

# MARTIN COUNTY FINANCIAL INFORMATION PRESENTATION

Martin County  
Board of Education Meeting  
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# MEDICAID 101

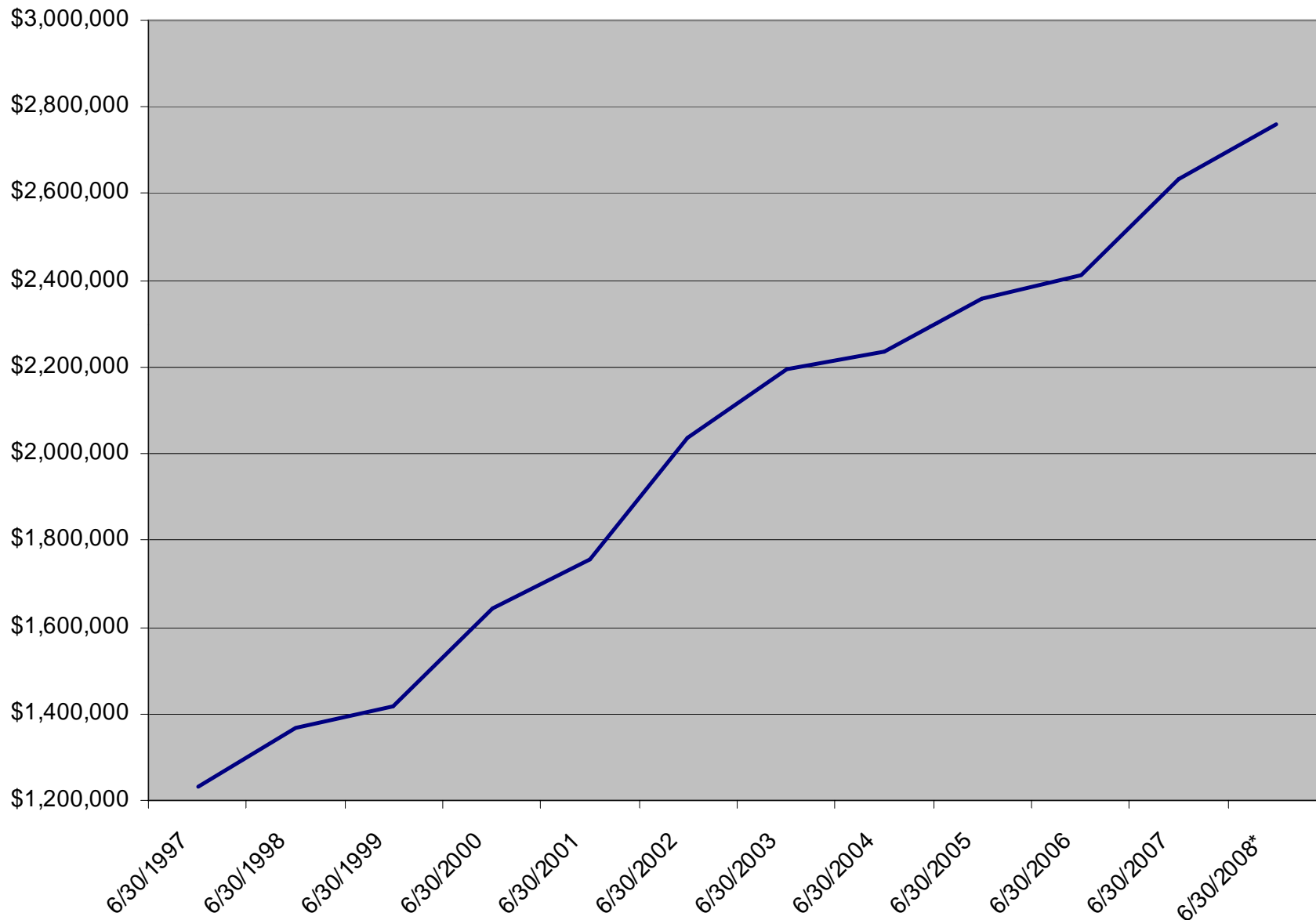
- Prior to “relief” this year counties in NC were responsible for paying 15% of the non-federal share of Medicaid, a public assistance program that covers most of the cost of medical care and services for low-income aged, disabled or blind persons; needy children and pregnant women; and other low-income people that meet eligibility requirements.
- Approximately 28% of Martin County residents are Medicaid eligible.
- 10% of current GF budget required for Medicaid.
- Approximately \$0.20 of current tax rate required for Medicaid.

