

YADKIN COUNTY RECOMMENDED BUDGET



FY 2016 / 2017



*Working together to meet the needs of citizens throughout Yadkin County;
while building a better community for current and future generations.*

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YADKIN COUNTY RECOMMENDED BUDGET

FISCAL YEAR 2016-2017

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INTRODUCTION

Welcome to the County of Yadkin's Annual Recommended Budget. Through this document we wish to convey what County government is doing to maintain the quality of life in Yadkin County and the improvements we are making within our community.

This budget serves four basic functions for County Commissioners, staff, citizens of Yadkin County, and others. First, it is a policy document that articulates the County Commissioners' priorities and goals for the upcoming year. Secondly, it serves as an operations guide for staff in developing goals and objectives for the fiscal year and in monitoring and evaluating progress toward those goals. Thirdly, the budget is a financial device for the projection of revenues and expenditures; it authorizes expenditures and the means for financing them; and, is a control mechanism for spending limits. Finally, it is a way to communicate to citizens how public money is being spent and what is being accomplished with those expenditures. We hope readers come away with a better understanding of County services in general and specifically what will be done in Yadkin County during the fiscal year 2016-17.

Yadkin County staff is committed to the County vision of maintaining and promoting the County's rural heritage, character and values, while being good stewards of our resources and providing excellence in health, safety and service. We embrace growth and innovation while fostering an environment where all may live, work and play.

The goal areas that were designed by the County Commissioners to fulfill that same County vision include Protecting the Financial Position of the County, Re-establishing Healthcare in Hoots Facility, Expanding Water and Sewer, Evaluating Employee Benefits, Developing a Comprehensive Economic Development Plan, Continuing to Work with the Yadkin County Public Schools and Surry Community College and to Expanding the Parks and River Accesses in the County. It is the hope of County staff that, by using this guide and working with County residents, County government can better meet the needs of every citizen.

READER'S GUIDE

The budget begins with the County Manager's budget message that contains key features of the budget as recommended by the County Manager. Highlights of the proposed work plan and information about the financial condition of the County are also included.

The first section in the document, the Budget Summary, summarizes the total County budgeted revenues and expenditures as well as the total General Fund budget. The Budget Summary section also includes a listing of appropriations by funds, an accounting term which simply means a balanced set of revenues and expenses. The County of Yadkin has established separate funds for the purpose of reporting and accounting for all financial transactions. Each fund represents a separate financial and accounting entity established for the purpose of carrying out a specific set of activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations that pertain to the operations or resources of the fund.

Each fund is categorized by ***personnel, operating, program, capital outlay*** and ***debt service***.

The General Government section provides expenditure summaries for the General Fund departments. Each department is shown separately.

The next section summarizes the budgets of the County's Special Revenue and Enterprise Funds. An enterprise fund is a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. Expenditures in these funds are financed primarily through user fees.

This section of the budget also includes one internal service fund that centralizes the employee health insurance expenditures.

BUDGETARY FUND STRUCTURE

The County of Yadkin budget consists of two overarching fund types, governmental and proprietary funds.

Governmental Funds are used to account for those functions reported as governmental activities. Most of the County's basic services are accounted for in governmental funds.

The County of Yadkin has two types of **Proprietary Funds**: *Enterprise and Internal Service*. *Enterprise Funds* are used to report the same functions presented as business-type activities and *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of the County of Yadkin. The County uses an Internal Service Fund to account for its employee's health insurance in the Self-Insurance Fund.

FUNDS SUBJECT TO APPROPRIATION BY CATEGORY

The *General Fund (10)* is the general purpose fund of the County of Yadkin. It was established to account for all financial resources, except those required by State law, local ordinance, and generally accepted accounting principles, to be accounted for in another fund. General Fund revenues primarily include property taxes, sales taxes, and revenues from state and federal governments, fees, and permits. The major operating activities include general government, public safety, education, health and human services, cultural and recreational, debt service and other governmental service functions.

The *Emergency Telephone Fund (27)* includes revenues and expenditures associated with the restricted revenues that come into the County through a 911 surcharge on individuals' phone bills to support the expenditures required for Communication Centers to receive emergency phone calls for fire, law enforcement and medical services. These expenditures are restricted to those authorized by North Carolina General Statute and approved by the NC 911 Board.

The *Law Enforcement Fund (74)* includes revenues and expenditures associated with federal drug seizure funds and can only be spent for specified law enforcement needs.

The *Fire Service Districts Fund* is property tax revenues that are generated from individual tax levies for each of the ten fire service districts within Yadkin County. The services districts were created by the Board of County Commissioners and have a contractual arrangement to provide these necessary services to the citizens of Yadkin

County. The County has the responsibility to oversee how these funds are spent by the fire departments and to hold them accountable for taxpayer dollars.

The capital category provides for building and park improvement projects, as well as various other physical improvement projects which typically cost over \$5,000, have a useful life greater than one year, and are approved by the County Commissioners.

The purpose of the Capital Project Funds, which are not included in this budget document, is to account for the financial resources segregated for the acquisition or construction of major capital facilities. The budgets within these funds are adopted for the life of the project, with revenues and expenditures accumulating until the year in which the project is completed.

BUDGET PREPARATION AND ADOPTION

The Budget Process begins with Department Directors making requests for new positions, reclassifications, new technology needs and new capital requests in January or February. They also identify any issues that may affect the upcoming fiscal year services that the Commissioners need to be aware of as they provide direction for the upcoming budget.

Shortly thereafter, the Commissioners' Budget Retreat is held wherein the County's financial condition and future forecasts are reviewed. This is also an opportunity for the Commissioners to develop goals and objectives for the upcoming year.

In accordance with North Carolina State Statutes, departments must submit a budget request to the Budget Officer (County Manager) before April 30 of each fiscal year. For the County of Yadkin, the deadline for Departmental submissions is typically the end of March. Once departmental budgets are submitted, the County Manager reviews the requests and meets with each Department Director individually to review the needs and priorities in detail. Revisions are made as necessary in the operating budgets, the capital budgets, and the revenue estimates, until a final recommended budget document is produced in May.

According to North Carolina State Statutes, a budget message and a balanced budget must be submitted to the Commissioners no later than June 1. In the County of Yadkin, these are typically submitted to the Board of Commissioners in May. After

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a formal budget submission to Commissioners, work sessions are conducted with the Commissioners as needed, and a public hearing is held to provide an opportunity for all citizens to have input in the budget. In accordance with North Carolina State Statutes, final adoption of the budget must take place before July 1 of each year.

In accordance with the North Carolina General Statutes, the County prepares and adopts the budget on the modified accrual basis of accounting, in which revenues are recorded when the amount becomes measurable and available, and expenditures are recorded when the liability is actually incurred. Only revenues and expenditures anticipated during the fiscal year are included in the budget. Unexpended operating budget funds revert to fund balance at the close of the fiscal year. Unexpended capital project reserve funds are carried forward life-to-date until the project is officially closed.

Throughout the fiscal year the County’s financial accounting system maintains a modified accrual method as the adopted budget. At year-end, the County’s Annual Financial Report is prepared on a basis consistent with “generally accepted accounting principles” or GAAP. This basis of accounting conforms to the way the County prepares its budget with some exceptions. The most notable exception is that the County’s enterprise funds are converted from the modified accrual basis of accounting to the full accrual basis for financial statement presentation purposes. In the accrual basis, revenues are recognized when they are earned and expenses are recognized when they are incurred. This change between the budget and the financial report for the Enterprise funds provides for some significant differences. One is that depreciation is recorded as an expense in the Financial Statements and is not recognized at all in the budget. Another is that capital outlay and principal debt service payments are identified as expenditures in the budget, but reported as adjustments to the balance sheet in the Financial Statements.

