



FISCAL YEAR
2019

RECOMMENDED BUDGET

MECKLENBURG COUNTY NORTH CAROLINA



Agenda

- Early Childhood Education
 - Smart Start of Mecklenburg County
 - Mecklenburg County Universal Pre-K Initiative
- Q&A – Responses to the Board of County Commissioners inquiries
- Overview of the Manager's FY2019 Recommended Budget
 - Revenue forecast
 - Summary of agency major funding adjustments
 - Community Service Grants funding recommendation
 - Education funding recommendations



Objective of Workshop

- The workshop is for information only
- Provide the Board details of the Recommended Budget
- Opportunity for the Board to ask questions & seek clarity
- Preparation for the straw vote sessions
- Decision making is reserved for the June 12-13 straw vote sessions



Smart Start of Mecklenburg County

Presentation to Mecklenburg County Board of County Commissioners

June 7, 2018



Introductions

Carrie Reeder-Petkavitch, Board Chair, PwC

**Ruth Hedgpeth, Finance and Evaluation Committees,
Central Piedmont
Community College**

**Jared Keaton, Finance and Personnel Committees,
Bethlehem Center**

Nancy Hughes, Executive Director

Mecklenburg Partnership Vision



Children in Charlotte/Mecklenburg enter kindergarten healthy and ready to succeed.

Smart Start Partnerships

Local Smart Start partnerships, governed by a cross section of community members, fund programs within their communities based on each county's particular needs and resources.

75 local partnerships serve all 100 North Carolina counties through funding from the North Carolina legislature, corporations, foundations and individual donors.

Fiscal & Contracting Capacity

- Fund and oversee **28** initiatives through **14** community partners and in-house program management
- Administer a **\$13 million** annual budget of state Smart Start and private funding
- Provide accounting services to **7** other Smart Start local partnerships totaling approximately **\$22 million** (including Mecklenburg)
- Earn **consistent** clean financial monitoring reports & audits from North Carolina Partnership for Children (NCPC) & independent audit firms

Accountability & Oversight

- Annual audits and monitoring by NCPC
- Accountable at the state level for community-wide early childhood indicators
- All Smart Start funded activities must be evidence-based or evidence-informed
- Accountable for outputs and outcomes for programs funded at the local level
- NCPC reports all aggregate local partnership data annually to General Assembly

Smart Start's Role in the Community

Lead Community Initiatives

Advocate for 0-5 Children's Needs

Identify Gaps in Services

Early Care & Education

Programs:

- Charlotte Bilingual Preschool
- Child Care Health Consultants
- Child Care Subsidy
- Directors' Leadership Academy
- Early Childhood Teacher Education
- Infant Toddler Quality Initiative
- Lakewood Preschool Cooperative
- North Carolina Pre-Kindergarten
- Reach for the Stars
- Smart Start Education Award
- Smart Start Rewarding Excellence
- Star Guard: Quality Maintenance Initiative
- Thompson Child Development Center
- The Learning Collaborative

80% of Smart Start of Mecklenburg County's funding went to programs in early care and education in fiscal year 16-17. These programs help parents afford quality child care and encourage child care providers to strive to provide the highest quality care possible.



Health

Smart Start of Mecklenburg County funds programs to enhance children's health and well being and provide access to community resources and services.

Healthy Futures Starting in the Kitchen provided 12 nutrition and culinary workshops to 155 child care staff in 42 unique centers, reaching 3,023 children.

Programs:

- Early Childhood Intervention
- GPS - Guiding Parents to Services
- Polliwog Project
- Healthy Futures Starting in the Kitchen



Family Support

Offering encouragement and support, empowering parents to be confident leaders in their children's lives.

Raising a Reader served 1,244 families and 19 child care facilities. Participants survey results report an 11% increase in daily reading to their child.

Programs:

- Child Care Resource & Referral
- Family Education and Support
- Healthy Families Mecklenburg
- Nurse-Family Partnership
- Parents as Teachers
- Raising A Reader
- Reach Out & Read

Vision for Meck Pre-K

- NC Pre-K will be used as the baseline model, with opportunity to innovate, pilot new strategies, and improve upon current outcomes.
- Creative Curriculum, a best practice early childhood curriculum that has robust technical assistance support, will be used in Meck Pre-k classrooms.

C.L.A.S.S.™ Assessment

The Classroom Assessment Scoring System™ (CLASS™) is an observational instrument developed to assess classroom quality in PK-12 classrooms.

The CLASS™ can be used to reliably assess classroom quality for research and program evaluation and also provides a tool to help new and experienced teachers become more effective.

CLASS has been validated in 2,000+ classrooms.

Best Practices and Smart Start Advantage

Smart Start's comprehensive approach to kindergarten readiness, along with accountability to evidence-based programs, aligns well with universal pre-kindergarten, which plays a critical role in improving the school readiness outcome.

Network Support

NC Pre-K is administered by **47** of the **75** local Smart Start partnerships.

Most other local Smart Start partnerships in urban areas are the NC Pre-K administrator:

Wake, Guilford, Forsyth, Cumberland, Orange, and Buncombe Counties.

Wake County Smart Start administers combination of 1,500 NC Pre-K and Wake County funded slots.

Community Collaborations

- CMS partnership through existing NC Pre-K committee and role as co-chair. Chaired site selection committee for FY19.
- Project collaboration with Read Charlotte (Dolly Parton Imagination Library that we administer)

Community Collaborations

- Close working relationship with early care and education community, including private child care centers, family child care homes, Head Start and faith based programs
- Positive partnerships with Charlotte Mecklenburg Libraries, CPCC, UNCC, and Novant Health (NICU early intervention funded program)

Current Staff Capacity

Finance:

- Finance Director employed for 8 years
- Senior Accounting Manager for 13 years

Program:

- On-staff Program Evaluation Manager (MSW)

Parent and Community Education:

- Public Education Program Manager (Masters, Organizational Management)

Local NC Pre-K Committee

Local Smart Start executive director serves as co-chair of the county's NC Pre-K Committee and recently chaired the NC Pre-K site selection committee for the upcoming school year.

Evaluates child care programs that apply in order to determine recommendation to be NC Pre-k approved site

Committee reviews budgets and policies to be presented to NC Pre-K Committee.

Mecklenburg County Represented on 22 Member Board of Directors

County Manager's Office

Board of County Commissioners

Mecklenburg County Public Health

Department of Social Services

Commitment to Best Practice and High Quality Pre-K Program

Our board and staff are committed to coordination and collaboration regarding budget, program operations and evaluation for Mecklenburg County funded pre-k program slots.

