

FY2022 RECOMMENDED BUDGET

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217 E. Willow Street
Yadkinville, NC



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INTRODUCTION

Welcome to the County of Yadkin's Annual Recommended Budget for Fiscal Year 2021-2022. The intent of this document is to convey what county government is doing to maintain the quality of life within Yadkin County, as well as the improvements we are making within our community.

The budget serves four basic functions for County Commissioners, staff, citizens of Yadkin County and others. First, a policy document 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 spent and what is 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.

Yadkin County staff remains 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 programs, safety and service. We embrace growth and innovation while fostering the environment where all live, work and play.

The strategic areas designed by the County Commissioners to fulfill the County vision include:

- Protecting the Financial Position of the County,
- Expanding Water and Sewer,
- Developing a Comprehensive Economic Development Plan,
- Continuing to Work with the Yadkin County Public Schools and Surry Community College,
- Expanding the Parks and River Accesses in the County,
- Reviewing County Properties for Need and Improvements, and
- Measuring performance to ensure service effectiveness.

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.



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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 expenditures. 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. A special revenue fund is a fund established to account for revenues that are restricted for a specific use or expenditure. 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



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allocate costs internally among the functions of the County of Yadkin. The County uses an Internal Service Fund to account for its employees' health insurance in the Self-Insurance Fund.

FUNDS SUBJECT TO APPROPRIATION BY CATEGORY

The *General Fund (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 *American Rescue Plan (Fund 20)* was created to account for federal funds received through The American Rescue Plan Act of 2021, enacted in March 2021 to provide additional financial assistance to state and local governments with the impact of the COVID pandemic on operations and the economy.

The *CARES Act Fund (Fund 22)* was created to account for the Coronavirus Aid, Relief, and Economic Security Act that was enacted in September 2020 by Congress to provide financial assistance during the COVID pandemic.

The *Occupancy Tax Fund (Fund 23)* includes the collection of occupancy taxes within the Yadkin District (excludes the Towns of Jonesville and Yadkinville) and the distribution to the Occupancy Tax (TDA) Trust Fund.

The *Emergency Telephone Fund (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 *Fire Service Districts' Funds (Funds 50-59)* are property tax revenues that are generated from individual tax levies for each of the ten fire districts within Yadkin County. There are two types of fire districts in Yadkin County: Rural Fire Protection Districts and Fire Service Districts. Arlington, Buck Shoals and West Yadkin Districts are Rural Fire Protection Districts that were created by petition and voted upon by their property owners. Boonville, Courtney, East Bend, Fall Creek, Forbush, Lone Hickory and Yadkinville Districts were created by the Board of County Commissioners. The Board of



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Commissioners currently serves as the governing body of each district and has a contractual arrangement with local non-profit fire departments to provide the 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 *Federal Law Enforcement Fund (Fund 73)* represents revenues of the Sheriff's Office related to cases that have been taken to the Federal level for prosecution, and the funds are restricted in how they may be spent.

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

The *Tourism Development Department (Fund 78)* is the operating fund for the county Tourism Development Agency operated through the Chamber of Commerce. The funding for this program correlates to Fund 23 where the County records collections of the occupancy tax.

The *Fines and Forfeitures Fund (Fund 79)* reflects funds collected through the Clerk of Court that by statute are directed to be submitted to the Public School System.

The *Social Services' Custodial Fund (Fund 82)* is the former trust account maintained for individuals that the Human Services Director serving as the Social Services Director is the legal custodian of the individuals' finances.

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. Yadkin County has a modest capital budget that is funded annually within the operating budget, with major capital projects being authorized through specific project ordinances.

Below is the next five years of the County's Ten-Year Capital Improvement Plan.

Department	Project	21-22	22-23	23-24	24-25	25-26
Animal Shelter	Automatic gate			10,000		
	Generator				50,000	
	Pave parking lot		40,000			
	Redo kennel surfaces					50,000



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Central Permitting	Vehicle- new position-lease	3,000				
Emergency Services	Ambulance	260,150	260,000	225,000	440,000	230,000
	Ambulance cots		22,000	23,000	23,000	23,000
	Cardiac monitor lease		400,000			
	Radio replacements		3,000	3,000	3,000	3,000
	Fire Marshal turnout gear		4,000			
	Outpost		350,000		350,000	
	Outpost upgrades	500	5,000	5,000	5,000	1,000
Information Technology	Desktop PCs/laptops	37,500	10,000	10,000	10,000	10,000
	GIS & Tax plotters		8,000	8,000		
	Switch upgrades		30,000	30,000	30,000	30,000
	Mobile data terminals	8,500	8,000	8,000	8,000	8,000
	Control heads virtual world	45,000				
	Security cameras	3,750				20,000
	Tax software	233,260				
Parks and Recreation	Ball field repair		25,000	15,000	10,000	
	Concession stand		55,000			
	Dip sediment from Lake Hampton	25,000		25,000		25,000
	Fence for pool					15,000
	Gator	15,000		15,000		
	Lighting of fields		200,000	100,000		
	Motor boat at Memorial Park		20,000			
	Mower		12,500		10,000	
	Parking lot at Memorial Park		25,000			
	Parking lot at Yadkin County Park	55,000				
	Pave parking lots and road into park		31,000			
	Phase III Memorial Park			500,000		
	Pool lanes and holder				5,500	
	Reel mower to mow athletic fields		15,000			
	Rental boats	5,000		5,000		
	Restoration of barn			25,000		
	Restoration of house		25,000			



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	Soccer goals	7,500				
	Tractor			45,000		
	Truck		30,000		30,000	
	Yadkin County Park		50,000			
Public Buildings	Building improvements	30,000	30,000	30,000	30,000	30,000
	Energy improvements	5,000	5,000	5,000	5,000	5,000
	Flooring replacements	10,000	10,000	10,000	10,000	10,000
	HVAC replacements	10,000	50,000	50,000	50,000	50,000
	Parking lot improvements	73,000	50,000	50,000	50,000	50,000
	Truck-replacement-lease		3,000			
	Roof replacements	20,000	30,000	30,000	30,000	30,000
Sheriff's Office	Vehicle replacement		200,000	205,000	210,000	215,000
	Detention Center SWC hardware		90,000			
	Evidence garage HVAC		10,000			
	AFIS fingerprinting machine		35,000			
	Generator replacement					
	Radio upgrade to VIPER		1,000,000	1,000,000	500,000	
Soil & Water	No-till drill		22,500		22,500	
	Tractor tires	4,000				5,000
	Watershed program structures	60,000	165,000	181,500	199,650	219,615
	GENERAL FUND GRAND TOTAL	911,160	3,329,000	2,613,500	1,581,650	1,029,615
Solid Waste	AST used oil container		5,000			
	Collection site renovations	5,000	5,000	5,000	5,000	5,000
	Metal recycling area	30,000				
	Equipment...skid steer		55,000			
	Replace/repair dumpsters	5,740	6,000	6,000	5,000	5,000
	Facility/road improvements	40,000				
	Scale house renovations		125,000			2,000
	SOLID WASTE FUND GRAND TOTAL	80,740	190,000	11,000	10,000	12,000
Water & Sewer	Brooks Crossroads sewer		3,500,000			
	Lake Hampton water plant			7,000,000		
	Waterline repairs-hydrants, meters, etc.	5,000	5,000	5,000	5,000	5,000
	WATER & SEWER FUND GRAND TOTAL	5,000	3,505,000	7,005,000	5,000	5,000



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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. The County currently has one (1) on-going Capital Project: the construction of the new Sheriff's Administration Building. This project's completion date is in June 2021.

BUDGET PREPARATION AND ADOPTION

The Budget Process typically begins with the Commissioners' Budget Retreat held in January or February 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. However, due to the impact of COVID and the release of the COVID vaccine in late December, the Board of Commissioners did not hold a budget retreat for FY2022. The Board receives a financial summary monthly and stays abreast of the County's financial position.

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. Department Directors were provided a number that reflected their average of actual expenditures over the last five years as a target number for their budget requests. Once departmental budget requests are submitted, the County Manager reviews them and their justifications. The Manager prepares a recommended budget and makes revisions 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 General 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 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 provide input on the budget. In accordance with North Carolina General 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



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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 FY2022 BUDGET

Event	Date
Budget direction given to Department Directors	January 26, 2021
Departmental and Outside Agency budget requests due	March 26, 2021
Budget Submission to the County Commissioners	May 17, 2021
Public Hearing on Budget at County Commissioners Meeting	June 10, 2021
Budget Adoption	June 2021



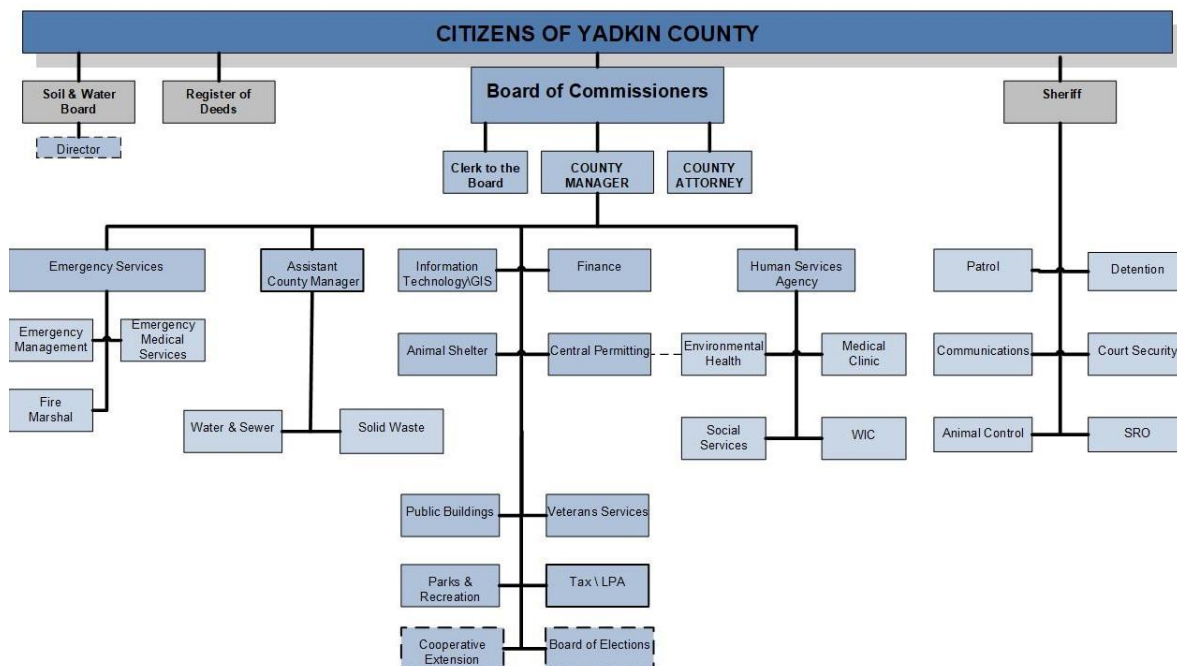
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BUDGET AMENDMENT PROCESS

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 \$5,000 or less within a department. Any funds transfer greater than \$5,000 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.

