

FY 2024 Operating Budget and FY 2024-2028 Capital Budget

County Manager's Recommendations
April 25, 2023



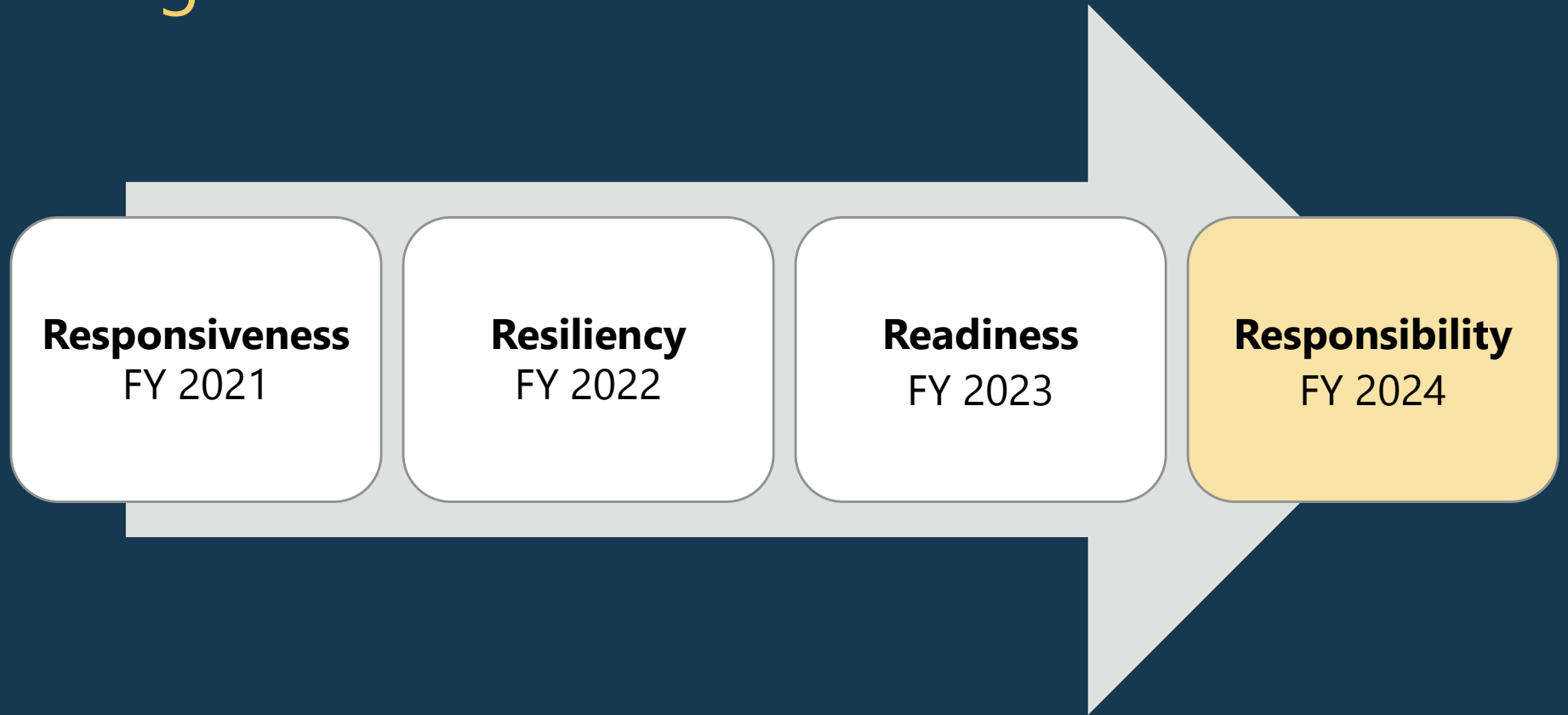
Outline

- ❖ Executive Summary
- ❖ Budget Context
- ❖ FY 2024 Operating Budget
- ❖ FY 2024-2028 Capital Budget
- ❖ Looking Forward



Executive Summary

Budget Theme

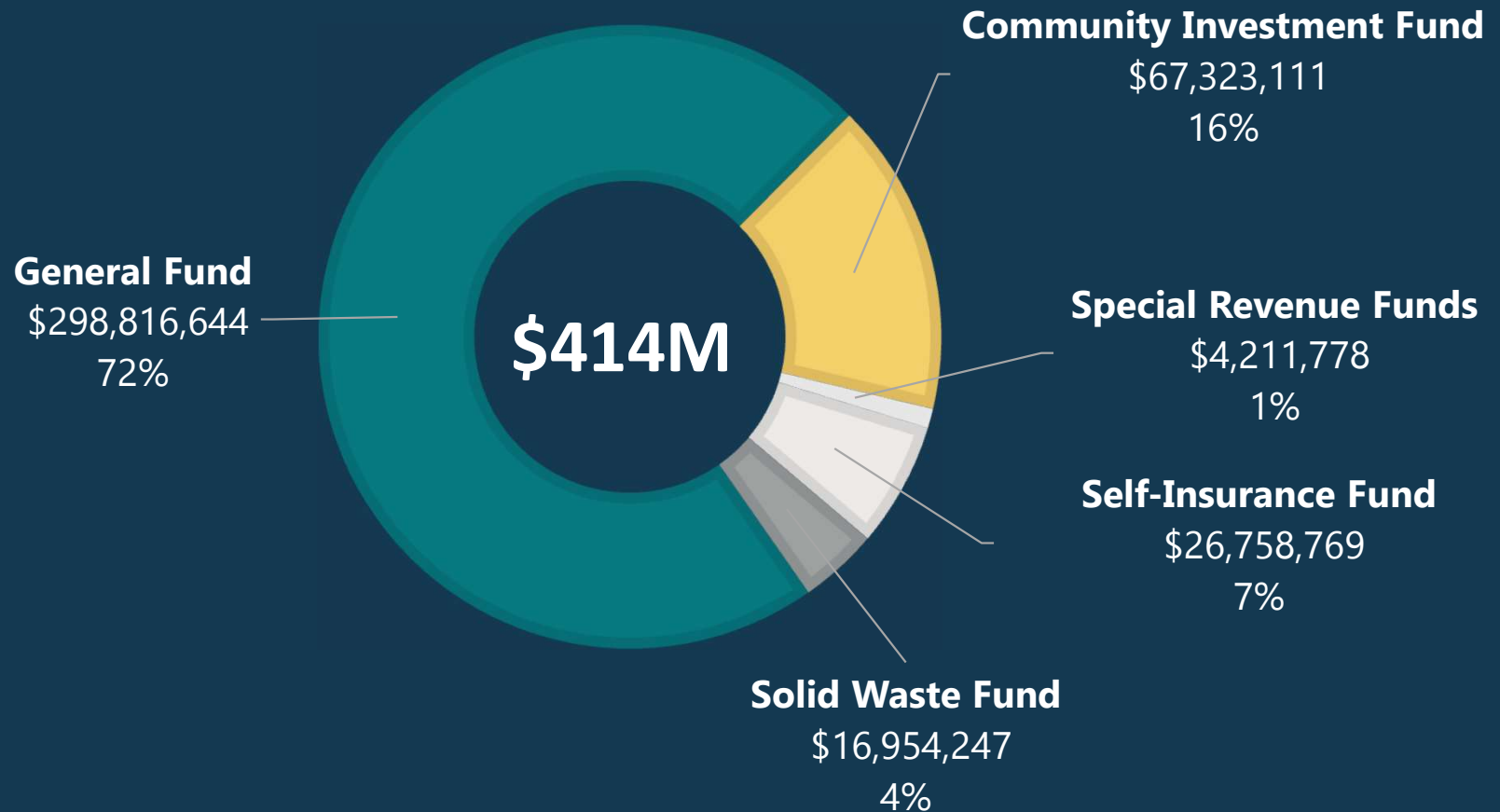


Gaston County is a **responsible** steward of its resources, working to provide excellent public service every day

Overview of Recommendations

- 61¢ tax rate, a 20¢ decrease from the current year
- 23 recommended new positions
 - 19 partially or fully funded by non-County dollars (DSS, Natural Resources)
- Absorb mandatory and inflationary increases in personnel and operating expenses
- Increase transfer to CIF in accordance with debt capacity model
- Fulfill all County and school debt service obligations, including issuance of new school debt
- Continue implementation of five-year CIP

FY 2024 Budget Summary – All Funds



Budget & Strategy Development Process

November- January 2023

- Operating budget, CIP, and strategic planning kickoff meetings
- Request submission
- Strategic focus area meetings and plan development

February- March 2023

- Departmental budget presentations
- Operating budget & CIP request evaluation
- Revenue projections
- Strategic focus area meetings and plan development

April- May 2023

- FY 2024 Recommended Operating and FY 2024-2028 Capital Budgets and FY 2024-2028 Strategic Plan finalized and presented to Board
- Budget adoption

Gaston County Strategic Plan FY 2024-2028

"Providing excellent public service every day"

Development

To maintain momentum and build upon the success of work aligned to the FY 2021-2023 Strategic Plan, staff across the county collaborated to develop a new five-year strategy.



