JOURNEY TOWARD PROGRESS DOWN THE ROAD LESS TRAVELLED

RECOMMENDED BUDGET 2011-2012

PROGRESS

CUSTOMER SERVICE

COMMUNITY DEVELOPMENT

INFRASTRUCTURE
This proposed 2011-2012 budget for Hyde County has been constructed with:
• exhaustive research,
• diverse citizen input and
• a vision for the future.

It includes:
• several sustainable deductions
• maximized use of human & fiscal resources
• increased efficiency in operations.
NC budget shortfall of approximately $2.4 billion for 2011-2012
Caused by end of Federal stabilization funds, end of some State taxes (sales tax)
Increase in fuel prices; price of gasoline July 2010, $2.67; price May 30, 2011: $3.74
Overall economic recovery is slow
Federal and State regulations continue to impact the ability of citizens to make a living. Federal and State programs are often mandated programs without funding attached.
In July 2010, the unemployment rate in Hyde County was 5.8%. In January 2011, it was 13.7%, and was the highest in the State at that time.

- The creation of jobs, particularly jobs that will allow young people to stay in Hyde County or return after college is still a top priority.
- The creation of year-round jobs, not just seasonal employment, is also important.
Hyde County turns 300 years old during this fiscal year. A new Strategic Plan must be developed to map the path to the future.

- Resources need to be allocated that support long-term plans and goals.
- Continuity in leadership is needed to sustain the execution of the plan.
- Operations must become more proactive and deliberate, not reactive.

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CHALLENGES

LACK OF VISION/PLANNING
Hyde County is comprised of 613 square miles of land or roughly 392,320 acres.
Approximately 157,962 (40%) are owned by the federal & state government, the N.C. Land Trust and the Nature Conservancy – and are tax exempt.
This does not include churches, fire departments, cemeteries and County-owned property that are also not taxed.
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• The greatest challenge to developing this year’s budget was the change in philosophy of the legislature.
• Major funding for public services, education, economic development and the arts formerly provided by the State will now be the responsibility of local governments.
• The expiration of the State sales tax will result in decreased revenues to Hyde County.

CHALLENGES
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So how do we move forward?

LEGISLATURE

ECONOMY
STATE & FED’L REGULATIONS
DEMOGRAPHICS
TAX EXEMPT LANDOWNERS
LACK OF VISION/PLANNING
UNEMPLOYMENT
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2010-2011 Amended Budget: $15,822,048
Manager’s Proposed budget for 2011-2012: $15,390,607
Decrease from previous year (6%): $431,441
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## Revenues

### Miscellaneous Select Increases
- Permits and fees, code enforcement and misc. fee: $5,000
- Increase in ½ ¢ sales tax: $10,000
- Increase in Card board recycling: $10,000
- Increase in Collections for EMS Services: $25,000

### Miscellaneous Select Decreases
- Decrease in Restricted Use Funds: $358,459
- Social Services Restricted Use Funds: $38,695
- Health Dept. Restricted Use Funds: $190,611
- Loss of State Sales Tax: $64,000
- Hydeland Home Health (Medicaid): $69,396
- CAPS/Chore Program: $33,183
- E-911 Fund: $111,539

Net shortfall for just these items: $815,883
Expenses

**Miscellaneous Select Increases**
- Rent at O.A. Peay School for Social Services $20,328
- Health Insurance for Employees $17,306
- Increase in Property Insurance Costs $17,733
- Replacement vehicles (Sheriff’s Dept) $100,000
- Merit Pay Raise for employees $120,000

**Miscellaneous Select Decreases**
- Decrease in Workers Comp (Safety Committee) $94,904
- Decrease in operating expenses cut by staff $730,672
  $297,041 from Solid Waste Department

**Noteworthy:**
- School system funded at same level as 2010-2011 $1,554,637
- Plus first payment due for construction bond $228,104

**TOTAL FOR PUBLIC SCHOOLS** $1,782,637
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Biggest Change:
• Absorption of Solid Waste Program into General fund in October & January
• Costs will be covered by taxes instead of collected from individuals
• Billing will be part of annual tax collections rather than monthly bills
• Curbside pickup will be discontinued
• Additional convenience sites will be added on the mainland
• Additional compactors and other equipment will be added
• Hours of operation will be altered to accommodate different schedules
• Opportunities to generate revenue from increased recycling will be created
• Waste going into landfills (which are limited) will be decreased
• After initial startup costs, the cost of service should decrease
The bottom line
Revenues must be identified to cover:
• Payment of the school bond for construction
• The cost of providing solid waste service, and
• Revenue shortfalls from State and Federal sources
• Increases in expenses for insurance, fuel and employee benefits
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### Tax Base
- Property: $1,055,286,386
- Motor Vehicles: $23,093,179

### One Cent Generates*
$98,151

### Current Tax Rate
- 52¢ per hundred Mainland
- 53.5¢ per hundred Ocracoke

### General Fund Balance
$2,272,881

### Invested Reserves
$2,798,614

### Total Reserves
$5,071,495

*based on a tax collection rate of 91.91%
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Where will this budget take us?
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2012

**Strategy Targets**
Use technology to improve operations and increase transparency of operations.

**Process Targets**
Develop policy and procedures that reflect current needs, operations and trends.

**People Targets**
Tie the budget to goals, work plans and a system of performance review; Make government more inclusive.

**Environmental Targets**
Increase recycling through effective solid waste management and public education.

**Business Targets**
Promote the use of partnerships and provide infrastructure that supports growth.
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Strategy Targets
- Revamp County website and keep information up to date and timely
- Move County technology to a centralized server & web-based applications that are easy to access & update
- Provide online bill payment and forms processing
- Give citizens more access to information

2012
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Process Targets
- Develop or update policies and procedures that reflect current operations and needs.
- Update County ordinances and post online.
- Develop a new Strategic Plan to guide future plans and decisions.

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People Targets
• Tie the budget to goals, work plans & a system of performance review; increase accountability.
• Make employees more accessible and visible in the communities of Hyde County.
• Develop employees as leaders and professionals, expand their capabilities through professional development.
• Make government more inclusive by providing more avenues for citizen input & involvement.
Business Targets
• Promote the use of partnerships
• Provide infrastructure that supports growth such as broadband access
• Expand access to water and sewer services
• Promote Hyde County as a destination
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2012

Environmental Targets

• Increase recycling through effective solid waste management and public education
• Develop a long range plan to promote public health and citizen well-being
• Promote effective land use and management of natural resources