ORGANIZATIONAL 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



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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. Applications 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 the Board of Commissioners for consideration before application is made. Any awarded



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funds will be accepted only after Commissioners review and approve them. 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. Assigned fund balances lapse at the end of the fiscal year unless these assignments are extended.



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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 and Yadkin Center of Surry Community College. 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 capital assets is set at \$5,000. The threshold will be applied to individual capital 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



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preparation of financial statements that conform to generally accepted accounting principles (GAAP).

Access to the Financial System is made available to Department Directors and other staff for the continuous monitoring of revenues and expenditures. Emphasis is placed on internal budgetary and financial controls with regard to the financial system for the purposes of maintaining proper checks and balances. The County has an annual independent audit performed by a certified accounting firm that issues an opinion of the annual financial statements that are required by the Local Government Budget and Fiscal Control Act.

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

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Transmittal Letter

May 17, 2021

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

I am pleased to present you and the citizens of the County of Yadkin with the Recommended Budget for the fiscal year beginning July 1, 2021 and ending June 30, 2022. 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, excluding the Internal Service Fund) is \$49,961,779.

This year's Recommended Budget does include new funds compared to FY2021: CAREs Act Fund, American Rescue Plan Fund, Federal Law Enforcement Fund, Representative Payee Custodial Fund, and Fines & Forfeitures Fund. The CAREs Act Fund and American Rescue Plan Fund are related to federal funds received in response to the COVID-19 pandemic. The Federal Law Enforcement Fund is at the request of the Department of Treasury to separate federal funds from state funds for recording drug seizure funds. Lastly, the Representative Payee Custodial Fund and the Fines & Forfeitures Fund have previously been accounted for in trust funds, but GASB 84 has required them to be reported as special revenue funds.

The General Fund is the largest component of this total with expenditures of \$38,445,879, an increase of 3.2% or \$1,206,091 above the current adopted amount of \$37,239,788. The approval of this budget does not require any tax increase to the ad valorem rate which will remain at \$0.66 per \$100 assessed value.

It is recommended that the "rainy day fund" or General Fund unassigned fund balance, be appropriated for certain one-time expenses rather than recurring expenses. The FY2022 Recommended Budget includes a fund balance appropriation of \$1,756,000 to balance this budget. This amount is approximately \$244,000 less than the amount appropriated in the FY2021 Adopted Budget that totaled \$2,000,000.

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



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REVENUE HIGHLIGHTS

Ad Valorem Tax

The Tax Administrator's real and personal property's assessed value as of May 14, 2021 for FY2022 is approximately \$2,445,230,154, which is \$35,952,034 less than the \$2,481,182,188 as of May 13, 2020 in FY2021. This budget anticipates the values will increase as the Tax Office updates listings during May and recommends leaving the tax rate at \$0.66 per \$100 of assessed value. The FY2022 anticipated values at a 97.39% collection rate will produce an estimated \$17,600,000 in revenue. This projected revenue is flat compared to FY2021.

Tag & Tax Together requires motorists to pay their motor vehicle taxes at the same time they pay their vehicle registration. Under this structure, the taxes are not levied until the bills are issued. The motor vehicle assessed value as of May 14, 2021 for FY2022 is \$337,585,324 at a collection rate of 100% will produce an estimated \$2,200,000 in revenue.

The budget also projects approximately \$553,000 in prior year taxes and \$190,000 in interest and penalties.

Sales Tax

The FY2022 budget estimates sales tax revenue at \$8,404,616, an increase of \$1,492,216 from the FY2021 adopted budget of \$6,912,400. This number is significantly higher for two reasons. First, from an accounting perspective, it includes the Medicaid Hold Harmless amount the County receives due to the loss of Article 44 sales tax that was in exchange for the State assuming the administrative cost of Medicaid that counties used to be responsible for. This number is \$650,000 in the total sales tax revenue above for FY2022 and was \$450,000 in FY2021.

The remaining Articles of sales tax that the County receives is estimated to be \$7,754,616 in FY2022 compared to \$6,462,400 budgeted in FY2021. This reflects an increase of \$1,292,216. The FY2021 budget contained a 10% reduction in sales tax over FY2020's budget due to the unknown impact of COVID-19 on the economy as Governor Cooper had closed restaurants and other businesses, putting a strain on the local economy. Yadkin County's sales tax collections were not negatively impacted. However, it is still unknown on whether the increase in sales tax will sustain or decline over the next twelve (12) months. Sales taxes are collected by retailers in February and submitted to the NC Department of Revenue (NCDOR) in March. During the month of April, the NCDOR reviews the sales taxes and prepares distribution to local governments. This distribution is not known to local governments until it is received in May; three months after it was generated in retail. So, we are cautiously optimistic that the sales tax will sustain at the current level, yet conservative with the estimate for FY2022.



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BUDGET PREPARATION

In developing the FY2022 recommended budget, the strategies used to balance the budget included:

- Moderate revenue estimates
- Controlled expenditures to continue core services
- Use of fund balance to balance the budget

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

- Protecting the Financial Position of the County,
- Continuing to Work with the Yadkin County Public Schools and Surry Community College,
- Expanding the Parks and River Accesses in the County,
- Reviewing County Properties for Need and Improvements, and
- Measuring performance to ensure service effectiveness.

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 budget that aligned with current department priorities and service delivery.

Yadkin County has been very fortunate, even during economic downturns, to maintain its strong revenue base and has not been negatively impacted.

EXPENDITURE HIGHLIGHTS

Continuing Core Services

Our workforce is the backbone to the continuation of high-quality services to our community. The County currently has 24 of its 270 full-time positions vacant. The Recommended Budget includes a 5% adjustment to our Classification and Pay Plan, implemented with current employees by a 2.5% salary increase or pay grade adjustment effective July 1, 2021 and a 1.5% of salaries' per department for performance increase or career ladder advancement effective January 1, 2022.

The Local Government Retirement System increased local governments required contributions for employees working more than 1,000 hours within a calendar year and this has significantly impacted the FY2022 Budget, as it did the FY2021 budget. This System is managed by a Board established through the State Treasurer's Office. This Board planned



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a stepped increase in local government contributions to the system and for FY2022, the percentages are 11.56% for general employees and 12.04% for sworn law enforcement officers, increased from 10.22% and 10.84% respectively. The impact across all County funds is \$1,415,940 in FY2022 up from \$1,183,293 in FY2021, an increase of \$232,647 in the FY2022 budget.

The County is partially self-insured for health insurance in that the County pays employee claims rather than paying a premium to an insurance company to assume all liability and has a stop-loss or reinsurance plan that caps claims at \$125,000 per occurrence, thereby reducing County costs for insurance further. Being self-insured provides the County more control and opportunities to improve employees' health, while saving county tax dollars. The County also provides health insurance to eligible retirees at the same rate as active employees. The FY2022 Recommended Budget includes funding health insurance for retirees in the amount of \$333,607, a \$13,798 decrease from FY2021. Eligible retirees are covered until they qualify for Medicare. The County added a new benefit in FY2017 for County employees and retirees by providing an Employee Wellness Clinic that is open five (5) days per week. Full-time employees covered under the County's Health Insurance plan are not required to use sick leave or to pay a co-pay, as the medical visits are not filed on County insurance, rather the visits are paid through a not-to-exceed flat contract with an independent third-party vendor. Employees who are not covered by the County's Health Insurance Plan are required to pay \$20.00 per visit to the Clinic. Employees are encouraged to have a health risk assessment conducted and to utilize the Wellness Clinic to meet their medical needs. By reducing the number of claims processed by our third-party claims' administrator, the fee for this service continues to be flat, allowing the County to better control the overall cost of providing health insurance to employees. While most entities face 10% and 12% increases annually for health insurance, the County has managed to control health insurance increases for several years. However, due to a few high claims in FY2021 and increased stop-loss premium, it is necessary to increase the cost by \$60 to \$8,460 or 3.1% per employee for FY2022. Overall, this is a \$57,583 increase to the FY2022 budget. It should be noted that this increase also includes providing health insurance for five (5) new positions.

The FY2022 budget also reflects a slight increase in workers' compensation due to increased claims and new positions. The amount budgeted for workers compensation in FY2022 is decreasing from the FY2021 budgeted amount, but is an increase from the actual amount of \$246,079. The budget amount for FY2022 is \$270,780. Property/liability insurance is increasing 4.75% from \$188,246 in FY2021 to \$197,185 in FY2022. Previously, cyber insurance was included in the property/liability insurance, but due to cybersecurity issues impacting local governments, it is now an additional \$5,000 premium. The County



FY2021-2022 RECOMMENDED BUDGET

is a member of the North Carolina Association of County Commissioners' Risk Management Pool for workers' compensation and property/liability insurance.

The increases in health insurance, local government/law enforcement retirement, workers' compensation insurance and property/liability insurance combined totals \$284,244, almost equal to one cent of the property tax rate.

Additional funding is needed to continue core services at current levels. Many of these services require capital expenditures to ensure staff has the proper resources to complete their jobs safely and effectively. Some of these initiatives include the following:

- Implementation of new tax appraisal and collections software \$233,260
- Laserfiche digital storage for the Sheriff's Office

The Sheriff's Administration Building should be completed in June 2021 and the FY2022 includes the additional operational expenses for this building as well as the reduction of the Criminal Investigations / Detectives' building operations as they will relocate into the current Sheriff's building.

