



Harnett
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NORTH CAROLINA

2004-05 Budget Presentation



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Proposed General Fund Budget Totals \$77,831,595

- Increase of \$4.1 million over the original 2003-04 budget of \$73.7 million
- 5.5 percent increase



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Proposed General Fund Tax Rate

- Recommended tax rate of 73.5 cents per \$100 of assessed valuation of \$4,732,315,616
- Based on a 93.54 percent collection rate



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Year in Review



Successes- Economic Development

- Continues to utilize an aggressive private sector approach to marketing Harnett County's image
- Marketing:
 - Enhanced and maintained a progressive web site
 - NC Magazine
 - Signs will be placed on I-95 to advertise Edgerton II

- Infrastructure improvements at Edgerton II and Western Harnett Industrial Parks:
 - Roads (DOT funding)
 - Water & Sewer
 - Obtained permits, surveys and plans to make these parks “client ready”
- Moved into a more visible office which presents a professional image

- Sold the old Harnett County Courthouse on Main Street
- Purchased Shawtown School from the Harnett County Board of Education which provides space for:
 - Central Carolina Community College
 - Headstart (scheduled to move in August 2004)
 - Shawtown Alumni
 - Lee Johnston Harnett Community Action



- **Workplace Changes and Plans:**
- Moved Board of Elections to Eighth Street
- Moved Personnel into the Assembly Room in the Administration Building
- Economic Development Office has new office space
- Authorization for Jail Study
- Authorized plans for Agriculture Building and addition to the Animal Shelter



New School Facilities for Our Children

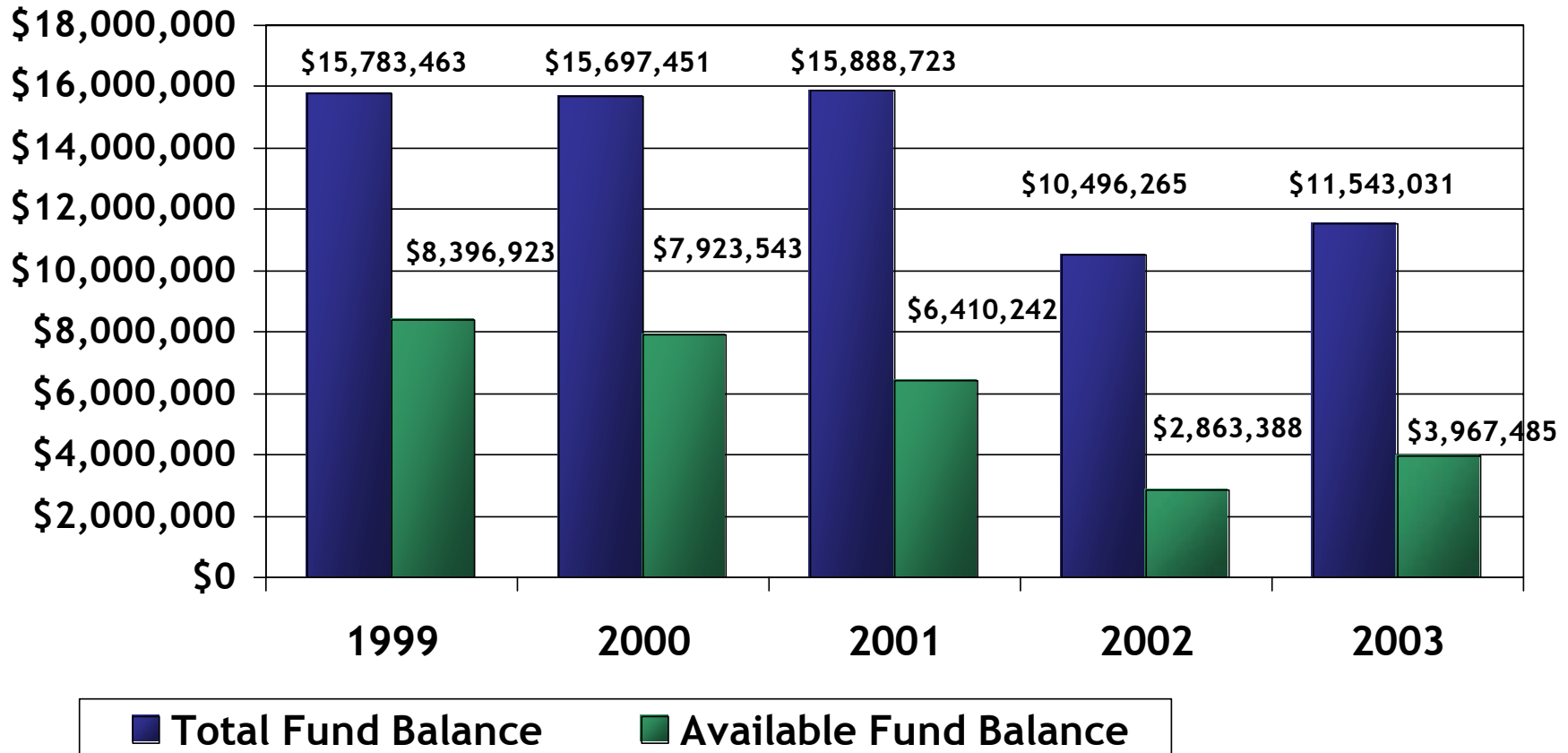
- Overhills High School will open in the fall of 2004
- Lillington Shawtown Elementary School opened in the fall of 2003
- Refinanced 1994 COPS which includes Anderson Creek and Dunn Middle Schools
- Renovation to 20 schools in the County with a QZAB loan in the amount of \$4,000,000 (interest free)
- Funding of addition to Lafayette Elementary



