

**BUDGET ORDINANCE
FISCAL YEAR 2016-2017
GASTON COUNTY, NORTH CAROLINA**

BE IT ORDAINED by the Board of Commissioners of Gaston County, North Carolina:

SECTION I. BUDGET ADOPTION 2016-2017. There is hereby adopted a budget for the County of Gaston for the fiscal year beginning July 1, 2016 and ending June 30, 2017, a summary of which (by fund and function) is included as Exhibits I and II herein on pages 5-6. The budget is hereby adopted by fund on a functional basis, except as provided for in Section VII. The County Manager is directed to finalize the line-item detailed budget, at which time that document shall be incorporated herein as if fully set out verbatim and referred to hereinafter as the "2016-2017 Gaston County Budget."

SECTION II. TAX RATE LEVY 2016-2017. There is hereby levied for fiscal year 2016-2017 a tax rate of **87.00** cents per \$100.00 of assessed valuation.

SECTION III. PERIODIC FINANCIAL REPORTS. A report comparing budgeted and actual revenues and expenses by object account shall be presented in ten copies, when requested, to the County Finance Officer for each agency or department funded by the County where accounting is not done by the County. The report shall be monthly, unless special circumstances exist in which case the report may be quarterly.

The County Manager shall be notified of any changes in the budget presented to the Board of Commissioners within thirty days of the change by any agency having statutory authority to change its line items. Approved payments may be delayed pending receipt of timely financial information.

SECTION IV. SALARIES. The FY 2016-2017 Gaston County Budget fully funds longevity, and includes a 3% salary increase.

SECTION V. BUDGET OFFICER AND FINANCE OFFICER. In accordance with the Local Government Budget and Fiscal Control Act, the County Manager has prepared a budget which contains a General Fund, a Health Fund, a Public Assistance Fund, Travel & Tourism Fund, a Property Revaluation Fund (funded by transferring current year property tax revenues from the General Fund), an Emergency Telephone System Fund, a Fire District Fund, a Debt Service Fund, a School Debt Service Fund, a Capital Improvements Fund, a Solid Waste Enterprise Fund, and a Self-Insurance Fund. Further, the County Manager is designated as the Budget Officer of the County and the Director of Financial Services is designated as Finance Officer.

As provided by G. S. 159-25 (b), the Board is authorized to require only two signatures on each check or draft that is made on County funds. The signature of the County Manager and the Finance Officer shall be the authorized signatures of the County. The Assistant County Manager shall have signatory authority in the absence of the County Manager and the Finance Officer shall designate signatory authority to a responsible individual on his staff in his absence.

SECTION VI. BUDGET POLICY. It will be the policy of this Board that it will not absorb any reduction in State and Federal Funds. Reducing personnel or program expenditures to stay within the County appropriations is hereby authorized on the basis outlined in the following paragraphs of this section.

This policy is extended to any agency or department that is funded by the County and receives State or Federal money and shall remain in effect until otherwise changed or amended by the Board of Commissioners. The County Manager is hereby directed to indicate this policy to each agency, which may be affected.

If programs which include State, Federal, and/or any other outside revenues, as well as local funding, are subsequently reduced or cut by the outside funding organization, that portion funded by County revenues will be reduced to maintain its original ratio of local expenditures to State, Federal, or other expenditures. For example, of a \$100,000 grant, local funding is \$50,000 and Federal/State funding is \$50,000. Should the State/Federal grant be reduced by \$25,000, then local funds will be reduced by \$25,000, unless other outside revenues are secured to fully offset the grant reduction. Under no circumstances shall reductions in grants be paid by County dollars, regardless of the source of the funding.

Those recipients of County funds which have a balance at the end of the fiscal year must return those funds to Gaston County, except as otherwise approved by the Board of Commissioners.