Vehicle Replacement

The County purchases vehicles other than ambulances and DSS vehicles in the Vehicle Replacement Fund. On average, we have replaced five (5) Sheriff's vehicles annually and other vehicles as needed. The Sheriff requested to replace five (5) vehicles, Emergency Services requested to replace one (1) ambulance and the Operations' Manager's vehicle. It is presented to the Board of Commissioners to appropriate existing fund balance in FY2021 to the vehicle replacement fund to replace the Sheriff's requested vehicles and the Operations Manager's vehicle. It will also be recommended to include two (2) additional vehicles for the Sheriff's Office for the recommended two (2) night shift deputy positions requested by the Sheriff. Due to the special needs of public safety vehicles, it is preferred to purchase these vehicles rather than lease them. COVID-19 has impacted the automotive industry and it takes longer to receive vehicles regardless if they are purchased or leased. The FY2022 Recommended Budget also includes leasing a vehicle for Soil & Water and one for Central Permitting. Soil & Water will transfer a 2009 Chevrolet 1500 with 147,000 miles to Parks & Recreation to replace a 2002 F-350 with 196,000 miles that the County purchased used from the NC Forestry Office in 2012. The vehicle for Central Permitting will be a new lease for the new Code Enforcement Officer position.

Not Included

A number of worthwhile service expansions and new modifications were requested and reviewed as part of our efforts to propose a conservative and spending plan for next year. Additional requests from various County departments and outside agencies that are not



FY2021-2022 RECOMMENDED BUDGET

included totaled \$684,461. Department Directors were conservative with their requests and stayed as close to the provided budget number as much as possible. The items not included in the Recommended Budget include new positions, fire simulator equipment for fire extinguisher training, travel and other minor items that will not negatively impact service delivery.

We have attempted to balance Commissioners' priorities with available resources, minimizing the impact on our citizens, taxpayers and the services we provide for them.

American Rescue Plan Fund

This fund accounts for the allocation made by Congress to assist state and local governments as we recover from the COVID pandemic. Yadkin County will receive a total of \$7,316,373 divided equally into two (2) payments, one to be received in FY2021 and the other received 12 months later in FY2022.

CAREs Act Fund

This fund accounts for Coronavirus Aid, Relief, and Economic Security Act funds received to provide financial assistance during the COVID pandemic through FY2022. This fund will have \$330,000 available for spending in FY2022.

Occupancy Tax Fund

This fund accounts for the occupancy tax that is levied for overnight stays in hotels, bed and breakfasts, cottage rentals, etc. The funds collected are disbursed to the Tourism Development Authority for expenditures related to promoting Yadkin County to visitors. The occupancy tax collections for FY2022 are estimated to be \$27,500.

Emergency Telephone Fund

Revenues and expenditures are restricted in this fund for communications related to citizens' ability to call 911 for emergency assistance. The State 911 Board has decreased revenue to Yadkin County from \$246,870 in FY2021 to \$169,976 in FY2022. Expenditures in the Fund are restricted to those approved by the State 911 Board.

Federal Law Enforcement Fund

The Federal Law Enforcement Fund, as the restricted revenues and expenditures come from Federal law enforcement drug cases. It is always unknown if the County will receive any funds through this program, but for budgetary purposes, \$2,000 is budgeted in FY2022.

Law Enforcement Fund

The Law Enforcement Fund is budgeted at \$8,000 in FY2022, as the restricted revenues and expenditures come from State law enforcement drug cases.



FY2021-2022 RECOMMENDED BUDGET

Tourism and Development

This is a trust account maintained for the Chamber of Commerce to operate the Tourism Development Authority utilizing Occupancy Tax collections accounted for in the Occupancy Tax Special Revenue Fund. The Tourism Development Authority has an adopted budget of \$68,475.

Fines and Forfeitures Fund

The Fines and Forfeitures Fund is anticipated to receive \$150,000 from the Clerk of Superior Court to pass through to the Yadkin County Public Schools in FY2022.

Social Services Custodial Fund

This is a special revenue fund to manage custodial funds received by Human Services as the Representative Payee for clients. It is anticipated that this account will be \$365,000 in FY2022.

Enterprise Funds

Solid Waste

The Solid Waste budget increased \$27,500, or 1.1% from \$2,571,300 in FY2021 to a recommended FY2022 budget of \$2,598,800. The costs for the transfer station, collection site pick-ups and recycling have been increasing more than the revenues annually, making it difficult to keep this fund self-sustaining. In addition, the cost of recycling has drastically increased across the United States. The FY2022 Budget does not include a fund balance appropriation.

Water and Sewer

The Water and Sewer Fund continues to be self-sustaining. The water and sewer lines in the Yadkinville area are leased to the Town of Yadkinville and no expense is budgeted for these lines. Revenues for the Highway 21 waterline are based upon the water rates set by the Town of Jonesville and the expenditures are based upon the water purchase contract between the Town and the County and the County's cost to maintain the line. The County also owns and operates the East Bend waterline. The revenues for this line are estimated on the usage by the Town of East Bend, as well as approximately 37 other users and the expenditures are based upon the water purchase contract between the Winston-Salem/Forsyth County Utilities Commission, the County's cost to maintain the line and the debt service for construction of the line. The budget does include one supervisor and one operator for the waterlines. The Water and Sewer budget for FY2022 is \$572,945, a decrease of \$2,805 from FY2021's budget of \$575,750. The FY2022 budget does include a fund balance appropriation of \$201,205. This fund balance was part of the commitment made by the Board of Commissioners to lessen the cost of operations of the East Bend waterline and reduce the rates charged to the Town of East Bend and lessen their financial



FY2021-2022 RECOMMENDED BUDGET

burden. It is also noted that the County has been placed on the “Distressed Water System” list by the Local Government Commission and the State Water Infrastructure Authority in late spring 2021. It is anticipated that this designation will provide grant opportunities to extend water infrastructure to gain customers or to connect systems. We will learn more during an orientation session in June 2021.

COUNTY FEES

The Recommended Budget for FY2022 is based on minimal changes to the Fee Schedule and the Fee Schedule will be submitted June 7, 2021 for the Board’s consideration.

COMMITMENT

The County is committed to creating financial resiliency in preparation for the opportunities to grow, expand and enhance services in the months and 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, as well as expenditures that may be placed upon us, 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 thank the County Commissioners for their leadership and their commitment to quality services for our community. I would also like to commend County department leaders for making conservative requests. Last, but not least, thank you to Lindsey Cearlock, Drew Hinkle, and Brittany Allen for assisting with the budget process.

The FY2022 Recommended Budget is now presented to the Board of Commissioners for consideration. We, as staff are prepared to support you and answer any questions you may have as you consider these recommendations.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Lisa L. Hughes".

Lisa L. Hughes
Yadkin County Manager



FY2021-2022 RECOMMENDED BUDGET

REVENUE AND EXPENDITURE SUMMARY

Operating	Revenues	Expenditures
General Fund	\$ 34,645,759	\$ 34,645,759
Occupancy Tax	\$ 27,500	\$ 27,500
Emergency Telephone Fund	\$ 169,976	\$ 169,976
Law Enforcement Fund	\$ 8,000	\$ 8,000
CAREs Fund	\$ 330,000	\$ 330,000
American Rescue Plan	\$ 7,316,373	\$ 7,316,373
Representative Payee Custodial	\$ 365,000	\$ 365,000
Federal Law Enforcement	\$ 2,000	\$ 2,000
Fines & Forfeitures	\$ 150,000	\$ 150,000
Solid Waste Fund	\$ 2,598,800	\$ 2,598,800
Water and Sewer Fund	\$ 369,805	\$ 369,805
Subtotal	\$ 45,958,519	\$ 45,958,519
Debt Service		
General Fund	\$ 3,800,120	\$ 3,800,120
Water and Sewer Fund	\$ 203,140	\$ 203,140
Subtotal	\$ 4,003,260	\$ 4,003,260
TOTAL ALL FUNDS	\$ 49,961,779	\$ 49,961,779

GENERAL FUND BUDGET SUMMARY (Including Interfund Transfers)

	FY19-20 Actual	FY20-21 Budgeted	FY20-21 Revised	FY21-22 Recommended	Variance FY21 to FY22
Revenues					
Property Tax	\$ 20,549,401	\$ 20,348,500	\$ 19,886,439	\$ 20,554,000	1.0%
Local Sales Tax	\$ 8,725,784	\$ 6,912,400	\$ 7,567,000	\$ 8,404,616	21.6%
Other Revenue	\$ 8,472,462	\$ 7,978,888	\$ 8,373,758	\$ 7,731,263	-3.1%
Appropriated Fund Balance	\$ -	\$ 2,000,000	\$ 2,585,528	\$ 1,756,000	-12.2%
Total	\$ 37,747,646	\$ 37,239,788	\$ 38,412,725	\$ 38,445,879	3.2%
Expenditures					
Governing Body	\$ 77,205	\$ 76,130	\$ 79,630	\$ 80,885	6.2%
Administration	\$ 495,744	\$ 496,815	\$ 512,173	\$ 521,560	5.0%
Finance	\$ 199,531	\$ 207,835	\$ 215,500	\$ 234,590	12.9%
Tax	\$ 744,863	\$ 749,575	\$ 765,489	\$ 797,580	6.4%



