



Cabarrus County Board of Commissioners
Budget Workshop · May 24, 2016 · 4:00 P.M.
Multipurpose Room, Governmental Center

- | | |
|--|------------------|
| 1. Call to Order | 4:00 p.m. |
| 2. Finance - Overview of FY 2017 Budget Process | 4:00 – 5:15 p.m. |
| 3. CVB – Presentation of FY 2017 Budget Request | 5:15 – 5:35 p.m. |
| 4. EDC – Presentation of FY 2017 Budget Request | 5:35 – 6:15 p.m. |
| 5. Break | 6:15 – 6:30 p.m. |
| 6. RCCC – Presentation of FY 2017 Budget Request | 6:30 – 7:00 p.m. |
| 7. Carolina Farm Stewardship Association (CFSA) – Lomax Farm | 7:00 – 7:15p.m. |
| 8. General Board Discussion | 7:15 – 8:00 p.m. |
| 9. Recess to May 26, 2016 at 4:00 p.m. | |



CABARRUS COUNTY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP

MAY 24, 2016
4:00 P.M.

AGENDA CATEGORY:

New Business

SUBJECT:

Finance - Overview of FY 2017 Budget Process

BRIEF SUMMARY:

Staff will present an overview of the FY 2017 budget process and respond to questions from the Board.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

1 Hour, 15 Minutes

SUBMITTED BY:

Susan Farrington, Finance Director
Kristin Jones, Senior Budget Analyst
Pam Dubois, Senior Deputy County Manager

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS

[Presentation](#)

FY17 Manager's Proposed Budget

May 24, 2016



Attachment number 1 in

Overview and Outside Agencies

- ▶ Tuesday, May 24
 - Overview of Budget Process
 - Convention and Visitors Bureau
 - Economic Development Corporation
 - Rowan Cabarrus Community College
 - Carolina Farm Stewardship Association (CFSA) – Lomax Farm
 - General Discussion
 - Recess to May 26



Schools and Outside Agencies

- ▶ Thursday May 26
 - Cabarrus County Schools
 - Kannapolis City Schools
 - Cabarrus Health Alliance
 - Fire Districts
 - General Discussion
 - Recess to June 6 (for further discussion if needed)



County Budget Overview



All Funds Summary (Budget book pg. 36)

Funds	FY16 Revised	FY17 Manager	Dollar Change	Percent Change
General	\$247,972,370	\$233,106,684	(\$14,865,686)	(5.99%)
Landfill	1,605,627	880,910	(724,717)	(45.14)%
911 Emergency Telephone System	1,230,625	658,311	(572,314)	(46.51%)
Arena & Events Center (Arena & Fair)	1,767,870	1,569,069	(198,801)	(11.25%)
Health/Dental Insurance	9,673,897	9,929,798	255,901	2.65%
Workers Comp/Liability	1,590,480	1,638,878	48,398	3.04%
Total	\$263,840,869	\$247,783,650	(\$16,057,219)	(6.09%)



Overall Summary

	FY16 Revised	FY17 Proposed	Change	Percent Change
Tax Rate	\$0.70	\$0.70	-	-
Valuation	\$20,008,671,688	\$21,270,628,690	\$1,261,957,002	6.31%
Penny	\$1,942,077	\$2,086,189	\$144,112	7.42%
All Funds	\$263,840,869	\$247,783,650	(\$16,057,219)	(6.09)%
General Fund	\$247,972,370	\$233,106,684	(\$14,865,686)	(5.99%)
FTE	1042.03	1074.05	32.02	3.07%



Change in FTE from FY16 to FY17

FTE Comparison	FTE equivalent	Change in FTE
FY16 Adopted	1,044.77	
FY16 Revised	1,042.03	(2.74)
FY17 Proposed	1,074.05	32.02

During FY16, the Board converted 33 temporary positions (5.46 FTE's) in Active Living and Parks into 5 Seasonal Positions for Administrative Simplicity and flexibility in scheduling staff based on need versus FTE budget per staff member.

The Board also voted in January 2016 to add 3 positions (2.72 FTE's) for the transition of the Animal Shelter Operations from the Humane Society to the County.



General Fund by Revenue Source (Budget book pg. 57)

Revenue Source	FY16 Revised	FY17 Proposed	Dollar Change	Percent Change
Ad Valorem Taxes	\$137,394,980	\$146,714,972	\$9,319,992	6.78%
Other Taxes	44,368,765	46,082,453	1,713,688	3.86%
Intergovernmental Revenues	20,585,234	21,244,006	658,772	3.20%
Permits & Fees	5,115,325	5,559,370	444,045	8.68%
Sales & Services	10,282,117	10,698,507	416,390	4.05%
Investment Earnings	145,000	280,000	135,000	93.10%
Miscellaneous	654,228	446,335	(207,893)	(31.78%)
Other Financing Sources	29,426,721	2,081,041	(27,345,680)	(92.93%)
Total	\$247,972,370	\$233,106,684	(\$14,865,686)	(5.99%)



General Fund by Expenditure Category (Budget book pg. 57)

Expense Category	FY16 Revised	FY17 Proposed	Dollar Change	Percent Change
Personnel Services	\$64,966,608	\$67,378,485	\$2,411,877	3.71%
Operations	180,665,027	162,888,126	(17,776,901)	(9.84%)
Capital Outlay	2,340,735	2,840,073	499,338	21.33%
Total	\$247,972,370	\$233,106,684	(\$14,865,686)	(5.99%)



Ad Valorem Taxes

- ▶ Ad Valorem taxes revenues are projected to add an additional \$6,685,224 to the FY17 revenues.
- ▶ Regular growth is expected to add \$3,104,082 (2% growth) and revaluation is expect to add \$3,581,142 (3.1% increase).



Sales Taxes

- ▶ During FY15 and FY16, the County experienced similar sales tax collections. The North Carolina Association of County Commissioners projected a 5.4% growth for FY16 that we have not experienced in the first eight months of FY16. The NCACC recommends a 4.6% growth increase for FY17. We decided to use 2.5% based on past history, unknown service expansion history, future redistribution amounts given to 79 other counties.



Other Revenues

- ▶ **Building Inspections**

Due to growth in Building Inspection permits, the revenues are anticipated to continue growing at a 5% growth for FY17. The growth experienced in FY16 and the 5% growth expected in FY17 will increase Building Inspection revenue \$135,000 over FY16 revised budgeted amounts.

- ▶ **Register of Deeds**

Due to growth in Building Inspection permits, corresponding increases in Register of Deeds fees were experienced in FY16. Fees are anticipated to grow at a 13% rate for FY17. The growth experienced in FY16 and the 13% growth expected in FY17 will increase Register of Deeds revenue \$281,000 over FY16 revised budgeted amounts.



Other Revenues continued

- ▶ Lottery

Lottery fund revenue has remained constant during the past few years. The County receives approximately \$2,000,000 per year. The funds are used to make debt service payments.



Personnel and Benefits



New Position Detail (Budget book pgs. 71 – 73)

▶ New Positions (FTE)

- 1 Real Property Appraiser (Residential) – to make revaluation an on-going process
- 1 Senior Real Property Appraiser (Commercial) – to make revaluation an on-going process
- 1 Grounds Maintenance Worker – for Rob Wallace park
- 1 Building Maintenance Worker – expanding services and building needs
- 2 Civilian Telecommunicators – to meet 911 communication needs due to increased population
- 3 Deputies – (2) Courthouse Security, (1) School Resource Officer – for new Odell Intermediary School
- 2 Codes Enforcement Officers – growth in demand of services
- 1 Emergency Planner – increased growth in County and increased requirements in the radiation protection program (this re-establishes 2010 position level)



New Position Detail (Budget book pgs. 71 – 73)

▶ New Positions (FTE)

- 4 Crew Chiefs (2 of the 4) Positions will be hired January 2017
- 6 Paramedics (2 of the 6) Positions will be hired January 2017
- 3 Child Welfare Social Work Assessment Workers – positions were approved early (May) – due to an increase in cases
- 1 Child Welfare Administrative Associate – administrative assistance needed to assist with high caseload volume
- 1 Child Welfare Social Work Trainer – handles all high profile cases and trains new hires (this is a new classification similar to lead workers in Economic Services).
- 1 Child Support Program Associate – clerical support for worker caseloads (state standard)
- 1 Income Maintenance Supervisor II – increase in cases
- 5 Income Maintenance Caseworkers – increase in Medicaid and Family and Children's Services cases



New Position Detail (Budget book pgs. 71 – 73)

- ▶ Deleted Positions (FTE)
 - 2 part-time Paramedics and 1 part-time EMT (0.70) – due to reorganization with 12 hour shifts
 - 3 temporary Data Collectors (3.0) – revaluation is complete

- ▶ Net positions 28 (FTE's 32.02)



Other Position Detail (Budget book pg. 73)

- ▶ Reclassifications to:
 - 1 Temporary Assessment Associate to full-time (0.0)
 - 1 EMS Crew Chief (grade 68) to EMS Relief Supervisor (Grade 69) – (0.0)
 - 1 Literacy and Volunteer Coordinator grade 65 to grade 68 – (0.0)
- ▶ Change in Hours
 - Part-time EMT, Paramedics net change in hours (.92)
 - Adoption/Recue Coordinator increase from part-time (.72) to full-time (net increase of .28)
 - 1 Part-time Codes Enforcement Officer to full-time (.52)
- ▶ Transfers
 - 1 Animal Control Position to Animal Shelter Division (0.0)



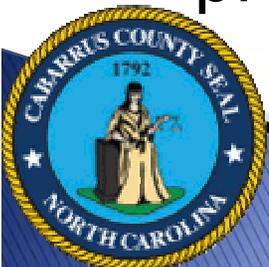
Benefits: Merits and COLA

- ▶ The County Personnel Ordinance states that the cost of living allowance will be made at the beginning of each fiscal year based on the consumer price index (CPI) increase for the previous calendar year, with the adjustment rounded down to the nearest $\frac{1}{2}\%$. This years COLA is .5, total cost \$268,000.
- ▶ The merit plan is based the employee's performance evaluation and is considered for a merit on their anniversary date of hire up to 2.5%, total cost \$726,000.



Benefits: Health Insurance and Workers Compensation

- ▶ The Board approved health insurance cost of \$7,722 per employee for FY17. This was an increase of \$30 per employee over FY16.
- ▶ The County contributed \$783,444 to fund the operations of the Workers Compensation Fund in FY16 and proposes to keep the funding at the same level for FY17.
- ▶ Contributions to these funds are evaluated on an annual basis to ensure that adequate coverage is provided to fund the cost of the programs.



Debt Service Changes

- ▶ Completed final capital lease payment for 911 Equipment in FY16.
- ▶ Issued \$73,785,000 in Limited Obligation Bonds on March 31, 2016. This will result in a new \$7,024,013 payment in debt service.
- ▶ With normal decreases in debt service payments and the issuance of new debt, the net increase in debt service is \$5,531,233.



Education



Public Schools Summary

(Budget book pgs. 339– 346)

Funding Category	FY16 Adopted	FY16 Revised	FY17 Proposed	Amended Change
Current Expense	\$61,145,113	\$62,533,462	\$67,370,262	\$4,836,800
Capital	2,514,956	5,049,281	1,120,000	(3,929,281)
Debt Service	32,242,713	31,242,714	37,180,219	5,937,505
County Technology Server/Backup	84,000	84,000	84,000	–
School Nurses	2,377,375	2,377,375	2,621,040	243,665
Total	\$98,364,157	\$101,286,832	\$108,375,521	\$7,088,689



Rowan–Cabarrus Community College (Budget book pg. 346)

Funding Category	FY16 Adopted	FY16 Revised	FY17 Proposed	Amended Change
Current Expense	\$2,262,755	\$2,268,205	\$2,489,397	\$221,192
Capital	100,000	784,442	130,000	(654,442)
Debt Service	229,908	229,908	223,450	(6,458)
Total	\$2,592,663	\$3,282,555	\$2,842,847	\$(439,708)



Outside Agencies



Contributions to Other Agencies

Agency	FY16 Revised	FY17 Proposed	Dollar Change	Percent Change
Arts Council	\$26,000	\$26,000	-	-
Juvenile Crime Prevention Council	303,203	295,111	(8,092)	(2.67%)
Medical Examiner	122,500	122,500	-	-
NC Forest Service	73,858	76,522	2,664	3.61%
Fire Districts – Sales Tax	808,185	847,335	39,150	4.84%
Obligation to the City Of Kannapolis	1,512,804	1,511,429	(1,375)	(0.09%)
Carolina Farm Stewardship Association	40,000	25,000	(15,000)	(37.5%)
Economic Development Corporation	400,000	400,000	-	-
Cabarrus Health Alliance (includes School Nurses)	6,011,824	6,343,345	331,521	5.51%
Veterinarian Services	15,000	15,000	-	-
Cardinal Innovations Healthcare Solutions	614,020	614,020	-	-
Special Olympics	57,687	57,687	-	-
Total	\$9,985,081	\$10,333,949	\$348,868	3.49%



Capital Improvement Plan



FY17 Projects (Budget book pgs. 79–147)

