BURKE COUNTY
MID-YEAR BUDGET BRIEF

FISCAL YEAR 2025 -2026



Jeff Brittain, *Chairman*
Phil Smith, *Vice-Chairman*
Randy Burns, *Commissioner*
Brian Barrier, *Commissioner*
Mike Stroud, *Commissioner*

Improving Lives in Burke County

SERVICE | SUPPORT | ENHANCEMENT

LETTER FROM THE MANAGER

Dear Board,

I am pleased to present to you our FY 2025-2026 mid-year report. Burke County Government, as an organization, is ascending, and I believe is being positioned as an industry leader. We have worked hard to maintain the momentum created over the past few operating periods, including preserving our improved human capital indicators, advancing the five (5) year capital improvement plan, and initiating the new budget ordinance.

I frequently refer to our Organizational Purpose – which should act as a compass to ensure that we, as an organization, remain on track – working on the policy items that maximize community impact. Burke County's community impact can be most easily summarized through the Board of Commissioners strategic planning process that focuses on Community Advancement, Public Safety, Fiscal Stewardship, Economic Development, and being an Employer of Choice.

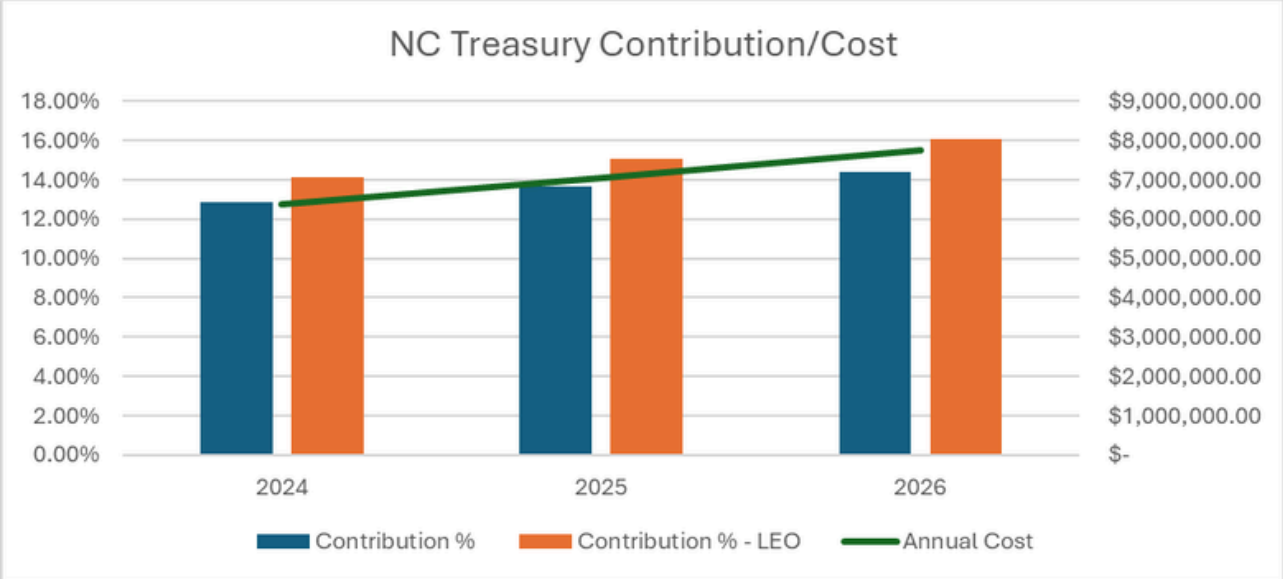
The first six (6) months (July 2025 – December 2025) have provided a tangible opportunity to evaluate the organizational culture investments, policy improvements, and operational business model enhancements that were made during last year's budget process. The most critical investment that has produced immediate quantitative and qualitative return has been our investment in organizational culture. We, as a team, are pursuing a culture of High Performance - which is a management model that focuses on data driven decision making, measured performance outcomes, and efficient operational structures. We believe very simply, **Performance Matters.**

If the past twelve (12) months have taught us anything, it's that employees crave investment in the human aspects of work. Employees are tired, and many are under continuous recruitment pressure. They want a renewed and revised sense of purpose in their work. They want social and interpersonal connections with their colleagues and managers. They want to feel a sense of shared identity. Yes, they want pay, benefits, and perks, but more than that they want to feel valued by their organizations and managers. They want meaningful interactions, not just transactions; we are in pursuit of a performance-based culture. Our prime methodology is an intentional move away from a decentralized organizational structure to much more of a vertically integrated centralized administration that ensures accountability – as evidenced by the recommendation to transition the Board of Health and Board of Social Services to advisory. We measure our progress in numerous ways. A few key metrics for us, as an organization, are un-reserved equity (fund balance), talent retention rate, operational efficiency and output, budget re-engineering success, public safety response and outcome improvements, and business agility and adaptation. As you will see throughout this report, I believe the organization is performing across functional areas at exceptional levels – and we are showing incremental steps toward working as one team.

We are approximately halfway through our 2025-2026 fiscal year operating plan, which has not been without its challenges. As a reminder, the 2025-2026 fiscal year budget demonstrates discipline to operate within the organization's financial means, while allocating resources to the Board of Commissioners' Strategic Plan.

This is the second budget cycle that has been impacted by the approximate $1.6M revenue erosion from Medicaid Hold Harmless, and we've absorbed inflationary costs over the past two (2) budgets of over $1M. National macro-economic inflationary conditions have continued to increase basic operational costs, which are exacerbated by the increase in risk management (P/L & W/C) and NC Treasury required pension contributions.





Burke County, like all counties in NC, participates in a defined benefit plan called LGERS, which is managed by the State Treasurer's Office. Annually, based on actuarial determinations, required contribution amounts are mandated by participants. Similarly, Burke County also purchases a pooled risk management package from the NCACC Risk Pool. This is a member-owned program providing liability, property, and workers' compensation insurance for over 70 North Carolina counties and related entities, which then uses the pooled resources to purchase re-insurance from a national self-insurance provider. The replacement costs of construction, paired with an increase in national liability claims, have driven annual renewals upward by significant amounts.

Burke County is also tracking and preparing for the administrative cost shift impacts of H.R. 1 (BBB). The federal policy change will shift a significant portion of administering SNAP to county governments in North Carolina. This impact will have a reimbursement revenue erosion impact on all 100 counties. The expected impact on Burke County is anticipated to cost about $500,000.

Following Hurricane Helene, Burke County continues to make substantial progress in both individual and public sector recovery efforts. To date, FEMA Individual Assistance (IA) has provided $17.06 million directly to county residents. This includes $6.14 million in Housing Assistance, primarily for home repairs, limited replacements, and rental support, as well as $10.92 million in Other Needs Assistance addressing disaster-related personal property losses and essential expenses. These funds have played a critical role in stabilizing households and supporting community recovery.

On the public side, the County has submitted FEMA Public Assistance (PA) applications totaling approximately $11.65 million, with the majority related to Category A debris removal. The Category B emergency operations application (approximately $350,000) is largely complete and approved. The Category A debris removal project is anticipated to be approved at approximately 98.3%, or $11.1 million, with minor reductions attributed to ineligible air-space inefficiencies associated with contractor trailer hauling. Overall, debris removal operations are substantially complete and remain on track for reimbursement.

In addition to response and recovery, the County is actively participating in FEMA's Hazard Mitigation Grant Program (HMGP), including a voluntary home acquisition program aimed at reducing future flood risk. These mitigation efforts represent a long-term investment in resilience while helping affected property owners transition out of high-risk areas.

From a fiscal perspective, the County absorbed approximately $40 million in disaster-related property tax value impairment during the prior tax year. Based on completed reassessments and rebuilding activity, this lost tax base is expected to be largely recouped in the current fiscal year, minimizing long-term revenue impacts.

The economy is sending mixed signals. The 2025 calendar year experienced the highest volume of new single family home permits in recent history, consumer sales tax spending is up 14%, and we've seen average wage growth. Economic development policy continues to be a primary point of emphasis for the Burke County Board of Commissioners, and we are beginning the vertical construction of a speculative industrial shell building; however, in December, U.S. manufacturing activity softened again. The ISM manufacturing index fell from 48.2 in November to 47.9 in December. The details were mixed. Both the news orders and employment indexes improved but remained in contraction. Meanwhile, the production index slid to 51 in December but held in expansionary territory.



How This Will Shape 2026 -2027

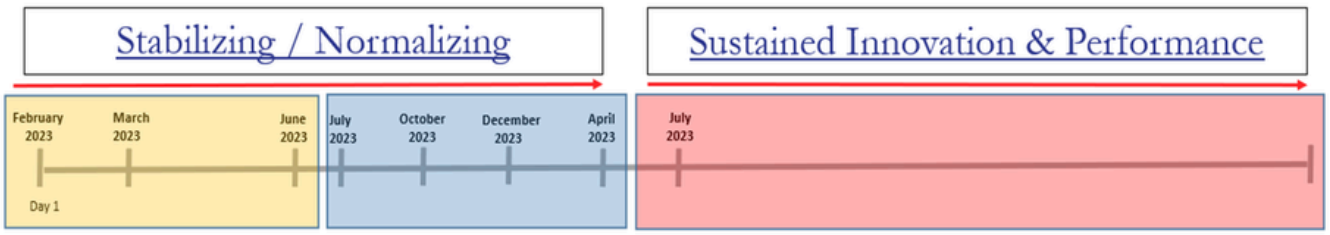
The Board of Commissioner's commitment to strong fiscal policy, improved talent retention, and investments in public safety, public education and economic development have prepared us for a meaningful 2025-2026 fiscal year. The County's ability to respond to a once in a generation natural disaster while still advancing critical areas of public policy is testament to our resiliency and position.

We rely on budget reengineering strategies like EMS collections, solid waste transport, employee wellness redesign, water/sewer AIA, fleet management, and I.T. automation to be the cornerstone to offset the potential of flattening statewide sales tax and impaired property tax revenue. Interest rates and labor/material costs will continue to be a challenge with the cost of capital, consuming some budgetary flexibility.

I would like to thank the Board of Commissioners for their continued leadership in financial stewardship. The discipline and strategic focus on stabilizing the County's budget and growing our fund balance will ensure the 2025-2026 Fiscal Year Budget is a financial plan which will continue to provide our residents, families, and guests with a full scope of high-quality services.

Once again, I thank you for your leadership and support.

Brian C. Epley, County Manager



Re-Act

- Complete CULTURE Re-Set
- Targeted Pay Adjustments
- Personnel Policy Modifications
- Employee Communication
- Revaluation Management

Re-Build

- Purpose / Values / Culture
- Evaluate Economics
- Commissioner Strategic Plan
- Capital Improvement Plan
- Pay / Classification Study
- Community Partnerships
- Long Term Fiscal Planning