We will report regular updates to County leadership and file formal reports as requested.

Questions



Contact

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Smart Start of Mecklenburg County
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704-943-9405

Smart Start of Mecklenburg County

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Early Childhood Education

Universal Pre-K Initiative

Bright Beginnings (BB) & NC Pre-K Comparison

2017-2018	Bright Beginnings	NC Pre-K
Eligibility/Placement Priority	Students with the greatest educational needs are placed first	Eligibility is based first upon family size and income below 75% of the state median income (\$48,256 is the median income for a household in NC)
	Children who score below their peers on aspects of cognitive, developmental, and/or pre-academic functioning	Second placement priority is given to children with limited or no experience in high quality early care and education settings
Curriculum	Creative Curriculum	Creative Curriculum
Total Budget	\$22,804,618 **	\$9,642,625**
Cost Per Student	\$8,144.51	\$8,171.72
Population Served	4-year-old children	4-year-old children
	5-year old children not in kindergarten	5-year old children not in kindergarten
Total Children Served	2800	1180*

*Figure includes the additional 174 NC Pre-K slots added in FY18 with additional State funding

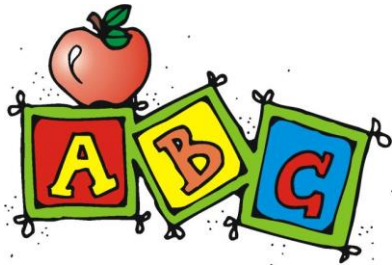
**2017-2018 CMS Adopted Budget figures



Mecklenburg County NC . gov

Funding for Bright Beginnings

What amounts are CMS investing in Bright Beginnings broken down by source (County, Federal grant, etc.)?



Bright Beginnings Pre-K Program Funding Sources	2018-2019 Proposed Budget	2017-2018 Adopted Budget	2016-2017 Adopted Budget
Federal/Special Revenue	\$ 13,632,335	\$ 12,848,001	\$ 12,741,095
Local/County	\$ 10,461,533	\$ 9,956,617	\$ 9,652,205
Federal Share %	57%	56%	57%
County Share %	43%	44%	43%
Total	\$ 24,093,868	\$ 22,804,618	\$ 22,393,300



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Title I Funding

Is this grant transferrable (or could we apply for that same federal grant for the new pre-k Smart Start initiative? If not, why?)

- Title I Federal funds are solely available to local education agencies (LEAs)
- The County does not have the option to apply for and/or receive these federal dollars
- Title I provides financial assistance to local educational agencies (LEAs) and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards
- Federal funds are currently allocated through four statutory formulas that are based primarily on census poverty estimates and the cost of education in each state



*Source: <https://www2.ed.gov/programs/titleiparta/index.html>

M e c k l e n b u r g C o u n t y N C . g o v

Proposed Requirements for County Funded Pre-K

	Proposed County Funded Pre-K Classes	NC Pre-K	Bright Beginnings
Curriculum	Creative Curriculum	Creative Curriculum	Creative Curriculum
Teacher Credentials	BA + B-K license	BA + B-K license	BA + B-K license
Teacher Pay	Pay Comparability with CMS Pre-K Teachers	Pay Comparability with CMS Pre-K Teachers	CMS pay scale
Staff Supports	Coaching/Mentoring Training & Development	Coaching/Mentoring Training & Development	Coaching/Mentoring Training & Development
Program Evaluation	Annual evaluation- CLASS tool Observations/on-going feedback	Annual statewide sample UNC-FPG	2013-2014 –UNCC evaluation; most recent evaluation



M e c k l e n b u r g C o u n t y N C . g o v

Local Analysis of NC Pre-K Outcomes

Analysis of Mecklenburg County Students Entering Kindergarten 2011-2013

Pre-K participation is associated with improved reading and math test scores in Kindergarten

Predictors of Kindergarten MAP Outcomes				
Kindergarten Map Scores (Mean)	Reading		Math	
	Fall	Spring	Fall	Spring
NC Pre-K	144.96	158.00	141.19	157.10
Bright Beginnings	141.51	154.08	136.89	152.20
Comparison Group*	139.58	154.05	137.86	152.79
Students with Families > 200% FPL**	169.59	184.32	168.70	183.70

Key Takeaways:

- Pre-k students had higher beginning of kindergarten MAP performance than the comparison group.
- While NC Pre-K, Bright Beginnings, and comparison group members experienced approximately similar growth in kindergarten, all three groups substantially lagged behind their peers with higher-income families.

*The comparison group are students with similar socio-economic characteristics as those evaluated, who did not have either BB or NC Pre-K prior to school entry.

**FPL is the abbreviation for Federal Poverty Level



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Local Analysis of NC Pre-K Outcomes

Analysis of Mecklenburg County Students Entering Kindergarten 2011-2013

For NC Pre-K Students, the impact extends to key third grade measures of academic achievement

Third Grade EOG Scores (Mean)		
	Reading	Math
NC Pre-K	439.52	450.96
Bright Beginnings	435.39	448.33
Comparison Group*	437.27	449.05
Students with Families > 200% FPL**	447.11	457.44

Key Takeaways:

- NC Pre-K students remain significantly ahead of the comparison group, but the differences are not large.
- Bright Beginnings students now trail the comparison group slightly.
- A gap remains between students with low-income families and those with higher income families.

*The comparison group are students with similar socio-economic characteristics as those evaluated, who did not have either BB or NC Pre-K prior to school entry.

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Local Analysis of NC Pre-K Outcomes

Pre-K participation is linked to lower rates of chronic absenteeism

	Kindergarten	Third Grade
NC Pre-K	8.19%	6.20%
Bright Beginnings	9.23%	5.58%
Comparison Group*	15.69%	8.89%
Students with Families >200% FPL**	4.95%	3.17%

Key Takeaways:

- NC Pre-K and BB participants were chronically absent less than the comparison group in kindergarten and third grade.
- Both groups had a greater incidence of chronic absenteeism than students with higher income families.

*The comparison group are students with similar socio-economic characteristics as those evaluated, who did not have either BB or NC Pre-K prior to school entry.