Function/Division	Project	Funding Source	Cost	Page
General Government	Parking Deck Downtown	Capital Reserve Funds to Construction/Renovation Fund	\$ 150,000	88
Infrastructure and Asset Management	Cabarrus County Schools/IAM Warehouse	Capital Reserve Funds to Construction/Renovation Fund	2,000,000	94
Public Safety	Courthouse Expansion/Relocation	Capital Reserve Funds to Construction/Renovation Fund	100,000	100
Rowan Cabarrus Community College	Additional South Campus Building	Capital Reserve Funds to Construction/Renovation Fund	2,229,439	143
Mt. Pleasant Middle School	Mt. Pleasant Middle School Replacement	Capital Reserve Funds to Construction/Renovation Fund	1,818,308	144
Soil and Water Conservation	Prime Farmland Soil	Multi-year Fund	125,000	104



FY 17 Projects (continued) (Budget book pgs. 79–147)

Function/Division	Project	Funding Sources	Cost	Page
Royal Oaks Elementary	Replacement of Royal Oaks Elementary	Capital Reserve Funds to Construction/Renovation Fund	\$ 1,607,400	145
Kannapolis Middle School	New Kannapolis Middle School	Capital Reserve Funds to Construction/Renovation Fund	2,817,629	146
Information Technology Services	County Website	Capital Reserve Funds to Construction/Renovation Fund	250,000	95
Active Living and Parks	Rob Wallace Park	Capital Reserve Funds to Construction/Renovation Fund	1,769,375	127
Economic Development	Renovation of 2325 Lake Concord Road	Capital Reserve Funds to Construction/Renovation Fund	195,000	96
Cabarrus County Schools	Annual Capital Outlay	General Fund	1,020,000	140
Kannapolis City Schools	Annual Capital Outlay	General Fund	100,000	141
Rowan Cabarrus Community College	Annual Capital Outlay	General Fund	100,000	142
Total			\$14,282,151	

Summary

- ▶ All projects beyond FY17 have no funding source assigned to them.
- ▶ The County is working with both School Districts and the Community College to develop a extensive Capital and Maintenance list for future years request.



5 Year Plan

- ▶ The 5 year plan provides a one page summary of the major changes in the budget from FY16 to FY17. It also provides a projections into the future for the next four years of projected revenue growth and some of the major projected expenditures.
- ▶ A copy of the 5 year plan is provided at the end of this presentation for your reference.



Capital Reserve Funds: Proposed Usage of Balance of Funds:

		Balance
		\$ 13,683,458.00
Cabarrus County Schools FY 2017: (funded)		
Mobile Units	\$ 1,110,000.00	
Buses	875,000.00	11,698,458.00
<hr/>		
Cabarrus County Projects List FY 2017	5,513,875.00	6,184,583.00
Kann Intermediate Sch Reno for Elem	750,000.00	5,434,583.00
RCCC FY 2017:		
CBTC Campus Renovations, Safety, Security	184,075.00	5,250,508.00
CBTC A/C Units Replacement Phase II	105,000.00	5,145,508.00
School Land Banking	5,145,000.00	508.00



Unallocated contingency Funds for FY16:

- ▶ Currently in the FY2017 budget, contingency contains an unallocated amount of funds for use at the boards discretion. The amount of these funds are \$1,739,588. One potential use of these funds is contained in the following slides.



Cabarrus County Manpower & Staffing Unit Proposal



Attachment number 1 in

Volunteers By The Numbers

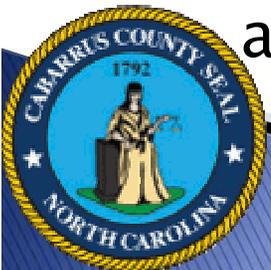
- ▶ Overall decrease in volunteers. In 2001, there were around 415 volunteers compared to 294 volunteers in 2014.



- ▶ Over the last couple of years, a number of volunteer departments have seen a turnover in the position of Fire Chief. While this is not a negative, it can create recruitment and retention issues within a department. This is also reflective of the demand and responsibilities associated with this position.

Impacts on Recruitment & Retention

- ▶ Time Demands
- ▶ Changes In Sociological Conditions
- ▶ Increasing Call Volume
- ▶ Training Requirements
 - Firefighter Certification – 344 hours
 - Hazardous Materials Responder – 38 hours
 - Emergency Medical Technician – 200 hours
- ▶ In order for a new volunteer member to be fully functional in the operational aspects of the department, they would be expected to attend an estimated 582 hours of training before being able to practice/function in this capacity.



Fireground Safety

- ▶ Occupational Safety & Health Administration (OSHA)
 - 29 CFR 1910.134(g)(4) – Procedures for Interior Structural Firefighting
 - (2 In/2 Out) – At least (2) employees enter the Immediately Dangerous to Life & Health (IDLH) atmosphere and at least (2) employees are located outside the IDLH atmosphere.
- ▶ Both NFPA 1500, 1720 and OSHA reference initial firefighting operations and how it relates to the number of members/employees operating in hazardous and non-hazardous environments.
- ▶ Each department must be able to provide the minimum number of members/employees to ensure for the rescue of these individuals operating in hazardous/IDLH environments at emergency incidents.



Guilford County Program

- ▶ Implemented (9) years ago.
- ▶ Becoming the model throughout the state.
- ▶ Hired (12) full-time staff members and part-time staff members (utilized as needed).
- ▶ Crews operate on a 24 hour shift and respond to incidents with (1) manpower/quick response vehicle.
- ▶ FY 2016–2017 Guildford County budget request proposed adding (1) additional manpower/quick response vehicle and hiring (5) full-time staff members.



Implementation

- ▶ Hire (4) full-time staff members and 640 part time hours.
- ▶ Start date of January 2nd 2017.
- ▶ Base location EMS Station 2 Hwy 49
- ▶ Respond with all volunteer fire departments
- ▶ Implementation of this program was discussed with all departments at our quarterly chief's meeting in April 2016.



Cabarrus Manpower Unit Cost

- ▶ Cost to fund the staff and operating cost:
 - ▶ Salaries and Benefits 109,300
 - (4 full time staff and 640 part time hours)
 - ▶ Reoccurring operating cost 6,800
 - ▶ 50 % of the annual cost to operate 116,100
 - ▶ Initial Equipment / Vehicle 137,500
 - ▶ Total Cost (Jan 2, 2017) \$253,600







Final Budget Changes

- ▶ The Budget process cuts off in April to allow staff time to prepare the document for presentation to the Board. During this time of assembling the document, changes are discovered and final ADM figures for Schools are received. The following schedule details the changes identified up to May 16, 2016.



FY 2016–17 Budget Changes

Department	Description	Effect on Expenses	Effect on Revenues	Explanation
	General Fund Proposed Budget	\$ 233,106,684	\$ 233,106,684	
School – CCS – Regular Instructional	Funds Provided to Match State Salary Increase	(1,712,088)		Transfer from CCS Regular Instructional Services
School – CCS – Regular Instructional	Funds for Teachers Supplements at 5%	553,124		Transfer From Contingency – Unallocated
Contingency – CCS	Transfer Funds from Current Expense to Contingency until State adopts Budget	1,712,088		Transfer from CCS Regular Instructional Services
Contingency – Unallocated	Transfer Funds to cover teachers supplement	(553,124)		Transfer From Contingency – Unallocated
Schools – KCS – Regular Instructional	Funds Provided to Match State Salary Increase	(52,000)		Transfer from KCS Regular Instructional Services
Contingency – KCS	Funds Provided to Match State Salary Increase	52,000		Transfer from KCS Regular Instructional Services
Contingency – Unallocated	Funds for KCS for State Salary Match from Contingency unallocated	(47,000)		Transfer funds within contingency from unallocated to KCS – Regular Instructional
Contingency – KCS	Funds Provided to Match State Salary Increase	47,000		Transfer funds within contingency from unallocated to KCS – Regular Instructional
EMS	Community Paramedic Program		50,000	Increase in funding from Northeast
EMS	EMS Medical Director	10,000		Increase in FY16 salary

Attachment number 14

FY 2016–17 Budget Changes

Department	Description	Effect on Expenses	Effect on Revenues	Explanation
Facility Services	Remove 1 Custodian position	(25,991)		Error adding extra custodian position
Planning and Development	Moving 911 Address Coordinator position to 911 Emergency Telephone Fund	(82,721)		All personnel costs associated with 911 Address Coordinator position will be reflected in the 911 Emergency Telephone Fund
Planning and Development	Moving 911 Address Coordinator position to 911 Emergency Telephone Fund		(81,041)	No longer a contribution from the Special Revenue Fund to the General Fund
Board of Commissioners	NCACC Dues	295		Dues for NCACC increased costs
Child Welfare	Temp Positions	35,712		Additional 2 months for 3 Temp Workers
Elections	Elections Conference	(3,725)		Removal of Elections Conference for the Director
RCCC	Reduce Current Expense/Capital Request in wrong account	(137,871)		Repairs to West Avenue Cosmetology Facility
RCCC	Increase Capital for Repair to Cosmetology Facility	120,000		Repairs to West Avenue Cosmetology Facility
Non-Departmental	Salary Study	86,057		Salary Study adjustments
Non-Departmental	Decrease to unallocated contingency		32,797	Decrease to unallocated contingency
	Total Fund Changes	1,756	1,756	
	New Fund Total	\$233,108,440	\$233,108,440	



CABARRUS COUNTY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP

MAY 24, 2016
4:00 P.M.

AGENDA CATEGORY:

New Business

SUBJECT:

CVB - Presentation of FY 2017 Budget Request

BRIEF SUMMARY:

Representatives from the Convention and Visitors Bureau/Tourism Authority will present their FY 2017 budget request and respond to questions from the Board.

REQUESTED ACTION:

Receive input.

Motion to suspend the Rules of Procedure.

Motion to approve the Tourism Authority's FY 2017 budget totaling \$5,522,723, in accordance with Article IV, Room Occupancy and Tourism Development Tax, Tourism Authority of the Cabarrus County Code of Ordinances.

EXPECTED LENGTH OF PRESENTATION:

20 Minutes

SUBMITTED BY:

Donna Carpenter, CVB

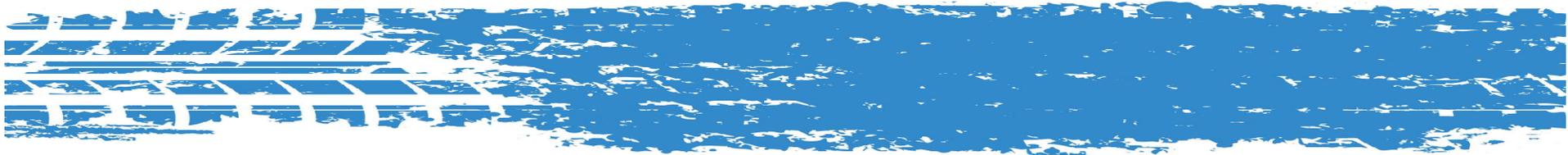
BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