The following chart summarizes when accrual and modified accrual are used for the basis of reporting and the basis of budgeting:

Fund	Basis of Budgeting	Basis of Reporting
General	Modified Accrual	Modified Accrual
Special Revenue	Modified Accrual	Modified Accrual
Enterprise	Modified Accrual	Accrual

BUDGET PREPARATION PROCESS

SCHEDULE OF EVENTS FOR THE PREPARATION OF THE FY 2016-17 BUDGET

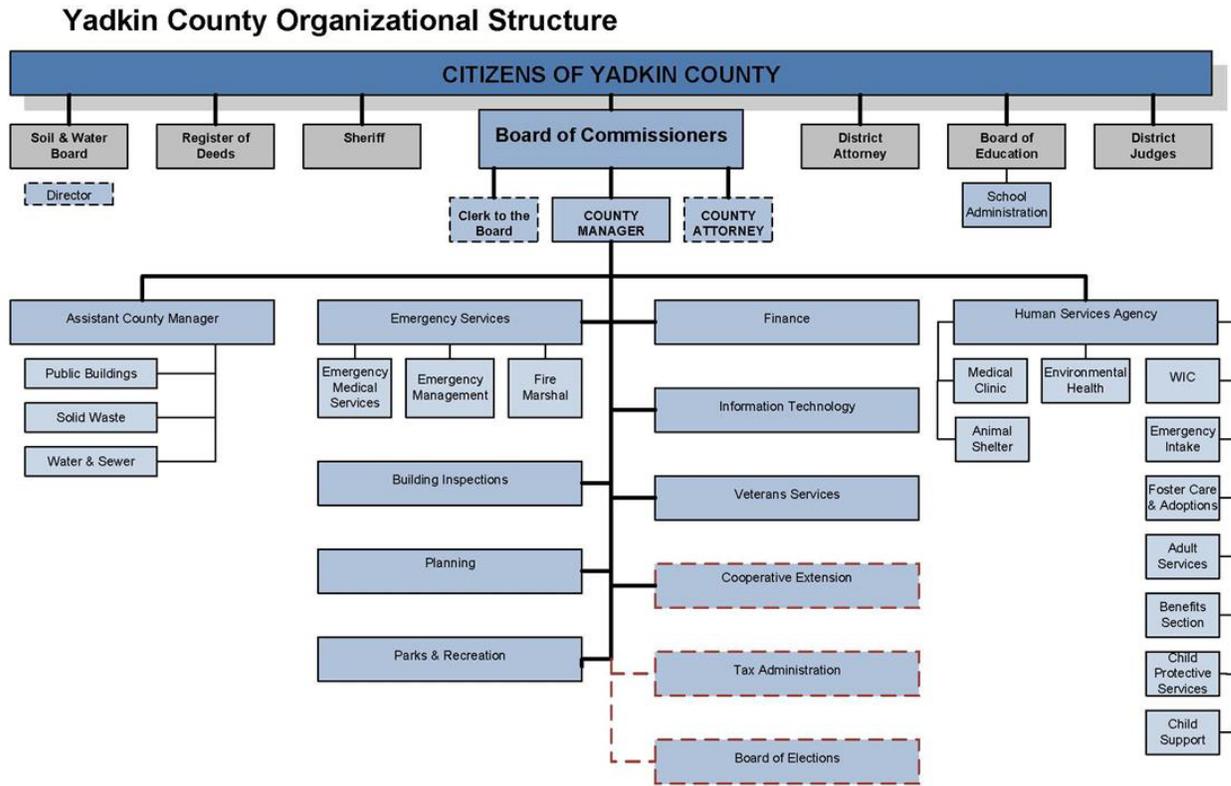
Event	Date
New Position, Reclassifications, Technology, Capital Requests	February 19, 2016
Commissioners' Budget Retreat	February 24, 2016
Budget direction given to Department Directors	February 25, 2016
Departmental and Outside Agency budget requests due	March 25, 2016
County Manager/Departmental Budget Meetings	April 18-29, 2016
Formal Budget Submission at County Commissioners Meeting	May 16, 2016
Public Hearing on Budget at County Commissioners Meeting	June 9, 2016
County Commissioners Budget Work Session(s)	TBD
Budget Adoption at County Commissioners Meeting	June 20, 2016

BUDGET AMENDMENT PROCESS

Proposed amendments to the budget may be submitted at any time during the year by a Department Director to the County Finance Officer. The County Manager is authorized to transfer funds \$1,000 or less within a department. Any funds transfer greater than \$1,000 or that amends the departmental adopted budget must be approved by County Commissioners.

All proposed ordinance amendments are reviewed by the Finance Officer and submitted to the Board of Commissioners for approval. The Finance Officer prepares all Capital Project Fund Ordinance amendments.

ORANIZATIONAL STRUCTURE



FINANCIAL MANAGEMENT POLICIES

Financial Management Policies serve as guidelines for the preparation and operation of the annual budget. They are designed to complement the North Carolina Local Government Budget and Fiscal Control Act, recommendations of the Local Government Commission (LGC), and the Government Finance Officers’ Association. These policies were developed by Finance staff and were formally adopted by the County Commissioners effective March 7, 2016. These policies are used to frame major policy initiatives and are reviewed during each budget process to ensure continued relevance and to identify any gaps that should be addressed with new policies. These policies assist in maintaining the County’s stable financial position and ensure that Commissioners’ intentions are implemented and followed.

REVENUES

Revenue Diversity

The County shall continue to provide adequate funds for stable operation of desired service levels through diversification of revenue sources to avoid over-reliance on any one revenue source and to maintain stable rates and fees.

Fees and Charges

The County shall maximize user fees where possible in order to distribute the costs of governmental services to those who use the services; include users who may have tax exempt property; to avoid subsidizing where the service is not used by the general public, except where appropriate; and maintain charges that are equitable and efficient by capturing the costs to provide the service.

All revenue sources will be reviewed on an annual basis, the levels of cost recovery will be reviewed, and the reasons for the subsidy will be reviewed.

Use of One-time Revenues

Use of one-time revenues is limited to covering expenditures that temporarily exceed revenues, early debt retirement, or capital purchases that do not significantly increase ongoing operating expenses.

Property Tax Estimates

The percentage collection of property taxes relative to the tax rate estimated in the budget must not be greater than the percentage of the levy realized in cash as of June 30 of the preceding fiscal year, in accordance with State law. This ensures a conservative estimate of property tax revenues.

Unpredictable Revenue

Estimated revenues shall include only those reasonably expected to be realized during the fiscal year.

Grant funding will be pursued and used for a variety of purposes. Application to apply will be reviewed and evaluated in advance for consistency with Commissioners goals and compatibility with County programs and objectives. All new grants must be presented to Board of Commissioners for consideration before application is made. Any awarded funds will be accepted only after Commissioners review and

approval. Any changes in the original intended use of grant funds must be approved by the granting agency and County Commissioners.

EXPENDITURES

Balanced Budget

The County shall prepare an annual balanced budget in accordance with the Local Government Budget and Fiscal Control Act and generally accepted accounting principles (GAAP).

Actual funds expended and received against budget will be reported to the County Manager and County Commissioners on a monthly basis.

Evaluation and Prioritization

Expenditures shall be reviewed by staff, the County Manager, and County Commissioners prior to adoption, and continually monitored throughout the budget year. Priority will be given to expenditures consistent with those necessary to carry out the mandated and core services of the County.

RESERVES

Fund Balance

The County shall maintain a minimum unassigned fund balance equal to 15-20% of the operating budget for each of the County's funds, with a target equal to 20%. The County Board of Commissioners may appropriate fund balances that will reduce available fund balance below the 20% policy for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of Yadkin County. In such circumstances, after available fund balances have been calculated as part of closing-out a fiscal year, the Board will adopt a plan as part of the following year's budget process to restore the available fund balance to the policy level within 36 months from the date of the budget adoption. If restoration cannot be accomplished within such time period without severe hardship to the County, then the Board will establish a different, but appropriate time period.

The Board of Commissioners may take formal action at any open meeting to establish, modify or rescind a fund balance commitment. Committed fund balances do not lapse at the end of the fiscal year. The Board may take informal action to authorize a portion

of fund balance for a particular purpose or program and designates similar authority to the County Manager. Assigned fund balances lapse at the end of the fiscal year unless these assignments are extended.

DEBT MANAGEMENT

Debt Model

The County will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except where approved justification is provided. The County will take a balanced approach to capital funding utilizing debt financing and pay-as-you-go funding that will provide the least financial impact on the taxpayer. Pay-as-you-go funding will come from budgeted appropriations.

Debt Service

The total annual debt service paid on tax-supported debt shall not exceed 15% of the operating expenditures in the General Fund including inter-fund transfers. If for any reason, it does exceed 15%, Finance staff must obtain approval from the Board of Commissioners.