SECTION VII. TRANSFERS OF FUNDS BETWEEN OBJECT ACCOUNTS. Line item changes are authorized only with the approval of the Board of Commissioners as required by law, except as provided below. The Budget Officer is authorized to transfer monies in the amount of up to \$25,000 from one line item appropriation to another within the same fund and department in accordance with provisions of G.S. 159-15 (except for the Public Assistance Fund, Health Fund, and Solid Waste Fund which will each be considered one department). In compliance with Resolution 2003-321, upon making such transfers, the Manager shall accumulate them to be forwarded to the Clerk to the Board on or before the agenda deadline for the next regular scheduled Board of Commissioners meeting so that said transfers may be placed in the agenda and recorded in the minutes of said meeting. Budget Change Requests included in the agenda are for information purposes and will not be discussed by the Board at the meeting unless a Budget Change Request pertains to a resolution that is on the Board's agenda for that meeting. Nothing in this resolution in any way affects the County Manager's authority to make budget transfers by the amount provided in the Budget Ordinance.

The Budget Officer is authorized to make transfers between departments for certain nondiscretionary accounts for which budget requests are calculated centrally rather than by the department director – specifically, gasoline/diesel fuel; rent equipment; rent of data processing equipment; repairs and maintenance: Buildings; repairs and maintenance: Equipment; vehicle maintenance; telephone and mobile telephone; communications equipment maintenance; heat, lights, and water; janitorial and lawn maintenance services; software rental and licensing fees; lease-purchased vehicles and equipment; motor vehicles; and the central purchases and usage accounts for vehicle parts, tires, gasoline and diesel fuel, central supplies, and postage; and salaries and benefits. The Budget Officer shall also have the authorization to make transfers between accounts for funds appropriated in the Self Insurance Fund. The Budget Officer may make transfers between capital projects within existing funds.

SECTION VIII. OBLIGATIONS FROM THE PRIOR YEAR. As provided by G.S. 159-13 (b), any funds of a capital or operating nature for which bids have been received or contracts executed in previous fiscal years are hereby re-appropriated. All unpaid encumbrances, ongoing projects that are assigned a project number, capital improvement projects, and any other items which have been approved by the Board of Commissioners, such as grants, are hereby re-appropriated and are to be added to this approved budget.

SECTION IX. SCHOOL BUDGET. Current Expense - The Gaston County Board of Commissioners approves an allocation of \$45,351,704 for the Gaston County Board of Education. In addition, the Board approves \$1,053,114 for School Resource Officers assigned to schools, as well as \$65,000 for the Commissioners' School of Excellence.

Capital/Debt Service Funds - The Gaston County Board of Commissioners appropriates \$20,035,677 for the school system's FY 2016-2017 capital and debt service needs, to be allocated as follows: \$1,227,000 for capital needs and \$18,808,677 for debt service.

In addition, the Gaston County Schools are hereby directed to present monthly financial reports to the Board, as outlined in Section III above. Failure to do so could result in funds being withheld until the requested information is provided.

SECTION X. GASTON COLLEGE BUDGET. In accordance with North Carolina General Statute 115D, Gaston County shall provide, based upon the appropriations herein, funds to Gaston College as needed to meet Current Fund and Capital Fund expenditures. The FY 2016-2017 appropriation for Gaston College totals \$7,470,155 to be allocated as follows: \$4,828,079 for current operating expenses; \$697,219 for capital expenses; and \$1,944,857 for debt service expenditures.

Reserves for future capital projects shall remain with Gaston County to the credit of Gaston College until requested for payment of duly appropriated obligations. Payment of all capital expenditures shall be made upon presentation of the appropriate invoices to Gaston County.

In addition, Gaston College is hereby directed to present monthly financial reports to the Board, as outlined in Section III above. Failure to do so could result in funds being withheld until the requested information is provided.

SECTION XI. APPROVAL OF DEPARTMENTAL BUDGETS. The Board of County Commissioners does hereby approve the amended budget of each department by the County Manager or as amended by this Board on pages 5-6 herein and as more fully detailed in the document to be finalized per Section I above.

SECTION XII. CAPITAL IMPROVEMENT FUND. Capital Improvement project information will be provided at a later date through an amendment to this budget ordinance. Accordingly, upon Board approval of the amendment, the Finance Director is authorized to make the proper entries to the County's accounting records as of June 30, 2015 to cause the net balance of the appropriate projects to revert to the Capital Improvement Fund's fund balance.

