

JOURNEY TOWARD PROGRESS DOWN THE ROAD LESS TRAVELLED

**RECOMMENDED
BUDGET
2011-2012**



2012



PROGRESS

CUSTOMER SERVICE

COMMUNITY DEVELOPMENT

INFRASTRUCTURE

JOURNEY TOWARD PROGRESS



This proposed 2011-2012 budget for Hyde County has been constructed with:

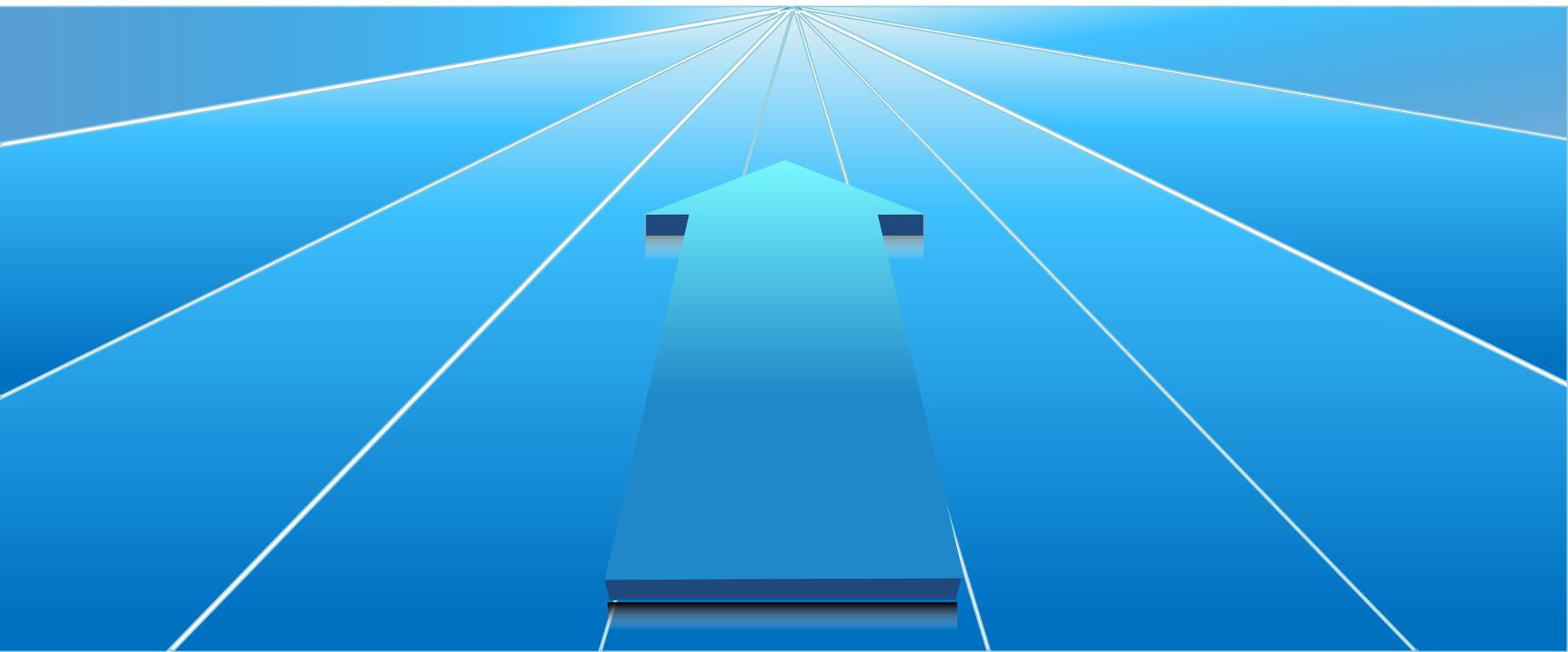
- exhaustive research,
- diverse citizen input and
- a vision for the future.

It includes:

- several sustainable deductions
- maximized use of human & fiscal resources
- increased efficiency in operations.