Direct Net Debt

The outstanding direct net debt will not exceed the NC statutory limit of 8% of the appraised property subject to taxation with an optimal level of less than 4%.

Bonded Debt

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

CAPITAL INVESTMENT

It is the responsibility of the Board of Commissioners to provide for the capital facilities necessary to deliver governmental services to Yadkin County citizens, as well as facilities for the Yadkin County Public Schools. The County will consider all capital improvements in accordance with an adopted Capital Improvement Plan. The Capital Improvement Plan is inclusive of capital improvements (renovations), replacement (vehicles and heavy equipment) and major capital projects (new construction).

The capitalization threshold minimum for fixed assets is set at \$5,000. The threshold will be applied to individual fixed assets and will only be capitalized if they have a useful life of at least one year from the date of acquisition.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The accounting systems for the County will be compliant with the North Carolina Local Government Budget and Fiscal Control Act and will be maintained to enable the preparation of financial statements that conform to generally accepted accounting principles (GAAP).

Access to the financial system will be made available to Department Directors and other staff for the continuous monitoring of revenues and expenditures. Emphasis will be placed on internal budgetary and financial controls with regard to the financial system for the purposes of maintaining proper checks and balances.

The County will have an annual independent audit performed by a certified accounting firm that will issue an opinion of the annual financial statements that are required by the Local Government Budget and Fiscal Control Act.

Full disclosure will be provided in all regulatory reports, financial statements and debt offering statement.

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FY2016-2017 RECOMMENDED BUDGET



Transmittal Letter

May 16, 2016

The Honorable County Commissioners And the Citizens of the County of Yadkin:

As County Manager, I am pleased to present you and the residents of the County of Yadkin the *Recommended Budget* for the fiscal year beginning July 1, 2016 and ending June 30, 2017. This budget is in accordance with §159-11 of the North Carolina General Statutes and meets the statutory and administrative obligations to prepare and present a balanced budget for your consideration.

The total budget for all funds (Governmental and Proprietary) is \$39,586,519.

The General Fund is the largest component of this total with expenditures of \$36,789,157, an increase of 0.96% or \$350,884 over the current adopted amount of \$36,438,273. The approval of this budget does not require any tax increase to the ad valorem rate which will remain at 66 cents per \$100 assessed value.

It is recommended that the “rainy day fund”, General Fund undesignated fund balance, be appropriated for certain one-time expenses that total \$1,874,258 to balance this budget. This amount is approximately \$312,876 less than the amount appropriated in the FY16 Adopted Budget that totaled \$2,187,134.

The County’s General Fund undesignated fund balance remains healthy and above the Financial Policy’s target of 15-20 percent with this recommended budget.

REVENUE HIGHLIGHTS

Ad Valorem Tax

The Tax Administrator’s real and personal property’s assessed value as of May 2016 for Fiscal Year 2016/17 is approximately \$2,607,135,043. This value at a 96.4% collection rate will produce an estimated \$16,587,636 in revenue. This projected revenue is an increase of \$224,784 or 2% from last year’s projected \$16,362,852.

FY2014-2015 was the first full year of Tag & Tax Together implementation. Tag & Tax Together requires motorists to pay their motor vehicle taxes at the same time they pay their vehicle registration. Under the new structure, the taxes are not levied until the

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bills are issued. The Recommended Budget revenue for motor vehicle taxes is based upon 9 months of levy (July 2015-April 2016). The motor vehicle assessed value as of May 2016 for Fiscal Year 2016-17 is \$298,939,394 at a collection rate of 100% will produce an estimated \$1,973,000 in revenue.

The budget also projects approximately \$665,000 in prior year taxes and \$225,000 in interest and penalties.

Sales Tax

Local sales taxes are projected to increase statewide by 3 to 4 percent depending upon the economic climate according to the North Carolina County Commissioners' Association. The Fiscal Year 2015/16 adopted budget, projected \$5,306,448 in sales tax revenue. Comparatively, this budget estimates sales tax revenue at \$5,359,512, an increase of 1% or \$53,064.

We continue to be moderately conservative in our projections.

Budget Preparation

In developing the FY2017 recommended budget, the strategies used to balance the budget included:

- No property tax rate change
- Moderate revenue estimates
- One-time strategic use of fund balance
- Continue core services with limited additions

In starting the budget process, County priorities were identified and the budget was framed around them. Those priorities included the following:

- Protect the financial position of the County
- Re-establish healthcare in the Hoots facility on Main Street in Yadkinville
- Expand water and sewer service
- Evaluate employee benefits
- In collaboration with the Chamber of Commerce and Economic Development Council, develop a comprehensive Economic Development Plan
- Continue to work with the Yadkin County Public Schools and Surry Community College to effectively and efficiently meet the educational needs within the County
- Expand the parks and river accesses in Yadkin County

Every department in the County contributed to the overall goal of recommending a budget that incorporates a fiscally responsible plan for the continuation of basic quality services that meets the County's priorities as set forth above. Departments were charged with submitting a flat budget that aligned with current department priorities and service delivery.

EXPENDITURE HIGHLIGHTS

Continuing Core Services

Our workforce is the backbone to the continuation of high-quality services to our community. As a priority, this recommended budget reflects the continuation of a compensation strategy that pays market wages to employees doing similar jobs in the current labor market. One percent of salaries is included for performance increases consistent with the County's Performance Pay Plan. Each department will encumber this amount and it will be at the discretion of the Department Director on how the one percent is distributed within their department based upon performance scores. There is a new expenditure line in Non-Departmental for the County Manager to use at her discretion for Department Directors' performance increase that she evaluates. Also included is the Classification and Pay Plan Study for the Human Services Agency. This will be the first time this study has been conducted since the consolidation of the Departments of Public Health and Social Services to form the Human Services Agency in 2013. Personnel salaries and related costs consume a large portion (40%) of the general fund budget. The recommended budget includes a change in the life insurance provided by the County for full-time employees. For the last several years, the County provided \$10,000 of life insurance for employees. This amount can be increased to \$25,000 for an additional \$5,817 per year. This change will keep us competitive with other local governments. We are appreciative of the Commissioners' support and commitment to market employee compensation and benefits.

The County of Yadkin received a renewal that indicated health rates could be lowered due to overall medical rate trends. However, the recommendation is keep rates the same so we can open an Employee Wellness Clinic funded by reduced health insurance claims. Employees will be able to visit the Clinic and the visit not be filed as an insurance claim.

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Additional funding is needed to continue core services at current levels. Many of these services require enhancements to include equipment to ensure staff has what is needed to complete their jobs safely and effectively. Some of those initiatives include the following:

- Life Packs for Emergency Medical Services at a cost of \$76,650 will be recurring
- Replacement of two ambulances totaling \$300,000
- Replacement of 25 desktops for Human Services (Social Services Division)
- Increase in grant match funding for the Trails Grant received in FY2016 and in anticipation of receiving the PARTF Grant for Phase II of Yadkin Memorial Park

Not Included

A number of worthwhile service expansions and new modifications were requested and reviewed as part of our efforts to propose a frugal and focused spending plan for next year. We have attempted to balance Commissioners' priorities with available resources, minimizing the impact on our citizens and taxpayers. I hope you will find this proposal, which has been developed with your guidance, achieves that. For example, additional requests from various County departments that are not included total over \$1.8 million.

Emergency Telephone Fund

Revenues and expenditures are restricted in this fund for communications related to citizens' ability to call 911 for emergency assistance. Due to the County's spending fund balance in this fund, the State 911 Board has increased revenue to Yadkin County from \$85,627 in FY2016 to \$237,630 in FY2017. This will eliminate the use of fund balance to support necessary contracts within this Fund.

Law Enforcement Fund

The Law Enforcement Fund remains flat, as the restricted revenues and expenditures come from Federal law enforcement drug cases.

Enterprise Funds

Solid Waste

The Solid Waste budget was reduced \$87,128, or 5% from \$2,056,576 in FY2016 to a recommended FY2017 budget of \$1,969,448. The use of fund balance to balance the budget was also reduced from \$162,075 in FY2016 to \$96,353 in FY2017, a savings of \$65,722 or 41%.