FY2021-2022 RECOMMENDED BUDGET

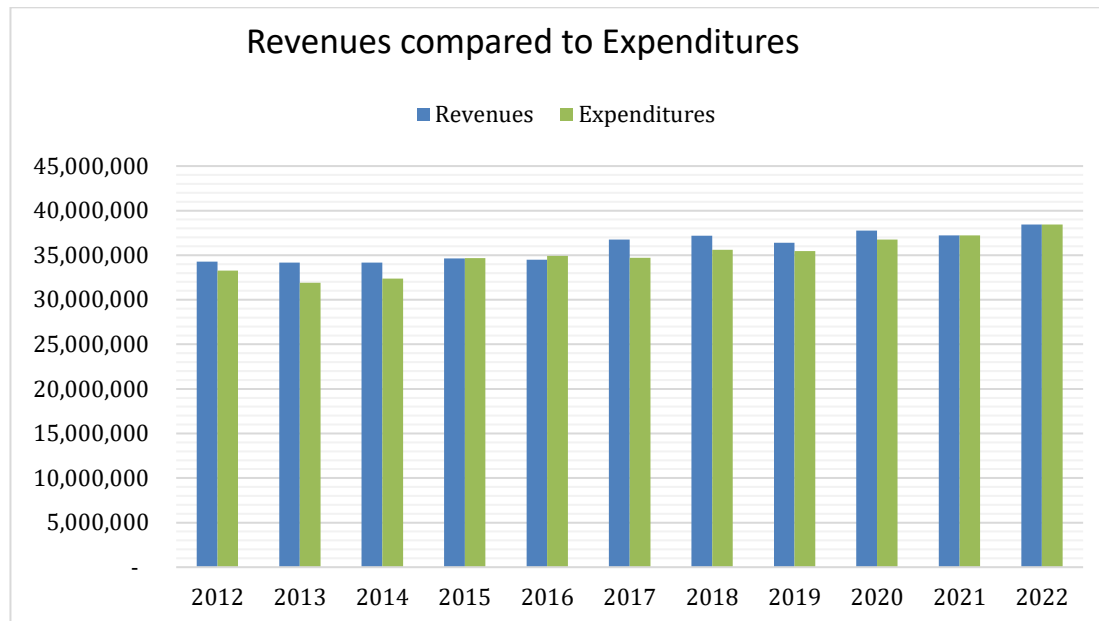
License Plate Agency	\$ 87,978	\$ 89,320	\$ 91,728	\$ 105,175	17.8%
Court Facilities	\$ 50,351	\$ 53,000	\$ 60,000	\$ 45,000	-15.1%
Elections	\$ 192,982	\$ 219,283	\$ 336,108	\$ 207,940	-5.2%
Register of Deeds	\$ 256,699	\$ 256,827	\$ 260,395	\$ 283,723	10.5%
Information Technology	\$ 340,516	\$ 348,252	\$ 364,557	\$ 377,730	8.5%
Transfers to Other Funds	\$ 1,004,347	\$ 147,510	\$ 153,967	\$ -	-100.0%
Public Buildings	\$ 464,317	\$ 491,915	\$ 557,522	\$ 559,785	13.8%
Sheriff	\$ 5,825,185	\$ 6,320,000	\$ 6,496,946	\$ 6,579,727	4.1%
Emergency Services	\$ 3,286,973	\$ 3,553,480	\$ 3,722,120	\$ 3,810,793	7.2%
Fire Marshal	\$ 136,707	\$ 138,510	\$ 141,132	\$ 201,465	45.5%
Building Inspections	\$ 372,485	\$ 401,865	\$ 443,666	\$ 419,830	4.5%
Medical Examiner	\$ 27,000	\$ 26,000	\$ 36,000	\$ 36,000	38.5%
Animal Shelter	\$ 236,734	\$ 246,885	\$ 261,689	\$ 275,113	11.4%
Economic Development	\$ 143,500	\$ 76,500	\$ 76,500	\$ 101,500	32.7%
Cooperative Extension	\$ 167,175	\$ 225,055	\$ 236,793	\$ 230,085	2.2%
Soil and Water Conservation	\$ 253,607	\$ 306,180	\$ 312,382	\$ 308,650	0.8%
Health	\$ 1,407,856	\$ 1,524,640	\$ 1,596,041	\$ 1,597,487	4.8%
Mental Health	\$ 118,000	\$ 118,000	\$ 118,000	\$ 118,000	0.0%
Juvenile Crime Prevention	\$ 145,374	\$ 168,019	\$ 206,450	\$ 201,333	19.8%
Social Services	\$ 5,271,605	\$ 5,796,146	\$ 5,932,235	\$ 5,953,910	2.7%
Community Action Programs	\$ 1,143,284	\$ 1,156,834	\$ 1,167,334	\$ 1,075,754	-7.0%
Veteran Services	\$ 49,489	\$ 57,190	\$ 59,918	\$ 60,320	5.5%
Public Schools	\$ 7,717,379	\$ 7,468,511	\$ 7,468,511	\$ 7,577,228	1.5%
Community College	\$ 392,801	\$ 391,000	\$ 426,000	\$ 431,000	10.2%
Hospital	\$ 219,989	\$ 222,932	\$ 224,900	\$ 192,265	-13.8%
Recreation	\$ 542,792	\$ 570,825	\$ 654,111	\$ 677,121	18.6%
Non-Departmental	\$ 1,104,463	\$ 1,177,394	\$ 1,419,411	\$ 1,584,210	34.6%
Debt Service	\$ 4,297,938	\$ 4,157,360	\$ 4,157,360	\$ 3,800,120	-8.6%
Total	\$ 36,774,868	\$ 37,239,788	\$ 38,554,568	\$ 38,445,879	3.2%

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FY2021-2022 RECOMMENDED BUDGET

The chart below shows the relationship between the General Fund's actual revenues and expenditures for the last ten (10) years and the recommended FY2022 revenues and expenditures.



FUNDS AND FUND BALANCES

The Budget Message highlights the following funds: General Fund, CAREs Act Fund, Emergency Telephone (E911) Fund, Occupancy Tax Fund, Fire District Funds, Solid Waste Enterprise Fund and the Water and Sewer Enterprise Fund.

Each of these fund types has its own specific legal and accounting requirements. Appropriations lapse at year-end in 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 and to pay expenditures in the early part of the fiscal year before revenues are received.

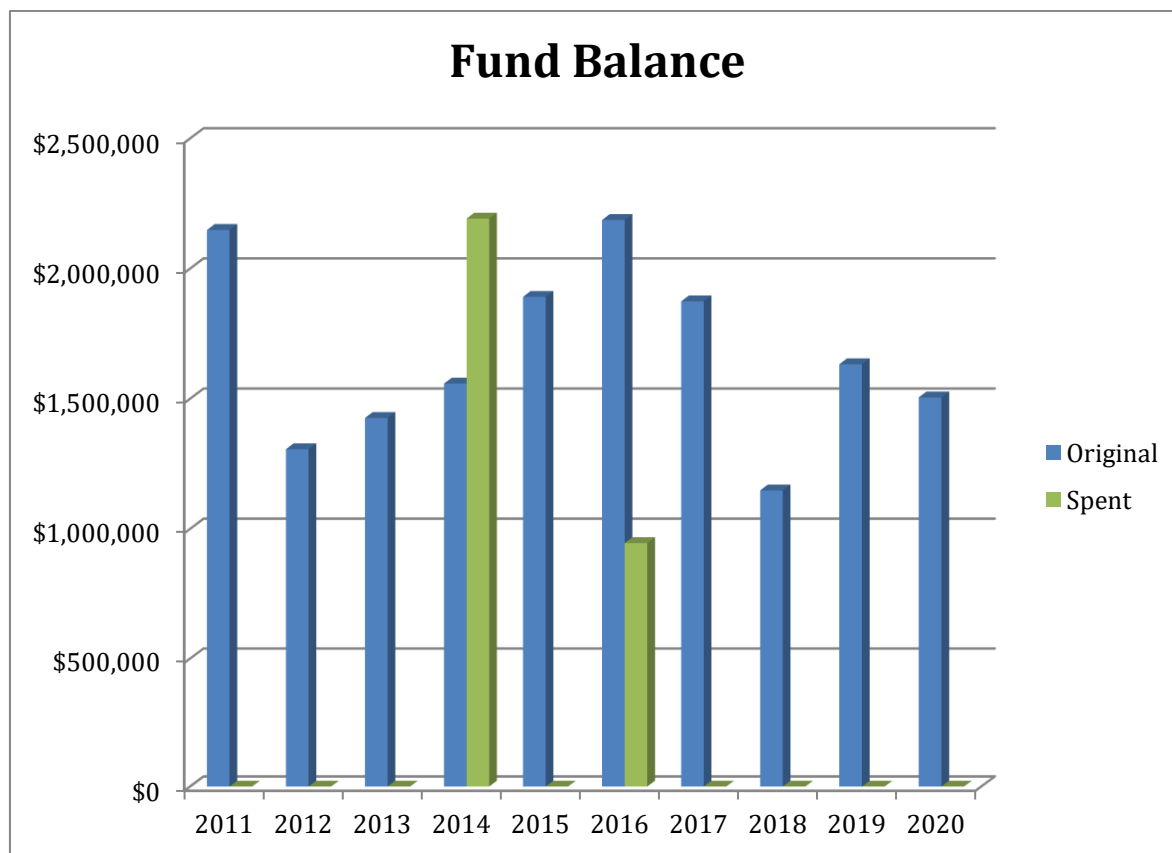
General Fund

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, 2020 was \$9,951,129 or 27.06% 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. The appropriated fund balance in the General Fund for FY2022 is \$1,756,000, a decrease of \$244,000 over the appropriated \$2,000,000 in



FY2021-2022 RECOMMENDED BUDGET

FY2021. While these amounts have been appropriated to balance the budget, revenues and expenditures have been so that the fund balance has not actually been used. The graph below shows the appropriated fund balance adopted in each budget for the last ten (10) fiscal years, as well as the couple of years fund balance was strategically used.



CAREs Act Special Revenue Fund

The FY2022 Recommended Budget includes the remainder of the CAREs Act revenues in the amount of \$330,000. These funds were received in FY2020 and continue to be available through December 31, 2024. As of June 30, 2020, \$861,280 remained unspent of the \$862,854 received. FY2021 had additional revenues received and the bulk of these were spent during FY2021 to mitigate the COVID-19 pandemic.

Occupancy Tax Special Revenue Fund

This special revenue fund receives all occupancy tax collections. It is a pass through fund to the Tourism Development Authority to promote tourism and therefore does not have a fund balance.

Emergency Telephone System Special Revenue Fund

The projected Emergency Telephone System (911) revenue recommended in this budget is \$169,976. The Emergency Telephone Fund's fund balance as of June 30, 2020 was



FY2021-2022 RECOMMENDED BUDGET

\$363,243, an increase of \$103,025 over the FY2019 amount of \$260,218. Due to the increased fund balance, the State 911 Board decreased the revenue for Yadkin County in FY2022 to \$169,976 from \$246,870 in FY2021.

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 calls coming into the Communications Center.

Law Enforcement Special Revenue Fund

This fund previously included both State and Federal revenues as they pertain to drug seizure funds. The fund balance as of June 30, 2020 was \$200,709. This fund has been revised to only include State revenues with an estimated budget of \$8,000 for FY2022. The Federal Law Enforcement Special Revenue Fund was established in FY2021 and has an estimated budget of \$2,000 for FY2022.

Fire Districts' Special Revenue Funds

Each of the Fire Districts has its own special revenue fund to track the property tax and sales taxes received. The County enters into annual contracts with various fire departments to provide fire protection services in each of the fire districts. The contracts advance payment to the fire departments at the beginning of each quarter and fund balance in each of the district funds is used for cash flow purposes or if estimated revenues are not sufficient to fulfill the terms of the annual contract, as well as any potential financial need of a fire department when their operating funds are tight and they have been good stewards of taxpayer dollars. As of June 30, 2020, collectively, there was a fund balance of \$99,798.