JOURNEY TOWARD PROGRESS

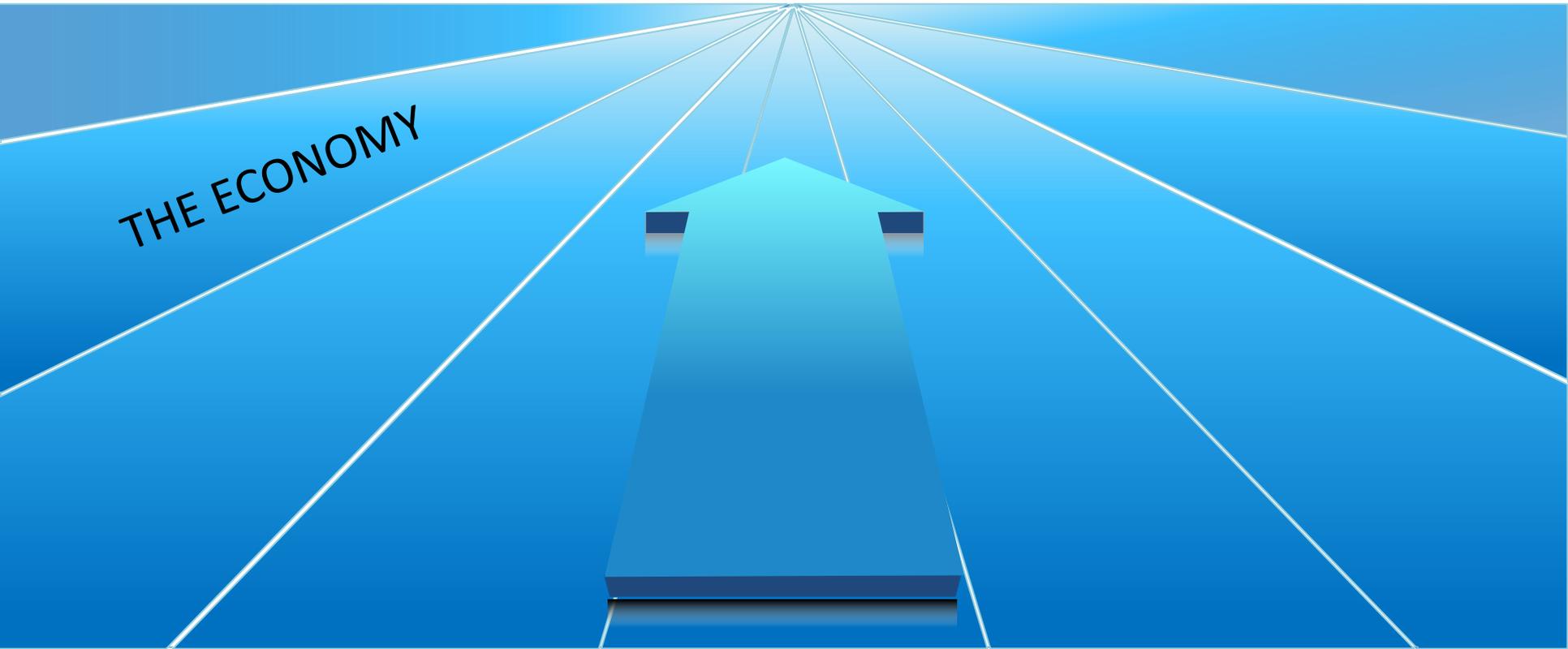
CHALLENGES



JOURNEY TOWARD PROGRESS

- 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

CHALLENGES

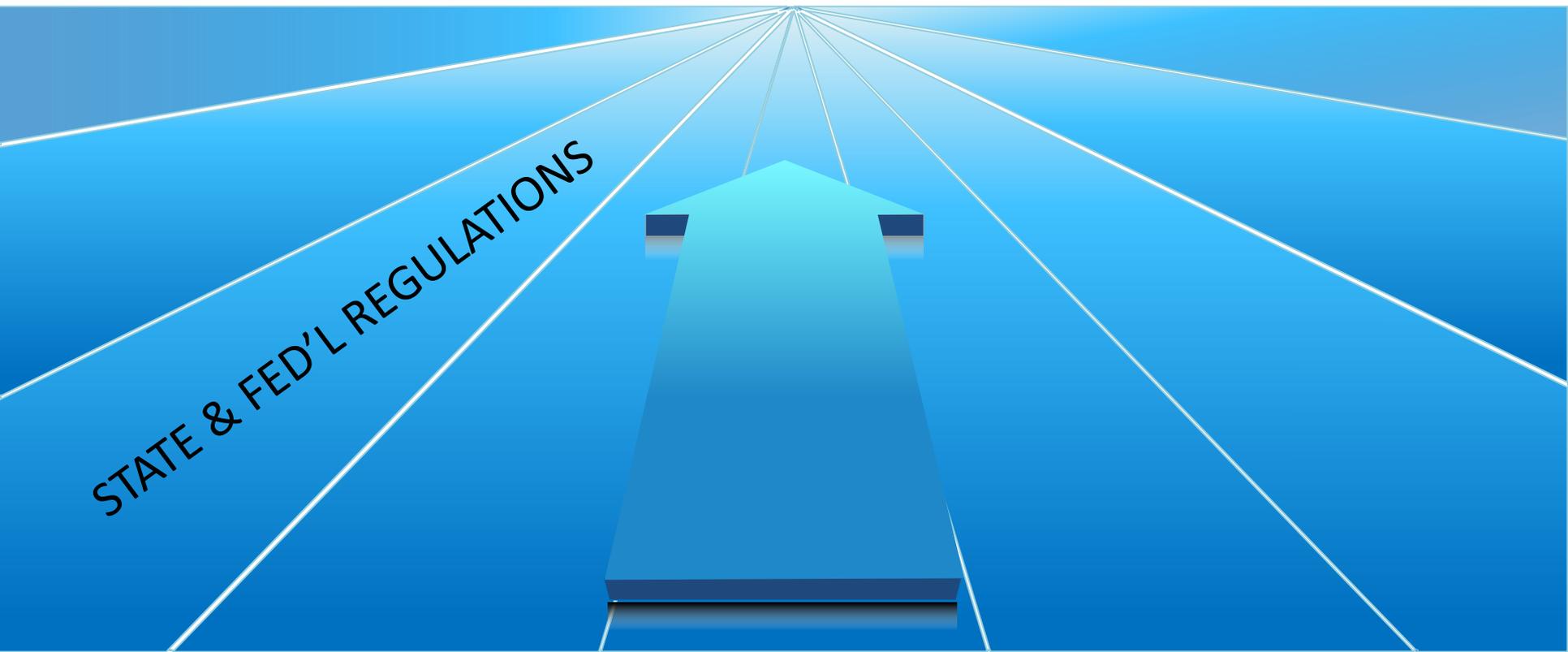


THE ECONOMY

