

# FY 2025 County Budget Preview & Process

Joint Board of Commissioners & Board of  
Education Meeting

March 20, 2024



**UNIONCOUNTY**  
north carolina

# Agenda



Current Bifurcated Tax Rate



Ad Valorem Revenue Projections



Sales Tax Revenue Projections & Implications



Key Dates in the County's Budget Process



Questions

# Current Bifurcated Tax Rate

<i><b>FY 2024 Adopted Tax Rate</b></i>	
Union County General Fund	16.32
Union County Debt Fund	1.75
Education Operating Fund	37.42
Education Debt Fund	2.92
Economic Development	0.39
<b>Total Tax Rate</b>	<b>58.80</b>

# Ad Valorem Revenue Projections

- Steady property tax base growth
- Historical range for growth = 2.9%-4.5%
- FY 2025 starting point for growth = 3.25%
- Penny Value = \$4,028,151
- Actual Increase in UCPS Operating Budget = \$4,725,152

# Sales Tax – Mid-Year Projection

<b>Union County Sales Tax History (FY 2024 Projected)</b>						
<u>Fiscal Year</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>**Actual Collected</u>	<u>Over/Under Budget</u>	<u>% Budget Collected</u>	<u>% Annual Increase</u>
FY 2018	44,713,531	44,713,531	43,070,620	(1,642,911)	96.3%	-
FY 2019	48,745,636	48,745,636	45,818,820	(2,926,816)	94.0%	6.4%
FY 2020	48,745,636	48,745,636	48,720,847	(24,789)	99.9%	6.3%
FY 2021	46,556,839	51,994,023	56,259,871	4,265,848	108.2%	15.5%
FY 2022	53,540,363	55,598,613	66,386,686	10,788,073	119.4%	18.0%
FY 2023	67,669,664	67,669,664	69,967,843	2,298,179	103.4%	5.4%
FY 2024*	81,081,605	81,081,605	70,970,671	(10,110,934)	87.5%	-12.5%

\*FY 2024 Projected Actual of \$70.1M (Total) is the projected total through four months of collections (will change)

\*\*Includes County budget of \$56.2M (County GF) and \$24.9M allocated to Education debt fund

# Sales Tax Revenue Implications

- Sales tax growth is more difficult to project coming out of the pandemic
- Growth is stabilizing faster than expected
- FY 2025 starting point = \$70.1 million (-12.5%)
- General Fund reduction = \$7.4 million
- Education Debt Fund reduction = \$2.7 million

# Key Dates Upcoming

- 🍃 **April 15** – FY 2024 3rd Quarter Revenue & Expense Projections, FY 2025 Capital Budget Request & UCPS Long-Term Capital Request
- 🍃 **May 15** – UCPS Budget Request must be submitted to BoCC
- 🍃 **May 24** – FY 2025 Manager's Recommended Budget will be submitted to the Clerk to the Board
- 🍃 **June 3** – Presentation & Public Hearing for the FY 2025 Manager's Recommended Budget
- 🍃 **June 17** – Adoption of the FY 2025 Operating and Capital Budget Ordinance

Questions?



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