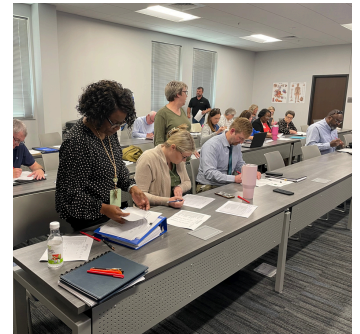


PROPOSED BUDGET

FY 2025-2026



Sampson County Government Budget Message

Fiscal Year 2025-2026

To the Citizens of Sampson County and the Honorable Board of Commissioners:

The proposed Fiscal Year 2025-2026 (FY26) Budget for Sampson County, North Carolina, has been prepared in accordance with *The North Carolina Local Government Budget and Fiscal Control Act* (North Carolina General Statute §159-8). The budget identifies revenue, and expenditure estimates for FY26 and provides necessary services to the citizens of the County.

This message is meant to convey the most important aspects of the proposed budget, including recommended major changes in revenues, expenditures, and programs for the coming fiscal year. Information on the budget process has been presented, much of which was new for Sampson County. This budget proposal is subject to change, depending on decisions made by the board of commissioners during the budget process. It is not final until adopted by the commissioners.

With a change in key personnel, Sampson faced a loss of institutional knowledge. In addition, the FY25 budget reduced the tax rate by 20 cents following revaluation while filling a budget deficit of over \$11.8 million with county fund balance. This would have amounted to a 16.75 cent increase in the property tax rate. The county fund balance was sufficient to fill the shortfall, but it is not sustainable to use county savings for recurring expenditures.

Historically low public education funding has also become a factor in developing the budget. As did the need to fix and maintain many public building assets. Moreover, an independent assessment of the county by North Carolina local government resources revealed a need to invest in additional technology infrastructure to ensure government data security.

The circumstances surrounding this budget made it an extraordinarily difficult task to complete. Along the way members of the Board of Commissioners were kept informed, and department heads were directly involved. One of the central tenants of public service, and indeed budgeting, is honesty. Thomas Jefferson said, "Honesty is the first chapter in the book of wisdom." Decision makers have been told the truth about the underlying forces affecting the budget. This budget cycle forced very hard decisions. Government positions have been eliminated. No pay increases are included. Employee benefits are reduced. Services have been cut. Fee increases are recommended. And, after exploring all other options, a proposed tax rate increase was necessary.

One key importance is that the budget is balanced with recurring revenues closely aligned with recurring expenses. Public education is more appropriately funded. Fire services within the county continue under contract and are funded. The use of the county's savings has been cut from \$11.8 million to \$1.3 million in one year. Perhaps less visible are the new cooperative relationships between departments as well as the county and outside agencies. This new culture must continue.

This proposal is only the FY26 budget. However, it should be the basis for the FY27 and FY28 budgets. The county must hold the line on expenditures for at least the next two fiscal years and allow natural tax base growth or increased sales tax revenue to fund necessary increases.

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General Statistical Information

Population

- County Population: 59,770 (2024)
- Change vs. Previous Year: 710 (increased by 1.2%)
- Population Per Square Mile: 62.4
- Unemployment Rate: 3.8% (March 2025)
- Poverty Rate: 20.2% (2023)

Population by Race: (2023)

- American/Native Indian: 1,828 (no change)
- Asian/Pacific Islander: 449 (no change)
- Black: 14,459 (2.4% decrease since 2010)
- Hispanic: 12,922 (5.4% increase since 2010)
- Other/Multiracial: 2,150 (.6% increase) since 2010)
- White: 40,628 (3.7% decrease since 2010)

Population Age (2023)

- 0-17 years: 24.2%
- 18-24: 8.9%
- 25-54: 35.6%
- 55-64: 12.9%
- 65+: 18.5%

Housing

- Median value of owner-occupied housing units (2019-2023): \$128,400
- Median Gross Rent (2019-2023): \$811/Month
- Average Tax Value of a Single-Family Residence \$157,314 (2025)

Wage Data (1 year period, Q3, 2023 - Q4, 2024)

- NC Average Annual Private Sector Wages: \$67,474
- Sampson County Average Annual Private Sector Wages: \$46,835
- NC Average Annual Median Household Income: \$60,516
- Sampson County Average Annual Median Household Income: \$53,637 (Ranked 57th in State)

Jobs Data (Quarterly Census of Employment and Wages Q3, 2024) (By category)

- Job Total, All industries: 16,819 Avg. Weekly Wages: \$902
- Ag, Forestry, Fishing/Hunting Jobs: 2,003 Avg. Weekly Wage: \$933
- Educational Services: 1,474. Weekly Wage: \$796
- Healthcare: 2,038 Avg. Weekly Wage: \$942
- Manufacturing Jobs: 2,892 Avg. Weekly Wage: \$1,160
- Retail Trade: 2,297 Avg. Weekly Wage: \$627

Commuting Patterns (2022)

Residents that live/work in Sampson County: 5,617

Worker Inflow (Individuals coming into Sampson County for employment): 7,914

Worker Outflow (Individuals leaving Sampson County for employment): 13,563

Net Flow: (-5,649) (Net loss of individuals leaving Sampson County for employment)

FY 2025-2026 Budget Executive Summary

- Per state law, the FY26 budget is a balanced budget with revenues equaling expenditures.
- The budget was developed with zero-based budgeting, creating a more precise budget than in years past. This also means that there must be less flexibility in mid-year spending.
- The Legacy of the FY25 Budget drove most major decisions in the FY26 budget.
- The FY25 budget message cited a revenue deficit of \$11.8 million (p.7 (4)).
- One penny of property taxes yields approximately \$704,438 in FY26.
- It would take a property tax increase of 16.75 cents to cover a deficit of \$11.8 million.
- The FY25 budget reduced the tax rate by 20 cents following revaluation.
- The newly adopted 2025 Commissioner Strategic Goals gave important budget direction.
- The largest reduction in county positions in recent history has occurred, with twenty (20) positions being eliminated from the budget, resulting in over \$1.1 million in recurring savings.
- Modified employee health insurance resulting in over \$1 million in recurring savings.
- The FY26 budget includes no salary increases for county employees.
- Only one new position is proposed to serve military veterans, per a goal of the Board of Commissioners.
- The FY26 budget drastically decreases county reliance on the county's savings to balance the budget. An appropriation of only \$1.3 million has been proposed. This is approximately \$10.5 million less than what was budgeted in FY 25.
- The general fund debt of the county amounts to approximately \$86.87 million, with a debt service payment due in FY26 of \$6.85 million. Debt payments are fully funded.
- Funds to increase the per-pupil appropriation for public education from \$1,352 to \$1,481 are included within this budget. This is targeted to move Sampson County's effort to support public education from 104th out of 115 jurisdictions in the state into the top 100.
- At the beginning of the budget process, total requests for expenditures from all funds totaled \$94,330,950. The recommended budget cut more than \$12 million from these requests, leaving a total budget, including capital expenditures, of \$82,269,037.
- Net of capital expenditures, the proposed FY26 General Fund Budget of \$79.9 million represents over a \$5 million decrease in annual operating spending from the previous year.
- Funding for construction, repairs, and capital needs from the County Government Building Capital Reserve fund is proposed at \$1,269,101.
- Funding for education construction, repairs, and capital needs is proposed at \$3,810,157, which includes \$1 million for repair of the Sampson Middle School roof.
- The proposed budget includes a six (6) cent property tax increase to 0.6850 cent/\$100 valuation to meet the needs of the community and decrease reliance on the savings of the county. The tax increase is earmarked specifically for public education (3 ½ cents), public safety (2 cents), and the maintenance of public government buildings (½ cent).
- Sampson County Government and community fire departments have extended fire and rescue service agreements for an additional five years, with default multi-year fire tax rates ranging from 7-10 cents, as well as required 95% emergency response levels proposed for all departments.

Important Aspects of the FY26 Budget

Several factors guided the formulation of this proposed FY26 budget. Each is discussed in turn within this section.

The Legacy of the 2024-2025 Fiscal Year Budget

Sampson County currently follows a four (4) year revaluation cycle. The county conducted a property tax base revaluation in 2024, which establishes value as of a date in time. That date being January 1, 2024. Values for the base are set until the next revaluation cycle. The values that are established are based on sales values and the prevailing market condition of the jurisdiction. Standard appeals processes exist for property owners to appeal the values set by the appraisal. The 2024-2025 budget was constructed on the new values established because of that revaluation cycle.

Although the tax base value itself is objectively set based on the market conditions of the jurisdiction, the tax rate is set by the governing body. As part of the FY25 budget, a strong emphasis was placed on lowering the property tax rate following revaluation. After a revaluation process occurs, the term “revenue neutral” is often used. Revenue neutral describes the tax rate at which taxation of all real and personal property in a county yields revenue to the county (under new values) roughly equal to the revenue received by the county in the fiscal year prior to revaluation (based on old values). The revenue neutral rate also takes into account the average percentage growth in the tax base.

As a result of this budgetary philosophy, the property tax rate of the county dropped from .8250 cents/\$100 valuation down to .6250 cents/\$100 valuation. The rate of .6250 cents was lower than the published revenue neutral rate of 0.629 cents/\$100 valuation.

At the same time the county dropped the tax rate, it contemplated a budget of around \$85 million. To balance the budget the past administration used approximately \$11.8 million of fund balance. According to the FY25 budget message, it was anticipated that lapsed salaries and benefits would cover around \$1.9 million of the deficit (FY25 Budget Message p.7). Through prudent spending as of May 2025, Finance staff have projected that only around half the fund balance appropriated may be used in FY25.

While the use of fund balance to make up for expenses over revenues may be a solution for one year, it is not sustainable. The FY26 budget could not rely on fund balance to the extent of the FY25 budget. A paradigm shift in spending was necessary.

More than any other single pressure, the need to create alignment between recurring revenues and recurring expenditures drove this budget. Put simply, the revenue solution of FY25 was simply not sustainable.

Goals of the Sampson County Board of Commissioners

The Board of Commissioners met in February of 2025 to consider what strategic goals they might consider for their term of office. The Board had not undertaken any strategic planning exercise or goal setting in many years. Through collaborative decision-making, the following goals were written and formally adopted in March of 2025. These goals guided the creation of the FY26 budget, within the limits of available resources.



For ease of reference, goals that have been addressed in whole or in part have been highlighted in green font. Efforts to address all goals should continue over the next several years. In particular, efforts to continue to transform the corporate culture through transparency and shared decision-making among departments and leadership should continue.

Excellent Government

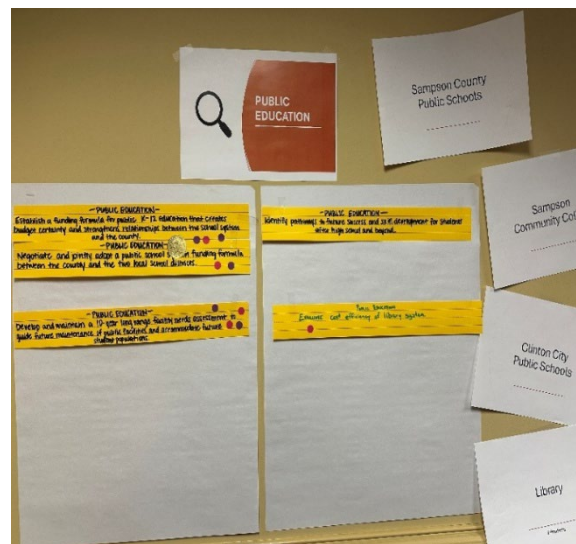
1. Maintain the county government's positive financial position, low tax rate, and credit strength.
2. Explore methods to enhance grant awards to Sampson County through either in-house or contracted services.
3. Ensure the security and safety of government IT systems to protect the county workforce, citizens of Sampson County, personal information and public data from cyber-attack
4. Create a culture in which the highest level of customer service is the goal of every employee.
5. Develop succession planning within county departments and agencies and establish a system of supervisor leadership and ongoing employee training.
6. Celebrate the public servants of the county through set annual events to retain highly qualified employees.
7. Maintain effective and efficient fleet management by utilizing the best practices regarding procurement, RFQs, etc.
8. Establish an employee recognition program which, through committee selection, honors the work of county employees on a quarterly and annual basis.

Safe Community

1. Create a multi-point emergency communications broadcast tower system for communications redundancy.
2. Create an inclusive process by which fire tax levels are determined in districts throughout the County such that funding for departments is sufficient to maintain the mission of the volunteer departments.
3. Provide sufficient funding for the Sheriff's Office and Detention Center to recruit and retain highly qualified LEOs, providing a safer community.
4. Over the next 5 years, improve Emergency Medical Services response times to less than 10 minutes.
5. Coordinate all aspects of Public Safety within municipalities, state and federal governments to provide responsive, cost effective, and efficient administration of justice, fire and rescue, and emergency services to all our county.
6. Ensure the security of IT infrastructure among public safety agencies.

Public Education

1. Negotiate and jointly adopt a funding formula for public K-12 education that creates budget certainty and strengthens relationships between both school systems and the county.
2. Develop and maintain a 10-year long-range facility needs assessment to guide future maintenance of public facilities and accommodate future student populations.
3. Evaluate the cost efficiency of the Sampson County public library system.
4. Identify pathways to future success and skill development for students after high school and beyond.



Growth and Infrastructure

1. Connect areas experiencing PFAS contamination to the county's potable water system.
2. Through increased relationships and lobbying state and federal governments, establish a larger road network to include four-lane connectors linking Sampson with large, urbanized areas and industries.
3. Establish a maintenance and capital plan for all public buildings that are the responsibility of county government.
4. Maintain the unique rural and agricultural climate of Sampson County, while encouraging smart growth in the tax base.

5. Form and sustain partnerships with local municipalities to provide a strong regional utility system for the benefit of all customers countywide.
6. Establish a county-wide potable water system with greater fire capability than now exists over the next 20 years, through careful planning, partnerships and budgeting.
7. Expand public works to incorporate fleet maintenance and maintain an efficient fleet of vehicles.

Healthy Community

1. Provide sufficient staffing and facilities for Veteran’s Services.
2. Coordinate with municipalities, state and federal governments to achieve public health and well-being objectives.
3. Evaluate the cost efficiency of the Animal Shelter.

Economic Development

1. Optimize the balance between industrial, commercial, and residential development to maximize the tax base and minimize the tax rate.
2. Re-establish the county’s transportation advisory committee.
3. Foster partnerships to collectively develop strategies and inspire a positive business environment.
4. Foster and support Public-Private Partnerships to benefit Economic Development.
5. Partner with local municipalities and community partners to identify, prioritize, and establish viable sites for economic development through proper zoning, infrastructure, and streamlined regulations.

Relations and Connections

1. Create an environment where residents feel respected and engaged in county government decisions.
2. Designate a county commissioner liaison to the two Boards of Education, the community college, the business community, and the agricultural community.
3. Encourage the expansion of programming at the Agri-Expo center to increase the facility’s self-sufficiency.
4. Create and sustain opportunities to connect with community members to educate about county departments and topics, collect public input, and inspire constructive dialogue between staff and residents.
5. Establish a Sampson Elected Officials Roundtable which meets regularly to discuss local issues and leverage talent and resources to solve them.



An Absolute Need to Cut Expenditures

In February it became clear that continuing the practice of using \$11.8 million, or even half that amount of fund balance would deplete the county's fund balance reserves in a matter of years. The FY25 budget established a level of expenditure that was reliant on fund balance rather than recurring revenues. Realizing the plight of the county, the first step in the budget process became a careful review of how departments were constructing their budgets.

Direction from the County Manager to all Department Heads was to use zero-based budgeting and a line-by-line review of all budgets. Department Heads and staff reported that, in past years, most budget decisions were made centrally in Administration and Finance with little to no participation of department heads in the budget process. With that being the case, Department Heads had less experience in careful construction and review of their own departmental budgets than is common in other jurisdictions in the state.

In FY26, Department Heads were tasked with providing an accurate account of expenditures for everything necessary to accomplish their departmental mission. They did so with varying degrees of success in their initial requests.

However, a budget is not created on initial requests. Rather, the Department Heads were engaged in multiple rounds of team budget workshops, concluding with one-on-one meetings with Finance and Administration. As a result, each Department Head had input into the cuts to their own departments.

Each Department Head had the ability to provide input on elimination of positions, requested fee increases, operational cuts, and cross-departmental collaboration.

Figure 1 depicts the combined expenditure levels from all funds, including the General Fund, County Government Building Capital Reserve Fund and the Public-School Building Capital Reserve Fund. Please note that the general fund is the annual "operational fund" of the county.