Re-Think

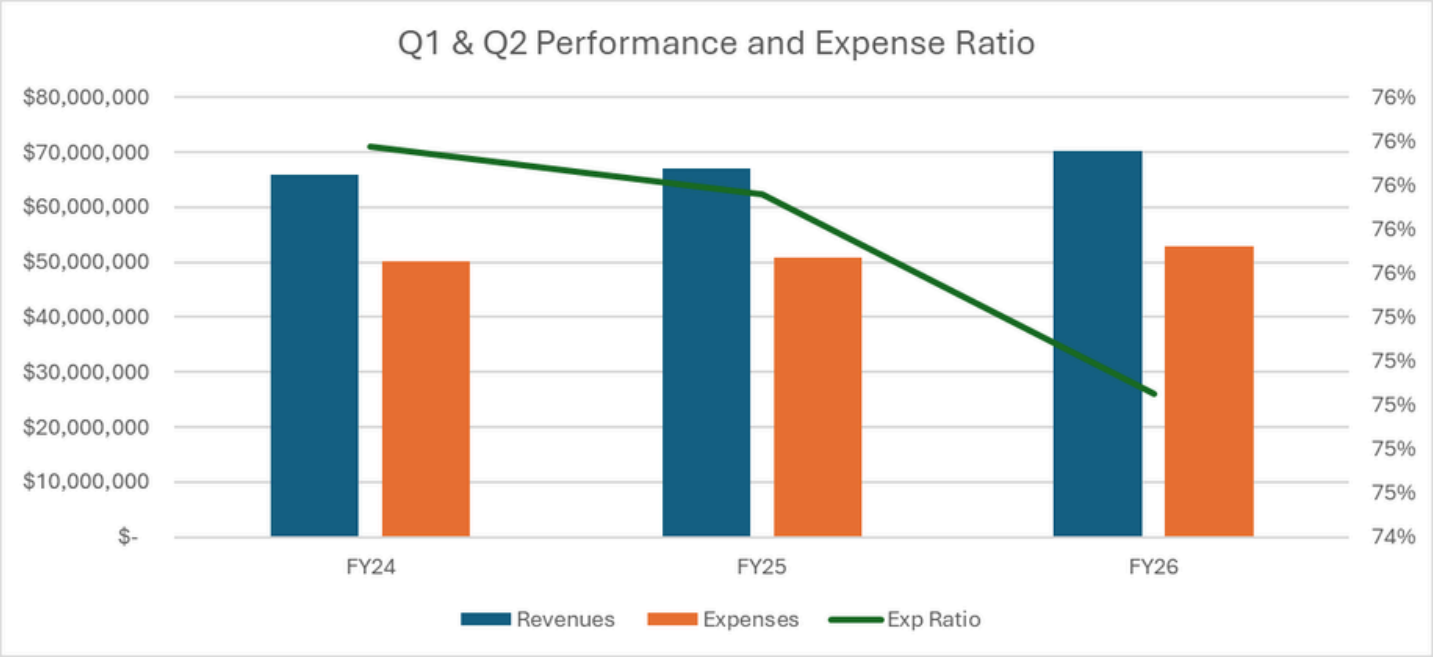
- Service Delivery Model
- Long Term Priorities
- Traditional Beliefs
- Leverage Technology

Highlights

Revenues: As of December 31, 2025, the County collected $70,308,014 in General Fund revenues. This represents approximately 62.6% of the total General Fund revenue budget.

Expenditures: As of December 31, 2025, the County General Fund expenditures were $54,358,696 or 49.9% of the budget.

	12/31/2023	12/31/2024	12/31/2025
	Actual	Actual	Actual
	Amounts	Amounts	Amounts
Revenues:			
Ad valorem taxes	46,951,596	48,062,406	49,928,918
Other taxes and licenses	5,524,909	4,412,143	5,773,574
Unrestricted intergovernmental	1,323,665	1,051,123	793,470
Restricted intergovernmental	6,575,961	6,251,360	7,381,986
Permits and fees	1,095,096	1,125,770	1,491,315
Sales and services	2,804,464	3,751,609	3,617,743
Investment earnings	1,390,227	2,261,269	1,149,624
Donations	84,529	9,918	48,660
Miscellaneous	114,041	131,806	122,724
Total revenues	65,864,488	67,057,404	70,308,014
Expenditures:			
General government	7,706,032	7,190,423	6,983,279
Public safety	15,776,492	16,639,371	17,204,876
Transportation	71,367	74,820	78,550
Economic and Physical Development	778,332	926,633	796,163
Environmental Protection	267,702	295,671	275,795
Human Services	12,673,339	12,749,053	14,092,105
Cultural and Recreation	1,448,805	1,413,520	1,522,273
Education	11,449,102	11,648,441	11,814,932
Total operating expenditures	50,171,171	50,937,932	52,767,973
Debt service:			
Principal retirement	-	-	-
Interest and other charges	-	-	-
Risk Management	56,925	753,070	1,593,723
Total expenditures	50,228,096	51,691,002	54,361,696
Revenues over (under) expenditures	15,636,392	15,366,402	15,946,318
Other financing sources (uses):			
Gain/(loss) on disposal of assets	17,303	17,572	3,735
Transfers from other funds	594,328	750,000	750,000
Transfers to other funds	(4,060,811)	(3,938,091)	(3,948,738)
Fund balance appropriated	-	-	
Total other financing sources (uses)	(1,629,365)	(3,170,519)	(3,195,003)
Net change in fund balance	14,007,027	12,195,883	12,751,315



Key Takeaways from FY24 - FY26 Trend

1. Revenues are growing faster than expenses
   - Revenues increased from $65.9M to $70.3M (+6.7% over the period).
   - Expenses increased from $50.2M to $52.8M (+5.2%).
   - This indicates positive operating leverage — the organization is performing without proportional cost growth.

2. Expense control is improving
   - The expense ratio declined from 76% to 75% in FY26.
   - While modest, this signals improving efficiency and better alignment of spending relative to revenue growth.
   - Maintaining or improving this ratio while revenues rise is a strong fiscal management indicator.

In local government finance, revenues are front-end loaded in the first and second quarters, while expenditures are largely fixed and evenly distributed across all twelve operating periods. As a result, the operating surplus observed in the first half of the fiscal year is expected to narrow during the third and fourth quarters as revenue growth moderates and expenditures continue at a steady pace.

Based on current projections, the County anticipates ending FY2026 with an estimated $2.0 million surplus, representing approximately a 1.5% operating margin. This outcome will support the County's goal of maintaining an unrestricted fund balance equal to 25% of annual expenditures, consistent with adopted financial policies and long-term fiscal stability objectives.

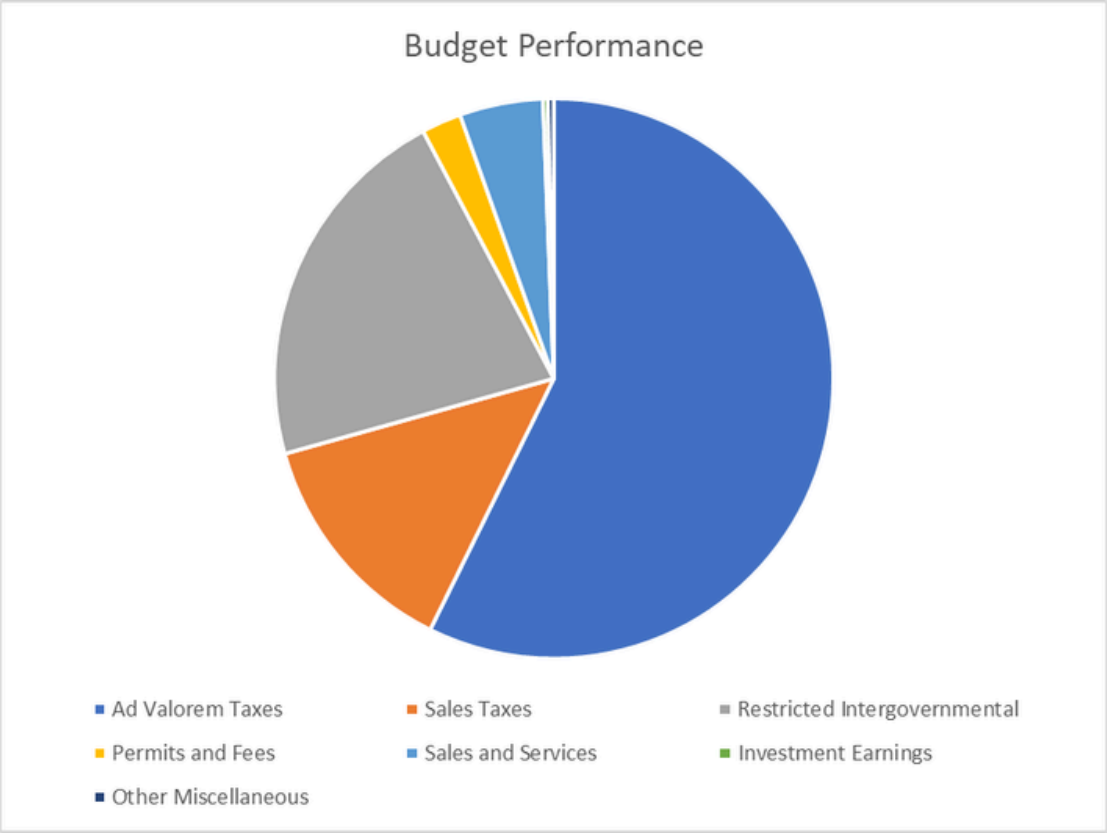
The County's financial performance shows steady revenue growth, disciplined cost management, and improving operating efficiency, resulting in expanding margins and enhanced fiscal resilience entering FY26.

Revenue Portfolio

Key Revenue highlights are:

- Ad Valorem tax collections remain strong – even with the State's accelerated depreciation program.
- Sales tax revenue has declined by 4.9%.
- Fee Collections are trending above budgeted amounts.

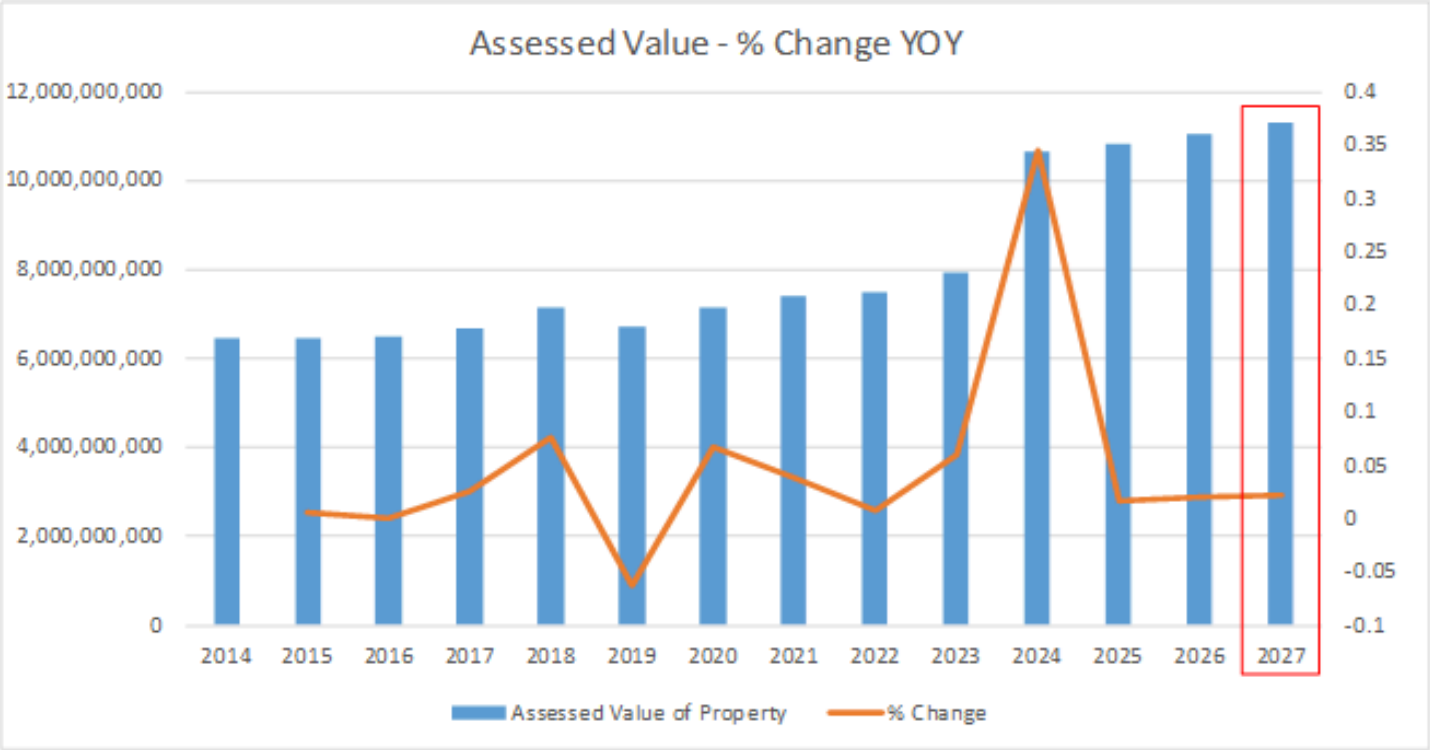
Breakdown of funding sources by budgeted revenues:



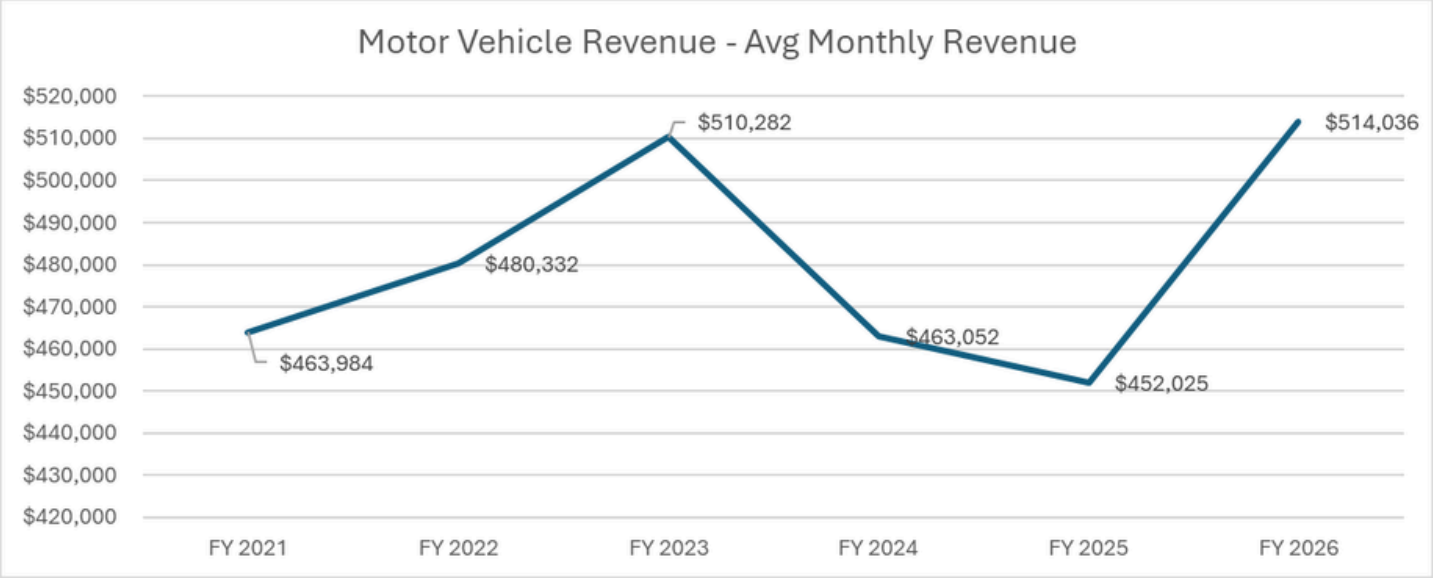
Ad Valorem Tax

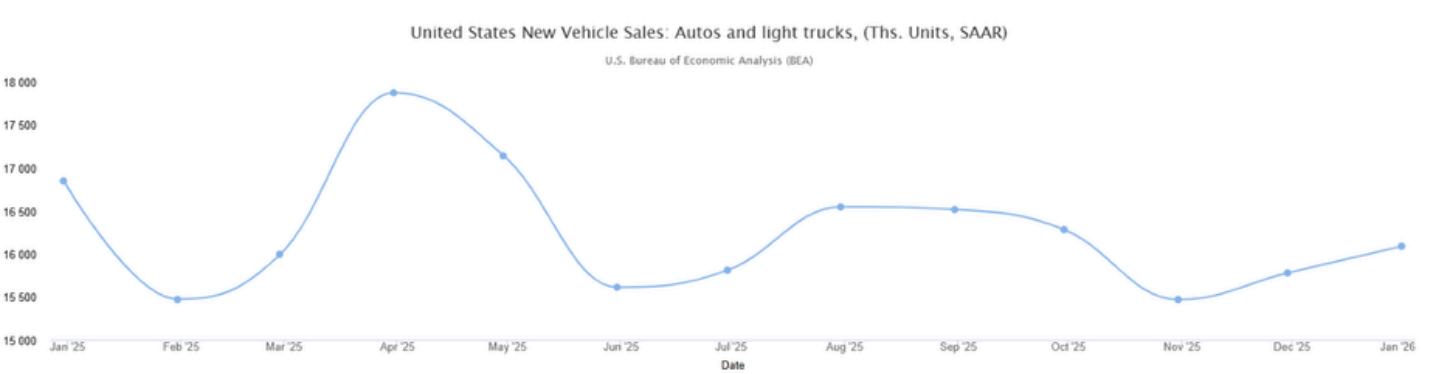
Burke County has collected $49,928,918 million in Ad Valorem Taxes in the General Fund year to date December 31, 2025, compared to $48,062,406 million collected year to date December 31, 2025. This is an increase of approximately $1.86 million or 3.9%. This is due to two (2) prime drivers: a significant increase in motor vehicle valuation and increased housing growth.

For the first time in several years, Burke County's development economy has experienced sustained investment. Fiscal year 2025-2026 (current fiscal year budget), the experience is 3.9% growth, which out paces the rate of CPI inflation growth. The projected 2026-2027 valuation experience is similarly 3.03% ($336,000,000) growth.



After a significant decline in 2023-2024, motor vehicle sales have rebounded in the current fiscal year, which has had a positive impact on the County's property tax base and revenue outlook.

