

# YADKIN COUNTY



Board of Commissioners Retreat  
AGENDA PACKET  
March 29, 2010

**OFFICE COPY**

**YADKIN COUNTY**  
**Board of Commissioners Retreat**

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**YADKIN COUNTY**  
**Board of Commissioners Retreat**  
**AGENDA**

Monday, March 29, 2010

- |                |   |
|----------------|---|
| <b>8:30am</b>  | The Budget Ordinance                    |
| <b>9:00am</b>  | The FY10-11 Requested Budget            |
| <b>9:30am</b>  | The Budget Process                      |
| <b>10:00am</b> | Focusing on Key Issues /<br>Projects    |
| <b>11:30am</b> | Hospital Discussion                     |
| <b>11:45am</b> | Possible Actions                        |
| <b>Noon</b>    | What if the Economy Doesn't<br>Improve? |

# THE BUDGET ORDINANCE

The budget ordinance must contain the appropriations, the estimated revenues, and the property tax levy as well as rate. The ordinance may contain other sections or provisions as well.

For example, it might include instructions to administration.

In Fiscal Year 2007-2008, Yadkin County adopted the budget on a functional basis rather than a departmental basis to prevent unauthorized expenditures. It is important to note that changing to functional basis from departmental basis is not the only way to prevent unauthorized expenditures.

## **The Fiscal Year 2004-2005 budget ordinance read,**

SECTION 25: "It is understood: THAT the above budget is adopted on a "Departmental Total" basis. No department may overspend its appropriated allocation without budget amendment by the Board of County Commissioners."

## **The Fiscal Year 2009-2010 budget ordinance read,**

SECTION 20: "It is understood: THAT the above budget is adopted on a "Functional Total" basis..."

SECTION 21: The County Manager is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions;

- a. He may transfer amounts among objects of expenditure within a department.
- b. He may transfer amounts up to \$20,000 between departments of the same fund.
- c. He may not transfer any amounts between funds nor from the contingency or from any capital reserve appropriations.

## **WHY IS THIS IMPORTANT?**

The "details" of the budget ordinance are important because they set the parameters for the span of budgetary control that the board provides the County Manager. The relationship between the Board of Commissioners and County Manager should be one of trust and communication. The budget ordinance is a tool used by the Board of Commissioners to provide instruction to administration.

## **INSTRUCTION THE BOARD OF COMMISSIONERS SHOULD GIVE THE COUNTY MANAGER.**

The instructions should be; (1) Clear and direct, (2) Reasonable and (3) Allow the Manager without hesitation to execute the span of control provided.

## QUESTIONS FOR THE BOARD OF COMMISSIONERS.

1. Should the budget ordinance be on a departmental basis or functional basis?

2. Managers authority on budget amendments;

- Between departments in the general fund without board oversight?
- Between departments in the same function without board oversight?
- Between line items in the same department without board oversight?

3. How much money should the manager be able to transfer without board oversight?

4. Should the manager provide a report to the board regarding budget amendments made without board oversight?

5. Should the manager have the authority to execute contracts without prior approval of the board? If so what type of contracts? Cost and length of the contract?

## **FY10-11 REQUESTED BUDGET**

<b>FY09-10 EXPENDITURES:</b>	\$36,259,368
<b>FY10-11 ESTIMATED REQUEST:</b>	\$38,811,789
<b>ESTIMATED INCREASE:</b>	\$2,552,421 or 7%

**NOTE:** Revenues are very likely to be down.

### **OPTIONS:**

- A. Hold the line at \$36,259,368?
- B. Decrease the FY10-11 Expenditures?
- C. Increase the FY10-11 Expenditures?

# THE BUDGET PROCESS

➤ **What can we agree on today?**

1. SURVEY RESPONSE: All of the respondents = Fund balance allocation at least \$1,000,000.

➤ **If a department is satisfied with the Managers recommendation and does not request an appearance before the board to discuss their budget should they appear before the board?**

➤ **Non-profit budget allocations?**

# KEY ISSUES / PROJECTS

➤ **Tax Rate**

SURVEY RESPONSE: Majority of the respondents = Tax Rate should stay the same.