**FPL is the abbreviation for Federal Poverty Level



The case for investing in young children

The data is clear: Research has shown that there are multiple benefits of participating in preschool programs including:

- ✓ Improved school readiness
- ✓ Lower rates of grade retention
- ✓ Reduced need for remediation
- ✓ Improved high school graduation rates
- ✓ Reduced interaction with law enforcement
- ✓ Decreased teen pregnancy;
- ✓ Higher rates of college attendance



Source: Society for Research and Foundation for Child Development, "Investing in Our Future: The Evidence Base for Preschool Education"



M e c k l e n b u r g C o u n t y N C . g o v



Early Childhood Education

Universal Pre-K Initiative



Q&A

Responses to the Board's Inquires

Refer to Separate Handout



Revenue

General Fund

County Dollar Revenue

Revenue Source	FY2018 Adopted	FY2019 Projected	Dollar Change	Percent Change
Property Tax	\$784,229,152	\$805,865,941	\$21,636,789	2.76%
Sales Tax	184,528,000	191,250,000	6,722,000	3.64%
Investment Income	5,600,000	9,290,000	3,690,000	65.89%
License & Permits	424,000	269,789	-154,211	-36.37%
Charges for Services*	17,179,015	17,659,235	480,220	2.80%
Other**	14,537,832	14,618,698	80,866	0.56%
General Fund County Dollar	\$1,006,497,999	\$1,038,953,663	\$32,455,664	3.22%
State Certification – Fund Balance			\$6,000,000	
FY2019 County Dollar Revenue			\$38,455,664	
Property Tax Rate Increase - 0.75¢			\$9,631,902	
FY2019 Available Revenue			\$48,087,566	

*Charges for Services primarily consist of Register of Deeds recording fees & deed stamps

** Other Revenue primarily consist of ABC profits, vehicle rental tax and parking fees



Funding Categories

General Fund

	FY2018 Adopted	FY2019 Recommended	Dollar Change	Percent Change
County Services	\$467,257,485	\$478,501,260	11,243,775	2.41%
Pay –go	31,290,800	32,051,500	760,700	2.43%
Education Services	507,949,714	544,032,805	36,083,091	7.10%
Total	1,006,497,999	1,054,585,565*	48,087,566	4.78%

*FY19 total includes the recommended tax rate increase and the \$6M fund balance appropriation to offset the State Certification revenue loss.



What Will The Property Tax Rate Increase Fund?



$\frac{3}{4}$ of 1¢ = \$9.6M



\$250K valued home = \$1.56 month

Early Childhood Education

- 33 pre-K classes
- Serve 600 children
- Childcare subsidy for families in workforce development programs
- Partnership w/Renaissance West



Revenues Forecasting

- The Department of Financial Services works with the County Assessor to forecast revenues
- Improvements to forecasting methods have brought our revenues estimates much closer to actuals
- The 2017 variance of estimated vs. actual revenues was about 1.2% percent of actuals for non-dedicated county funds
- Current forecasts for 2018 property tax and sales tax revenues are on target with 2018 Budget projections
- The 2019 revenue forecast is credible, yet aggressive given uncertainty in vehicle assessed values and sales taxes



Forecasting Methods

- Mecklenburg County utilizes a combination of subject matter experts, integrated forecasting tools, trend analysis, and econometric modeling to provide accurate forecasting.
- Economic factors are used to determine the expectations of future revenue streams and feeds the econometric modeling process.
- Subject matter experts within the departments inform, and modify results based on their in-depth knowledge of the operating environment.
- All forecasts are blended into an integrated forecasting tool to determine the combined effect on the county.



Forecasting Improvements

- Mecklenburg County continues to improve forecast methodologies. In FY18, staff have:
 - Developed a team process for updating our long range model to ensure timely and accurate data
 - Started Economic briefings open to various departments to provide a situational report of the current and future operating environment
 - Continued to develop synergies in agency interactions with the County Economist working with departments to assist in forecasting process.



Property Tax Estimates

- Property tax estimates are generated from assessed values
 - Real Property
 - Personal Property
 - Motor Vehicles
 - State Certifications
- The County Assessor provides the assessed value estimates
- Finance estimates total property tax levy
 - Assessed value * Collection Rate * Tax Rate
- Finance then estimates allocation of the total levy to the General Fund and Debt Service Fund (19.5¢ on the dollar)



Property Tax—Assessed Values

- 2018 Actual assessed values were within 0.3% of the 2018 Budget estimate, on a \$126 billion base.

	FY18 Budget	FY18 Actuals
Real Estate	\$ 102,051,555,007	\$ 102,256,266,991
Personal Property	\$ 9,780,198,691	\$ 10,316,948,883
Motor Vehicles	\$ 9,588,277,342	\$ 9,549,526,402
State Certifications	\$ 4,977,430,181	\$ 4,613,011,144
TOTAL	\$ 126,397,461,221	\$ 126,735,753,420



Property Tax Estimates

2019 Property Tax Revenue Estimates (\$ Millions)				
	Assessed Value	Tax Rate	Collection Rate	2019 Tax Levy
Real Property	105,003.0	0.8232	0.99	855.7
Personal Property	10,709.0	0.8232	0.99	87.3
Vehicles	9,780.0	0.8232	0.99	79.7
State Certifications	4,231.0	0.8232	0.99	34.5
Total	129,723.0	0.8232	0.99	1,057.2
<i>Prior Year Taxes Add</i>				8.3
Total Property Taxes				1,065.50

- Assessed value of 2.63% over the 2018 Budgeted values.
- Proposed Tax Rate of 82.32¢ yields \$9.6 million over current tax rate of 81.57¢.
- Prior year taxes are collections on delinquent taxes—estimates from Office of the Tax Collector, and reflect pilot effort presented in Budget Retreat.