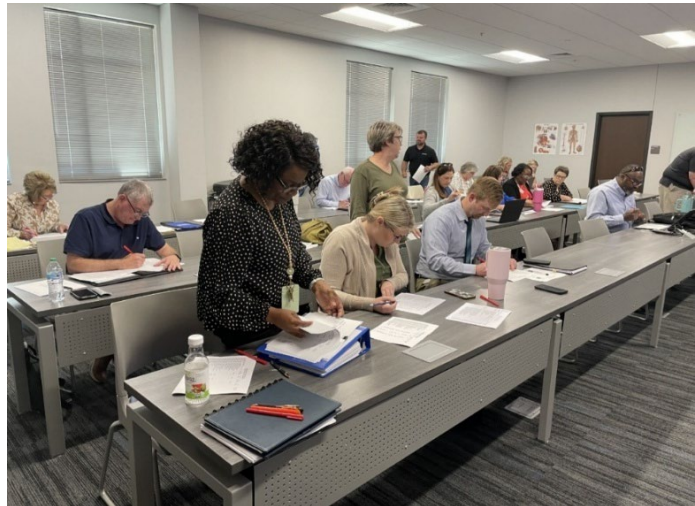
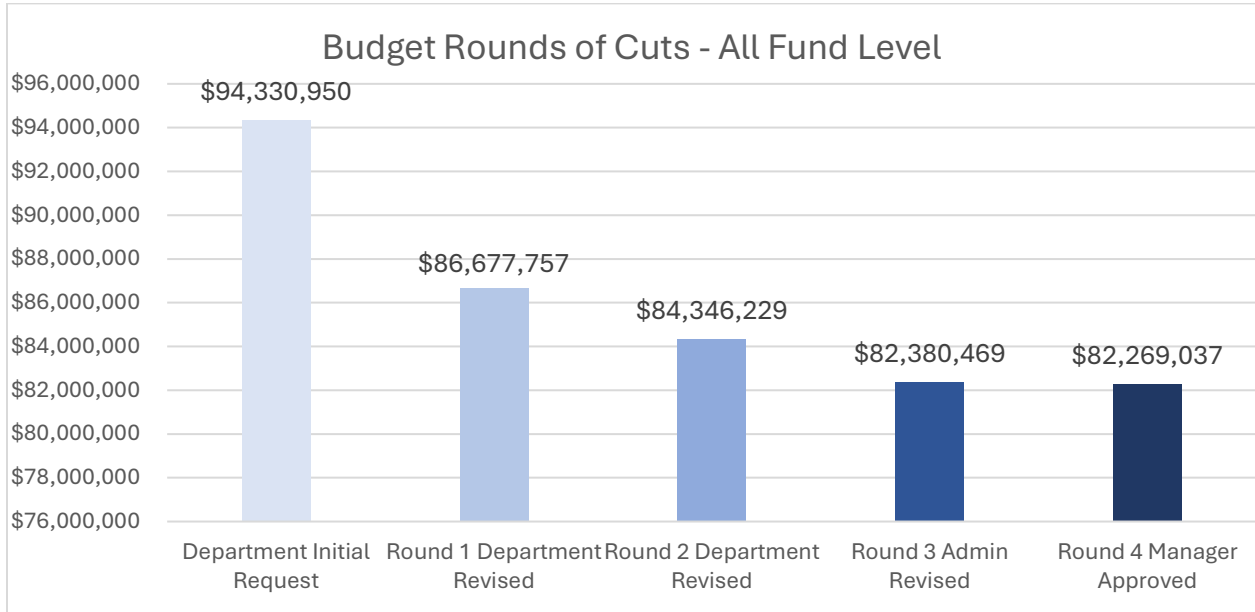
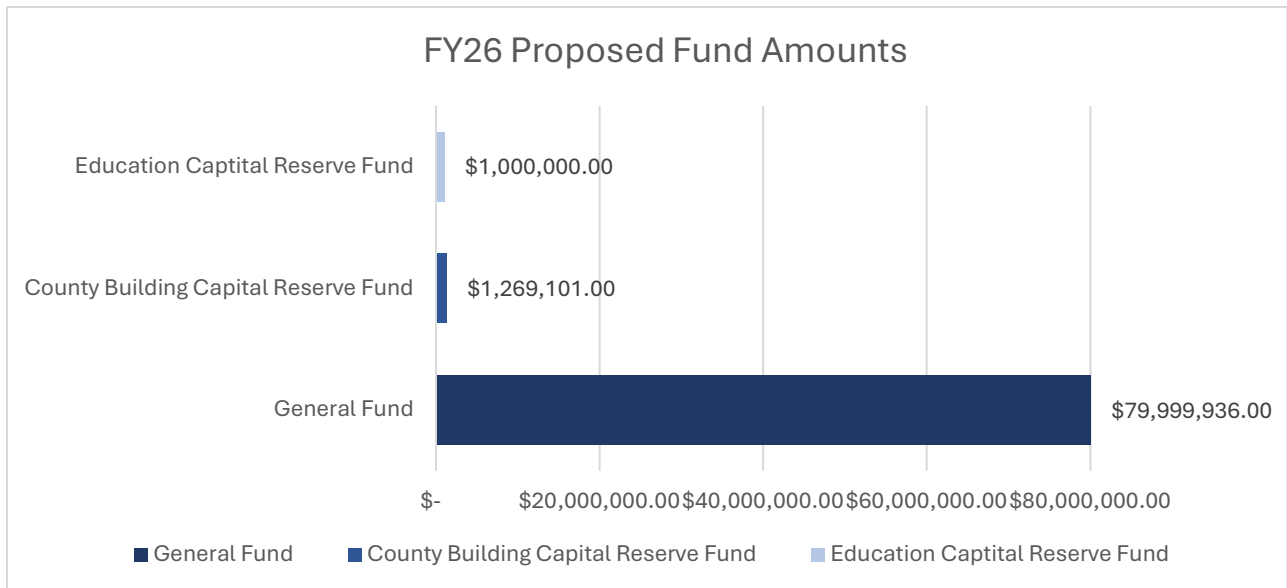


Figure 1. Rounds of Budget Expenditure Cuts – All Funds



To illustrate the breakdown between the General Fund and the two capital (construction) reserve funds, Figure 2 is provided. The operational budget of the county, net of capital expenditures is now below \$80 million.

Figure 2. Break Down of General Fund and Construction Funds



Organizational Level Cuts

The line-item budget of the county reveals full expenditure details of the departments. Not every cut was enormous in nature. Instructions provided to the Department Heads were to eliminate all expenditures possible, while maintaining the basic public service function of the department. Department Heads were told to reduce even small amounts where possible, as numerous small cuts also add up to large savings. All the department-level cuts were accepted.

At an organizational level, the County Manager made major decisions that drastically cut spending levels from initial requests for appropriations.

1. Cut or reassigned twenty (20) Full-Time Equivalent positions which were dependent on property taxes for funding.
2. Eliminated a proposed 2.6% cost of living adjustment.
3. Cut all newly requested positions except one in Veteran's Services (Board of Commissioner goal and partially grant funded).
4. Cut FY26 reclassification requests.
5. Cut all travel and training except what is required to maintain licensure and certification.
6. Renegotiated county health insurance benefits, decreasing some benefit levels and introducing lifestyle penalties to reduce health insurance costs.
7. Reducing the hours of the Roseboro and Newton Grove Branch Libraries.
8. Eliminated the Garland Branch Library based on patron usage data.
9. Cut contributions to the county economic development reserve.
10. Scheduled refunding (refinance) of debt service to save interest expense.
11. Cut the public school 10-year capital study.
12. Cut emergency contingency funds in the operational budget from \$500K to \$100K.
13. Cut all county mowing contracts through reliance on county employees and inmate labor.
14. Cut most housekeeping contracts from 5 days to 3 days per week.
15. Used the county's existing, but not implemented, indirect cost plan for public utilities.
16. Reduced all vehicle and heavy equipment purchases to emergency vehicles only.
17. Cut the elimination of credit card fees for online payments, continuing the practice.
18. Moved county property tax fire department supplements into the various fire taxes.
19. Moved county building repairs into the County Building Capital Reserve Fund.
20. Moved school building repairs into the Public-School Building Capital Reserve Fund.
21. Cut all requests to increase the annual operational budget of Sampson Community College, flat funding the college.

Estimated Revenue

Review of expenditures is only half of the budget process. Revenue streams available to Sampson County were closely analyzed by Administration and Finance during development of the FY26 budget. Four major revenue streams that are used by counties are sales taxes, fees and charges, appropriated fund balance, and finally, property taxes.

Under North Carolina law, the Board of County Commissioners do not have the authority to institute sales taxes. They do have the authority to set local fees and charges, use the county's savings (fund balance) and set property tax rates.

Sales Tax

Based on all available data, the Finance Office has projected general fund sales tax revenue for the coming year to be \$16,500,000.

Counties in North Carolina have no authority to create new taxes on the sales of goods. All authorities come from the State of North Carolina. The authority for sales taxes were given separately over time and are commonly referred to as "Articles". All information regarding the explanation of the Local Sales & Use Tax Distribution can be obtained from G.S. 105-463 through G.S 105-538.

Article 39 – Article 39, being distributed by point of sale, is the purest form of the Local Sales & Use Tax. Basically, any sale that occurs in each county will result in the Article 39 portion returning to that county.

Article 40 – Article 40 is distributed based upon a county's population in relation to the state population total.

Article 42 – Article 42 was previously distributed based upon a county's population in relation to the state population total. Effective with the November 2009 collections distributed in January 2010, Article 42 tax is distributed on a point-of-sale basis.

Article 43 – Article 43 proceeds are distributed to counties that have enacted a Public Transportation Sales Tax per G.S. 105-506 through G.S. 105-507 or to special districts operating as Regional Public Transportation Authorities or Regional Transportation Authorities that are established and operate according to G.S. 105-508 through G.S. 105-510 or to counties that are eligible under G.S. 105-511. The proceeds from Article 43 distributed under Part 2 of the Article are distributed on a per capita basis to the county and units of local government in this county that operate public transportation systems. Currently, only Wake County, Durham County, Orange County, Mecklenburg County, City of Charlotte, and Town of Huntersville are eligible to receive proceeds from Article 43.

Article 44 – Effective with the November 2009 collections distributed in January 2010, Article 44 tax was repealed.

Article 45 – Effective July 1, 2006, Article 45 was repealed. Article 45 was a Local Government Sales and Use Tax for Beach Nourishment levied only by Dare County. Therefore, the proceeds of this Article are distributable only to Dare County.

Article 46 – Article 46 allows an additional 0.25% local sales and use tax on transactions subject to the general State rate of sales and use tax pursuant to G.S. 105-164.4. Article 46 is to be distributed based upon point of sale to the counties that enact this Article and will not be shared with municipalities within these counties. Sampson County passed a referendum to collect Article 46 sales and use taxes.

Unless the North Carolina General Assembly grants additional authority to Sampson County, the County has no way to collect more sales tax proceeds.

Sampson County should continue its efforts to attain additional authority to leverage new sales taxes. If the county might receive authority to charge an additional ½-cent local sales and use tax it is estimated to yield \$3.89 million per year for the county provided it is not split with municipalities. This money might be used to offset property taxes.

Fees and Charges

Unlike property taxes or sales taxes which are paid by all citizens, fees and charges generally apply only to those people who use a specific service of county government. As part of the budget development for FY26, each department was instructed to review their fees and charges to determine whether increases would be justified. Part of the goal was to make departments as self-sufficient as possible without reliance on property tax dollars.

As a result, a series of fee and charge increases are proposed within the budget. They may be fully reviewed as part of the proposed fee schedule attached to the proposed budget.

The overall total estimated revenue of \$7,629,797 was projected for departmental fees and charges. This funding directly supports the operations of county departments.

The Use of Fund Balance

A. John Vogt writes in *County Government in North Carolina* (4th Ed.) that:

Legally available fund balance is money that is left at the end of one fiscal year that may be appropriated to finance expenditures in the next year's budget. G.S. 159-8 (a) defines such fund balance as "the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year.

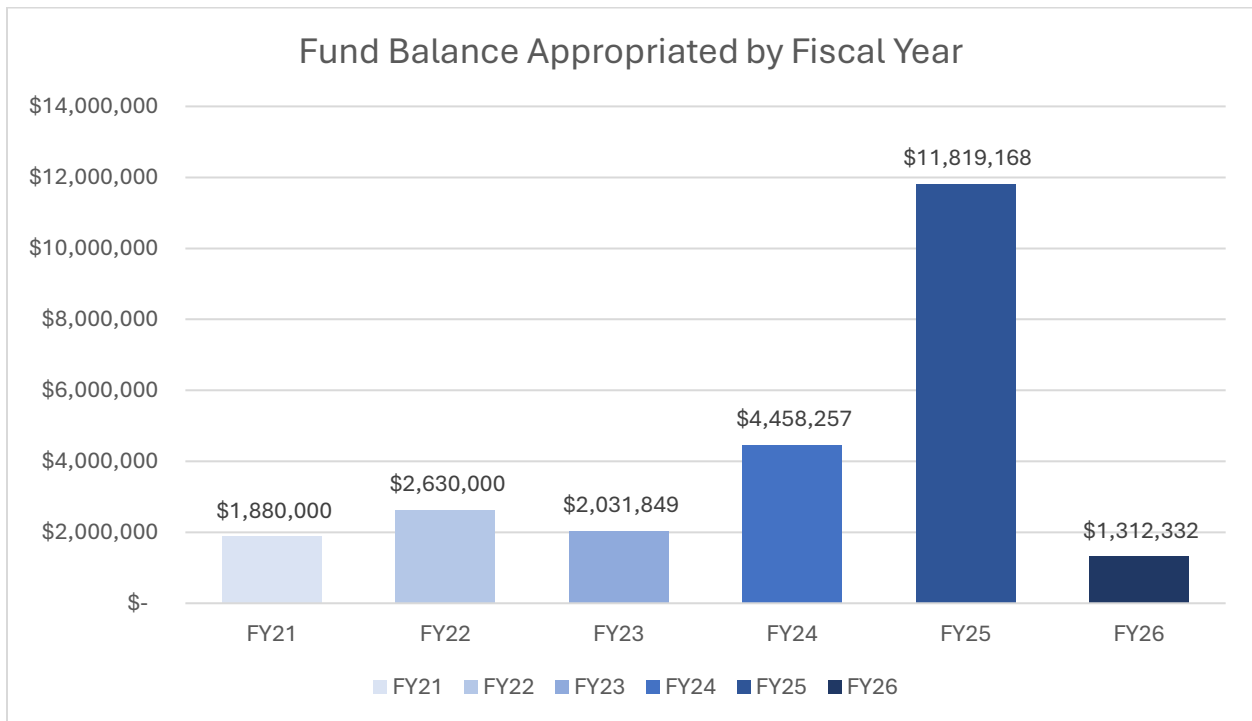
It is both a legally acceptable and normal practice to use the fund balance of a county to help balance the budget. In fact, most counties in North Carolina use at least a small percentage of fund balance on an annual basis. The problem arises when the use of fund balance becomes too great.

There are multiple reasons why a unit of government should carry a healthy fund balance. Among the reasons cited by Mr. Vogt are such things as:

- Providing working capital to pay vendors and others in a timely way
- To meet emergencies or unforeseen needs
- To be able to take advantage of unexpected opportunities requiring money
- To ensure a good bond rating
- To ensure there is no cash-flow deficit during the first half of the fiscal year because most property tax revenue is not received until December
- Earn investment income to supplement tax income

As mentioned earlier in this document, FY25 represented a stark departure from Sampson County’s past practices of budgeting a conservative amount of fund balance. The manager recognized this, stating on page 2 of the FY25 Budget Message “Fortunately, we have the cash reserves to support the level of County government herein proposed until decisions are made on how to develop the future 2025-2026 budget. This gives the Board an entire year to plan for succeeding budgets.” Figure 3 depicts a five-year history of past appropriations along with the FY26 proposed appropriation.

Figure 3. Sampson County Fund Balance Appropriations



Prudent budgeting requires the drastic reduction in use of Fund Balance. Consequently, this budget proposal includes the use of only \$1.3 million in fund balance.

Property Tax – Comparing Comparable Counties

After the amount of all other revenue available to balance the budget is determined, the county must look at the sales tax rate for recurring revenues. The goal in every budget is to hold the tax rate as close as possible to the existing year’s rate.

If it may not be possible to hold the property tax rate the same, a county should compare its property tax rate with other similar counties in North Carolina. The North Carolina Department of Commerce utilizes such factors as income, population, and adjusted property tax base per capita to determine economic tier rankings in the state. Using similar methods and the most readily available data from the North Carolina Association of County Commissioners, the following tax rate comparisons were created based on the FY25 (post revaluation) tax rate. In addition, information was provided to the Commissioners about the adopted tax rates of adjoining counties. This information was reviewed by the Board of Commissioners at their budget kickoff meeting in February 2025.

Notes:

- *Counties highlighted in blue have more similarities to Sampson than others.*
- *Adopted tax rates may change as counties enter revaluation years.*
- *Adopted tax rates may change from one fiscal year to the next fiscal year.*
- *All tax rates shown are from FY25, the most recent data available.*

Figure 4. Adopted Tax Rate Comparison by Population

County	Population	County Adopted Tax Rate (24-25)
Wilkes	66,315	0.66
Rutherford	65,035	0.454
Stanly	64,286	0.61
Haywood	64,109	0.55
Granville	62,881	0.631
Watauga	57,751	0.318
Hoke	56,269	0.73
Lenoir	53,509	0.845
Columbus	49,935	0.805
Duplin	49,683	0.735
AVERAGE	58,977	0.6338
Sampson	59,770	0.625

Figure 5. Adopted Tax Rate Comparison by Taxable Property Valuation Per Capita

County	Taxable Property Valuation Per Capita	County Adopted Tax Rate (24-25)
Rockingham	\$94,314.00	0.5801
Pitt	\$94,279.00	0.5663
Nash	\$93,844.00	0.63
Hertford	\$92,300.00	0.84
Halifax	\$92,297.00	0.7
Bertie	\$88,483.00	0.93
Columbus	\$88,317.00	0.805
Richmond	\$87,652.00	0.75
Hoke	\$87,151.00	0.73
Granville	\$87,069.00	0.631
AVERAGE	\$90,570.60	0.7162
Sampson	\$88,844.00	0.625

Figure 6. Adopted Tax Rate Comparison by Per Capita Income

County	Per Capita Income	County Adopted Tax Rate (24-25)
Wilkes	\$47,495.00	0.66
Yadkin	\$47,455.00	0.65
Pasquotank	\$47,234.00	0.62
Rowan	\$46,990.00	0.58
Granville	\$46,906.00	0.631
Montgomery	\$46,774.00	0.615
Randolph	\$46,748.00	0.5
Stokes	\$46,391.00	0.71
Franklin	\$46,330.00	0.505
Cumberland	\$46,024.00	0.799
AVERAGE	\$46,834.70	0.627
Sampson	\$46,849.00	0.625

Figure 7. Adopted Tax Rate Comparison of Counties Surrounding Sampson

County	County Adopted Tax Rate (24-25)
Johnston	0.67
Wayne	0.7675
Duplin	0.735
Pender	0.7375
Bladen	0.785
Cumberland	0.799
Harnett	0.591
AVERAGE	0.7264
Sampson	0.625

These comparisons are useful in that they are informative as to what sister counties are doing. It should always be remembered that different counties have different circumstances. For example, they have different debt loads, different services are often provided, and some have different sources of income.

In addition, counties face different challenges that vary from one location to another. For example, Onslow County’s tax base is small relative to the size of the county because around 40% of its land mass is not taxable as it is either Federal or State property. In Sampson, Present Use Value reduces recurring tax revenue.