14 Goals

Highlights

Refined Core Values
Identified Key Issues
Developed Measurable Objectives
Defined Priority Actions

1 Mission

Connecting to One Gaston 2040

Using the One Gaston 2040 Vision Framework, staff worked to align the Gaston County Strategic Goals and Objectives with the five Focus Areas defined in the community vision.



91 Objectives

Connecting the Strategic Plan to the Budget: Requests for resources should transform objectives and strategies into action to achieve goals defined in the FY 2024-2028 Strategic Plan.

Gaston County Strategic Plan FY 2024-2028

"Providing excellent public service every day"

Economic Development & Planned Growth

Goal 1: Ensure services, infrastructure, and programming meet the needs of anticipated growth

Goal 2: Improve community engagement

Goal 3: Grow and diversify the economy in ways that broaden the tax base and provide sustainable employment and economic mobility for residents

Community Health, Safety, & Well-Being

Goal 1: Reduce substance misuse and its impacts in Gaston County

Goal 2: Improve resiliency and sustainability of the emergency service workforce

Goal 3: Ensure safety, health, and social services are responsive, equitable, and customer-focused

Goal 4: Improve access to and coordination of services for a diverse community, including the vulnerable and marginalized

Recreational, Cultural, & Life-Long Learning

Goal 1: Improve equitable access and diverse representation in programming and services

Goal 2: Optimize and improve resource allocation to meet growing and changing community needs

Goal 3: Promote enjoyment of diverse historic, artistic, recreational, and natural assets

Goal 4: Balance development with the preservation and enhancement of natural, historical, agricultural, and cultural resources

Organization-Wide Focus

Goal 1: Align resources and staffing to meet increasing and changing service demand

Goal 2: Improve data collection, accessibility, and sharing to inform decision making

Goal 3: Improve internal and external flow of communication

Guiding Principles

1) **Maintain Sound Fiscal Policy and Stewardship**

- Follow newly revised financial policies and debt capacity model
- Maintain or improve bond rating

2) **Deliver Competitive Services**

- Ensure value and quality of services
- Pursue productive and efficient service delivery
- Maximize public resources

3) **Diversify Revenue and Encourage Development**

- Increase available resources through residential and business development

4) **Prepare for Growth**

- Optimize existing infrastructure and create new to ensure capital and land investments are consistent with Smart Growth principles
- Keep up with maintenance needs to extend useful life (avoid greater costs associated with deferred maintenance)

