

Kerr Tar



Regional Council Of Governments

***PROPOSED BUDGET
FISCAL YEAR 2025-2026***

Kerr-Tar Regional Council Of Governments

BUDGET MESSAGE

I am pleased to submit my recommended Kerr-Tar Regional Council (KTCOG) of Governments budget for July 1, 2025 through June 30, 2026 in accordance with the N.C. Local Government Budget and Fiscal Control Act and the COG Charter and Bylaws. The recommended budget for KTCOG for Fiscal Year 2025-2026 is \$5,880,261. As the lead regional planning organization for the five county Kerr-Tar area, we continue to strive to provide valuable services to our members. The budget reflects our commitment to our core programs while expanding services to meet the needs of our member governments.

Member assessments (investments) from local governments are recommended to remain unchanged at \$0.66 per capita. Member assessments are calculated by the population of municipal members and the unincorporated population of county members. Member assessments are utilized to meet match requirements for federal and/or state funding.

KTCOG budgets for our administrative functions through an indirect rate that is based on the salaries and fringe benefit cost of each program and allows each program to pay their fair share of administrative costs. The administrative rate is negotiated annually with our federal cognizant agency (Economic Development Administration) and is required in order for us to distribute indirect costs to all cost centers benefiting from those costs.

The recommended fringe benefits rate for 2025-2026 is 45.5462%, which is a slight increase from the current fiscal year and includes Longevity, FICA, group insurances, retirement, 401k contributions, unemployment, and retiree benefits.

The recommended indirect cost rate for 2025-2026 is 49.2480%, which is a slight decrease of approximately 2% from the current fiscal year.

No Fund Balance appropriation is proposed to balance the FY 2025-2026 budget.

Budget Timeline

On May 15, 2025, the KTCOG Executive Committee will receive the recommended budget and discuss the budget in detail. With direction from the Executive Board, changes, if required, will be incorporated.

On May 22, 2025, the KTCOG Board of Directors will receive the recommended budget and hold discussions. The public and interested parties will be able to view the budget on our website.

On June 26, 2025, the required public hearing will be conducted prior to the KTCOG Board of Directors Meeting.

On June 26, 2025, the KTCOG Board of Directors will consider adoption of the Budget Resolution.

The Year Ahead

As we develop this year's budget, we do so in the context of significant and ongoing uncertainty at the federal level. Recent changes in federal administration and agency structure have already impacted our funding streams, with some grants at risk of delay or significant reductions. The open-ended nature of federal actions creates uncertainty about the eventual size of any reduction. These disruptions pose real challenges to our ability to plan long-term, deliver consistent services, and maintain the stability of our workforce.

Of particular concern is the future of funding for aging services. The reauthorization of the Older Americans Act remains unresolved, and the recent dissolution of the Administration for Community Living (ACL) has created additional ambiguity around the administration of these essential funds. Without swift federal clarity or renewed investment, programs supporting our region's growing population of older adults are at risk of underfunding.

In response, this budget reflects a cautious and strategic approach. We have taken measured steps to reduce costs, including budgeting a 10% across the board reduction and prioritizing essential services. At the same time, we are working closely with our congressional delegation to advocate for transparency, stability, and renewed commitment to regional programs. We are also urging our local partners to begin considering potential funding solutions at the regional or county level.

Despite the uncertainty, we remain committed to our mission and the communities we serve. We will continue to prioritize collaboration, innovation, and efficiency, while leveraging regional partnerships to stretch every dollar and protect core services. Your continued engagement and support will be vital as we move forward together through this unpredictable fiscal landscape.

This recommended budget continues our commitment to our core programs. KTCOG programs include Planning and Economic Development, Kerr-Tar Regional Economic Development Corporation, Workforce Innovation and Opportunity Act, Area Agency on Aging, Revolving Loan Funds, Housing and Community Development, Region K Community Assistance Corporation, and Rural Transportation Planning.

Employee Retention and Recruitment – Thanks to the Kerr-Tar Board’s recognition of the vital importance of attracting and retaining top talent, employee salaries have seen meaningful increases over the past three fiscal years. This investment has played a key role in maintaining a strong and stable workforce.

However, given the current uncertainty surrounding federal funding, I have made the difficult decision not to recommend a salary increase in the proposed FY 2025–2026 budget at this time. Once we receive final federal funding allocations, I may revisit this decision and consider recommending mid-year salary adjustments or one-time bonuses as conditions allow.

Technical assistance and resource development for member governments continues to be the top priority for staff. All COG members are encouraged to utilize the expertise of the COG staff for projects. The Kerr-Tar Regional Council of Governments is an extension of all of our members and serves as a valuable resource for many projects in the region.

The proposed budget for FY 2025-2026 is within the resources of your Council of Governments.