Solid Waste Enterprise Fund

The recommended FY2022 budget for the Solid Waste Enterprise Fund is \$2,598,800 representing a 1.07% or \$27,500 increase over the FY21 budget of \$2,571,300.

This budget does not include a fund balance appropriation from the Solid Waste Enterprise Fund. As of June 30, 2020, the Solid Waste Enterprise Fund's net position balance was \$268,766 a decrease of \$14,813 from FY2019's \$283,579.

Water & Sewer Enterprise Fund

The FY2022 Water and Sewer Fund budget totals \$572,945. This budget is a \$2,805 decrease from the FY2021 original budget of \$575,750. The net position of the Water & Sewer Fund decreased \$410,991 in FY2020 to \$7,118,164 from \$7, 529,155 in FY2019. The FY2022 budget uses an appropriation of fund balance in the amount of \$201,205 that reflects the intentional expenditure to ease the financial burden on the Town of East Bend to pay the required rates for the East Bend Waterline.



FY2021-2022 RECOMMENDED BUDGET

AUTHORIZED POSITION LISTING

The authorized position listing (full-time equivalent or FTE) summarizes the net changes in positions for the fiscal years 2021 and 2022 budgets. Animal Shelter, Elections, Emergency Services, Human Services, Recreation, Sheriff's Office and Solid Waste use additional non-benefitted part-time employees within their appropriated part-time salaries budget that are not included in the position listing.

During FY2021 a few key positions were created including a COVID Paramedic who was vital to our citizens during the height of the coronavirus and transitioned to the vaccination phase providing homebound citizens easy access to the vaccine. This position is transitioning to a Community Paramedic. Also added was the Emergency Services Assistant Director, one Park worker, one Solid Waste benefitted part-time position and the transfer of the Juvenile Crime Prevention Council's Administrative Assistant from Wilkes County.

	FY21 Actual		FY22 Requested		FY22 Recommended	
	FT	PT-B	FT	PT-B	FT	PT-B
Administration	6	0	6	0	6	0
Finance	3	0	3	0	3	0
Tax	13	0	13	0	13	0
Elections	2	0	2	0	2	0
Register of Deeds	3	1	3	1	3	1
Information Technology	5	0	6	0	5	0
Public Buildings	5	0	6	0	6	0
Sheriff	86	0	88	0	88	0
Emergency Services	43	0	44	0	44	0
Central Permitting	5	0	6	0	6	0
DJJDP	0	1	0	1	0	1
Animal Shelter	3	0	3	1	3	1
Soil & Water	3	0	3	0	3	0
Health	20	2	21	2	21	2
Social Services	59	3	62	2	59	3
Veterans	1	0	1	0	1	0
Hospital	2	0	1	0	1	0
Recreation	7	0	7	0	7	0
Solid Waste	3	5	3	6	3	6
Water and Sewer	2	0	2	0	2	0



FY2021-2022 RECOMMENDED BUDGET

As you can see in the table above several departments requested additional positions in the FY2022 budget. The County has several key employees eligible for retirement who plan to retire within the next few years and we have started succession planning for those positions. Of the County's 270 full-time positions, 24 are currently vacant.

The Register of Deeds has had a vacant benefitted part-time Deputy Register of Deeds position open since the retirement of a long-term employee in September. This position has been 20 hours per week, but it requested to be increased to 32 hours per week. The FY2022 Recommended Budget includes this request.

Information Technology requested an additional Network Specialist position, but it is not recommended at this time. In the past, the Department has had great success utilizing interns from the Yadkin County Public Schools. In addition, there is a new collaborative between the Public Schools and Surry Community College, called Surry-Yadkin Works. This is an apprenticeship program and the County has designated \$30,000 in the FY2022 budget to participate in this program. Interns from the Public Schools and apprentices through Surry-Yadkin Works would benefit them, as well as the Information Technology Department.

Public Buildings requested that the custodian assigned to the Yadkin Medical Campus (Hospital) be transferred to the Public Buildings' budget as this employee is responsible for cleaning other buildings in addition to the hospital facility. It was also requested that one of the three custodians be re-classified to a Custodial Crew Leader and that reclassification is also included in the Recommended Budget.

The Sheriff requested two (2) additional deputy positions to work night shift. During the day hours, there is sufficient personnel available to assist on calls, but at night there are only three (3) deputies on duty and the towns also have reduced availability. Due to safety reasons, these additional deputy positions are needed are included in the FY2022 Recommended Budget.

Emergency Services requested a Deputy Fire Marshal position. The Deputy Fire Marshal is needed to assist the Fire Marshal in conducting required fire inspections and fire investigations. At last count, there were 1,604 businesses within the county that require a fire inspection ranging from every six (6) months to once every three (3) years. In addition, there are 321 inspections that are out of date and 572 businesses that were never inspected prior to 2010. There are also life-safety violations that require re-inspection in ten (10) days. The Fire Marshal also has to be available for fire investigations. While there are on average 39 investigations per year in the last ten (10) years, a qualified individual has to be available to conduct the investigations. There has been an increase if fires this year, nineteen (10)



FY2021-2022 RECOMMENDED BUDGET

since January 1. Per North Carolina General Statutes, currently, the State Bureau of Investigation, County Fire Marshal's Office and local law enforcement are authorized to conduct fire investigations once the Fire Chief has completed their investigation to determine the cause. Investigations may also be at the request of private insurance investigators. These investigations may take four (4) hours or four (4) months or longer. A certified fire investigator does not work alone, they work alongside sworn law enforcement officers, with each having their own special training needed to conduct the work. Having a Deputy Fire Marshal would increase the availability of staff to complete required inspections, as well as the fire investigations. Adding this position does not relieve the Fire Marshal of any responsibilities, but will ensure that more buildings/businesses throughout the county are safe and investigations are conducted in a timely manner.

The Central Permitting Director conducts inspections as well as fulfilling all administrative duties. Central Permitting includes Code Enforcement and Zoning Enforcement. The Central Permitting Director is responsible for all administrative duties, but also works out in the field conducting inspections and assists Environmental Health employees as needed. To continue the strong leadership within this Department, it is recommended that an additional Code Enforcement Officer (Building Inspector) position be created and the cost will be offset by the reduction of a part-time temporary employee.

The Animal Shelter has three full-time employees who rotate being on-call and utilizes part-time employees on week-ends and holidays to clean and feed the animals, as well as assisting with special adoption events. It has been requested to increase the hours of one of the part-time employees to 32 and become a benefitted part-time employee to work mostly on weekends, fill-in when full-time employees are out and to assist with special events. This position is included in the FY2022 Recommended Budget.

Soil & Water Conservation requested to re-classify one Soil & Water Technician position to an Administrative Assistant position to assist with the paperwork they must maintain. This is at a lower pay-grade, so it is a cost savings. Continuing with the succession plan, it was requested to pay the Assistant Parks & Recreation Director a stipend to assist with Soil & Water Conservation. The two departments work under the same Director and work well together overlapping their work at times. The Recommended Budget includes both of these requests.

Parks and Recreation also asked to reclassify one of the Grounds Maintenance Workers to a Grounds Maintenance Crew Leader and that is included in the Recommended Budget.

Human Services requested reclassifications of one (1) part-time benefitted position in the Health Division, one (1) title reclassification in the Health Division and three (3) new



FY2021-2022 RECOMMENDED BUDGET

positions in the Social Services Division. The reclassification of the Lab Tech in Health is recommended due to the increased workload demand at the Medical Clinic. The reclassification of the Health Educator to a Health Education Specialist is not recommended at this time. The full-time Human Services Technician (In-Home Aid) is included in the Recommended Budget as Yadkin County's population is getting older and this service is not dependent upon financial eligibility or insurance. It is also recommended that the On-Call Child Protective Services position be changed to a Child Protective Services position that works a normal schedule rather than an on-call schedule. The additional Foster Care position and Child Protective Services position are not recommended at this time. Medicaid Transformation is also taking effect in FY2022 and transportation services will be billed through the Managed Care Organization (MCO), therefore decreasing the duties of one Eligibility Worker in the Social Services Division, resulting in a reclassification of that position to a part-time position (20 hours per week).

Solid Waste requested an additional benefitted, part-time position. Needs have been identified within the Department that requires more people at the Landfill at times and to be at the convenience sites at other times. Adding this additional part-time person (22 hours per week) will provide the flexibility needed to provide more efficient services at the convenience sites and landfill.

Overview

In an effort to focus on effectiveness and efficiencies of programs, the FY2022 budget includes Performance Measures for each department. The measures are to be qualitative and relative to service delivery and are unchanged from FY2021, due to the impact COVID had on this country since March 2020.

GENERAL FUND REVENUE ESTIMATE

Revenues	FY2020 Actual	FY2021 Original	FY2022 Recommended
Property Tax	\$ 20,549,400	\$ 20,348,500	\$ 20,554,000
Local Sales Tax	\$ 8,863,976	\$ 6,912,400	\$ 8,404,616
Fees & Permits	\$ 2,871,562	\$ 2,648,700	\$ 2,664,000
Intergovernmental	\$ 5,066,132	\$ 5,210,418	\$ 4,948,661
Other	\$ 396,575	\$ 119,770	\$ 118,602
App. Fund Balance	\$ -	\$ 2,000,000	\$ 1,756,000
Total	\$ 37,747,646	\$ 37,239,788	\$ 38,445,879



FY2021-2022 RECOMMENDED BUDGET

Property Taxes

Property Taxes are the largest revenue source for the General Fund at approximately 54% representing \$20.55 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 97.39% collection rate for Property and a 100% collection rate for Motor Vehicles.

The County's real and personal property tax base is expected to total approximately \$2,540,783,912. Motor Vehicle property is projected to be approximately \$337,585,324.

Local Sales Tax

The FY2022 budget estimates sales tax revenue at \$8,404,616, an increase of \$1,492,216 from the FY2021 adopted budget of \$6,912,400. This amount also includes the Medicaid Hold Harmless amount the County receives, which is estimated to be \$650,000 in FY2022. The County receives this funding in exchange for losing the Article 44 sales tax in 2009 when the State assumed administration for Medicaid. The sales tax collections totals \$7,754,616, an increase of \$1,292,216 from FY2021 which was a 10% decrease from FY2020's budgeted amount.