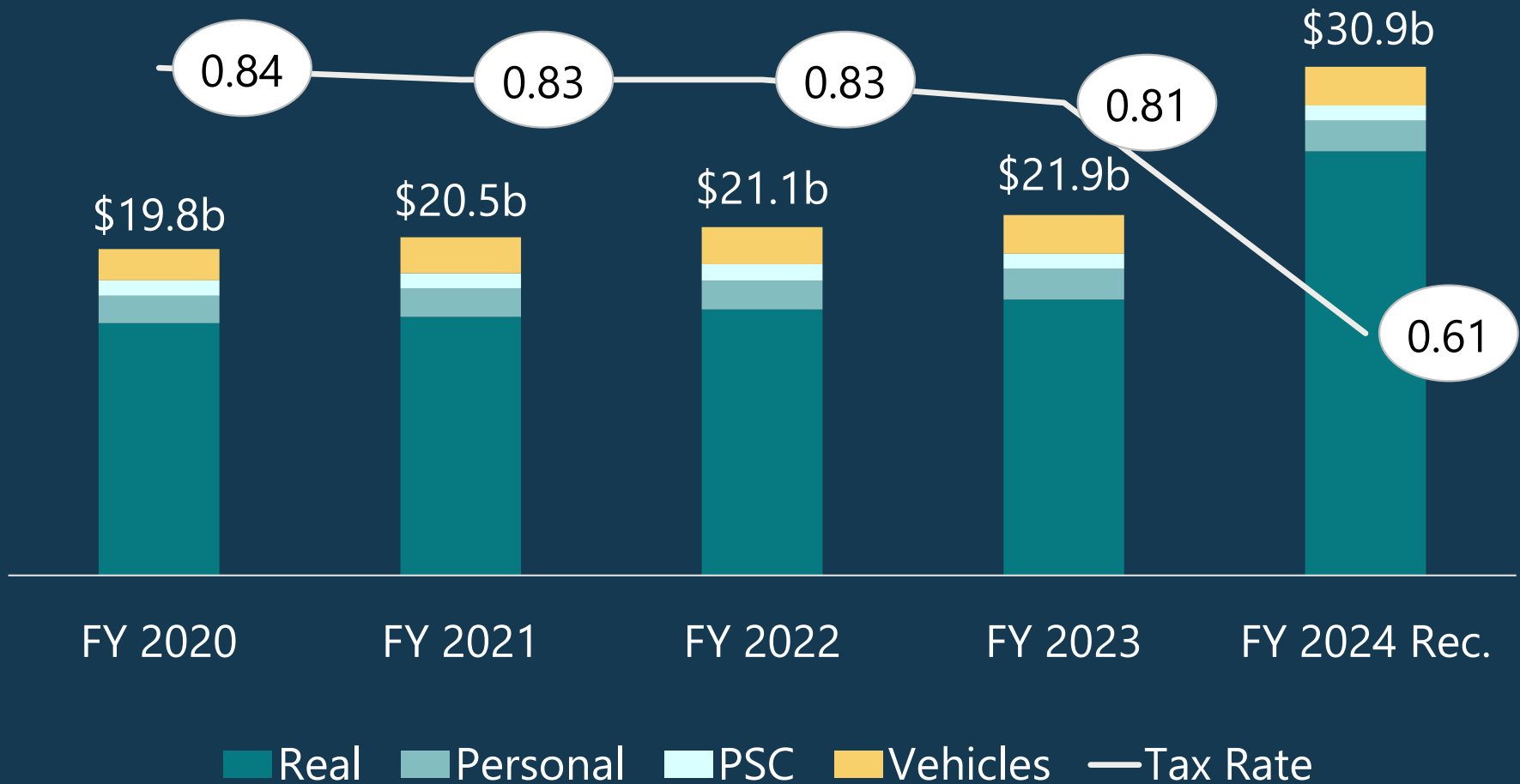
Budget Context

Recent Accomplishments



Property Revaluation

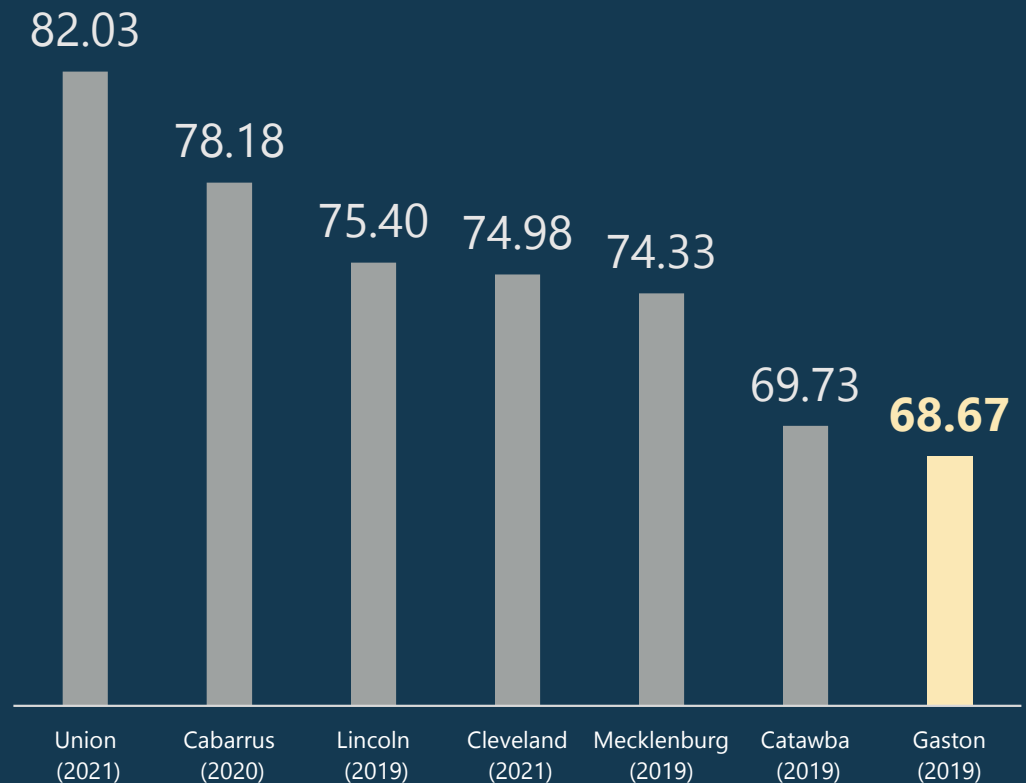
Total Assessed Value & Tax Rate History



Property Revaluation

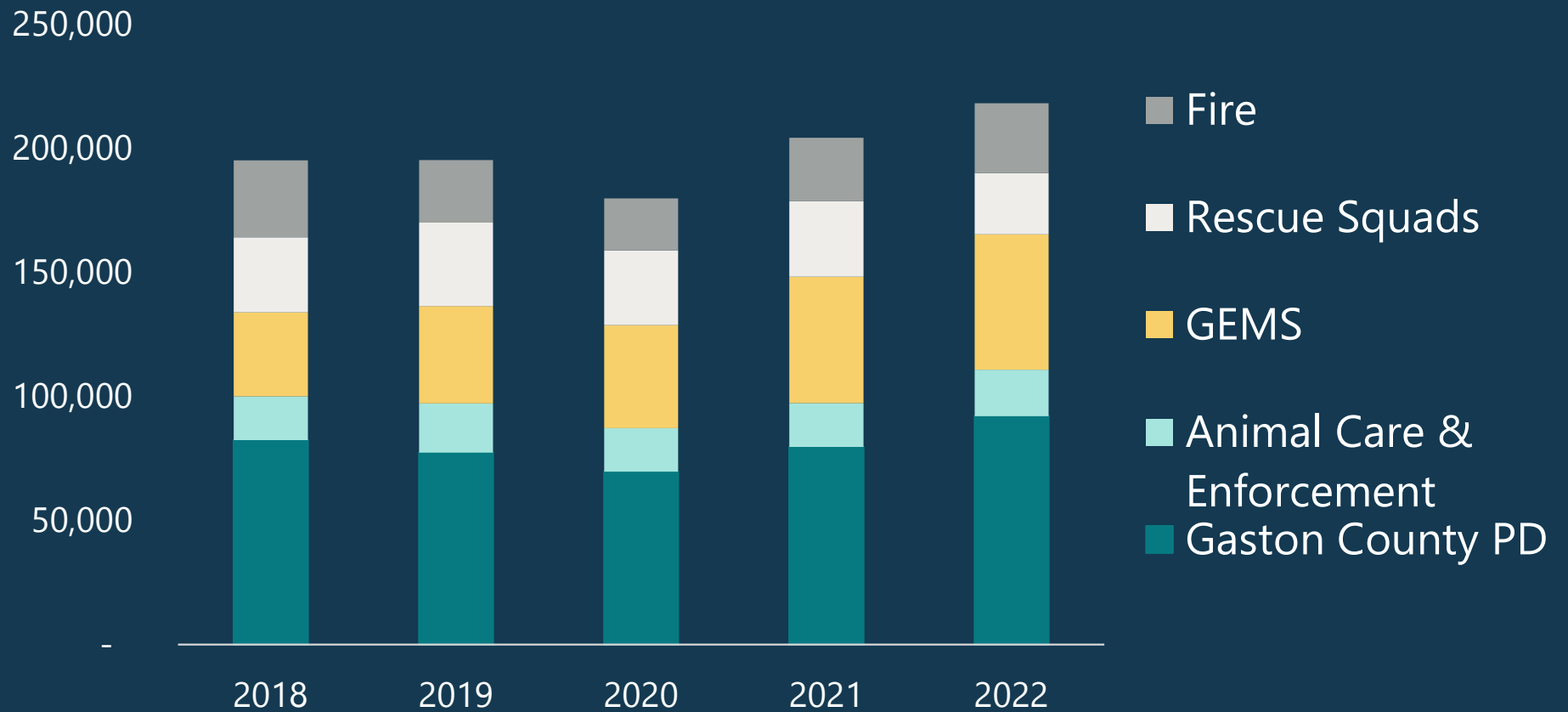
- Low sales assessment ratio and four-year revaluation cycle
- 62.1¢ revenue neutral rate
- Tax base and population growth → Growth in service demand amid high inflation