Respectfully submitted,



Patricia Diane Cox
Executive Director

**KERR-TAR REGIONAL COG
ANNUAL BUDGET ESTIMATE
FUND SUMMARY - REVENUES**

FY 2025-2026

	AMENDED BUDGET <u>24-25</u>	REQUESTED <u>25-26</u>
10 GENERAL FUND	4,521,598	3,020,415
11 AGING FUND	2,307,533	2,286,846
13 WORKFORCE INVESTMENT ACT	1,498,886	555,500
14 MICROENTERPRISE LOAN FUND	-	-
20 DEFEDERALIZED EDA FUNDS	25,000	17,500
22 CARES REVOLVING LOAN FUND	-	-
73 PIVOT LOAN FUND - PERSON CO.	-	-
TOTALS	8,353,017	5,880,261

FUND SUMMARY - EXPENDITURES

FY 2025-2026

	AMENDED BUDGET <u>24-25</u>	REQUESTED <u>25-26</u>
10 GENERAL FUND	4,521,598	3,020,415
11 AGING FUND	2,307,533	2,286,846
13 WORKFORCE INVESTMENT ACT	1,498,886	555,500
14 MICROENTERPRISE LOAN FUND	-	-
20 DEFEDERALIZED EDA FUNDING	25,000	17,500
22 CARES REVOLVING LOAN FUND	-	-
73 PIVOT LOAN FUND - PERSON CO.	-	-
TOTALS	8,353,017	5,880,261

**KERR-TAR REGIONAL COG
ANNUAL BUDGET ESTIMATE
GENERAL FUND 10 - REVENUES**

FY 2025-2026

	AMENDED BUDGET 24-25	REQUESTED 25-26
COMMUNITY & ED/PLANNING	894,587	682,572
Defederalized EDA Funds	27,500	17,500
Working Landscapes	-	-
Bunn Zoning	32,000	32,000
CFAT	21,304	20,000
RPO	152,095	152,095
EDA	70,000	-
KTREDC	53,000	53,000
Region K CAC	25,000	25,000
Safe Routes to School	98,336	83,385
BAND-NC Digital Inclusion	85,896	49,437
SCRC	15,000	20,155
TA Contracts	25,000	30,000
Vance County EDA	8,846	-
Climate Action Corp- AmeriCorp	1,983	-
ARPA Technical Assistance	194,156	200,000
ARPA DR Technical Assistance	-	-
ARPA DR Financial Administration	-	-
Tri-COG Feeds	16,722	-
Regional Agritourism - NC Farms App	6,300	-
City of Roxboro/Reg Bld	61,449	-
HOUSING REHAB	1,094,244	216,000
Granville CO SFR 2022	84,170	-
Franklin CO SFR 2022	60,000	-
Person CO SFR 2023	162,000	108,000
Vance CO SFR 2023	162,000	54,000
Warren CO SFR 2024	162,000	54,000
Duke Energy	192,000	-
Urgent Repair 2023	8,074	-
Urgent Repair 2024	264,000	-
WIOA	767,293	805,456
WIOA Administration	114,861	93,427
WIOA Adult Program	73,033	89,250
WIOA Youth Program	126,096	116,178
WIOA Dislocated Worker	73,033	42,563
PROWD	221,854	205,857
PROWD Administration	81,760	120,681
WIOA Employer Services	17,500	17,500
Re-Entry Council	59,156	120,000
AGING	1,557,393	1,134,663
Aging - P&A	183,035	164,760
Aging - IIID	24,804	22,331
Aging - Ombudsman	128,346	115,512
Aging - Elder Abuse	3,911	3,520
Aging - Caregiver	143,886	128,635
Aging - AAA	48,263	43,437
Aging - Medicare SHIP	12,092	5,000
Aging - MIPPA	38,153	20,063
Aging - NCDOT	270,000	304,900
ARPA - P&A	77,288	18,500
ARPA - Caregiver	48,738	20,000
ARPA - Ombudsman	6,279	-
ARPA - Nutrition	271,792	100,000
ARPA Supportive Services	19,165	-
ARPA - IIID	22,169	7,000
Digital Navigator	98,058	56,708
ARPA SS LOC6 OMB	15,497	-
Choosing Home	137,709	68,800
Choosing Home Admin	8,208	8,208
PEAS Nutrition	-	40,000
PEAS Admin	-	7,289
Member Assessments	151,724	151,724
Miscellaneous	56,357	30,000
Miscellaneous Contracts & Revenue	26,357	-
Miscellaneous Match 5310	30,000	30,000
10 GENERAL FUND	4,521,598	3,020,415