Water and Sewer

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The Water and Sewer Fund will be self-sustaining and not require a transfer from the General Fund. The water and sewer lines in the Yadkinville area will be leased to the Town of Yadkinville and no expense is budgeted for these lines. The Highway 21 waterline is the only line budgeted in the Water and Sewer Fund. The East Bend Waterline will be under construction in FY2017 and its operations will be added in FY2018. The Water and Sewer budget for FY2017 is \$137,802 decreased by \$422,603 from FY2016's budget of \$560,405.

COUNTY FEES

The Recommended Budget for FY2017 is based on minimal changes to the fee schedule and the Fee Schedule will be submitted June 6 for the Board's consideration.

COMMITMENT

The County is committed to creating financial resiliency in preparation for the opportunities that we will face in the years to come. We continue to challenge each other and our systems, policies and methods of operation to ensure our taxpayer dollars are used efficiently and responsibly. As the General Assembly convenes and deliberates the future with regard to various revenue stream distributions, we will move forward conservatively to preserve our revenue sources as well as remain flexible and proactive in our efforts to maintain quality services. We will continue to engage all employees in our efforts to make sure the way we provide services to citizens and how we conduct our internal business represents the core values established by the County.

In closing, I would like to commend the efforts of the County Commissioners for their guidance in the preparation of this budget and for their commitment to quality services for our community. I would also like to commend County departments who worked tirelessly and shared in the preparation of this very challenging budget. I would like to especially thank Gary Groce, Wendi Thompson, Lindsey Cearlock, and Brittany Allen.

The FY17 Budget is now respectfully turned over to Commissioners and the community for consideration. We stand ready to support you as you make these decisions.

Respectfully Submitted,

Lisa L. Hughes
Yadkin County Manager

REVENUE AND EXPENDITURE SUMMARY

Operating Funds	Revenues		Expenditures	
General Fund	\$	32,674,652	\$	32,674,652
Emergency Telephone Fund	\$	237,630	\$	237,630
Law Enforcement Fund	\$	6,000	\$	6,000
Solid Waste	\$	1,969,448	\$	1,969,448
Water and Sewer Fund	\$	137,802	\$	137,802
Self-Insurance Fund	\$	2,409,930	\$	2,409,930
Subtotal	\$	37,435,462	\$	37,435,462
Debt Service Funds				
General Fund	\$	4,114,505	\$	4,114,505
Solid Waste	\$	-	\$	-
Water and Sewer Fund	\$	-	\$	-
Subtotal	\$	4,114,505	\$	4,114,505
TOTAL ALL FUNDS	\$	41,549,967	\$	41,549,967

GENERAL FUND BUDGET SUMMARY (Including Interfund Transfers)

	FY14-15 Actual	FY15-16 Budgeted	FY15-16 Revised	FY16-17 Recommended	Variance FY16 to FY17
Revenues					
Property Tax	\$ 19,320,725	\$ 18,722,852	\$ 18,722,852	\$ 21,450,636	14.6%
Local Sales Tax	\$ 5,345,381	\$ 5,306,448	\$ 5,306,448	\$ 5,359,512	1.0%
Other Revenue	\$ 10,964,396	\$ 10,210,839	\$ 10,711,624	\$ 8,104,751	-20.6%
Appropriated Fund Balance	\$ -	\$ 2,198,134	\$ 3,851,336	\$ 1,874,258	-14.7%
Total	\$ 35,630,502	\$ 36,438,273	\$ 38,592,260	\$ 36,789,157	1.0%
Expenditures					
Governing Body	\$ 62,581	\$ 59,655	\$ 59,568	\$ 59,530	-0.2%
Administration	\$ 275,806	\$ 349,555	\$ 349,496	\$ 386,880	10.7%
Finance	\$ 281,848	\$ 251,415	\$ 251,165	\$ 211,517	-15.9%
Tax	\$ 888,294	\$ 956,385	\$ 904,181	\$ 861,424	-9.9%
License Plate Agency	\$ 78,771	\$ 90,855	\$ 104,278	\$ 89,518	-1.5%
Court Facilities	\$ 54,437	\$ 53,000	\$ 53,000	\$ 56,850	7.3%
Elections	\$ 193,654	\$ 288,495	\$ 288,405	\$ 227,833	-21.0%
Register of Deeds	\$ 246,498	\$ 256,457	\$ 256,344	\$ 256,354	0.0%

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Information Technology	\$ 272,868	\$ 276,760	\$ 276,661	\$ 275,406	-0.5%
Transfers to Other Funds	\$ 4,169,085	\$ 579,515	\$ 721,415	\$ 322,068	-44.4%
Public Buildings	\$ 274,792	\$ 320,805	\$ 367,506	\$ 433,075	35.0%
Sheriff	\$ 5,450,317	\$ 5,379,019	\$ 5,409,460	\$ 5,629,533	4.7%
Emergency Services	\$ 3,133,381	\$ 3,213,790	\$ 3,224,514	\$ 3,475,152	8.1%
Building Inspections	\$ 244,275	\$ 264,740	\$ 261,666	\$ 267,806	1.2%
Medical Examiner	\$ 16,400	\$ 22,500	\$ 22,500	\$ 20,000	-11.1%
Animal Shelter	\$ 230,621	\$ 241,770	\$ 274,247	\$ 205,043	-15.2%
Planning	\$ 147,134	\$ 151,055	\$ 202,429	\$ 141,713	-6.2%
Economic Development	\$ 103,000	\$ 103,000	\$ 113,305	\$ 103,000	0.0%
Cooperative Extension	\$ 168,765	\$ 167,900	\$ 169,933	\$ 163,827	-2.4%
Soil and Water Conservation	\$ 228,424	\$ 237,855	\$ 404,281	\$ 336,262	41.4%
Health	\$ 1,359,910	\$ 1,472,184	\$ 1,500,581	\$ 1,403,204	-4.7%
Mental Health	\$ 130,800	\$ 130,800	\$ 130,800	\$ 126,000	-3.7%
Juvenile Crime Prevention	\$ 132,395	\$ 132,395	\$ 135,414	\$ 135,920	2.7%
Social Services	\$ 6,653,372	\$ 7,905,520	\$ 7,937,869	\$ 7,561,117	-4.4%
Community Action Programs	\$ 1,425,358	\$ 1,419,333	\$ 1,434,612	\$ 1,426,289	0.5%
Veteran Services	\$ 54,904	\$ 53,755	\$ 53,745	\$ 52,894	-1.6%
Public Schools	\$ 6,372,160	\$ 6,304,850	\$ 6,696,850	\$ 6,467,145	2.6%
Hospital	\$ -	\$ -	\$ 409,991	\$ 284,375	100.0%
Recreation	\$ 376,550	\$ 520,755	\$ 533,420	\$ 533,003	2.4%
Non-Departmental	\$ 1,958,486	\$ 1,061,740	\$ 1,872,209	\$ 1,161,914	9.4%
Debt Service	\$ 3,849,027	\$ 4,172,415	\$ 4,172,415	\$ 4,114,505	-1.4%
Total	\$ 38,833,911	\$ 36,438,273	\$ 38,592,260	\$ 36,789,157	1.0%

FUNDS AND FUND BALANCES

The Budget Message highlights the following funds; General Fund, Solid Waste Enterprise Fund, Water and Sewer Enterprise Fund, and Emergency Telephone (E911) Fund.

Each of these fund types has its own specific legal and accounting requirements. Appropriations lapse at year-end in the each fund creating its own fund balance. Fund balance represents monies that remain unspent after all budgeted expenditures have been made. These unspent monies serve as a working capital reserve to pay expenditures in the early part of the fiscal year before taxes are collected.

FY2016-2017 RECOMMENDED BUDGET

General Fund

The General Fund is the principal fund used to account for the provision of governmental services. This fund summarizes the financial transactions of functional services, based on departmental operations, except for those transactions that must be accounted for separately in other funds. Unassigned fund balance June 30, 2015 was \$8,345,578 or 21% of the General Fund expenditures for the year according to our unqualified audit. The Local Government Commission recommends that counties maintain a minimum of 8% fund balance in the General Fund.