Property Tax Key Drivers

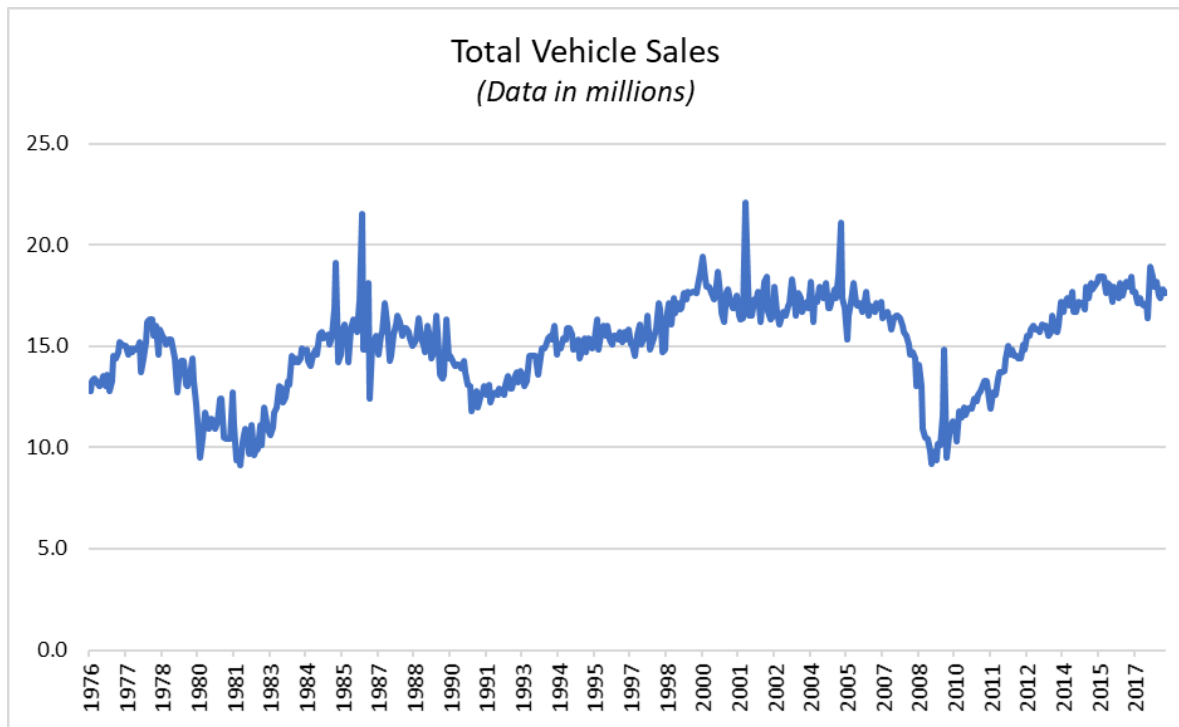
- Assessed values drive Property Tax Estimates
- Scrubbed State Certifications to ensure 75% haircut was ONLY applied where relevant
- Motor Vehicles more volatile with changes in consumer purchasing—but still estimated some growth

Assessed Values			
	2017 Bud	2018 Bud	2019 Bud
Real Property	99,266	102,050	105,003
Personal Property	9,419	9,780	10,709
Vehicles	8,969	9,590	9,780
State Certifications	4,447	4,980	4,231
Total	122,100	126,400	129,723
Growth Rates over Prior Budget			
		2018	2019
Real Property		2.80%	2.89%
Personal Property		3.83%	9.50%
Vehicles		6.92%	1.98%
State Certifications		12.00%	-15.04%
Total		3.52%	2.63%



Level Vehicle Sales

- Vehicle sales have reached the peak of prior expansions and have leveled off.



Vehicle Sales—Other Concerns

- Rising interest rates will increase the cost of buying a new vehicle. The average auto loan in June hit 5.75%. 158 basis points higher than in May, 2017
- Edmunds reports fewer zero percent loans are being offered by auto makers and recently reached the lowest level in seven years.
- The average car loan is financed 72 months
- Recent CPI data show prices have fallen in previous 5 months which reflects changes in suppliers responding to slower demand



Property Tax—Collection Rate

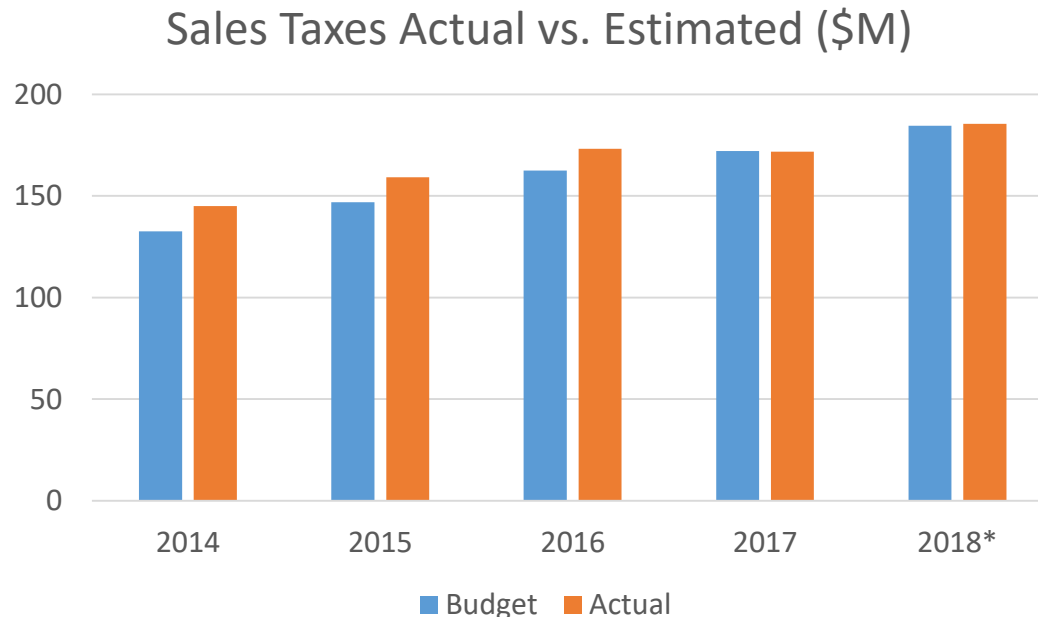
- With the improvements to assessed values—the remaining forecast element is the collection rate
- Over time—we have made improvements to collections, and recognized that in our estimated rates—moving from 97.5% collection rate in 2014 to 99% in recent years
- No longer the cushion we used to have

Tax Collection Rate Budget Assumptions (%)					
2014	2015	2016	2017	2018	2019
97.50	98.10	98.75	99.00	99.00	99.00



Sales Tax Revenue Forecast

- Sales Tax revenues tend to be more volatile due to shifts in consumer behavior (e.g. ecommerce), refunds, and state allocations
- Still, in recent years, forecasts have been very close to actuals