Fees and Permits

This revenue category includes the anticipated revenues for items including: building permits, recreational fees and facility rentals, and represents a 0.58% or \$15,300 increase over FY2021's amount of \$2,648,700 for an estimate of \$2,664,000 in FY2022. Fees and Permits make up 6.93% of total revenues.

Intergovernmental

The total for Intergovernmental Revenues represents approximately 12.87% of the County's anticipated total revenues or \$4,948,661. These revenues include state grants, state allotments for Public Health and Social Services, utility franchise taxes, beer and wine taxes, video programming tax, court fees, and local jurisdictions contributions. The FY2022 intergovernmental revenue estimate reflects a \$261,757 or 5.02% decrease from FY2021. The County continues to see a decrease in funding from the Federal and State governments for Social Services and Health programs.

Other Revenue

Other revenue includes miscellaneous revenue sources in the amount of \$118,602, a \$1,168 decrease over FY2021's estimate of \$119,770.

Appropriated Fund Balance

Appropriated fund balance in the amount of \$1,756,000 is included for one-time expenditures and to balance the budget.



FY2021-2022 RECOMMENDED BUDGET

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 Commissioner receiving the fewest votes serves a two-year term.

All official actions of the County Commissioners are taken at public meetings. The Board of 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

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 63,331.05	\$ 63,555.00	\$ 64,785.00
Operating	\$ 13,873.66	\$ 12,575.00	\$ 16,100.00
TOTAL	\$ 77,204.71	\$ 76,130.00	\$ 80,885.00

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, Finance Officer, 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, Human Resources/Risk Management and an Events Planner for the Agricultural & Educational Building's Banquet Rooms.

Performance Measures:

1. 99% of all phone calls received will be answered by the second ring.
2. Respond to 95% of all complaints within 24 hours.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY 2019 Actual	FY 2020 Original	FY 2021 Recommended
Personnel	\$ 464,381.22	\$ 472,780.00	\$ 493,010.00
Operating	\$ 31,362.96	\$ 24,035.00	\$ 28,550.00
TOTAL	\$ 495,744.18	\$ 496,815.00	\$ 521,560.00

Finance

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

Performance Measures:

1. The Finance Department will reconcile bank accounts within ten (10) days of receiving the bank statements.
2. The Finance Department will prepare payroll 100% of the time with 95% being error free.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 183,556.15	\$ 189,835.00	\$ 212,680.00
Operating	\$ 15,974.82	\$ 18,000.00	\$ 21,910.00
TOTAL	\$ 199,530.97	\$ 207,835.00	\$ 234,590.00

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 FY2013. The Tax Office also operates the License Plate Agency.

Performance Measures:

1. Increase the real and personal property tax collection rate to greater than 98%.
2. Process 100% of transactions received from the Register of Deeds Office within 24 hours.
3. Have no more than five (5) errors per month in the License Plate Agency.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 679,860.60	\$ 698,830.00	\$ 756,615.00
Operating	\$ 152,980.72	\$ 140,065.00	\$ 146,140.00
TOTAL	\$ 832,841.32	\$ 838,895.00	\$ 902,755.00

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

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 50,350.61	\$ 53,000.00	\$ 45,000.00
TOTAL	\$ 50,350.61	\$ 53,000.00	\$ 45,000.00

Department of Juvenile Justice, Delinquency and Prevention/JCPC

The North Carolina Department of Juvenile Justice, Delinquency and Prevention provides funding to local Juvenile Crime Prevention Councils to fund local programs to assist juveniles in the judicial system. The funding received by the County from the Department of Juvenile Justice is distributed to the programs monthly. Programs funded through the JCPC do request the County provide the required 20% match. JCPC funds are also used for administrative purposes for all four (4) counties in our Judicial District and they do not require a match. Yadkin County assumed the responsibility for the financial administrative duties during FY2021 and the FY2022 budget includes revenues from the other three (3) counties for this purpose. The funded programs include the Temporary Shelter, Why Try? Teen Court and Restitution, all provided by The Children's Center of Northwest NC. The operating funds listed below include those received from the State and the County match.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 145,374.00	\$ 168,019.00	\$ 201,333.00
TOTAL	\$ 145,374.00	\$ 168,019.00	\$ 201,333.00



FY2021-2022 RECOMMENDED BUDGET

Elections

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

Performance Measures:

1. Increase voter participation in One-Stop voting by 2%.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 123,045.73	\$ 130,665.00	\$ 131,090.00
Operating	\$ 69,936.57	\$ 88,618.00	\$ 76,850.00
TOTAL	\$ 192,982.30	\$ 219,283.00	\$ 207,940.00

Register of Deeds

The Registrar of Deeds is elected by the citizens every four (4) years and hires Deputy Registrars to serve as appropriate to fulfill his statutory obligations.

Performance Measures:

1. Return 100% of all documents "walked in" or submitted electronically immediately after recording.
2. Return 100% of all documents mailed-in within 24 hours of receipt.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 198,733.94	\$ 201,117.00	\$ 227,508.00
Operating	\$ 57,965.03	\$ 55,710.00	\$ 56,215.00
TOTAL	\$ 256,698.97	\$ 256,827.00	\$ 283,723.00

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.



FY2021-2022 RECOMMENDED BUDGET

Performance Measures:

1. Respond to 100% work orders entered into the system within 24 hours.
2. Resolve 90% of network issues within 24 hours.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 333,488.76	\$ 339,252.00	\$ 367,210.00
Operating	\$ 7,027.55	\$ 9,000.00	\$ 10,520.00
TOTAL	\$ 340,516.31	\$ 348,525.00	\$ 377,730.00

Public Buildings

Public Buildings is responsible for cleaning, utilities, maintenance and debt service of County buildings.

Performance Measures:

1. Respond to 100% work orders entered within 24 hours.
2. Resolve 90% of work orders within 48 hours.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 243,412.63	\$ 257,115.00	\$ 312,690.00
Operating	\$ 220,904.84	\$ 234,800.00	\$ 247,095.00
Debt Service	\$ 346,150.55	\$ 339,175.00	\$ 332,200.00
TOTAL	\$ 810,468.02	\$ 831,090.00	\$ 891,985.00

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. Currently, 43 of his employees are sworn officers. He provides four School Resource Officers for the Yadkin County Public Schools and operates the Animal Control Division. The Sheriff's budget also includes the Law Enforcement Officers' Separation Allowance for sworn officers who retire and meet the criteria established by the North Carolina General Statutes.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 4,722,238.95	\$ 5,111,760.00	\$ 5,234,202.00
Operating	\$ 1,102,945.77	\$ 1,201,740.00	\$ 1,345,525.00
Capital	\$ -	\$ 6,500.00	\$
Debt Service	\$ 797,471.03	\$ 975,880.00	\$ 969,085.00
TOTAL	\$ 6,622,655.75	\$ 7,295,880.00	\$ 7,548,812.00

Emergency Services

Emergency Services provides Emergency Management, Emergency Medical Services and Fire Marshal services within the County. The capital expenditure is to replace one (1) ambulance.

Performance Measures:

1. Have wheels rolling 80% of the time within 90 seconds on emergent calls.
2. Decrease hospital turnaround time to 90 minutes 70% of the time.
3. Have 100% of all level one-year and two-year fire inspections current by June 30, 2021.
4. Improve Fire Marshal inspections' collections to 85%.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 2,823,409.86	\$ 3,051,955.00	\$ 3,309,133.00
Operating	\$ 380,497.66	\$ 414,035.00	\$ 442,975.00
Capital	\$ 219,772.75	\$ 226,000.00	\$ 260,150.00
Debt Service	\$ 27,469.16	\$ 13,525.00	\$ -
TOTAL	\$ 3,451,149.43	\$ 3,705,515.00	\$ 4,012,258.00

Central Permitting

Central Permitting in Yadkin County includes all building inspections, minimum housing code enforcement in Boonville and East Bend, new construction fire inspections, planning services and scheduled Environmental Health permits. The Director has delegated authority from the Human Services Director to supervise the Environmental Health Program.



FY2021-2022 RECOMMENDED BUDGET

Performance Measures:

1. Maintain a substantiated complaint rate of less than 1 per 1,000 permits issued.
2. Respond to 98% of all customer complaints within 24 hours.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 393,581.75	\$ 382,800.00	\$ 395,100.00
Operating	\$ 18,930.82	\$ 19,065.00	\$ 24,730.00
TOTAL	\$ 412,512.57	\$ 401,865.00	\$ 419,830.00

Medical Examiner

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

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 27,000.00	\$ 26,000.00	\$ 36,000.00

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.

Performance Measures:

1. 100% of eligible animals leaving the Shelter are spayed/neutered, micro-chipped and current on their rabies vaccinations prior to adoption.
2. Increase adoption rates by 2%.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 173,195.25	\$ 175,560.00	\$ 192,913.00
Operating	\$ 63,538.86	\$ 71,325.00	\$ 82,200.00
Debt Service	\$ 27,377.91	\$ 13,480.00	\$ -
TOTAL	\$ 264,112.02	\$ 260,365.00	\$ 275,113.00



FY2021-2022 RECOMMENDED BUDGET

Economic Development

The County contracts with the Economic Development Partnership to provide economic development services to encourage growth, business development, industrial growth, retail development throughout the County. The FY2022 budget recommends funding for operations and funding for future projects. In accordance with North Carolina General Statutes, a public hearing will be held on the appropriation of county funds for economic development the same night as the County's Budget Public Hearing on June 10th.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 76,500.00	\$ 76,500.00	\$ 76,500.00
Programs	\$ 67,000.00	\$ -	\$ 25,000.00
TOTAL	\$ 143,500.00	\$ 76,500.00	\$ 101,500.00

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.

Performance Measures:

1. Increase the number of local training opportunities for farmers and other agricultural/horticultural professionals by 5%.
2. Increase the number of local workshops and development opportunities for youth by 10%.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 160,184	\$ 212,455	\$ 216,035
Operating	\$ 6,991	\$ 12,600	\$ 14,050
TOTAL	\$ 167,175	\$ 225,055	\$ 230,085

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. Yadkin County also provides office space for several Federal employees of the Natural Resources Conservation Service. Debt Service is for the Hood-Chamberlain Dam.