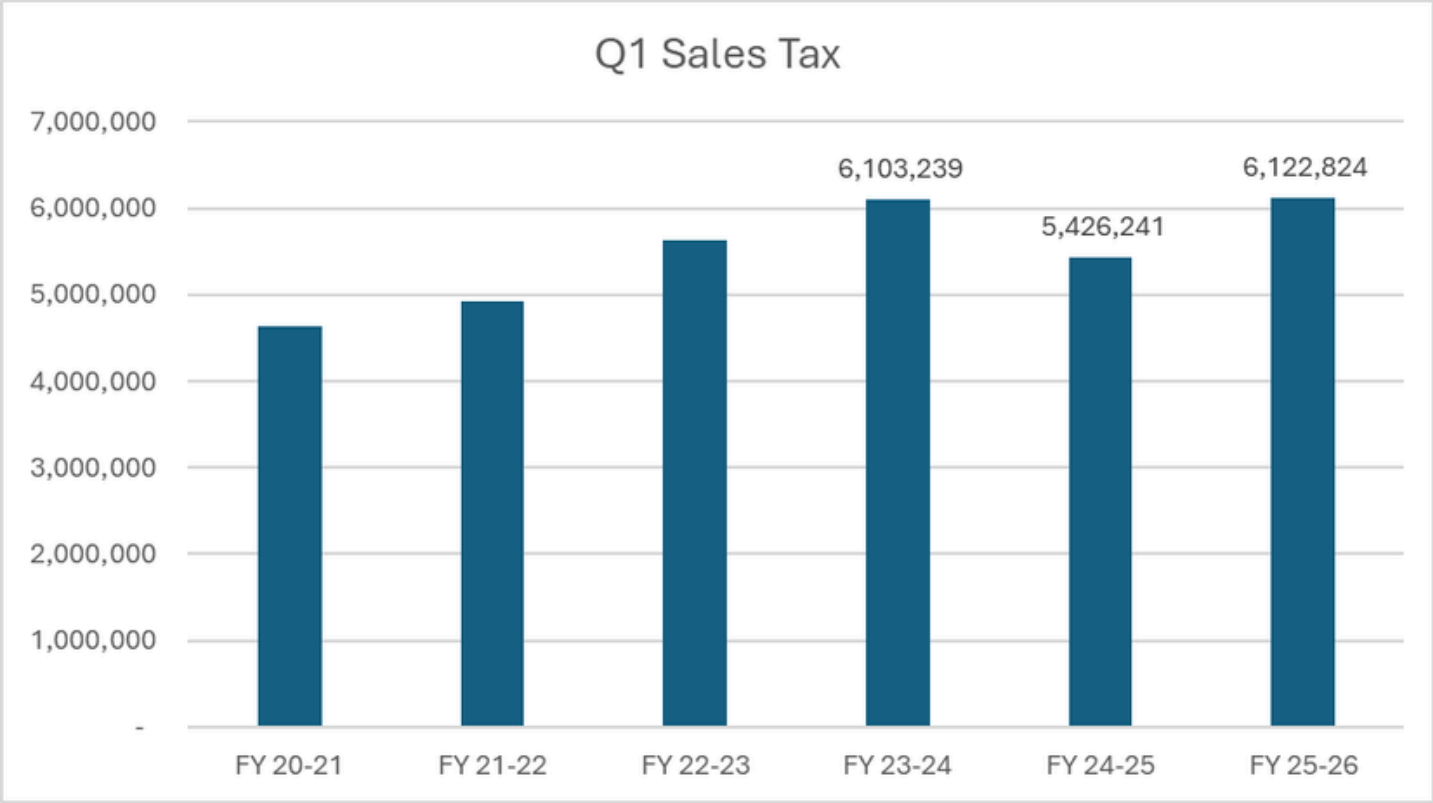


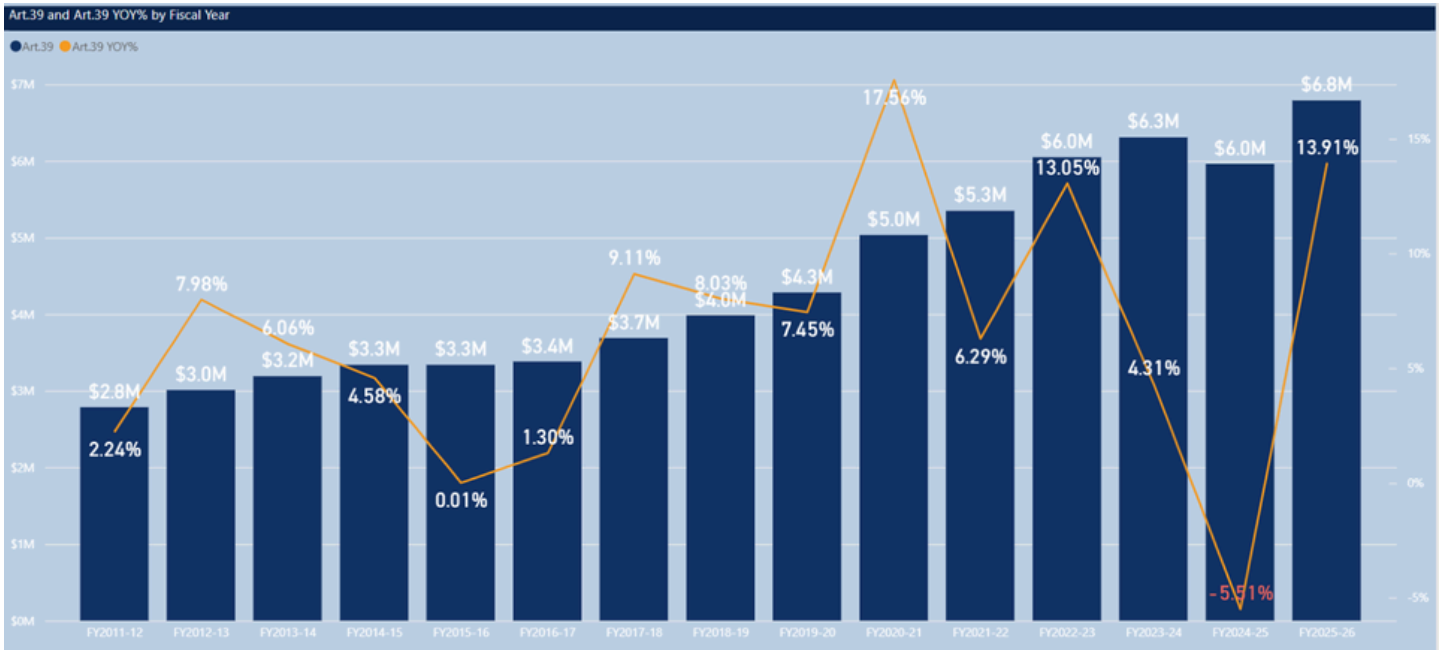


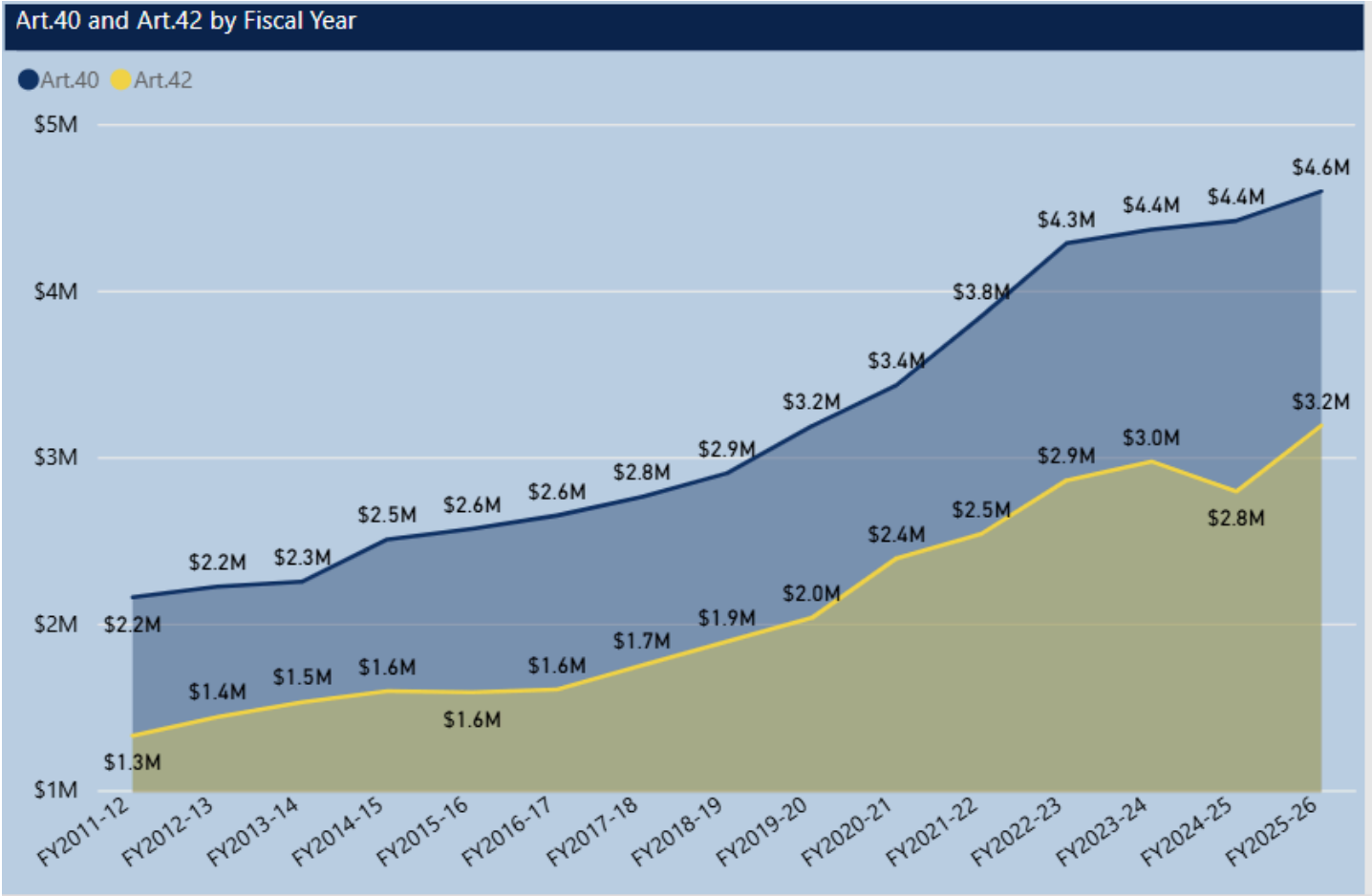
Sales Tax

Burke County, like most counties in North Carolina, is experiencing a gross decline in local option sales tax. Sales tax revenue is received in arrears. Through the first four (4) months of collections the County totaled $8,271,103 million, compared to $7,295,826 million year to date, an increase of approx. $975,277 (13.3%).

See below for a more detailed analysis. The most important and concerning item to note is that article 39 sales tax is driving most of the decline in revenue. Article 39 is a local point of sale collection model that is most reflective of consumer confidence and spending in Burke County. Articles 40 & 42 are collected statewide and impacted by sales outside of Burke County.







***Article 39 = (+)13.9%** **Article 40 = (+) 16%** **Article 42 = (+) 2%**

Article 39 – Article 39, being distributed by point of sale, is the purest form of the Local S & U Tax. Basically, any sale that occurs in each county will result in the Article 39 portion returning to that county. Any refund identified as being from a specific county will have the Article 39 portion refunded from that county as well. Beginning with the October 2003 Collections, the Article 39 portion contains the "food tax" as instructed in G.S. 105-469. However, the "food tax" is separately identified in our Distribution Report.

Article 40 – Article 40 is distributed based upon a county's population in relation to the state population total. A portion of the "food tax" is also included in Article 40 and can be separately identified in our Distribution Report. Article 40 is subject to an adjustment factor as identified in G.S. 105-486(b). This section contains the Article 40 portion of any refund.

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. A portion of the "food tax" is also included in Article 42 and can be separately identified in our Distribution Report. The portion of the "food tax" included in Article 42 is subject to an adjustment factor as identified in G.S. 105-486(b). This section contains the Article 42 portion of any refund.

Occupancy Tax

In North Carolina, all local occupancy tax rates are capped, most between 3% and 6%. Brunswick County appears to be subject to the lowest cap, with its rate limited to 1%. The combined Mecklenburg County/Charlotte occupancy tax rate cap of 8% is the highest in the state and is the only one above 6%. (The extra 2% was authorized in 2005 to help finance the NASCAR Hall of Fame.) Several local governments started with 3% rate limits and later obtained additional authorization to raise their rates, usually to 6%.

Occupancy tax revenue through 12/31/2025 was $468,230.

Use of Proceeds

For almost every jurisdiction, local occupancy tax proceeds are not general fund revenue. Two (2) counties, Cleveland and Hyde, may use their occupancy tax revenue for any lawful public purpose —but even then, Hyde County must spend a certain percentage to benefit its mainland portions.

The other 200(+) or so local governments that benefit from occupancy tax proceeds face restrictions on their use. Nearly all these restrictions involve tourism. Other permissible uses for occupancy tax revenue common across the state include beach nourishment and the construction or operation of convention and performing arts centers.

Distribution and Use of Tax Revenue in Burke County. – All occupancy tax levies in North Carolina are governed by N.C.G.S. 153A-155; however, Burke County also operates ***via special local legislation*** (Session-Las 2007-265) (HB78) that further directs the collection and allocation of occupancy tax. The County is responsible for all collection and allocation and is paid an administrative fee for that service equal to three percent (3%) of the first $500k and one percent (1%) of the remaining collections – annually that equates to around $15,000-$20,000.

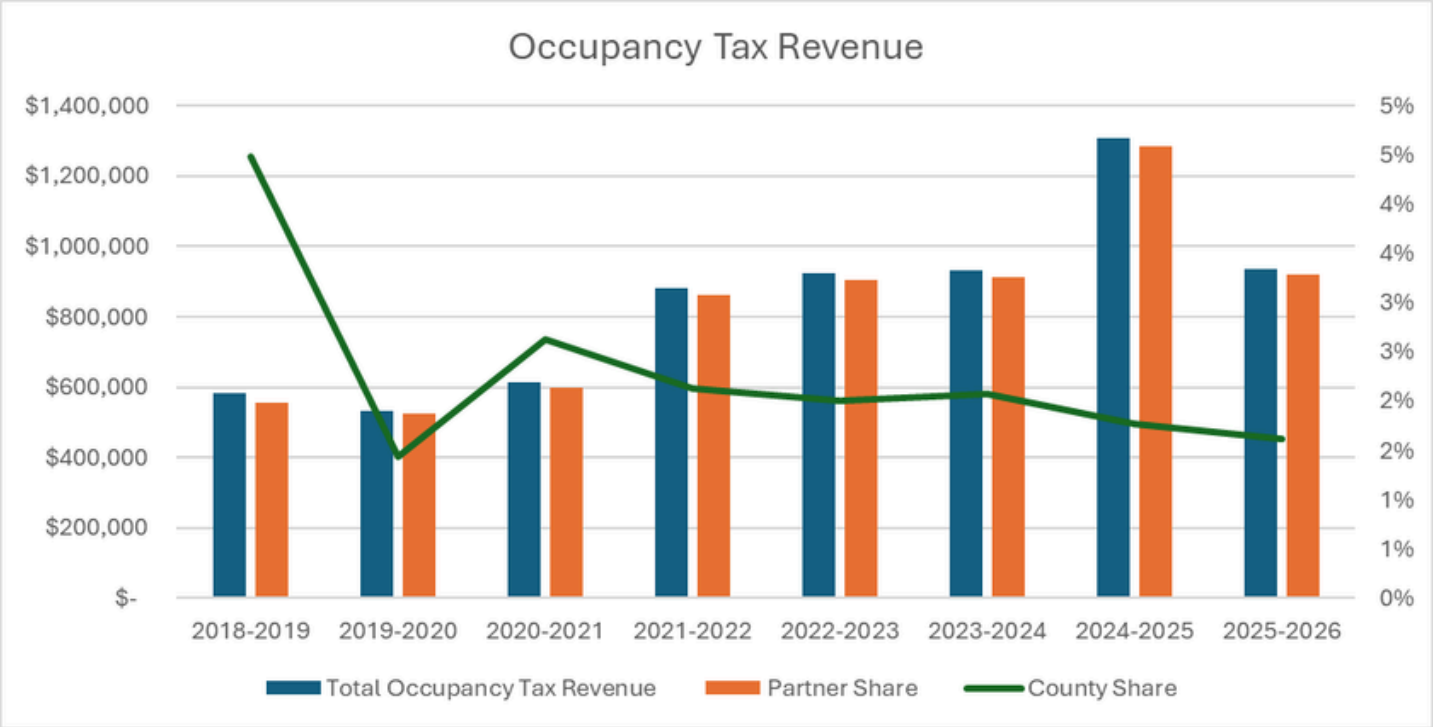
"Burke County shall, on a quarterly basis, remit the net proceeds of the occupancy tax only to promote economic development and travel and tourism in Burke County. The county may allocate the net proceeds one-half for economic development and one-half for travel and tourism or in any other ratio the board of commissioners considers appropriate. As used in this subsection, 'net proceeds' means gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer."

The net collections less the county administrative fee is distributed as follows:

Town of Morganton	**45%**
Town of Valdese	**25%**
Burke County TDA	**30%**
Total	**100%**

The Authority must use the proceeds as follows:

The Authority must use at least two-thirds of the funds in each account to promote travel and tourism in each of the named areas and must use the remainder for tourism-related expenditures in each of the named areas.



Investment Income

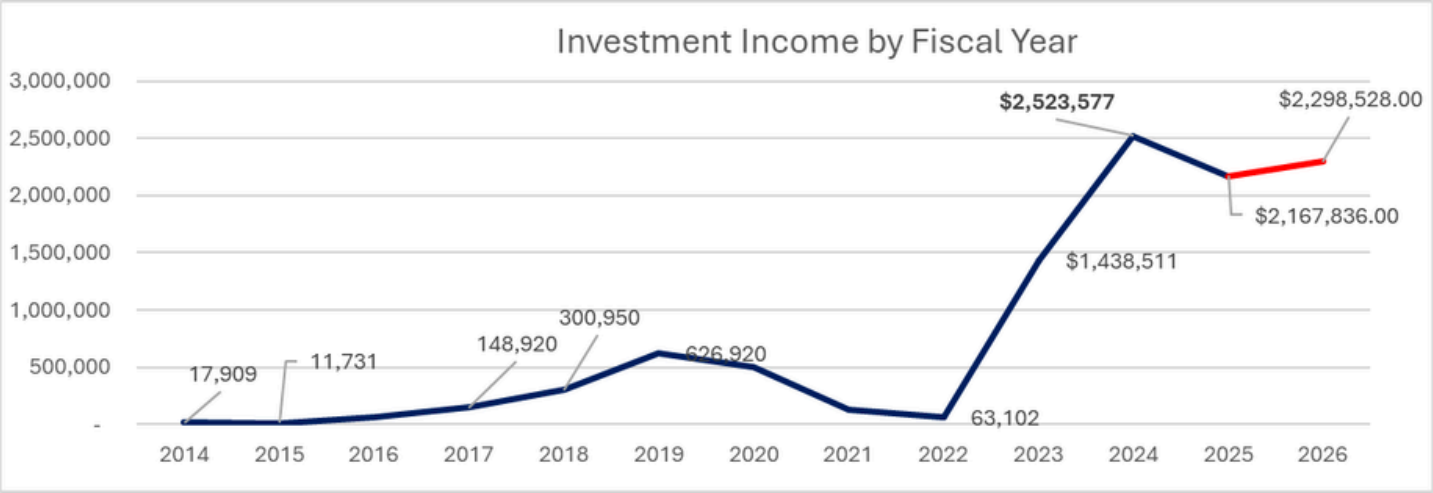
Investment income serves as a key barometer of the County's strategic use of unallocated resources. Staff continuously evaluates 60-, 90-, and 120-day cash flow needs to ensure operating liquidity while maximizing returns within approved investment parameters. As a result of this active cash and investment management approach—combined with a higher interest rate environment—investment income has grown substantially in recent years. For the 2024 fiscal year, the County reported investment income in excess of $2.5 million, which slightly corrected to $2.1 in the 2025 fiscal year. Investment income through 12/31/2025 is $1,149,264.