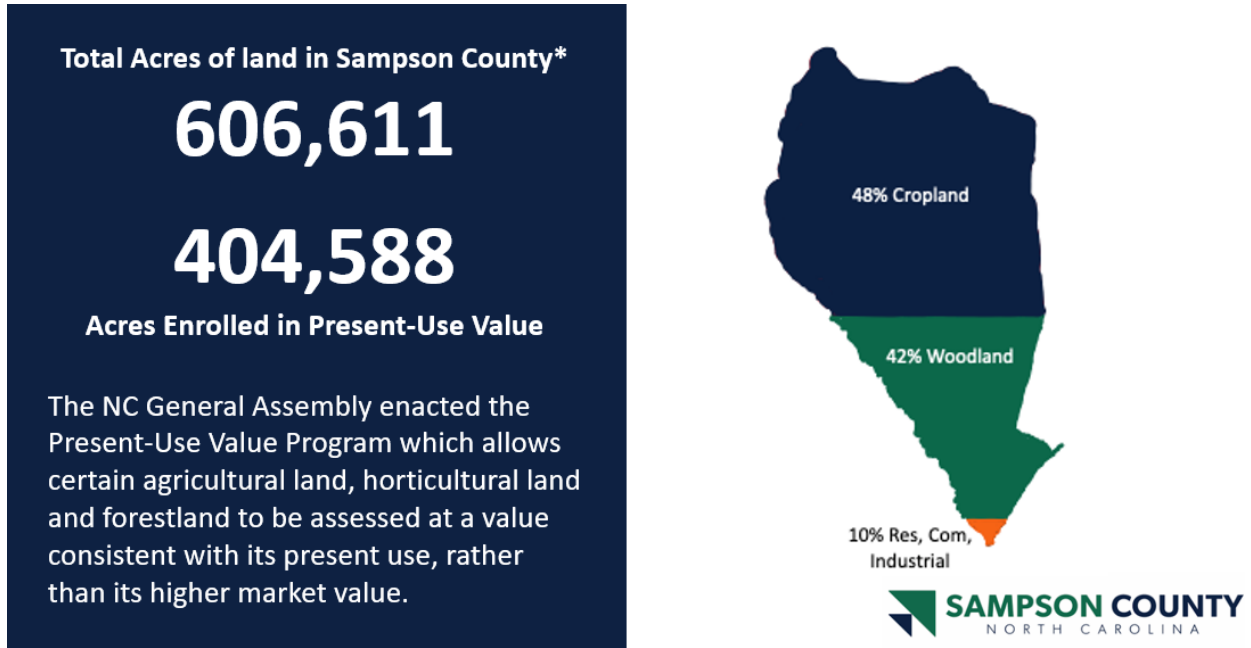
Property Tax – The Effect of Present Use Value

Of note in Sampson County is the amount of property that falls under Present-Use Value versus Market Value. To be clear, Present-Use Value is essential to the Agriculture Industry and must be maintained. It is a state-wide program.

However, it is part of the financial story of Sampson County. Present-Use-Value defers around an additional \$5 million in annual revenue, in 2025 equal to approximately 7.1 cents of unrealized property tax.

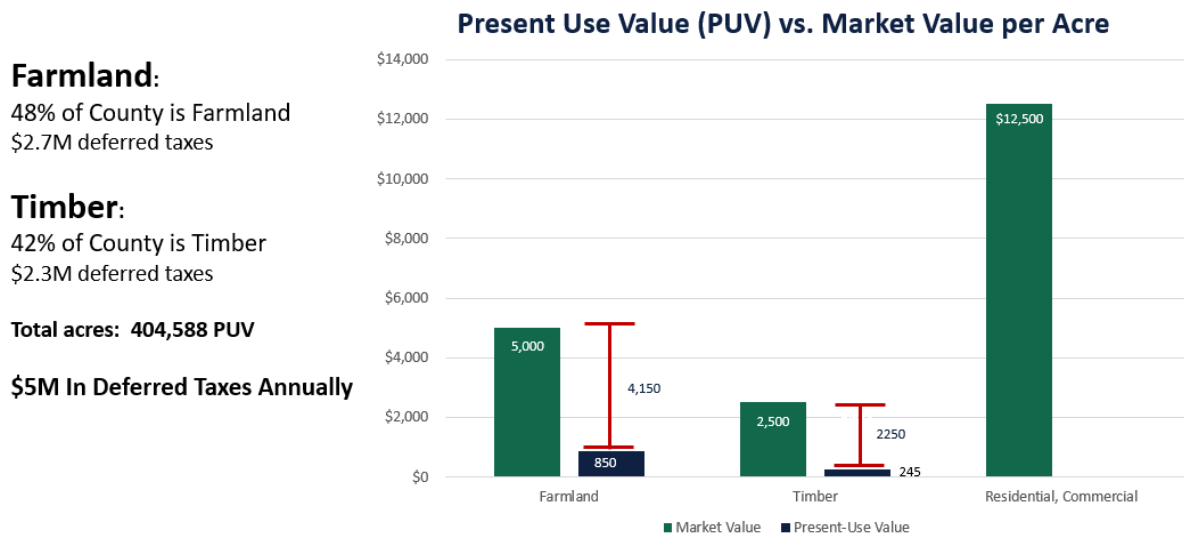
Figures 8 and 9 provide details on the acres of land enrolled in present-use value and the difference in present-use value and market value.

Figure 8. Land Mass in PUV



The impact of Present Use Value on the tax revenues of the county is shown in Figure 9.

Figure 9. Difference in PUV vs. Market Value



Farmland:
 48% of County is Farmland
 \$2.7M deferred taxes

Timber:
 42% of County is Timber
 \$2.3M deferred taxes

Total acres: 404,588 PUV
\$5M In Deferred Taxes Annually

Sampson County Tax Office. (2025). https://www.sampsonnc.com/tax_office



Property Tax – The Last Revenue Considered

The Sampson County Tax Office is to be commended for its efforts to collect all taxes owed to the jurisdiction. As a result of their efforts, tax collections for FY26 are estimated to be 97.5%. This estimate is an increase of one-half percent over the collection percentage used last fiscal year. Ensuring that every person that owes taxes in Sampson County pays their taxes lessens the burden of local government services for all taxpayers.

Over the past year, estimates show that the tax base within Sampson grew by the value of approximately \$100 million. Tax base growth is attributable to property improvements, including new residential and commercial construction. The value of the overall tax base is now computed to be \$7,225,000,000. Each cent of property tax is estimated to yield \$704,438.

An increase in the property tax rate in the year following a revaluation has occurred in four out of the past six revaluation cycles. The Board of County Commissioners lessened the tax rate in the year of revaluation and had to increase the tax rate one year later. The data in Figure 10 was pulled from historical county tax records.

Figure 10. Sampson County Tax Rate History Following Revaluation Cycles

Fiscal Year	Revaluation Year Tax Rate	Tax Rate 1 Year Later
1980	0.590	0.660
1988	0.650	0.690
1996	0.670	0.670
2004	0.675	0.680
2012	0.770	0.785
2020	0.825	0.825

When setting a tax rate, it is recommended that the governing body consider not only short-term needs, but also the long-term needs of the community.

The consideration of a tax rate increase was not taken lightly. However, after applying all available revenues and cutting all department and outside agency requests, it was deemed necessary. Increased collection rates and growth in the tax base were not enough to balance the budget, even after the largest expenditure cuts in recent history. Continued reliance on the savings of the county was not sound financial judgement.

A six (6) cent tax rate increase is proposed. With the proposed tax increase, total property tax revenues are projected to be \$48,254,000. Of that amount, \$1,464,657 must be set aside for the revaluation fund and the capital reserve funds for public schools and county buildings.

The six (6) additional cents are specifically targeted to address Public Education, Public Safety, and to Maintain County Public Buildings such as the Courthouse.

Proposed Tax Increase for Public Education (3 ½ cents)

- 2 Cents: Public Education Current Expense (Annual Operating) Funding
- 1 Cent: Public Education Capital Fund Contribution
- ½ Cent: Funding for Sampson Community College Annual Capital Needs

Proposed Tax Increase for Public Safety (2 cents)

- 1 Cent: Purchase Two (2) Replacement Ambulances Annually
- 1 Cent: Purchase Thirteen (13) Sheriff Patrol Vehicles Annually

Proposed Tax Increase to Maintain County Buildings

- ½ Cent: County Government Building Capital Fund Contribution

The average value of a single-family residence in Sampson County currently stands at \$157,314. At 62.5 cents tax rate, the average home would be taxed at \$983. At 68.5 cents tax rate the average home would be taxed at \$1,077. This represents a tax burden increase of \$94.

Mandates

County governments, unlike municipalities, face a broad range of mandates from both the state and federal government. Program mandates may be categorized into two types: “Program Mandate – Funding Mandate” (Hard) ; and “Program Mandate – Discretionary Funding” (Soft).

Examples of “Program Mandates – Funding Mandates” would be social services public assistance or school facility debt service. In these programs, both the program and level of funding is determined by a higher level of government. Sampson County has no financial control over the program.

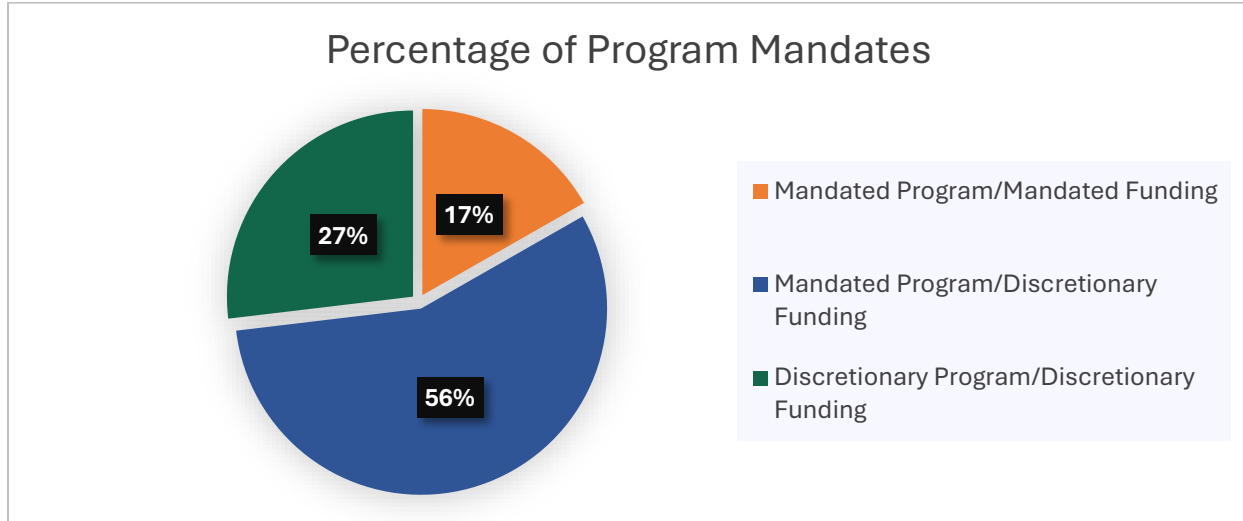
Examples of “Program Mandates – Discretionary Funding” would be Emergency Medical Services, the Sheriff’s Department and Detention Center, or Board of Elections. The program titles alone suggest that mandates with “Discretionary Funding” may not truly have funding which could be easily reduced. Often, funding is driven by demands for service from the Sampson County population.

The chart shown at Figure 11, depicts the projected level of program mandates across all Sampson County Government for FY26. Around 73% of all activities of county government are anticipated to be mandated services. Funding for these mandates represents \$60,049,516 of the \$82,259,611 general fund budget for Sampson County.

Soft mandates require service provision, with funding levels determined locally by population demand or need. Hard mandates require service provision with funding levels mandated by an outside source. Discretionary programs have discretionary funding levels.

The important message here is that many people believe that the funding of the county government is completely within the purview of the Board of County Commissioners. That is not accurate. The term “unfunded mandates” is used to describe required services that do not come with funding from non-county sources.

Figure 11. Programming Mandates



Of particular interest to many citizens are mandates to fund certain human services programs such as the health department and the department of social services.

Mandated functions of Social Services and Public Health are defined in North Carolina General Statutes. Many of these functions have some state and federal funding, though most still require significant county funds to administer. According to the Economic Innovation Group's Distressed Communities Index (DCI), Sampson County is one of North Carolina's most distressed communities, ranking 79 out of 100 counties. These areas face ongoing challenges such as high poverty rates, low educational attainment, and declining employment opportunities. These conditions often lead to increased reliance on economic assistance programs and contribute to family instability, resulting in more child welfare cases.

Social Services required by statute:

North Carolina General Statute 108A-14 outlines a list of social service program responsibilities that range from administering public assistance programs and providing child welfare programs, to issuing employment certificates to children under the regulations of the State Department of Labor. Chapter 108A also states that the director shall serve as a public guardian for incompetent adults if appointed by the clerk of superior court having jurisdiction. There are varying degrees of reimbursement for these programs. The administration of Medicaid and Supplemental Food and Nutrition is 75% and 50% respectively, while child welfare is reimbursed through the capitated Social Services Block Grant (SSBG).

It is important to note that the County is held to strict guidelines on timeliness and accuracy in the administration of these programs. While the County has some discretion in how much to fund these programs, the cost of mistakes in Medicaid can be in the hundreds of thousands, and in child welfare can result in the death of a child.

Services such as Child Support Enforcement and Adult Guardianship are required but can be contracted out if the cost analysis supports this action.

Sampson County is challenged in recruiting and retaining a qualified and talented workforce. Coupled with a lack of community resources to assist families in crisis, we have seen an increase in caseload demand per worker. Ultimately, this leads to higher turnover rates.

Public Health services required by statute:

North Carolina General Statute 130A outlines 10 essential public health services that a local public health department must ensure are available and accessible to the population of the county. The following services must be directly provided by the local health department: Communicable disease control (general CD, STD, HIV, TB), immunizations, Environmental Health and WIC. The local health department can directly provide or contract with a provider for women's health (family planning and maternity) and children's health.

Health Departments are further required by statute to bill for services, complete a Community Health Needs Assessment, and to become and remain accredited through the State of North Carolina.

Local public health departments do receive some state and federal funding and are required to bill for services. As such, they sign contracts with various insurance companies. As you may have seen from your personal insurance explanation of benefits, not all expenses are fully reimbursed by each insurance company.

While specific staffing levels are not outlined in statute, the department is responsible for the health and safety of citizens. A backlog in environmental health can mean significant risk to the community if sanitation inspections are behind, similarly, a backlog in communicable disease puts the entire community in jeopardy.

Medicaid Transformation rolled out July 2021. Changes because of this continue and staff are constantly adjusting to new rules and procedures. Billing staff are now submitting to six major payor sources for Medicaid (in the past it was one source). Trillium has been recently added and staff are working to understand this new system of payment for services.

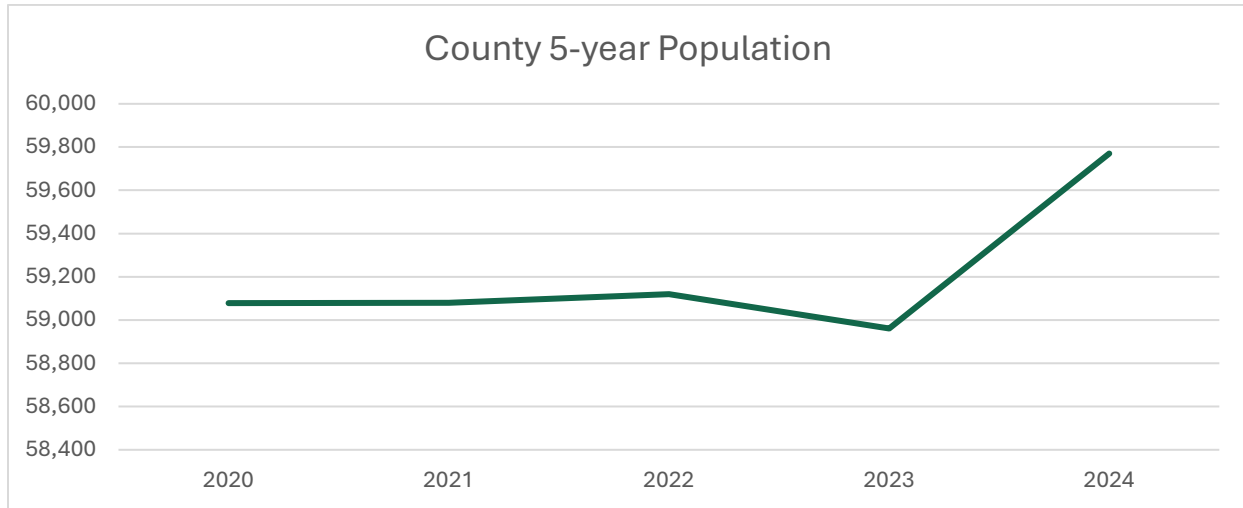
Recruiting and retaining qualified public health personnel is challenging. We are in a very competitive environment as we work hiring nurses, social workers, nutritionists and environmental health specialists. The highest turnover rate is for Public Health Nurse II, followed by Social Worker II. The social work position has been vacant for over one year. The PHN II position was declined by the last two candidates that were selected.

Finally, both the Department of Social Services and the Local Public Health Department have maintenance of effort mandates that limit the cuts that can be made to those budgets. Beyond the MOEs are the standards those departments are held to by the State of North Carolina. In addition to the risk to citizens, not adhering to these standards puts all state and federal funding at risk.

Sample Indicators of Service Demands

Demands for service also drive the county budget. While population growth has been modest over the past five years, demand for some services has increased.

Figure 12. County 5-Year Population



The following information provides examples of indicators about demand for services in the county. Data was gathered from E911 calls and case files. Data is provided based on calendar years. These indicators were chosen because they represent services provided by some of the largest departments in the county; EMS, Sheriff’s Office, and DSS as well as the fire service.