Solid Waste Enterprise Fund

The recommended FY16-17 budget for the Solid Waste Enterprise Fund is \$1,969,448 representing a 4% or \$87,128 decrease over the FY15-16 budget of \$2,056,576.

This budget is balanced with a fund balance appropriation from the Solid Waste Enterprise Fund balance of \$96,353. As of June 30, 2015 the unrestricted Solid Waste Enterprise Fund balance was \$305,688.

Water & Sewer Enterprise Fund

The FY2016-17 Water and Sewer Fund budget totals \$137,802. This budget is a \$422,603 decrease from the FY2015-2016 original budget of \$560,405. The FY2016-2017 budget does not require an appropriation of fund balance or a transfer from the General Fund.

Emergency Telephone System Special Revenue Fund

The projected Emergency Telephone System (911) revenue recommended in this budget is \$237,630. The Emergency Telephone Fund's fund balance as of June 30, 2015 was \$435,243. The State 911 Board increased the revenue for Yadkin County in FY2016-2017 to \$237,630. The amount received is based upon the available fund balance.

The Emergency Telephone System's expenditures are restricted by general statute and are subject to approval by the State 911 Board. Essentially, these funds can only be used for expenses related to the call coming into the Communications Center.

AUTHORIZED POSITION LISTING

The authorized position listing (full-time equivalent or FTE) summarizes the net changes in positions for the fiscal years 2014-15 through the FY 2016-17 budgets. Elections, Emergency Services, Recreation, Sheriff's Office and Solid Waste use

FY2016-2017 RECOMMENDED BUDGET

additional non-benefitted part-time employees within their appropriated part-time salaries budget that are not included in the position listing.

	FY15 Actual	FY16 Adopted	FY16 Adjusted	FY17 Recommended
Administration	5	5	5	5
Finance	3	3	3	3
Tax	13	14	-1	13
Elections	2	2	2	2
Register of Deeds	3.5	3.5	3.5	3.5
Information Technology	4	4	4	4
Public Buildings	3	4	4	4
Sheriff	83	83	84	84
Emergency Services	35	34	35	41
Building Inspections	4	4.5	4.5	4.5
Animal Shelter	3	3	3	3
Planning	3	2	3	2
Soil & Water	3	3	3	3
Health	20	20	20	20
Social Services	61	61	61	61
Veterans	1	1	1	1
Hospital	0	0	6	4.5
Recreation	6	6	7	7
Solid Waste	5.5	5.5	5.5	5.5
Water and Sewer	0	0.5	2	1

Overview

The FY2017 Recommended Budget reflects the transfer of the GIS Administrator from Tax to Planning and elimination of the Planner position. It also includes the Lieutenant position that was added in the Sheriff's Office as a result of the Classification and Pay Plan Study conducted in FY2016. For budgetary purposes, some positions were previously split between Administration and Finance as employees provided functions in both departments. The FY2017 budget eliminates the division in the budget. The FY2017 includes six additional twelve-hour shift full-time positions within Emergency Services to be assigned to Medic 5. Since the hospital closed in May 2015, Emergency Services has kept Medic 5 at the hospital twenty-four hours per day. Medic 5 has been a twelve-hour truck staffed predominantly with part-time employees. In FY2016, we added one additional twelve-hour shift employee to the one added in FY2015. The six

FY2016-2017 RECOMMENDED BUDGET



new positions will be twelve-hour shifts and will allow for a significant reduction in funding for part-time employees.

The FY2017 Water and Sewer budget continues funding for the Water ORC shared with Environmental Health and allows for hiring of a back-up ORC on an as needed basis.

GENERAL FUND REVENUE ESTIMATE

Revenues	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Property Tax	\$ 19,320,725	\$ 18,722,852	\$ 18,722,852	\$ 19,450,636
Local Sales Tax	\$ 5,343,035	\$ 5,306,448	\$ 5,306,448	\$ 5,359,512
Fees & Permits	\$ 2,337,639	\$ 2,116,807	\$ 2,130,242	\$ 2,191,737
Intergovernmental	\$ 7,363,105	\$ 7,965,714	\$ 8,177,726	\$ 7,785,664
Other	\$ 1,265,998	\$ 139,318	\$ 403,656	\$ 127,350
App. Fund Balance	\$ -	\$ 2,187,134	\$ 3,851,336	\$ 1,874,258
Total	\$ 35,630,502	\$ 36,438,273	\$ 38,592,260	\$ 36,789,157

Property Taxes

Property Taxes are the largest revenue source for the General Fund at approximately 53% representing \$19.4 million. The amount represented here includes current and prior year tax as well as penalties and interest. The property tax rate will be \$0.66 per \$100 assessed valuation. The revenue estimate is based upon a 96.4% collection rate for Property and a 100% collection rate for Motor Vehicles.

The County's real property tax base is expected to total approximately \$2,604,135,043. Motor Vehicle property is projected to be approximately \$298,939,394.

Local Sales Tax

Local sales tax revenues for FY2017 are estimated at \$5,359,512, which is a 1% or \$53,064 increase over FY2016's estimate of \$5,306,448.

Fees and Permits

This revenue category includes the anticipated revenues for items including: building permits, recreational fees and facility rentals and, represents a 3.54% increase over FY2016.

FY2016-2017 RECOMMENDED BUDGET

Intergovernmental

The total for Intergovernmental Revenues represents approximately 21% of the County's anticipated total revenues at a value of \$7.78 million. These revenues include state grants, state allotments for Public Health and Social Services, utility franchise taxes, beer and wine, video programming tax, court fees, and local jurisdictions contributions. The total revenue FY2017 estimate reflects an \$180,050 or 2.26% decrease from FY2016.

Other Revenue

Other revenue includes miscellaneous revenue sources in the amount of \$127,350, an \$11,968 decrease from FY2016.

Appropriated Fund Balance

Appropriated fund balance in the amount of \$1,874,258 is included for one-time expenditures.

DEPARTMENTS

Governing Body

The five-member Board of County Commissioners is the official legislative and policy-making body of the County. Commissioners are elected at large for staggered two or four year terms. The lowest vote-getter serves a two-year term.

All official actions of the County Commissioners are taken at public meetings. County Commissioners holds regular public meetings on the first and third Monday of each month. The County Commissioners also conduct special meetings, work sessions on the County budget, and other issues of special interest.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 49,715.56	\$ 45,805.00	\$ 45,804.00	\$ 45,925.00
Operating Programs	\$ 12,865.46	\$ 13,850.00	\$ 13,764.00	\$ 13,605.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 62,581.02	\$ 59,655.00	\$ 59,568.00	\$ 59,530.00

FY2016-2017 RECOMMENDED BUDGET

Administration

The County Manager is appointed by the County Commissioners and serves as Chief Executive Officer of the County of Yadkin. The County Manager provides leadership and management of County operations and works through a management team composed of an Assistant County Manager, Department Directors, and other key staff members to identify needs, establish priorities, administer programs, policies and operations, and build organizational capacity. The County Manager also assists County Commissioners in their policy making role by providing recommendations and background materials on programs, trends, and issues of concern to the County Commissioners and the Administration. County Administration also includes the Clerk to the Board and Human Resources/Risk Management.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 249,164.34	\$ 322,115.00	\$ 322,088.00	\$ 360,735.00
Operating Programs	\$ 26,641.91	\$ 27,440.00	\$ 27,408.00	\$ 26,145.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 275,806.25	\$ 349,555.00	\$ 349,496.00	\$ 386,880.00

Finance

The Finance Department focuses on the County's financial services, including audit, debt service management, cash investments, payroll, payables, and purchasing.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 265,131.52	\$ 232,765.00	\$ 232,760.00	\$ 191,672.00
Operating Programs	\$ 16,716.39	\$ 18,650.00	\$ 18,405.00	\$ 19,845.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 281,847.91	\$ 251,415.00	\$ 251,165.00	\$ 211,517.00

FY2016-2017 RECOMMENDED BUDGET



Tax

The Tax Office appraises business, personal and real property, as well as billing and collecting those taxes. Motor vehicles are appraised, billed and collected by the State since the implementation of Tax and Tag Together in FY2015. The Tax Office also operates the License Plate Agency.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 734,320.39	\$ 754,860.00	\$ 723,576.00	\$ 712,882.00
Operating Programs	\$ 232,744.49	\$ 292,380.00	\$ 284,883.00	\$ 238,060.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 967,064.88	\$ 1,047,240.00	\$ 1,008,459.00	\$ 950,942.00