While this growth reflects favorable market conditions and sound management, the County has maintained strong fiscal discipline by avoiding the overbudgeting of, or overreliance on, investment income. This revenue source remains inherently volatile, and projections continue to be approached conservatively.

Interest rate conditions have shifted significantly, with an aggressive upward movement across the yield curve over the past two (2) fiscal years. These increases have contributed positively to earnings; however, recent changes in Federal Reserve leadership and evolving economic indicators suggest potential rate moderation in future periods. In response, the County has intentionally maintained a shorter-duration investment portfolio, providing flexibility amid sustained cost pressures and moderate inflation expectations.

The County continues to balance liquidity needs with yield opportunities by retaining sufficient cash for operational and capital demands, while selectively extending maturities when market conditions support doing so. All investment decisions are made in strict adherence to statutory requirements and the County's long-standing investment philosophy of **Safety, Liquidity, and Yield—in that order**.

Finally, many of the County's core revenue sources are closely tied to overall economic activity. Continued post-pandemic recovery remains a critical factor in the County's financial outlook and reinforces the importance of prudent cash management and conservative revenue assumptions as the County navigates ongoing economic uncertainty.



Community Development

The number of building and zoning permits are a good indicator of community development and economic performance. Both re-zonings and building permits experienced significant growth for 2025 in Burke County.

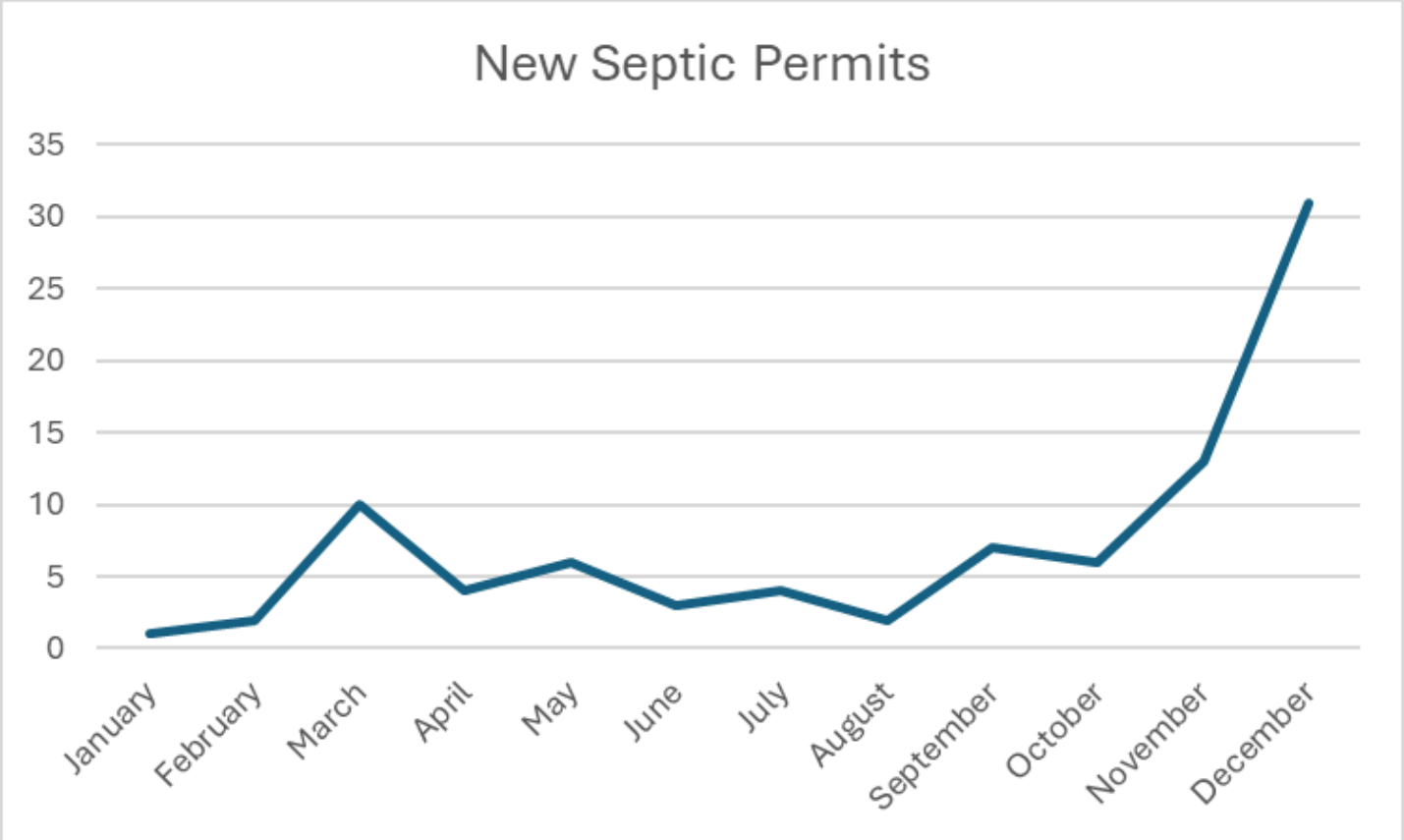
Permits	2025	2024	% change
Single Family	401	251	60%
Building permits- all types	2,813	2,283	23%
Duplex units	15	8	87%
Manufactured Homes	156	105	48%
Plat Review	134	69	94%
Zoning Permits	1,397	1268	10%

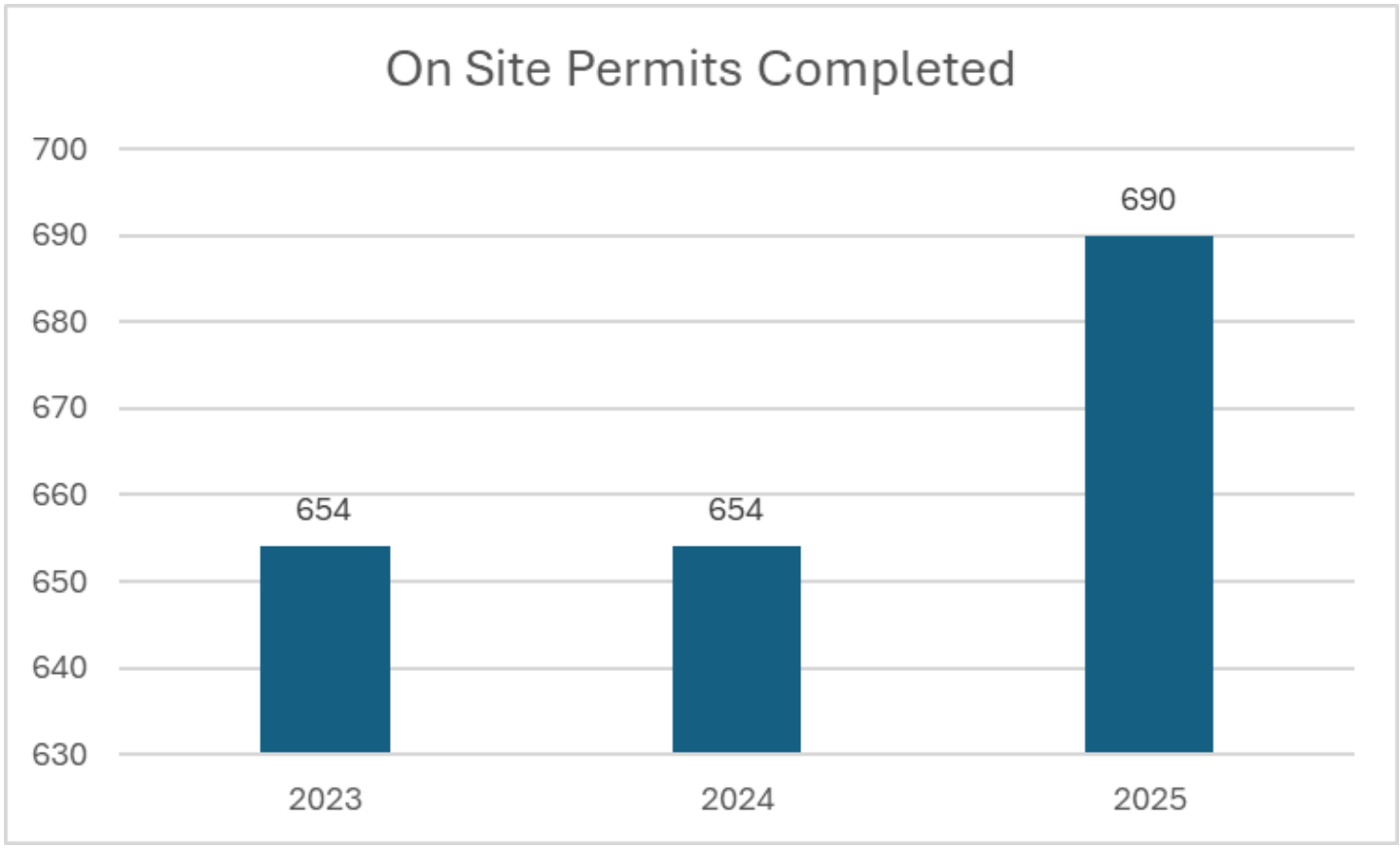
- **Total Number of Permits –**
  - **Residential:** 2473 total residential permits including new construction, renovations, residential trades, new additions and set-ups of MH.
    - Of these 401 are for new single-family homes
    - 156 new single and double wide homes
    - 15 new duplexes
  - **Commercial:** 338 total new and renovation permits; of these, 17 were new commercial
- $ Value of New Residential – SF; 120,000,000; MH 27,000,000, Duplex 2,700,000: total $270,300,000
  - $ Value of Remodel Residential – 1900 permits X a factor of $8,000 = $15,200,000
  - $ Value of New Commercial – 17 X $2,000,000 + 321 ($20,000) = $40,420,000