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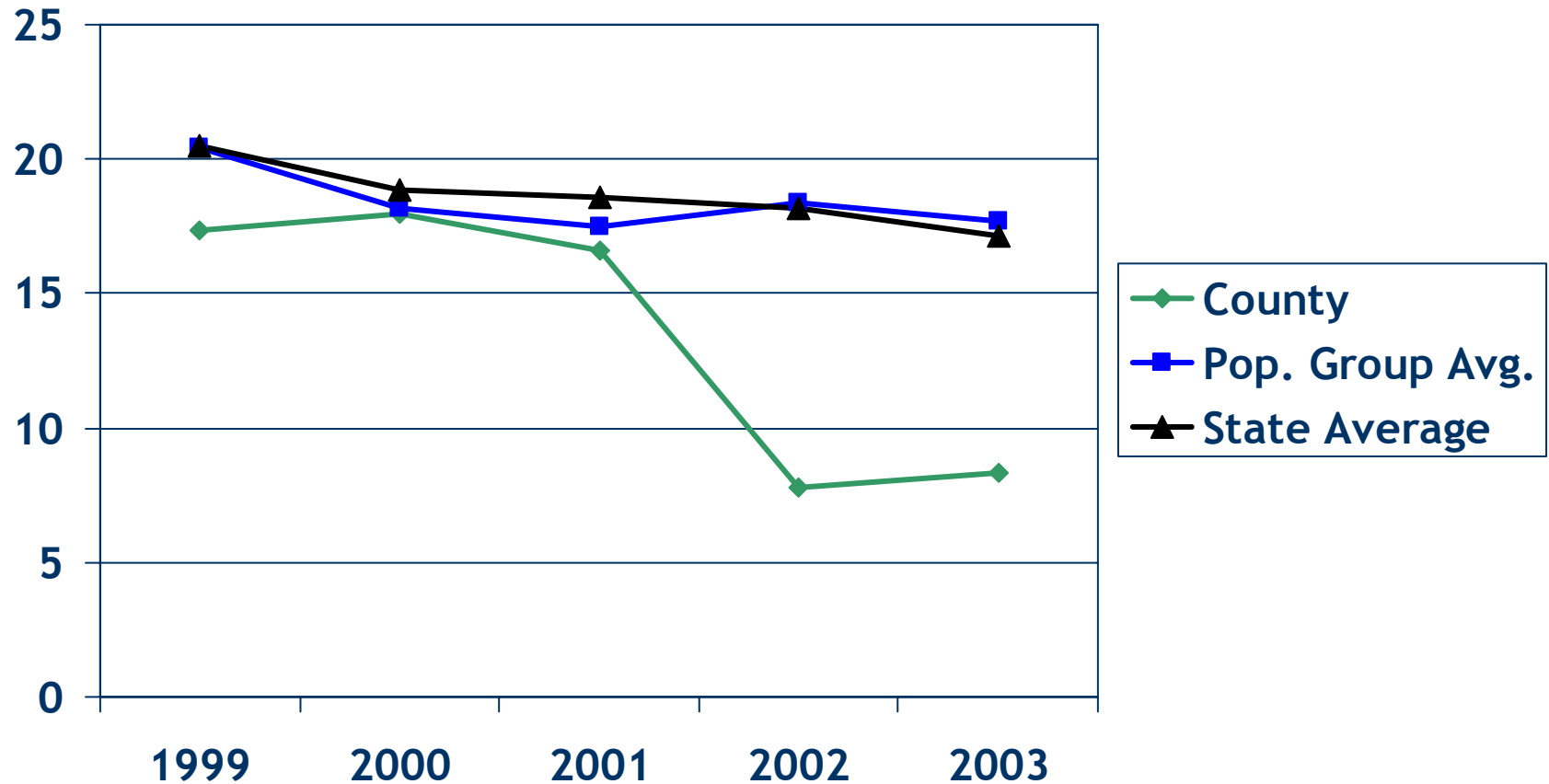
General Fund Revenue Highlights

Fund Balance Comparison General Fund



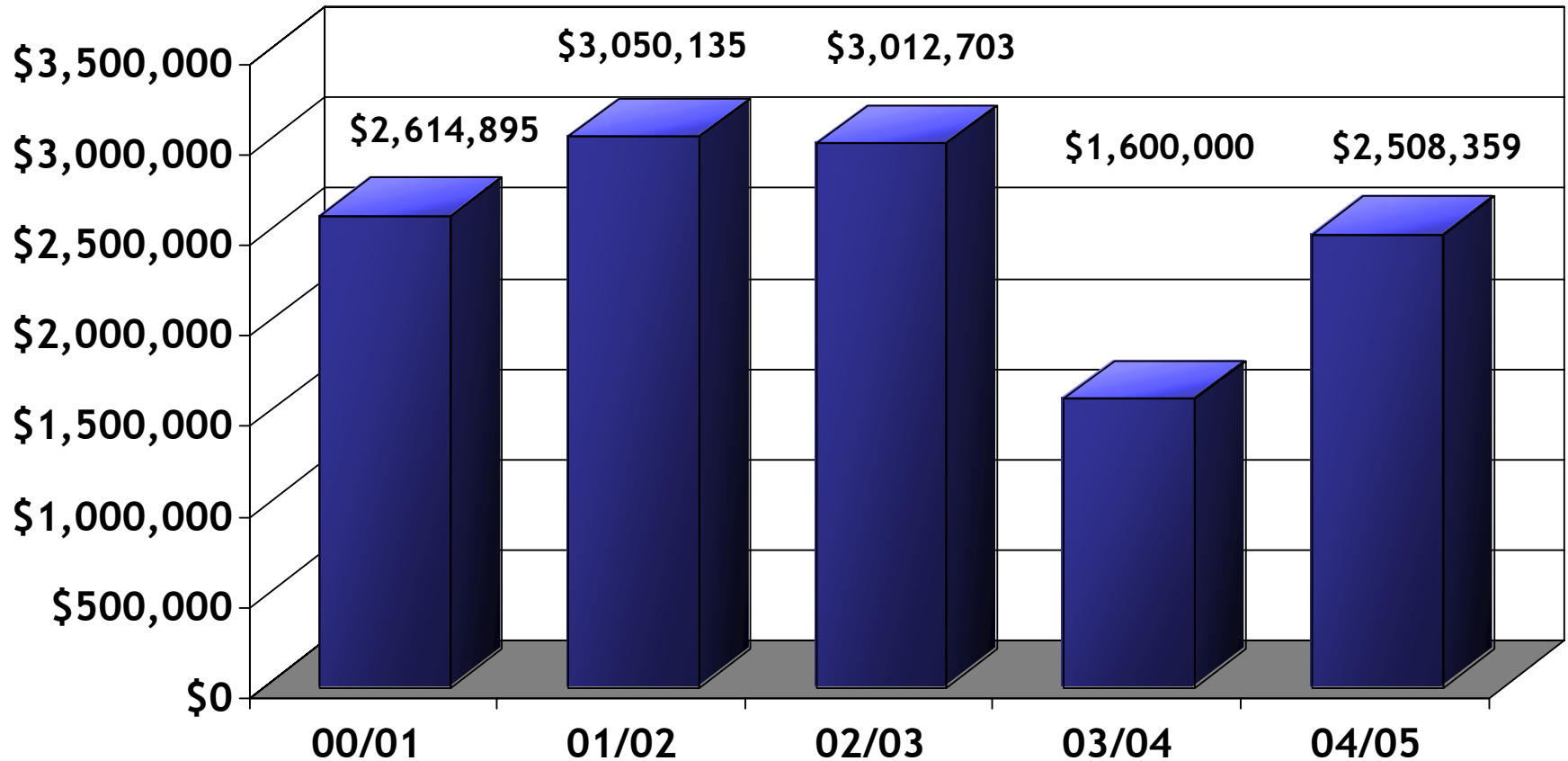
Available Fund Balance is defined as the portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Analysis of Available Fund Balance: General Fund