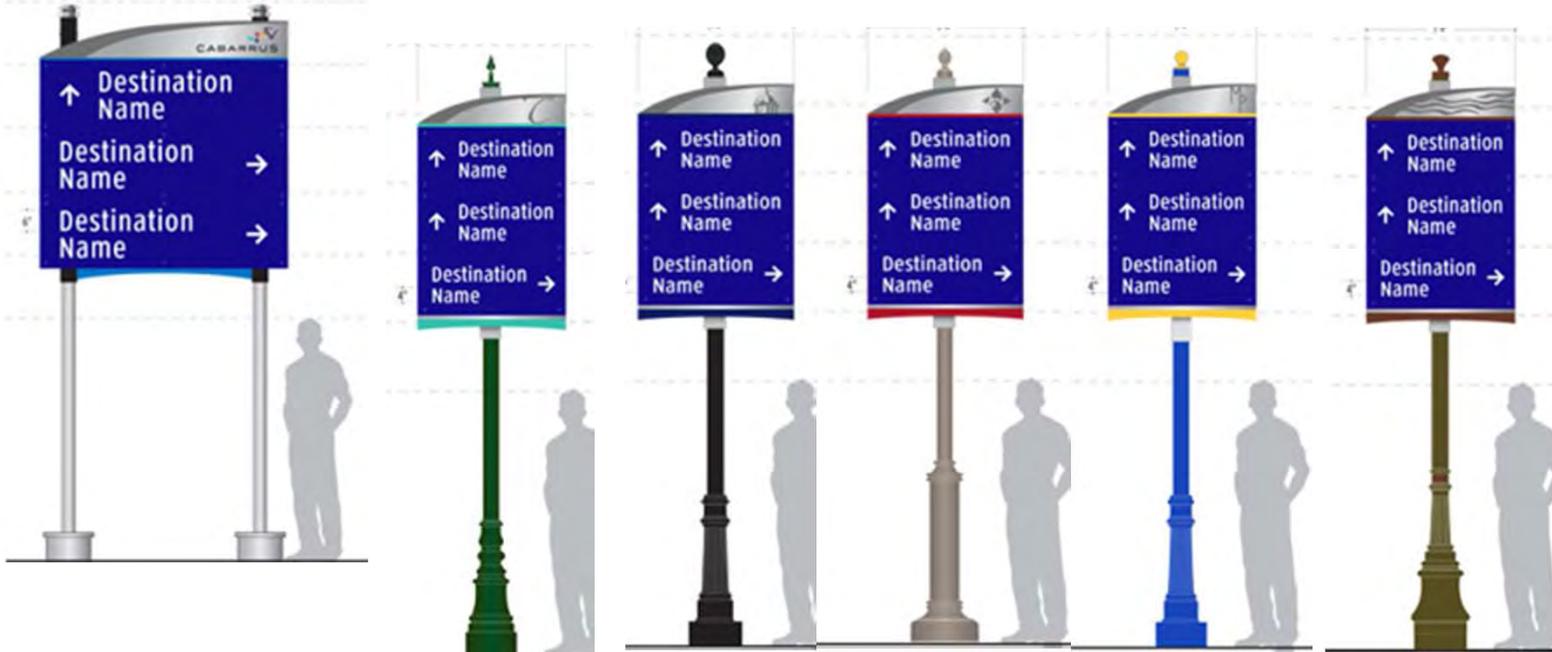
ATTACHMENTS

- [Presentation](#)
 - [Budget Statement](#)
 - [Consolidated Budget](#)
-

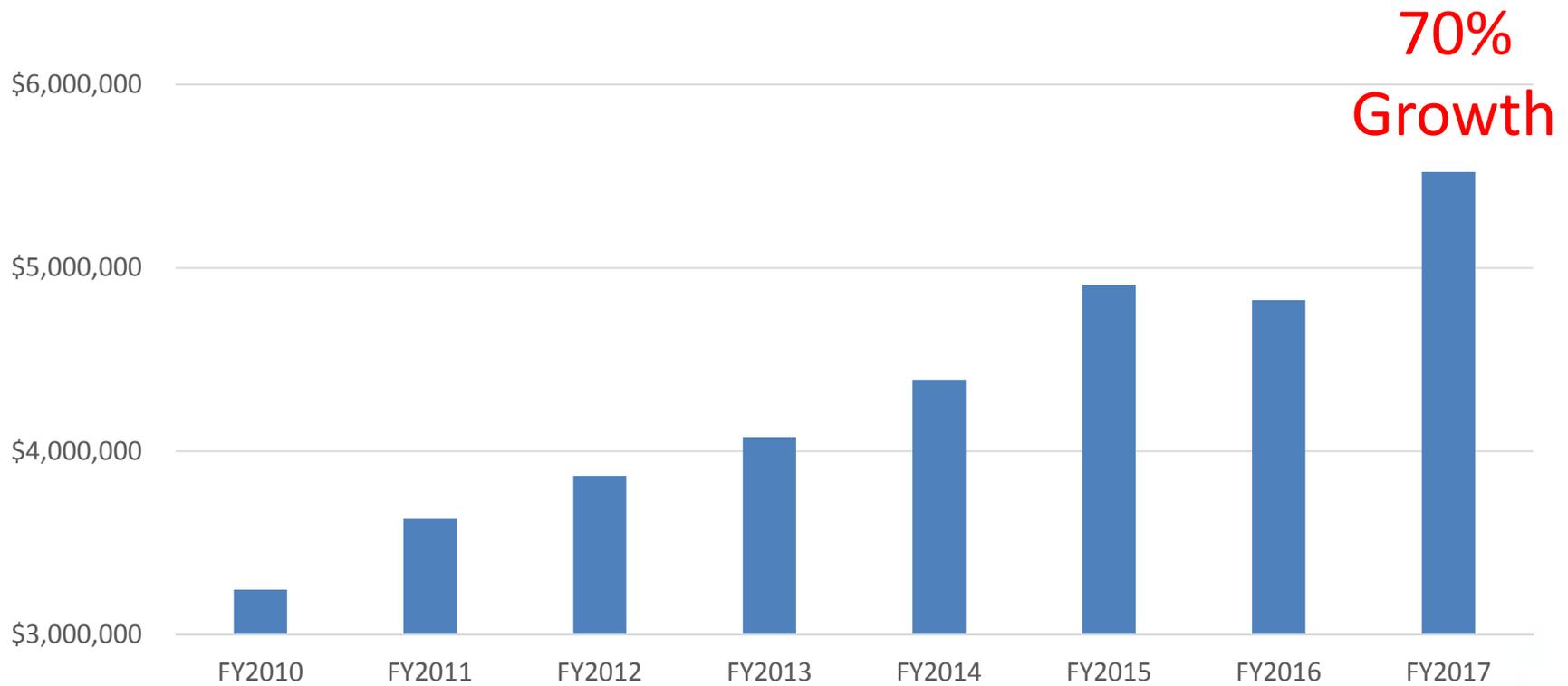


FY 2017 Budget

Wayfinding



FY17 Budget



FY16 Budget - \$4,824,982
FY16 Forecast - \$5,267,092

FY17 Budget - \$5,522,723



FY17 Budget

FY17 Budget	\$5,522,723
5% Admin Fee (County)	\$273,111
5% Sports (County)	\$273,111



FY17 Budget





FY2017 Budget Message

April 15, 2016

Cabarrus County Board of Commissioners:

I am excited to provide you the Cabarrus County Tourism Authority (CCTA) budget for FY2017. During the budget process decisions were made utilizing the Bureau's Mission and Vision Statements.

MISSION

Drive visitation to Cabarrus County
to generate the maximum impact through hotel stays
and visitor spending.

VISION

To continually grow and sustain
a dynamic travel industry to become the
number one economic force for Cabarrus County

The budget for FY2017 of \$5,522,723 represents an increase of 14.5% over the FY2016 budget and a 12.5% increase over actual FY2015. The following summaries will provide additional detail on how the revenues are recognized and the expenditures are planned.

The travel industry in Cabarrus County continued to see record growth in 2015. Hotels in the county experienced record occupancy (65.5%) and average daily rates (\$100.28). This growth was driven by each of our visitor segments including leisure, business travel, and group. This flexibility allows Cabarrus County a larger segmentation of visitors to attract. Cabarrus County is such a great destination that provides the visitor with so many options. Families can visit Concord Mills or Charlotte Motor Speedway while staying at Great Wolf Lodge. Corporations and Associations can host great meetings at Embassy Suites or Hilton Garden Inn. Visitors also can experience historic downtown areas and other points of interest. The Cabarrus County Convention and Visitors Bureau will continue to tell the great story of Cabarrus County and what it has to offer. In FY2017 two new hotel properties will open to include the Homewood Suites and Uptown Suites.

I would like to thank the individuals who contributed to the preparation of the FY2017 budget and offer them my sincere gratitude.

Respectfully submitted,

Donna Carpenter
President/CEO

Revenues:

The CCTA receives 99% of its revenue through a 6% Occupancy Tax levied on guests who stay in Cabarrus County Hotels. This tax rate is not expected to change in FY2017.

Occupancy Tax:

Actual FY2015	4,865,215
Budget FY2016	4,793,407
Budget FY2017	5,462,223

Occupancy Taxes are budgeted to increase 14.0% in FY2017. Occupancy Tax revenues are based on the following assumptions:

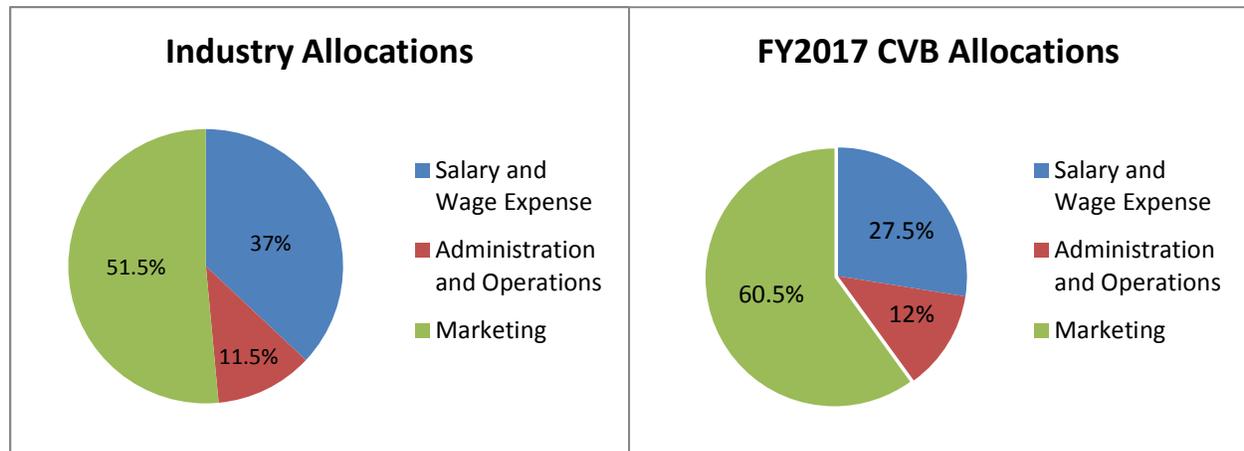
- There will be two new hotels opening in FY2017. Homewood Suites is scheduled to open in the fall of 2016 and Uptown Suites is scheduled to open in early 2017.
- Occupancy Tax forecasting is based on factors including Smith Travel Research monthly forecasts which predict visitor travel within the Cabarrus County market. Additional information is obtained through information exchange with the lodging properties within Cabarrus County as well as an analysis of any citywide/countywide events.
- Hotel data not including Great Wolf Lodge for calendar year 2015 vs. 2014 was:
 1. Occupancy (65.5%) 3.3% increase
 2. Average Daily Rate (\$100.28) 4.2% increase
 3. Revenue Per Available Room (\$65.73) 15.6% increase
 4. Demand (556,233) 3.3% increase
- Occupancy Tax revenue received in July 2016 from June 2016 occupancy will be accrued back into June 2016 for FY2016 accrual statements. For this purpose there will be zero revenue recognized in July 2016 while there will be 2 months recognized in June 2017.

Other Revenue:

- Other revenue of \$60,500 includes cooperative advertising opportunities, interest on cash deposits, Celebrate Cabarrus, and retail sales in the visitor center.
- The CCTA currently maintains the County approved reserve rate of 17% in its Fund Balance. Based on the FY17 budget this amount will be \$938,863.

Expenditures:

The CCTA operates on a zero based budget; therefore, all revenues received in FY2017 are budgeted to be expended. Expenditures for the CCTA are divided into three categories. They are Salary and Wage Expense, Administration and Operations, and Sales and Marketing Activities. The CCTA measures its expenditure allocation based on industry standards utilized by Destination Marketing Organizations with similar budgets. The following charts illustrate how expenditures are budgeted in FY2017 against those standards.



Salary and Wage Expense:

Actual FY2015	1,340,770
Budget FY2016	1,449,878
Budget FY2017	1,526,177

Salary and Wage expenses will be reduced as a percentage of revenue by 2.42%.

- The Bureau operates with 19 employees at 18 Full Time Equivalents (FTE's). The Destination Marketing Association International 2015 Organizational and Finance Study showed Bureau's with a budget of \$5 million to \$10 million operate on average with 25 FTE's
- Salary and hourly labor costs include review and merit increases up to 3% based on performance and time with the organization per the CCTA's policy manual. Performance Incentives are discretionary and determined by the President/CEO.
- Medical costs are forecasted to increase by 15% in FY2017. The CCTA changed to the existing PPO program in December 2014 which included higher out of pocket costs for each employee. The annual policy renews December 2016. Mandatory State Retirement funding by the CCTA is 7.34%. Unemployment expense rates decreased from 2.63% in January 2015 to 2.42% in January 2016.

Administration and Operations:

Actual FY2015	631,880
Budget FY2016	664,430
Budget FY2017	659,396

- The Admin fee charged by the County for collecting the Occupancy tax will be 5%, the maximum amount that is legislated by the state. The Bureau is currently in a renewable annual agreement with the County for another 5% for sports facility upgrades that will be recognized in the Sales and Marketing section of this budget.
- The CCTA office annual lease will be up for renewal in September 2016. The additional 5 year contains a 3% annual increase.
- The CCTA will be in the 4th of a 4 year lease agreement for computers, servers, and I.T. support. Offsite backups are performed nightly to protect data integrity.
- Telephone costs include cell costs, land line costs, and internet service. Additional expense will be for the replacement of cell equipment throughout the year as needed.
- As part of the GASB financial reporting depreciation will be moved out of the Administrative expense in FY2017. Any capitalized purchases will be fully expensed in its first year.

Sales and Marketing:

Actual FY2015	2,214,717
Budget FY2016	2,710,674
Budget FY2017	3,337,150

Allocated Marketing Expenses:

- For FY2017 the CCTA budget has pre-allocated expenditures of \$773,111 or 23% of the total Sales and Marketing expenses. These allocations include:
 1. Charlotte Motor Speedway agreement - \$500,000
 2. Cabarrus County Sports Development agreement - \$273,111

Market Groups

The CCTA Marketing Activities are divided into three groups in addition to Media Relations, Web, Partnership, and Visitor Services.

