



News Release

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May 26, 2016

County Manager Presents FY2017 Recommended Budget

FAYETTEVILLE – County Manager Amy Cannon presented the Fiscal Year 2017 recommended annual budget to the Cumberland County Board of Commissioners tonight. The recommended budget, which includes the manager's message, is available online at co.cumberland.nc.us/county_manager/budget_division.

The recommended budget provides \$430 million in total expenditures across all operating funds, with a General Fund total of \$327 million, which is approximately \$7.3 million, or 2.28 percent, more than in FY2016.

The recommended budget maintains the property tax rate at 74 cents per \$100 valuation. The tax rate has not changed since the 2009 revaluation. Each one cent on the tax rate is projected to generate \$2.33 million in real, personal and motor vehicle taxes.

Real and personal property collections are projected to exceed the current year budget by approximately \$1.7 million, or about 1.1 percent. Sales tax collections are projected to exceed the current year budgeted amount by only \$285,599, or 0.72 percent.

Cannon told the commissioners that although other communities in the state have seen significant growth following the recession, which started in 2008, Cumberland County has had a reduced rate of growth in property values and sales tax revenue.

The average rate of natural growth in property values for the years prior to the recession was 3.78 percent, compared to 2.04 percent for the years after the recession. The average rate of growth in sales tax for the years prior to the recession was 6.68 percent. For the years after the recession, the average rate was 2.45 percent. Countywide taxable sales continue to lag behind statewide taxable sales by 2.25 percent in FY2016.

The combined reduction in the property and sales tax growth equates to a recurring average annual loss of \$2.5 million, which amounts to \$12.5 million less over the last five years to budget, Cannon said. Property tax and sales tax revenues account for more than 65 percent of the general fund, and the natural growth in these revenue streams has historically been used to fund new initiatives or expand services.

Expenditure Highlights

- **Employee Stipend:** The recommended budget includes a one-time \$800 stipend for full-time employees; part-time employees will receive a prorated amount. The cost will be \$2.2 million to the County. The budget does not include a cost-of-living raise.

- General Fund Capital Outlay is budgeted at \$1 million, including \$809,045 to replace voting machines. The State Board of Elections has mandated changing the state’s voting process by returning to a paper ballot and the County is required to purchase the new machines by 2018.
- The recommended budget includes \$78,729,271 for Cumberland County Schools, an increase of \$834,942 in accordance with the school funding agreement approved by the commissioners and the Board of Education in FY2014.
- Fayetteville Technical Community College is recommended to receive \$10.6 million for current expenses, an increase of \$523,271 over the current year, as well as \$945,000 for capital expenses and \$334,489 for debt service.
- Five new positions across all funds are included in the recommended budget for a total of \$309,819. The positions are: assistant County engineer; project manager in Information Services; administrative support in the Gun Permits section of the Sheriff’s Office; pharmacy tech for the Employee Pharmacy and a Solid Waste container site attendant. The Employee Pharmacy will be open an additional 13 hours a week, including Saturday mornings.
- New vehicles account for \$995,704 in the recommended budget and include 17 replacement vehicles in the Sheriff’s Office; two hybrids for Tax Administration; two vans for the Department of Social Services and two replacement trucks at Animal Control.
- The recommended budget sets aside \$433,446 in a contingency fund to monitor the number of children in foster care as well as funds needed for foster care board payments. There are 898 children currently in foster care. In addition, \$35,000 will go to fund half the cost for a position with Alliance Behavioral Healthcare to be located at the Department of Social Services and dedicated to securing appropriate assessments, supports and treatment to keep families together.
- Mental health funding totaling \$4.8 million is recommended to come from three sources: \$2.25 million from Alliance Behavioral Healthcare fund balance; \$1.8 million from the County’s mental health fund balance and \$750,000 in recurring funding.

The commissioners will meet again Tuesday, May 31, at 5:30 p.m. in Room 564 of the Cumberland County Courthouse for a budget work session.

A public hearing is set for Monday, June 13, at 7 p.m. in Room 118 of the Courthouse. Anyone interested in signing up to speak should contact the clerk’s office at 910-678-7771 or cwhite@co.cumberland.nc.us. Citizens can watch the meeting live through the County’s website at co.cumberland.nc.us or on Time Warner Channel 5 (Fayetteville/Cumberland Education TV).

The complete County budget meeting schedule appears below. All meetings will take place in the Courthouse at 117 Dick St.

May 31	5:30 p.m.	Budget Work Session	Room 564
June 2	5:30 p.m.	Budget Work Session	Room 564
June 7	5:30 p.m.	Work Session/Department Head Appeals	Room 564
June 13	7:00 p.m.	Budget Public Hearing/Work Session	Room 118
June 16	8:30 a.m.	Budget Work Session (if needed)/Adopt Budget	Room 564