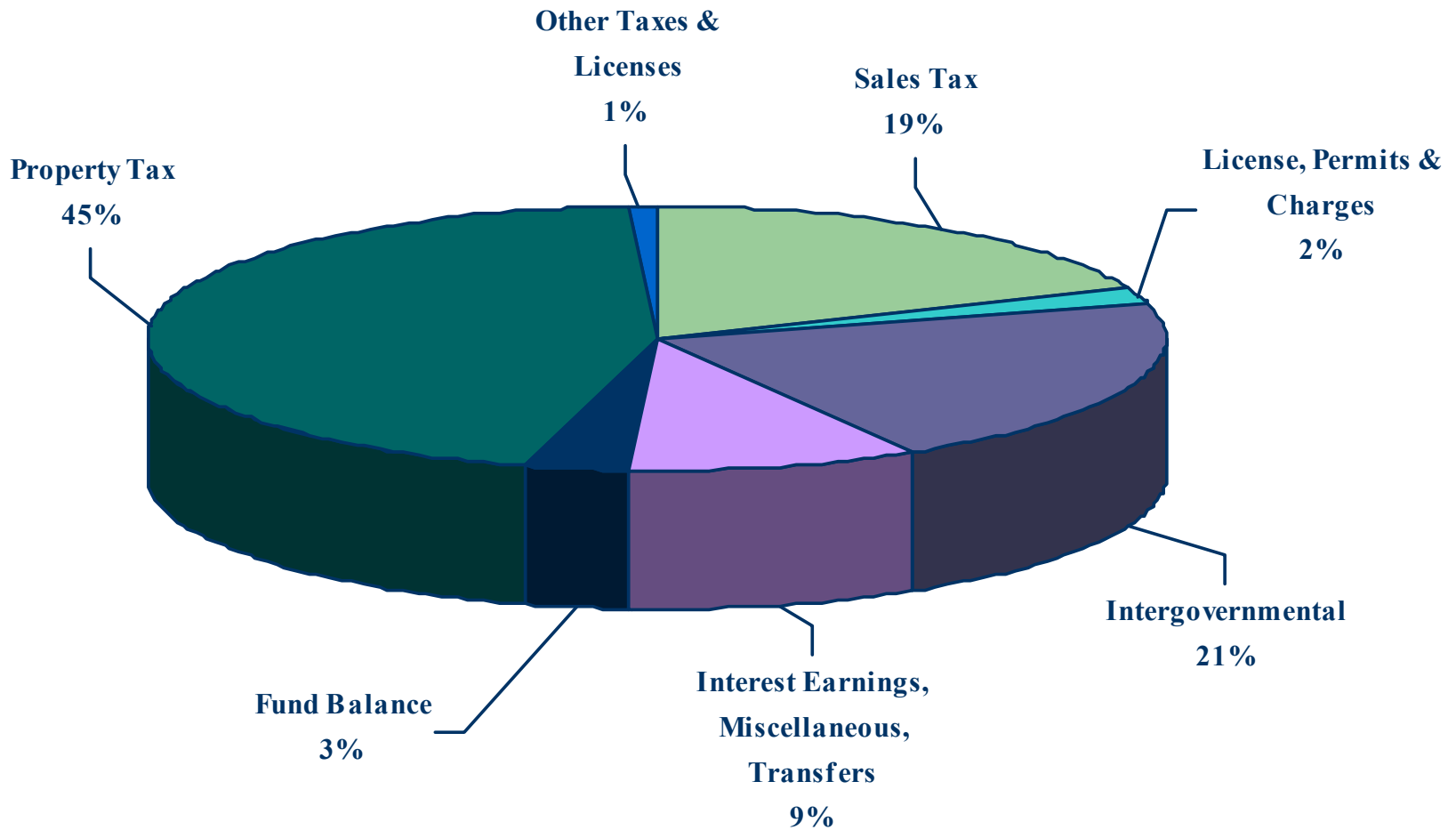


Fund Balance Appropriated



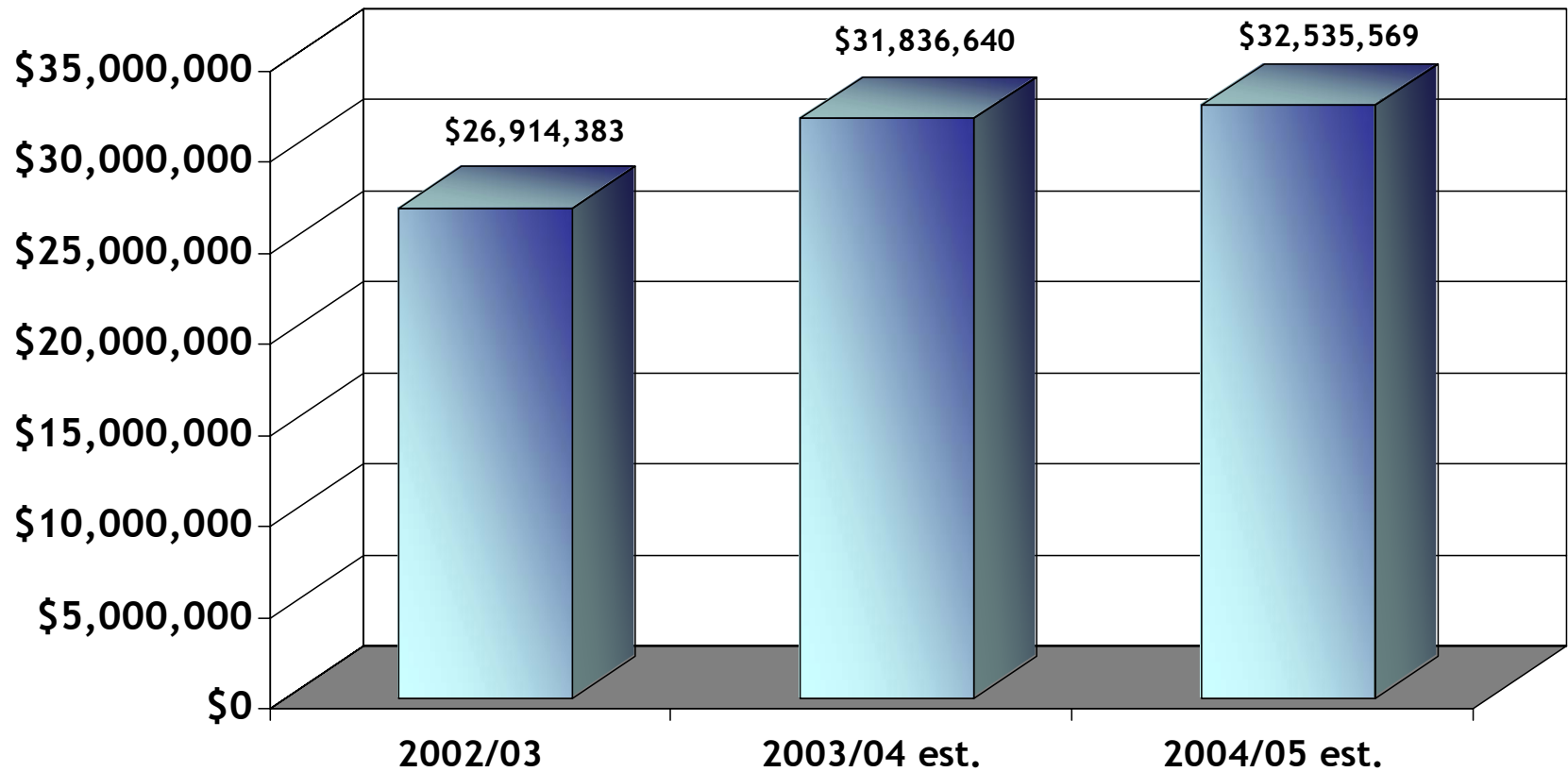


Property Taxes Remain Largest Single Source of Revenue