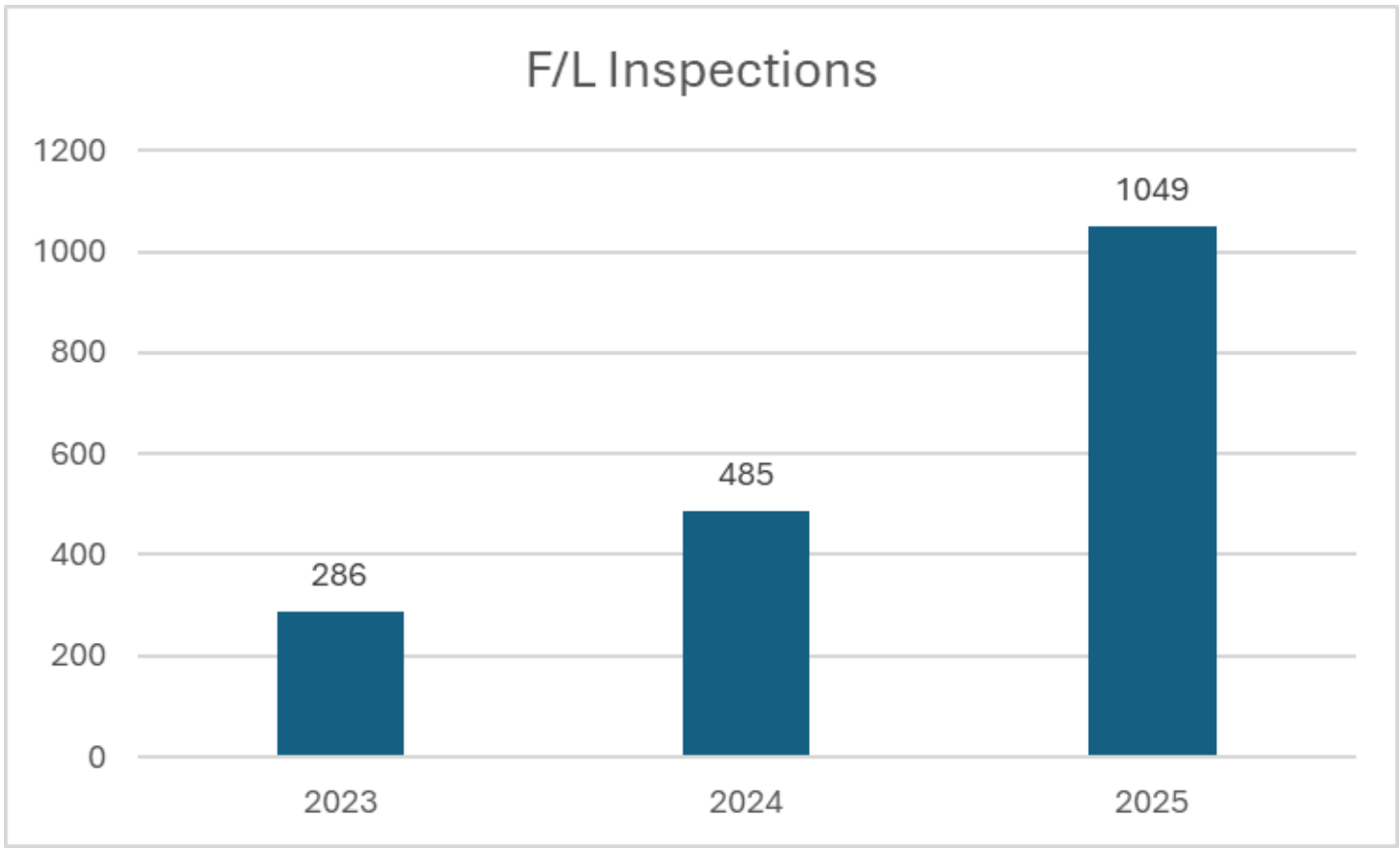
Staff also reviewed 134 new plats which is the largest number ever. It suggests that people are working on their property with some making tracts available for sale or new development.

Environmental Health

Environmental health is also a critical component of community development. Burke County is working to reduce a longer than desired permitting and inspection period. Over the past two (2) years, the average throughput time has averaged 10-12 weeks, but as of the spring of 2025 the customer wait time has decreased to less than 30 days by redesigning dispatch, setting productivity goals, and leveraging contract labor.



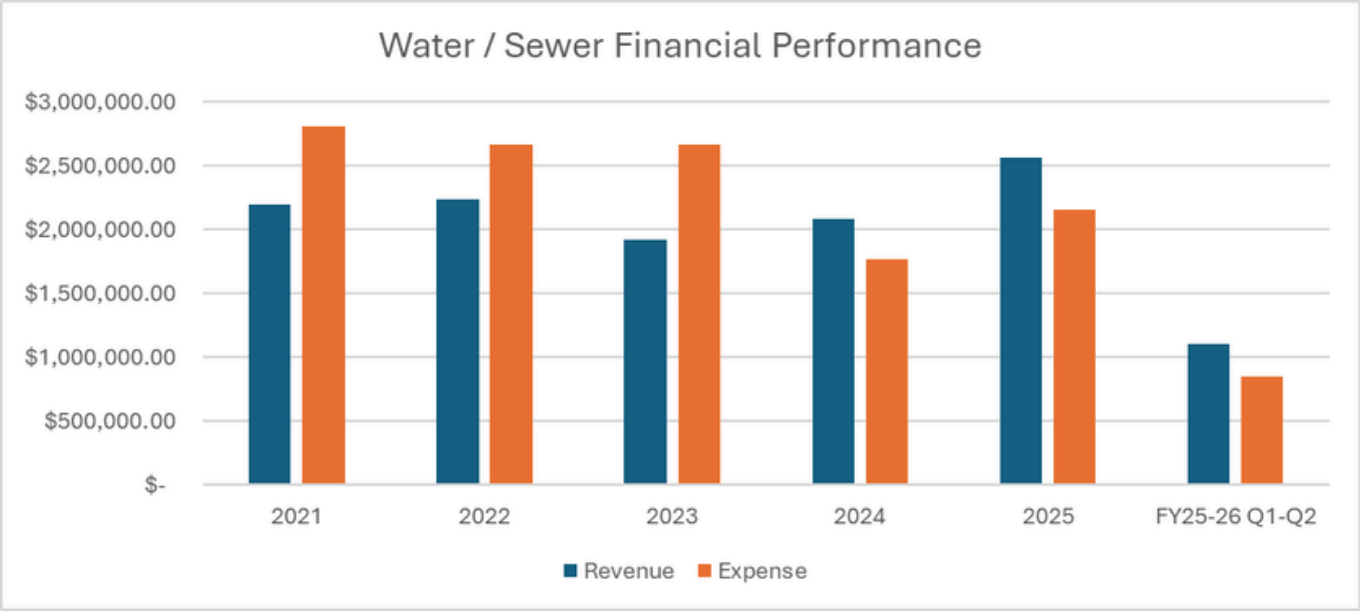

On Site Permits Completed
700
690
680
670
660
650
640
630
654
654
690
2023
2024
2025

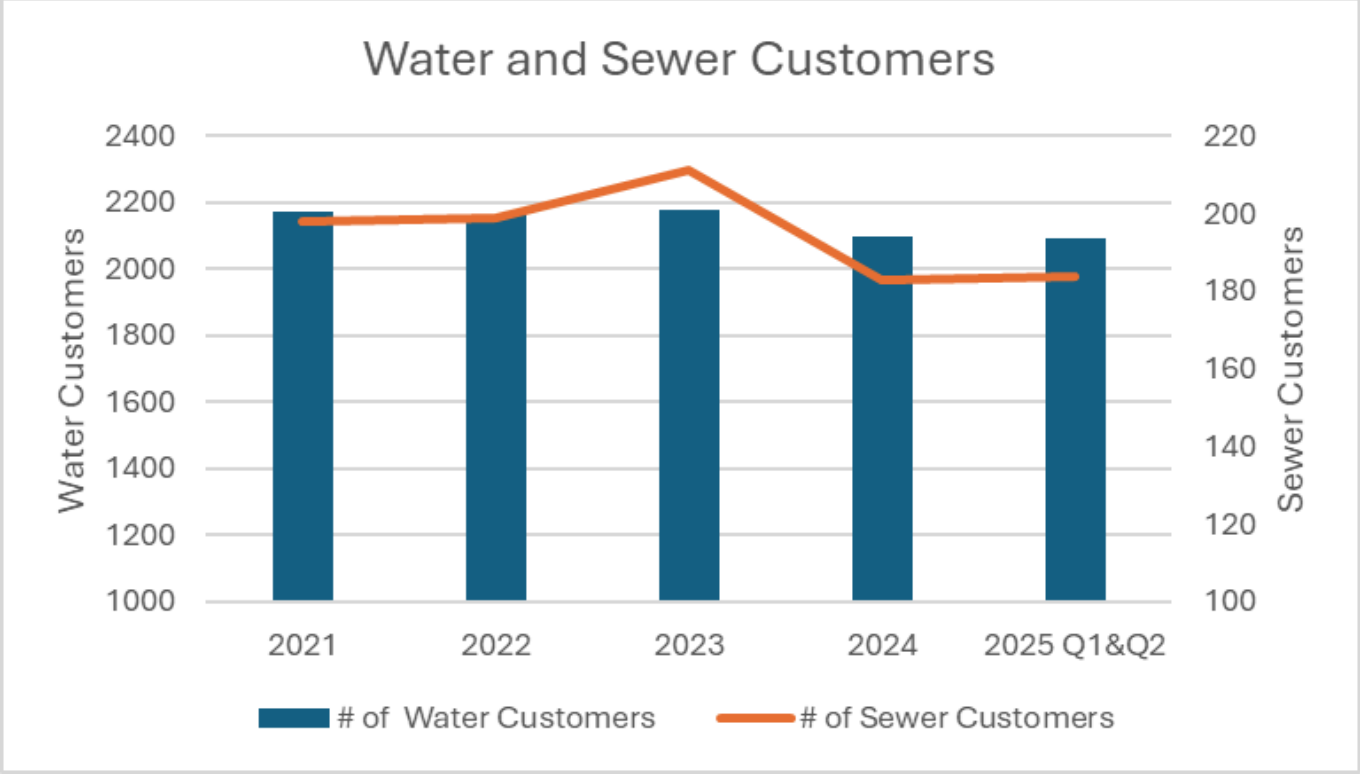

F/L Inspections
1200
1000
800
600
400
200
0
286
485
1049
2023
2024
2025

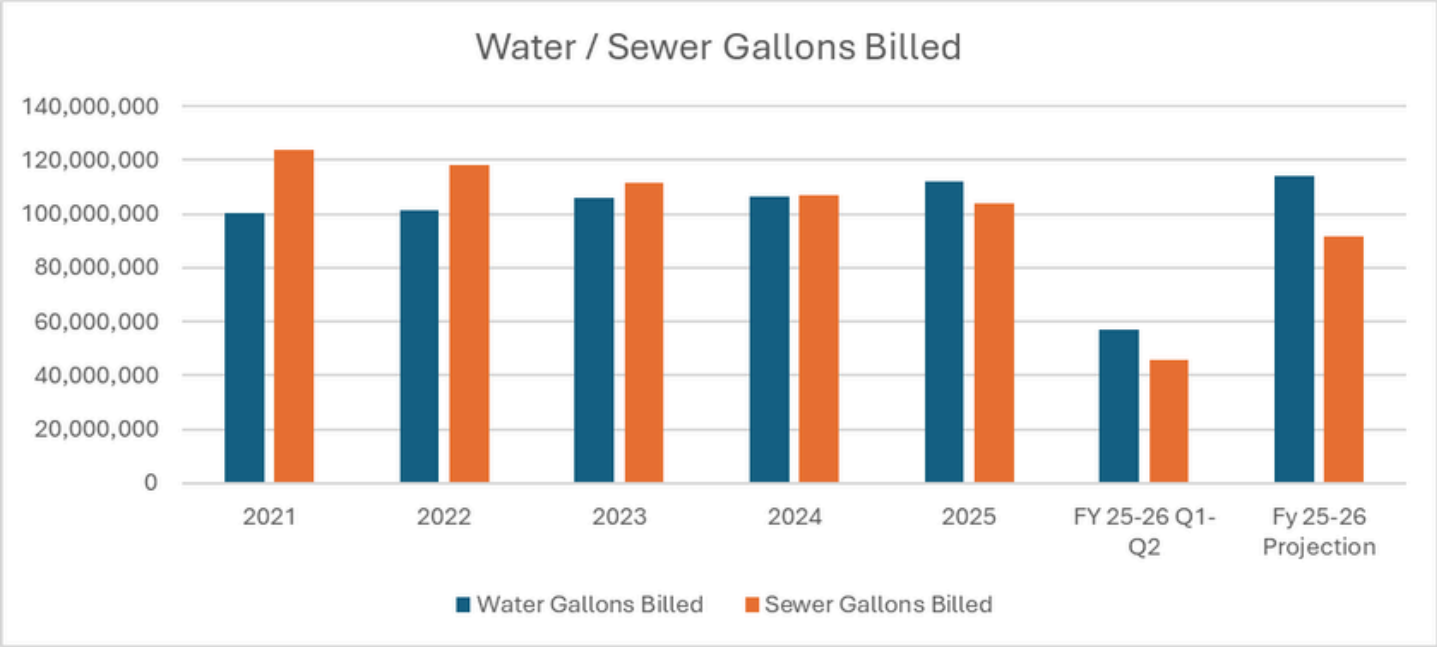
Water / Sewer Operations

Burke County operates a fully purchase water and sewer system. The system is moderately small compared to other systems in the market and has experienced significant financial challenges – that relate specifically to deferred system maintenance, increasing operational costs, and stagnant revenue growth.