1. Group – Includes Corporate, Sports, Associations, SMERF (Social, Military, Education, Religious, Fraternal) Group Tour, Group Destination Services
2. Leisure – Markets to the transient leisure traveler
3. Bureau – Includes non-specific market items such as Marketing Agreements, Destination Management, Research, and Organizational Dues.

FY17 Sales and Services Budget

Year over Year Comparisons	<u>2015/2016</u>	<u>2016/2017</u>	
Advertising/ E Marketing	\$ 57,530.00	\$ 103,570.00	55%
Business Development	\$ 37,600.00	\$ 42,500.00	13%
Collateral Production	\$ 17,000.00	\$ 5,400.00	-68%
Dues & Subscriptions	\$ 13,435.00	\$ 15,380.00	14%
FAM Tours	\$ 63,510.00	\$ 45,500.00	-28%
Event Expense	\$ -	\$ 20,000.00	
Agreement/Bids	\$ 169,765.00	\$ 140,650.00	-17%
Tradeshows	\$ 66,160.00	\$ 79,150.00	18%
Destination Services	\$ 75,000.00	\$ 47,850.00	-36%
	\$ 500,000.00	\$ 500,000.00	

Advertising: Year over year increase of \$46,040 or 55% increase. More brand-approved ads used to increase destination awareness in all markets. (Corporate, Association, Sports, SMERF and Group Tour)

Business Development: Year over year increase of \$4,900 or 13% increase. Continue using Cvent and The Knowland group to increase lead production and more customer relationship building.

Collateral Production: Year over year decrease of \$11,600 or -68% decrease. Forecasted to spend \$6,000 in FY2016. Majority of dollars spent on profile sheets and trade show handouts.

Dues/Subscriptions: Year over year increase of \$1,945 or 14% increase. Membership renewals: Meeting Planners International, Association Executive of NC, American Society of Association Executives, National Association of Sports Commissions, Sports NC, NC Motor Coach Association, Student Youth Travel Association. New membership are: Financial & Insurance Planner Association and American Society of Association Executives.

FAM Tours: Year over year decrease of \$18,010 or -28%. Continue to execute the same number of Familiarization trips and site visits as in previous years while supplementing costs with sponsored events.

Event Expenses: Year over year increase of \$20,000. TMS – Travel Media Showcase

Agreement Bids: Year over year decrease of \$29,115 or -17%. Budget based on booked business. Additional dollars used for in the year for the year business.

Trade Show: Year over year increase of \$12,990 or 18% increase. Attending: Meeting Quest, Meeting Planner International, Associations Executive of NC, Travel South International, Teams, National Association of Sports Commissions, Connect Sports, Going on Faith, Connect Rejuvenate. New for FY17: Financial & Insurance Planner Association & American Society of Association Executives.

Destination Services: Year over year decrease of 27,150 or -36%. Logo items utilized in Services now budgeted in Bureau Collateral. Budget also includes conference travel for Destination Services Manager in order to create & improve existing services.

Leisure Market:

For FY2017 the CCTA will continue to promote and position Cabarrus County as the number one motorsports leisure tourism destination through a targeted program of advertising, public relations, social media, digital marketing, promotions, research, and other marketing strategies.

These strategies are designed to maintain and improve the county's image as a great place to visit, to attract increased numbers of travelers, and to increase visitor spending in Cabarrus County.

The following provides a brief overview of the overall integrated marketing spend with an increased focus on digital media:

Tourism/Visitors Bureau Publications

Charlotte Visitors Guide

North Carolina Visitors Guide

CVB and state tourism visitor publications offer a targeted and efficient reach of local and regional visitors.

Racing Publications

NASCAR track publications directly target race enthusiasts. Recommended programs are for targeted regional, high-profile tracks.

Consumer Magazines / Travel

AAA Carolinas GO - AAA GO reaches AAA members in North Carolina and South Carolina. Total circulation 1.1 Million with 1.8 million readers.

Our State Magazine – A consumer magazine with a paid circulation of more than 160,000 nationwide and a readership of more than 850,000

Where Charlotte

Food & Travel

Go Escape – USA Today

Text to win campaign

Print and digital ads have been placed in directing people to enter our sweepstakes, to win tickets. This drives traffic to our site from specific targeted areas of the country where we've already researched as to having a heavy visitor base. We use this information and track interest in the CRM. The accumulated visitor information is used for email communications and promotions. This helps increase visitors to our site, adding to the average of 3k passing through our sweepstakes page yearly.

Digital Marketing:

visitcabarrus.com received 192,595 sessions which is a 68% increase from 2015/16. For 2016/17 the focus and push will be toward digital marketing via the feedback we've received from our SEO/PPC campaigns and Google analytics. We will be using the majority of the budget on retargeting, link building, paid search, SEO, display, partner referrals, 3rd party referrals, email marketing and social media to push people to the site in the upcoming year.

Paid Search

Paid media accounted for 42% of total traffic over the last year and CTR was 118% higher than the industry average of 2.18%.

The paid search campaign helps establish brand and directs users to our site. Our marketing message in the ad copy and optimized display URLs and banners are consistent to establish our brand. All performance is tracked to gauge ROI. The advantage of implementing paid search will draw users to our site to spike our website numbers.

Paid Google Display

Display targeting is banner-based marketing that helps with impressions and grows awareness. Ads are placed on relevant websites within the Google Display Network, based upon a provided set of keywords.

Remarketing / Retargeting

Remarketing campaigns have been traditionally the best performing type of campaign which follows the pattern a user creates during an online experience. Remarketing is Google's version of retargeting, and allows us to show ads to visitors who have shown interest in our destination, clicked on one of our ads and/or previously visited sections of our website.

SEO Monthly Service

The new Google Panda algorithm and/or the core ranking algorithm update has introduced the Carousel layout which is pushing all organic search results further down the page during a user's search. On mobile, organic results can actually be pushed past the fold.

With these new changes in search it is even more important to stick with our SEO goals and keep up with search trends. YOY overall growth for sessions has been 78% (223,920 sessions) so far this year. Organic search has dipped -7% due to the new Google algorithm - Carousel display. What is going to help this metric improve moving forward, is additional content on current pages and building out new pages on our site. SEO efforts will cover multiple facets of marketing, including but not limited to On-Page and Off-Page SEO, LinkBuilding, Competitive Analysis, Keyword research (Good/Bad), URL list/Page Titles/Meta Descriptions and Usability.

Third Party Site Advertising

Our Concord, Kannapolis and Visitor Center pages help create awareness for events and attractions in Cabarrus County. We want to continue to deliver relevant ads and content to visitors on popular sites like these, allowing the CVB to ride on the coat tails of a larger, more established, high trafficked and relevant sites.

Social Media

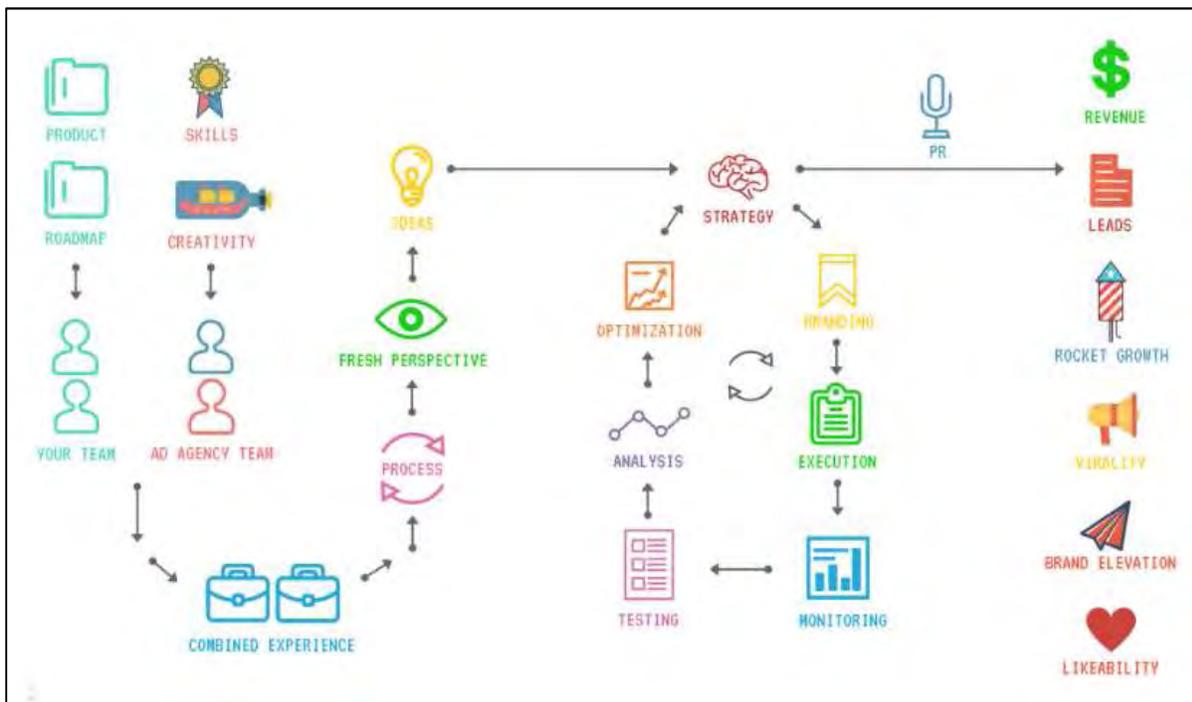
Adding additional budget dollars to ongoing photo and video Facebook Ad campaigns will work in collaboration with paid Google Search campaigns. Facebook followers have increased over 80% vs. 2015/16

In addition to Facebook Ad campaigns, promoting tweets is additional strategy to reach a new and younger audience to make them aware of the various attractions in Cabarrus County.

Agency

More than 55% of the leisure budget will be allocated working with a third-party agency that will provide an integrated, revenue-generating marketing and communications plan through ideation, implementation and continued monitoring and analysis. This will include measurable and results-driven programs that are *working* toward driving people to stay and spend in Cabarrus County.

The agency will complement and collaborate with the in-house staff to optimize budgeted paid-media and expand where necessary. The agency will also consider the full spectrum, from current media such as digital and print, to additional tactics such as TV, digital video or new forms of digital.



Media/Public Relations

With an unchanged budget of \$64,899 for Media Relations this year, adjustments have been made to build upon the opportunities established in 2015-16. The activities, processes and tools from the year prior that aid in reaching travel writers and engaging the local community in overall tourism awareness and its impact on our area will remain. Face to face networking opportunities with media continue to be a focus for the coming year. Funds will be allocated toward previously attended media missions to build new and maintain existing personal relationships with journalists as well as ongoing development and education within the industry.

Tools

Cision is an award-winning public relations software platform that helps to manage PR efforts including press release distribution, tracking of media clips and access to the world's largest media database. A switch from Vocus software to Cision was made in August 2013 based on ease of use and cost efficiency thus the decrease in allotted funds for this tool. Capabilities of this tool have been a benefit when researching and qualifying journalists as well as making media lists and keeping information current. We will continue to use the tool and monitor updates and advancements in capabilities.

Media Kits

Our highly unique and memorable media kit was completed in January 2014. Funds will be dedicated to reordering as needed. This year, some funds will also be allocated toward design to remain consistent with current branding. A more compact option is also being explored for use at events like progressive dinners when something smaller is needed.

Distribion

Utilized to develop, manage and evaluate email marketing campaigns, Distribion is the channel through which all email marketing messages will flow. Currently being used for distribution of monthly Leisure eNewsletter and bi-monthly Partner eNewsletter, Distribion allotment has increased as it will become an important tool in the pitch process with a Media eNewsletter as it provides real-time data on open, click-through rates, etc. The allocated amounts reflect purchase of email bundles used for connecting with partners, media and our target audiences.

Email Marketing

Tied closely to Distribion, these funds have been allocated for the creation and management of email templates and the implementation of email marketing campaigns. A shift from former email marketing partner Collinson Media was made in 2015-16. The decision to partner with Simpleview was made in an effort to streamline the process as Simpleview is a valued partner in other areas including the CVB's CRM. The agreement has been very successful thus far and email marketing continues to become more dynamic. Implementation of a media eNewsletter is expected this budget year.

Press Trips / Travel Writer Visits

With increased frequency and success hosting media visits in 2015-16, funds have been slightly increased in this area for 2016-17. Monies will continue to cover expenses pertaining to creating experiences for members of the media in hopes of those experiences generating no-cost coverage in regional and international markets. Majority of these costs typically go to covering accommodations, but can also include event admission, meals, welcome gifts, etc. Many press trip successes continue to come from our ever growing PR partnership with Visit North Carolina.

Educational Conferences/Media Missions

Visit NC 365 (formerly the North Carolina Governor's Conference on Tourism) is an in-state convention that focuses on important updates, educational sessions and valuable networking opportunities all relevant to destination marketing. Funds will cover registration, travel expenses and any materials needed for further promotion of the destination at the conference. The 2016 Conference resulted in a direct pitching to outlets like UNCTV's NC Weekend, Our State Magazine and freelance journalists from publications including Southern Living.

Public Relations Society Travel and Tourism Conference

The PRSA Travel and Tourism Conference is a national convention focusing on important updates, educational sessions and valuable networking opportunities relevant to public relations professionals in the Travel and Tourism industry. Funds will cover registration, travel expenses and any materials needed for further promotion of the destination at the conference. Prominent outlets such as Travel Channel, Southern Living and Matador Network have attended in the past allowing for pitch opportunities in a small group setting.