Court Facilities

Counties are required by statute to provide space for the courts, Judges, District Attorney, Clerk of Court, Probation and Magistrates. To offset the expense, counties receive a portion of court fees.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ -	\$ -	\$ -	\$ -
Operating	\$ 54,436.66	\$ 53,000.00	\$ 53,000.00	\$ 56,850.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 54,436.66	\$ 53,000.00	\$ 53,000.00	\$ 56,850.00

FY2016-2017 RECOMMENDED BUDGET

Elections

The Board of Elections is responsible for all elections and hires staff as appropriate to fulfill their statutory obligations.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 127,087.10	\$ 139,995.00	\$ 139,958.00	\$ 135,348.00
Operating	\$ 66,566.79	\$ 148,500.00	\$ 148,447.00	\$ 92,485.00
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 193,653.89	\$ 288,495.00	\$ 288,405.00	\$ 227,833.00

Register of Deeds

The Registrar of Deeds is elected by the citizens every four years and hires Deputy Registrars to serve as appropriate to fulfill his statutory obligations.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 194,944.79	\$ 195,812.00	\$ 195,806.00	\$ 198,679.00
Operating	\$ 51,552.74	\$ 60,645.00	\$ 60,538.00	\$ 57,675.00
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 246,497.53	\$ 256,457.00	\$ 256,344.00	\$ 256,354.00

Information Technology

The Information Technology Department provides a wide array of services which support all departments through end-user client support, network infrastructure, software applications, and championing the use of technology to meet the County's needs.

FY2016-2017 RECOMMENDED BUDGET



BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 253,470.47	\$ 255,080.00	\$ 255,035.00	\$ 258,321.00
Operating	\$ 19,397.05	\$ 21,680.00	\$ 21,626.00	\$ 17,085.00
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 272,867.52	\$ 276,760.00	\$ 276,661.00	\$ 275,406.00

Public Buildings

Public Buildings is responsible for cleaning, utilities and maintenance of all County buildings. The FY2017 budget does include full funding of a fourth position created in FY2016 due to the opening of the Yadkin County Agricultural and Educational Building.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 143,074.12	\$ 145,705.00	\$ 145,648.00	\$ 199,670.00
Operating	\$ 131,717.65	\$ 175,100.00	\$ 221,858.00	\$ 233,405.00
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ 374,070.00	\$ 374,070.00	\$ 367,090.00
TOTAL	\$ 274,791.77	\$ 694,875.00	\$ 741,576.00	\$ 800,165.00

Sheriff

The Sheriff is elected by the citizens every four years and hires sworn deputies and other personnel to serve at his pleasure in the Sheriff’s Office, Communications, and Detention Center. He provides four School Resource Officers for the Yadkin County Public Schools and operates the Animal Control Program. The Sheriff’s budget also includes the Law Enforcement Officers’ Separation Allowance for sworn officers who retire and meet the criteria established in the North Carolina General Statutes. The FY2017 budget includes fully funding a Career Ladder Program and a Lieutenant position that was added due to the Classification and Pay Plan Study in FY2016.

FY2016-2017 RECOMMENDED BUDGET



BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 4,281,866.68	\$ 4,385,259.00	\$ 4,402,375.00	\$ 4,559,978.00
Operating Programs	\$ 1,050,718.34	\$ 993,760.00	\$ 1,007,085.00	\$ 1,069,555.00
Capital	\$ 117,732.37	\$ -	\$ -	\$ -
Debt Service	\$ 613,977.64	\$ 614,005.00	\$ 614,005.00	\$ 613,990.00
TOTAL	\$ 6,064,295.03	\$ 5,993,024.00	\$ 6,023,465.00	\$ 6,243,523.00

Emergency Services

Emergency Services provides Emergency Management, Emergency Medical Services and Fire Marshal services within the County. The FY2017 budget includes six additional paramedic positions allowing for a reduction in part-time salary. The budget also includes replacement of two ambulances and five lifepacks.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 2,482,620.61	\$ 2,623,190.00	\$ 2,621,255.00	\$ 2,711,532.00
Operating Programs	\$ 378,960.75	\$ 415,600.00	\$ 425,987.00	\$ 386,970.00
Capital	\$ 271,799.79	\$ 175,000.00	\$ 177,272.00	\$ 376,650.00
Debt Service	\$ 30,318.76	\$ 29,760.00	\$ 29,760.00	\$ 29,190.00
TOTAL	\$ 3,163,699.91	\$ 3,243,550.00	\$ 3,254,274.00	\$ 3,504,342.00

Building Inspections

Building Inspections operates Central Permitting in Yadkin County for all building inspections, new construction fire inspections and scheduled Environmental Health permits. The Director has delegated authority from the Human Services Director to supervise the Environmental Health Program.

BUDGET SUMMARY

FY2016-2017 RECOMMENDED BUDGET

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 226,619.33	\$ 243,690.00	\$ 243,639.00	\$ 249,031.00
Operating Programs	\$ 17,655.38	\$ 21,050.00	\$ 18,027.00	\$ 18,775.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 244,274.71	\$ 264,740.00	\$ 261,666.00	\$ 267,806.00

Medical Examiner

North Carolina General Statutes require counties to pay for services rendered by the North Carolina Medical Examiner as needed.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Operating	\$ 16,400.00	\$ 22,500.00	\$ 22,500.00	\$ 20,000.00

Animal Shelter

The Animal Shelter provides shelter and care for animals that are lost or in need of a home. The Shelter operates a Spay-Neuter Program in an effort to help reduce the stray animals within Yadkin County. The Shelter works with many rescue groups to help find forever homes for the animals that make their way to the Shelter.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 160,660.74	\$ 167,215.00	\$ 167,186.00	\$ 146,538.00
Operating Programs	\$ 69,960.04	\$ 64,555.00	\$ 87,061.00	\$ 58,505.00
Capital	\$ -	\$ 10,000.00	\$ 20,000.00	\$ -
Debt Service	\$ 30,218.04	\$ 29,660.00	\$ 29,660.00	\$ 29,090.00
TOTAL	\$ 260,838.82	\$ 271,430.00	\$ 303,907.00	\$ 234,133.00

FY2016-2017 RECOMMENDED BUDGET

Planning

Planning is responsible for planning and zoning within Yadkin County. Staff works closely with the Planning Board and Board of Adjustment. The FY2017 Budget recommends eliminating the vacant Planner position and includes the transfer of the GIS Administrator position from Tax.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 137,183	\$ 137,345	\$ 181,920	\$ 129,858
Operating	\$ 9,951	\$ 13,710	\$ 20,509	\$ 11,855
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 147,134	\$ 151,055	\$ 202,429	\$ 141,713

Cooperative Extension

Cooperative Extension is a cooperative effort between NC State, A&T University and counties. Employees are cost-shared between the State and the County to provide services to farmers, 4-H Clubs and many others within the County.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 149,024	\$ 155,120	\$ 155,119	\$ 150,627
Operating	\$ 19,741	\$ 12,780	\$ 14,814	\$ 13,200
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 168,765	\$ 167,900	\$ 169,933	\$ 163,827

Soil and Water Conservation District

Soil and Water Conservation District Board members are elected every four years and hire staff to assist citizens with erosion control, watershed areas and farm plans. The FY2017 budget includes \$160,000 of federal funding for professional services on our high risk watershed dams.

FY2016-2017 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 175,674	\$ 171,165	\$ 171,098	\$ 168,592
Operating Programs	\$ 37,724	\$ 50,190	\$ 220,868	\$ 151,170
Capital	\$ 15,026	\$ 16,500	\$ 12,315	\$ 16,500
Debt Service	\$ 638,088	\$ 638,115	\$ 638,115	\$ 638,100
TOTAL	\$ 866,512	\$ 875,970	\$ 1,042,396	\$ 974,362

Human Services Agency

Human Services is the consolidated agency that comprises Public Health and Social Services. Yadkin County consolidated administration and operations of these departments in February 2013, but continue to budget them separately due to State and Federal funding.