FY2021-2022 RECOMMENDED BUDGET

Performance Measures:

1. Work with landowners to ensure that water quality issues within Yadkin County are addressed within 72 hours.
2. Complete regular maintenance and inspections of the 15 watershed structures annually.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 171,393	\$ 189,235	\$ 205,070
Operating	\$ 82,214	\$ 116,945	\$ 103,580
Debt Service	\$ 638,088	\$ 638,095	\$ 638,095
TOTAL	\$ 891,695	\$ 944,275	\$ 946,745

Human Services Agency

Human Services is the consolidated agency comprised of 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. Both divisions share Administrative staff and their time is estimated in both Divisions' budgets.

Performance Measures:

1. 95% of all screened-in child protective services referrals will be initiated within the federally required timeframe.
2. 95% of all foster youth will have face to face contact made by a social worker monthly.
3. Paternity establishment performance will exceed 50% at the end of the State fiscal year.
4. 90% of eligible WIC clients will meet the NC WIC Program processing standards for enrollment.
5. 90% of all eligible twelve-year old children served by the Medical Clinic with a status of active in NCIR will have documentation of a TDAP vaccination.
6. 100% of all food and lodging inspections will be completed in accordance with guidelines set forth by the NC Division of Environmental Health.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

HEALTH	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 1,104,398	\$ 1,214,566	\$ 1,281,063
Operating	\$ 303,457	\$ 310,074	\$ 316,424
TOTAL	\$ 1,407,856	\$ 1,524,640	\$ 1,597,487
SOCIAL SERVICES	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 3,554,115	\$ 3,639,057	\$ 3,824,897
Operating	\$ 218,976	\$ 220,675	\$ 221,580
Programs	\$ 1,487,531	\$ 1,936,414	\$ 1,907,433
Capital	\$ 10,982	\$ -	\$ -
TOTAL	\$ 5,271,605	\$ 5,796,146	\$ 5,953,910

Mental Health

Yadkin County citizens receive mental health, developmental disability and substance abuse services through Partners Behavioral Health. Partners currently serves nine (9) counties in North Carolina (Burke, Catawba, Cleveland, Gaston, Iredell, Lincoln, Rutherford, Surry and Yadkin) with several counties in the process of joining this local management entity.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 118,000	\$ 118,000	\$ 118,000

Veterans' Services

Yadkin County has many citizens who have served our Country and are entitled to certain benefits and services. The Veterans' Services Officer assists county veterans with these benefits and services and recruits more services to the county in the new Veterans' Center.

Performance Measures:

1. Submit applications with less than 11% being returned with errors.
2. Achieve 98% wins on appeals cases.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 48,041	\$ 55,545	\$ 57,165
Operating	\$ 1,447	\$ 1,645	\$ 3,155
TOTAL	\$ 49,489	\$ 57,190	\$ 60,320

Hospital

The County has retained 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. This status was extended for an additional thirty-six months. A minimal staff has been retained to maintain the medical records, both paper and radiology. Parts of the facility have been leased to medical and behavioral health agencies and the County has one employee assigned to the facility to monitor the usage of it and to assist visitors as needed.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 88,853.31	\$ 92,632.00	\$ 54,375.00
Operating	\$ 131,135.48	\$ 130,300.00	\$ 137,890.00
TOTAL	\$ 219,988.79	\$ 222,932.00	\$ 192,265.00

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. Memorial Park's East Entrance opened in FY2021 as Phase 2 of the Park was completed and FY2022 will be the first full year of its operations.

Performance Measures:

1. Promote the primitive campsites so that 80% of them are reserved when they are open.



FY2021-2022 RECOMMENDED BUDGET

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 393,142	\$ 419,772	\$ 525,555
Operating	\$ 112,405	\$ 151,053	\$ 151,566
Capital	\$ 37,244	\$ -	\$ -
TOTAL	\$ 542,792	\$ 570,825	\$ 677,121

Education

Education continues to represent approximately 21% 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 debt service for the Public Schools increases the portion of the County's budget to 25.6% for Education.

The Yadkin County Board of Education has completed its FY2022 appropriation request. The Superintendent's final total request for \$7,577,228 has been submitted. This request reflected a \$108,717 or 1.5% increase. The Manager recommends the Public Schools be funded at this level.

The Board of Education requested funding in FY2021 for the Surry-Yadkin Works apprenticeship program that is a partnership with Surry Community College and the schools districts in Surry County. The program started in January 2021 and was funded for 6 months. The request this year includes funding the program for the entire FY2022 year and is included in this Recommended Budget.

Yadkin County Public Schools were impacted by the Governor's Executive Order in March 2020 that made all public schools systems in the state go virtual. While it presented challenges, it also presented opportunities. The school system received Federal CAREs Act funding directly and were able to use these funds for needs, saving local funding as much as possible. This savings are used in FY2022 to balance their budget. In addition, they have received addition ESSER funds to offset future expenditures, primarily in capital needs.

Of the total amount, \$7,326,228 is in current expense and \$251,000 is in capital outlay.

Surry Community College requested \$324,000, which is a \$23,000 or 7.39% increase from FY2021. The Recommended Budget includes a flat budget for the Community College at \$311,000. The County continues to offer the Yadkin Guarantee to encourage young adults to further their training and education and increased the amount to \$120,000 for FY2022. The Guarantee is a scholarship program for Yadkin County students enrolled at the Yadkin



FY2021-2022 RECOMMENDED BUDGET

Center in a curriculum program and will pay the difference between tuition and other scholarships the student(s) have been awarded.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Public Schools Current	\$ 7,146,494	\$ 7,217,959	\$ 7,326,228
Public Schools Capital	\$ 319,516	\$ 250,552	\$ 251,000
Public Schools Special Cap	\$ 251,369	\$ -	\$ -
Public Schools Debt Service	\$ 2,461,382	\$ 2,177,205	\$ 1,860,740
Surry Community College	\$ 311,000	\$ 311,000	\$ 311,000
Yadkin Guarantee	\$ 81,801	\$ 80,000	\$ 120,000
Total	\$ 10,571,561	\$ 10,036,716	\$ 9,868,968

Community Action Programs

The County assists various non-profit organizations within the County that provide services 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 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. YVEDDI also operates three Senior Centers (Yadkinville, Yadkin Valley and East Bend). Citizens of Surry County 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. YVEDDI requested an increase in funding for home-delivered meals and to provide funding for the Retired Senior Volunteer Program. The County is committed to providing home-delivered meals for senior citizens within the County and makes that a funding priority for YVEDDI and the FY2022 Recommended Budget includes additional funding to YVEDDI for this program.

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 to their respective library within its township. The FY2022 budget recommends funding for the Library System that allows them to continue implementation of their pay and classification study completed a few years ago.



FY2021-2022 RECOMMENDED BUDGET

The NC Forest Service is a state operated program with partnership funding through the County. The County funds roughly 40% of the local Forest Service, as well as provide them office space in the Agricultural & Educational Building.

The Yadkin County Rescue Squad plays a vital role in Public Safety within the County. It is a non-profit agency that provides rescue services, as well as medical first responder services when needed.

BUDGET

	FY2020 Actual	FY2021 Original	FY2022 Recommended
YVEDDI APPROPRIATION	\$ 75,804	\$ 75,804	\$ 17,713
ROAP EMPLOYMENT-YVEDDI	\$ 11,672	\$ 10,115	\$ -
ROAP RGP-YVEDDI	\$ 84,316	\$ 71,913	\$ -
YVEDDI HCCBG Match	\$ -	\$ -	\$ 34,500
YADKIN SENIOR CENTER	\$ 39,500	\$ 39,500	\$ 39,500
YADKIN VALLEY SENIOR CENTER	\$ 23,700	\$ 23,700	\$ 23,700
EAST BEND SENIOR CENTER	\$ 35,550	\$ 35,550	\$ 35,550
YVEDDI HDM	\$ -	\$ -	\$ 38,591
ROAP EDTAP-YVEDDI	\$ 70,720	\$ 60,413	\$ -
YADKIN LIBRARIES	\$ 433,839	\$ 433,839	\$ 470,000
RICHMOND HILL LAW SCHOOL	\$ 8,000	\$ 8,000	\$ 10,000
COG PRETRIAL	\$ 94,000	\$ 94,000	\$ 96,000
SENIOR MEALS RESERVE	\$ -	\$ 10,000	\$ -
RESCUE SQUAD	\$ 163,000	\$ 163,000	\$ 170,000
VFD TURN OUT GEAR	\$ 48,269	\$ 75,000	\$ 75,000
FORESTRY CONTRIBUTION	\$ 54,914	\$ 56,000	\$ 65,200
TOTAL	\$ 1,143,284	\$ 1,156,834	\$ 1,075,754

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 and Social Services were moved to Non-Departmental to improve efficiencies in FY2019). This will provide better management of technology needs and funding levels.



FY2021-2022 RECOMMENDED BUDGET

BUDGET

	FY2020 Actual	FY2021 Original	FY2022 Recommended
PERFORMANCE	\$ -	\$ -	\$ 15,000
UNEMPLOYMENT	\$ 2,274	\$ 3,000	\$ 8,000
PROFESSIONAL SERVICES	\$ 87,240	\$ 180,000	\$ 172,000
COUNTY ATTORNEY	\$ 137,403	\$ 130,000	\$ 135,000
ANNUAL AUDIT	\$ 62,100	\$ 65,000	\$ 65,000
SURRY-YADKIN WORKS INTERNS	\$ -	\$ -	\$ 30,000
AG BUILDING EXPENSE	\$ 12,137	\$ 5,000	\$ 5,000
CONTRACTED SERVICES	\$ 2,441	\$ 3,500	\$ 3,500
FRAUD HOTLINE	\$ 1,900	\$ 2,000	\$ -
INSURANCE CONSULTING	\$ 41,605	\$ 45,000	\$ 45,000
PUBLIC RELATIONS	\$ 25,758	\$ 25,000	\$ 22,000
VEHICLE LEASE	\$ 3,836	\$ 5,000	\$ 10,800
PARK IMPROVEMENTS	\$ 66,613	\$ 60,000	\$ 65,000
BANK SERVICE FEES	\$ 4,098	\$ 8,000	\$ 6,000
POOL VEHICLE MAINTENANCE	\$ 5,663	\$ 5,000	\$ 8,000
TELEPHONE	\$ 47,050	\$ 22,200	\$ 50,000
TELEPHONE SYS.	\$ 16,933	\$ 20,000	\$ 19,000
SOFTWARE CONTRACT	\$ 282,165	\$ 289,580	\$ 657,860
DUES & SUBSCRIPTIONS	\$ 24,143	\$ 25,000	\$ 26,000
HR RESOURCES	\$ 6,770	\$ 7,000	\$ 7,000
CHRISTMAS HAM	\$ 18,243	\$ 18,000	\$ 15,000
TECHNOLOGY CAPITAL OUTLAY	\$ 146,018	\$ 149,114	\$ 114,050
BUILDING IMPROVEMENTS	\$ 110,073	\$ 60,000	\$ 55,000
CONTINGENCY	\$ -	\$ 50,000	\$ 50,000
TOTAL	\$ 1,104,463	\$ 1,177,394	\$ 1,584,210

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FY2021-2022 RECOMMENDED BUDGET

EMERGENCY TELEPHONE SPECIAL REVENUE 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

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 165,014	\$ 246,870	\$ 169,976
TOTAL	\$ 165,014	\$ 246,870	\$ 169,976

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

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 0	\$ 6,000	\$ 8,000

OCCUPANCY TAX SPECIAL REVENUE FUND

Revenues in this Fund can only be spent on expenditures to promote travel and tourism within Yadkin County. These expenditures are transferred to the Chamber of Commerce staff through a contractual arrangement. The County transfers these funds to the TDA fund that is maintained by the County, as the TDA is a discreet component unit of the County.