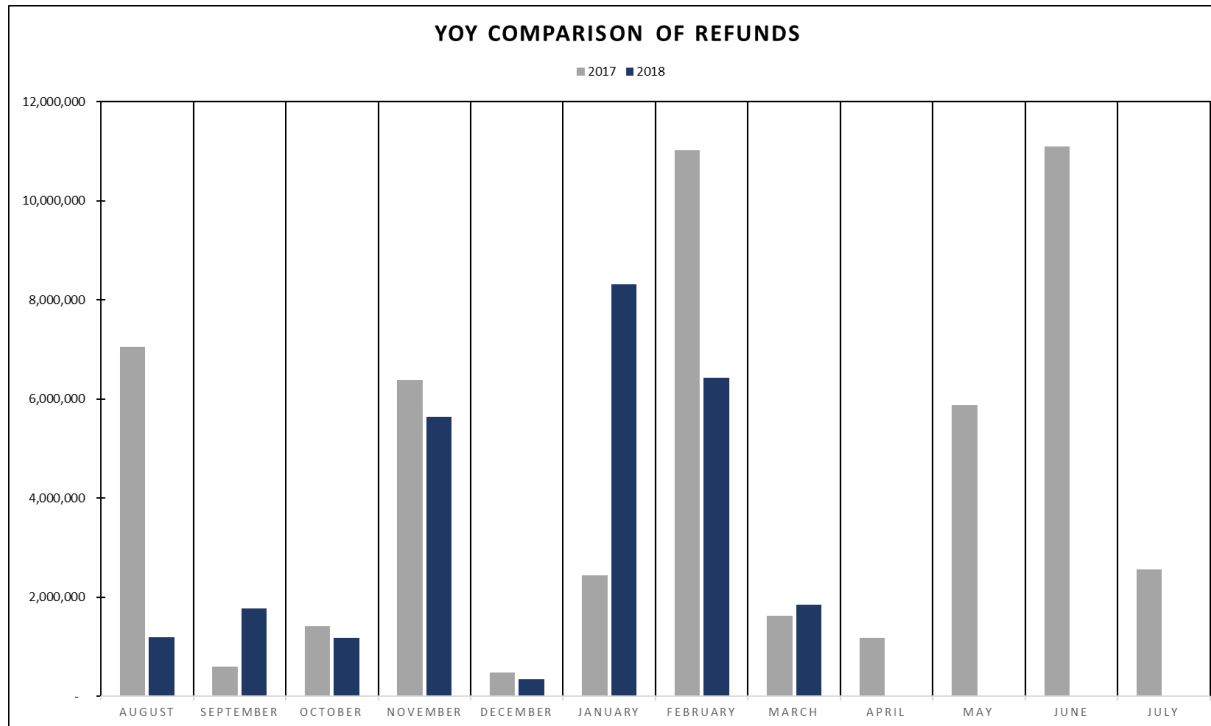


*FY2018 actuals represent estimates as of April 2018



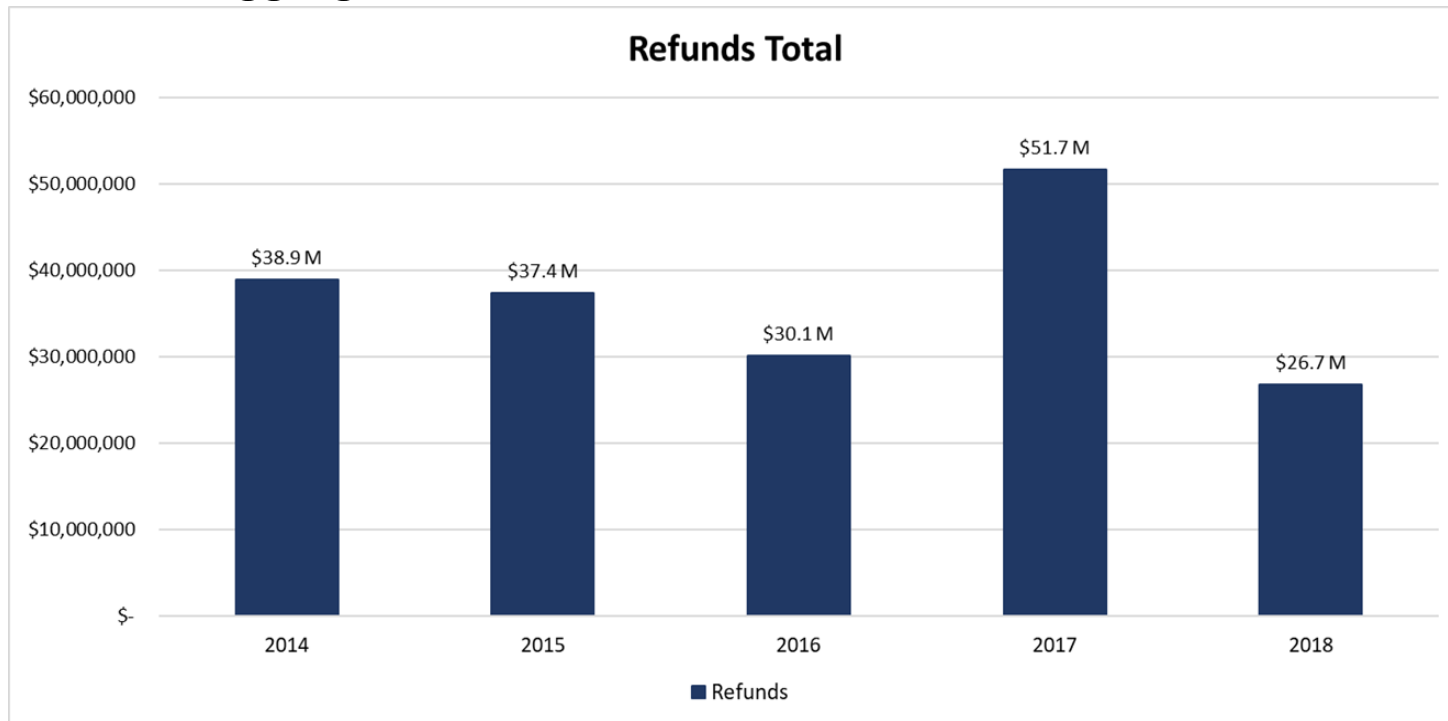
Sales Tax Refunds

- Taxpayers can apply for refunds going back 3 years, actual refunds netted from current sales tax disbursements
- Amount and timing of refunds are volatile leading to “surprises”
- While 2018 refunds to date have been lower than 2017—still uncertain



Sales Tax Refunds

- 2017 was a high mark for sales tax refunds at \$51.7 million
- Revenues forecasts are made on net collections—implicitly reflecting refunds in aggregate