Figure 13. Number of 911 Calls 2020-2024

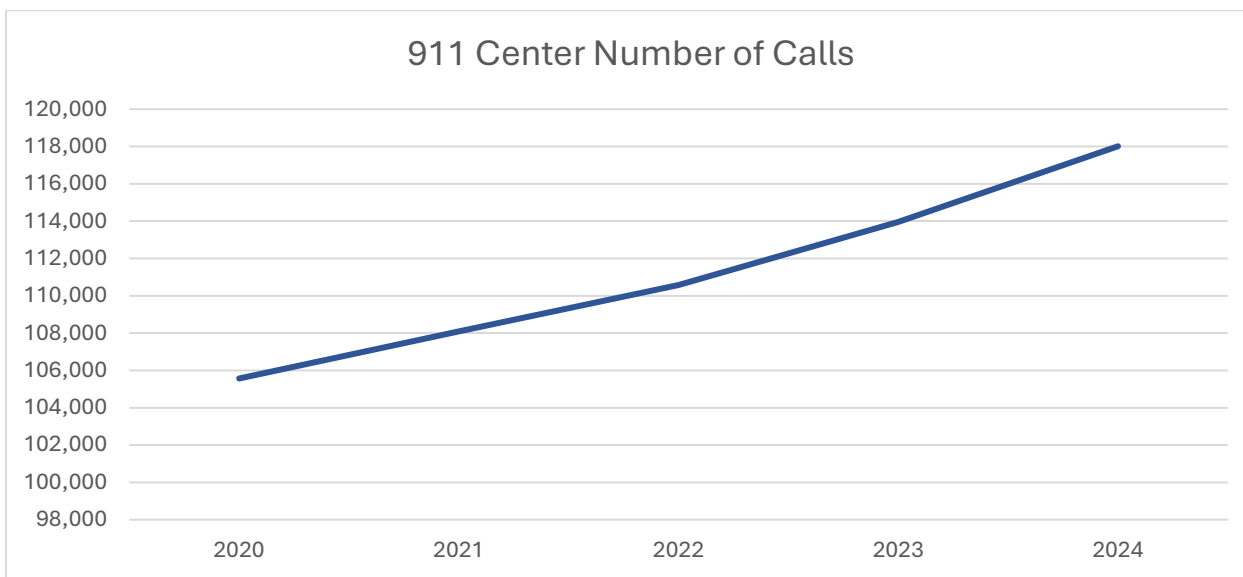


Figure 14. Emergency Medical Services Call Volume 2020-2024

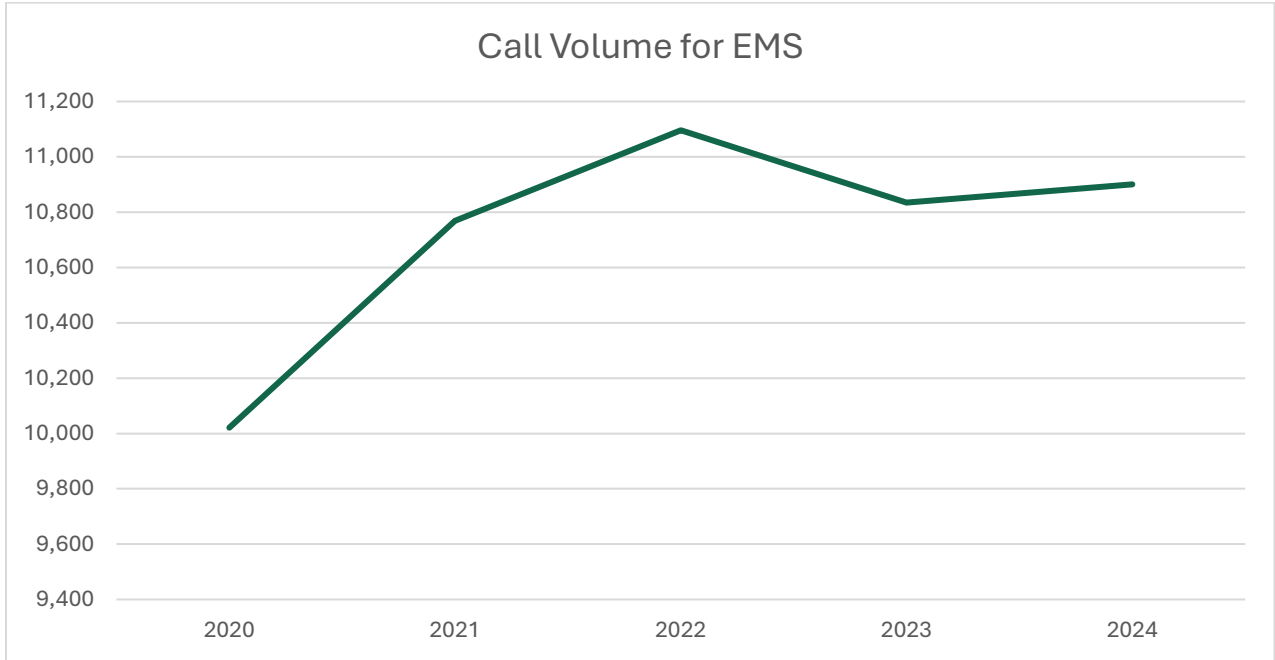


Figure 15. Fire Services Call Volume 2020-2024

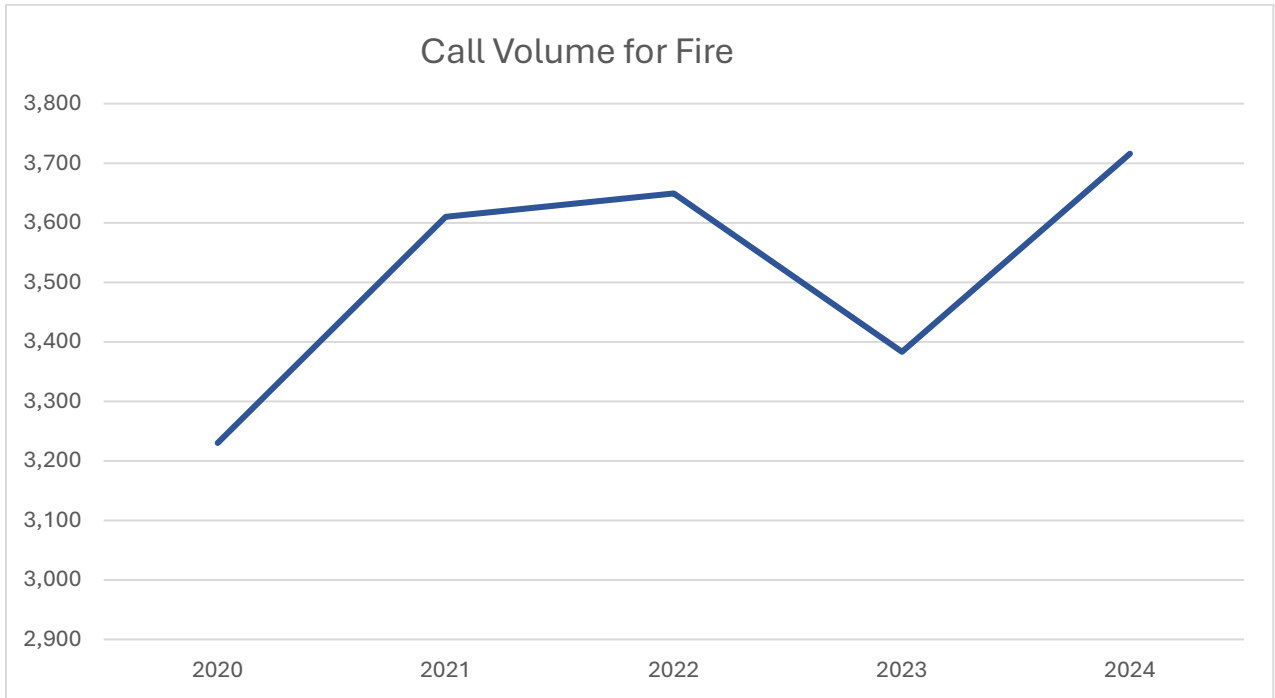
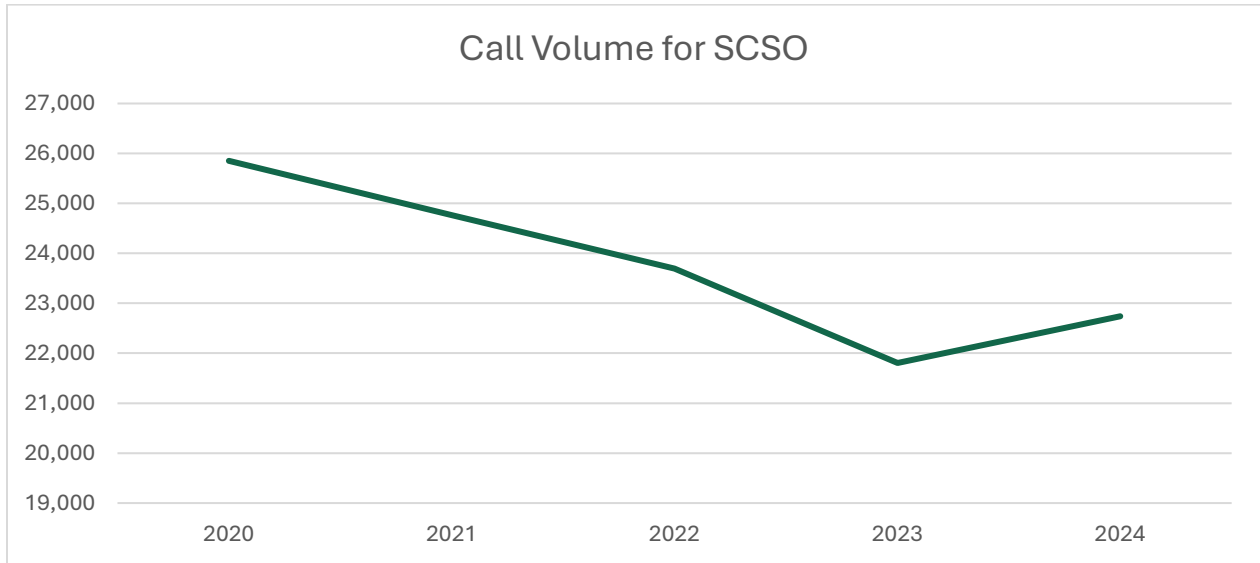
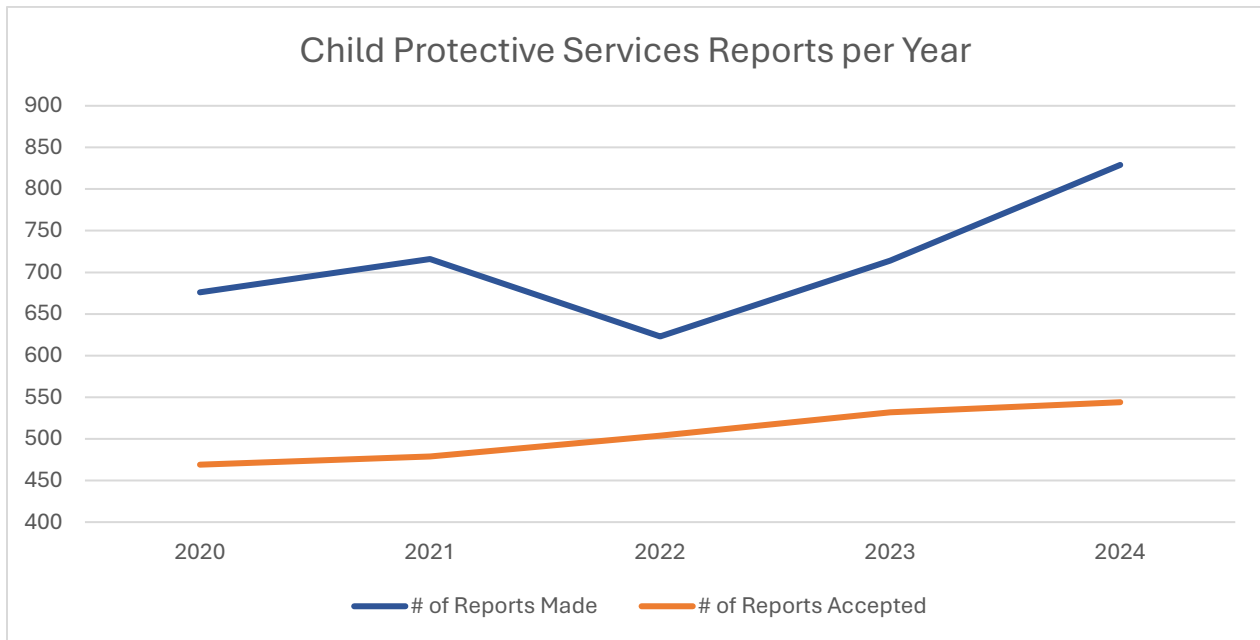


Figure 16. Sampson County Sheriff's Office Call Volume 2020-2024*



**Note: While there is a direct correlation between the number of assets needed for EMS and Fire based on call volume, it may be argued that there is an inverse relationship between the number of law enforcement assets and call volume. A lower crime rate due to community policing efforts may be indicated by lowered call volume.*

Figure 17. DSS Child Protective Services Reports 2020-2024*



**Note: Reports Made- Not all reports made to the intake unit are accepted. Some reports are not acted upon because they don't meet criteria for CPS intervention. However, the intake worker still receives concern from the caller, documenting it and discussing it with a supervisor before a decision is made to screen the report out. No action is taken. Reports Accepted: These reports meet the requirement for a Child/Adult Protective Services intervention. They are assigned to a CPS worker who has up to 45 days to investigate the claims and make decisions about child/adult safety.*

Figure 18. DSS Adult Protective Services Reports 2020-2024

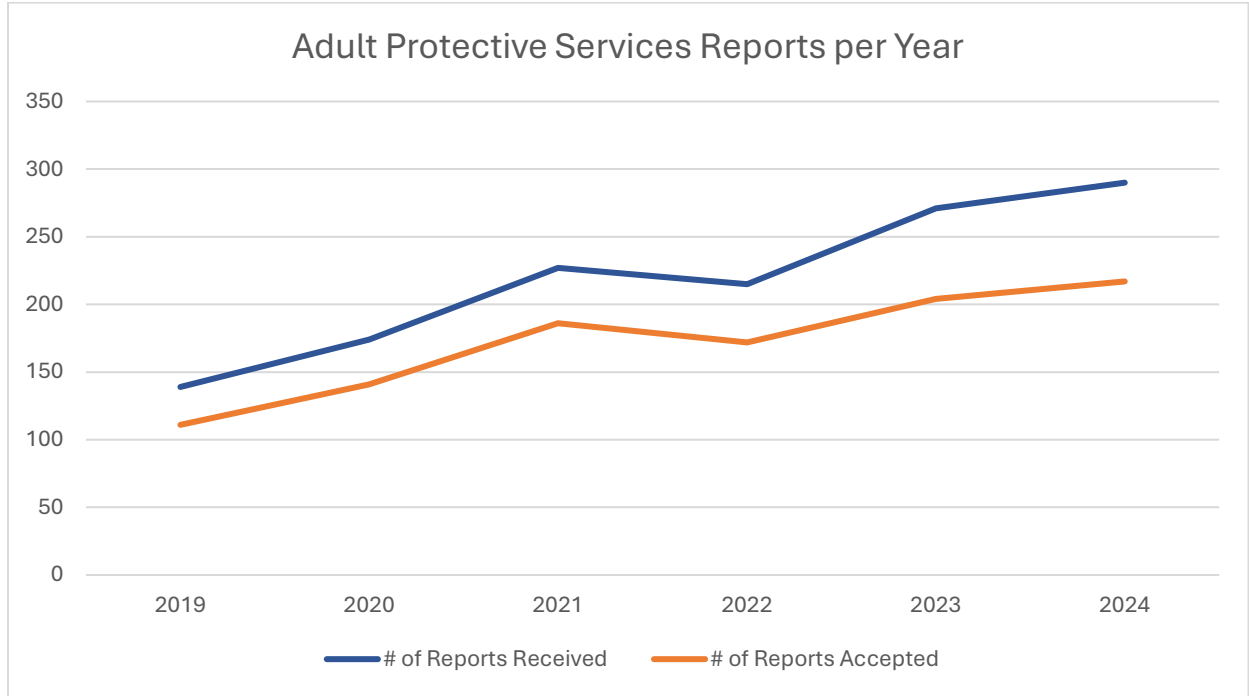


Figure 19. DSS Adults Under Guardianship 2020-2024

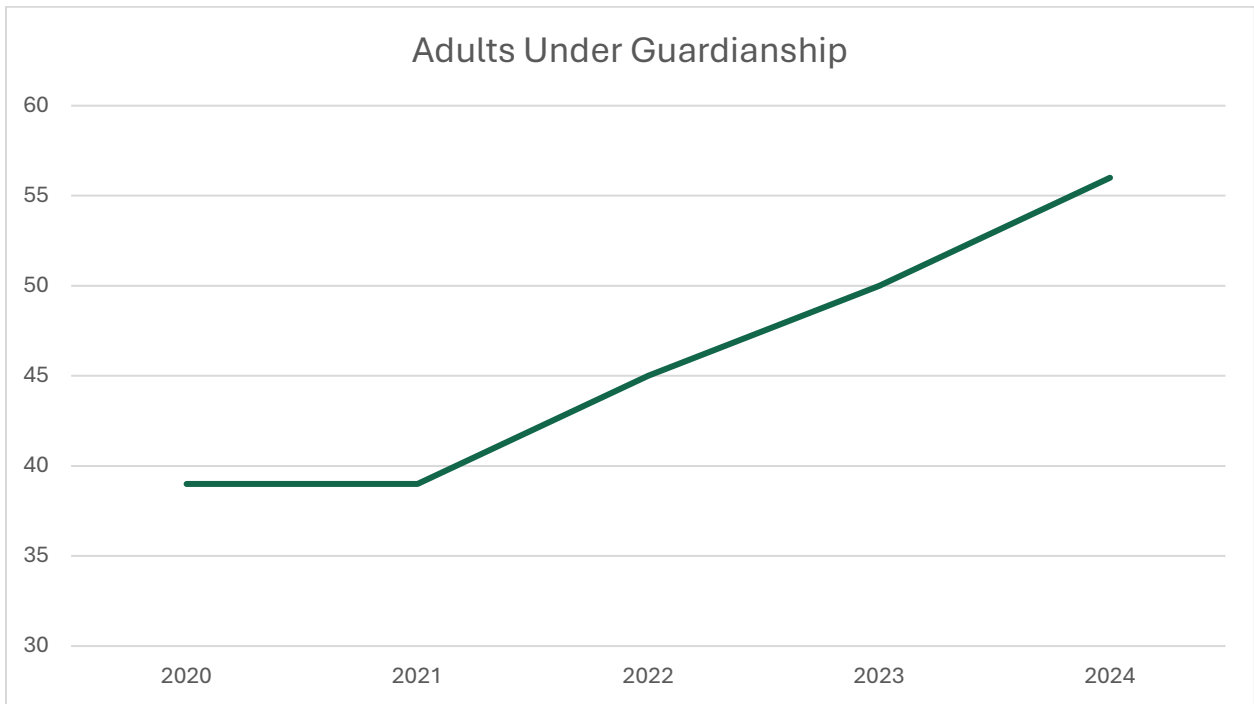
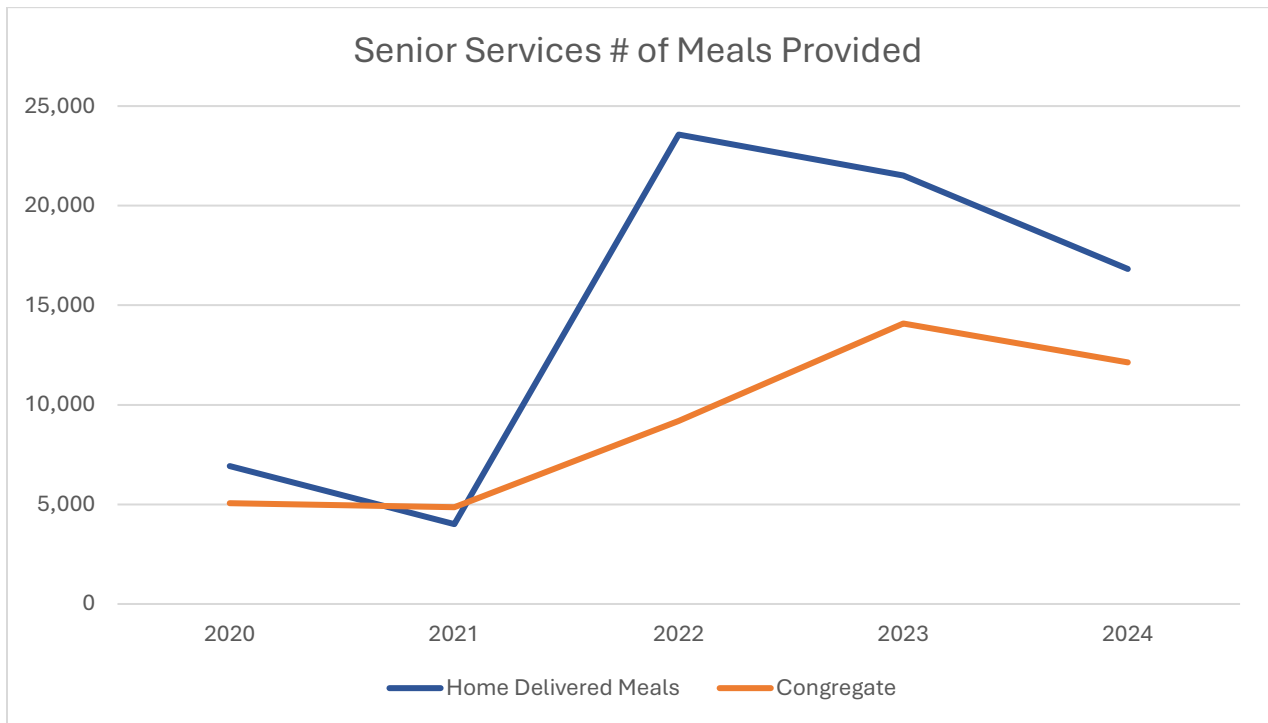