Ad Valorem Tax Current Years' Collections



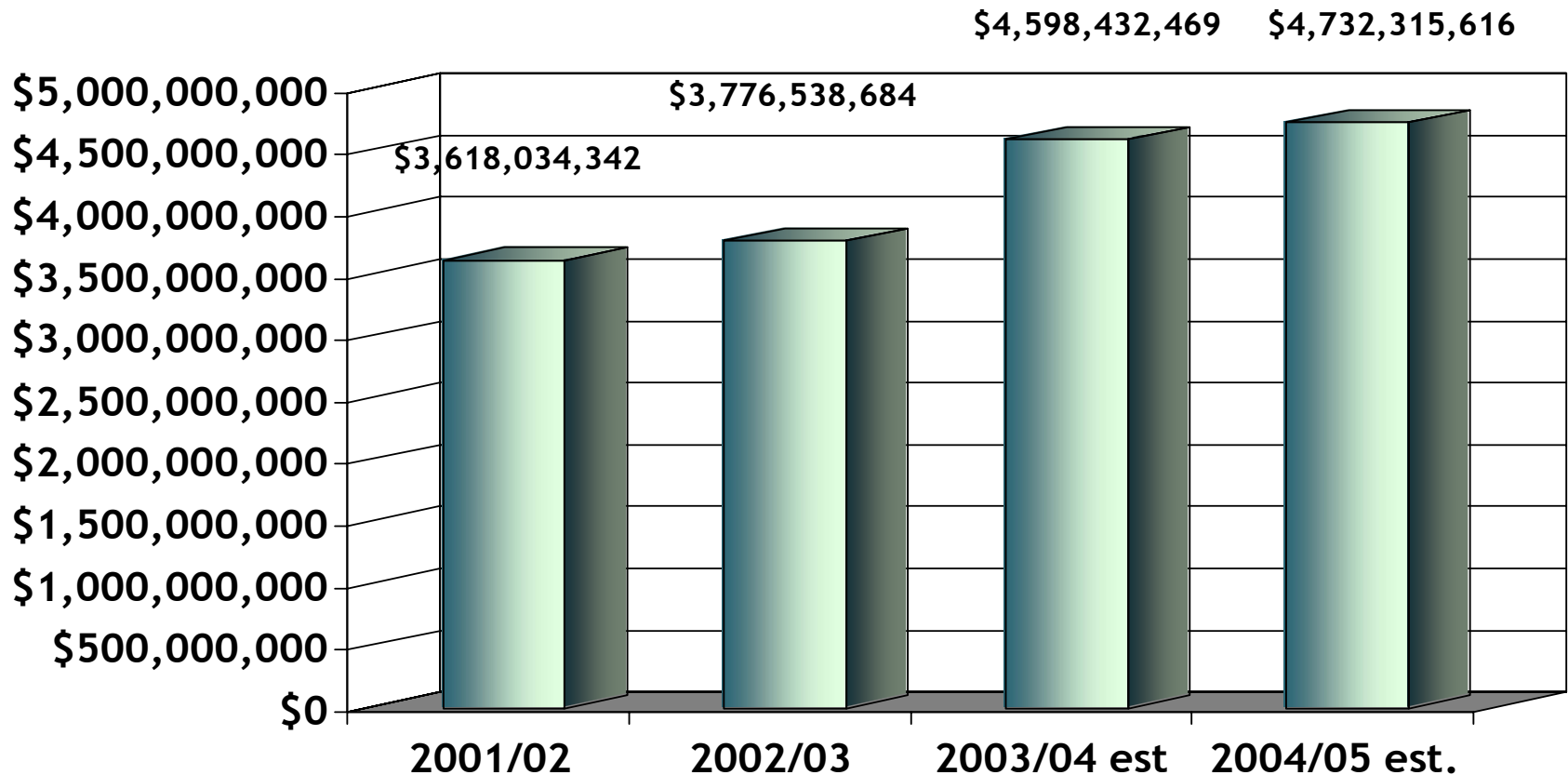
Analysis of Property Tax Collection Percentage