BUDGET SUMMARY

HEALTH	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 1,091,051	\$ 1,145,473	\$ 1,143,695	\$ 1,075,652
Operating Programs	\$ 254,038	\$ 314,543	\$ 330,818	\$ 306,752
Capital	\$ 14,821	\$ 12,168	\$ 26,068	\$ 20,800
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,359,909	\$ 1,472,184	\$ 1,500,581	\$ 1,403,204

SOCIAL SERVICES	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 3,381,473	\$ 3,353,880	\$ 3,331,034	\$ 3,549,641
Operating Programs	\$ 222,297	\$ 241,385	\$ 232,181	\$ 236,630
Capital	\$ 111,221	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 6,653,372	\$ 7,905,520	\$ 7,937,869	\$ 7,561,117

FY2016-2017 RECOMMENDED BUDGET



Veterans’ Services

Yadkin County has many citizens who have served our Country and are entitled to certain benefits and services. The Veterans’ Services’ Officer meets with veterans and helps them apply and receive these benefits and services.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 52,292	\$ 49,555	\$ 49,555	\$ 49,769
Operating	\$ 2,612	\$ 4,200	\$ 4,190	\$ 3,125
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 54,904	\$ 53,755	\$ 53,745	\$ 52,894

Hospital

The County has obtained the license for the hospital and has requested that it be considered a Legacy Medical Facility as authorized in North Carolina General Statutes so that it can be reopened within thirty-six months. A minimal staff has been retained to maintain the facility and medical records until it can reopen.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ -	\$ -	\$ 161,412.00	\$ 151,580.00
Operating	\$ -	\$ -	\$ 248,579.00	\$ 132,795.00
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ 409,991.00	\$ 284,375.00

Recreation

Parks and Recreation maintains all of the County parks, including Memorial Park and all of our river accesses. Staff also provides grounds maintenance for all County property.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 272,795	\$ 392,510	\$ 392,453	\$ 403,288
Operating	\$ 103,755	\$ 128,245	\$ 131,694	\$ 129,715
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ 9,273	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 376,550	\$ 520,755	\$ 533,420	\$ 533,003

Education

Education continues to represent approximately 19% of our local budget, with revenues pledged for the current expense and capital needs of the Yadkin County Public School System and the Surry Community College’s Yadkin Center. Although the State is responsible for funding the cost of school operations, the General Assembly continues to inadequately fund public schools.

The Yadkin County Board of Education has completed its FY2016-17 appropriation request. The Superintendent’s final request for \$6,534,346 has been submitted. This request reflected a \$229,496 or 4% increase. The Manager’s recommended budget for the Public School System is \$6,467,145, which reflects an overall \$162,295 or 3% increase. Part of the increase is a one-time appropriation of \$126,420 for Phase II of their light replacement project for the middle schools. The County in spring 2016 provided \$392,000 for Phase I of this project for the elementary and high schools. The light replacement project is estimated to save the schools \$94,668 annual energy costs at the elementary and high schools. It is further anticipated that the middle schools light replacements will save approximately \$27,623 annually in electrical bills. These savings are in addition to any additional materials and labor savings in maintaining the current lights.

The Yadkin County Board of Education anticipates a decrease of 42 students from the allotted average daily membership (ADM) in 2015-2016 and 71 students from Yadkin County attend a charter school or virtual academy that are not included in the ADM. They also anticipate a 3% salary increase for teachers and requested the same for locally funded employees.

Surry Community College requested a \$51,137 or 23% increase over the FY2015-2016 amount of \$228,688 for a total of \$279,825. Yadkin County and Surry Community

FY2016-2017 RECOMMENDED BUDGET



College will open the Yadkin County Agricultural and Educational Building in June 2016. Once opened, the County will assume grounds maintenance for the current Yadkin Center building, as well as the new one. This will save the Community College approximately \$50,000 in contractual services for maintenance. The Manager’s recommendation is flat for FY2016-2017 as the current year.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Public Schools Current	\$ 5,982,160	\$ 6,040,725	\$ 6,040,725	\$ 6,040,725
Public Schools Capital	\$ 390,000	\$ 264,125	\$ 264,125	\$ 300,000
Public Schools Lights	\$ -	\$ -	\$ 392,000	\$ 126,420
Public Schools Debt Serv	\$ 2,536,425	\$ 2,486,805	\$ 2,486,805	\$ 2,437,045
Surry Community College	\$ 228,688	\$ 228,688	\$ 228,688	\$ 228,688
EDUCATION TOTAL	\$ 9,137,273	\$ 9,020,343	\$ 9,412,343	\$ 9,132,878

Community Action Programs

The County assists various non—profit organizations within the County who provide services that the County would have to provide otherwise. Each non—profit agency receiving funding from the County will have a contractual relationship with the County to provide the services requested.

Yadkin Valley Economic Development, Inc. (YVEDDI) receives Home Community Care Block Grant (HCCBG) funds and ROAP Grant funds that are earmarked by the State for services to be provided in Yadkin County and are distributed to YVEDDI at the discretion of the Board of Commissioners. The HCCBG funds are distributed directly to YVEDDI, whereas the ROAP funds are sent to the County to be distributed. YVEDDI also operates three Senior Centers (Yadkinville, Yadkin Valley and East Bend). Citizens of Surry County also utilize the Yadkin Valley Center and Surry County shares in the funding of the Center, so the Yadkin County funding is reduced for that Center. The County is committed to providing home-delivered meals for senior citizens within the County and makes that a funding priority for YVEDDI.

Northwest Regional Library operates thirteen libraries in four counties (Alleghany, Stokes, Surry and Yadkin). They operate four libraries in Yadkin County (Yadkinville, East Bend, Boonville and Jonesville). Each Town contributes \$2,500 for the respective library within its township. In FY2016, the County paid 97.65% of total library operations within Yadkin County, while citizens living outside the four towns’

FY2016-2017 RECOMMENDED BUDGET



jurisdiction make up 84.39% of the population. The FY2017 budget recommends funding at the FY2016 revised budget level.

BUDGET

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
YVEDDI APPROPRIATION	\$ 65,804	\$ 65,804	\$ 65,804	\$ 74,841
ROAP EMPLOYMENT-YVEDDI	\$ 10,670	\$ 10,670	\$ 10,593	\$ 10,593
ROAP RGP-YVEDDI	\$ 56,837	\$ 56,837	\$ 63,892	\$ 63,982
YADKIN SENIOR CENTER	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500
YADKIN VALLEY SENIOR CENTER	\$ 39,500	\$ 39,500	\$ 39,500	\$ 19,750
EAST BEND SENIOR CENTER	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,500
FORESTRY CONTRIBUTION	\$ 50,008	\$ 51,225	\$ 51,225	\$ 51,225
ROAP EDTAP-YVEDDI	\$ 53,601	\$ 53,601	\$ 53,782	\$ 53,782
YADKIN VALLEY HERRITAGE	\$ 3,000	\$ -	\$ -	\$ -
YADKIN HOME PLACE	\$ 2,500	\$ -	\$ -	\$ -
YADKIN LIBRARIES	\$ 407,173	\$ 407,173	\$ 415,293	\$ 415,293
RICHMOND HILL LAW SCHOOL	\$ 10,000	\$ 7,500	\$ 7,500	\$ 7,500
ARTS COUNCIL	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500
COG PRETRIAL	\$ 88,826	\$ 88,835	\$ 88,835	\$ 91,135
RESCUE SQUAD	\$ 163,000	\$ 163,000	\$ 163,000	\$ 163,000
SALES TAX CONTRIB.TO VFD'S	\$ 149,250	\$ 150,000	\$ 150,000	\$ 150,000
TOTAL	\$ 1,196,670	\$ 1,190,645	\$ 1,205,924	\$ 1,197,601

While Mental Health is not funded in Community Action Programs budget, it is appropriate to discuss it here. The FY2017 recommends a reduction from FY2016's level of \$130,800 to \$126,000. Partners Behavioral Health (a multicounty organization) requested \$176,000, which included \$50,000 from the ABC Board for substance abuse services. Yadkin County does not have an ABC Board and those funds need to be requested directly from that Board, which is in Forsyth County.