➤ **Reducing County Debt**

➤ **Education Funding**

➤ **Step & Grade Classification**

➤ **Cost of Living Adjustment**

➤ **Courthouse / Board of Elections Space**

➤ **Health Insurance (HMO, PPO, HRA and / or HSA?)**

➤ **NCDOT Planning**

➤ **Courthouse Repair / Senior Services Building Repair**

➤ **Capital Projects**

➤ **County Motto**

➤ **Increase in Service / Decrease in Service**

➤ **Jonesville Water Plant**

➤ **Changing Roberts Rules of Order**

➤ \_\_\_\_\_

## WHAT IF THE ECONOMY DOESN'T IMPROVE?

*“Even when the rest of the economy turns the corner and begins to rebound, the recovery for state and local budgets is expected to lag behind, suggesting a budgetary challenge for more than a few years.”*

-Darrell Preston, “U.S. State Revenue Decline Will Go On, Report Says,” Bloomberg News, November 12, 2009.

- Hiring freezes
- Salary freezes
- Layoffs
- Delay of capital projects
- Delaying facility maintenance,
- Imposing departmental budget cuts
- Canceling contracts
- Reduce water or energy consumption
- Restricting new purchases
- Cutting back equipment
- Scaling back professional memberships
- Imposing travel and training restrictions
- Reassigning employees
- Eliminating vacant positions
- Include service cutbacks
- Reductions in support to outside groups
- Revised staffing protocols
- Four-day work- weeks
- Furloughs
- Work-hour reductions
- Adjusted compensation policies
- Modifications in the use of or payments for overtime
- Reduced employee benefits
- Intergovernmental collaboration
- Cost-cutting use of information technology
- Encouraged retirements

\* FUNCTIONAL \*  
BASIS

**YADKIN COUNTY**  
**Budget Ordinance**  
**2007-2008**

**BE IT ORDAINED BY** the Board of Commissioners of **Yadkin County**, North Carolina:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of Yadkin County government and its activities for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for the county.

General Government	\$ 3,166,076
Public Safety	7,473,600
Economic and Physical Development	1,207,234
Human Services	12,130,713
Cultural and Recreational	707,977
Education	7,221,636
Debt Service	1,330,119
Contingency	55,000
Interfund Transfers Out	1,776,101
<b>TOTAL</b>	<b>35,068,456</b>

Section 2: It is estimated the the following revenue will be available in the General Fund for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

General Government	\$ 26,239,950
Public Safety	1,397,214
Economic and Physical Development	47,100
Human Services	5,941,990
Cultural and Recreational	30,500
Interfund Transfers In	20,086
Appropriated Fund Balance	1,391,616
<b>TOTAL</b>	<b>35,068,456</b>

X DEPARTMENTAL \*  
BASIS.



**YADKIN COUNTY**  
**PROGRESS THROUGH PAST EXPERIENCE**

*Administrative Offices*

Be it ordained by the Board of Commissioners of Yadkin County,  
North Carolina:

Section 1: The following amounts are hereby appropriated in  
the General Fund for the operation of the county  
government and its activities for the fiscal year  
beginning July 1, 2006, and ending June 30, 2007,  
in accordance with the chart of accounts  
heretofore established for this county:

Governing Body	\$	58,579
Administration		232,968
Finance		197,393
Tax Assessor		358,982
Land Records		95,652
Land Sales		47,500
Revaluation		211,522
County Attorney		7,611
Court Facilities		44,484
Elections		124,628
Register of Deeds		252,021
Information Services		340,380
Interfund transfer		495,198
Public Buildings		303,176
Sheriff		2,167,865
Communications		461,517
Liaison Officer		85,530
Jail		657,442
LEO - Special Separation Allowance		15,219
Community Justice Partnership		87,600
Emergency Med/Mgmt Services		2,632,274
Fire Marshal		69,577
Building Inspections		202,371
Medical Examiner		15,000
Fire & Rescue		240,000
Animal Control		130,663
Services & Development		155,686
Economic Development		330,052
Economic Dev. Projects		40,000
Cooperative Extension Serv		161,728
Soil & Water Conservation		483,316

Health Department	2,028,481
Mental Health	137,279
Juvenile Restitution-CBA	137,770
Social Services	56,261,674
Community Action Program	401,772
Elder Affairs	14,272
Veterans Service	41,401
Public Schools	6,815,376
Community College	132,500
Hospital	202,500
Library	372,391
Recreation	216,554
Cultural	15,000
Non-Departmental	336,995
Debt Service	1,035,984
Contingency	<u>55,000</u>

\$78,910,883

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2006, and ending June 30, 2007:

Current year's property taxes	13,857,436
Prior years' property taxes	350,000
Current Year DMV Taxes	1,300,000
Prior Years DMV Taxes	250,000
Penalties and interest	150,000
Local Option Sales Tax	6,650,000
Veterans Service Aid	2,000
Court facilities fees	65,000
Building permits & inspections	145,000
Franchise fees - cable television	100,000
Court costs & fees	25,000
Register of Deeds fees	240,000
Rent	8,000
Transfer from E-911 for L.R.	19,823
Property mapping fees	2,000
Sheriff fees	50,000
Jail fees	15,000
Liaison Officer Program	85,230
Rural Oper. Assist. Program	42,951
Work First - Other Human Services	4,014
Human Ser. Grant - Elder Affairs	5,500
Community Justice Partnership Program	50,000
Fire inspection fees	5,000
Ambulance fees	700,000
No Till Drill Fees - Soil & Water	3,500

DWI fees	3,500
Concealed Weapon Fees	3,500
Zoning Fees	17,000
Maps/Copies	250
Animal Control Fees	2,500
Garnishment Fees	1,000
Election Filing Fees	150
Soil & Water Conservation Fees	100
Soil & Water Contribution	15,500
Elderly & Handicapped	43,769
Recreation Department fees	28,500
Interest earned on investments	100,000
Loan payment from municipalities	8,000
Surplus property sale	500
Miscellaneous revenue	2,600
Insurance Reimbursement	1,000
Health Department Revenue	1,306,922
Social Services Revenue	51,868,081
Juvenile Restitution	117,097
Appropriated Fund Balance	1,265,460
Total estimated revenue	<u>\$78,910,883</u>

Section 3: The following amounts are hereby appropriated in the Debt Service Fund for the fiscal year beginning July 1, 2006, and ending June 30, 2007:

Bond Principal	\$ 945,780
Bond Interest	291,204
	<u>\$ 1,236,984</u>

Section 4: It is estimated that the following revenue will be available in the Debt Service Fund for the fiscal year beginning July 1, 2006, and ending June 30, 2007:

Due from Board of Education	\$ 200,000
Contribution from General Fund	\$1,036,984
	<u>\$ 1,236,984</u>

Section 5: The following amounts are hereby appropriated in the Law Enforcement Fund for the fiscal year beginning July 1, 2006, and ending June 30, 2007:

Designated Law Enforcement Fund	\$ 12,025
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Section 6: It is estimated that the following revenue will be available in the Law Enforcement Fund for the fiscal year beginning July 1, 2006, and ending

COUNTY OF YADKIN  
 FISCAL YEAR 2010-2011 REQUESTED WORK SHEET  
 GENERAL FUND EXPENDITURE

Department	2009-2010 Budget	2010-2011 Requested	(Decrease) / Increase	% Change
Community Action Program	\$463,513	\$1,496,376	\$1,032,863	222.8%
<b>Management has consolidated all non-governmental aids and donations into Community Action Program</b> These include: NWPCOG, PTP, NCACC, UNC IOG, Virginia Civil War Trails, Rescue Squad, Economic Development, Senior Services, Forestry, Surry Community College, Library, Richmond Hill, Arts Council, and Cascade Highland				
Non-Departmental	\$764,000	\$1,258,600	\$494,600	64.7%
<b>Management has moved the following into Non-Departmental:</b> Cost of Living Increase, Contingency, and All Capital Technology (excluding Health, E911 and DSS).				
Public Schools	\$7,492,000	\$7,492,000	\$0	0.0%
<b>Management is estimating a flat increase to the Yadkin County Schools.</b> We have not received the schools budget request.				
Interfund Transfers	\$1,605,412	\$1,605,412	\$0	0.0%
<b>This is an estimate based on what was budgeted last year.</b>				
Administration - County Manager	\$251,660	\$251,300	-\$10,360	-4.0%
Administration - Governing Board	\$55,795	\$48,857	-\$6,938	-12.4%
Animal Control	\$188,176	\$213,714	\$25,538	13.6%
Building Inspections	\$266,756	\$273,952	\$7,196	2.7%
Community Justice Partnership Program	\$105,553	\$105,553	\$0	0.0%
Cooperative Extension (Ag Ext.)	\$178,981	\$184,453	\$5,472	3.1%
County Attorney-Legal	\$7,891	\$7,893	\$2	0.0%
Court Facilities	\$36,950	\$57,518	\$20,568	55.7%
Debt Service	\$4,030,837	\$4,084,486	\$53,649	1.3%
Economic Development	\$62,285	\$62,285	\$0	0.0%
Economic Development Program	\$40,000	\$40,000	\$0	0.0%
Elder Affairs	\$16,708	\$16,710	\$2	0.0%
Elections	\$211,109	\$215,785	\$4,676	2.2%
Emergency MED/MGMT. Services	\$3,109,286	\$3,321,302	\$212,016	6.8%
Finance	\$222,823	\$263,182	\$40,359	18.1%
Fire Marshall	\$81,701	\$82,300	\$599	0.7%
Geographic Information	\$104,125	\$107,397	\$3,272	3.1%
Health - Administration	\$335,949	\$486,381	\$150,432	44.8%
Health - Breast/Cervical Cancer	\$36,701	\$45,833	\$9,132	24.9%
Health - Breastfeeding Peer	\$6,728	\$7,013	\$285	4.2%
Health - Ch Child Serv. Coord.	\$70,992	\$73,437	\$2,445	3.4%
Health - Ch Immunization	\$27,318	\$27,750	\$432	1.6%
Health - Child Health	\$311,938	\$282,201	-\$29,737	-9.5%
Health - Comm. Care Ne	\$75,088	\$101,664	\$26,576	35.4%