2022 Sales Assessment Ratios
Gaston and Peer or Surrounding Counties



Growth in Service Demand

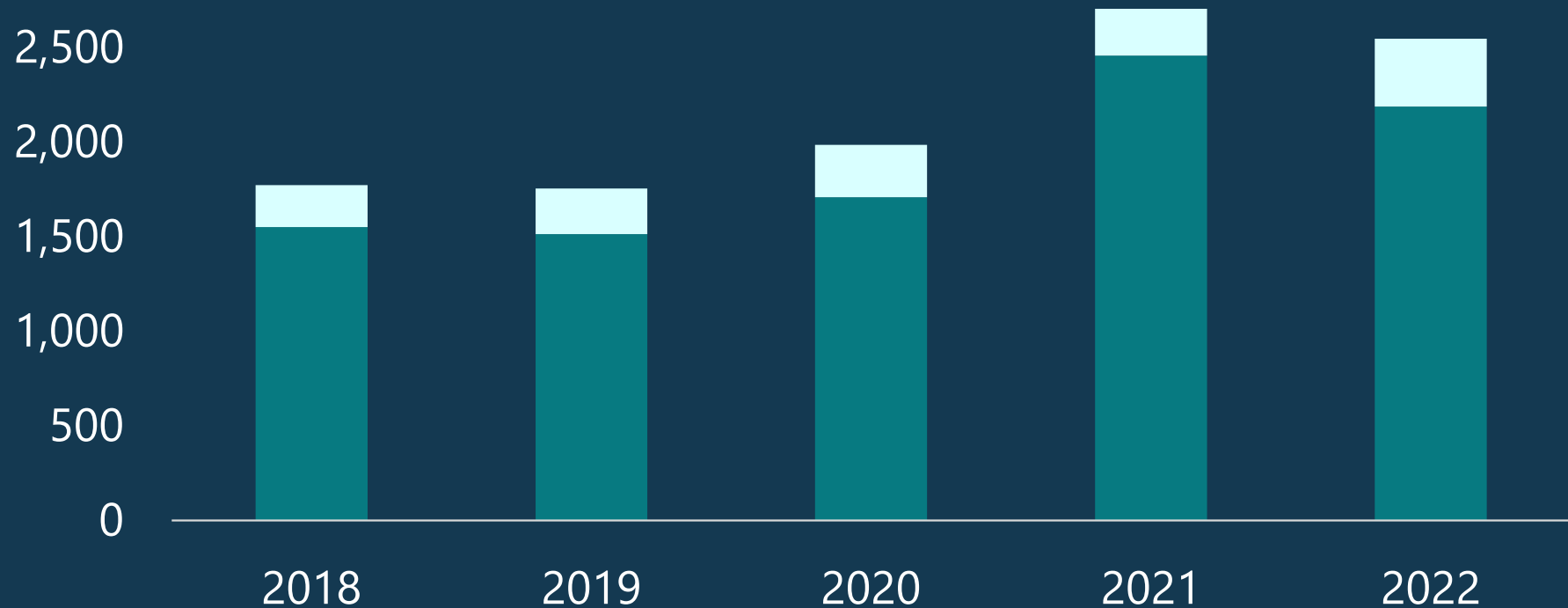
Public Safety Calls for Service



Growth in Service Demand

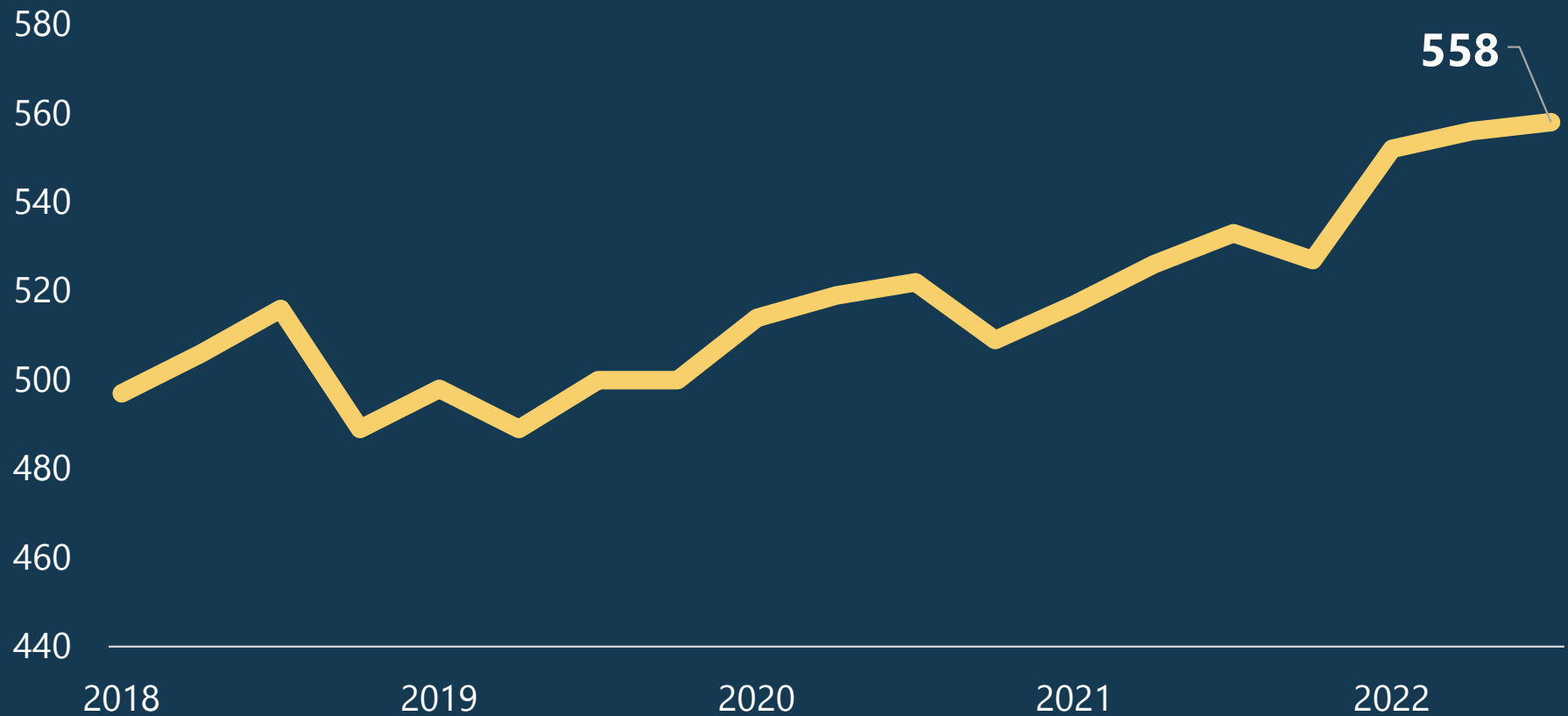
Building Permits

- Commercial and other non-residential permits issued
- Residential permits issued