# Martin County Medicaid Expenditures 1997 - 2008

<b>FYE</b>	<b>MEDICAID EXPENDITURES</b>
6/30/1997	\$1,229,712
6/30/1998	\$1,367,929
6/30/1999	\$1,418,323
6/30/2000	\$1,645,009
6/30/2001	\$1,757,106
6/30/2002	\$2,038,225
6/30/2003	\$2,196,470
6/30/2004	\$2,235,369
6/30/2005	\$2,359,674
6/30/2006	\$2,410,270
6/30/2007	\$2,634,404
6/30/2008*	\$2,758,986

\*Budgeted

## Medicaid Expenditures



# Medicaid “Relief”

2007 – 2008

- State assumes 25% of County Medicaid costs beginning 10/1/2007.
- Counties must forgo portion of ADM funds with counties replacing those funds with our Medicaid savings. This amounts to \$162,000 for Martin County.
- State is assuring benefit to each county is at least \$500,000 so the net Medicaid savings for Martin County will be \$338,000.

# Medicaid “Relief” (cont’d.)

2008 – 2009

- State assumes 50% of County Medicaid costs beginning 7/1/2008.
- Counties and municipalities forgo ¼ cent per capita Article 44 sales tax beginning 10/1/2008.
- Counties must hold municipalities harmless from loss of sales tax.
- Net savings to Martin County is projected to be \$1,214,732.

# Medicaid “Relief” (cont’d.)

2009 – 2010

- State assumes 100% of County Medicaid costs beginning 7/1/2009.
- Counties and municipalities forgo remaining ¼ cent per capita Article 44 sales tax beginning 10/1/2009.
- Article 42 ½ cent per capita sales tax converts to point of delivery distribution.
- Counties must hold municipalities harmless from loss of sales tax.
- Net savings to Martin County is projected to be \$1,908,052.

# Medicaid “Relief” (cont’d.)

## 2010 – 2011

- Net savings to Martin County is projected to be \$1,727,019.

## 2011 – 2012

- Net savings to Martin County is projected to be \$1,949,096

# Medicaid “Relief” (cont’d.)

- Figures used in Medicaid Relief presentation derived from information generated by state legislative staff. This includes projected Medicaid growth at 10% per year and sales tax projected growth at 5% per year.
- Some of the projected savings are based on projected increased Medicaid costs which are not dollars we presently are budgeting so this is no “cash” windfall.
- The shift of Article 42 from a per capita distribution to a point of delivery distribution will be costly to Martin County.
- The bottom line is that relief is coming at a cost and total relief is not true total relief.

# Martin County Schools Funding 1997 - 2008

<b>FYE</b>	<b>CURRENT EXPENSE</b>	<b>CAPITAL OUTLAY</b>
6/30/1997	\$4,429,871	\$881,046
6/30/1998	\$4,562,767	\$955,602
6/30/1999	\$4,654,022	\$1,024,714
6/30/2000	\$4,747,102	\$1,058,903
6/30/2001	\$4,889,515	\$1,072,077
6/30/2002	\$4,816,172	\$1,055,996
6/30/2003	\$4,816,172	\$960,000
6/30/2004	\$5,009,420	\$960,000
6/30/2005	\$5,159,420	\$960,000
6/30/2006	\$5,214,203	\$997,406
6/30/2007	\$5,214,203	\$1,185,115
6/30/2008*	\$5,474,913	\$1,182,500

\*Budgeted

# Tax Information

<b>YEAR</b>	<b>VALUATION</b>	<b>RATE</b>	<b>REVENUE</b>
1997	\$1,245,446,965	\$0.770	\$9,589,942
1998	\$1,265,692,177	\$0.770	\$9,745,830
1999	\$1,267,300,346	\$0.770	\$9,758,213
2000	\$1,312,895,550	\$0.770	\$10,109,296
2001	\$1,316,528,488	\$0.770	\$10,137,269
2002	\$1,496,135,419	\$0.770	\$11,520,243
2003	\$1,518,094,241	\$0.785	\$11,917,040
2004	\$1,509,531,453	\$0.785	\$11,849,822
2005	\$1,510,468,228	\$0.785	\$11,857,176
2006	\$1,529,508,427	\$0.785	\$12,006,641
2007	\$1,511,878,265	\$0.785	\$11,868,244
2008	\$1,431,347,321	\$0.785	\$11,236,076