KERR-TAR REGIONAL COG
ANNUAL BUDGET ESTIMATE
GENERAL FUND 10 - EXPENDITURES

FY 2025-2026

	AMENDED BUDGET 24-25	REQUESTED 25-26
COMMUNITY & ED/PLANNING	979,503	766,673
Defederalized EDA Funds	27,500	17,500
Working Landscapes	-	-
Bunn Zoning	32,000	32,000
CFAT	26,630	27,000
RPO	160,100	160,100
EDA	117,000	47,000
KTREDC	53,000	53,000
Region K CAC	25,000	25,000
Safe Routes to School	122,921	105,481
BAND-NC Digital Inclusion	85,896	49,437
SCRC	15,000	20,155
TA Contracts Person & Stern	25,000	30,000
Vance County EDA	8,846	-
Climate Action Corp- AmeriCorp	1,983	-
ARPA Technical Assistance	194,156	200,000
ARPA DR Technical Assistance	-	-
ARPA DR Financial Administration	-	-
Tri-COG Feeds	16,722	-
Regional Agritourism - NC Farms App	6,300	-
City of Roxboro/Reg Bld	61,449	-
HOUSING REHAB	1,094,244	216,000
Granville CO SFR 2022	84,170	-
Franklin CO SFR 2022	60,000	-
Person CO SFR 2023	162,000	108,000
Vance CO SFR 2023	162,000	54,000
Warren CO SFR 2024	162,000	54,000
Duke Energy	192,000	-
Urgent Repair 2023	8,074	-
Urgent Repair 2024	264,000	-
WIOA	767,293	805,456
WIOA Administration	114,861	93,427
WIOA Adult Program	73,033	89,250
WIOA Youth Program	126,096	116,178
WIOA Dislocated Worker	73,033	42,563
PROWD	221,854	205,857
PROWD Administration	81,760	120,681
WIOA Employer Services	17,500	17,500
Re-Entry Council	59,156	120,000
AGING	1,653,180	1,193,854
Aging - P&A	231,370	208,260
Aging - IIID	27,560	24,811
Aging - Ombudsman	142,607	128,332
Aging - Elder Abuse	4,346	3,911
Aging - Caregiver	143,886	128,635
Aging - AAA	48,263	43,437
Aging - Medicare SHIP	12,092	5,000
Aging - MIPPA	38,153	20,063
Aging - NCDOT	300,000	304,900
ARPA - P&A	77,288	18,500
ARPA - Caregiver	48,738	20,000
ARPA - Ombudsman	6,279	-
ARPA - Nutrition	271,792	100,000
ARPA Supportive Services	19,165	-
ARPA - IIID	22,169	7,000
Digital Navirgator	98,058	56,708
ARPA SS LOC6 OMB	15,497	-
Choosing Home	137,709	68,800
Choosing Home Admin	8,208	8,208
PEAS Nutrition	-	40,000
PEAS Admin	-	7,289
Miscellaneous	27,378	38,432
Miscellaneous Expenses	27,378	8,432
Miscellaneous Match 5310	-	30,000
10 GENERAL FUND	4,521,598	3,020,415

**KERR-TAR REGIONAL COG
ANNUAL BUDGET ESTIMATE
OTHER FUNDS - REVENUES**

FY 2025-2026

	AMENDED BUDGET <u>24-25</u>	REQUESTED <u>25-26</u>
11 AGING FUND	2,307,533	2,286,846
Aging - HCCBG	2,094,887	2,094,887
Aging - Legal Services	11,194	11,194
Aging - Senior Center Gen Purpose	66,765	66,765
Aging - NSIP	65,000	65,000
Aging - ARPA	69,687	49,000
13 WIOA FUND	1,498,886	555,500
WIOA Adult	400,000	117,000
WIOA Youth	400,000	18,500
WIOA Dislocated Worker	200,000	70,000
PROWD	494,896	350,000
Incumbent Worker Contracts	3,990	-
14 MICROENTERPRISE LOAN FUND	-	-
Interest on Loans	-	-
20 DEFEDERALIZED EDA FUNDS	25,000	17,500
Interest/Fees on Loans	25,000	17,500
22 CARES REVOLVING LOAN FUND	-	-
Interest on Loans	-	-
OTHER FUNDS	3,831,419	2,859,846

**KERR-TAR REGIONAL COG
ANNUAL BUDGET ESTIMATE
OTHER FUNDS - EXPENDITURES**

FY 2025-2026

	AMENDED BUDGET <u>24-25</u>	REQUESTED <u>25-26</u>
11 AGING FUND	2,307,533	2,286,846
Aging - HCCBG	2,094,887	2,094,887
Aging - Legal Services	11,194	11,194
Aging - Senior Center Gen Purpose	66,765	66,765
Aging - Caregiver	-	-
Aging - NSIP	65,000	65,000
Aging - ARPA	69,687	49,000
13 WIOA FUND	1,498,886	555,500
WIOA Adult	400,000	117,000
WIOA Youth	400,000	18,500
WIOA Dislocated Worker	200,000	70,000
PROWD	494,896	350,000
Incumbent Worker Contracts	3,990	-
14 MICROENTERPRISE LOAN FUND	-	-
Fund Transfer to Fund 10	-	-
20 DEFEDERALIZED EDA FUNDS	25,000	17,500
Fund Transfer to Fund 10	25,000	17,500
22 CARES REVOLVING LOAN FUND	-	-
Fund Transfer to Fund 10	-	-
OTHER FUNDS	3,831,419	2,859,846