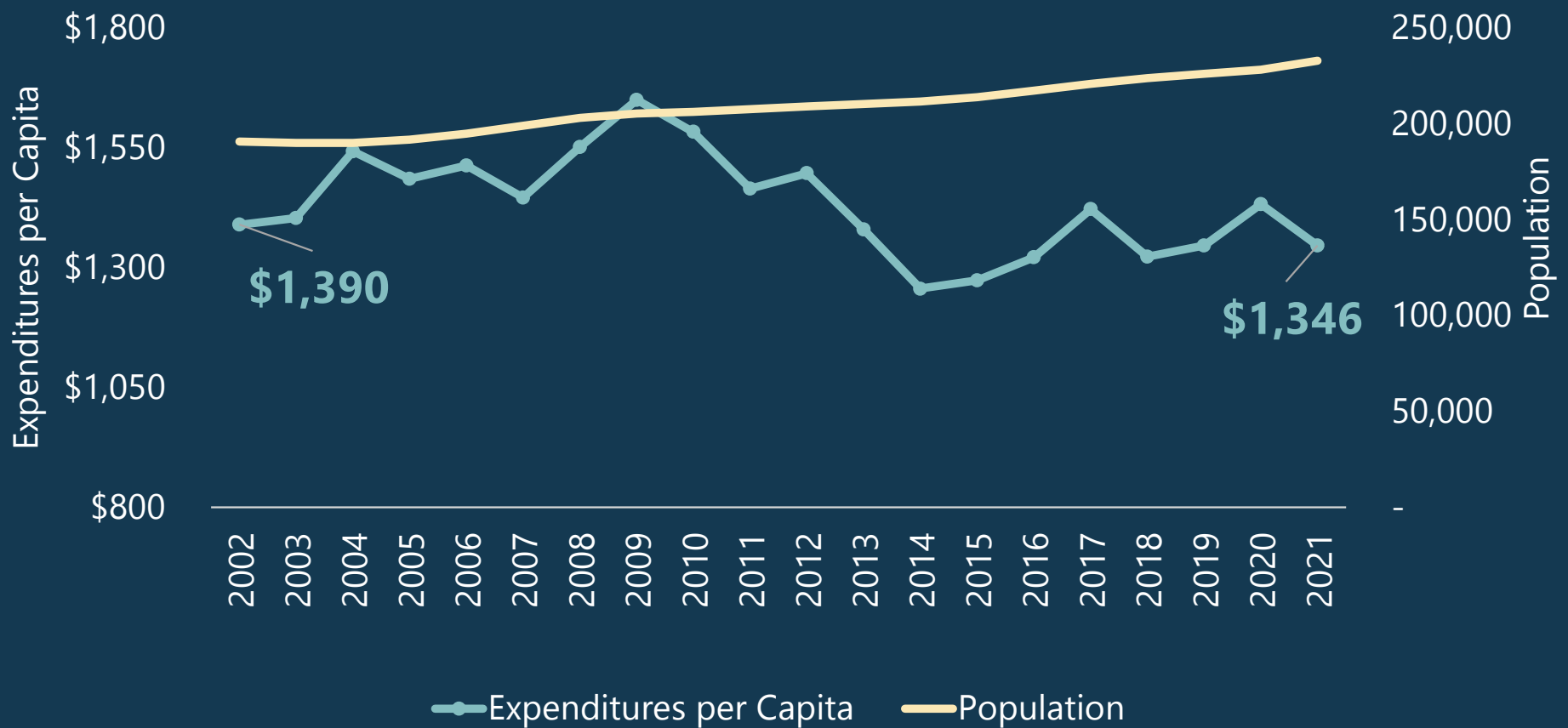
Growth in Service Demand

Children in Foster Care



Inflation Absorption

Inflation-Adjusted Expenditures per Capita



FY 2024 General Fund Operating Budget

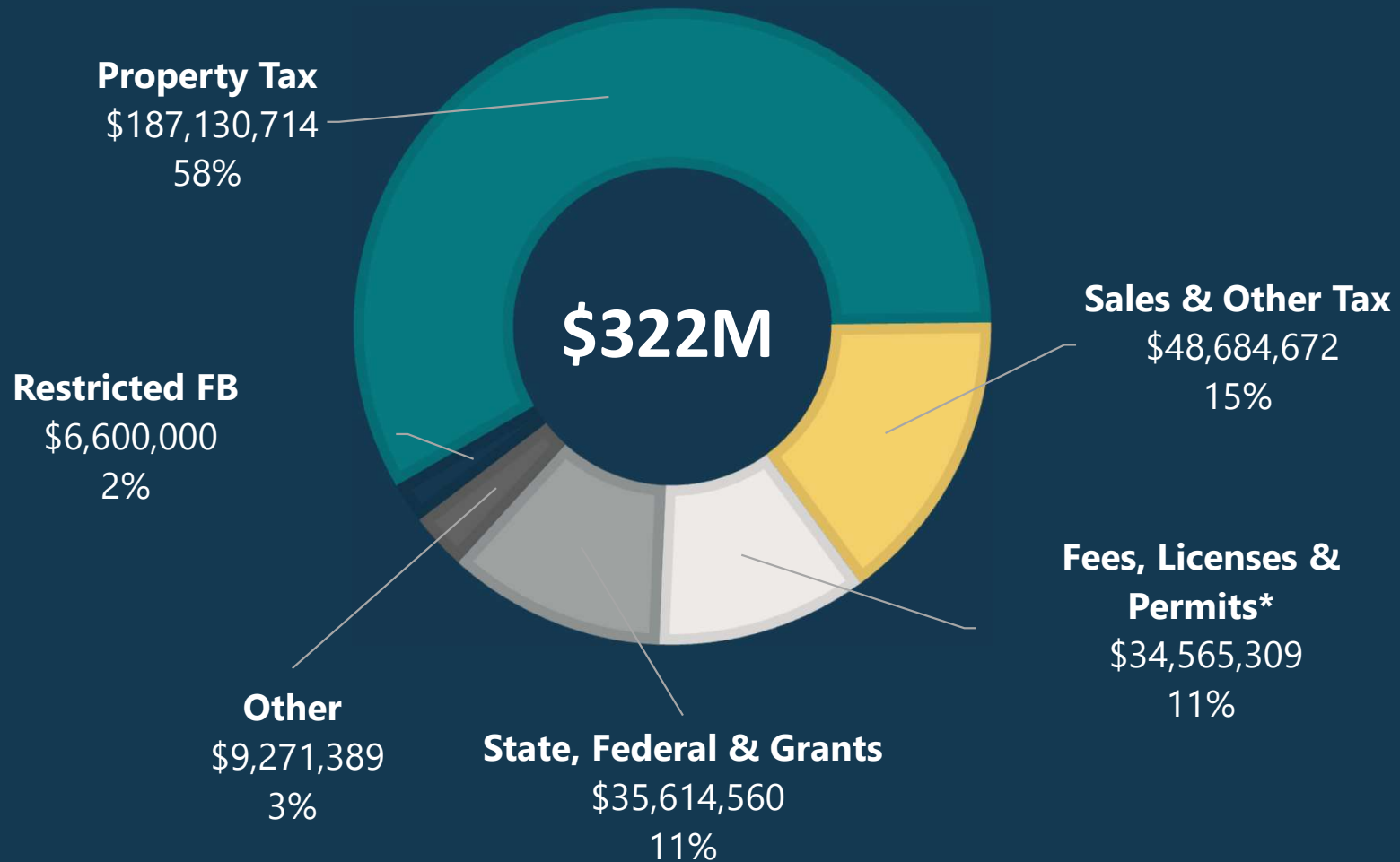


General Fund Highlights

- \$322m total recommended General Fund budget
- 61¢ tax rate, a 20¢ reduction
- 23 new positions, 19 supported by non-County funds
- Absorb mandatory and inflationary increases in personnel and operating
- 81% of expenditures go towards:
 - Human Services* (30%)
 - Public Safety (28%)
 - Education (23%)

*Human Services includes one-time appropriation of non-County funds for Public Health building renovation design