Burke County government has contracted with Willis Engineering to conduct a full Asset Inventory Assessment (AIA) – funded through a state grant of $500,000. The goal of the analysis is to first assess system asset conditions, second forecast current cost needs, then explore system expansion capabilities that would lead to more sustainable long-term performance. See below for a year over year financial snapshot from the fund.





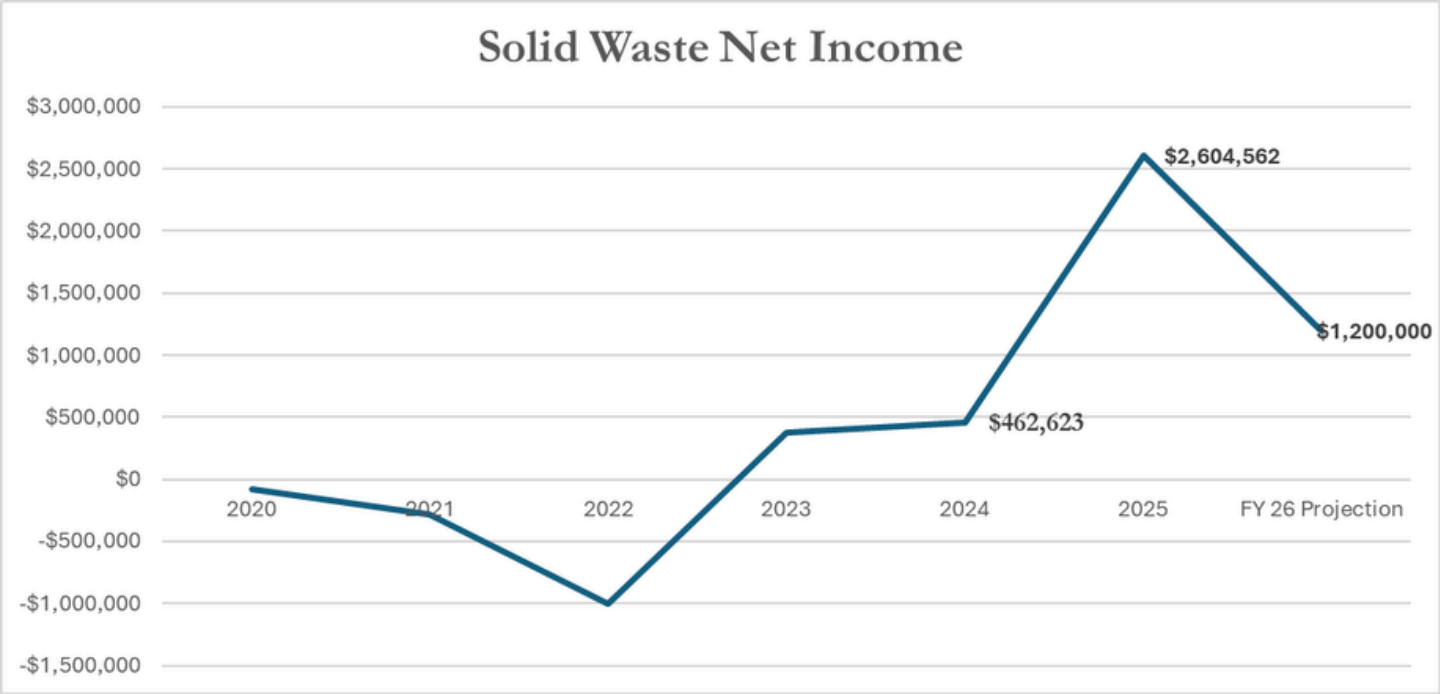


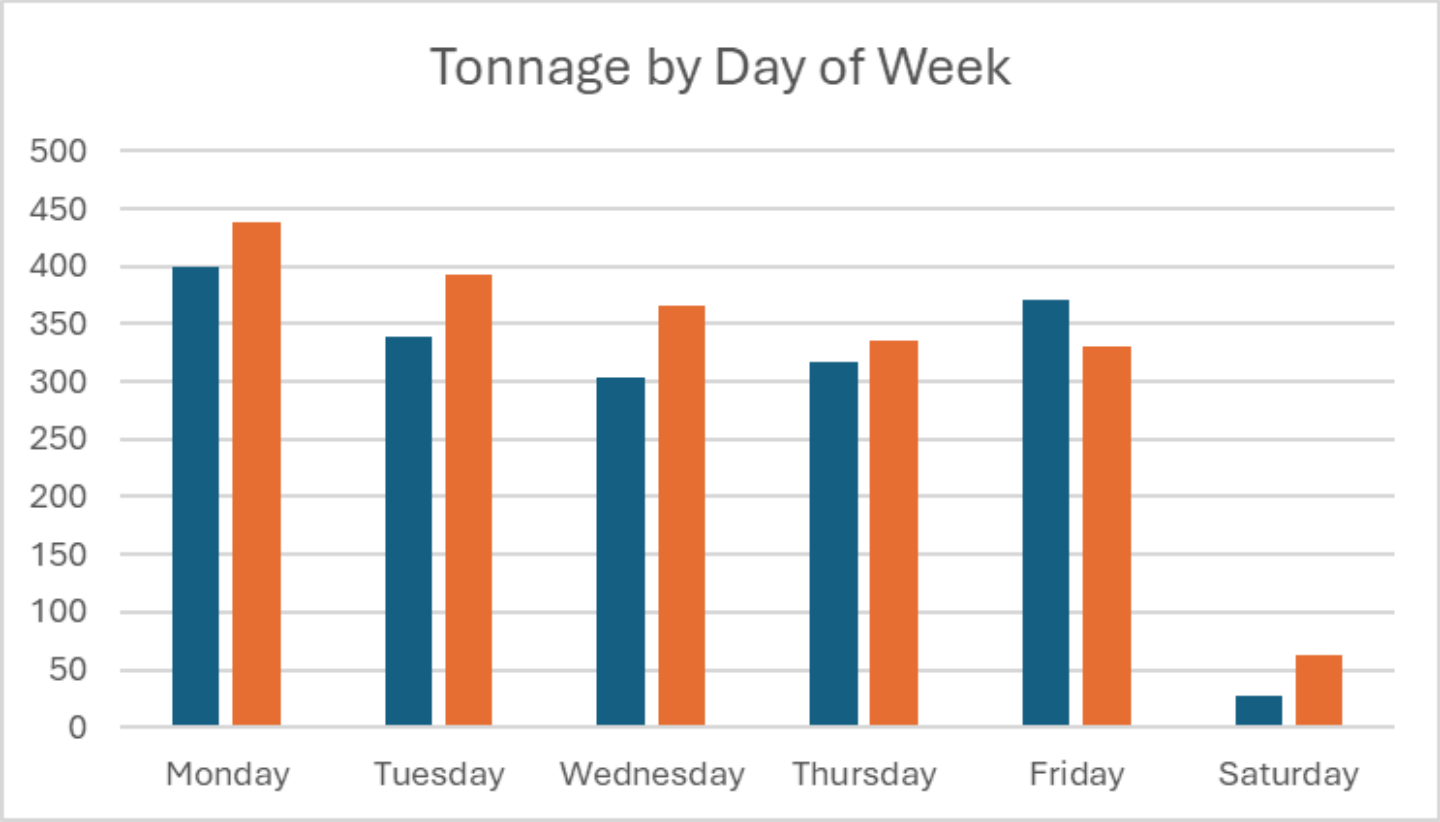
There are several items to note in the above data. Clearly the fund has not historically been self-sustaining as revenues have consistently been less than expenditures; however, both have maintained a predictable level of consistency. Since 2024, the fund has produced a positive cash surplus – which has proven meaningful as we have completed the AIA studies. The AIA will also be the primary tool used for long term rate stabilization and adjustments that are required for continued business model adaptation. Year to date for fiscal year 2026, revenue has exceeded expenses by about $250,000, which is a positive indicator.

As outlined earlier, Burke County's sewer is a purchase system, which means that we don't process our material or own a treatment facility. The bulk amount of our material goes to the city of Hickory. Historically, there has been a lack of oversight in bulk metering and the City of Hickory has maintained a metering system to measure other municipalities sewer that goes through Burke County infrastructure, that then has to be billed by Burke County to the City of Hickory for revenue capture – meaning that the City of Hickory literally charges Burke County by the gallon of processed sewer and then calculates the amount of reimbursement. Without proper reconciliation, the amount of reimbursement or billing has been understated.

Since a more detailed reconciliation has been made – the percentage of billable flow has increased from 33% to 78% - which will equate to about $80,000 of annual revenue.

Solid Waste Operations





FY 25 - 26 Expenditures

As of December 31, 2025, the County General Fund expenditures are $52,767,973 – this represents 47.6% of the anticipated budget. Human services, public safety and education remain the largest function of Burke County expenditures.

Key Expenditure highlights are:

- Conservative spending approach with modified hiring
- Alignment with anticipated budget expenditures
- Improved success with grant opportunities



General Government: Governing Body, County Administration, Elections, Finance, Tax Department, Legal, Register of Deeds, Human Resources, Facilities Maintenance, Court Facilities, Information Technology, Municipal Elections

Public Safety: Sheriff and Communications, School Resource Officers, Jail, Emergency Management, Emergency Communications, Inspections, Animal Services, Haz-Mat, Emergency Management, and EMS

Human Services: Social Services, Medicaid, TANF, Foster Care, Smart Start, Public Health, Maternal Health, WIC, Child Health, Environmental Health and Veteran Services

Cultural and Recreation: Library and Parks and Recreation

Education: Burke County School System and Western Piedmont Community College

Economic and Physical Development: Planning, Community Development, Travel & Tourism, Economic Development, and Cooperative Extension

Fund Balance

In 2011, Burke County's available fund balance stood at 13.33%, prompting a long-term policy objective from the Board of Commissioners to increase reserves to a more fiscally responsible level. Over the past decade, the County has pursued this goal with discipline, grounded in the principle of achieving strong service delivery while generating necessary surpluses. In short: "Doing More with Less."

Intentional budget management, service redesign, and expenditure reengineering have been key strategies used to reduce costs while simultaneously improving performance and operational output. These measures reflect a long-standing commitment to both fiscal responsibility and high-functioning government.

At its core, cash flow management is the most fundamental reason for building fund balance – as we've seen this year with Hurricane Helene disaster recovery efforts. While unrestricted fund balance isn't the County's only liquid asset, it is the most reliable. The North Carolina Local Government Commission (LGC) recommends maintaining a minimum 8% fund balance, which covers roughly one month's operating expenses. However, the Government Finance Officers Association (GFOA) recommends a more conservative approach, and Burke County's unique financial structure warrants a higher threshold to address operational realities.

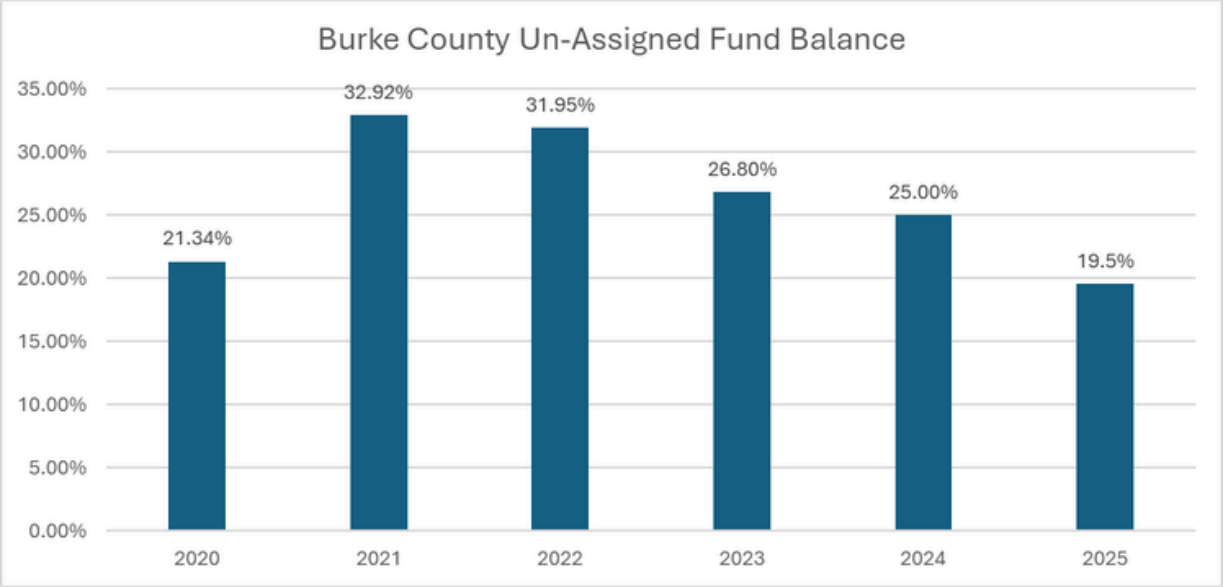
For instance, while expenditures are relatively steady throughout the year, revenue inflows are highly cyclical. More than 50% of the County's property tax revenue—the largest source of funding—is collected in the first 90 days of the fiscal year. This requires a sophisticated approach to cash flow forecasting and resource allocation, especially in light of ongoing operational and capital obligations.

