

Davidson County Board of Commissioners

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

Casey R. Smith 242-2200

Departments

Cooperative Extension	Troy Coggins	242-2081
Ambulance	Larry James	242-2270
Board of Elections	Ruth Huneycutt	242-2190
Assist. County Manager	Jason Martin	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	Patricia Baker	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 2020-2021

Beginning July 1, 2020



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 \$14.15 billion, with a 96.75% overall blended collection rate, and the County expects to collect \$73,946,687 in property taxes for next fiscal year. This is an increase of \$732,145 or 1.0% over the FY 2019-20 Adopted Budget total of \$73,214,542.
- Sales Tax accounts for 18% of total County revenues totaling \$24.7 million dollars. This represents a (\$2.8M) dollar or -10.2% decrease over the FY 2019-20 Adopted Budget of \$27.5 million dollars. The base sales tax reduction totals -23.7% or (\$6,253,894). The budget includes \$3.15 million dollars (the same as for FY 2020 Adopted Budget) 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 \$1.4 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 decrease by (\$678K) or -3.4%. The majority of this decrease is due to decreased IV-E Foster Care funding. The county also expects to utilize less "lottery" funds from the three school systems (\$150K or -9.1%) to cover prior year(s) debt service. The county has historically used \$1.64M in lottery proceeds from the three school systems to cover old debt from prior year(s). For FY 2021, the county expects to only utilize \$1.49M, with a plan to reduce (\$150K) per year over the next several years until completely removed from the county's annual debt service budget.
- The adopted budget also reduces (approximately \$226K) other local revenue sources that will surely be impacted by the COVID-19 pandemic such as Building Permits, Environmental Health Permits and Register of Deed revenues.
- The adopted budget includes three fire district tax rate increases for the upcoming fiscal year: Arcadia - \$0.02, Central - \$0.01 and South Emmons - \$0.02. These increases are needed to deal with increasing call volume, increases in staff workload (and cost of personnel) as well as replacement of aging equipment, and radio upgrades in anticipation of the new VIPER Emergency System.

EXPENDITURES

- Employee pay increases have been suspended (as well as Year #2 of PTRC Employee Pay Study) for the upcoming budget, as the county expects a significant loss in sales / property tax revenue associated with the COVID-19 pandemic and its affect on the local economy. In addition, the budget keeps "flat" health insurance cost for employees by "absorbing" a roughly 8% - 9% increase in county group insurance costs for the upcoming fiscal year. The county also plans to "absorb" the additional "mandated" employer retirement contribution for both Local Government Employees (from 10.45% to 11.72%) and Law Enforcement Officers (from 14.70% to 17.34%).
- The FY 2020 Adopted Budget maintains local education to same levels as for the FY 2020 Adopted Budget. For FY 2021 the per pupil funding totals \$1,210.23 vs. \$1,211.64. The increase is due to counting charter school enrollment in the FY 2021 allocation.
- All three school systems will remain "flat" in terms of Type II Capital Outlay appropriations. The Adopted Budget removes the additional \$1.1M in Type I Capital Outlay funding for critical HVAC / Roof needs from FY 2020 and places the funding levels to where they were back in FY 2019. This additional \$1.1M from FY 2020 was paid for via Article 44 Sales Tax proceeds. This source of revenue is expected to significantly reduce for the upcoming fiscal year due to the COVID-19 pandemic's impact on the local economy.
- Debt Service is expected to decrease by roughly (\$1.7M) over the previous year. Of this, county funding to debt service is decreased by (\$1.3M) or -12.4% over FY 2019-20. The adopted budget does include funds for the "partial" year payment related to the Courthouse / Clerk of Court project (\$29M total) and \$240K per year to pay back the \$2M, interest-free REDLG loan for the I-85 Corporate Center (Covered via Article 44 Sales Tax proceeds). Lastly, the adopted budget includes \$92K in payments toward the \$2.4M for critical HVAC / Roof needs for the school systems (debt sold as of January, 2020).
- Social Services expects to see a decrease in state funds for Foster Care programs within DSS by approximately (\$500K) for the upcoming fiscal year.