**2018 reflects actual refunds through January*



Sales Tax Forecast Methodology

- Forecast for the budget reflects an estimated growth rate applied to actual collection data
- 2019 Sales Tax Forecast is 3.7% over 2018 Adopted Budget; 2.9% over current 2018 Estimate
 - Reflects actual past growth rates, current year performance, and analysis of county relative to the state and comparable entities
 - Refunds can be from any year—growth rate assumption reflects much higher refund activity in recent years, but no as high as the 2017 peak

	2018 Budget	2018 Current Est.	2019 Forecast
County Fund Sales Taxes (\$M)	\$238.2	\$240.2	\$247.2



General & Debt Service Fund

- A key component of our strong fiscal position and AAA credit rating is our policy ensuring adequate funds for the Debt Service Fund and strong General Fund Balances
- The Budget Forecast includes the revenues allocated to the Debt Service Fund
- The Debt Service Fund receives the full amount of property tax revenue included in the Adopted Budget—even if actual collections fall short
- The 2019 Recommended Budget Allocates roughly \$208 million in property tax collections and \$56 million in Sales Taxes to the Debt Service Fund



Fund Balance Appropriation

Item	FY2019 Recommended
Technology Reserve	\$9,100,000
Other Post Employment Benefit	8,000,000
Capital Maintenance & Repair	8,000,000
Pay-As-You Go	6,410,000
Charlotte-Mecklenburg Schools Security Upgrades	4,600,000
Pedestrian Bridge	3,100,000
Fleet Reserve	2,262,790
Revaluation	1,659,612
NBA All-star Game	600,000
Sheriff's Office Equipment Replacement	510,339
Human Resources Consulting	155,000
Sub-total Fund Balance Expense	\$44,397,741
State Certification Revenue Adjustment	6,000,000
Total Fund Balance Expense	\$50,397,741



Enterprise Reserve

Reserve	FY2018 Adopted	FY2019 Recommended	Dollar Change	Comment
Technology	\$12,417,000	\$9,100,000	-\$3,317,000	Funding for security & infrastructure projects (\$7M) and other technology solutions.
Capital	8,000,000	8,000,000		The funding will support all repairs that are categorized as critical & high priorities, such as roof replacements, water proofing, HVAC & cooler replacements and security upgrades.
Pedestrian Bridge	-	3,100,000	3,100,000	A partnership between the State, County, City & private sectors.
Fleet	1,832,000	2,262,790	430,790	Funding to replace 80 vehicles that are an average of 11 years old with average mileage of 75,000. (Sheriff replacement cycle = 6 years/95K miles)
Total	\$22,249,000	\$22,462,790	\$213,790	





Revenue



Summary of Agency Major Funding Adjustments

Major Investments in County Services

Investing in Employees

Item	Amount
Medical & Dental Insurance – Claims Reductions	-\$5,941,621
Employee Pay-for-Performance Merit Increase	5,881,528
Annualized Merit Increases	1,850,000
Our Health – Year 1 Cost	1,804,500
Annualized funding for new positions approved in FY2018	1,514,356
Local Government Employee Retirement System – LGERS	1,204,031
Sheriff's Office pay plan revisions for recruitment and high turnover positions	-
Total	\$6,312,794

- Effective January 1, 2019: The County will partner with OurHealth to include access to the MyClinics to provide convenient and less costly healthcare.
- Sheriff's Office pay plan revisions will be funded through realignments of existing resources and additional non-County revenue identified by the Sheriff



Agency Major Funding Adjustments

Assessor's Office

Service Name	Item	Recommended Funding	Description
Real Property Valuation*	Revaluation	\$830,000	Funding for (10) temporary Appraisers for canvassing real property.
Real Property Valuation*	Revaluation	428,350	Printing of revaluation notices and appeal letters. Also, overtime for staff to field customer calls.
Real Property Valuation*	Revaluation	315,762	Funding for temporary staff to answer telephones, counter services & respond to e-mails. Also, temporary staff to process appeal applications
Real Property Valuation**	Revaluation	281,000	Software maintenance for Modria system to support the 2019 revaluation.
Property Assessment *	Revaluation	92,000	Funding for anticipated increase in legal fees, and clothing with County logo for field staff,
Total		\$1,947,112	*Funded with Fund Balance ** Includes \$200K from Revaluation Fund



Agency Major Funding Adjustments

Asset & Facility Management

Service Name	Item	Recommended Funding	Description
Facility Management	Utilities	\$660,350	Rate increase & annualized cost for new facilities that opened in FY2018 and scheduled to open in FY2019.
Facility Security	Security	421,770	Enhanced security at civil courts, CCOB, Valerie Woodard & Tuckaseegee Recreation Center
Facility Security	Park Security	372,000	Enhanced park patrols
Facility Management	Maintenance & Repair	334,649	Contractual increase and new facilities opening or expanding
Facility Security	Weapons Screening	272,100	Weapons screening at Criminal Justice Services locations, Kuralt, and Valarie Woodward
Facility Management	Security	213,629	Contractual increase for G4S security guard services and rate increase for CMPD.
Total		\$2,274,498	



Agency Major Funding Adjustments

Attorney's Office

Service Name	Item	Recommended Funding	Description
Attorney	Staffing	\$49,759	Net funding increase for position reclassifications to support the new department.
Total		\$49,759	

Audit

Service Name	Item	Recommended Funding	Description
Audit	Staffing	\$166,054	Funding to (1) IT Auditor and (1) Senior Auditor.
Total		\$166,054	



Agency Major Funding Adjustments

Child Support Enforcement

Service Name	Item	Recommended Funding	Description
Customer Support & Case Management*	Court Services Team	\$433,279	(10) Contract positions to support court services.
Customer Support & Case Management	Lease	10,635	Funding for lease increase.
Total		\$443,914	*Funded with Incentive Revenue

Department of Community Resources

Service Name	Item	Recommended Funding	Description
Community Resources	Staffing	\$229,138	(1) Business Manager; (1) Management Analyst; and additional operating funds (\$50K).
Total		\$229,138	



Agency Major Funding Adjustments

Community Support Services

Service Name	Item	Recommended Funding	Description
Homeless Housing Services	Homeless support	\$309,123	Funding for Legal Aid of NC to expand their ability to provide advice & representation to 250 clients to prevent housing evictions
CSS Administration	Deputy Director	47,208	Additional funding required to reclassify an existing position to a deputy director position
Total		\$356,331	

Criminal Justice Services

Service Name	Item	Recommended Funding	Description
Clerk of Superior Court	E-filing	\$169,067	(2) Positions and software enhancements to improve E-filing orders, including domestic violence orders
Criminal Justice Services	Magistrate	33,302	The County's share for 50% of the cost for (1) Magistrate in North Mecklenburg County
Total		\$202,369	