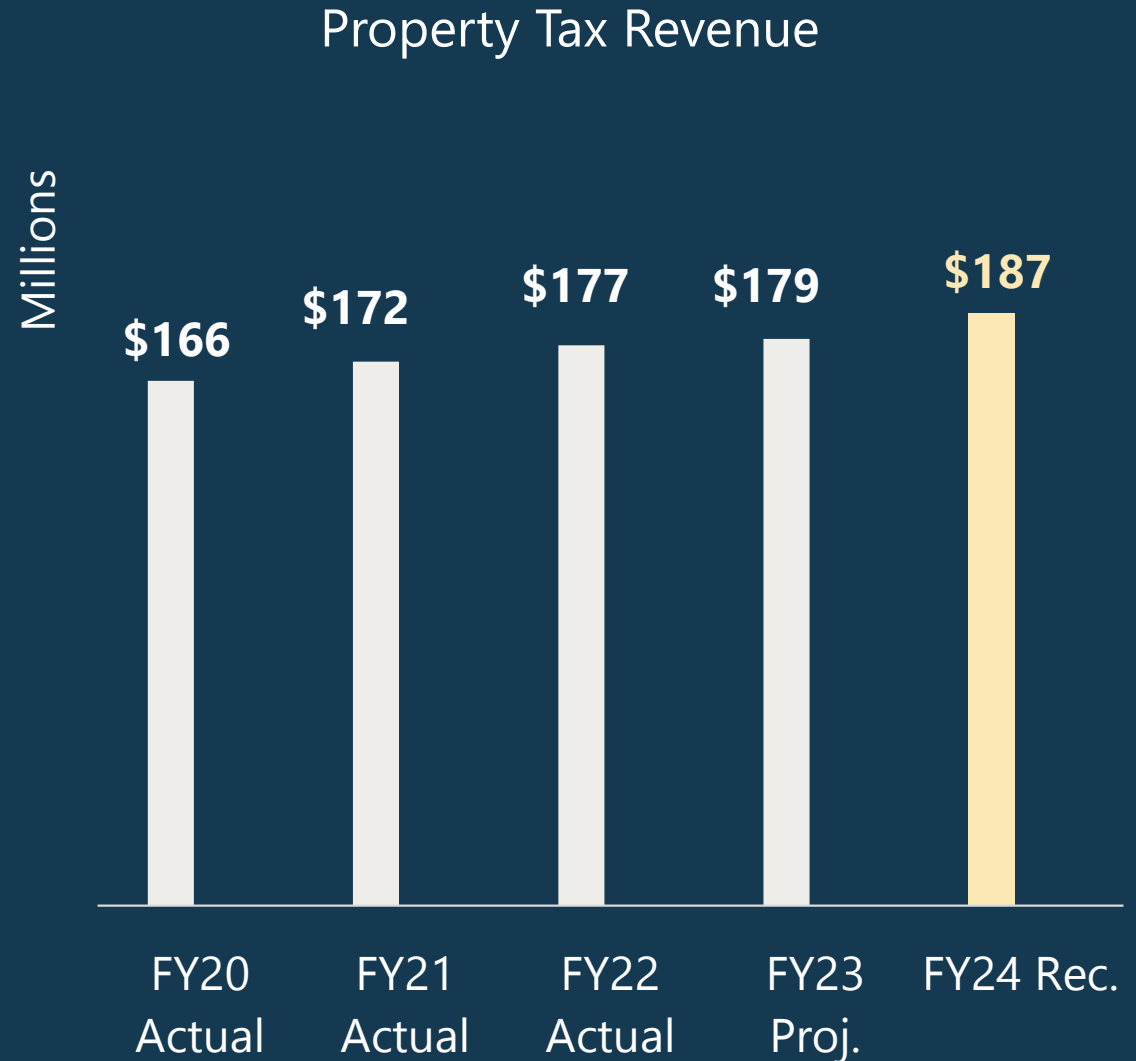
Summary of General Fund Revenue



*FLP includes Sales, Services and Fees revenue

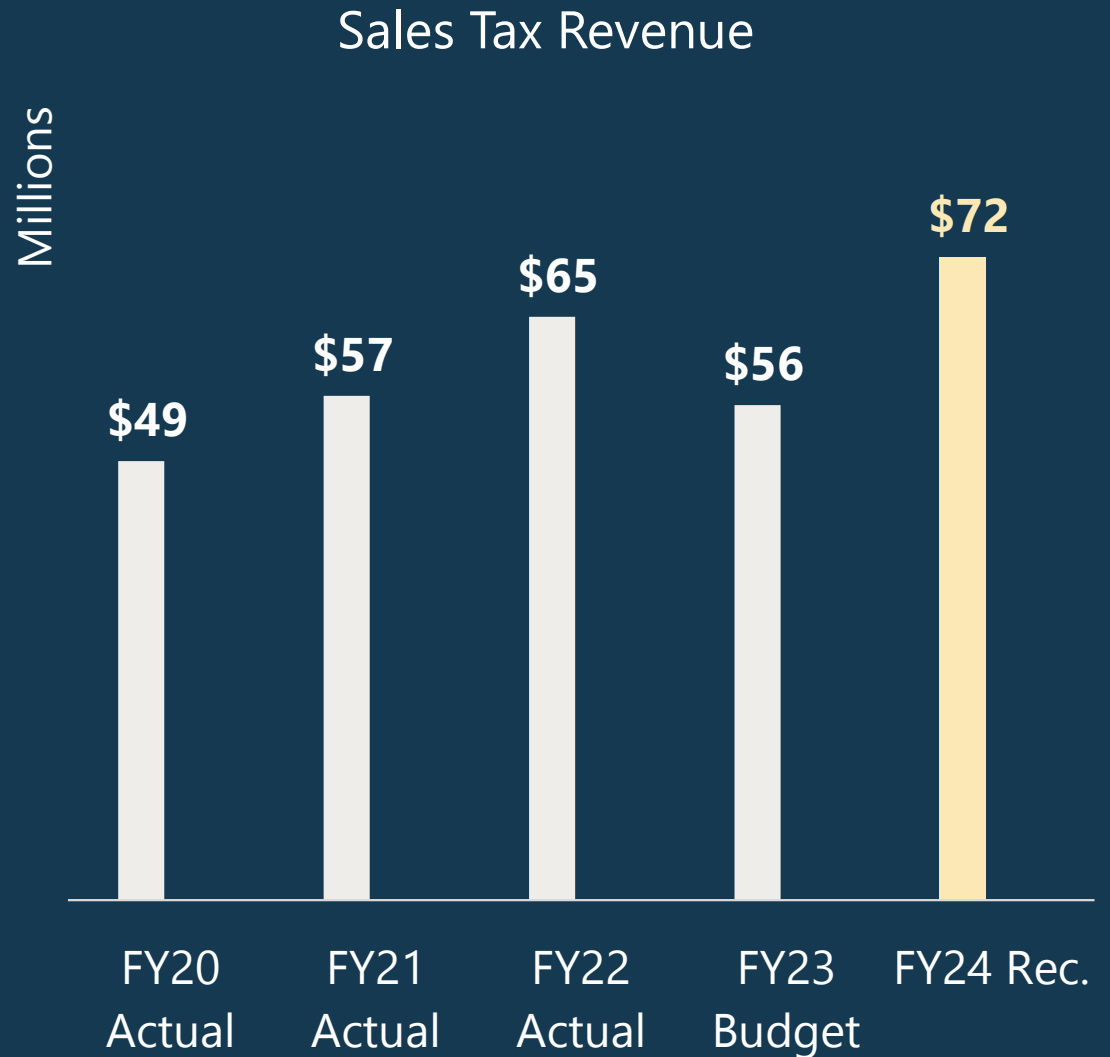
Property Tax

- Recommending tax rate of \$.61 per \$100 in value
 - 20¢ decrease from current rate and below revenue neutral rate
- Projected revenue =
Total assessed value /
100 x collection rate x
tax rate



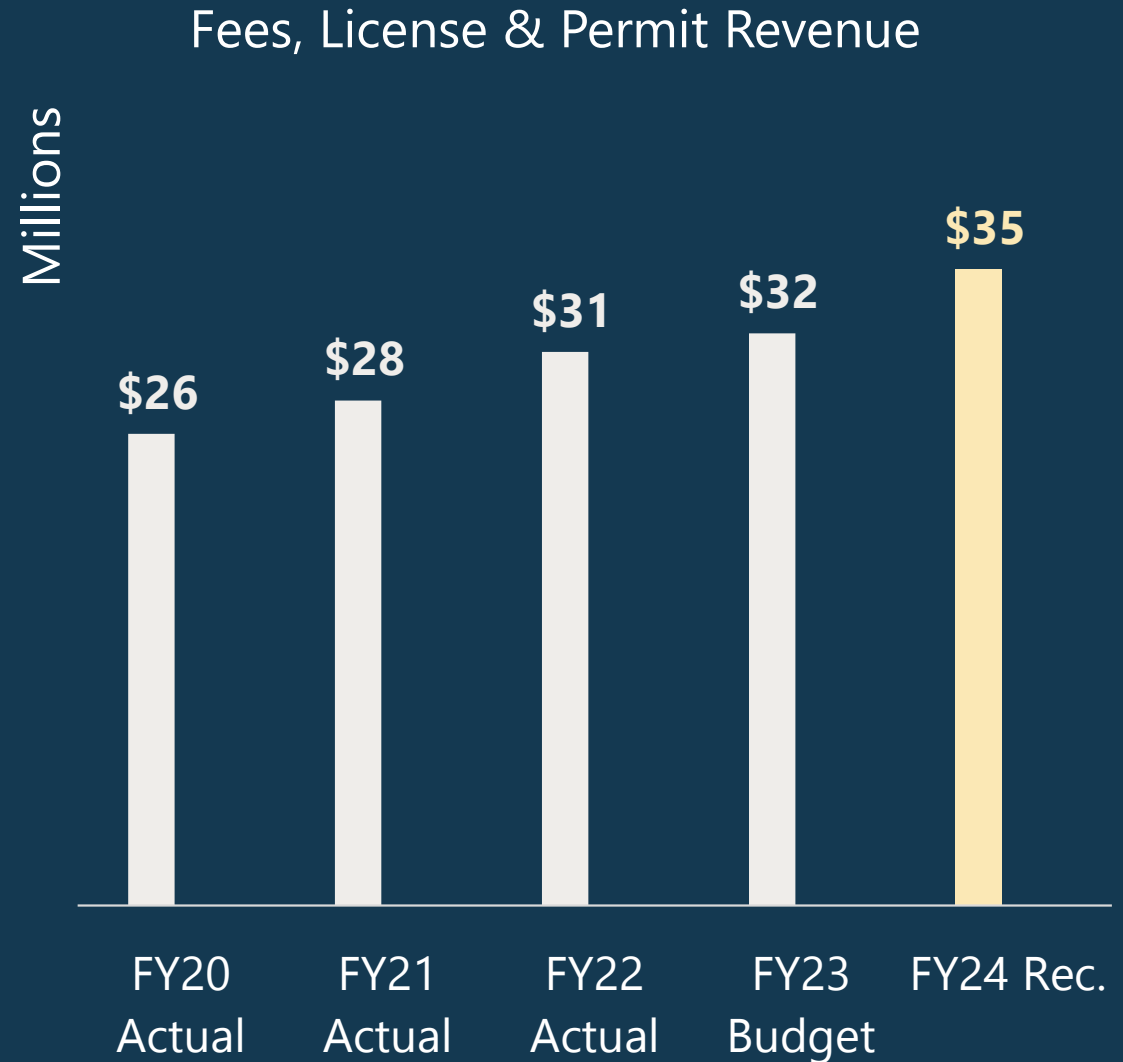
Sales Tax

- Projection consistent with regional tax data and growth projections
- Portion supports School and County debt service and major capital projects in CIF