	1999	2000	2001	2002	2003
County	91.95%	91.35%	92.32%	91.45%	93.54%
Pop. Group	95.67%	95.42%	95.31%	95.42%	95.11%
Statewide	97.12%	96.72%	96.46%	96.49%	96.50%



Comparison of Assessed Valuations





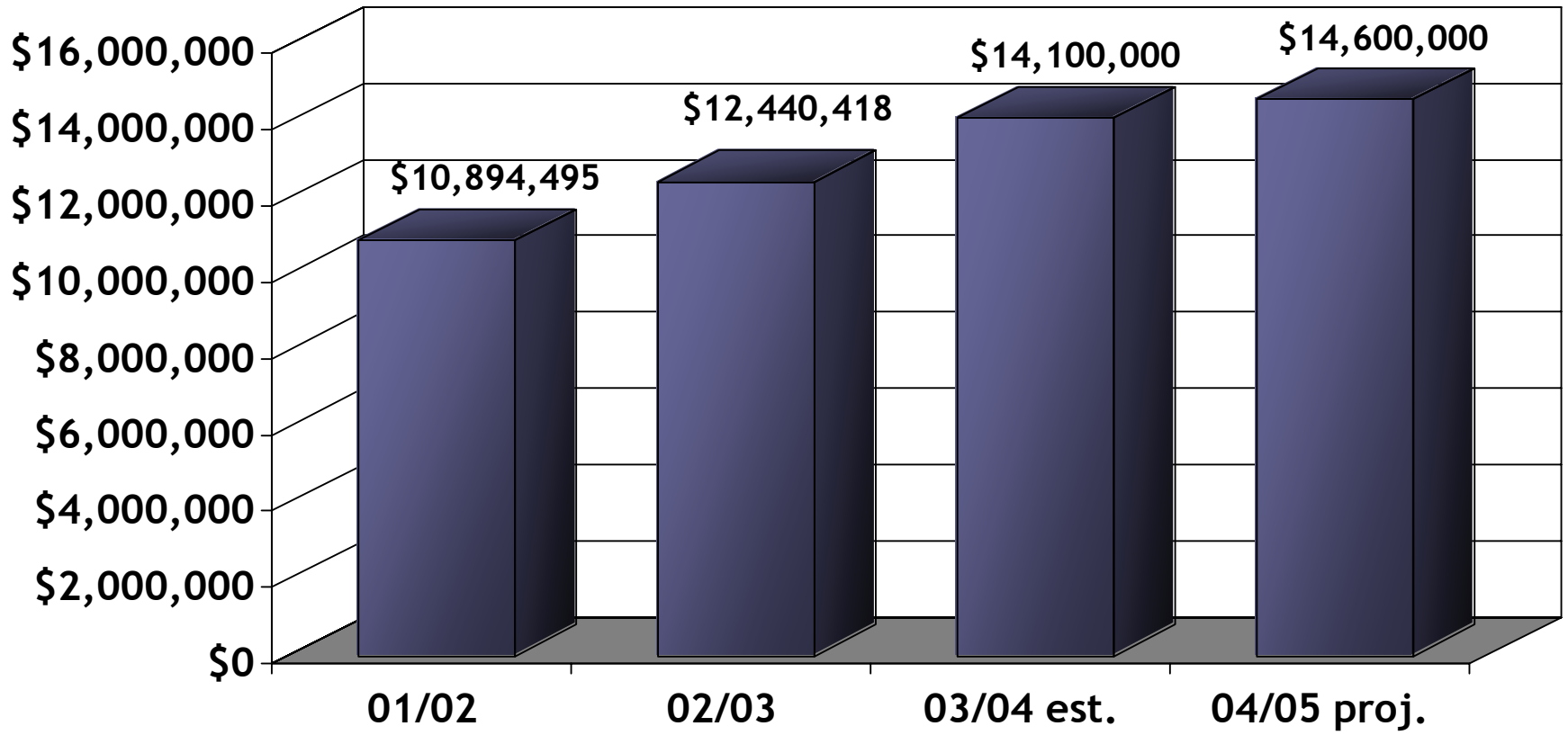
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Proposed Budget Assumes Almost Level Sales Tax Collections