Travel Media Showcase

Travel Media Showcase offers an opportunity to be in front of media influencers in the travel industry. As a result of last year's conference, we will host a freelance writer over Memorial Day weekend who is working on a story about Cabarrus for PopularMechanics.com. Being able to build relationships with the organizers has also led to accomplishing our goal of hosting this conference in 2017. Hosting this conference not only put us in front of influential attendees but brings the attendees to the destination to experience it for themselves and create buzz on social media while in town.

STS (Southeast Tourism Society) Fall Forum

Also added to the budget this year after seeing firsthand benefits in 2014. While the decision was made to attend based on the awards component, the media panel session provided an opportunity to hear directly from editors of top level publications. As a result, a relationship was established with a Senior Editor at Garden & Gun Magazine which we continue to nurture.

Pineapple PR Media Meet Ups

After meeting the organizers at STS Fall Forum in 2014, the decision was made to participate in this media reception for several reasons. The event is held along with STS events which alleviates some travel expense. Also, this opportunity allows the opportunity to participate in a media reception that is not hosted by Visit NC and includes travel partners from across the southeast and not just NC. We look forward to arranging press trips as a result of the last Meet Up in Baton Rouge, LA in April 2016.

Networking/Pitch Opportunities:

NC Tourism Media Missions

Visit North Carolina hosts three media missions throughout the year:

- New York, NY (Each January)
- Regional (Washington DC in 2016, Atlanta in 2017)
- In-state (Raleigh in 2016)

In 2016-17, an international media mission has been added and likely will be the Canadian media market (dates pending) in 2016. The Communications Manager will attend each mission to make contact and build valuable relationships with and pitch Cabarrus County to regional and national members of the

media. Funds will cover registration, travel expenses and any materials needed for further promotion of the destination.

Historically, outlets such as Condé Nast, The New York Times, The Rachel Ray show, and many more have attended the event providing the opportunity for the Communications Manager to directly pitch and build relationships with contacts that are otherwise very difficult to connect with. Attending media missions also strengthens our relationship with the Visit NC which can be influential in connecting with important media outlets.

Public Relations Society of America Membership

Annual dues for the National Association as well as the Charlotte Chapter of the PRSA. Membership secures free access to certain web training opportunities and discounted rates for conferences and events.

Public Relations Society Monthly Meetings

Monthly lunch meetings are held in Charlotte for area members of PRSA. These meetings include lunch, a presentation from an industry expert and opportunity to network and brainstorm with fellow public relations professionals in the Charlotte area from organizations.

Public Relations Development

Funds will be utilized for any miscellaneous expenses related to Public Relations/Communications activities including but not limited to lunch meetings, subscriptions to relevant publications, purchasing reference/educational materials, etc.

Opportunity

These funds will be allocated to opportunities that arise throughout the year. Uses can range from PR campaigns and social media efforts to media missions. These funds will allow Media Relations to be flexible and able to adapt to take advantage of an ever-changing media landscape.

Web Technology

Leisure site widgets and projects

Dollars have been allocated for site maintenance and/or the addition of widgets to the leisure site.

Searchable/Interactive/Printable map

Based on a trend of visits that we've seen via Google analytics, plus the need to integrate the two map widgets displayed currently and the need to offer more interactivity during the map experience, we have decided that updating the existing map is critical. Interactive maps are both an effective and visually engaging way to depict spaces and locations.

Booking engine

As the travel market grows, the CVB has taken steps to stay ahead of the pack. As a service, we have provided a tool to enable our visitors the opportunity to book hotel reservations and packages for attractions, activities and tours in Cabarrus County.

Chat function

The chat function gives visitors and various other users and our partners the opportunity to engage with our travel counselors virtually and in real-time. We've had great success in that it is a great tool with an excellent reporting element. And from a usability standpoint for the user and for the counselors we are very happy.

Maintenance

- Google Site Search
- MMGY Hosting and maintenance
- Main site account management (MMGY addendum)
- Trumba (calendar for main site)
- Business Website hosting
- Mobile site hosting + geo
- Simpleview API Forms & Listings maintenance
- CRM Tool
- Domain renewals/purchases
- Booking engine (aResTravel)

Business web site

The site has been built with the goal of having an easily accessible and user friendly site that can change and grow with our organization. Changes to widgets and template versions are needed for the basic upkeep of this site to function.

Mobile site

SEO findings have disclosed the need for adding static pages/landing pages that mirror the full site. This will help with bounce rate, sessions and engagement.

Visitor Services

Overall

The goal of Visitor Services is to create and enhance the experience for visitors who have chosen Cabarrus County as their destination so they stay longer, come back and tell everyone about their great experience.

- **Destination Guide Stands**

In anticipation of a new guide size in April 2017, we will replace all guide holders at our hotels. Timing is perfect since our current guide stands are 7 years old and need to be replaced.

- **Concord Airport**

We will have a dedicated area in the new terminal for a visitor center. The desk construction is being paid for by the airport; however, budgeted dollars will be used for a kiosk, computer terminal, and branded displays in order to engage visitors travelling through the airport.

- **Replacement of Scarves at the Welcome Centers**

We delivered three tier displays to the nine Welcome Centers throughout North Carolina. The fabric portion of the displays have faded and need to be replaced since they are 5 years old. New scarves will be updated to reflect new imagery that reflects the destination.

Partnership

Overall

The Partnership department strives to ensure our hospitality partners are given opportunities to interact with each other forming alliances and gaining resources to make the visitor experience exceptional and their organization successful. This is done through networking opportunities, information disseminated from the CVB staff and top notch educational opportunities.

- **Celebrate Cabarrus**
Since the CVB has taken over for the Chamber the logistics of Celebrate Cabarrus, this line item has increased to cover total costs. The budgeted expense for this event is \$35,000. Revenue will be collected through ticket sales to help offset the costs.
- **Front Line Destination Training Road Show**
This program will engage our restaurant staff and hotel front line employees by taking our Destination Training to them. Not everyone is able to participate in the actual tour therefore a presentation will be designed to give them the same set of tools enabling them make the visitors' stay exceptional.
- **Intimidators Hospitality Night**
This event is held annually where all of the hospitality industry is brought together in order for the CVB to show their appreciation. This event averages 300 attendees.
- **Tourism Week**
This is an annual event held in conjunction with National Tourism Week. Budgeted dollars are used to inform our local stakeholders on the value of tourism for Cabarrus County. This includes media buys and collateral giveaways.
- **Partner Engagement**
The Bureau supports the tourism industry by engaging partners at their events. This includes NC Music Hall of Fame, Speedway Children's Charities, B.R.A.K.E.S., Non-Profit Golf Tournaments, NC Motorsports Association, Chamber and Economic Development functions.

Bureau expenses:

- Pre-allocated agreements with the Charlotte Motor Speedway and Cabarrus County totaling \$773,111 are budgeted in this category.
- Event expense includes lighting of hotels at Exit 49, 58, and 60 during Speedway Christmas to enhance our lodging properties. Additional events include Charlotte Motor Speedway races throughout the year where meeting planners, travel writers, and event rights holders are invited to experience the destination during race time.
- Additional marketing agreements to be continued in FY2017 include Kannapolis Intimidators, Concord Mills Mall, JHE for Haulers on Union event, and Cabarrus Arts Council.
- The Bureau will continue its efforts to utilize research as a basis for making decisions. Research dollars spent help the organization understand visitor profiles and spending habits. Reports purchased from Smith Travel Research (STR) assist the CCTA in determining demand patterns and need periods. A research project to look at brand awareness and recognition will take place in FY2017.
- Collateral Production of imprinted specialty items designed and purchased by the CCTA will focus on driving traffic to the website, visitcabarrus.com and whereracinglives.com. These items are used as giveaways at trade shows, conferences, and events.

FY2017 Operating Budget

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	2016/2017 Budget	Budget 2015/2016	Budget 16/17 Difference
REVENUE															
4000 OCCUPANCY TAX	0	527,912	429,209	380,594	494,935	407,445	378,119	396,984	398,153	548,444	507,202	993,226	5,462,223	\$ 4,793,407	\$ 668,816
4010 INTEREST ON INVESTMENTS	275	275	275	275	275	275	275	275	275	275	275	275	3,300	\$ 3,300	\$ -
4020 ADVERTISING REVENUES	0	0	0	0	0	0	0	0	10,000	15,000	0	0	25,000	\$ 25,000	\$ -
4030 MISC REVENUE	0	0	0	0	0	0	0	0	0	10,000	15,000	0	25,000	\$ -	\$ 25,000
4040 FUND BALANCE APPROPRIATED	0	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -
4060 ITEMS FOR RESALE	900	500	500	800	600	600	300	250	550	550	1,100	550	7,200	\$ 3,275	\$ 3,925
TOTAL REVENUE	1,175	528,687	429,984	381,669	495,810	408,320	378,694	397,509	408,978	574,269	523,577	994,051	5,522,723	\$ 4,824,982	\$ 697,741
OPERATING BUDGET:															
SALARIES															
5000 SALARIES	11,620	71,830	71,830	71,830	71,830	107,745	71,830	71,830	71,830	71,830	71,830	178,584	944,419	\$ 912,032	\$ 32,387
5010 HOURLY LABOR	5,465	12,342	12,342	12,342	12,342	18,362	12,342	12,342	12,342	12,342	12,342	27,274	162,179	\$ 129,922	\$ 32,257
5020 FICA	1,060	5,219	5,219	5,219	5,219	7,819	5,219	5,219	5,219	5,219	5,219	12,764	68,614	\$ 64,395	\$ 4,219
5030 MEDICARE	248	1,220	1,220	1,220	1,220	1,829	1,220	1,220	1,220	1,220	1,220	2,985	16,042	\$ 15,104	\$ 938
5040 MEDICAL INSURANCE	13,478	13,478	13,478	13,478	14,723	14,723	14,723	14,723	14,723	14,723	14,723	14,723	171,696	\$ 159,633	\$ 12,063
5050 RETIREMENT	8,758	5,839	5,839	5,839	5,839	8,758	5,839	5,839	5,839	5,839	5,839	8,758	78,825	\$ 78,078	\$ 747
5060 WORKMENS COMP	2,500	0	500	0	0	0	0	0	0	0	0	0	3,000	\$ 2,724	\$ 276
5070 DEFERRED 401K	3,977	5,966	3,977	3,977	3,977	3,977	5,966	3,977	3,977	3,977	3,977	3,977	51,702	\$ 50,440	\$ 1,262
5080 PERFORMANCE INCENTIVES	0	0	0	0	0	0	0	0	0	0	0	15,000	15,000	\$ 15,000	\$ -
5090 UNEMPLOYMENT INSURANCE	1,000	500	500	500	500	500	2,500	2,500	2,000	1,500	1,500	1,200	14,700	\$ 22,550	\$ (7,850)
TOTAL SALARY AND WAGES EXP	48,106	116,394	114,905	114,405	115,650	163,713	119,639	117,650	117,150	116,650	116,650	265,265	1,526,177	\$ 1,449,878	\$ 76,299
ADMINISTRATION & OPERATIONS															
6000 ADMIN FEE	0	26,396	21,460	19,030	24,747	20,372	18,906	19,849	19,908	27,422	25,360	49,661	273,111	\$ 239,670	\$ 33,441
6005 DEPRECIATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0	0	\$ 55,487	\$ (55,487)
6006 LOSS ON DISPOSAL														\$ -	
6010 EMPLOYEE/COMMUNITY RELATIONS	500	800	500	500	500	3,000	1,200	500	500	600	800	900	10,300	\$ 7,300	\$ 3,000
6020 INSURANCE	4,397	0	0	100	0	0	0	0	0	0	0	0	4,497	\$ 3,993	\$ 504
6030 MILEAGE	250	200	200	200	200	200	100	200	100	200	200	700	2,750	\$ 3,450	\$ (700)
6040 OFFICE EQUIPMENT/MNT	4,260	4,870	4,340	4,275	5,825	4,275	4,275	4,925	4,275	4,275	6,425	4,275	56,295	\$ 42,030	\$ 14,265
6050 OFFICE SUPPLIES	1,100	1,000	1,300	1,100	1,000	1,200	1,200	900	1,500	900	1,400	2,200	14,800	\$ 14,600	\$ 200
6060 OTHER OPERATING COST	620	550	1,730	580	1,580	840	780	1,030	730	530	680	1,790	11,440	\$ 11,790	\$ (350)
6070 POSTAGE/SHIPPING	1,800	2,403	1,100	1,400	1,053	650	875	875	1,453	725	5,600	2,903	20,837	\$ 23,950	\$ (3,113)
6080 PROFESSIONAL SERVICES	0	0	10,500	2,500	0	1,000	0	250	500	500	0	1,050	16,300	\$ 14,250	\$ 2,050
6090 RENT/BUILDING EXPENSE	13,847	13,947	15,089	14,226	14,176	15,039	27,826	14,476	15,239	14,126	14,376	14,739	187,106	\$ 181,560	\$ 5,546
6100 STAFF DEVELOPMENT	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	\$ 18,000	\$ (6,000)
6110 TELEPHONE	2,850	2,850	5,500	2,850	2,850	3,270	2,850	2,850	5,270	2,850	2,850	3,270	40,110	\$ 37,400	\$ 2,710
6120 VEHICLE EXPENSE	500	800	1,300	750	400	1,300	400	500	1,300	500	500	1,600	9,850	\$ 10,950	\$ (1,100)
TOTAL ADMIN & OPS	31,124	54,816	64,019	48,511	53,331	52,146	59,412	47,355	51,775	53,628	59,191	84,088	659,396	\$ 664,430	\$ (5,034)