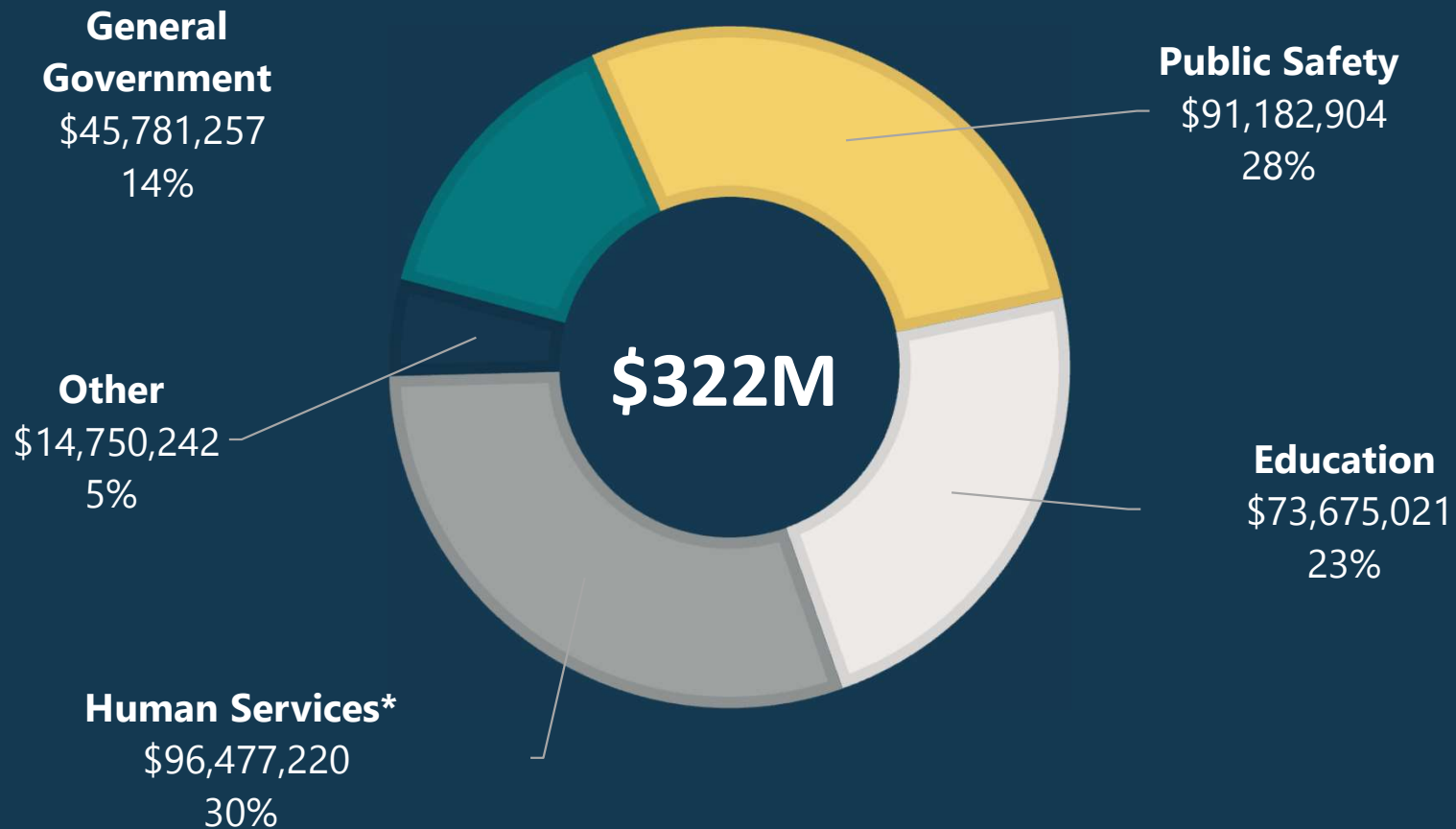


User Fees

- Continuation of approved methodology and adopted schedule
- Steady growth, revenue rebounding from COVID impacts seen in FY20



Summary of General Fund Expenditures

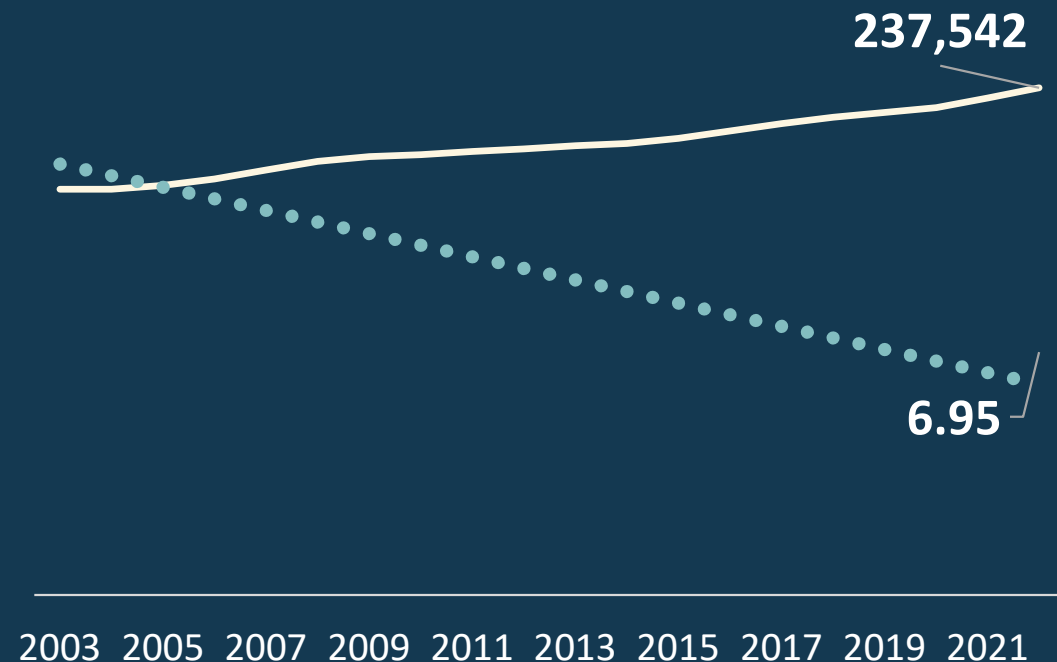


*Human Services includes one-time appropriation of non-County funds for Public Health building renovation design

Personnel

- Recommending 23 new positions
 - Social Services (17)
 - 14 Social Workers, 2 Supervisors (75% Federal funding)
 - 1 Client Services Tech (50% Federal funding)
 - Natural Resources (2)
 - Floodplain Administrator, Conservationist (100% Fee funded)
 - Public Works (4)
 - Electrician, Plumber Assistant, HVAC Tech, Auto Tech

20 Year Change in Population vs. Employees Per 1,000 Residents Trend



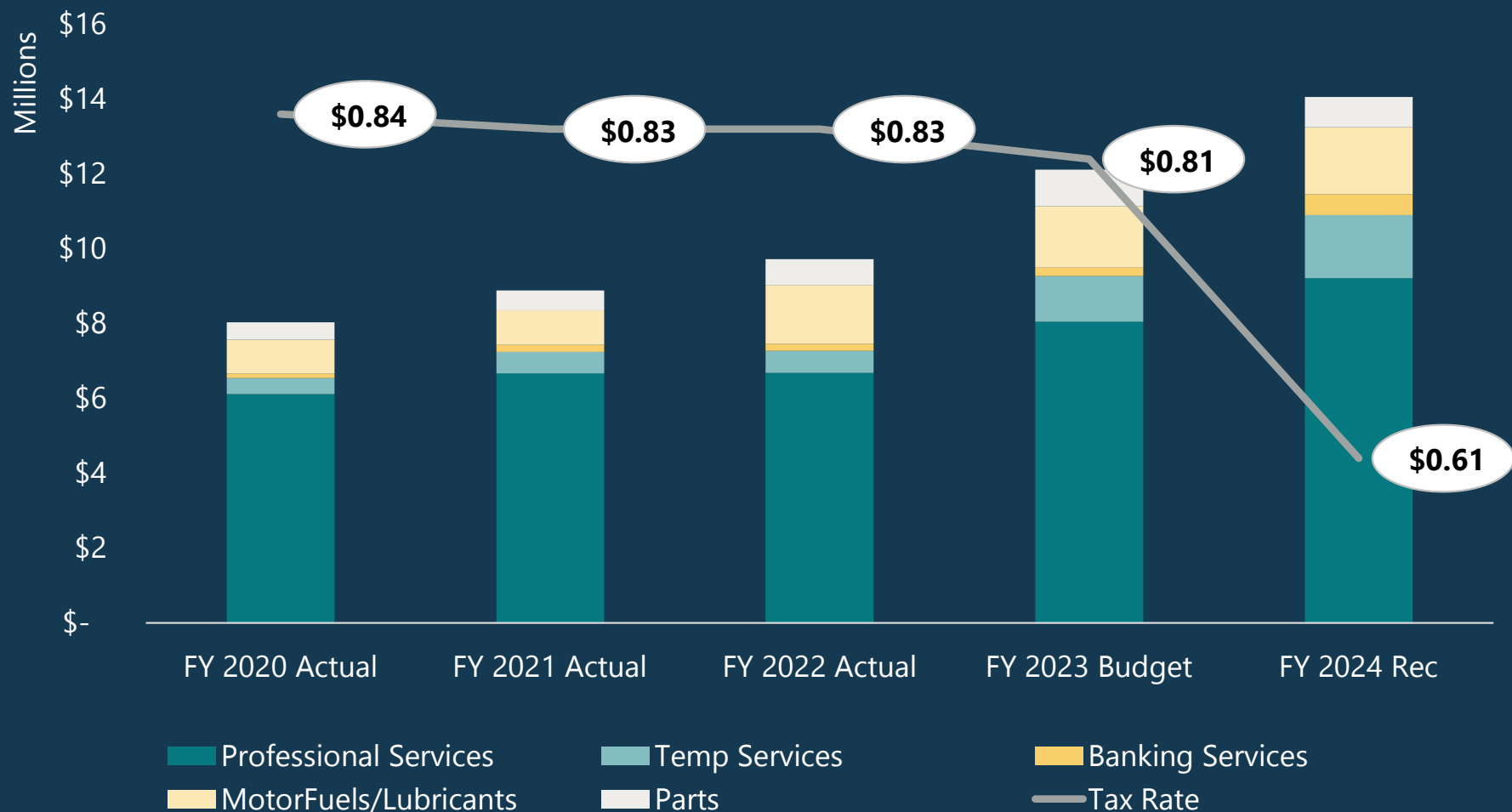
Employees per 1,000 Residents

Unfunded Needs

	FT Positions	
	Requested	Recommended
Cooperative Extension	1	
County Police	12	
Emergency Management & Fire	2	
Finance	4	
GEMS	24	
Hope United Survivor Network	9	
Human Resources	3	
Information Technology	1	
Internal Audit	1	
Library	4	
Natural Resources	3	2
Parks & Recreation	4	
Public Health	1	
Public Works	9	4
Sheriff's Office	30	
Social Services	19	17
Tax	4	
Tourism Development	1	
Veterans Services	1	
Grand Total	133	23