Figure 20. Recreation Department Program Participation



Figure 21. Number of Meals Provided to Seniors



Proposed Public Education Funding



The number one goal of the Board of County Commissioners for 2025 was to “Negotiate and jointly adopt a funding formula for public K-12 education that creates budget certainty and strengthens relationships between both school systems and the county.” That was accomplished on May 5, 2025.

The funding formula guarantees the school system 25% of property and sales tax revenues not already earmarked for public education by state statute. However, the formula does not address the historically low funding levels Sampson County has provided for education. This budget proposal addresses this need through a recommended three (3) cent tax increase for K-12 public schools.

For FY26, the following methodology was followed to prepare a public-school funding proposal which is targeted to move the per pupil funding effort by Sampson County from 104th out of 115 in the state to the mid-90s. This methodology has been previously provided to the Board of Education, and the Superintendents of both Sampson County and Clinton City School Districts. To ensure that this methodology is preserved for future reference, it is included herein.

The amount of proposed public education funding for FY26 meets all requirements of the funding formula and advances public education in Sampson County.

Benchmarking.

- One method to determine whether the County should increase funding for schools’ “Current Expense” or “Annual Operating” budget is undertaking a comparison analysis of other North Carolina counties and funding efforts. This data may be found at [Figure 24. Ranking Education Effort](#) at the end of this section.
- *NOTE: “PSU” means Public School Unit, also known as “LEA” or Local Education Agency.*

- There are 100 county school districts and 15 city school districts in North Carolina. Figure 24. Ranking Education Effort ranks all 115 school systems from the most local funding to the least local funding.
- It should be noted that the data in Figure 24 is from fiscal year 2024 (2023-2024).
- **According to Figure 24, Clinton City Schools is 64 out of 115. Sampson County Schools ranks 104 out of 115.**

How many students are there in Sampson County?

- The County will use the “Principals Monthly Report Best One of Two” (Best 1 of 2) calculation for the current school year, without counting Pre-K.
- Funding each fiscal year (starting in July) will be based on actual student population counts from the Fall of the prior school year.
 - Fall 2024 (FY25) Clinton City Schools reports a total student population of 2,887
 - Fall 2024 (FY25) Sampson County Schools reports a total student population of 7,826
 - Combined two school district total: 10,713 students.
 - **For purposes of this budget, 10,713 students are used as the student count.**

What is the current total combined funding level for K-12 school current expense?

- In FY25 (the current year) Sampson County budgeted \$10,633,227 in current expense funding for SCS.
- \$3,851,991 was budgeted in current expense funding for Clinton City Schools.
- **FY25 Education Funding totaled \$14,485,218.**

What is Sampson’s Per Pupil Appropriation?

- Figure 24 lists the Sampson PPA at \$1,319. It is using FY24 data.
- The FY25 Sampson County Budget Message lists the PPA at \$1,353.
- Using Fall 2024 “Best 1 of 2” combined district population counts (10,713) and FY25 current expense appropriations, (\$14,485,218) the PPA equals \$1,352.
- **For purposes of this budget proposal, \$1,352 is used as the most current PPA.**

Estimated Tax Revenues for FY26

- **1-cent on the tax rate in FY26 is estimated to be approximately \$704,000.**

Climbing into the Top 100 Districts

Using Figure 24 as a benchmarking tool, the county would need to increase funding from \$1,352 to at least \$1,414 to bring SCS into the top 100 school systems. The difference is \$62 per student. However, it should be noted that other counties in North Carolina have likely increased year-over-year funding for education. Therefore, the goal to reach the top 100 will require additional funding beyond that level for FY26.

- 10,713 students x \$1,352 Sampson FY25 PPA = \$14,483,976
- 10,713 students x \$1,414 threshold to FY24 Top 100 = \$15,148,182

Figure 22. Average of a 10-County Comparison Group

2024 Taxable Property Value Per Capita	2024 PPA
Name of County	PPA
Rockingham	\$1,443.00
Pitt	\$2,079.00
Nash	\$1,656.00
Hertford	\$1,870.00
Halifax	\$1,904.00
Bertie	\$1,822.00
Columbus	\$1,275.00
Richmond	\$1,356.00
Hoke	\$765.00
Granville	\$2,217.00
AVERAGE	\$1,638.70
Sampson	\$1,326.00
Difference Per Pupil	\$312.70

To reach the average of ten comparison counties (using Taxable Property Valuation Per Capita), Sampson would need to increase K-12 current expense funding from \$1,352 to at least \$1,638. That is \$286 more per student.

- $10,713 \times \$1,352 = \$14,483,976$
- $10,713 \times \$1,638 = \$17,547,894$
- $\$17,888,598 - \$14,481,246 = \$3,063,918$ more needed
- Reaching the 2024 PPA average for this comparison group would require a 4.35-cent tax increase. This is simply not possible for Sampson County.

What Should Be the Per Pupil Appropriation Target?

- Figure 24 will change year-over-year with many counties budgeting more for public education in FY26 than in FY24. This is a two-year gap in data and budgeting.
- The “2024 Taxable Property Valuation Per Capita” comparison group average is beyond the county’s FY26 resources.
- Conclusion: increase funding to a level that places Sampson County in the FY24 top 100 level, considering the likely increase in funding by sister counties across the state.
- **CONCLUSION: Increase public education funding by a 2-cent property tax increase added to the prior year’s public education appropriation for current expense funding.**

FY26 Public Education Current Expense Recommendation

- \$14,485,218 (FY25 total current expense appropriation) + \$1,408,000 (2-cents) = \$15,893,218.
- \$15,893,218 divided by 10,713 (total students) = \$1,483.54 PPA (Round down to \$1,483)
- \$1,483 PPA would have placed Sampson at position 94/115 in FY24 according to Figure 24.
- Apply \$1,483 PPA to the most recent student population data produces Figure 23.

Figure 23. Recommended FY Current Expense Funding by School District

District	FY25 Actual Current Expense	FY26 Recommended Current Expense	Proposed Increase
Sampson County Schools	\$10,633,227	\$11,605,958	\$972,731
Clinton City Schools	\$3,851,991	\$4,281,421	\$429,430

FY26 Public School Annual Capital Expense Funding Recommendation

- Fund annual recurring capital outlay for FY26 based on earmarked sales tax.
- These amounts are adjusted annually for growth in the earmarked sales tax articles.
- Anticipated amounts forming the annual capital budget appropriation for the schools:
 - Sampson County Schools: \$1,280,932
 - Clinton City Schools: \$1,472,568

FY 26 Recommended Increase to Public Schools Capital Reserve Fund (Fund 19)

- **CONCLUSION: Increase the property tax rate by 1-cent and designate that 1-cent increase as the amount to fund the school capital reserve fund from this point forth. Initially, this would equal approximately \$704,000.**

Major Capital Projects

- Set aside \$1 million of the Public-School Capital Reserve Fund in FY26 for the repair or replacement of the Sampson Middle School roof. This amount should change based on the actual bids received for repairing the roof. This \$1 million is included in the Clinton City Schools annual capital expense funding recommendation above.

Ranking of Education Effort Across 115 Districts

Figure 24. Ranking of Education Effort Across 115 Districts

Local Education Agency Name	Amount	PPA	Rank
Chapel Hill/Carrboro City Schools	90,451,177	8,029	1
Asheville City Schools	27,323,322	7,087	2
Orange County Schools	43,177,595	6,195	3
Dare County Schools	26,895,243	5,467	4
Chatham County Schools	44,974,085	5,088	5
Charlotte-Mecklenburg County Schools	585,689,116	4,242	6
Brunswick County Schools	54,331,040	4,168	7
Moore County Schools	23,555,978	4,105	8
Transylvania County Schools	12,998,791	4,098	9
Wake County Schools	644,262,316	4,035	10
Guilford County Schools	200,226,023	3,950	11
Buncombe County Schools	84,615,793	3,920	12
New Hanover County Schools	95,742,357	3,873	13
Hyde County Schools	1,712,000	3,813	14
Warren County Schools	5,564,331	3,515	15
Carteret County Schools	27,030,000	3,459	16
Pamlico County Schools	3,914,474	3,401	17
Watauga County Schools	15,280,022	3,334	18
Weldon City Schools	2,251,403	3,326	19
Franklin County Schools	25,328,192	3,236	20
Forsyth County Schools	164,309,508	3,232	21
Northampton County Schools	3,780,000	3,146	22
Polk County Schools	6,157,765	3,061	23
Currituck County Schools	13,035,602	2,904	24
Beaufort County Schools	16,182,094	2,903	25
Avery County Schools	5,012,500	2,840	26
Jackson County Schools	9,210,008	2,761	27
Stokes County Schools	14,963,048	2,750	28
Onslow County Schools	73,996,962	2,740	29
Union County Schools	110,022,454	2,659	30
Henderson County Schools	32,878,000	2,653	31
Moore County Schools	32,915,675	2,573	32
Iredell-Statesville Schools	52,389,292	2,564	33
Edenton-Chowan Schools	4,396,509	2,558	34
Pasquotank County Schools	11,364,000	2,489	35
Asheboro City Schools	10,741,892	2,468	36
Lexington City Schools	7,014,104	2,460	37

Martin County Schools	6,120,000	2,459	38
Haywood County Schools	15,777,159	2,456	39
Wilson County Schools	24,404,788	2,415	40
Ashe County Schools	6,290,556	2,412	41
Johnston County Schools	88,497,179	2,408	42
Cabarrus County Schools	83,052,130	2,378	43
Rutherford County Schools	16,656,820	2,359	44
Lincoln County Schools	26,018,196	2,353	45
Gates County Schools	3,274,525	2,330	46
Kannapolis City Schools	12,409,102	2,335	47
Pender County Schools	25,058,603	2,325	48
Thomasville City Schools	4,957,355	2,308	49
Cherokee County Schools	6,915,416	2,306	50
Lee County Schools	13,541,762	2,265	51
Davie County Schools	20,134,024	2,246	52
Macon County Schools	9,678,520	2,221	53
Granville County Schools	14,172,395	2,217	54
Alamance-Burlington Schools	49,827,151	2,191	55
Rowan-Salisbury County Schools	38,702,757	2,177	56
Alleghany County Schools	2,858,928	2,197	57
Person-Conover City Schools	9,356,125	2,176	58
Newton-Conover City Schools	5,534,592	2,157	59
Bladen County Schools	9,014,619	2,112	60
Pitt County Schools	49,120,491	2,075	61
Hickory City Schools	7,574,280	2,075	62
Perquimans County Schools	3,389,546	2,058	63
Clinton City Schools	5,813,387	2,041	64
Catawba County Schools	31,168,876	1,998	65
Cleveland County Schools	28,835,144	1,940	66
Halifax County Schools	3,900,611	1,904	67
Scotland County Schools	10,000,000	1,894	68
Mount Airy City Schools	3,182,754	1,879	69
Hertford County Schools	4,252,063	1,870	70
Elkin City Schools	2,259,488	1,849	71
Wilkes County Schools	19,108,715	1,848	72
McDowell County Schools	9,947,000	1,836	73
Madison County Schools	3,838,240	1,829	74
Cumberland County Schools	87,526,532	1,828	75
Bertie County Schools	3,027,671	1,822	76
Montgomery County Schools	6,275,444	1,808	77

Craven County Schools	29,404,991	1,807	78
Burke County Schools	20,000,000	1,788	79
Gaston County Schools	53,001,704	1,784	80
Camden County Schools	3,380,000	1,777	81
Randolph County Schools	26,531,637	1,776	82
Jones County Schools	1,731,553	1,767	83
Yancey County Schools	3,415,005	1,750	84
Alexander County Schools	7,403,342	1,746	85
Washington County Schools	1,735,000	1,733	86
Roanoke Rapids City Schools	4,380,969	1,682	87
Anson County Schools	4,833,496	1,677	88
Edgecombe County Schools	8,853,482	1,676	89
Nash-Rocky Mount Schools	23,568,180	1,656	90
Yadkin County Schools	8,148,222	1,647	91
Mitchell County Schools	2,613,540	1,540	92
Clay County Schools	1,873,040	1,519	93
Davidson County Schools	28,697,067	1,459	94
Harnett County Schools	28,432,346	1,455	95
Tyrrell County Schools	633,725	1,450	96
Rockingham County Schools	15,834,840	1,443	97
Caldwell County Schools	14,859,040	1,442	98
Graham County Schools	1,493,898	1,419	99
Stanly County Schools	12,192,416	1,413	100
Richmond County Schools	8,694,279	1,396	101
Caswell County Schools	2,779,228	1,356	102
Surry County Schools	9,399,760	1,322	103
Sampson County Schools	10,320,580	1,319	104
Wayne County Schools	22,256,476	1,313	105
Whiteville City Schools	2,600,000	1,313	106
Vance County Schools	6,951,109	1,294	107
Columbus County Schools	6,509,486	1,275	108
Lenoir County Schools	9,900,000	1,224	109
Greene County Schools	2,885,000	1,082	110
Duplin County Schools	10,000,168	1,053	111
Polk County Schools	6,481,494	760	112
Swain County Schools	1,189,734	666	113
Robeson County Schools	13,360,800	656	114
Durham County Schools	2,065,805	67	115

Sampson Community College

The initial annual operating budget request of Sampson Community College was \$2,234,406. In this proposed budget the current expense budget of the college is flat funded at an amount equal to FY25 at \$1,897,478.

Sampson Community College continues to have major ongoing capital needs. The facilities at the college represent high value public assets that must be maintained appropriately. The initial budget request of the college for capital outlay was \$2,045,000. In FY25 the county budgeted \$250,000 for the annual capital budget of the college. In this proposed FY26 budget, it is recommended that a ½ cent property tax increase be earmarked for the annual, ongoing capital and maintenance needs of the community college. This would generate approximately \$352,000 per year for the college. This amount is in lieu of the current capital budget appropriation.

For FY26, the annual capital budget for the college is \$352,219. This amount does not include one-time emergency capital expenditures which may be funded from the building capital reserve funds of the county.

In May 2025 the community college experienced a boiler failure that caused them to request an emergency appropriation from the building capital reserve fund of \$200,000. In FY26, it is anticipated that the college will need an additional \$200,000 to effect a second boiler/chiller repair. When needed, the community college has been instructed to come to Sampson County Government to make that request. That request is separate and apart from the annual capital budget of the college and should be taken from the building capital reserve fund. Appropriation should be made once bids are in-hand and exact repair costs have been received by the college.

If the college can meet its capital needs for the year, it would have the ability to make a special request of the Board of County Commissioners to transfer a part of its capital budget to its operating budget to meet its needs.

Personnel Decisions

Most of the cost of local government is personnel costs. Therefore, it was not considered possible to balance the budget without making changes in personnel.