JOURNEY TOWARD PROGRESS

- 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.

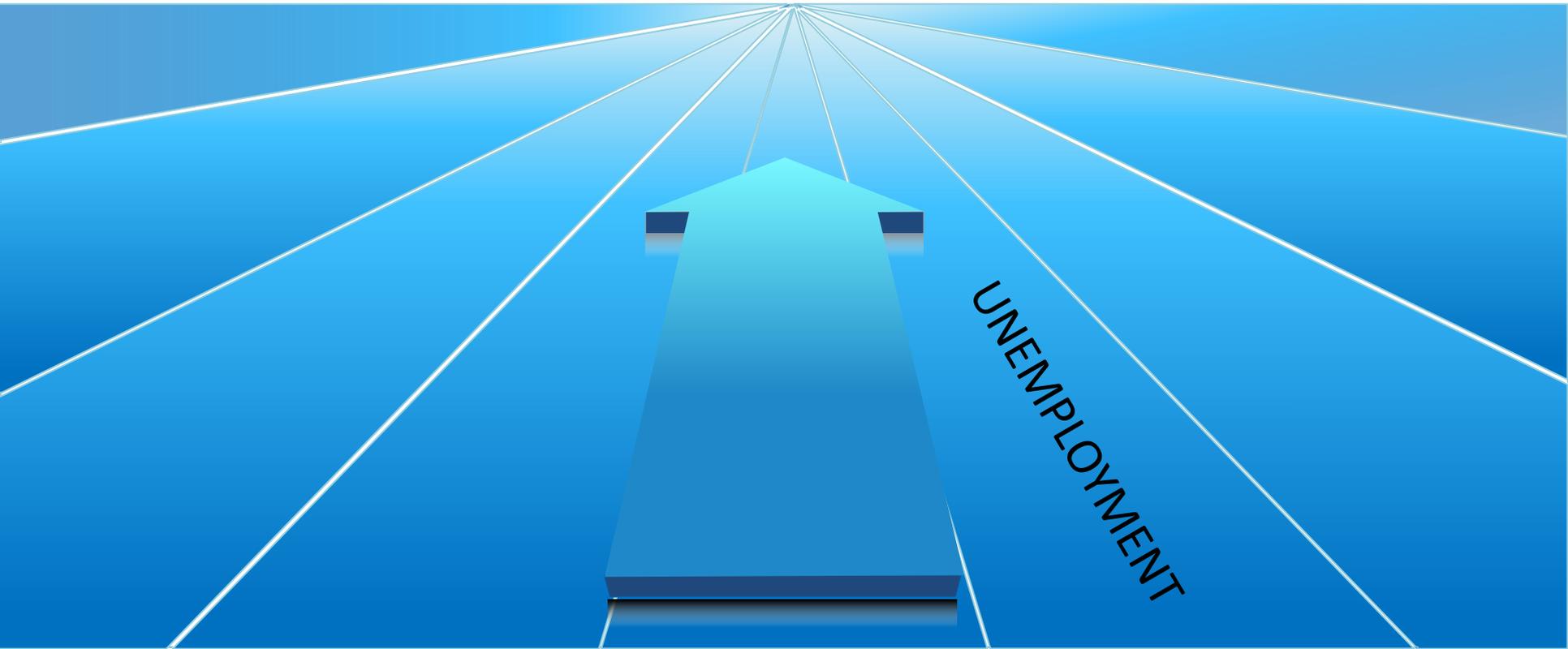
CHALLENGES



JOURNEY TOWARD PROGRESS

- 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.

