

May 16, 2005

Chairman: Michael Allen

Commissioners: Tom Fleming, John Frye, Bobby Knight, and Richard Poindexter  
Citizens of Davie County

RE: Davie County 2005-2006 Proposed Budget

Submitted for your consideration is the 2005-2006 budget for Davie County. This budget is balanced at \$75,501,293. I would like to thank the commissioners again this year for the many long hours of service and leadership they are giving the citizens of Davie County. Most citizens are unaware of the demands required to be a responsible elected official. I personally want to thank you for your support of our staff, who I believe are doing an exceptional job.

Again this year the budget does not include any State revenue which I consider to be at risk from the state. As noted by our bond rating companies we must continue to build our undesignated fund balance in our general fund to ensure a favorable bond rating. This budget maintains a 61 cent tax rate, which does reflect an increase due to a revaluation completed this year, revenue neutral would be 56 cents. These additional funds are needed mainly to fund a new middle school for Davie County at a cost of approximately \$12 million.

I should note that many projects again this year go unfunded. Our staff continues to look for all outside funding sources such as grants, foundations and changes in state and federal funding requirements each year. We continue to look at other ways of cutting operational costs internally. Many essential needs were cut from this year's budget and ways of funding these needs must be address by the commissioners in the coming year.

In closing I want to thank all the volunteer boards and committees that help make the citizens government in Davie County the best we can be. May we continue to move the county forward in a positive way.

The highlights of this year's budget are as follows:

- . A 2% wage increase for all full time employees
- .\$12 million funding for the construction of a new middle school
- .\$620,000 funding to purchase an existing building for Health and Social Services which Includes restoration
- .\$1.3 million funding for a new Senior Center and expanding the program to Farmington
- . Final payment of \$50,000 for the new animal shelter
- .\$45,000 final payment for the River Park Project in Cooleemee
- .\$329,000 additional Court House restoration
- . Transition to Full-Time Veterans Service position
- .\$65,000 funding to begin restoration of the New Horizon, RC Smith building
- . A 3% increase in water and sewer rates
- .\$63,000 additional funding for the Community College, for a welding program, driving course for emergency responders and a lab for the nursing program
- .\$300,000 of incentives for Avgol America to expand their facility and create new jobs in Davie
- . Increase in landfill fees from \$5 to \$10 at the drop off station and a \$2 per month increase in monthly pickup fees for GDS beginning July 1, 2005
- . A 3% increase in inspection fees
- .Most County departments held the line on spending

Respectfully Submitted

Terry Bralley  
Davie County Manager