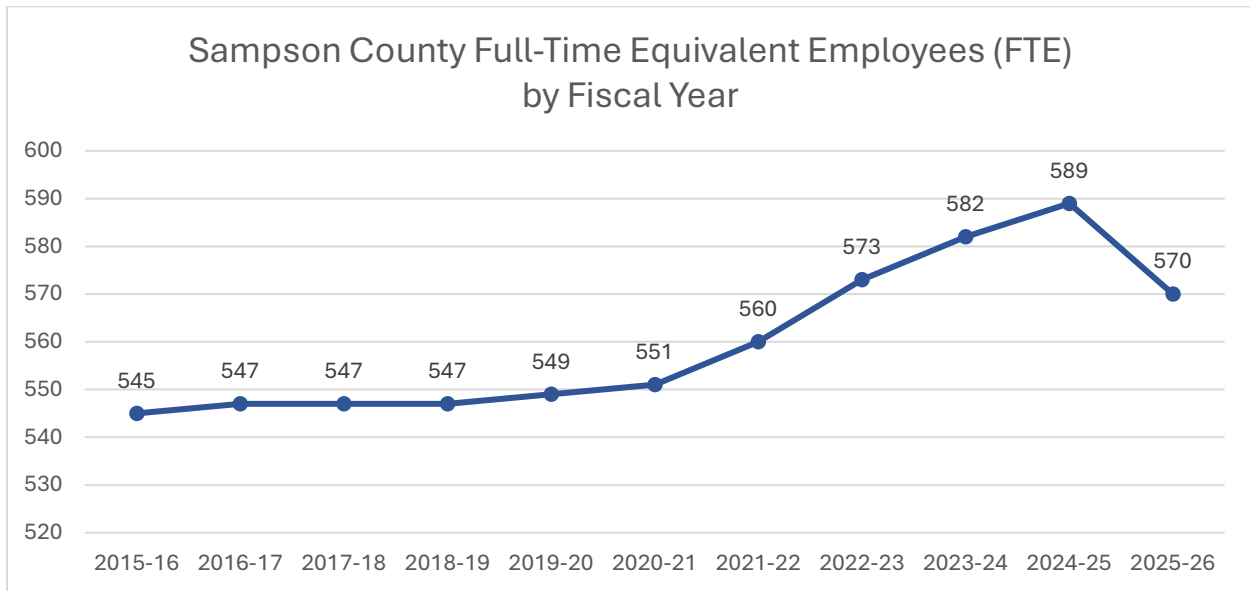
During budget construction a hiring freeze was instituted to provide the County Manager with flexibility to reorganize departments and possibly eliminate positions without terminating employees through a reduction in force. Through this effort twenty (20) positions were identified for elimination. The elimination of positions is expected to create difficulties within the departments, but the basic functions of the departments should be maintained. Figure 25 lists the positions cut and their financial savings to the county.

Figure 25. Positions Eliminated

Department	Position Description	Total Cost w/ Benefits
Administration	Administrative Assistant I	\$29,759
Senior Services	In-Home Services Supervisor (RN)	\$84,660
Finance	Senior Finance Tech	\$63,744
Animal Shelter	Veterinary Assistant	\$61,289
Detention	Detention Officer I	\$63,744
Detention	Detention Officer I	\$63,744
Communications	Communications Training Officer	\$77,937
Economic Development	Marketing & Relationship Manager	\$77,937
Health	LPN II	\$58,972
Health	Foreign Language Interpreter II	\$61,289
Health	Foreign Language Interpreter II	\$61,289
DSS	Income Maintenance Caseworker III	\$66,305
DSS	Income Maintenance Caseworker III	\$66,305
DSS	Processing Assistant IV	\$52,630
DSS	Social Work Supervisor II (Adult Services)	\$88,273
Emergency Management	Administrative Support Specialist	\$54,643
IT	Administrative Support Specialist	\$61,350
Tax	Administrative Support Specialist	\$55,237
Library	Part-Time Library Assistant	\$15,586
Library	Part-Time Library Assistant	\$15,944
TOTAL		\$ 1,180,637

The personnel cuts to the Sampson County budget represent the first contraction of payroll in at least the past ten years. The following chart shows the full-time equivalent employment of the county since FY16. Full-time equivalent employment (FTE) is the term used to describe how many full-time employees and part-time employees add up to total full-time employees based on the number of hours worked that the county employs.

Figure 26. Historical Employment of Sampson County



The Idea of Human Capital

Walter Martinez of Deloitte-Touche Global Services writes that human capital might be thought of as “a treasure that a company or institution has available with respect to the qualifications of the personnel that works there. Therefore, human capital represents the value that each employee brings to the table, according to his/her studies, knowledge, capabilities and skills.” He goes on to write that, “The main value of a company does not lie in its systems, controls, or machinery and equipment. As much as technology and data systems may evolve, nothing substitutes the value provided by human capital. The biggest companies in the world are recognized by their talent and the attitude of their people.”

Apart from the production, treatment and sale of clean water, Sampson County does not sell a product. Instead, each department centers around the provision of a service. Acceptable citizen or customer service is 100% dependent on recruiting and retaining highly qualified personnel.

It is also important to retain good employees to reduce the cost of turnover. Turnover costs for the organization include such things as:

- Separation
 - Absenteeism
 - Unemployment compensation
 - COBRA
 - Conducting post-service interviews and services
- Replacement
 - Advertising
 - Pre-employment processes/testing (background checks, driver's authorizations, drug-screening)
 - New Hire Orientation
- Training
 - Time and effort to train by co-workers, supervisors and outside trainers
 - Travel for training
- Productivity Costs
 - Morale
 - Lower productivity
 - Increased error rates
 - Organizational reputation

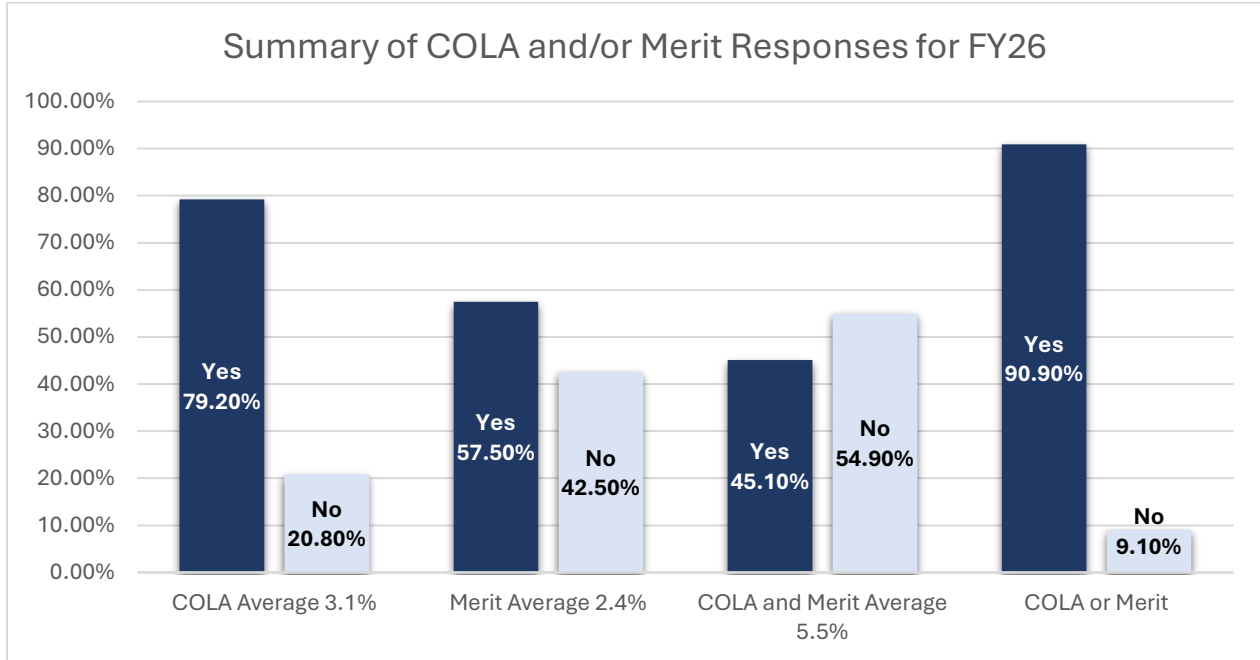
Current statistics concerning Sampson's staffing profile indicate that the county workforce is relatively new. Currently, around 48% of full-time employees in the county have less than 5 years' experience. The average length of employment countywide is 8.46 years.

The proposed budget tightly controls spending on human capital. Nearly all travel and training were cut to reduce costs. There was also no recommended increase in employee pay.

This will be particularly hard on some employees. This means that Sampson will likely fall behind in the market based on data collected on counties and municipalities in North Carolina. Each year the North Carolina League of Municipalities and the North Carolina Association of County Commissioners publish the Anticipated Cost-of-Living Adjustments (COLA) and Merit Increase Survey Results. The executive summary of this year's report is as follows:

The Fiscal Year 2025-2026 Survey request resulted in 197 responses from 134 municipalities, 56 counties, and 7 other local government entities such as water and sewer authorities. **Among these respondents, 79.2% (156 entities) reported plans to provide a Cost-of-Living Adjustment (COLA), with an average increase of 3.1%.** A total of 193 respondents provided information on Merit increases, with 57.5% (111 entities) reporting plans to provide merit increases at an average of 2.4%. Additionally, 45.1% (87 entities) of respondents reported that they plan to offer both a COLA and Merit increase with a combined total of 5.5%. In total 90.9% (179 entities) reported that they plan to provide either a COLA or Merit increase, leaving 9.1% (18 entities) reporting that they have no plans to offer either in Fiscal Year 2026.

Figure 27. Summary of Anticipated Pay Increases in NC Local Governments



Modifications to the Insurance Program to Save Money

It is proposed that the County redesign the health insurance program to better support employee wellness, promote cost-efficiency, and encourage preventive care. A key highlight of the updated plan is the introduction of a no-cost employee-only coverage option under the Base Plan, offering essential benefits without requiring a premium contribution. It is proposed that the county also continue to allow coverage for family members at an additional cost: \$200 for employees plus one child, \$300 for employees plus spouse, and \$500 for full family coverage. The total cost will reflect the employee rate plus the applicable cost for the selected family coverage tier and elimination of multiple premium tiers.

Other significant changes include a \$50 monthly surcharge for employees who use tobacco, while the \$30 monthly wellness discount remains available for those meeting wellness criteria. Telehealth services are now offered with zero copay to improve accessibility and reduce costs for minor care needs.

Prescription changes include an increase in copay for generic medications from \$4 to \$5 and the limitation of GPL-1 drugs to diabetic members only. The Livongo diabetes management program will no longer be offered.

Under the proposed new healthcare benefit plan, two plan options would be available: the Base Plan (70/30) with a \$2,500 deductible and the Buy-up Plan (80/20) with a \$1,500 deductible and enhanced coverage. Formerly, the Base Plan had a \$1,500 deductible and the Buy-Up Plan had a \$500 deductible. These updates aim to balance healthcare affordability with the long-term sustainability of the benefits program.

The county’s vision insurance will remain the same, however an increase in dental insurance is expected. The proposed dental cost increase from the insurance carrier is 5%, which would increase the county's contribution to \$31.05 per employee versus the current rate of \$29.34.

While continuing to provide quality insurance coverage to employees, the total savings to the county resulting from all these changes in insurance benefits is approximately \$1,091,000.

Below is a breakdown of these savings:

- Increasing medical deductions saves approximately \$300k in claims.
- Renegotiating the plans with BC/BS, created fixed cost savings of \$250k
- Drug rebates save \$400k
- Removing GLP1 drugs to diabetics only saves \$100k
- Dropping the Livongo plan results in a \$41k cost saving

One-Time Benefit In Lieu of Pay Increases

As there are no pay increases within the budget as well as some changes to the benefit levels of employees, it is recommended that the Board of Commissioners consider an employee benefit that will not add to the cost of the budget.

It is recommended that for this fiscal year only, the number of paid holiday days increase by four (4) days in accordance with the following table. Employees will be able to spend additional time with their loved ones. An internal employee survey regarding benefits listed this idea as the second favorite, behind a cost-of-living adjustment.

Figure 28. Manager Proposed Bonus Holidays for FY26

Holiday	Current Paid Holidays	Bonus Paid Days
Fourth of July	July 4	July 7
Thanksgiving	November 27, 28	November 26
Christmas	December 24, 25, 26	December 22, 23

The Fire Service

Sampson County does not have the resources to provide fire protection to the community without the valuable assistance of the hundreds of Volunteer Fire Fighters in the county. Working as a volunteer firefighter is difficult. Individuals must balance their employment, family, and fire obligations. Annual continuing education, equipment and apparatus maintenance, and even fundraising efforts are required. The firefighters of Sampson County have proven to be committed public servants who are committed to saving lives and property.



Unfortunately, the relationship between the county and the fire service has been strained in the past. With the pending expiration of the county’s fire service agreement, as well as a new configuration of the Board of Commissioners and County Administration, an opportunity arose to push the proverbial “reset button” on the relationship between the county and the fire service.

Through long negotiations with representatives of the fire service, the county proposed an amendment to the *Fire and Rescue Services Agreement*. Per the new amendment, the agreement for fire protection services was extended by five years. Not only that, but the agreement began to treat the fire service as respected public safety entities that have the capability to govern themselves in accordance with an agreement for service.

As part of the agreement, the fire departments agree to guaranteed service levels. Minimum levels of acceptable response for service were defined as a 95% response rate as follows:

1. Car Accident – Response with Class A Rated Engine
2. Structure Fire – Response with Class A Rated Engine
3. Brush/Woods Fire – Response with Class A Rated Engine or Brush Truck
4. Medical Call – Any response as deemed appropriate by the Fire Department
5. Fire Alarms – Any response as deemed appropriate by the Fire Department
6. All Other Calls – Any response with vehicle as deemed appropriate by the Fire Department

As part of the FY26 budget, the general fund fire supplements paid to departments were rolled into the fire tax rates of the individual districts. This became the “base rate” noted in the amendment and equaled the total tax dollars collected for each fire district in FY25.

In addition, departments were granted a “default” multi-year rate as described below.

Recognizing the effects of inflation as well as the need for Fire Departments to conduct multi-year budgeting, the County shall adjust the fire tax base rate ... as follows:

- A. Departments with a calculated FY26 base rate of 0.050 to 0.064 the multi-year rate shall be 0.070
- B. Departments with a calculated FY26 base rate of 0.065 to 0.069 the multi-year rate shall be 0.075
- C. Departments with a calculated FY26 base rate of 0.070 to 0.074 the multi-year rate shall be 0.080
- D. Departments with a calculated FY26 base rate of 0.075 to 0.079 the multi-year rate shall be 0.085
- E. Departments with a calculated FY26 base rate of 0.080 to 0.084 the multi-year rate shall be 0.090
- F. Departments with a calculated FY26 base rate of 0.085 to 0.089 the multi-year rate shall be 0.095
- G. Departments with a calculated FY26 base rate of 0.090 to 0.099 the multi-year rate shall be 0.100

Absent a request from the Fire Department to modify their district's rate, these rates shall automatically continue at this specified level until after the next County tax base revaluation. In the first County fiscal year immediately following the completion of the County tax base revaluation, all fire tax district rates shall be reexamined and are subject to change.

The fire agreement amendment went on to detail how fire departments could request a fire tax rate more than the Default Multi-Year Rate by petitioning the Sampson County Fire Commission. At their April 29, 2025, Fire Commission Meeting, seven departments requested special consideration for higher fire tax rates. The Fire Commission then met on May 20, 2025, and held a public hearing on all special requests.

As a result of decisions made by the fire commission, this budget contains fire tax rate recommendations as shown in Figure 29. Per the Amendment, the County Manager shall not change the recommended rates submitted by the Fire Commission to the Board of County Commissioners. Departments with highlighted names and rates are recommended to have rates higher than the default multi-year rate by the Fire Commission.

Fire Commission Recommended Fire Tax Rates – FY26

Figure 29. Fire Commission Recommended Fire Tax Rates - FY26

Department	FY26 Proposed Tax Rate
Autryville	0.095
Clement	0.095
Clinton	0.1*
Faison Fire Dept	0.08
Garland	0.1*
Godwin-Falcon	0.1*
Halls	0.07
Harrells	0.095*
Herring	0.095
Jordan's Chapel	0.08
Newton Grove	0.075
Piney Grove	0.1*
Plain View	0.09
Roseboro	0.095
Salemburg	0.085
Smith's Chapel	0.075
Spivey's Corner	0.1*
Taylor's Bridge	0.095
Turkey	0.1*
Vann Crossroads	0.1

**NOTE: Highlighted departments have received recommendations from the Fire Commission for the FY26 fire tax rate to be higher than the manager proposed multi-year rate. This is in accordance with the terms of the Fire and Rescue Services Agreement Amendment of 2025.*

Information Technology

No business, industry, or government agency can operate without computers. Handling the information technology needs of the organization would be difficult without the added problems of cybercrime. The IT budget for fiscal year 2025–2026 was developed with a strong emphasis on security, following guidance from the Board of Commissioners.

One of the adopted 2025 Goals of the Board of Commissioners was to:

Ensure the security and safety of government IT systems to protect the county workforce, citizens of Sampson County, personal information and public data from cyber-attack.

To support this goal, County IT and Administration engaged the North Carolina Local Government Information Systems Association (NCLGISA) Strike Team to assess vulnerabilities within the county's IT infrastructure. The team identified six critical areas requiring immediate attention:

- 1. Migrate servers and data away from the current Internet Service Provider (ISP).**
- 2. Upgrade virtualization infrastructure using Nutanix.**
- 3. Reassess the need for Virtual Desktop Infrastructure (VDI) for the Department of Social Services (DSS).**
- 4. Deploy a Next-Generation Endpoint Protection system.**
- 5. Upgrade all Windows Server operating systems to at least Windows Server 2019 and all outdated desktop systems to Windows 11.**
- 6. Implement or upgrade the backup solution using Cohesity or Veeam, ensuring backup servers are isolated from the domain and use separate credentials.**

The proposed budget reflects Sampson County's commitment to safeguarding its digital infrastructure. It includes funding to transition the county's technology systems away from reliance on the ISP, thereby reducing external risks. While Star Communications will remain a valued partner, the county will reduce its dependency on their facilities and personnel. New equipment will be housed in the Emergency Management/911 Building's data center, resulting in cost savings on co-location and virtualization services.

Following a review of DSS's VDI, the budget also includes funding to migrate their systems to the county's internal network, enhancing access and resource availability.

Finally, the budget supports critical upgrades to security and backup systems, aligning with modern standards and ensuring the protection of county data and operations. Endpoint security starts before a user even accesses a device.

The county's firewalls have reached their end-of-life and are due for replacement. All licensed email accounts are protected by Microsoft Defender, an antivirus endpoint solution. Additionally, new technologies are available to enhance data loss prevention and ensure data integrity and availability.

Some of these improvements to the IT infrastructure of the county are being funded from the County Building Capital Reserve Fund. The amount of \$279,312 is proposed to be taken from the fund to install necessary IT improvements.

One IT need was not met by the budget but should be addressed as soon as possible. The IT Department needed to reclassify a position to become the Virtual Administrator. While originally funded within the budget proposal, it was eventually eliminated due to budget pressures in other departments.

In addition, the following recommendation was made to Sampson County regarding the DSS IT function being consolidated into county IT.

IT staff perform best when managed by leaders who understand the complexities of IT work. Before [consolidation of] DSS IT personnel under the broader County IT umbrella, there were significant challenges with direction, prioritization, and resource allocation. This integration has proven to be a success for all involved. DSS now benefits from the full support and resources of the entire County IT team, rather than relying solely on a small, siloed IT unit. At the same time, the former DSS IT staff feel more connected and supported as part of a larger team, with the confidence that they have backup when it's needed most.