CHALLENGES

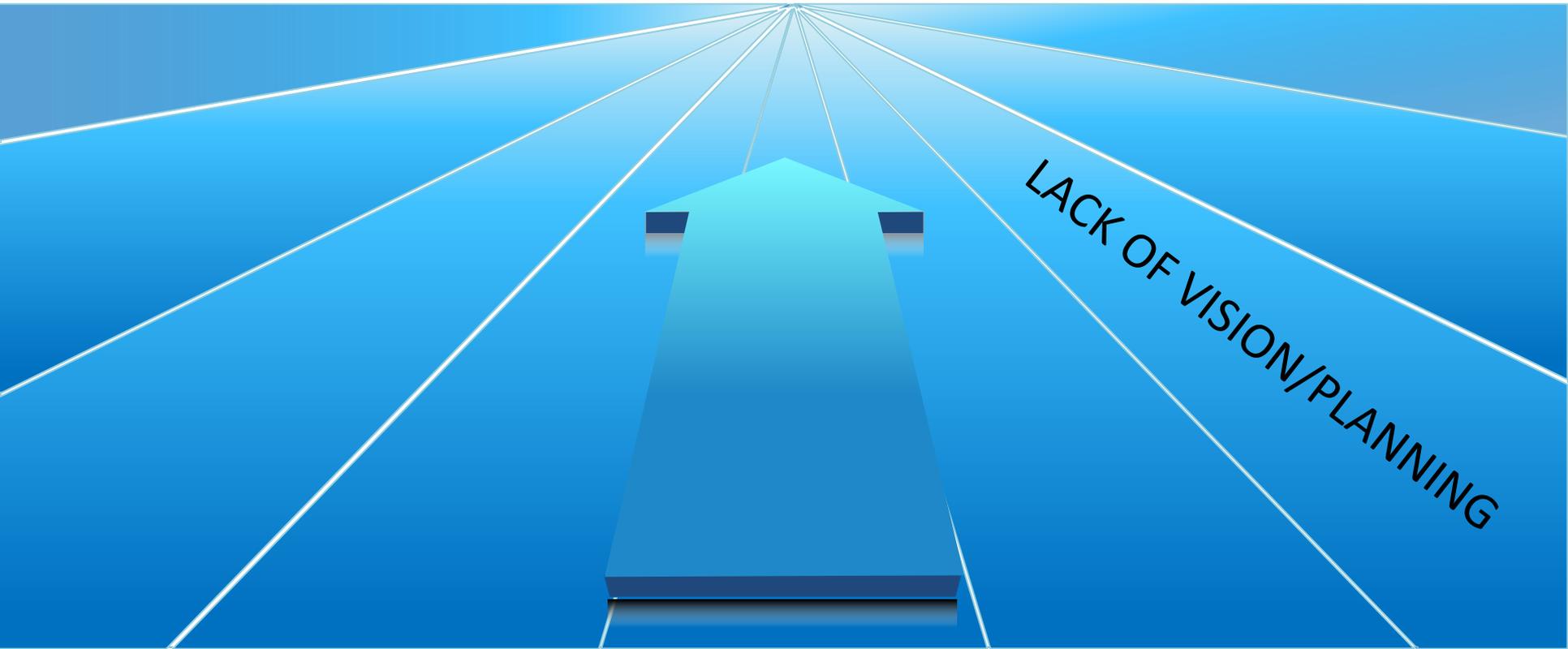


UNEMPLOYMENT

JOURNEY TOWARD PROGRESS

- 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.