Davidson County Adopted 2020-2021

General Fund Budget

General Government

County Commissioners	\$ 374,607
County Manager	\$ 718,523
County Attorney	\$ 673,995
Human Resources	\$ 1,073,741
Finance	\$ 902,792
Purchasing	\$ 416,400
Assessor & Collector	\$ 2,774,168
Board of Elections	\$ 643,054
Register of Deeds	\$ 517,594
State Agencies	\$ 184,181
Public Buildings	\$ 3,557,379
Information Technology	\$ 1,594,196
Contingency	\$ <u>75,000</u>
Total General Government	\$13,505,630

Public Safety

Sheriff	\$12,170,444
Sheriff Resource Officers	\$ 1,008,098
Jail	\$ 4,810,518
Emergency Communications	\$ 2,722,797
Inspections	\$ 1,169,479
Medical Examiner	\$ 140,600
Emergency Management	\$ 131,788
Fire Marshal	\$ 368,440
Ambulance	\$ 8,308,194
Animal Shelter	\$ 656,905
JCPC Operating Supplies	\$ 2,500
Contributions to Rescue Squads	\$ <u>72,000</u>
Total Public Safety	\$31,561,763

Transportation

Financing Use-Transfer to Airport	\$ 119,317
Financing Use-Transfer to Transportation	\$ 114,240
Financing Use-Transfer Airport Project	\$ 16,667
P.A.R.T	\$ <u>130,000</u>
Total Transportation	\$ 380,224

Environmental Protection

Sanitation	\$ 1,191,265
Soil & Water	\$ <u>224,578</u>
Total Environmental Protection	\$ 1,415,843

Economic And Physical Development

Planning	\$ 567,021
GIS	\$ 220,814
Cooperative Extension	\$ 286,305
Contribution to Economic Development	\$ 248,000
Contribution to Forester	\$ 96,000
Contribution to Chambers of Commerce	\$ 3,890
Financing Use-Transfer JTEC	\$ <u>144,220</u>
Total Economic and Physical Development	\$ 1,566,250

Human Services

Health	\$ 7,387,952
Social Services	\$ 13,054,471
Public Assistance	\$ 5,390,248
Senior Services	\$ 2,276,280
Veterans Services	\$ 144,391
Contribution to Life Center (HHCBG)	\$ 0
Family Services Grant	\$ 88,733
Financing Use-Transfer to Mental Health	\$ <u>797,900</u>
Total Human Services	\$ 29,139,975

Culture and Recreation

Recreation	\$ 874,647
Library	\$ 3,439,539
Museum	\$ 164,026
Lake Thom-a-Lex	\$ 156,316
Tourism	\$ <u>70,360</u>
Total Culture and Recreation	\$ 4,704,888

Debt Service

Principal	\$ 9,418,808
Interest	\$ <u>4,927,165</u>
Total Debt Service	\$ 14,345,973

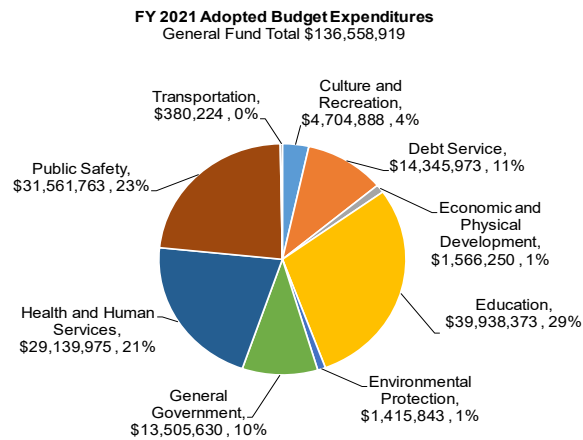
Education

School Current Expense	\$ 31,468,211
School Capital Outlay	\$ 4,703,636
Community College - Current Expense	\$ 3,360,526
Community College - Capital Outlay	\$ <u>406,000</u>
Total Education	\$ 39,938,373

Total General Fund \$ 136,558,919

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 \$ **1,223,364**

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 \$ **9,863,427**

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 \$ **1,120,216**

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 \$ **1,563,076**

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

Emergency Telephone Fund \$ **565,045**

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 \$ **2,788,050**

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

Total Special Revenue Funds \$ 15,916,481

Internal Service Fund Budget

Garage \$ **1,775,950**

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 \$ **12,597,635**

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 \$ **876,774**

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 \$ 15,250,359

Enterprise Funds Budget

Landfill \$ **3,135,742**

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.

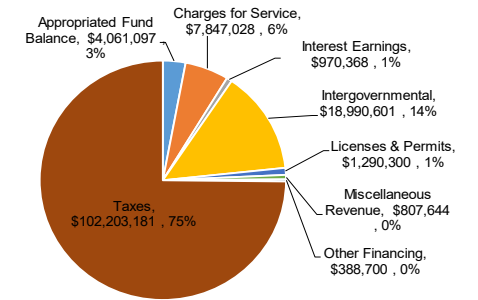
Sewer \$ **597,046**

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

Total Enterprise Funds \$ 4,101,605

Total of All Types of Funds \$ 173,875,072

FY 2021 Adopted Budget Revenues
Total \$136,558,919



Property Tax Rate

The FY 2020-2021 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 \$73,946,687 on a collection rate of 96.75%. One penny of property tax equals \$1,369,383. The current tax base is \$14.15 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 58 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 168,093.

Davidson County Parks



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