Agency Major Funding Adjustments

Human Resources

Service Name	Item	Recommended Funding	Description
Human Resource Management*	Consulting	\$155,000	Funding for a consultant contract to design and manage a RFP process for a new benefits plan administrator.
Employee Learning Services	Training	85,000	Funding for a new leadership curriculum & coaching program for mid-level managers
Human Resource Management	Operating	65,000	Increase in operating funds for lab analysis and additional subscriptions for Indeed & LinkedIn to assist with recruitment.
Total		\$305,000	*Funded with fund balance



Agency Major Funding Adjustments

Information Technology Services

Service Name	Item	Recommended Funding	Description
<ul style="list-style-type: none"> IT Security Services IT Quality Services Service Development Senior Administration Technical Services 	Staffing	\$934,437	(11) new full time positions to support IT's strategic business plan & enhanced cyber security.
Technical Services	Telephone & Network	531,698	Funding to support data, telephone, and VOIP charges.
IT Quality Services	Quality Assurance	302,500	Funding to support the implementation of a Quality Center for performance testing functions.
Technical Services	Microsoft	300,277	Contractual increase for Microsoft agreement.
Technical Services	Software	143,619	Funding for Cisco SmartNet maintenance; an asset management system; and, additional Power BI license.
Total		\$2,212,531	



Agency Major Funding Adjustments

Manager's Office

Service Name	Item	Recommended Funding	Description
Administrative Support	Staffing	\$34,802	six month funding for (1) Board Support Assistant
Total		\$34,802	

Non-Departmental

Service Name	Item	Recommended Funding	Description
Arts & Science Council	Cultural Programs	\$125,000	Expansion of arts & science community based programs to all areas of the County.
Equity & Inclusion	Strategic Plan	81,000	Additional funding for a Equity & Implicit Bias strategic business plan and employee training to ensure equal access to services by every resident who needs them.
2020 Census	Census	50,000	Funding for the 2020 census
Total		\$256,000	



Agency Major Funding Adjustments

Office of Economic Development

Service Name	Item	Recommended Funding	Description
Economic Development*	NBA All-Star Game	\$600,000	Funding to support the NBA All-Star game.
Economic Development**	Historic West End	125,000	A 3 year City, County and Center City Partners funding commitment to promote economic development in the historic west end.
Economic Development	Small Business	46,670	An educational program that focuses on increasing the number of businesses that make it through the first (5) years of operations.
Total		\$771,670	*Funded with fund balance **Funded with repurposed funds



Agency Major Funding Adjustments

Park & Recreation

Service Name	Item	Recommended Funding	Description
Park Operations	New Facilities	\$441,052	Annualized cost associated with the opening of new facilities in FY2018.
Park Operations	New Facilities	189,876	Funding for new facilities scheduled to open in FY2019, including (8) new positions.
Recreation Programming	Summer Camps	79,990	Funding for after school & summer camps.
Park Facilities	Lease	44,000	Tax payment, within existing lease agreement, for Tradition public golf course.
Nature Preserves	Programming	11,015	Funding for educational programming at Latta Plantation.
Total		\$765,933	



Agency Major Funding Adjustments

Public Health Department

Service Name	Item	Recommended Funding	Description
Food & Facilities	Staffing	\$286,034	(3) Environmental Health Specialist for restaurant, lodging, and pool inspections.
School Health Services	Nurses	178,245	(3) school nurses for the new CMS schools scheduled to open.
Patient Services	Staffing	147,007	Funding to convert (2) part-time Pharmacists positions to full-time positions to improve and maintain federal compliance with drug pricing regulations & requirements
Health Promotion	Breast & Cervical Cancer Screening	126,000	Funding to offset the state reduction for breast and cervical cancer screening.
Communicable Disease	Staffing	91,462	(1) Preparedness Coordinator to support continuity of preparedness operations.
Health Promotion	Village Heartbeat	25,000	An increase in funding to address health disparities in the community.
Total		\$853,748	



Agency Major Funding Adjustments

Public Information

Service Name	Item	Recommended Funding	Description
Web Services	ADA	\$20,000	Funding for website ADA compliance
Total		\$20,000	

Public Library

Service Name	Item	Recommended Funding	Description
Library Services	Collections	\$2,500,000	Replacement & purchase of books and materials
Library Services	Software	82,000	Upgrade and contractual increase for circulation system
Total		\$2,582,000	



Agency Major Funding Adjustments

Sheriff's Office

Service Name	Item	Recommended Funding	Description
Detention Services**	Pay Plan	\$3,400,000	Sheriff's Office pay plan revisions for recruitment and high turnover positions
Detention Services*	Dispatch & Food Service Equipment	510,339	Funding to support a new dispatch system and replace food service equipment.
Detention Services	Inmate High School	162,578	Funding to support increase cost for Inmate High School
Detention Services	Contracts	161,400	Contractual increase for medical & maintenance.
Total		\$4,234,317	* Funded with Fund Balance **Funded through realignments of existing resources & additional non-County revenue identified by the Sheriff



Agency Major Funding Adjustments

Social Services			
Service Name	Item	Recommended Funding	Description
Administrative Support	Staffing	\$50,862	(1) Administrative Support position to support the HHS integrated mailroom operations.
Facilities Management	Lease	35,314	Rent increase for Charlotte East location.
Adult Services	Adult Guardianship	30,000	Additional funding to support temporary staff to provide after hours coverage for the Adult Protective Service Line.
Total		\$116,176	





Summary of Agency Major Funding Adjustments

Major Investments in County Services



Community Service Grants

Community Service Grants Process

- Sunset provision was applied if agency received funding for (3) consecutive years
- A community service grant's process orientation was held on October 27, 2017
- The funding methodology focuses on buying results **and** funding new providers
- Grant applications were reviewed by County department representatives
- Nonprofit services must fill a gap in the department's strategic business plans



Community Service Grants

Community Service Grants	FY2019 Recommended
Bethesda Health Center: You Are Not Alone	\$150,000
CW Williams	390,000
Lake Norman Community Health Clinic	140,000
Veterans Bridge Home	200,000
Wings for Kids, Inc.	100,000
YMCA Greater Charlotte – Parents as Teachers	117,500
Total: Community Service Grants	\$1,097,500