SALES AND MARKETING ACTIVITIES

7000 ADVERTISING/E-MARKETING	53,732	40,022	233,381	56,977	48,777	218,346	55,307	39,522	237,356	37,897	44,663	215,172	1,281,152	\$ 704,915	\$ 576,237
7015 BUSINESS DEVELOPMENT	10,400	21,600	8,800	9,600	1,600	1,100	16,400	1,600	2,150	19,100	1,600	1,100	95,050	\$ 71,400	\$ 23,650
7020 COLLATERAL/PRODUCTION	6,600	6,600	6,850	9,650	26,650	6,900	6,650	6,600	53,250	15,100	9,600	6,850	161,300	\$ 182,001	\$ (20,701)
7030 CORPORATE COMMUNICATIONS	700	400	700	2,700	700	700	4,200	700	700	700	2,200	700	15,100	\$ 10,000	\$ 5,100
7040 DUES & SUBSCRIPTIONS	31,275	2,085	250	175	965	2,470	1,175	2,712	1,400	1,275	0	910	44,692	\$ 43,835	\$ 857
7045 SPORTS DEVELOPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -
7060 EVENT EXPENSE	500	20,500	500	63,500	20,500	500	500	500	500	11,500	13,870	33,000	165,870	\$ 130,500	\$ 35,370
7070 FAM TOURS/SITE INSPECTIONS	3,000	8,300	3,000	8,900	1,000	1,000	1,000	1,000	4,000	7,000	6,300	1,000	45,500	\$ 63,510	\$ (18,010)
7120 MEDIA RELATIONS	16,115	1,425	1,550	13,540	4,550	3,484	3,275	4,515	1,240	8,630	2,550	4,025	64,899	\$ 64,899	\$ -
7125 PARTNERSHIP	9,690	6,375	9,210	3,000	6,190	1,000	3,275	3,300	4,255	34,025	13,094	12,350	105,764	\$ 101,720	\$ 4,044
7130 AGREEMENTS/BID FEES	81,600	98,996	87,060	82,970	99,187	88,472	43,306	25,449	82,008	121,822	81,260	106,971	999,101	\$ 994,775	\$ 4,326
7140 TRADE SHOWS/CONFERENCES	15,650	9,300	15,945	22,150	5,800	13,300	5,930	6,200	6,855	6,650	2,800	5,800	116,380	\$ 97,925	\$ 18,455
7150 WEB TECHNOLOGY	2,895	3,125	15,165	2,495	3,125	8,614	4,795	3,225	8,470	2,495	3,125	8,365	65,894	\$ 65,894	\$ -
7160 DESTINATION SERVICES	12,946	23,598	17,105	21,255	13,145	4,125	14,255	10,416	19,560	21,730	8,455	9,858	176,448	\$ 179,300	\$ (2,852)
9000 BAD DEBT	0	0	0	0	0	0	0	0	0	0	0	0	0	\$ -	\$ -
TOTAL MARKETING	245,103	242,326	399,516	296,912	232,189	350,011	160,068	105,739	421,744	287,924	189,517	406,101	3,337,150	\$ 2,710,674	\$ 626,476
GRAND TOTAL EXPENSES	324,333	413,536	578,440	459,828	401,170	565,870	339,119	270,744	590,668	458,202	365,358	755,455	5,522,723	\$ 4,824,982	\$ 697,741
REVENUES OVER EXPENDITURES	-323,158	115,151	-148,456	-78,159	94,641	-157,551	39,575	126,764	-181,691	116,067	158,219	238,596	0	\$ -	\$ (0)



CABARRUS COUNTY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP

MAY 24, 2016
4:00 P.M.

AGENDA CATEGORY:

New Business

SUBJECT:

EDC - Presentation of FY 2017 Budget Request

BRIEF SUMMARY:

Representatives of the Cabarrus Economic Development Corporation (EDC) will present their FY 2017 budget request and respond to questions from the Board.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

40 Minutes

SUBMITTED BY:

Terry Crawford, EDC

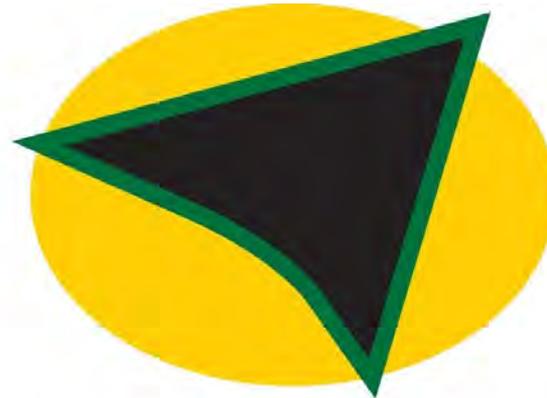
BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS

- [Presentation](#)
 - [Proposed Budget](#)
-



CABARRUS

ECONOMIC DEVELOPMENT

**Prepared for
Cabarrus County Board of
Commissioners
May 24, 2016**

Attachment number 1 \n

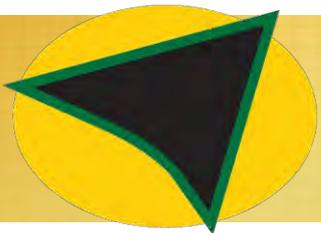
Strategic Business Plan

In 2015-16, Cabarrus Economic Development completed a five year strategic business plan. The goals of that plan included:

- Creating jobs
- Increasing tax base/capital investment
- Growing existing business and industry
- Recruiting new business

Key Results Areas (KRA's) included:

- Product and Site Development
- Business Retention and Expansion
- Recruitment of new business and Industry



CABARRUS
ECONOMIC DEVELOPMENT

Attachment number 1 \n

Proposed 2016-17 Marketing Plan

We propose to continue our marketing momentum in 2016-17 by maintaining a strategic focus on recruitment and business retention, building upon our successes in 2015-16.

This year's marketing budget request includes:

- Marketing plan update including establishing of new goals and objectives
- Site selectors quarterly newsletter (we have developed a proprietary database of the nation's top site selectors by industry specialization)
- Ongoing media relations, monthly blog posts and website content updates as needed
- Google AdWords and targeted publication advertising
- Business retention informational brochure
- Quarterly business retention e-newsletter targeted to all existing business and industry in Cabarrus County
- 2017 FAM Tour

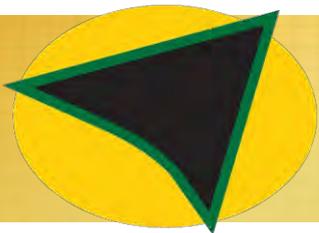


Marketing Plan Objectives

In support of the five year strategic business plan the EDC developed a comprehensive marketing plan for FY 2016-2017.

The marketing plan objectives included:

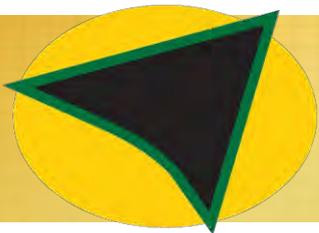
- Strategically market Cabarrus County to target audiences/markets/industries
- Create awareness of Cabarrus County's features and benefits over other counties in the 16-county metro
- Create awareness in Cabarrus County of our Business Retention & Expansion service (BRE)
- Partner with all municipalities to gain continuity and synergy in our outreach
- Establish preference for Cabarrus County over other competitive counties
- Achieve pre-determined goals for FY 2016-2017



Business Retention & Expansion Marketing Plan

The business retention marketing efforts include:

- Formation of Industrial Business Council (2016) - Conduct quarterly 2017
- Direct sales campaign efforts (contacting existing business and industry to determine needs and interest & create awareness of BRE services) Goal: 75 company visits in the year.
- Quarterly e-newsletter specifically for BRE, target top 100-150 Cabarrus companies.
- Develop a marketing flyer describing what BRE can do for existing companies – “Do for Me What I Can’t Do for Myself” approach.

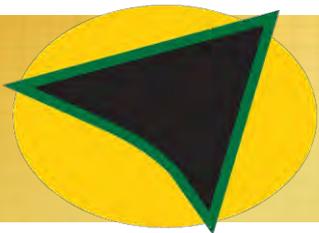


BRE Stats

July 1, 2015 – April 30, 2016



- **149 YTD Solutions Provided** through Connections & Referrals
- **17 YTD Follow-Up Visits**



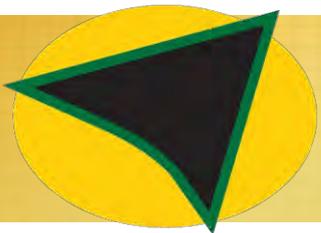
BRE Programs

Cabarrus Industrial Council

The purpose of the Cabarrus Industrial Council is to support the manufacturing and industrial sectors through a quarterly meeting to:



- Addressing issues and identifying needs
- Providing information and solutions, and to
- Encourage collaboration among existing businesses

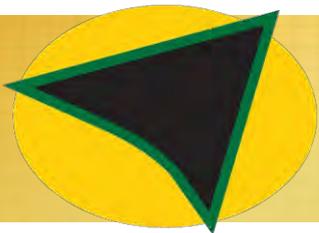


BRE Programs



The North Carolina Manufacturing Institute is a collaboration between private and public sector partners and businesses to link and leverage assets and resources to:

- Close the manufacturing skills gap through workforce training and certification
- Improve the image of manufacturing employment opportunities among job seekers
- Assist manufacturing firms in improving recruitment, selection and retention of talent



CABARRUS
ECONOMIC DEVELOPMENT

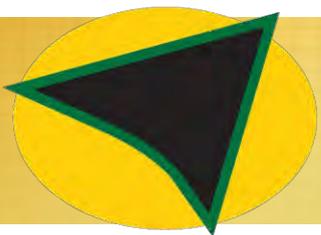
Attachment number 1 \n



BRE Programs

Cabarrus County Schools Career Academy Involvement. Serving as an advisory board member to the Advanced Manufacturing & Automation Academy at Jay M. Robinson High School. This investment of time has increased exposure to all of the various academies and joint conversations between industry needs and educators. The EDC's involvement assists in preparing our future workforce for the skill sets that are desirable in our county and beyond.

Kannapolis City Schools Career & Technical Education



CABARRUS
ECONOMIC DEVELOPMENT

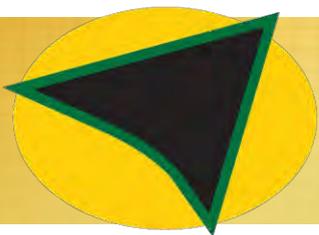
Attachment number 1 \n



BRE Programs

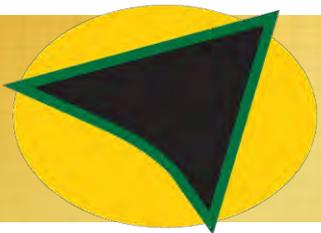
Workforce Awareness Program Encouraging Women to Consider Non-Traditional Careers.

- Awarded an in-kind grant of \$25,000
- Develop a program to raise awareness of nontraditional careers (manufacturing, logistics, motorsports and construction)
- Surveyed and gathered feedback
- Implement an awareness campaign to address misalignment between the jobs women are seeking and jobs that are available.



BRE Programs

- Charlotte USA Manufacturing Coalition (Sept./Oct 2016)
- Manufacturing Day for Awareness (Oct. Event)
- Survey (Jan. 2017)
- Manufacturer Appreciation Event (April 2017)

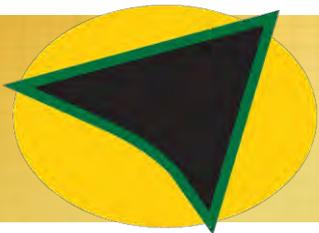


Recruitment Marketing Plan

The cornerstone of the recruitment marketing plan was the development of a brand platform, which was established as: ***Cabarrus County: The Advancing Edge***. We will continue with the branding platform in FY 16-17.