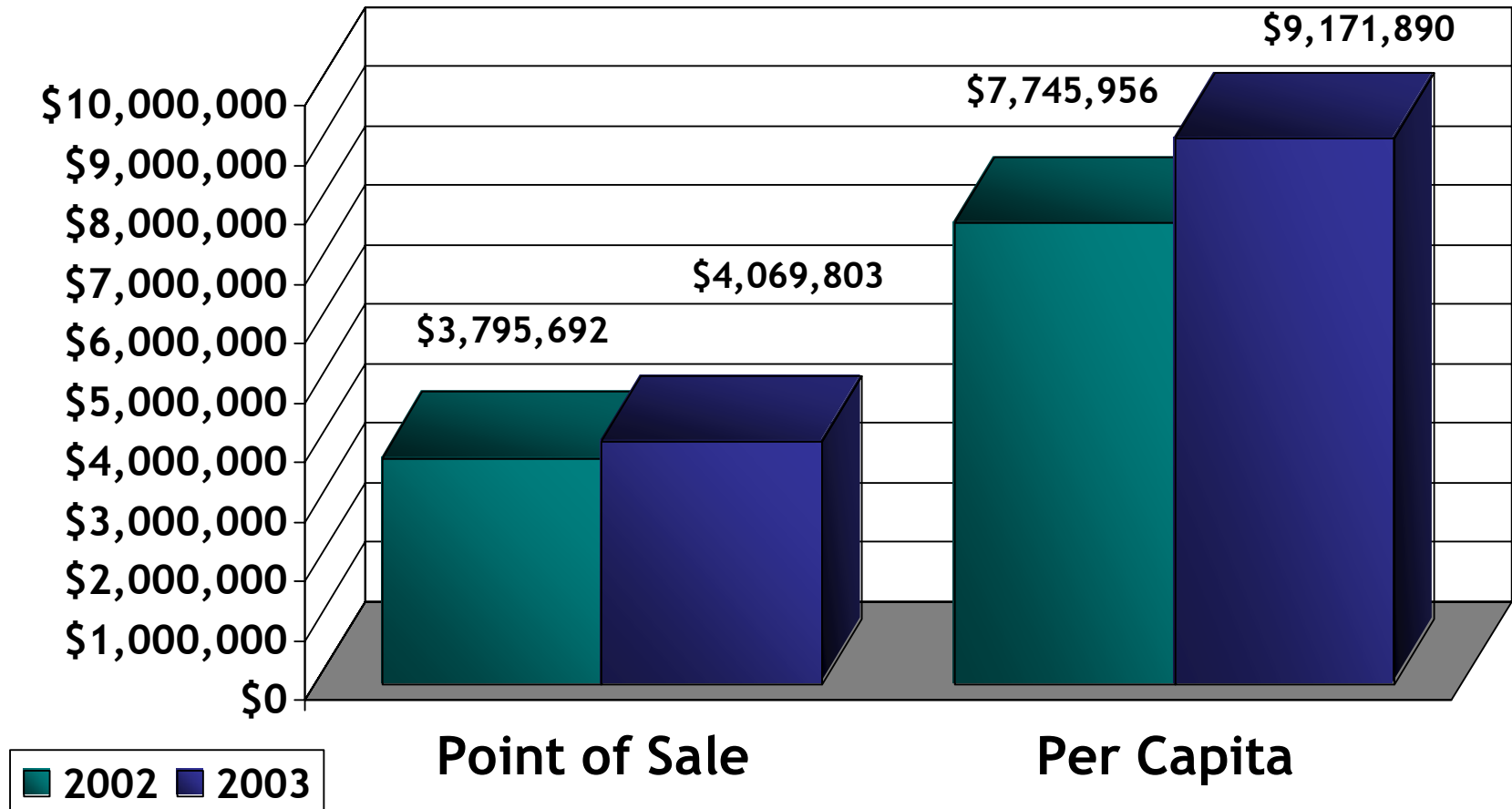
- Historically the annual growth has been between 11 and 14%
- However, this year we are only showing a 3.5% growth in sales tax