It is recommended that, if not fully accomplished within this budget, IT consolidation between DSS and County IT occur. The indirect cost plan of the county should assign IT costs to DSS as appropriate in accordance with state guidelines.

Furthermore, it is recommended that Sampson County explore the creation of a regional IT team with participation from the City of Clinton, Clinton City Schools, Sampson County Schools, and possibly Sampson Community College and Sampson's Hospital.

Just as local government realized that many small units of government were ill equipped to handle the costs and complexities of major water and wastewater system, so too small governments are unable to handle the rising costs of IT infrastructure as well as highly competitive staff wages. Harnett County is a model of how this is working, and the Sampson County Government should take the lead here in this county.

Public Works

The Public Works Department is split into two divisions. Building & Grounds is a small, general fund department. The Water Department is a larger enterprise fund department. Enterprise fund departments generate their own revenue and operate like a business.

Building and Grounds

Within the Building and Grounds Department, some changes are being made to the duties of employees. These employees are taking on the job of mowing and maintaining many of the grounds of the organization, with help from the maintenance personnel of the Recreation Department.

In addition, certain construction and repairs to county-owned buildings are scheduled to be funded in this budget from the County Buildings Capital Reserve Fund. These repairs were identified as part of a 10-year Capital Improvement Program completed in March 2025. Those repairs, plus additional necessary items are found at Figure 30.

The total amount of money being used for these projects from the County Building Capital Reserve Fund is \$989,789.

Figure 30. Major Capital Construction, Repairs and Maintenance in FY26

Priority	Amount	Building	Description
1	\$ 105,000	E	Replacement of non-functioning boiler and repairs to leaking water circulation pumps.
1	\$65,847	E	Boiler and Chiller Repairs
1	\$ 232,000	E	Roof restoration of the facility. Generally, this involves patching deteriorated areas of the roof and then applying a silicone- based roof coating on the entire roof.
1	\$153,942	Lakewood HS	Complete Generator Project at Lakewood School
1	\$200,000	Roseboro EMS	With the existing prior appropriation of \$300,000, this amount provides \$500,000 for the construction of the new EMS station.
1	\$ 35,000	H	Replacement of 2 HVAC units for the facility
2	\$ 23,000	Garland EMS	Replacement of the generator which provides backup power for the facility.
2	\$ 25,000	Courthouse	Engineering services to evaluate the existing HVAC system to propose a replacement system which will work for the building.
2	\$ 150,000	Public Works	Installation of a silicone-based roof coating system onto existing roof.

Water Department

The Water Department receives no funding from the general property tax fund of the county. There are no proposed fee increases for the Water Department.

Over the past year, the Water Department replaced the old model radio read meters with new more efficient meters. With these new meters in place, the department plans to focus work effort on reviewing and updating the operation and maintenance plan/schedule for all previous infrastructure. Some of that infrastructure was originally installed in 1995. The Water Department will also incorporate more training and data analysis as new meters and technology comes online in FY26. The following list of project updates has been provided by the Water Department. These projects will continue into FY26. All of the projects listed below have been funded by SCIF, ARPA, DWI Grants and Legislature Appropriated Funds. No local tax dollars have been used for these projects.

1. Iron and Manganese Treatment System Hwy 403 Well
 - a. Contract A is 95% complete and Contract B is 75% complete
 - b. Substantial Completion expected by September
2. Clement Area Water Main Extensions – Phase II
 - a. Survey is 100% complete
 - b. Design is 30% complete
 - c. Submit for permitting by October
3. Sampson County Elevated Storage Tanks (ARPA Funds)
 - a. Two Sites – Old Midway Elementary & Roseboro
 - b. Construction is 90% complete
 - c. Midway site should be operational by May 30th
 - d. Roseboro site should be operational by July 30th
4. Water System Expansion - Ivanhoe
 - a. Ivanhoe Water System
 - i. Construction began April 1st
 - ii. 5 miles of water line installed to date
 - iii. Project is expected to be completed by November 2026
5. Water System Expansion - GFL
 - a. Sent for permitting April 1st
 - b. DWI approval expected by August 1st
 - c. Expected to go out for bid by November 1st
 - d. Project completion expected summer of 2026
6. Potential Water Expansion - PFAS
 - a. Grant applications for Old Warsaw and Old Mintz submitted April 30th
 - b. Expected grant award notification in August/September for 1st round
 - c. If not received in the 1st round, applications can be resubmitted in the fall
7. New Wells
 - a. King Road and Taylors Bridge Hwy have been submitted for permitting
 - b. We should receive approval by early July
 - c. Hobbton Tank Well should be permitted by September

Emergency Services Vehicle Purchases

Sheriff's Office

All vehicles other than emergency vehicles were removed from the FY26 general fund budget. This did not include the Water Department or Transportation Department that generate their own funding streams. Except for emergency services vehicles, departments are able to continue the use of the fleet for another year.

Emergency Services vehicles are routinely rotated by all agencies and local governments once certain mileage requirements are met. These vehicles are expected to run emergency traffic, which means rapid response to locations or active pursuit situations. The safety of the county employees and passengers (in the case of ambulances) is paramount.

Patrol cars endure abnormal driving habits and conditions which diminish their life expectancy far faster than a standard-use vehicle. Engine run times are also just as important to consider as vehicle mileage itself. Law enforcement vehicles often run continuously when on duty for 8–12-hour shifts. With these vehicles, one can easily average 3,000 to 3,600 miles per month depending on assignment. “Hot seating” the vehicles or sharing them between shifts would only wear the vehicles out at a higher rate of speed. Within the Sheriff's Office, a Captain manages the fleet as part of their regular duties. This helps get more useful life from each vehicle.

Sampson County has set the threshold to replace patrol cars at 130,000 miles. Some vehicles which have major mechanical issues may be removed from service sooner. Others, such as special duty vehicles or vehicles which are cycled to civil, detective, or school resource officer divisions, may be used beyond the 130,000-mile mark. For FY26, the initial request was for 17 patrol car replacements. This number was lowered to 13 vehicles to be replaced with local tax dollars. Production of the Dodge Charger patrol car was halted by Dodge. The current patrol car is a Dodge Durango. Patrol vehicles are all purchased at State of North Carolina contract prices from dealerships who abide by state pricing.

The cost of 13 patrol vehicles and associated equipment is approximately \$700,000. Existing revenues were not enough to support this purchase. Cuts that would have amounted to \$700,000 would have eliminated departments. Therefore, a 1-cent tax rate increase earmarked for law enforcement patrol vehicles was deemed necessary.

Ambulances

Justification for the purchase of new ambulances is similar to the justification to replace Sheriff vehicles. Sampson County EMS currently operates a fleet of 12 ambulances, seven of which are designated as primary units. Maintaining an adequate number of spare ambulances is essential to ensure service continuity when primary units are undergoing maintenance or repairs.

At present, one of the primary ambulances has been out of service since March due to an accident, with repairs expected to take several more months. Additionally, several ambulances in the fleet have accumulated high mileage, increasing the risk of mechanical issues. Four ambulances have over 200,000 miles, three have over 150,000 miles, and two are around 100,000 miles.

On average, each primary ambulance runs approximately 41,000 miles annually. Given the 18 to 20-month lead time for new ambulances from the vendor, these units will accrue an estimated 60,000 additional miles while awaiting replacement. Two new ambulances are expected to arrive in the summer of 2025, with three more anticipated in the fall of 2026.

The current fleet includes models ranging from 2012 to 2023, with mileage varying from 40,000 to 269,000 miles. The aging fleet and extended wait times for new units underscore the necessity of a strategic vehicle replacement plan to maintain reliable emergency medical services.

Below is a listing of the current fleet and mileage.

- 2012 Model with 204,000 miles
- 2016 Model with 269,000 miles
- 2016 Model with 221,000 miles
- 2017 Model with 261,000 miles
- 2019 Model with 166,000 miles
- 2021 Model with 195,000 miles
- 2021 Model with 151,000 miles
- 2022 Model with 109,000 miles
- 2022 Model with 90,000 miles
- 2023 Model with 59,000 miles
- 2023 Model with 63,000 miles
- 2023 Model with 40,000 miles

Within the initial budget proposal from Emergency Medical Services, three ambulances were requested. This number was cut back to two ambulances.

The cost of each fully equipped ambulance is approximately \$355,000. Existing revenues were not enough to support this purchase. And, like patrol vehicles, the cost of replacement ambulances is a recurring cost. Using fund balance simply means that the county would be going into savings each year for \$710,000. Therefore, a 1-cent tax rate increase earmarked for ambulance replacement was deemed necessary.

Library System

An evaluation of all non-mandated services was undertaken as part of the construction of this budget. Realizing the differences in revenues and expenditures, it was necessary to reduce service levels. Data was gathered on the public library system. Libraries, in general, have seen a decline in usage over the past two decades.

It should be noted that the library system is supported with a mixture of both local and state funding. State aid to libraries varies from year to year but normally averages around \$115,000. State E-rate funding pays for another \$46,000 of the library's annual expenses.

Data on library usage revealed that the Garland Branch Library was used the least. The following table shows library usage from the current fiscal year under the FY25 hours of operation. The Garland Branch was the least utilized.

Figure 31. Library Patronage FY25 Partial Year

Branch	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Clinton	70.14	87.24	57	74.41	61.66	35.61
Newton Grove	17.71	23.09	Closed	20	20.41	Closed
Roseboro	23.92	23.44	Closed	21.59	19.97	Closed
Garland	6.77	7.65	Closed	6.25	6.08	Closed

Costs to operate the Garland Branch are:

- One day per week for one year: \$22,985. This includes baseline operating costs and labor.
- Each additional day per week per year: \$14,140. This includes labor only.

Costs to operate the Roseboro and Newton Grove branches are approximately the same.

Reducing the hours of operation of the Newton Grove and Roseboro Branches and closing the Garland Branch yielded \$121,885 in savings:

- Newton Grove 2 Day Reduction: \$28,280
- Roseboro 2 Day Reduction: \$28,280
- Close Garland: \$65,405

The Town of Garland has pledged \$51,000 in FY 26 to keep the Garland Brand Library open 3 days per week. As Budget Officer, I have accepted this funding, pending the Commissioner's approval. It is my recommendation that the branch be open three days per week using this grant funding.

During budget construction, all non-mandated services were reviewed. Consideration was given to reduced services or elimination of departments that were not mandated. In the case of the public library system, the following occurs.

- Sampson County students lose access to free reading materials during the summer.

- Sampson-Clinton Public Library card holders lose access to NC Live. NC Live Content includes an online collection of 1.8 billion full-text articles, eBooks, streaming videos, digitized newspapers, language learning tools, and more. Some notable collections include test prep resources (SAT prep, ASVAB prep, etc.) and historic newspaper collections.
- Sampson-Clinton Public Library card holders (and potential future cardholders) lose ability to request materials from other NC Cardinal libraries or the ability to use their Sampson-Clinton Public Library card at NC Cardinal libraries across NC. NC Cardinal libraries have 8.1 million items in the catalog at 234 physical branches throughout North Carolina.
- Sampson County residents lose public computers (and free Wi-Fi access) for homework, job searching/applying for jobs, small business assistance, and other important tasks.
- Local Sampson County Schools and Clinton City Schools students lose student access accounts that allow them to use NC Live and other important online resources.
- Sampson County residents lose access to over 100,000 items in the Sampson-Clinton Public Library's collection. These materials are chosen for the public for informational and recreational purposes. Adults as well as children check out many items. The library's physical circulation for FY24 was 115,504.
- Sampson County residents lose access to back-issues of the Sampson Independent on microfilm from 1924-2023. The library is the only known local organization continually archiving the papers with full access to the photos and images, so future papers would not be archived for residents to access without another plan in place. (The Sampson Independent currently offers digital issues, but it appears that they are only available for a limited time.)
- Sampson County residents lose a convenient and free place to meet.
- Sampson County children lose access to fun and educational library programs that promote literacy and lifelong learning. Most importantly, they lose access to Summer Reading events and Summer Reading Challenge that promote learning and reading over the summer to decrease the likelihood of summer slide (decline in reading ability over the summer due to lack of reading practice).

For these reasons, the library system has been maintained. The FY26 budget reduced hours of operation and closed one branch but left the library system in place for public use. If town appropriations or community fundraising and support provided additional funding, library spaces could be reopened to the public.

Charts of Revenues & Expenditures

Figure 32. Major Expenditures by General Functional Area

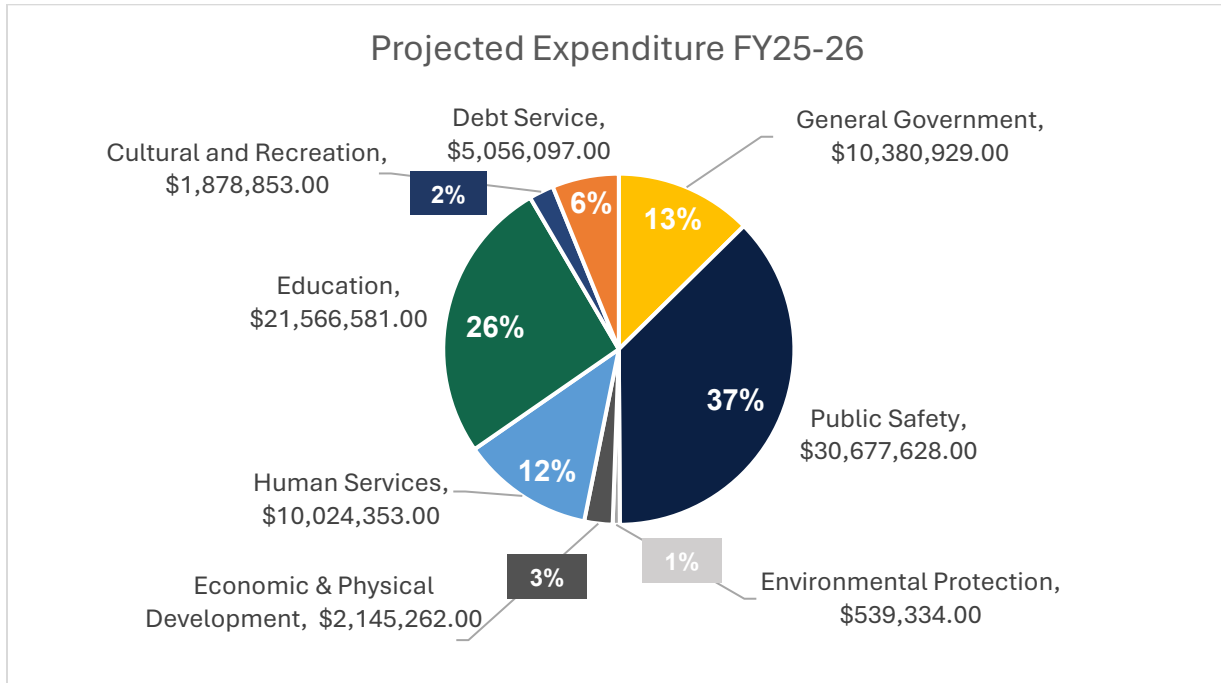


Figure 33. Major Revenues by Revenue Type

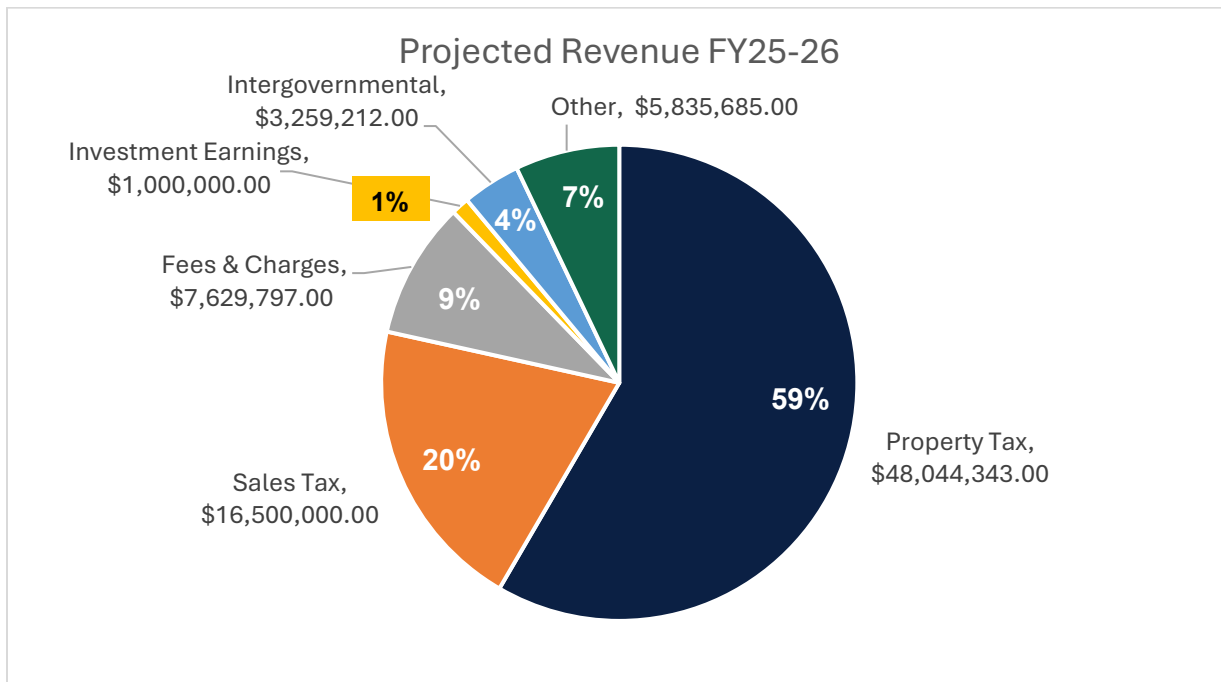


Figure 34. Comparison of Expenditures by General Fund Department or Agency

Department	FY 2024-2025 Board Approved	FY 2025-2026 Manager Recommended	Variance Increase or Decrease
ADMINISTRATION	\$ 924,803.00	\$ 504,089.00	\$ (420,714.00)
AIRPORT	\$ 120,538.00	\$ 89,579.00	\$ (30,959.00)
ANIMAL SHELTER	\$ 548,668.00	\$ 492,615.00	\$ (56,053.00)
BOARD OF ELECTIONS	\$ 545,479.00	\$ 463,587.00	\$ (81,892.00)
BUILDING MAINTENANCE RESERVE	\$800,000.00	-	(800,000.00)
CLINTON CITY SCHOOLS	\$ 4,470,868.00	\$ 5,930,066.00	\$ 1,459,198.00
COMMUNICATIONS	\$ 1,932,891.00	\$ 2,057,086.00	\$ 124,195.00
CONTINGENCY	\$ 500,000.00	\$ 100,000.00	\$ (400,000.00)
CORONER	\$80,000.00	\$80,000.00	-
COUNTY MATCH: DEBT SERVICE	\$ 5,210,998.00	\$ 5,056,097.00	\$ (154,901.00)
COUNTY MATCH: EXPOSITION CENTER	\$ 392,082.00	\$ 256,440.00	\$ (135,642.00)
COUNTY MATCH: PUBLIC HEALTH	\$ 2,034,261.00	\$ 1,514,024.00	\$ (520,237.00)
COUNTY MATCH: SENIOR PROGRAMS	\$ 492,761.00	\$ 519,745.00	\$ 26,984.00
COUNTY MATCH: SOCIAL SERVICES	\$ 7,899,082.00	\$ 7,469,648.00	\$ (429,434.00)
COURTS	\$ 129,990.00	\$ 114,690.00	\$ (15,300.00)
DEBT SERVICE	\$ 260,000.00	-	\$ (260,000.00)
DETENTION CENTER	\$ 6,122,037.00	\$ 5,811,186.00	\$ (310,851.00)
DIVE TEAM	\$ 15,940.00	-	\$ (15,940.00)
ECONOMIC DEVELOPMENT	\$ 1,344,391.00	\$ 634,215.00	\$ (710,176.00)
EMERGENCY MANAGEMENT	\$ 1,188,296.00	\$ 856,881.00	\$ (331,415.00)
EMERGENCY MEDICAL SERVICES	\$ 9,000,699.00	\$ 7,974,070.00	\$ (1,026,629.00)
FINANCE	\$ 1,453,122.00	\$ 1,228,798.00	\$ (224,324.00)
FINANCE DATA PROCESSING	\$ 168,658.00	\$ 214,586.00	\$ 45,928.00
FORESTRY	\$ 205,029.00	\$ 192,314.00	\$ (12,715.00)
GEOGRAPHIC INFORMATION SYSTEMS	-	\$ 258,910.00	\$ 258,910.00
GOVERNING BODY	\$ 166,560.00	\$ 145,339.00	\$ (21,221.00)
HUMAN RESOURCES	\$ 734,202.00	\$ 667,108.00	\$ (67,094.00)
INDUSTRIAL UTILITY	\$ 275,081.00	\$ 403,092.00	\$ 128,011.00