Non-Departmental

Expenditures that benefit all departments are placed in the Non-Departmental Category. All software maintenance agreements and phone services (excluding the Sheriff's Office) have been moved to Non-Departmental to improve efficiencies in FY2017. This will provide better management of technology needs and funding levels. The FY2017 Non-Departmental budget includes a new line item for Performance. This

FY2016-2017 RECOMMENDED BUDGET



is reserved for the County Manager's performance evaluations she conducts on Department Directors she supervises. It also reduces the amount necessary for unemployment insurance. The State revamped the unemployment program and created a "reserve fund" for local governments to maintain at a certain level that is used for unemployment claims. This has been very cost effective and beneficial to Yadkin County.

BUDGET

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
PERFORMANCE	\$ -	\$ -	\$ -	\$ 5,760
UNEMPLOYMENT	\$ 28,040	\$ 50,000	\$ 1,665	\$ 20,000
PROFESSIONAL SERVICES	\$ 193,786	\$ 100,000	\$ 839,115	\$ 200,000
COUNTY ATTORNEY	\$ 118,164	\$ 129,000	\$ 119,850	\$ 129,000
RADIO CONSULTANT	\$ 93,347	\$ -	\$ -	\$ -
ANNUAL AUDIT	\$ 48,425	\$ 55,000	\$ 49,100	\$ 52,000
CONTRACTED SERVICES	\$ -	\$ 15,000	\$ 18,500	\$ 10,000
FRAUD HOTLINE	\$ 1,639	\$ 3,000	\$ 3,000	\$ 2,000
INSURANCE CONSULTING	\$ 52,358	\$ 55,000	\$ 49,880	\$ 55,000
PUBLIC RELATIONS	\$ 16,723	\$ 20,000	\$ 20,000	\$ 22,000
PARK IMPROVEMENTS	\$ 243,231	\$ 75,000	\$ 243,800	\$ 75,000
BANK SERVICE FEES	\$ 13,467	\$ 15,000	\$ 12,000	\$ 15,000
POOL VEHICLE MAINTENANCE	\$ 3,716	\$ 5,000	\$ 5,000	\$ 5,000
TELEPHONE	\$ -	\$ -	\$ -	\$ 54,840
TELEPHONE SYS.	\$ 28,802	\$ 30,000	\$ 22,300	\$ 30,000
SOFTWARE CONTRACT	\$ 144,098	\$ 158,240	\$ 162,340	\$ 214,780
MUNIS	\$ 1,000	\$ 20,000	\$ 2,000	\$ 20,000
DUES & SUBSCRIPTIONS	\$ 21,874	\$ 25,000	\$ 25,000	\$ 25,000
HR RESOURCES	\$ 4,516	\$ 5,000	\$ 5,000	\$ 5,000
CHRISTMAS HAM	\$ 16,424	\$ 16,500	\$ 16,500	\$ 16,500
TECHNOLOGY CAPITAL OUTLAY	\$ 185,108	\$ 185,000	\$ 205,000	\$ 150,000
RADIO EQUIPMENT UPGRADE	\$ 743,769	\$ -	\$ 6,000	\$ -
BUILDING IMPROVEMENTS	\$ -	\$ 50,000	\$ 66,150	\$ 15,000
CONTINGENCY	\$ -	\$ 50,000	\$ 9	\$ 40,034
TOTAL	\$ 1,958,486	\$ 1,061,740	\$ 1,872,209	\$ 1,161,914

Transfers to Other Funds

The County transfers funds to other funds, such as the Capital Projects Fund as needed. The transfer in the FY2017 Budget is for the grant matches for the Trails Grant received in FY2016 and in anticipation of being awarded the PARTF Grant for Phase II of Memorial Park. The significant reduction in FY2017 is due to the Lease Agreement with the Town of Yadkinville for the County’s water and sewer lines that they have operated and maintained for many years. This Agreement eliminated the General Fund transfer to the Water and Sewer Fund.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ -	\$ -	\$ -	\$ -
Operating	\$ 4,169,085	\$ 579,515	\$ 721,415	\$ 322,068
Programs	\$ -	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 4,169,085	\$ 579,515	\$ 721,415	\$ 322,068

EMERGENCY TELEPHONE FUND

Expenditures in this Fund are restricted to those authorized by North Carolina General Statute and approved by the NC 911 Board. These expenditures are managed by the Sheriff’s Office for its Communications Center.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel				
Operating	\$ 93,594	\$ 132,500	\$ 132,500	\$ 122,700
Programs				
Capital	\$ 349,074	\$ 5,000	\$ 5,000	\$ 114,930
Debt Service				
TOTAL	\$ 442,668	\$ 137,500	\$ 137,500	\$ 237,630

LAW ENFORCEMENT SPECIAL REVENUE FUND

Revenues in this Fund can only be spent on certain expenditures for law enforcement as determined by the Federal Department of Justice. These expenditures are managed by the Sheriff's Office.

BUDGET

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Operating	\$ -	\$ 5,000	\$ 5,000	\$ 6,000

FIRE SERVICE DISTRICTS FUND

The Board of Commissioners is authorized by North Carolina General Statutes to create Fire Service Districts and to levy property taxes and set the tax rate within those districts. The Fire Departments completed budget documents and most of them were complete, but we did have to ask for additional information.

FIRE DEPARTMENTS TAX RATE

Fire Department	Current	Requested	Recommended Rate
Arlington	0.08	0.08	0.08
Boonville	0.0725	0.0825	0.0725
Buck Shoals	0.05	0.05	0.05
Courtney	0.08	0.08	0.08
East Bend	0.0675	0.0675	0.0675
Fall Creek	0.06	0.06	0.06
Forbush	0.07	0.07	0.07
Lone Hickory	0.0750	0.0750	0.0750
West Yadkin	0.0875	0.0875	0.0875
Yadkinville	0.0650	0.0700	0.0650

SOLID WASTE ENTERPRISE FUND

The Solid Waste Fund generates revenue from the Solid Waste Household Fee and fees

FY2016-2017 RECOMMENDED BUDGET

generated at the Transfer Station located at the Solid Waste Facility. The County also operates seven Collection Sites strategically located for convenience within the County.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 324,314	\$ 274,776	\$ 274,776	\$ 228,053
Operating Programs	\$ 1,657,555	\$ 1,781,800	\$ 1,809,251	\$ 1,730,395
Capital	\$ 40,134	\$ -	\$ -	\$ 11,000
Debt Service				
TOTAL	\$ 2,022,003	\$ 2,056,576	\$ 2,084,027	\$ 1,969,448

WATER AND SEWER ENTERPRISE FUND

The Water and Sewer Fund is to operate the water and sewer lines owned by the County. Effective July 1, 2016, the Town of Yadkinville will lease the water and sewer lines they have been maintaining and operating for many years. The FY2017 Budget only includes the revenues and expenditures for the Highway 21 waterline. The personnel costs include the ORC of the waterline, whose time is shared equally with Environmental Health, as well as hiring a back-up ORC to work as needed.

BUDGET SUMMARY

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
Personnel	\$ 15,255	\$ 18,905	\$ 18,905	\$ 35,432
Operating Programs	\$ 287,487	\$ 342,000	\$ 342,000	\$ 102,370
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ 199,500	\$ 199,500	\$ -
TOTAL	\$ 302,742	\$ 560,405	\$ 560,405	\$ 137,802

SELF INSURANCE INTERNAL SERVICE FUND

This fund services the employees' health insurance administration and claims and is funded from all County departments. It also includes the Employee Wellness Clinic that will open in FY2017.

BUDGET

	FY2015 Actual	FY2016 Original Budget	FY2016 Revised Budget	FY2017 Recommended Budget
CLAIMS	\$ 2,511,887	\$ 2,178,214	\$ 2,178,214	\$ 1,647,302
FIXED COSTS	\$ 282,872	\$ 316,219	\$ 316,219	\$ 328,911
YMCA PARTNERSHIP	\$ 3,221	\$ 21,117	\$ 21,117	\$ 15,717
EMPLOYER \$500	\$ 105,629	\$ 115,000	\$ 115,000	\$ 115,000
EMPLOYEE CLINIC	\$ -	\$ -	\$ -	\$ 300,000
ADMIN SVCS	\$ 3,680	\$ 25,000	\$ 25,000	\$ 3,000
TOTAL	\$ 2,907,289	\$ 2,655,550	\$ 2,655,550	\$ 2,409,930