Sales Tax



Sales Tax Comparison



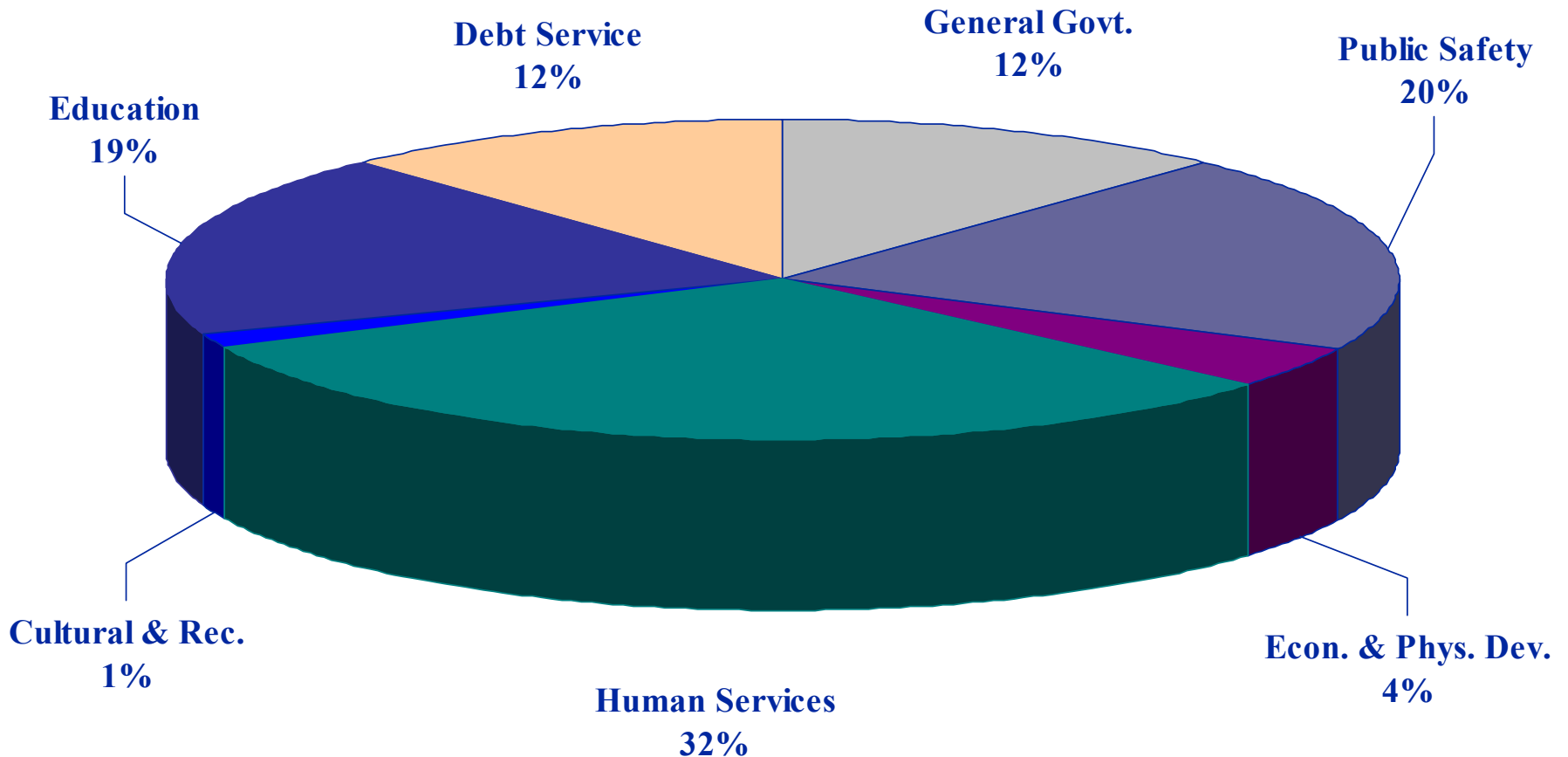


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General Fund Expenditure Highlights