Operational Inflationary Expenses

Examples of Non-Discretionary Expense Escalation vs. County Tax Rate



Education Allocations



Gaston County Schools	FY 2023 Budget	FY 2024 Request	FY 2024 Recommendation
Operating	\$52,501,704	\$55,386,704	\$53,001,704
Capital	\$2,227,000	\$6,500,000	\$2,227,000
Total Direct Allocation	\$54,728,704	\$61,886,704	\$55,228,704



Gaston College	FY 2023 Budget	FY 2024 Request	FY 2024 Recommendation
Operating	\$5,868,062	\$7,049,494	\$5,968,062
Capital	\$797,219	\$5,133,495	\$797,219
Total Direct Allocation	\$6,665,281	\$12,182,989	\$6,765,281

FY 2024-2028 Capital Budget

CIP Highlights

FY 2024 Recommendations

\$31.9m total project funding

- \$27.2m for County projects
- \$4.7m for Solid Waste projects

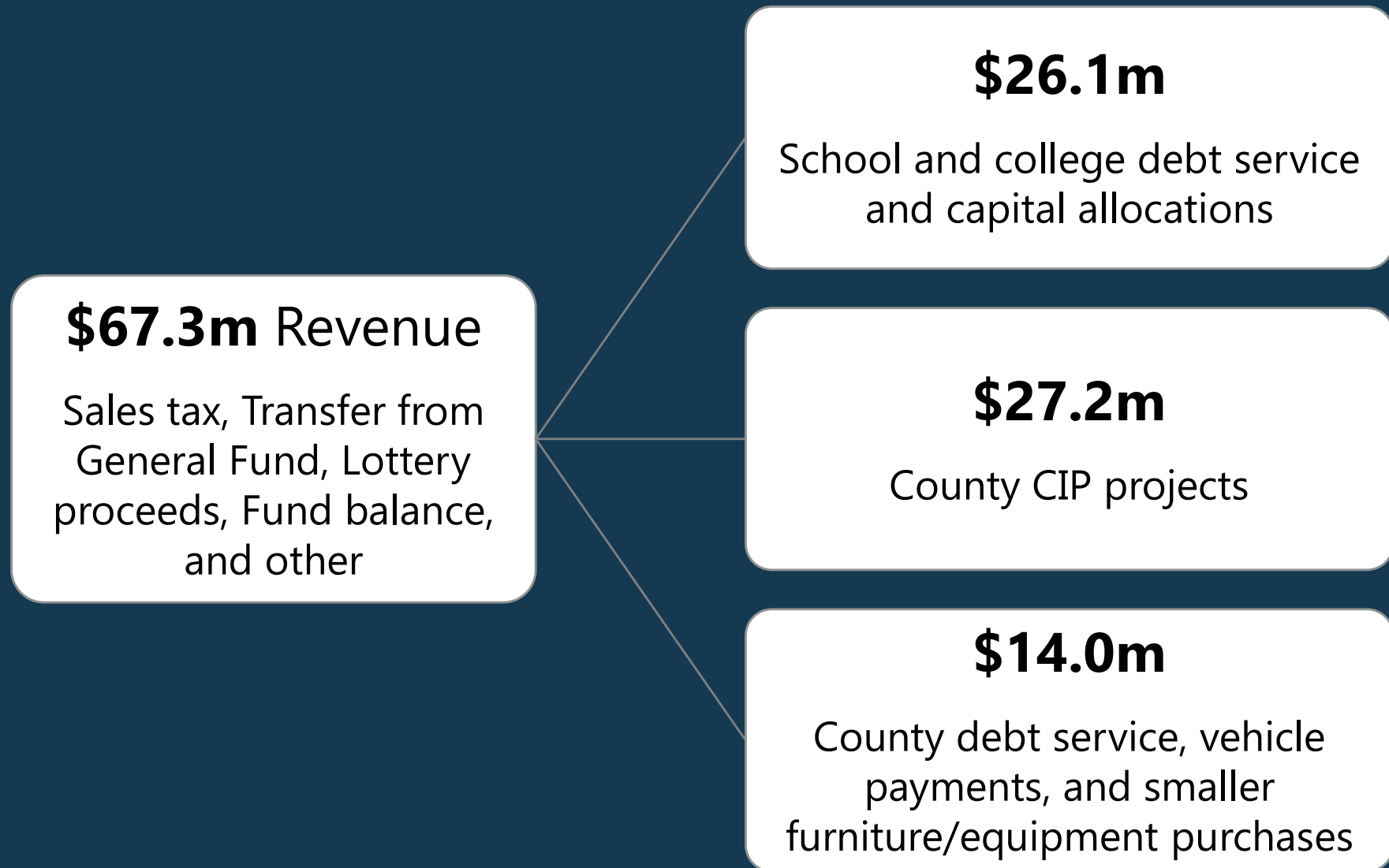


- Areas of recommended investment:
 - 1) Facilities maintenance, repairs and new construction
 - 2) Replacement of existing equipment and new equipment or vehicles
 - 3) Land acquisition, design, and planning services
 - 4) Economic development land acquisition and infrastructure improvements

Recommended County CIP Projects

	FY24	FY25	FY26	FY27	FY28	5 Year Total
Public Safety Campus Design*	\$ 7,000,000	\$ 50,000,000	\$ -	\$ -	\$ -	\$ 57,000,000
Public Health Renovation Design*	\$ 6,600,000	\$ 30,400,000	\$ -	\$ -	\$ -	\$ 37,000,000
City of Gastonia FUSE Parking Contribution	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
I-85 Bridge Betterments	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000
Catawba Cove - Multiphase Project	\$ 1,937,333	\$ 1,377,333	\$ 1,377,333	\$ -	\$ -	\$ 4,691,999
Dallas Park Master Plan Buildout	\$ 1,205,876	\$ 10,807,577	\$ -	\$ -	\$ -	\$ 12,013,453
Courthouse 5th Floor Upfit Funding	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000
Fleet Maintenance Facility Upfit Funding	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Park Playground Updates	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000
US 74 Catawba River Bridge Betterments	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Poston Park Sidewalk Construction	\$ 20,000	\$ 447,533	\$ -	\$ -	\$ -	\$ 467,533
Expanded Poston Park Maintenance Facility	\$ 10,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 510,000
Total Funding	\$ 27,223,209	\$ 93,532,443	\$ 1,377,333	\$ -	\$ -	\$ 122,132,985
Non-County Funds*	\$ (13,600,000)	\$ (5,400,000)	\$ -	\$ -	\$ -	\$ (19,000,000)
Total County Funds	\$ 13,623,209	\$ 88,132,443	\$ 1,377,333	\$ -	\$ -	\$ 103,132,985

Community Investment Fund (CIF)



Looking Forward

Priorities for Future Work

1) **Maintain Sound Fiscal Policy and Stewardship**

- Maintain and improve bond rating

2) **Deliver Competitive Services**

- Advance work on Rescue Squad contracts and service delivery model
- Implement on-site clinic for a more comprehensive employee health/wellness program
- Assess safety and risk-related policies and implement findings

3) **Diversify Revenue and Encourage Development**

- Increase available resources through residential and business development

4) **Prepare for Growth**

- Optimize existing infrastructure and create new to ensure capital and land investments are consistent with Smart Growth principles
 - Public Safety campus
 - Public Health building renovation

Next Steps

At Main Library and County Administration building:

April 26th-May 9th – Budget available for public review, online and in-person



At Gaston County Courthouse:

May 9th – Public hearing and budget adoption

May 25th – Unified Fire Protection Service District presentation

Thank You



County Commissioners
Budget & Strategy staff
Organization/Departmental Leadership
Communications staff
Finance and Human Resources staff
Budget contacts in departments

FY 2024 Operating Budget and FY 2024-2028 Capital Budget

County Manager's Recommendations
April 25, 2023