CHALLENGES

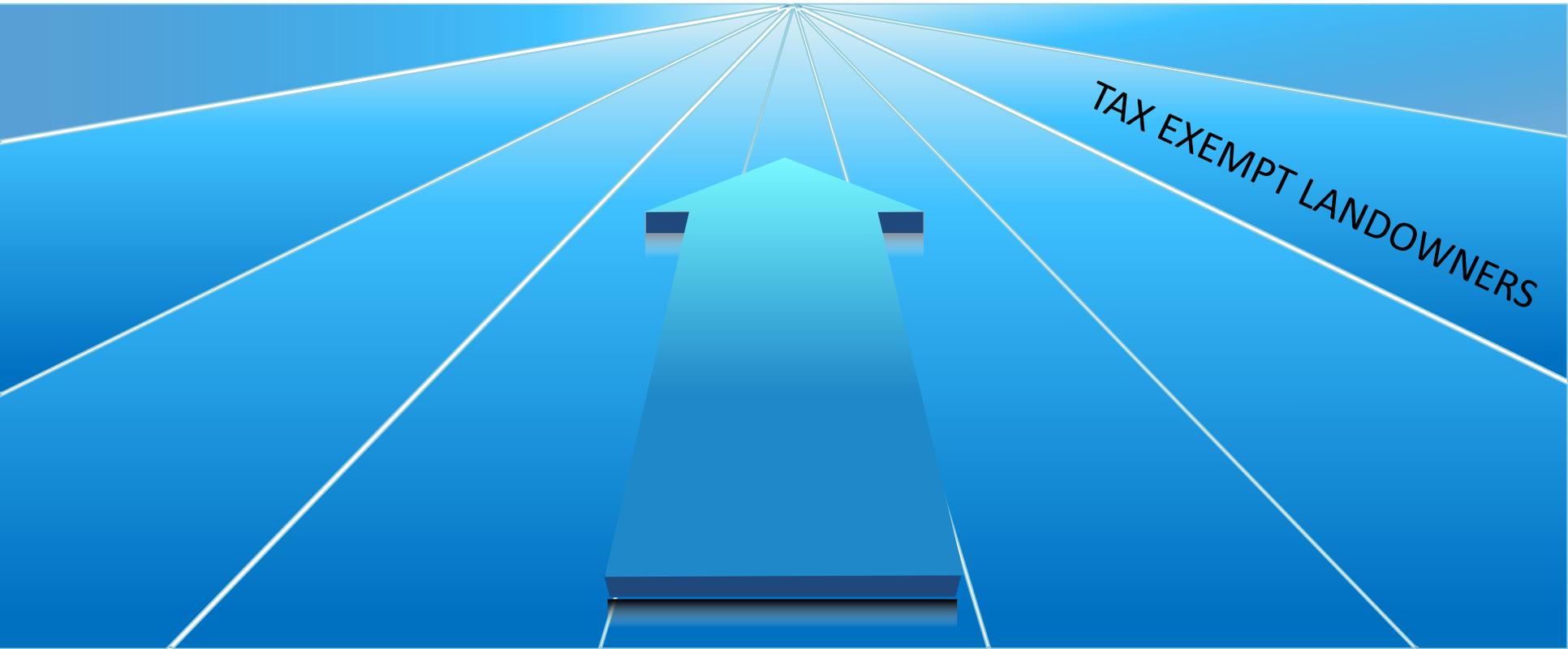


LACK OF VISION/PLANNING

JOURNEY TOWARD PROGRESS

- 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.

