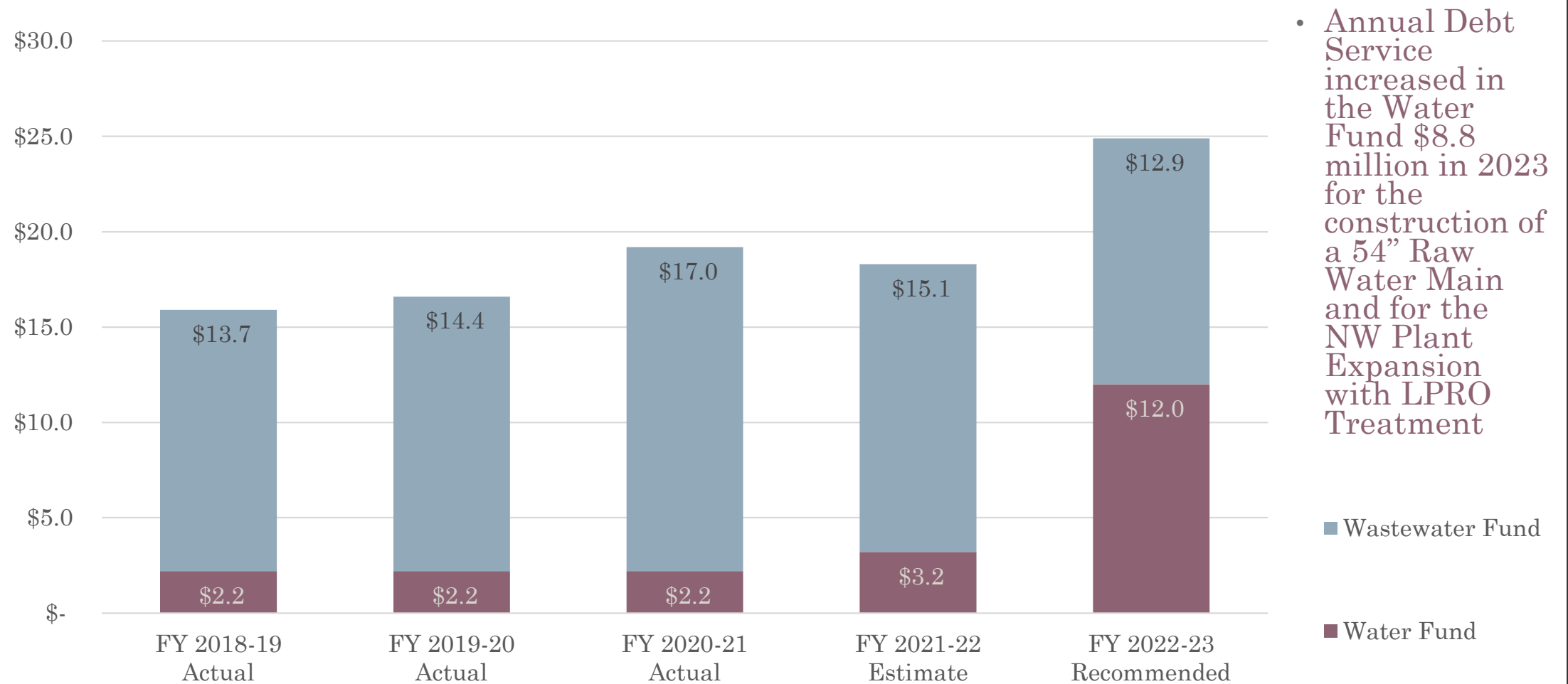
# Recent Enterprise Fund Approved Budgets and Expendable Net Position (ENP) Appropriated



# Enterprise Customer Growth



# Enterprise Debt Service



# Enterprise Fund

## Employee Compensation

FTEs	FY 2022 Current	FY 2023	2022-2023
Water Fund	94.75	99.75	5.00
Wastewater Fund	59.25	68.25	9.00
<b>Total</b>	<b>154.00</b>	<b>168.00</b>	<b>14.00</b>

FTEs	% Increase	County Cost
Market Adjustment	*	\$1,148,202
Merit Increase	Range .75-3.35%	\$244,066
Retirement Increase	0.85%	\$78,000
<b>Total</b>		<b>\$1,470,268</b>

\*Market adjustment for FY 2023 included with implementation of the Classification & Total Compensation Study on April 18, 2022



# Enterprise Fund Recommended

## Water and Wastewater Fee Changes

- Various surcharges and installation charges for meters and taps reflecting the cost to provide the service
- Premise Visits
  - Normal Office Hours Disconnects and Reconnects stay the same at \$35
  - Increase to \$75 for inspections or issues on the customer's side of meter
  - After hours premise visit increase to \$100
  - Meter testing increase to \$125 (no charge for failed test)
- Septage Receiving Fees:
  - Truck Offload - 2,000-gallon tank capacity or less (Each offload regardless of actual septage discharge) from \$80 to \$200
  - Truck Offload - 2,001-gallon tank capacity or more (Each offload regardless of actual septage discharge) from \$160 to \$400

# Budget Process

- Budget Workshop Scheduled June 6, 2022, at 1:00pm, if needed
- Public Hearings: June 6, 2022, at 3:00 p.m. and will be continued until June 20, 2022, at 6:00 p.m. in the Board of Commissioners Chambers
- June 20, 2022, in the Board of Commissioners Chambers after public hearing will consider:
  - Adoption of Recommended Budget
  - Adoption of Rate and Fee Changes

For more info...

[www.brunswickcountync.gov](http://www.brunswickcountync.gov)

or 910.253.2016