In addition to improved fund balance management, FY 2024–2025 marked continued implementation of the County's zero-based budgeting initiative. This approach requires all expenses to be justified annually and enhances accountability and alignment with the Board of Commissioners' Strategic Plan.

Following significant fund balance growth in previous years—peaking at 33% at the end of FY 2021–2022—the County made strategic, one-time investments in capital and personnel during FY 2023–2024. As a result, fund balance declined modestly to 25% as of June 30, 2024, while still achieving a net increase of $1.4 million in total fund balance.

Hurricane Helene required a cash outflow (fund balance utilization) of approximately $11,500,000 to properly address county facility needs and community emergency management and recovery needs. Burke County's FEMA public assistance application was divided into five (5) primary categories, with debris collection (Category A) representing the most substantial portion. That substantial cash outflow and fund balance utilization will show as a temporary equity decline to 19.5%; however, if the public assistance application and Hurricane Helene impact were removed from the equation, the County's general fund would have added $2.5M and ending fund balance would be approximately 28.5%.

The Board's policy target of a 25% fund balance remains not only attainable but appropriate, striking a careful balance between maintaining prudent reserves and funding critical strategic initiatives.



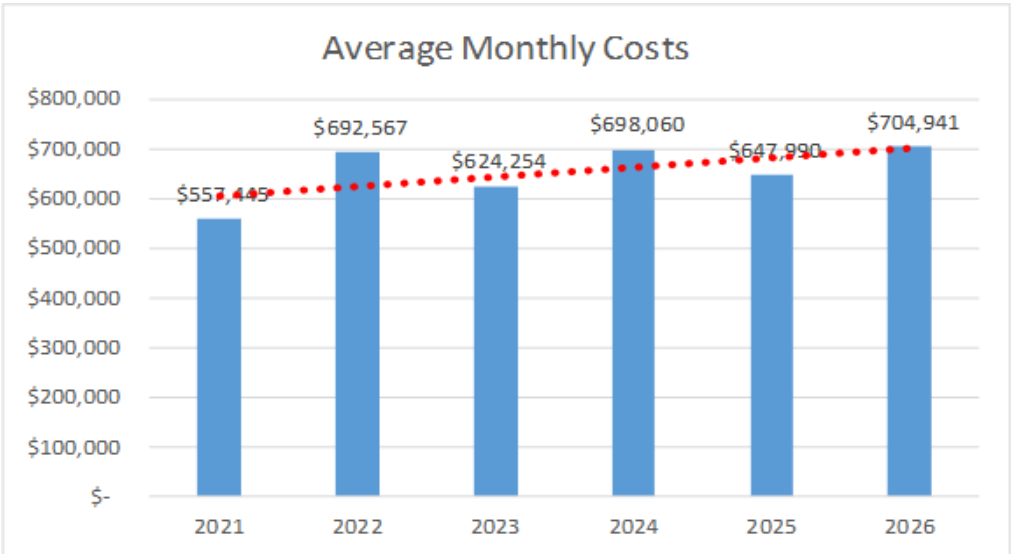
Employee Wellness

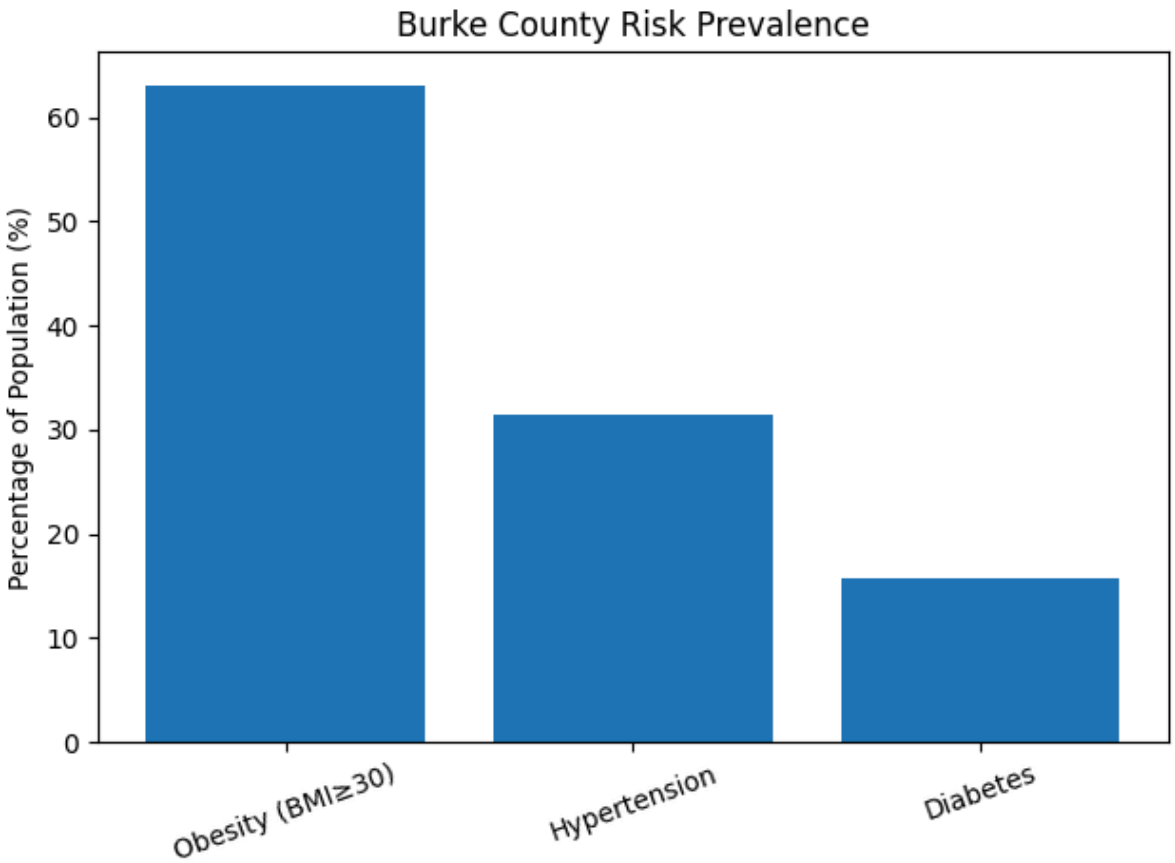
Burke County's self-funded health plan remains financially stable but is experiencing moderate cost pressure driven primarily by chronic health risks within the covered population.

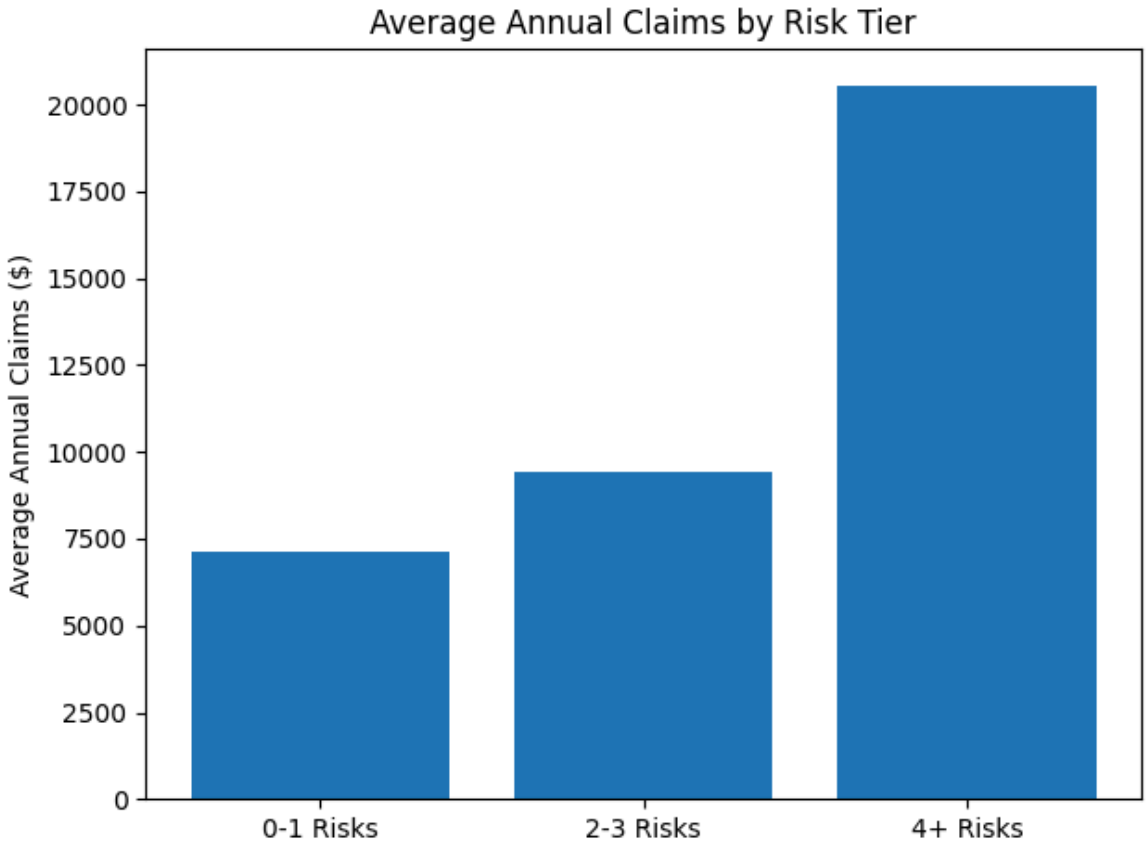
The plan is currently running at approximately 113% of expected funding levels, with large claimants accounting for approximately 28% of total claims. While this concentration is typical in self-funded environments, it increases volatility risk.

Biometric screening results indicate obesity, hypertension, and diabetes prevalence rates above national averages. Members with four (4) or more health risks cost nearly three (3) times more annually than low-risk members. Long-term projections indicate that a significant portion of future disease-related costs may be avoidable through early intervention and structured wellness initiatives.

Strategic focus areas include diabetes prevention, metabolic health management, targeted case management for high-risk members, and enhanced employee wellness programming funded through the Risk Management & Employee Wellness Fund.




Burke County Risk Prevalence
Percentage of Population (%)
0
10
20
30
40
50
60
Obesity (BMI≥30)
Hypertension
Diabetes


Average Annual Claims by Risk Tier
Average Annual Claims ($)
0
2500
5000
7500
10000
12500
15000
17500
20000
0-1 Risks
2-3 Risks
4+ Risks

Key Board-Level Determinations

1. Health plan costs are trending upward but remain within national norms for self-funded public sector plans.
2. Chronic disease risk factors are materially above national averages and are the primary cost drivers.
3. High-risk members generate approximately three times the annual claims cost of low-risk members.
4. A significant percentage of projected 5-year disease costs are potentially avoidable.
5. Investment in structured wellness and risk mitigation strategies is financially justified.

Additional Information

BURKECOUNTY

This financial report is designed to provide an overview of Burke County's finances for the Burke County Board of County Commissioners. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Burke County Managers Office.