The recruitment marketing plan focused on communicating with targeted site location professionals by implementing the following tactics:

- Public relations/media coverage: monthly blogs and website updates
- E-newsletter: quarterly distribution to proprietary database of the nations top site selectors
- Updated website: review current site and provide updates per findings where needed
- Targeted direct mail
- Google AdWords
- Targeted publication advertising (NC Economic Development Guide)
- FAM Tour of Cabarrus County – FY 2016-2017



Request for Information (RFI) Stats

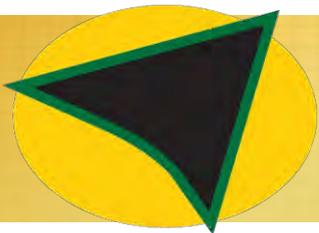
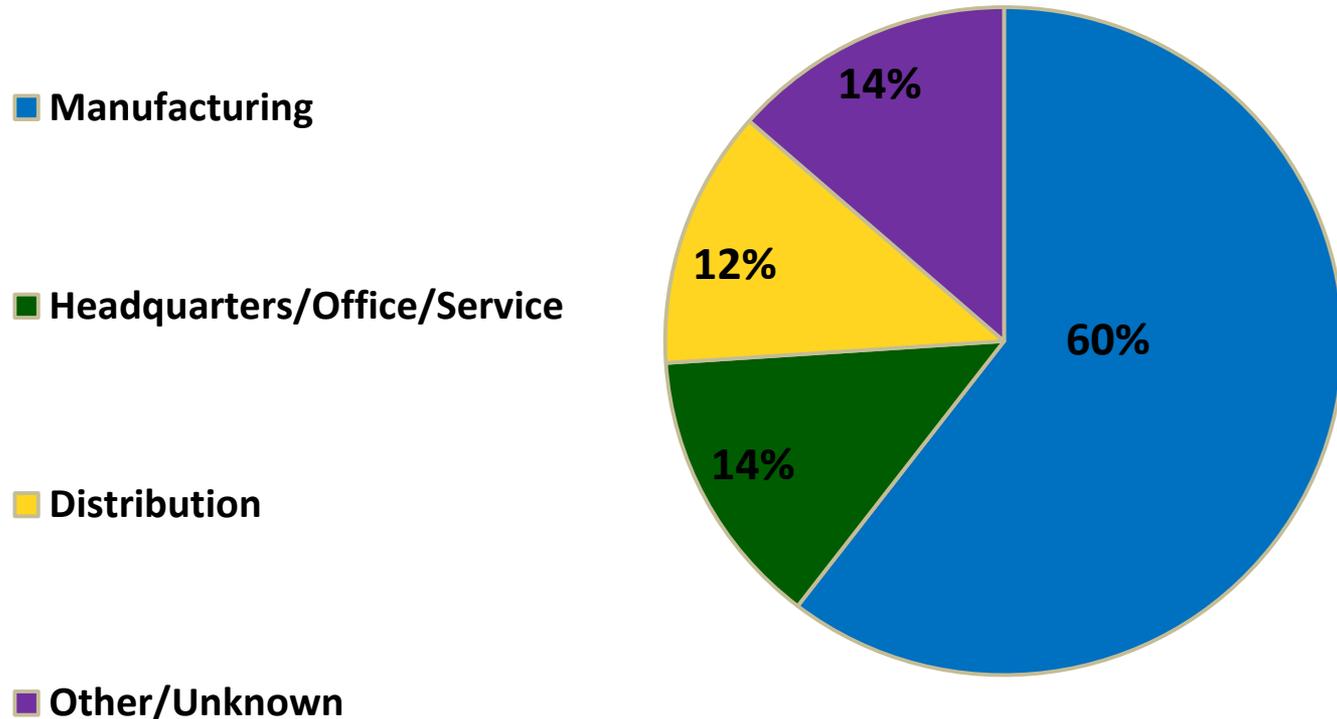
July 1, 2015 – April 30, 2016

- Total new RFIs received: 96
- Average new RFIs per month: 9
- Average site size: 42 acres
- Average building size: 115,329 sq ft
- Smallest building size: 7,000 sq ft
- Largest building size: 600,000 sq ft
- Average jobs per project: 180 jobs
- Average investment per project: \$28M
- Client Site Visits: 14



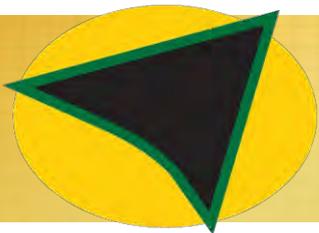
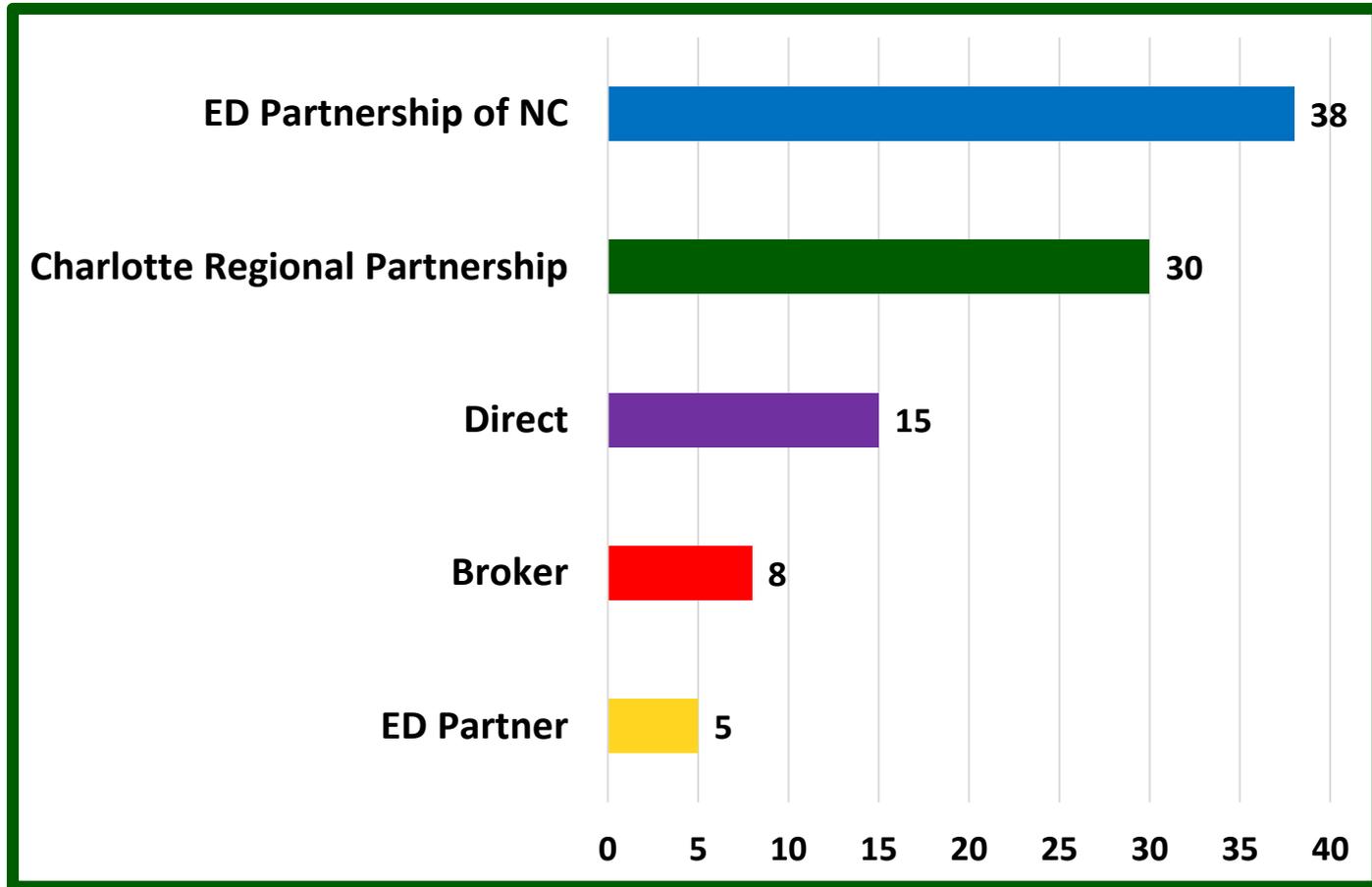
RFI Projects by Type

July 1, 2015 – April 30, 2016



RFI Projects by Source

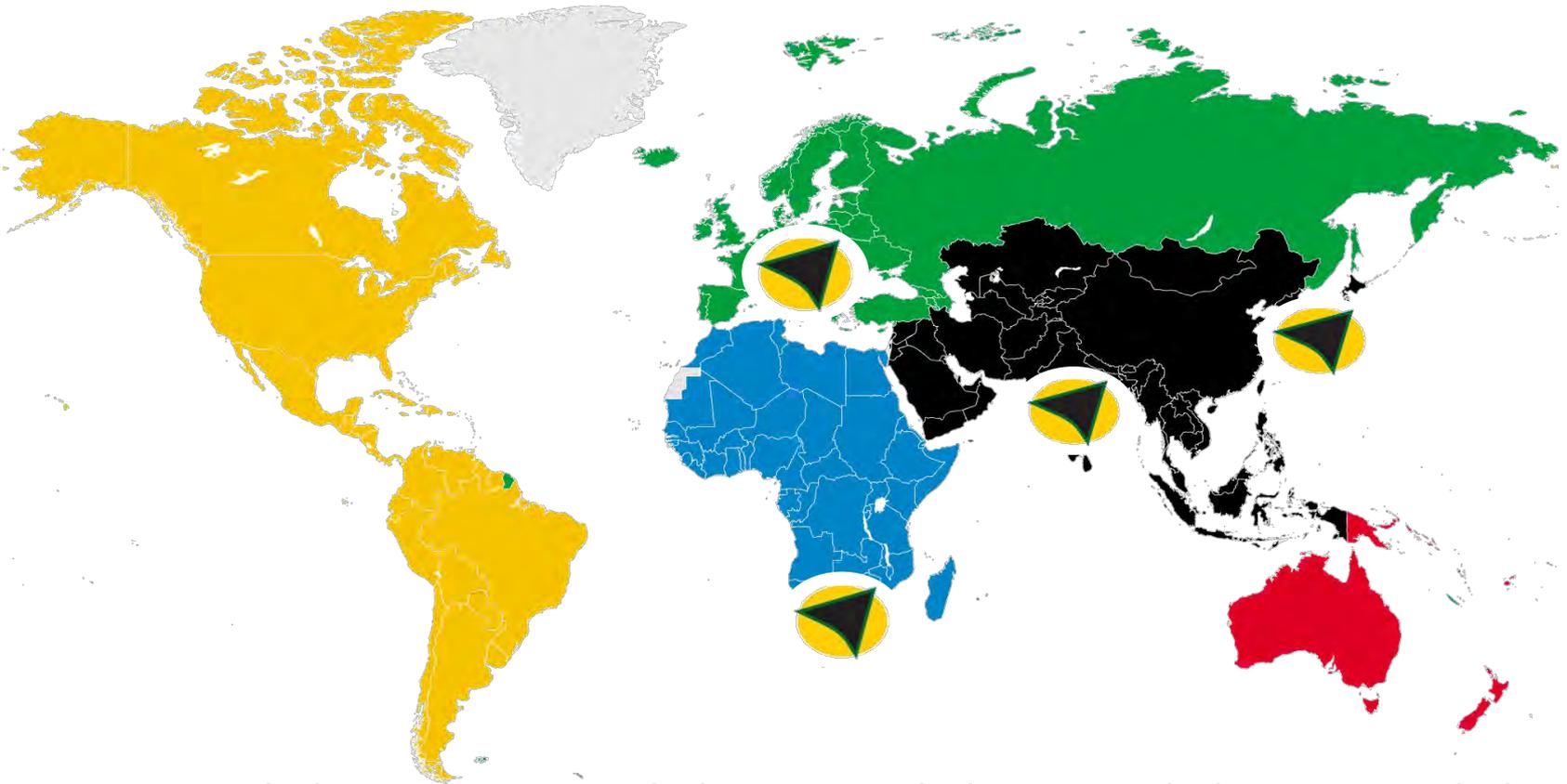
July 1, 2015 – April 30, 2016



RFI International Projects

July 1, 2015 – April 30, 2016

International Projects: 14



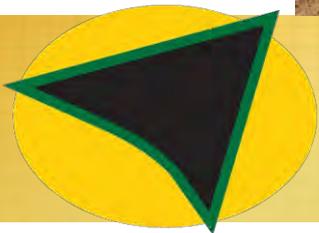
Europe (1), Germany (2), India (1), Italy (3), Japan (1),
South Africa (1), International - Unknown (5)

Attachment number 1

RFI Current Active Projects: 31

(as of 4/30/2016)

- Total possible jobs: 1,485
- Total potential investment: \$206M



CABARRUS
ECONOMIC DEVELOPMENT

Attachment number 1 \n

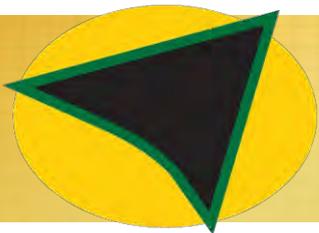
Project Announcements & Investments

July 2015 – April 2016

	Company:	Investment Announced:	Jobs Announced:	Local Grant(s) Received:
1	RiverOaks Corporate Center Park	\$53,000,000	N/A	Yes
2	SunCap Charlotte LLC (building for FedEx)	\$39,500,000	N/A	Yes
3	FedEx Ground	\$26,800,000	286 (FT & PT)	Yes
4	ETS Express	Unknown	200	No
5	K1 Speed	\$2,000,000	46	No
6	Intertape Polymer Corporation	\$40,000,000	49	Yes
7	Concord Airport Business Park Phase III/West	\$17,000,000	N/A	Yes
Total Projects:		\$178,300,000	581	



The EDC is a marketing organization and should continue to aggressively market and position Cabarrus County as the most desirable location in the 16-county metro.



