

# ORANGE COUNTY BOARD OF COMMISSIONERS

## AGENDA

BOCC Budget Work Session  
June 11, 2019  
Meeting – 7:00 p.m.  
Richard Whitted Meeting Facility  
300 West Tryon Street  
Hillsborough, NC 27278

- 7:00-8:15      1.      Discussion of FY2019-20 Operating Budget
- Funding Decisions on the Operating Budget Amendment List
  - Funding Decisions on the Other Funds Budget Amendment List
  - Funding Decisions for Chapel Hill-Carrboro City Schools and Orange County Schools
    - Current Expense (Per Pupil)
    - Deferred Maintenance
- 8:15-8:45      2.      Discussion of FY2019-24 Capital Investment Plan
- Funding Decisions on the Capital Investment Plan Amendment List
  - Accept FY2019-24 Capital Investment Plan and Approve the Intent to Adopt Capital Funding for FY2019-20
- 8:45-9:00      3.      Discussion and Decision on the FY2019-20 County Fee Schedule
- 9:00-9:30      4.      Discussion and Decision on the FY2019-20 Tax Rates
- i.      Ad Valorem Tax
  - ii.     Chapel Hill-Carrboro City Schools Special District Tax
  - iii.    Fire District Tax Rates
- 9:30-9:45      5.      **Break** (to allow Finance and Administrative Services to formulate Draft Resolution of Intent to Adopt FY2019-20 Operating Budget)
- 9:45-10:00     6.      Resolution of Intent to Adopt FY2019-20 Annual Operating Budget
- Approval of Resolution of Intent to Adopt FY2019-20 Annual Operating Budget at the Board of County Commissioners Regular Meeting on June 18, 2019

Orange County Board of Commissioners' regular meetings and work sessions are available via live streaming video at <http://www.orangecountync.gov/967/Meeting-Videos> and Orange County Gov-TV on channels 1301 or 97.6 (Time Warner Cable).

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** June 11, 2019

**Action Agenda  
Item No. 1, 3, & 4**

**SUBJECT:** Discussion and Decisions of FY2019-20 Operating Budget, County Fee Schedule, and Tax Rates

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**DEPARTMENT:** County Manager and Finance and Administrative Services

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**ATTACHMENT(S):**

- A. FY2019-20 Operating Budget  
Amendment List  
*(Updated list to be provided at  
the meeting)*

**INFORMATION CONTACT:**

Bonnie Hammersley, (919) 245-2300  
Travis Myren, (919) 245-2308  
Gary Donaldson, (919) 245-2453  
Paul Laughton, (919) 245-2152

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**PURPOSE:** For the Board to review, discuss and make decisions regarding the FY2019-20 Manager's Recommended Orange County Annual Operating Budget and approve a Resolution of Intent to Adopt the FY2019-20 Orange County Annual Operating Budget.

**BACKGROUND:** The County Manager presented the FY2019-20 Recommended Budget on May 2, 2019. Subsequently, the Board has conducted two public hearings to receive residents' comments regarding the proposed funding plan. In addition to the public hearings, the Board heard presentations and held discussions with representatives of the County fire districts, the local boards of education, representatives of the community college, and County Functional Leadership Teams as related to the proposed funding plan for FY2019-20.

**Tonight's Agenda:** Tonight's work session offers the Board an opportunity to discuss the recommended budget, including discussion and review of the Budget Amendment list. As soon as these discussions are completed, the Board will deliberate and make decisions regarding the FY2019-20 Annual Operating Budget and approve a Resolution of Intent to Adopt the FY 2019-20 Annual Operating Budget. The Board is scheduled to adopt the final FY2019-20 Annual Operating Budget for Orange County at its regular meeting on June 18, 2019.

**FINANCIAL IMPACT:** To be determined as the Board finalizes the FY2019-20 Annual Operating Budget.

**SOCIAL JUSTICE IMPACT:** There are no Social Justice Goal impacts associated with this item.

**RECOMMENDATION(S):** The Manager recommends the Board make decisions regarding the FY2019-20 Orange County Annual Operating Budget and approve a Resolution of Intent to Adopt the FY2019-20 Orange County Annual Operating Budget.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** June 11, 2019

**Action Agenda  
Item No.   2**

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**SUBJECT:** Discussion and Decisions of FY2019-20 Capital Investment Plan

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**DEPARTMENT:** County Manager and Finance and Administrative Services

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**ATTACHMENT(S):**

- A. FY2019-24 Capital Investment Plan  
Budget Amendment List  
*(Updated list to be provided at  
the meeting)*

**INFORMATION CONTACT:**

Bonnie Hammersley, (919) 245-2300  
Travis Myren, (919) 245-2308  
Gary Donaldson, (919) 245-2453  
Paul Laughton, (919) 245-2152

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**PURPOSE:** FY2019-24 Capital Investment Plan - Accept the Five Year Capital Investment Plan and Approve the Intent to Adopt Capital Funding for FY2019-20.

**BACKGROUND:** For over 20 years, the County has produced a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County as well as Schools. The current CIP consists of a 5-year plan that is evaluated annually to include year-to-year changes in priorities, needs, and available resources. Approval of the CIP commits the County to the first year funding only of the capital projects; all other years are used as a planning tool and serves as a financial plan.

**Capital Investment Plan – Overview**

The FY 2019-24 CIP includes County Projects, School Projects, and Proprietary Projects. The School Projects include Chapel Hill-Carrboro City Schools, Orange County Schools, and Durham Technical Community College – Orange County Campus projects. The Proprietary Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects.

The CIP has been prepared anticipating moderate economic growth of approximately 2% in property tax growth and 4% in sales tax growth annually over the next five years. Many of the projects in the CIP will rely on debt financing to fund the projects.

The items below include revisions made to the following Capital Projects since the presentation of the Manager's Recommended Capital Investment Plan on April 2, 2019:

- At the May 23, 2019 Budget Work Session, staff included a revised Schools Capital Projects Summary reflecting adjustments made in regards to an increased amount of Article 46 Sales Tax funding, as well as changes to the FY 2019-20 budgeted ADM percentages, based on changes made from the time of the original CIP presentation and the FY 2019-20 Manager's Recommended Operating Budget presentation. The impact of these #'s changed the CHCCS % from 60.73% to 60.14%, and changed the OCS % from 39.27% to 39.86%.

- The Solid Waste Capital Projects had a change in funding sources as included in the FY 2019-20 Manager's Recommended Operating Budget. The PAYGO funding has increased by \$453,172 and the Debt Financing has decreased by \$453,172 in FY 2019-20. All else remains the same.

**FINANCIAL IMPACT:** The Five Year Capital Investment Plan is a long-range financial planning tool with a financial impact in FY2019-20, if the first year of the CIP is approved by the Board of County Commissioners with the adoption of the Annual Operating Budget.

**SOCIAL JUSTICE IMPACT:** There are no Social Justice Goal impacts associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board accept the Five Year Capital Investment Plan and Approve the Intent to Adopt Capital Funding for FY2019-20.