

Proposed Operating & Capital Budget Overview

Fiscal Year 2026

Brian Matthews
County Manager
June 2, 2025



UNIONCOUNTY
north carolina

Recommended Tax Rates

Funds	FY 2025	FY 2026
Union County General Fund	16.32	11.24
Union County Debt Fund	1.75	1.06
Education Operating Fund	37.42	26.78
Education Debt Fund	2.92	3.89
Economic Development Fund	0.39	0.45
Total Tax Rate	58.80	43.42

- Total increase in real property values of approximately 60.5% due to countywide reappraisal
- FY 2026 value of one penny is \$6,138,253
- FY 2026 revenue neutral total tax rate of 41.60 cents per \$100 of assessed valuation
- FY 2026 proposed total tax rate is 43.42 cents per \$100 of assessed valuation
- Additional 1.82 cents above revenue neutral to cover voter -approved debt for UCPS & SPCC

Total Budget

Funds	FY 2025	FY 2026
Union County General Fund	\$203,199,163	\$216,820,994
Union County Debt Fund	\$7,318,174	\$9,254,495
Education Operating Fund	\$154,368,081	\$164,146,206
Education Debt Fund	\$47,280,735	\$51,081,476
Economic Development Fund	\$1,621,970	\$2,765,798
Water & Sewer Fund	\$85,214,115	\$93,242,748
Solid Waste Fund	\$13,929,495	\$15,507,895

*Total budget represents all revenues from all sources

Voter Approved GO Bond Tax Rate Impact

Education Debt	Estimated Increase at Bond Referendum (2022)	Estimated Increase in FY 2025 (Pre-Reval)	Proposed Increase for FY 2026 (Post-Reval)
UCPS Current & Voter Approved Debt	3.50	1.80	1.64
SPCC Current & Voter Approved Debt	0.85	0.28	0.18
Total Education Debt	4.35	2.08	1.82

- Reduction in estimated increases to tax rate due primarily to contributions to the Education Debt Fund of \$10 million in ARPA-enabled funds from the General Fund and \$10 million in education bond premiums

Examples of Annual Tax Rate Increase Impact

Home Value	Proposed Total Tax Rate Increase	Increase in Annual Tax Bill
\$200,000	1.82	\$36.40
\$300,000	1.82	\$54.60
\$400,000	1.82	\$72.80
\$450,000	1.82	\$81.90
\$500,000	1.82	\$91.00
\$1,000,000	1.82	\$182.00

🍀 \$1.58 per week for median home value of \$450,000

Investing in Economic Development

- Moved a portion of General Debt Fund tax rate to Economic Development Fund
 - 0.45 Economic Development Fund generates \$2,765,798 to fully fund operations, debt services, and land banking for future economic development opportunities

Enhancing Public Health & Safety

- Funding for EMS to enhance & expand Basic Life Support (BLS) capabilities within the ALS/BLS tiered response system
 - \$745,422 Increase in operations for 12 EMTs
 - \$2,344,918 in capital for replacement of transport vehicles
- Senior Nutrition Program
 - Additional funding of \$127,023 to maintain current level of meals provided
 - Additional \$244,863 provided to help reduce the waitlist
 - Wesley Chapel, Mineral Springs, Wingate, Lake Park, and Waxhaw have shown interest in assisting with the waitlist for their respective municipalities

Fire Services

- Volunteer Fire Departments provide an incredible value to our community. Over the past several years they have struggled with
 - Recruiting volunteers due to more training requirements, response complexity and time commitments
 - Increased staffing and capital costs
- Most departments budgets were reduced from what was requested; however, funding levels should help to address their needs

Water & Sewer

- Second year of water rate increase of 7.25% for future Catawba Water Treatment Plant expansion and water master plan projects that will maintain appropriate thresholds for water pressure and fire flows
- Second year of sewer rate increase of 6% for sewer master plan projects that will maintain adequate infrastructure to prevent sewer overflows
- System development fees to be discussed later tonight

Investing in Employees

- Classification & Compensation Study
 - \$4,946,700 to fund third and final phase of market adjustments
 - Includes 2.5% mid-year COLA
 - Using a combination of funding from pay for performance and cost savings from Health Care Fund

Union County Public Schools

- Additional operating funding of \$8,837,933
 - Slightly above organic growth due to enhanced collection rate
- Fully funding capital request of \$20,801,029
 - Includes one-time funding of \$1.5 million from various financing sources, such as State Building R&R Fund, sales tax reimbursement from bond projects, and fund balance from UCPS portion of Education Budgetary Fund
- Charter school funding of \$14.5 million (UCPS Projection)

South Piedmont Community College

- Additional operating funding of \$268,785
 - Enhanced security measures
 - Proactive security best practices
 - AED and CPR certification
 - Safety threat assessments
- Operational capital budget of \$375,900

Next Steps

- Budget Adoption – June 16th 2025
- Budget implementation – July 1st 2025

Acknowledgements

- County Tax Assessor's Office
- County Clerk's Office
- County Department Directors & Budget/Finance Staff
- Information Technology Team
- County Finance Director Beverly Liles & Staff
- County Manager & Executive Team

Budget & Grants Management Team:

- Jason May – Director of Budget & Grants Management
- Blake Hart – Assistant Director of Budget & Grants Management
- Mary Namala – Senior Budget Analyst
- Greg Artman – Senior Budget Analyst
- Jodi Price – Senior Budget Analyst



Thank you



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