BUDGET

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Operating	\$ 24,740	\$ 25,000	\$ 27,500



FY2021-2022 RECOMMENDED BUDGET

FIRE DISTRICTS' FUNDS

The Board of Commissioners is authorized by North Carolina General Statutes to create Fire Service Districts and Rural Fire Protection Districts (once approved by ballot), to levy property taxes and set tax rates within those districts. The Districts' governing body is the Board of Commissioners and they contract with fire departments to provide fire services within the District. Currently, the County contracts with one fire department in each district and each department submitted a budget request to the County for funding in FY2022. The Yadkin County Rescue Squad is funded through the General Fund and not through a Fire District, but some of their reporting data is included in this section for informational purposes.

The County started a turnout gear reimbursement program in FY2018 through the General Fund has expanded the program to include Viper radios and website maintenance. The contractual amounts in the Fire District Funds exclude the reimbursement program, as it is funded in the County's General Fund. All of the Volunteer Fire Departments and the Rescue Squad have taken advantage of this opportunity since its inception.

Volunteer Fire Departments and Rescue Squads across the United States, as well as in Yadkin County continue struggling to recruit and retain their volunteers. Depending upon the location within the county, some departments struggle finding volunteers to respond to calls during the day and others struggle at night. The volunteer fire departments within Yadkin County are implementing ideas to help recruit and retain volunteers, from reimbursing them per call, hiring part-time employees, increasing part-time employees' rate of pay to exploring residency programs. Several departments have been awarded grants to help with recruitment, marketing and staffing.

The training requirements, as well as the risks associated with firefighting have increased and are impacting volunteers and their families. Surry Community College does not currently offer Firefighter Certification classes at the Yadkin Center and those members needing the certification classes have to travel to Dobson and other community colleges. Training needs are forcing Departments to explore new ways to provide training and to meet the requirements.

In Yadkin County volunteer fire departments are faced with aging apparatus (some trucks are approaching 30-40 years) which having costly repairs and other equipment such as thermal cameras and air bottles that need replacing. Volunteer fire departments explore options for funding from NC Office of the State Fire Marshal's 50/50 grants, FEMA grants and fundraisers to assist with equipment replacement.

The fire departments need three main things to provide fire protection service: trained volunteers, trucks/equipment and water. The need to access water by either running hose, establishing water points or investing in pumper trucks is challenging in rural communities.



FY2021-2022 RECOMMENDED BUDGET

The volunteer departments work hard with limited resources as non-profit organizations to provide a needed service to county citizens. They are all working to lower their ISO rating to assist citizens and businesses in their respective Districts with lower insurance rates.

There are parts of the county that are not within the 5- or 6- mile range of a fire station or sub-station which prohibits citizens in those areas from benefitting from lower ISO ratings. Fire Chiefs are working with the County to determine the best options to bring all citizens within the 5- or 6- mile range in the near future.

The County is also exploring options to maximize the tax dollars received within the fire districts by coordinating purchases and service contracts. All fire departments have annual hose testing and aerial testing of their ladder trucks (three within the county) and the Fire Marshal is gathering information to bid these services for all of the departments for FY2022. District Funds would pay for these and not affect the fire department contracts.

VOLUNTEER FIRE DEPARTMENT & RESCUE SQUAD CALLS CALENDAR YEAR 2020

(Includes Fire, Medical, Service, Rescue calls as reported to the Office of the State Fire Marshal)

Arlington Fire & Rescue #16	463
Boonville #13	401
Buck Shoals #21	193
Courtney #19	339
East Bend #14	236
Fall Creek #15	339
Forbush #11	286
Lone Hickory #24	217
West Yadkin #18	455
Yadkinville #12	824
Rescue Squad (self-report)	1275

Several of the fire departments express interest in employing part-time staff for night duty to assist with response calls overnight. However, of all the calls reported to the Office of the State Fire Marshal only 15.8% occurred between the hours of 11pm and 7am during the entire 12-month time period. That equates to an average of fewer than two (2) calls per night throughout the entire county. Investing in personnel during these hours is not cost effective at this time. The fire departments that had the highest percentage of their calls during these hours were Courtney, Fall Creek and Forbush.



FY2021-2022 RECOMMENDED BUDGET

VOLUNTEER FIRE DEPARTMENT CASH ON HAND

In the Request for Funding, each Volunteer Fire Department reported having the following cash on hand.

	Checking	Savings	Equipment / Truck / Capital Fund	Relief Fund or Other	CDs	Money Market	TOTAL
Arlington	60,923	12,157	72,094	101,931	-	-	247,105
Boonville	42,000	5,989	58,000	-	-	-	105,989
Buck Shoals	74,078	944	-	31,901	43,154	38,263	188,340
Courtney	46,992	9,675	-	19,596	-	-	76,263
East Bend	54,575	11,441	-	-	-	-	66,016
Fall Creek	124,928	21	48,489	-	-	-	173,438
Forbush	125,468	122,713	-	6,163	70,583	-	324,927
Lone Hickory	52,132	6,039	61,422	8,275	-	-	127,867
West Yadkin	18,227	-	301,925	-	-	-	320,152
Yadkinville	39,587	61,694	-	517	25,885	-	127,683
Rescue Squad	21,951	93,142	-	-	-	-	115,093
TOTAL	660,860	323,815	541,930	168,383	139,622	38,263	1,872,874

Fire departments with high amounts of cash on-hand and have debt with higher interest rates should discuss with their respective boards paying off or down some of their debt. Most savings accounts, money markets and certificates of deposits have extremely low interest rates compared to interest rates on debt. Paying off debt can result in beneficial cost savings to departments and stretch their cash further.

The County expects fire departments and the rescue squad to be good stewards of the taxpayers' dollars and to use it for expenditures needed for the benefit of fire protection and rescue services.

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FY2021-2022 RECOMMENDED BUDGET

VOLUNTEER FIRE DEPARTMENT RECOMMENDED ANNUAL CONTRACTUAL RATE

	FY2020 Actual	FY2021 Actual Contract	FY2022 Requested Contract Amount	FY2022 Recommended Contract Amount
Arlington	328,000	328,000	330,000	338,000
Boonville	228,000	230,000	242,255	238,000
Buck Shoals	65,300	65,800	65,500	68,000
Courtney	165,945	168,800	170,800	173,000
East Bend	208,300	208,440	212,000	218,000
Fall Creek	194,000	194,000	194,000	198,000
Forbush	247,500	255,000	275,000	265,000
Lone Hickory	71,000	71,000	71,000	73,000
West Yadkin	283,550	290,000	305,000	300,000
Yadkinville	520,000	520,000	543,222	530,000
TOTAL	2,311,595	2,331,040	2,408,777	2,401,000

FIRE DISTRICTS' RECOMMENDED TAX RATE

Fire District	Tax Rates
Arlington	0.08
Boonville	0.075
Buck Shoals	0.05
Courtney	0.08
East Bend	0.073
Fall Creek	0.07
Forbush	0.075
Lone Hickory	0.075
West Yadkin	0.075
Yadkinville	0.065

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FY2021-2022 RECOMMENDED BUDGET

SOLID WASTE ENTERPRISE FUND

The Solid Waste Fund generates revenue from the Solid Waste Household Fee and fees 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. This budget does **not** include funding to replace the scales and the scales house at the Landfill.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 252,709	\$ 244,033	\$ 286,405
Operating	\$ 2,050,722	\$ 2,327,267	\$ 2,312,395
TOTAL	\$ 2,303,430	\$ 2,571,300	\$ 2,598,800

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 leased the water and sewer lines they have maintained and operated for many years. The FY2022 Budget includes the revenues and expenditures for the Highway 21 waterline and the East Bend Waterline. Water is purchased from the Town of Jonesville and the Winston-Salem Forsyth County Utilities Commission respectively for these waterlines and neither entity is increasing the rates they charge Yadkin County in FY2022, therefore, the Recommended Budget does not reflect any change in rate other than the cost share previously discussed with the Town of East Bend. The personnel costs include the ORC and an additional operator for the waterlines. The FY2022 budget also includes the Debt Service for the East Bend waterline.

BUDGET SUMMARY

	FY2020 Actual	FY2021 Original	FY2022 Recommended
Personnel	\$ 130,943	\$ 137,065	\$ 126,635
Operating	\$ 418,019	\$ 235,546	\$ 243,170
Debt Service	\$ 197,528	\$ 203,139	\$ 203,140
TOTAL	\$ 746,490	\$ 575,750	\$ 572,945



FY2021-2022 RECOMMENDED BUDGET

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 opened in FY2016. The fixed costs expenditure line reflects an increase in the premium for stop-loss coverage of \$125,000 per occurrence.

BUDGET

	FY2020 Actual	FY2021 Original	FY2022 Recommended
CLAIMS	\$ 2,317,084	\$ 1,855,900	\$ 1,855,900
MEDICAL FIXED COSTS	\$ 335,524	\$ 360,000	\$ 360,000
YMCA PARTNERSHIP	\$ 3,051	\$ -	\$ -
EMPLOYER \$500	\$ 98,010	\$ 127,000	\$ 127,000
EMPLOYEE CLINIC	\$ 309,468	\$ 320,000	\$ 336,625
ADMIN SVCS	\$ 3,337	\$ 3,500	\$ 3,500
TOTAL	\$ 3,066,473	\$ 2,666,400	\$ 2,723,983

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