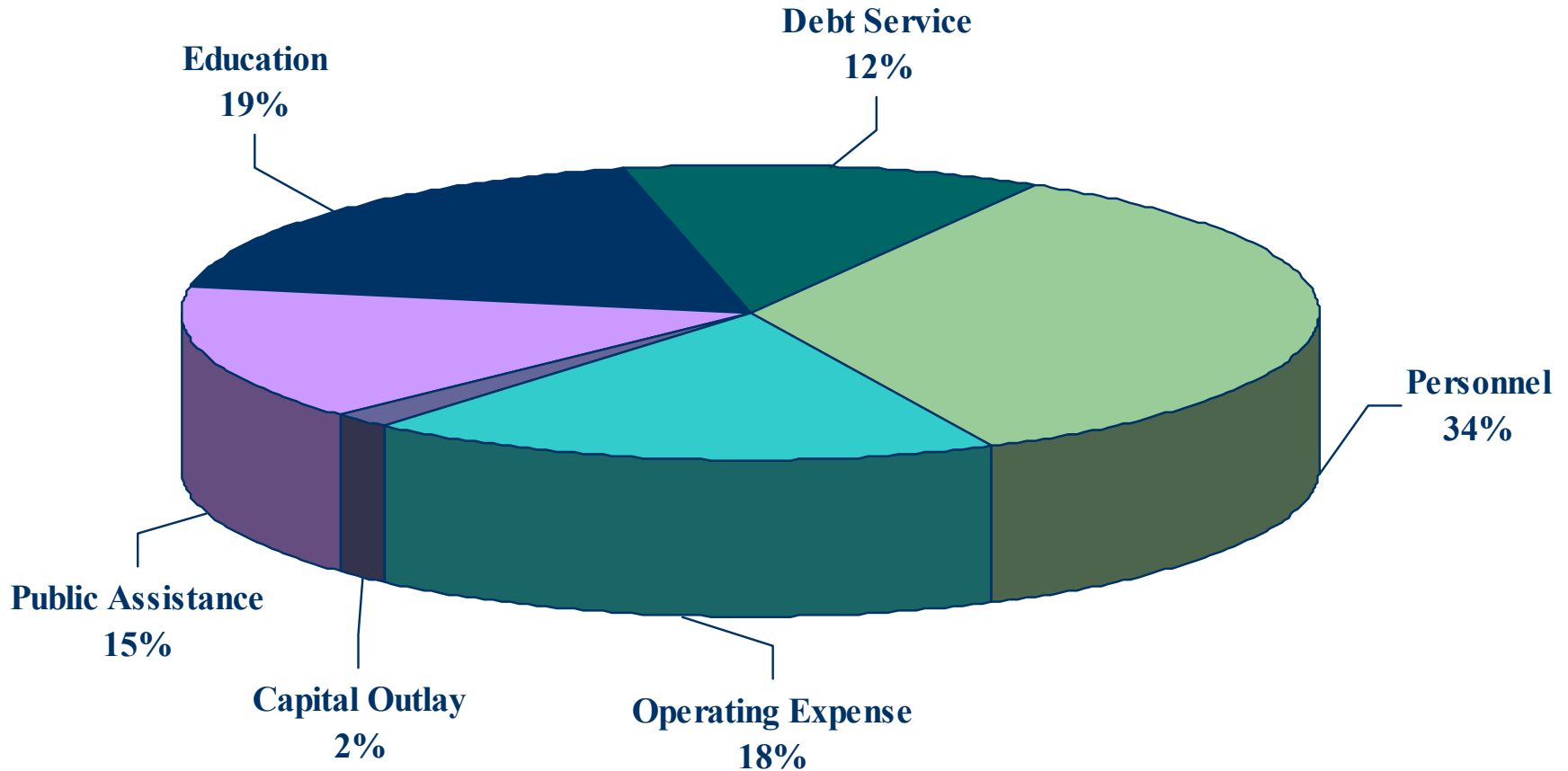
General Fund Expenditures by Function



General Fund - Total Budget \$77,831,595



General Fund Expenditures by Category



General Fund Expenditures - \$77,831,595

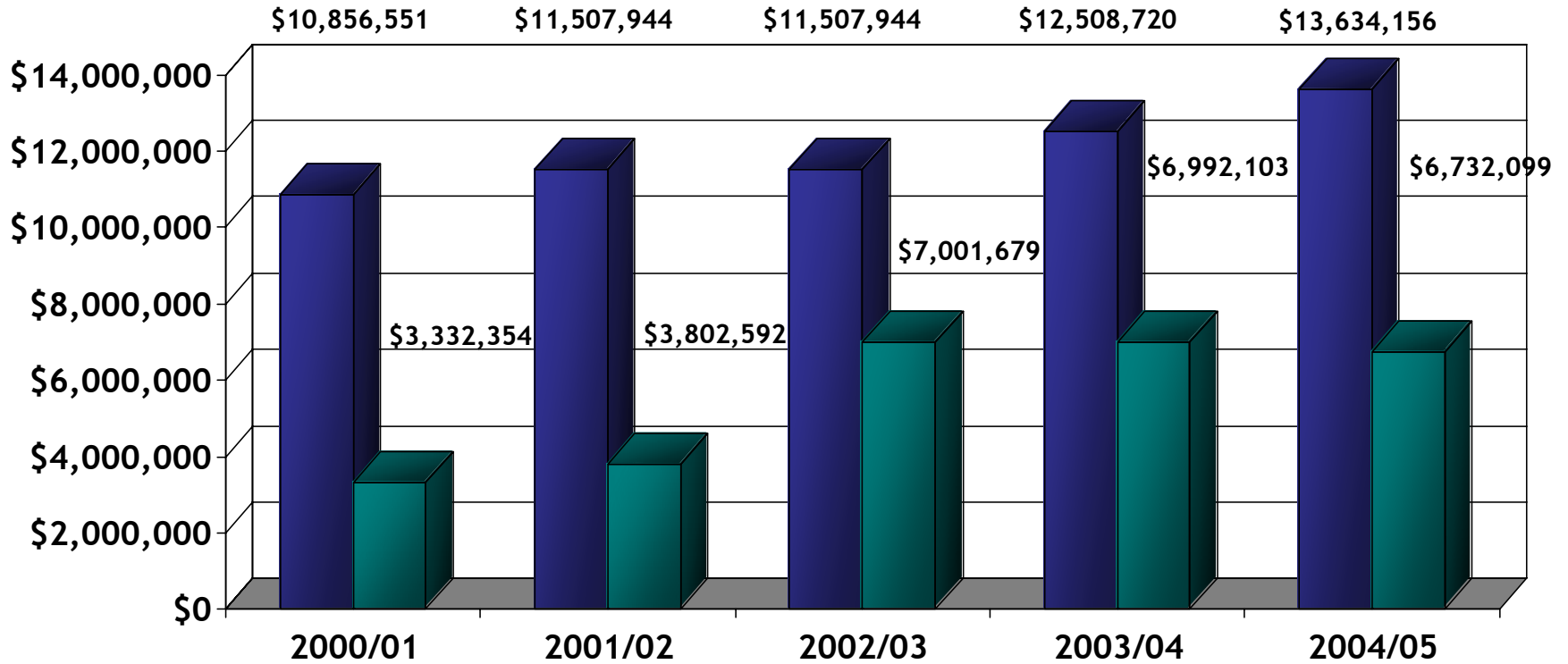


Public Education Remains a Priority for Harnett County

- Total General Fund appropriation for Education increases 8.99 percent and totals \$13,634,156 which includes \$500,000 of start up cost for new school
- \$1,125,436 increase from 2003-04
- This increase represents almost 27.7 percent of the \$4.1 million General Fund budget increase
- Allocation and Debt Expense for Schools totals \$20,801,255
- Overall share of County budget is 26.73 percent



Board of Education



■ App. Current Expense/Capital Outlay
■ Debt Service Owed



Law Enforcement has been a priority for Harnett County

- Total General Fund appropriation for Law Enforcement increases by 18.18 percent and totals \$9.23 million
- \$1,246,342 increase from 2003-04
- Represents almost 30.65 percent of the \$4.1 million General Fund budget increase
- Overall share of County budget is 12 percent
- In the past two years the Law Enforcement budget has increased a total of 39 percent
- \$50,000 is proposed in the budget for Sheriff to use for reclasses and salary adjustments for all law enforcement departments
- The proposed budget includes 5 new employees



- Refinancing the 1994 COPS last year resulted in a reduction in debt service of approximately \$388,000
- \$4,000,000 interest free QZAB loan for renovation to 20 existing schools
- Majority of County's debt is for schools
 - Total Debt is \$9,276,142 of that \$6,732,099 is for schools
- The last year the County will be paying on the DSS/Health buildings will be 2008-09



Employee Pay and Benefits

- Proposed budget includes 3% cost of living adjustments, new positions, special salary adjustments and some reclassifications
- New positions include:
 - 5 for Sheriff
 - 1 in Planning & Inspections (half will be paid out of Solid Waste)
 - 2 in Library
 - 2 halftime positions in Anderson Creek Library
 - 1 in Tax
 - 1 in Animal Control
- Countywide Classification Study
- Funds included in departmental budgets for a projected 7.1% increase in employee health insurance



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Solid Waste Enterprise Fund



Solid Waste Enterprise Fund

Total Budget \$3,190,912

- Proposed budget includes:
 - 1 additional staff person in Planning & Inspections of which half of the salary will be paid out of the Solid Waste budget. This position will be related to mobile home cleanup.
 - Increase in Uwharrie contract
 - Increase in the volume of waste at the container sites which causes an increase in charges to Republic Waste
 - Increase in household and tipping fees by \$1.00 each which will result in revenue increase of approximately \$92,000



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Public Utilities Enterprise Fund



- Refinanced 4 water and sewer districts for 25 years which will result in an overall savings over the life of the debt of approximately \$2 million
- Several ongoing capital projects will continue in the coming year



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Document Availability

- Clerk to Board of Commissioners
- County Finance Office
- County Library
- County's Web Site
 - www.harnett.org



Sheriff's Department Budget Comparison