INFORMATION TECHNOLOGY	\$ 1,215,519.00	\$ 1,516,220.00	\$ 300,701.00
INSPECTIONS	\$ 974,960.00	\$ 928,241.00	\$ (46,719.00)
LEGAL	\$ 150,000.00	\$ 229,886.00	\$ 79,886.00
LIBRARY	\$ 917,259.00	\$ 734,725.00	\$ (182,534.00)
MENTAL HEALTH ADMINISTRATION	\$ 274,680.00	\$ 274,680.00	-
NC COOPERATIVE EXTENSION SVC	\$ 759,267.00	\$ 653,939.00	\$ (105,328.00)
PUBLIC BUILDINGS	\$ 2,123,886.00	\$ 2,766,670.00	\$ 642,784.00
RECREATION	\$ 764,504.00	\$ 758,252.00	\$ (6,252.00)
RECREATION-PROGRAMS	\$ 107,322.00	\$ 102,748.00	\$ (4,574.00)
REG DEEDS TECHNOLOGY	\$ 65,000.00	\$ 65,000.00	-
REGISTER OF DEEDS	\$ 462,398.00	\$ 452,158.00	\$ (10,240.00)
SAMPSON COMM COLLEGE - CE	\$ 1,897,478.00	\$ 1,897,478.00	-
SAMPSON COMM COLLEGE-CO	\$ 250,000.00	\$ 352,219.00	\$ 102,219.00
SAMPSON COUNTY SCHOOLS	\$ 12,361,855.00	\$ 13,386,818.00	\$ 1,024,963.00
SHERIFF	\$ 12,572,777.00	\$ 12,290,821.00	\$ (281,956.00)
SOIL CONSERVATION	\$ 355,141.00	\$ 364,437.00	\$ 9,296.00
SOLID WASTE	\$ 347,020.00	\$ 347,020.00	-
SPECIAL APPROPRIATIONS	\$ 66,988.00	\$ 26,688.00	\$ (40,300.00)
TAX ADMINISTRATION	\$ 1,839,722.00	\$ 1,768,578.00	\$ (71,144.00)
TOWER EXPENDITURES	\$ 32,523.00	\$ 52,238.00	\$ 19,715.00
VETERANS	\$ 192,697.00	\$ 246,256.00	\$ 53,559.00
VOLUNTEER FIRE DEPARTMENTS	\$ 268,141.00	\$ 19,800.00	\$ (248,341.00)
Fund Total	\$ 85,015,573.00	\$ 82,269,037.00	\$ (2,746,536.00)

7 Good Ideas This Budget Did Not Fund

The frugal nature of this budget did not allow the county to accomplish certain specific items which would have been for the benefit of the county. These items were not included in the budget for the sole reason of costs. Although several might also be mentioned in the next section of this message, Interim Manager Recommendations, they are listed here for ease of reference. If additional funding appears this year, these items should be considered.

1. New Position of Virtual Environment Administrator. A Virtual Environment Administrator is an IT professional responsible for managing, configuring, and maintaining virtual systems, servers, and networks to ensure reliable operations within virtualized environments. This position will be key to future IT success. Approximate cost: \$90,000.

2. AEDs. Purchase 36 automatic defibrillator units (AEDs) for the 36 Sheriff Office patrol cars. Deputies are trained in both CPR and AED use. But they do not have AEDs. Approximate Cost: \$95,000.

3. New Position of Planning Enforcement Officer. Hire a Code Enforcement Officer for Planning that focuses on nuisance abatement, subdivision ordinance compliance, and zoning enforcement. Or, in the alternative, consider consolidating with the City of Clinton for Planning & Zoning purposes. Approximate cost for one county Planning Enforcement Officer: \$77,000. Approximate cost to consolidate with the City of Clinton is currently unknown and would have to be negotiated.

4. School Facilities Assessment. Commission a 10-Year demographics and facility construction study of the two school systems from a third-party professional firm. Sometimes called a Long-Range Facility Needs Assessment (LRFNA), this was one goal of the Board of Commissioners. Approximate cost: \$350,000.

5. Industrial Park Investment. Invest in infrastructure construction within the industrial park. The amount of \$250,000 was cut during one of the rounds of budget reductions. The county owns the industrial park land near Newton Grove, but road, water, sewer, and data infrastructure will be required if the county intends to offer the property for sale as a business or industrial park.

6. Employee Training and Travel. As part of budget reductions all trainings and travel other than that specifically required to maintain job-related licensure and certifications were cut from departments. This should be restored in a thoughtful manner, with employees being able to travel and attend training that exposes them to changes in laws as well as networking with others in their professions to learn about the best practices in local government.

7. A Cost-Of-Living Adjustment. This would be a pay increase for all employees and would also be applicable to the pay ranges of the county's pay and classification plan. With other jurisdictions giving pay raises to their employees, Sampson will become less competitive over time. Approximate cost: \$339,995 for every one percent (1%) raise for all employees.

Interim County Manager Recommendations

The Board of Commissioners charged me with the evaluation of Sampson County's department. After months of study, I recommend that the incoming Administration and Board consider the following recommendations. Inclusion in the budget message allows the memorialization of these ideas and recommendations in a format that can be easily found and referenced long into the future.

Excellent Government

1. Ensure that a culture of transparency remains between the Manager and all five Commissioners. Establish that immediately with the new permanent county manager.
2. Ensure that the Department of Administration practices intentional communications with all stakeholders. The manager should consider regular columns or interviews.
3. Issue an RFQ for engineering services and place a second and third engineering firm under a master services agreement for water projects, civil engineering, and grant pursuit.
4. Assign county employees to work at polls under "other duties as assigned" to reduce poll worker costs where possible.
5. Maintain the county's lobbying firm in Raleigh and use them to pursue all available state money to lessen the burden on the local taxpayer.
6. Increase participation in the NCACC. Use connections there to positively influence legislative policy.

Financial Recommendations

1. Immediately issue an RFP for audit services and immediately select an Audit Firm for FY25 and beyond. It is normal for a 3 to 5-year engagement.
2. Pursue a ½-cent local option sales tax to retire school debt and/or build schools.
3. For FY 27 and FY28, cap departmental spending at FY26 levels. Allow the movement of money between line items but restrict the overall departmental totals to FY26 levels.
4. Expand the fleet management pilot program countywide under two administrators, one in Public Works and one in the Sheriff's Department.
5. Prepare for the cessation of the voluntary operation of all county convenience center garbage sites. The agreement with GFL ends in June of 2026. Following this date Sampson County can either: (1) close convenience center sites; or (2) pay GFL up to \$100,000 per month to continue operation of the sites; or (3) create a new Sampson County Solid Waste Department for the operation and hauling of trash from the sites to the landfill; or (4) negotiate with GFL for the continued free operation of the sites.
6. Begin study for the eventual renovation of the Sampson County Courthouse.

7. Inventory all computer equipment and adopt a replacement schedule for all county computer equipment. Use this in future budgeting.

Personnel Recommendations

1. For FY27 implement a cost-of-living adjustment for all county employees at a level that does not exceed additional property tax and sales tax revenues. This is necessary to recruit and retain highly qualified employees in a market where competitor counties are averaging 3% COLAs
2. Begin recognition of employees who have given years of service to Sampson County Government. Undertake such things as:
 - a. Recognize milestone anniversaries at 5-year marks of employment.
 - b. Provide retirement plaques for retirees and recognize retirees publicly
 - c. Have county employee appreciation days during national county government appreciation month
 - d. Institute a program of reward for employees that provide cost saving initiatives.
 - e. Authorize the manager to provide non-monetary rewards for exemplary service.
3. For FY27 and FY28, allow no new county positions in departments that are reliant on property tax funding. Do not restrict positions that are not property tax funded.
4. When possible, reinstate training and necessary travel. Departments should pursue process improvement using success stories from other jurisdictions that make sense here.

Relations & Connections

1. Host Elected Official Roundtable meetings at least once quarterly with speakers on timely topics. Allow time for networking among officials and open discussion of local problems. This meeting should be open to the media.
2. Maintain good relationships with the Fire Services of the county by regularly attending Fire Chief Association meetings.

Driving Innovation

1. Complete the movement of departments to create better efficiency and customer services.
 - a. Building D: New Development Services Center (Environmental Health, Building Inspections and Planning)
 - b. Building B: Senior Services, Recreation, Veterans Services, IT with room for a Regional IT Group if formed.
 - c. Building F: Board of Elections
2. Develop intergovernmental agreements to provide high levels of service at lower costs using economies of scale.
 - a. With the City of Clinton or School Systems create a joint vehicle maintenance garage that can serve both their fleet and that of Sampson County Government.

- b. With the City of Clinton explore the provision of Planning Services to supplement county staff for zoning, subdivision regulations, and code enforcement for all county ordinances, including nuisance and trash abatement.
 - c. With the City of Clinton, Sampson County Schools, Clinton City Schools, and Sampson Community College lead in the formation of a Regional IT Group to serve all local governments in Sampson County, maximizing local funding ability. Use Harnett County as the model for this endeavor. There should be enough room in Building B for a Sampson Regional IT Group, if formed.
3. Explore the creation of a regional water and sewer authority with local municipalities and even adjoining counties. State regulatory authorities favor regionalization and may more readily help fund projects for regional systems.
4. Move the Innovation Strategist position from Human Resources into County Administration. Assign additional duties to this position for grant research and grant reporting and oversight. In addition, use the position to study process improvement and enhancement among the different county-line departments.
5. Continue the practice of assigning “Goal Champions” to each of the goals of the Board of County Commissioners. The County Manager should provide accountability for each of the champions and goal teams. Reports should be given annually to the Board of Commissioners in advance of the county’s budget cycle on team progress.
6. Specifically designate one Goal Champion Team as a Customer Experience Team that will, with the assistance of the Innovation Strategist, evaluate all aspects of customer service within the departments. The team should not only examine in-person experiences, but also policies and the county’s online services as well.
7. Complete a “reversioning” of the Sampson County Public Library with an emphasis on new service areas such as providing passport services to Sampson’s citizens through the public library system, gaining additional revenue. The county might also consider adding services to the library branches, forming county service centers as a component of the library system.
8. The public library system should make efforts to create a “Friends of the Library” group which could help with programming, volunteer time at the library branches, and possibly help raise funds for the library.

Public Education

1. During FY26 issue funds to Clinton City Schools for the Sampson Middle School roof repair upon award of a bid by Clinton City Schools. Adjust up or down from the budgeted \$1million to actual bid amounts from the Public-School Building Capital Reserve Fund.
2. In FY 27 budget funding for a 10-year school capital improvement plan to guide future major capital spending. Smith-Sinnett Architecture is recommended for this product.
3. Follow the Sampson County Schools Public Education Funding Formula annually. Remember that 25% of all new sales and property taxes collected, not otherwise earmarked for education, will fund public education under the formula.
4. Within the next 12 months, prepare to provide the local \$4.2 million match for the Hobbton High School construction grant, if this is not covered by additional funding from the NCGA.

Healthy Community

1. Pass a resolution to allow the Sheriff of Sampson County to utilize inmate labor for both roadside cleanup and work on county property.
2. Organize quarterly county cleanup days on Saturdays using volunteer county employees. Grant compensatory time for service.
3. Continue to pursue expansion of the county potable water system to serve all PFAS areas, but also beyond those areas into areas of high growth.

Safe Community

1. In June or July of each year, perform emergency preparedness exercises for all county departments and employees prior to the start of hurricane season.
2. Create a new designation for key and essential employees as part of the “Sampson Disaster Response Team” and afford those employees training in EOC operations, documentation for FEMA, recovery operations, volunteer organization, donations and supply management, and other aspects of response to a major storm event.
3. Research the possible benefit of an EMS Subscription Program such as the one implemented in Johnston County.

Growth & Infrastructure

1. Pursue public-private partnerships to create improvements in the industrial park.
2. Assist the residents of Ivanhoe as NCDOT prepares to build roadways to provide safe passage after flood events.

Informing Sampson's Citizens

Transparency in government demands that all citizens can review the important aspects of this budget. With proper information, the public can provide beneficial feedback to local government. Multiple opportunities for public input will be provided. Three town hall meetings are scheduled at Clinton, Garland, and Newton Grove. Paper copies of the budget shall be available at the following locations:

Sampson County Administration
406 County Complex Road, Building C
Clinton, North Carolina 28328
and
All Sampson County Libraries

The proposed budget shall also be made available for public review on the Sampson County website at www.sampsoncountync.gov . Citizens may submit written comments by email to: budgetcomments@sampsoncountync.gov Citizens may also submit comments to the following address:

FY26 Budget Comments
c/o Sampson County Administration
406 County Complex Road, Building C
Clinton, North Carolina 28328

The Board of County Commissioners may make no decision on the budget until after the statutorily required public hearing on the proposed budget. All comments on the proposed budget will be compiled and presented to the board of commissioners for their review no later than the date and time of the public hearing.

Commissioner Budget Workshops

It is recommended that the Board of County Commissioners hold budget workshops in the large Administration Conference Room, with opportunities to meet with all agencies and departments.

- **Wednesday, June 11, 2025, at 9am**
 - Agency Presentations & Reviews
 - Recess until Thursday, June 12th
- **Thursday, June 12, 2025, at 9am**
 - Department Presentations & Reviews
 - Recess until Friday, June 13th
- **Friday, June 13, 2025, at 9am**
 - Department Presentations & Reviews
 - Recess until Monday, June 16th or Adjourn

Public Hearing

It is recommended that the Board of County Commissioners call for a Special Meeting to be held to conduct a public hearing on the proposed FY26 budget at 6:00pm on Monday, June 16, 2025, in the Board of Commissioner Auditorium, Sampson County Government Complex.

Conclusion

Common sense and fiscal prudence guided the development of this budget. During a time of tremendous change, this proposal is balanced with drastically less dependence on fund balance. It does include a proposed 6-cent tax increase with nearly all that amount funding Public Safety and Public Education. The tax increase was only proposed after deep reductions in expenditure levels within departments. It was only proposed after evaluating all other revenue sources. And it was only proposed because of the financial landscape remaining after the 2024-2025 fiscal year.

This proposed budget includes drastic cuts to spending, but did not completely eliminate departments or the provision of services that citizens depend upon. The creation or elimination of entire departments is a policy decision properly under the authority of the Board, not the Manager.

This proposed budget was made possible through the efforts of staff at all levels of the organization, including department and division heads. Special recognition should be given to the staff within Finance, Human Resources, Tax, Sheriff's Office, Public Works and Senior Services. They should all be commended. When faced with the truth of the budget situation, each set an example for others and practiced innovation and cross-departmental cooperation.

I would be remiss if I did not mention a word about the proper role of county employees, the county manager, and boards of commissioners. County employees are the lifeblood of the organization. They are your neighbors, your friends, and your family. Most of them live in Sampson County and pay the same taxes that every citizen pays. They can be seen in the grocery store and in the house of worship. They provide services to every citizen of Sampson County and the visitors that come to the community ... mostly without thanks. The job description of a typical front-line employee is silent on the issues of taxation and spending. The front-line county worker is simply hired to do their job, whatever it is. But at times, they have been blamed for driving county budgets and wasteful spending.

The values of a local government reflect the values of its leadership. Those values should include integrity, team-centric management, a drive for excellent service, innovation, and the prudent use of tax money. If a county's values do not reflect that, it is the responsibility of the County Manager or the responsible elected officials over individual agencies. Under the Commissioner-Manager form of local government in North Carolina, it is only the County Manager who is responsible for recommending a county budget. But even then, the adopted budget of a community is not the Manager's budget. Only the Board of County Commissioners vote upon and enact the most important policy that the governing body may consider, the annual budget.

It is my prayer that God continue to bless Sampson County. That God give the County the good leaders it needs now and into the future to serve with wisdom and help all citizens live better lives.

Respectfully Submitted,



Jeffrey L. Hudson

Interim County Manager and Budget Officer