# FUND BALANCE

<u>FYE</u>	<u>UNRESERVED FUND BALANCE</u>	<u>% OF EXPENDITURES</u>
6/30/1997	\$3,781,583	18.83%
6/30/1998	\$2,616,636	17.25%
6/30/1999	\$2,720,028	14.54%
6/30/2000	\$2,194,719	9.23%
6/30/2001	\$814,980	3.36%
6/30/2002	\$1,757,536	5.89%
6/30/2003	\$2,050,742	12.13%
6/30/2004	\$2,847,702	15.14%
6/30/2005	\$5,088,049	20.54%
6/30/2006	\$5,737,794	22.38%
6/30/2007*	\$5,800,000	22%

\*Estimated

# Hospital Funds History

- In 1998 the Martin County Board of Commissioners agreed to a Lease and Sale of Assets of Martin General Hospital to Community Health Systems, Inc.
- The rent and purchase price in the amount of \$17,000,000 was paid by CHS at closing.
- Martin County could use up to \$1,000,000 to pay closing costs and then could not use any of the remaining \$16,000,000 until the 10<sup>th</sup> anniversary of the closing date, November 1, 2008.
- The interest earned on the \$16,000,000 could and can be used for any legal purpose.

# Hospital Funds - Dollars

<u>FYE</u>	<u>INTEREST EARNED</u>	<u>APPROPRIATED</u>
6/30/1999	\$547,626	\$1,192,253
6/30/2000	\$940,254	\$613,260
6/30/2001	\$1,036,131	\$226,534
6/30/2002	\$710,195	\$1,698,998
6/30/2003	\$503,728	\$943,000
6/30/2004	\$261,035	\$292,013
6/30/2005	\$348,281	\$400,000
6/30/2006	\$673,864	\$400,000
6/30/2007	\$865,548	\$525,000
6/30/2008*	\$800,000	\$1,354,371

\*Budgeted

# Public School Building Capital Fund ADM

	TAX		PROJECT	UNALLOCATED
<u>FYE</u>	<u>REVENUE</u>	<u>INTEREST</u>	<u>ALLOCATION</u>	<u>BALANCE</u>
6/30/1997	\$201,860	\$127,740	\$0	\$2,217,373
6/30/1998	\$230,700	\$146,354	\$202,548	\$2,391,880
6/30/1999	\$251,128	\$153,439	\$27,544	\$2,768,903
6/30/2000	\$309,241	\$170,266	\$1,476,740	\$1,771,670
6/30/2001	\$183,322	\$137,010	\$191,457	\$1,900,546
6/30/2002	\$158,654	\$109,817	\$44,409	\$2,124,608
6/30/2003	\$0	\$94,031	\$129,303	\$2,089,337
6/30/2004	\$192,530	\$70,397	\$0	\$2,352,264
6/30/2005	\$254,306	\$68,134	-\$3,196	\$2,677,900
6/30/2006	\$307,639	\$98,190	\$0	\$3,083,728
6/30/2007	\$322,790	\$145,179	\$0	\$3,551,697

# Public School Building Capital Fund Lottery

- Lottery proceeds were first distributed in 2006 – 2007 and Martin County was credited with \$403,761 including interest.
- State estimates project we will receive approximately \$513,000 during the 2007 – 2008 fiscal year.
- Right now these funds are distributed back to counties based on the county effective tax rate and average daily membership. There was an attempt during this past legislative session to amend the method of distribution. Had it passed Martin County's proceeds would have been reduced.

# ¼ Cent Sales Tax *Proposed*

- The 2007 NC General Assembly gave counties the authority to levy either a ¼ cent sales tax or a .4% land transfer tax after a favorable vote in a referendum.
- The Martin County Commissioners have placed on the November 6, 2007 ballot the question of whether or not to increase the sales tax in Martin County by ¼ cent.
- It is estimated that the additional ¼ cent sales tax will generate \$497,000 annually. It is estimated that a .4% land transfer tax would only generate \$166,000 per year.