

June 25, 2012

SCOTLAND COUNTY, NORTH CAROLINA

FISCAL YEAR 2012-2013 RECOMMENDED BUDGET

Chairman Bob Davis  
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## **General Fund**

In performance of my duties as Budget Officer, as appointed by the Board of County Commissioners, I hereby present for review by the governing body and citizens of Scotland County the recommended FY 2012-2013 Budget. The presented budget totals \$36,860,274 with a tax rate of \$1.03/\$100.00. The budget does not appropriate fund balance.

The budget eliminates several positions and transfers others. With staffing changes there will be no job loss due to budget cuts. Though service levels will change with supporting revenues and mandates, citizens should not experience significant drop or elimination of services. The budget restores 1.25 percent of employee salaries or half of the reduction due to furlough in the 2012 budget. This leaves three furlough days for County employees for this budget year.

The budget contains \$1,791,264 in debt service, \$1,223,990 of which is paid from restricted revenues. The County expects to issue approximately \$295,000 of installment financing contracts. The contracts will finance the replacement of the roofs on the Covington Street administrative government building and Sycamore Lane Middle School.

The budget includes capital expenditures of \$801,709. This includes \$130,000 to fund the repair of Pate Stadium, \$295,000 of financed roof repairs, \$84,000 for three vehicles for the Sheriff's Department and \$128,000 for two transportation vans, which are funded 90 percent by state funds.

The budget is a reduction of \$210,802 compared to the original budget from 2012. Even with the reduction in expenditures there was a need to increase tax revenues by \$742,169 to meet a balanced budget. This is due to a reduction in revenues from federal and state sources. This trend is not going to reverse in the near future. It is important that the County continue to seek additional sources of revenue.

### **Public Works Fund, Landfill**

In this budget, an increase in the tipping fee of MSW and C&D and Yard Waste by five percent is recommended. The total Public Works Fund's budget is \$2,026,107. This includes \$200,000 of equipment that would be financed. The goal of this budget is to meet the minimum needs of the Public Works Fund and net a positive cash flow. This budget will not meet the increase of accrued closure and post closure costs and depreciation. As long as the waste stream coming to the landfill declines achieving positive growth in the net assets of the Public Works Fund will be extremely difficult.

### **Water District I & II**

Both Water Districts have comparable budgets to last year. As discussed last year the rates for both districts are increased again. This will be the third planned rate increase for the Water Districts. The 2012 budget created positive cash flows in both water districts. The increase is predicted to create positive growth in net assets. Future increases should be tied to increases in the purchase price of water from the City of Laurinburg and Laurinburg Maxton Airport.

### **Summary**

County government is not comprised of elective services. The County provides services that benefit the community more than the individual. Entitlement programs for instance allow the hospital, long-term care facilities and other medical providers to thrive in rural North Carolina. The County provides law enforcement and EMS, non-mandated services which everyone demands and no one truly wishes to use. The County also provides services that the community expects such as recreation, library, cooperative extension, veteran services, soil and water conservation and elections. These services are essential to the quality of life in Scotland County. These services also bear a cost that must be supported by the community. Commissioners and County staff make every effort to be as effective and as financially efficient as possible in the provision of the quality of life services.

**Allocation of the County Tax Dollars**  
**Includes Property Taxes and Sales Taxes**

Education	12,140,267	47.08%
Law Enforcement	4,229,773	16.40%
Health & Human Services	3,418,957	13.26%
Public Buildings	1,200,955	4.66%
EMS	825,964	3.20%
Tax	606,529	2.35%
Parks & Recreation	557,722	2.16%
General Services / Admin	811,545	3.15%
Industry Incentive	435,000	1.69%
Library	281,109	1.09%
IT	197,804	0.77%
Elections	180,970	0.70%
Extension	147,611	0.57%
Inspections	123,266	0.48%
All Others	629,817	2.44%
TOTAL	25,787,289	100%

# Allocation of Tax Dollars Includes Property & Sales Tax