CHALLENGES

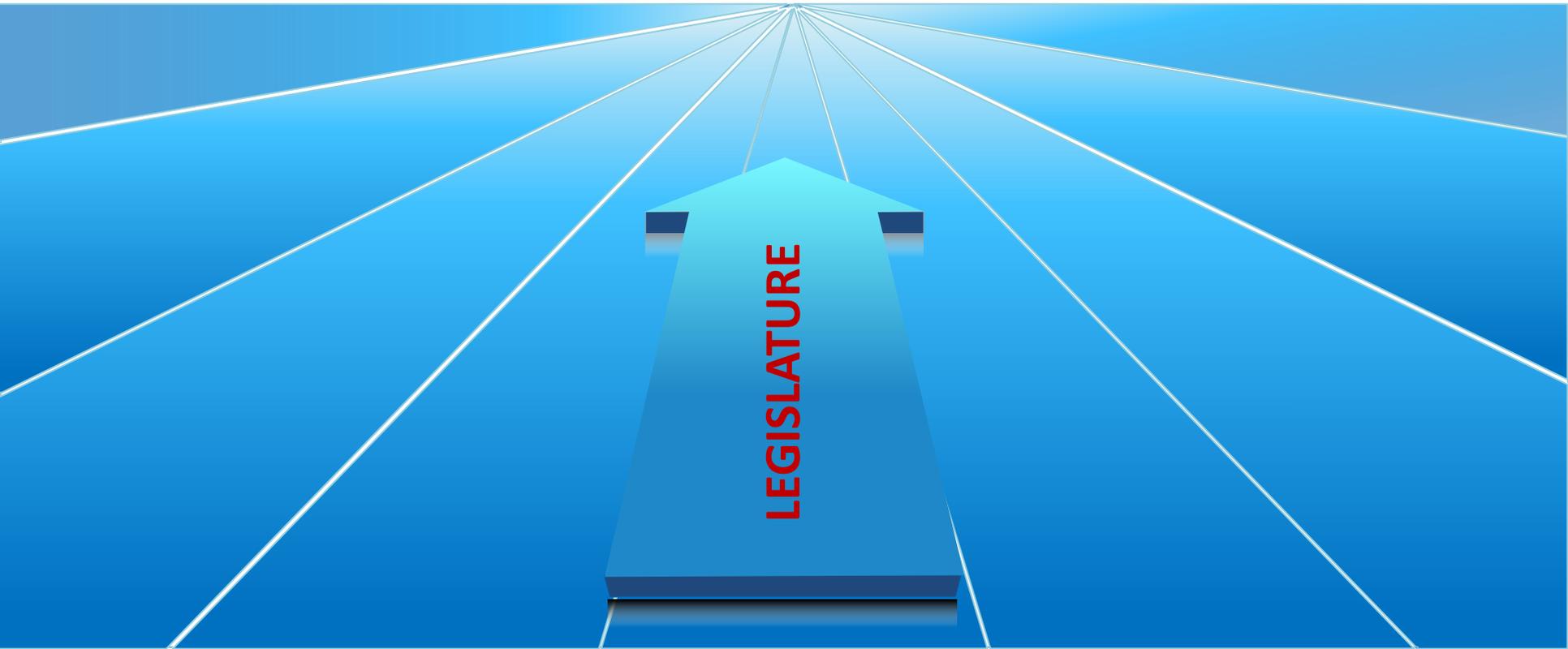


TAX EXEMPT LANDOWNERS

JOURNEY TOWARD PROGRESS

- 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

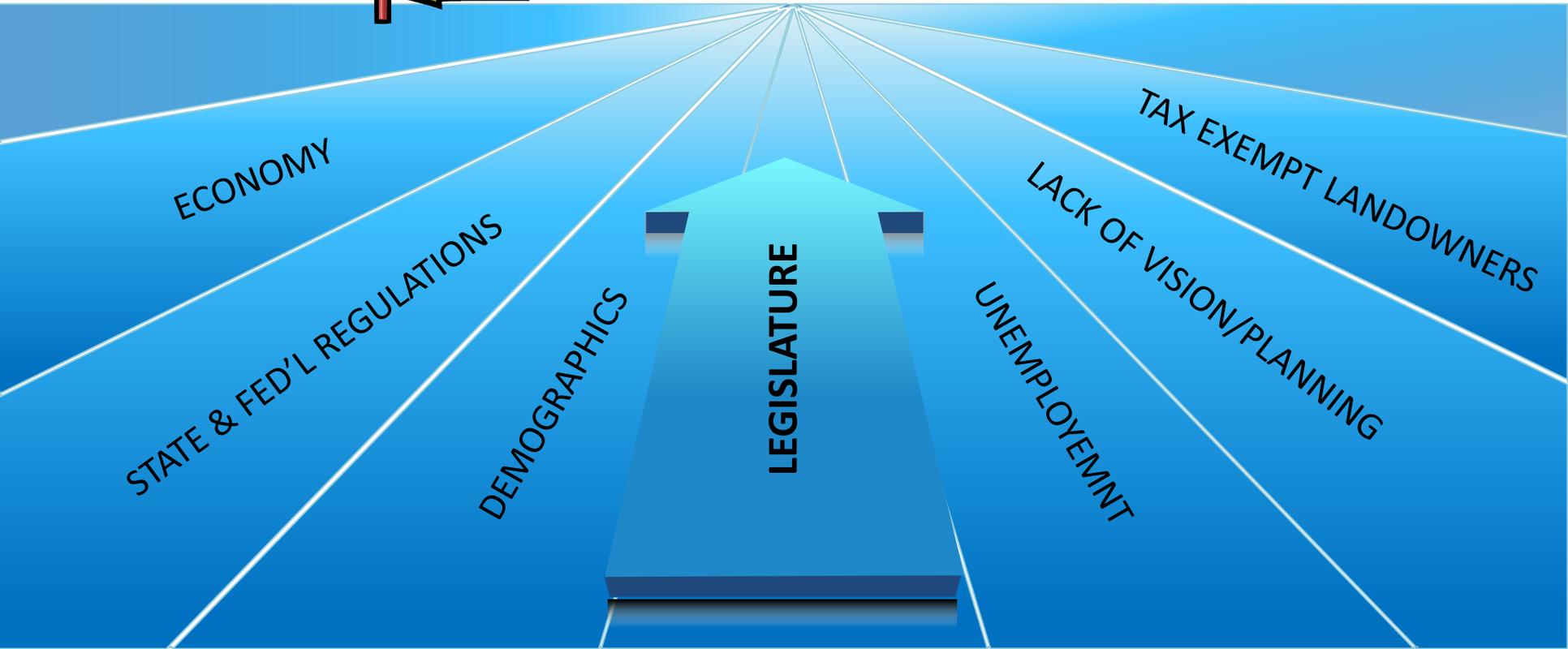


LEGISLATURE

JOURNEY TOWARD PROGRESS



So how do we move forward?