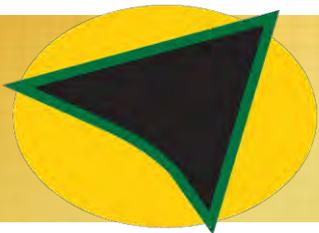
CABARRUS
ECONOMIC DEVELOPMENT

Budget Information:

2014-2015 Budget:	2015-2016 Budget:	2016-2017 Budget:
\$484,940	\$710,652	\$710,225



2016 – 2017 Cabarrus County Investment Request: \$400,000



Cabarrus Economic Development, Inc.
Proposed Fiscal Year 2017 Budget

2016 - 2017
Proposed Budget

Revenue

Cabarrus County	\$ 400,000.00
Other Municipal Revenue	141,500.00
Private & Other Sources	138,725.00
FAM Tour	30,000.00
	<u>710,225.00</u>
	<u>710,225.00</u>

Expenses

Payroll Related

Salaries & Benefits	353,618.00
---------------------	-------------------

Operations

Administrative	25,000.00
Rent	46,824.00
Insurance	5,675.00
Audit & Tax Return	7,000.00
Bookkeeping	9,000.00
Bank Charges	300.00
Office Supplies	2,520.00
Computer Supplies	2,700.00
Tech Support	1,188.00
Auto Expenses	1,500.00
Telephone	1,200.00
Property Taxes	175.00
Dues & Subscriptions	59,660.00
Database Subscriptions	17,560.00
Travel	4,200.00
Staff Development	6,000.00
Miscellaneous	272.00
	<u>190,774.00</u>
	190,774.00

Program Expenses

Recruitment	63,325.00
Retention	72,508.00
FAM Tour	30,000.00
	<u>165,833.00</u>
	165,833.00

Total Expenses

710,225.00

Total Revenue over Expenses

\$ -



CABARRUS COUNTY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP

MAY 24, 2016
4:00 P.M.

AGENDA CATEGORY:

New Business

SUBJECT:

RCCC - Presentation of FY 2017 Budget Request

BRIEF SUMMARY:

Representatives of Rowan-Cabarrus Community College (RCCC) will present their FY 2017 budget request and respond to questions from the Board.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

30 Minutes

SUBMITTED BY:

Dr. Carol Spalding, RCCC

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS

[Presentation](#)

**Rowan-
Cabarrus**
COMMUNITY COLLEGE



**Cabarrus County
Board of Commissioners
Budget Workshop**

May 24, 2016



MISSION

Rowan-Cabarrus Community College **improves lives**
and **builds community** through **public higher education**
and **workforce development.**

VISION

Building **sustainable futures** through the **power of learning.**

MAN-CABARRU
NAVIGATOR

CAMPUSES



Salisbury



Concord/Kannapolis



Concord



120 West Ave

OTHER LOCATIONS



Kannapolis



Concord

STUDENT UNDUPLICATED HEAD COUNT by Municipality for 2014



MIDLAND



MOUNT
PLEASANT



CHINA GROVE



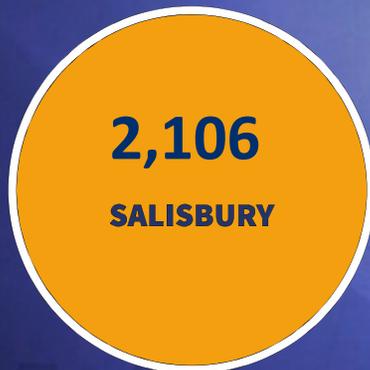
ROCKWELL



LANDIS



FAITH



SALISBURY



CONCORD



KANNAPOLIS



EAST
SPENCER



CLEVELAND



HARRISBURG



SPENCER



GRANITE
QUARRY



LOCUST

2014-2015 Student Enrollment

Curriculum

8,762

Continuing Education/CE

12,822

Total

21,584

Our Students

Average Age **28**

Cabarrus County Residency **45%**

2016 Graduation



997 graduates
received degrees,
diplomas and
certificates on
May 13

What Does Your Community College Mean to the Community?



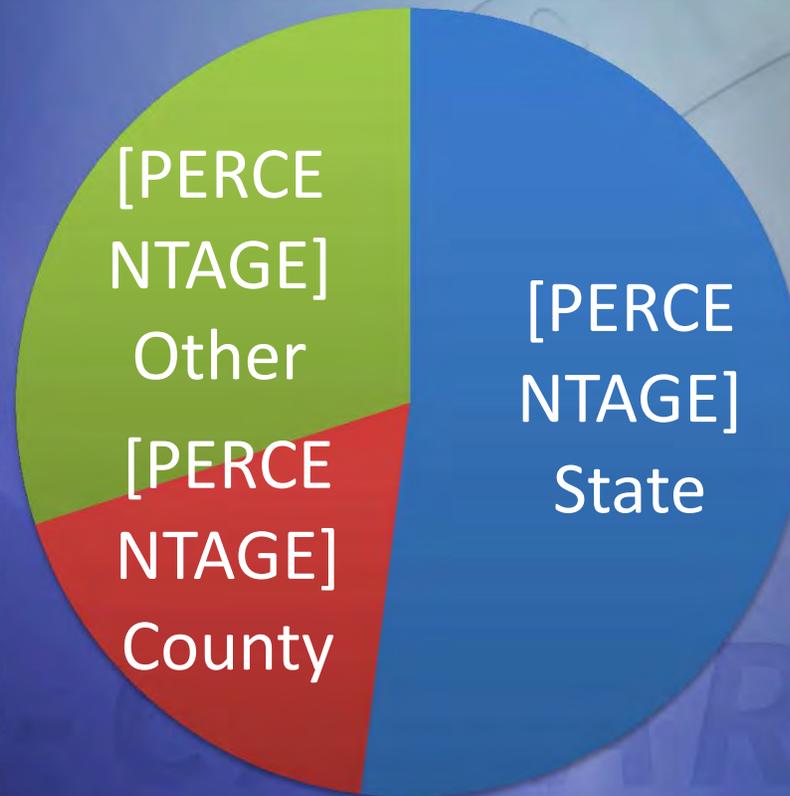
**Rowan-Cabarrus
Alumni Impact**
\$234 million
in added income
during 2012-2013

Source: 2014 EMSI

Attachment number 1 in

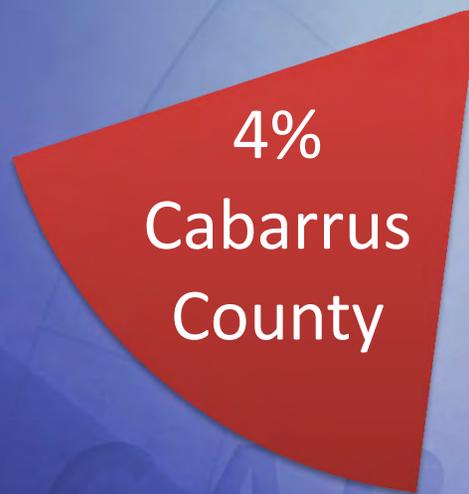
FISCAL 2015 REVENUES:

\$65,387,212



FISCAL 2015 REVENUES:

\$65,387,212



UPDATE Cabarrus County Fiscal 2016 Budget Request



Cabarrus County Fiscal 2017 Budget Request

Fiscal 2017 Budget Request Summary	
Current Operating Budget Request	2,351,526
Capital Budget Request	250,000
Total Fiscal 2017 Budget Request	\$ 2,601,526

Current Operating Expansion Requests		
Expansion Request Description	Amount of Increase	Comments
Additional energy costs for West Avenue	30,000	
Transition to Armed and Sworn Security Officers	24,446	Transitioned to Armed Security at all Campuses in Fiscal 2016
Increases in Operating Costs	28,875	Increased costs for materials, supplies and maintenance
Total Current Operating Expansion Request	\$ 83,321	

Capital Budget Requests		
Capital Request Description	Amount of Increase	Comments
Annual Capital Allotment	130,000	Includes new College Vehicle needed due to impact of new guidelines on travel from OSBM
Resolution of Humidity Problems at West Avenue (Cosmetology)	120,000	Includes engineering and commissioning costs for humidity control problem.
Capital Requests Outlined on attached Cabarrus County Ten Year Capital Plan	18,527,615	
Total Capital Request	\$ 18,777,615	



Navigator Forward

MAN-CABARRU
NAVIGATOR

Attachment number 1 in



CABARRUS COUNTY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP

MAY 24, 2016
4:00 P.M.

AGENDA CATEGORY:

New Business

SUBJECT:

Carolina Farm Stewardship Association (CFSA) - Lomax Farm

BRIEF SUMMARY:

Representatives from Carolina Farm Stewardship Association (CFSA) will present their FY 2017 budget request and respond to questions from the Board.

REQUESTED ACTION:

Receive input.

EXPECTED LENGTH OF PRESENTATION:

15 Minutes

SUBMITTED BY:

Roland McReynolds, CFSA

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS

[Proposed Budget](#)

[Addendum](#)

Carolina Farm Stewardship Association

2016 Lomax Program Budget

Income	
<u>I. Charitable Contributions</u>	\$35,000.00
Restricted Donation Carryforward from 2015	\$0.00
Individual donations	\$10,000.00
Fundraising Events	\$25,000.00
<u>II. Program Income</u>	\$5,000.00
2015 Farmer-in-Training Lease Income	\$5,000.00
<u>III. Sponsorships</u>	\$35,000.00
Corporate Sponsorships	\$35,000.00
<u>IV. Government Contributions</u>	\$40,000.00
Cabarrus Co. contribution	\$40,000.00
<u>V. Grant Programs</u>	\$57,000.00
Total Income	\$172,000.00
Expense	
<u>Payroll</u>	\$91,620
Program Coordinator Salary & Fringe	\$49,120
Land Manager Salary & Fringe	\$42,500
n/a	
n/a	
<u>Contractor Labor</u>	\$9,000
<u>Travel</u>	\$2,500
<u>Site Development Plan</u>	\$7,500
<u>Other Direct Costs (ODCs)</u>	\$54,000
<u>Equipment & Supplies</u>	<u>\$24,300</u>
<u>Facility & Equipment Rental</u>	<u>\$11,500</u>
Postage & Delivery	\$500
Printing & Reproduction	\$1,500
Professional Fees & Insurance	\$2,700
<u>Rent & Utilities</u>	<u>\$13,500</u>
Total Expenses	\$164,620

DRAFT 2017 Lomax Program Budget (7/1/16-6/30/17)

Income		Difference YOY
<u>I. Charitable Contributions</u>	\$65,000	\$30,000.00
Restricted Donation Carryforward from 2016	\$45,000	
Individual donations	\$10,000	
Fundraising Events	\$10,000	
<u>II. Program Income</u>	\$4,000	-\$1,000.00
2015 Farmer-in-Training Lease Income	\$4,000	
<u>III. Sponsorships</u>	\$10,000	-\$25,000.00
Corporate Sponsorships	\$10,000	
<u>IV. Government Contributions</u>	\$45,000	\$5,000.00
Cabarrus Co. Contribution	\$45,000	
<u>V. Grant Programs</u>	\$67,000	\$10,000.00
Various-Private	\$18,000	
USDA-AMS SCBGP (via NC and SC Dept. of Ag.)	\$15,000	
USDA-NRCS	\$16,000	
USDA-NIFA OREI*	\$18,000	
Total Income	\$191,000	\$19,000.00
Expense		
<u>I. Payroll**</u>	\$94,000	\$2,380.00
Program Coordinator Salary & Fringe	\$58,000	
Organic Research Coordinator	\$18,000	
Food Systems Coordinator	\$18,000	
<u>II. Contractor Labor</u>	\$15,000	\$6,000.00
<u>III. Travel</u>	\$3,000	\$500.00
<u>IV. Site Development Plan</u>	\$0	-\$7,500.00
<u>V. Other Direct Costs (ODCs)</u>	\$60,700	\$6,700.00
<u>Equipment & Supplies</u>	<u>\$25,000</u>	
<u>Facility & Equipment Rental</u>	<u>\$15,000</u>	
Postage & Delivery	\$500	
Printing & Reproduction	\$1,500	
Professional Fees & Insurance	\$2,700	
<u>Rent & Utilities</u>	<u>\$16,000</u>	
Total Expenses	\$172,700	\$8,080.00

ADDENDUM TO FIRST MODIFICATION TO THE AMENDED AND RESTATED OPERATING AGREEMENT FOR THE ELMA C. LOMAX INCUBATOR FARM PARK

The \$45,000 budgeted for the Farm Park for Fiscal Year 2017 by the County shall be expended for Farm Park operations and expenses, as provided below:

Equipment, maintenance and repairs	\$5,000
Grounds maintenance/management staff	\$15,000
Fuel, utilities and propane cost	\$7,000
Staff and support for community programs/activities	<u>\$18,000</u>
Total	\$45,000