Vendor Agreements

Vendor Agreements	County Department	FY2019 Recommended
100 Black Men of Charlotte – Movement of Youth	Community Support Services	\$20,000
Ada Jenkins Families: AJC Human Services	Community Support Services	25,000
Arts & Science Council: - Studio 345	Community Support Services	350,000
Bethesda Health Center: Access to Care	Public Health	165,000
Big Brothers Big Sisters: Mentoring 2.0	Community Support Services	25,000
Big Brothers Big Sisters: School Based Mentoring	Community Support Services	50,000
Care Ring, Inc: Nurse Family Partnership	Public Health	250,000
Care Ring, Inc: Physicians Reach Out	Public Health	250,000



Vendor Agreements cont'd

Vendor Agreements	County Department	FY2018 Recommended
Center for Community Transitions: LifeWorks	Criminal Justice Services	\$100,000
Charlotte Community Health Clinic: Homeless	Public Health	270,919
Communities In Schools: Building Student Success	Community Support Services	900,000
Community Culinary School: Workforce Culinary Arts	Social Services	80,000
Latin American Coalition: Economic Mobility Center	Social Services	50,000
NC MedAssist: Free Pharmacy Program	Public Health	550,000
Sr. Activities & Services: Self Management for Seniors	Park & Recreation	95,000
Shelter Health Services: Healthcare for Homeless	Public Health	69,000
Urban League: Continuum of Opportunity	Social Services	50,000
Total: Vendor Agreements		\$3,299,919



Community Service Grants Recommended for Sunset

Agency	FY2018 Adopted	FY2019 Recommended
A Child's Place – Homeless Children & Families in Charlotte-Mecklenburg	\$50,000	--
Hope Haven – Therapeutic Community	41,500	--
Teen Health Connection – Clinical Health Educator	50,000	--
YWCA Central Carolina – Youth Programs	50,000	--
Total: Community Service Grant Sunset Recommendation	\$191,500	--





Community Service Grants



Education

Early Childhood Education

Funding Categories	FY2018 Adopted	FY2019 Recommended	Dollar Change	Percent Change
Pre-K*	-	\$9,000,000	\$9,000,000	-
Childcare Subsidy	6,000,000	6,773,890	773,890	12.90%
Total	\$6,000,000	\$15,773,890	\$9,773,890	162.90%

*Includes \$300K for Renaissance West



Charlotte-Mecklenburg Schools

Funding Categories	FY2018 Adopted	FY2019 Recommended	Dollar Change	Percent Change
CMS Operating	\$426,444,699	\$450,680,121	\$24,235,422	5.68%
Deferred Maintenance Plan	18,000,000	18,000,000	-	-
CMS Capital Replacement	4,960,000	4,960,000	-	-
Public Schools Security	-	4,600,000	4,600,000	-
CMS Total	\$449,404,699	\$478,240,121	\$28,835,422	6.42%



Charlotte-Mecklenburg Schools

Recommended for Funding

Funding Categories	Requested Amount	Recommended Amount	Dollar Variance	Description
Salaries & Benefits	\$11,020,317	\$11,020,317	-	Local impact of an average 3% for school admin and non-certified staff and an average 7% increase for certified staff and Board members
Student Support Services	4,656,787	4,656,787	-	Funds 33 elementary guidance counselors; 17 social workers; and, 10 psychologists
Student Growth	3,393,269	3,393,269	-	Charter School Enrollment Growth – 1,872 students
Retirement	2,779,603	2,779,603	-	Local Impact of rate increase from 17.33% to 18.44%
Sustaining Operations	784,543	784,543	-	House Bill 90 - County supplement pay required as State adds 90 program enhancement teachers (art, physical education, health education, & world languages)
Health Insurance	678,156	678,156	-	Local Impact of rate increase from \$5,869 to \$6,104
Maintenance	605,433	605,433	-	Maintenance and operations for additional space, including (11) custodians & 3 pest control specialists
Add'l Facility Space	317,314	317,314	-	Additional staffing allotments for (1) elementary school, (1) new K-8 school & (1) new middle school
Total	\$24,235,422	\$24,235,422	-	



Charlotte-Mecklenburg Schools Not Recommended For Funding

Funding Categories	Requested Amount	Description
Salaries & Benefits – Local Supplement	\$6,884,491	7% increase on supplement amount for teachers & certified staff
Instructional Applications	3,800,000	Literacy platform for grades 4-12 and Instructional online application for teachers
Custodial Staffing	1,823,933	Funding for (46) additional custodians. (1:265sqft ratio)
English Learners (EL) Teachers	1,464,730	Funding for (20) additional EL teachers. (1:67 ratio)
Security Enhancement Staff	623,586	Funding for (5) additional police and active shooter training.
Cultural Proficiency	500,000	Funding for diversity & cultural differences training for 800 educators
AVID Expansion	455,858	(Advancement Via Individual Determination) - The expansion of a program that focuses on student outcomes to 31 additional sites
Total	\$15,552,598	



Central Piedmont Community College

Funding Categories	FY2018 Adopted	FY2019 Recommended	Dollar Change	Percent Change
CPCC Operating	\$35,149,940	\$36,765,175	\$1,615,235	4.60%
Deferred Maintenance Plan	4,000,000	4,000,000	-	-
Capital Reserve (FY18 One Time Funding)	700,000	--	-700,000	-100.00%
CPCC Total	\$39,849,940	\$40,765,175	\$915,235	2.30%

The Manager's recommendation funds 100% of the County's community college obligation and CPCC's request minus a salary supplement (\$637K)



Other Education Investments

Funding Categories	FY2018 Adopted	FY2019 Recommended	Dollar Change	Percent Change
Public Library	\$33,653,433	\$36,105,228	\$2,451,795	7.29%
Public School's Health Nurses	15,802,856	16,521,868	719,012	4.55%
Pre-Kindergarten Classes	-	9,000,000	9,000,000	-
Child Care Subsidy Program Expansion	6,000,000	6,773,890	773,890	12.90%
Education Support Services – Nonprofits	1,520,000	1,370,000	-150,000	-9.87%
ASC – Cultural Programming	675,000	800,000	125,000	18.52%
Read Charlotte	100,000	100,000	-	-
Read Charlotte – Data Collaborative	100,000	100,000	-	-
Other Education Investments	\$57,851,289	\$70,770,986	\$12,919,697	22.33%





Education Funding

Investing in Education Services



FISCAL YEAR
2019

RECOMMENDED BUDGET

MECKLENBURG COUNTY NORTH CAROLINA