Health - Dental Health	\$477,762	\$493,345	\$15,583	3.3%
Health - Environmental Health	\$319,524	\$319,104	-\$420	-0.1%
Health - Family Planning	\$221,338	\$242,449	\$21,111	9.5%
Health - Healthy Carolinians	\$85,684	\$79,840	-\$5,844	-6.8%
Health - Maternal Health	\$308,314	\$318,814	\$10,500	3.4%
Health - MCH Block Grant	\$3,069	\$3,160	\$91	3.0%
Health - Mental Health	\$139,140	\$140,200	\$1,060	0.8%
Health - Nursing/Medical Health	\$199,051	\$210,991	\$11,940	6.0%
Health - Preparedness	\$42,018	\$48,051	\$6,033	14.4%
Health - Tuberculosis	\$1,642	\$1,642	\$0	0.0%
Health - WIC Administration	\$8,075	\$12,075	\$4,000	49.5%
Health - WIC Breastfeeding	\$23,908	\$28,621	\$4,713	19.7%
Health - WIC Client Services	\$180,853	\$195,636	\$14,783	8.2%
Health - WIC Nutrition	\$53,185	\$52,303	-\$882	-1.7%
Hospital	\$202,500	\$202,500	\$0	0.0%
Information Services	\$218,553	\$253,050	\$34,497	15.8%
Juvenile Restitution Program	\$136,354	\$136,354	\$0	0.0%
LEO - Special Separation	\$22,631	\$21,202	-\$1,429	-6.3%
Medical Examiner	\$15,000	\$15,000	\$0	0.0%
Planning and Zoning	\$148,596	\$154,156	\$5,560	3.7%
Public Buildings	\$246,381	\$265,815	\$19,434	7.9%
Recreation	\$253,899	\$247,464	-\$6,435	-2.5%
Register of Deeds	\$257,278	\$235,137	-\$22,136	-8.6%
Sheriff	\$2,286,281	\$2,397,548	\$111,307	4.9%
Sheriff - Communications	\$687,481	\$781,909	\$94,428	13.7%
Sheriff - Jail	\$891,940	\$770,089	-\$31,851	-4.0%
Sheriff - Liason Officer	\$87,586	\$89,202	\$1,616	1.8%
Social Services - Administration	\$3,384,454	\$3,547,585	\$163,131	4.8%
Social Services - Assist. Program	\$3,758,729	\$3,746,210	-\$12,519	-0.3%
Social Services - County Portion	\$414,332	\$404,738	-\$9,594	-2.3%
Social Services - State/Fed. Portion	\$0	\$0	\$0	
Soil and Water Conservation	\$203,140	\$234,576	\$31,436	15.5%
Tax - Assessor	\$450,384	\$476,110	\$25,726	5.7%
Tax - Land Records	\$92,384	\$109,648	\$17,264	18.7%
Tax - Land Sales	\$52,500	\$52,500	\$0	0.0%
Tax - Revaluation	\$256,975	\$260,762	\$3,787	1.5%
Veterans Services	\$48,197	\$50,649	\$2,452	5.1%
<b>Total</b>	<b>\$36,259,368</b>	<b>\$38,811,789</b>	<b>\$2,552,421</b>	<b>7.0%</b>

DOCUMENT IS ESTIMATED AND SUBJECT TO CHANGE