ECONOMY

STATE & FED'L REGULATIONS

DEMOGRAPHICS

LEGISLATURE

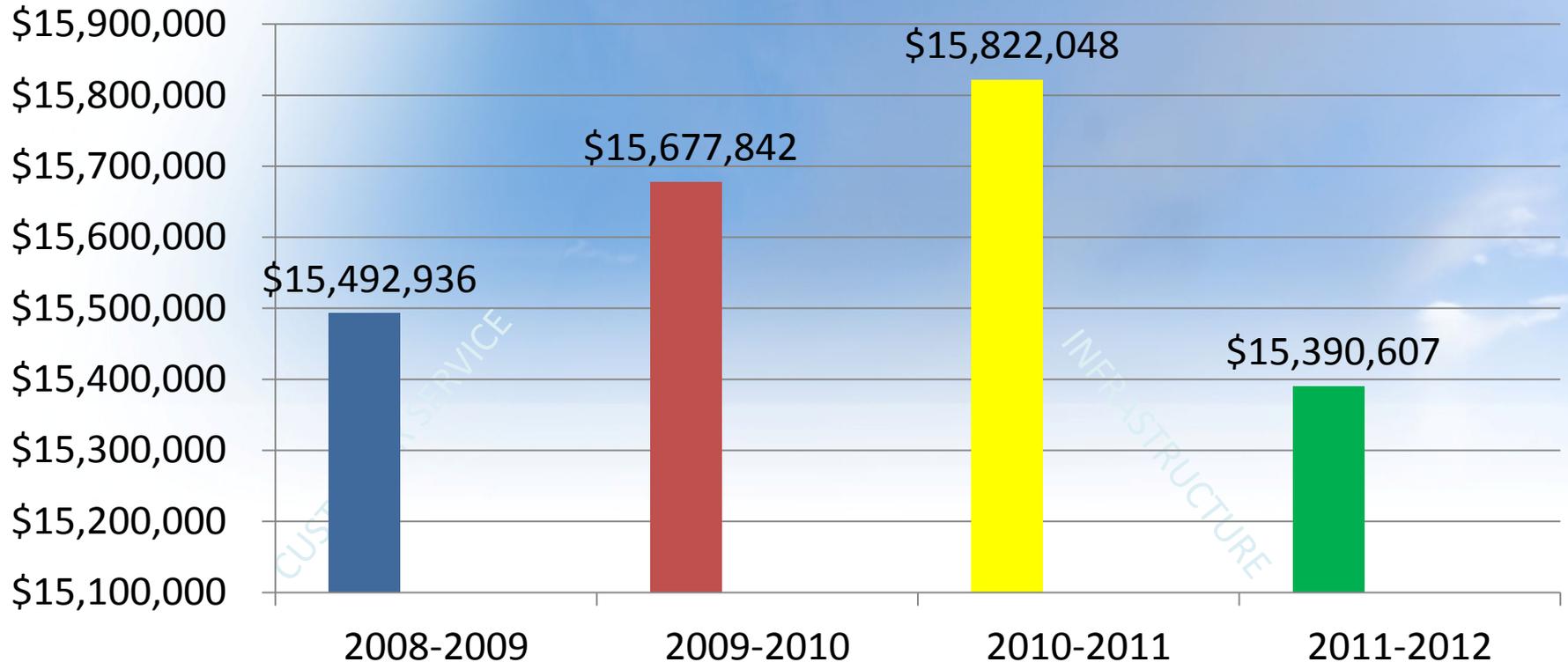
UNEMPLOYEMNT

LACK OF VISION/PLANNING

TAX EXEMPT LANDOWNERS

JOURNEY TOWARD PROGRESS

2010-2011 Amended Budget	\$15,822,048
Manager's Proposed budget for 2011-2012:	<u>\$15,390,607</u>
Decrease from previous year (6%)	\$ 431,441



JOURNEY TOWARD PROGRESS

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

JOURNEY TOWARD PROGRESS

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)

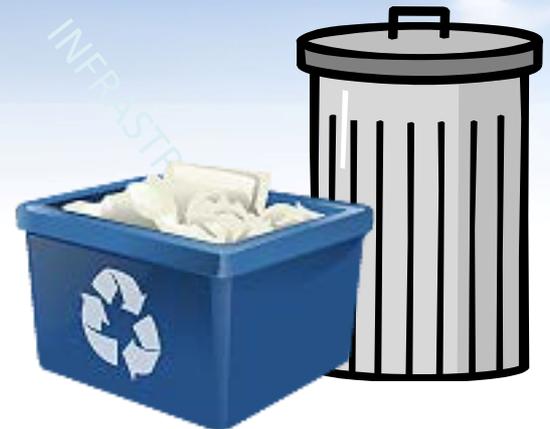
Noteworthy:

- 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**

JOURNEY TOWARD PROGRESS

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

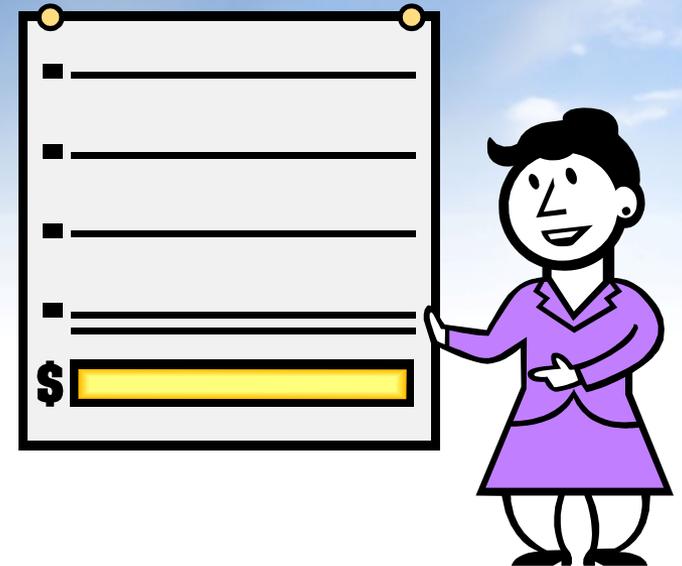


JOURNEY TOWARD PROGRESS

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



CUSTOMER SERVICE

JOURNEY TOWARD PROGRESS

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	<u>\$ 2,798,614</u>
Total Reserves	\$ 5,071,495

*based on a tax collection rate of 91.91%

JOURNEY TOWARD PROGRESS

**Where
will this
budget
take us?**

CUSTOMER SERVICE



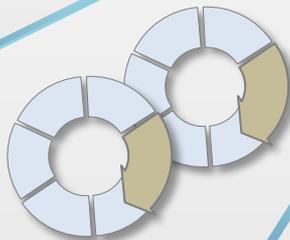
JOURNEY TOWARD PROGRESS

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

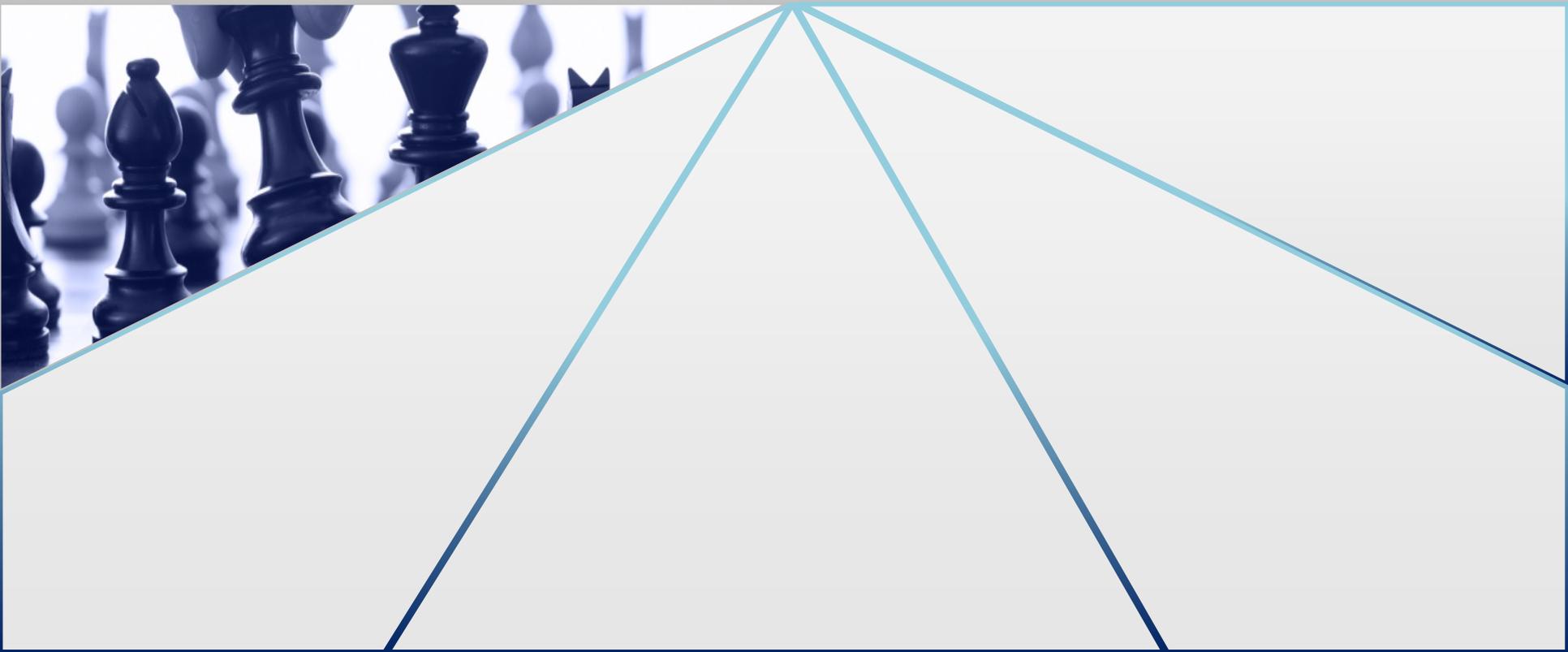
Promote the use of partnerships and provide infrastructure that supports growth

JOURNEY TOWARD PROGRESS

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



JOURNEY TOWARD PROGRESS

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.

2012



JOURNEY TOWARD PROGRESS

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

2012



JOURNEY TOWARDS PROGRESS

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

2012



JOURNEY TOWARDS PROGRESS DOWN THE ROAD LESS TRAVELLED



PROGRESS

CUSTOMER SERVICE

COMMUNITY DVLP

INFRASTRUCTURE