SECTION XIII. FIRE DISTRICTS. The Board of Commissioners by separate resolutions adopted tax rates for fire districts in the County. The amount to be distributed to each fire district in FY 2016-17 is limited to the tax levy based on the approved tax rate. Monthly distributions to the fire districts will be 8.33% of the approved budget beginning in July through November. In December the amount given to the fire districts will be reviewed and reconciled to the amount collected. January through June the fire districts will be distributed the amount collected up to the total approved budget. Should distributions in the second half of the fiscal year exceed the collected amount, distributions will discontinue until the distribution and collected amount is equal.

For all fire districts, any tax receipts collected in excess of the budgeted tax levy shall be retained by the County in an account earmarked for each fire district and will be used as carry forward funds in subsequent years to reduce the districts' budget requests. Interest shall accrue on funds retained for each fire district in an amount proportional to all other funds of the County. Additional appropriations to any fire district must be approved by separate resolution of the Board.

SECTION XV. DESIGNATION OF INSURANCE RESERVES AND AUTHORIZATION FOR EXPENDITURES. The Board of Commissioners approves the designation of unspent funds, from "Insurance" line items (450-000) and account 10-4199-601-000 "Insurance Deductible" into fund balance titled "Designated for Insurance Reserves".

Adopted this the 14th day of June, 2016, to become effective on July 1, 2016.

Exhibit I

**GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
REVENUES
FOR THE FISCAL YEAR ENDING JUNE 30, 2017**

SOURCES of FUNDS

SOURCES of FUNDS	GENERAL FUND	HEALTH FUND	PUBLIC ASSIST. FUND	TRAVEL & TOURISM FUND	PROPERTY REVAL. FUND	EMERGENCY TELEPHONE FUND	COURTHOUSE PARKING FUND	FIRE DISTRICT FUND	DEBT SERVICE FUND	SCHOOL DEBT SERVICE FUND	CAPITAL IMPMNTS. FUND	SOLID WASTE FUND	BUILDING INSPECTIONS FUND	SELF INSURANCE FUND	TOTAL
AD VALOREM TAXES	\$ 134,941,500							\$ 4,541,012							\$ 139,482,512
OTHER TAXES/LICENSES	\$ 31,728,153			\$ 806,643							\$ 920,000	\$ 290,000			\$ 33,744,796
RESTRICTED INTERGOVERNMENTAL REVENUE	\$ 3,443,600	\$ 3,302,356	\$ 31,271,326							\$ 3,081,315		\$ 10,000			\$ 41,108,597
FEES, LICENSES, PERMITS	\$ 2,037,770											\$ 4,775,232	\$ 1,360,507		\$ 8,173,509
SALES & SERVICES	\$ 12,093,670	\$ 5,685,992	\$ 10,700				\$ 83,693					\$ 1,930,330		\$ 21,682,091	\$ 41,486,476
E-911 SURCHARGE						\$ 736,203									\$ 736,203
INVESTMENT EARNINGS	\$ 75,000														\$ 75,000
MISCELLANEOUS REVENUE	\$ 673,894	\$ 151,600	\$ 186,480									\$ 58,000			\$ 1,069,974
INSTALLMENT PURCHASES												\$ -			
FUND BALANCE APPROPRIATION	\$ 17,106,649	\$ 984,345	\$ 61,653			\$ 318,930									\$ 18,471,577
TRANSFERS FROM OTHER FUNDS		\$ 7,104,876	\$ 17,222,714		\$ 210,000				\$ 7,774,924	\$ 15,727,362	\$ 2,174,219				\$ 50,214,095
CAPITAL IMPVMTS. FUND TRANSFERS															\$ -
	\$ 202,100,236	\$ 17,229,169	\$ 48,752,873	\$ 806,643	\$ 210,000	\$ 1,055,133	\$ 83,693	\$ 4,541,012	\$ 7,774,924	\$ 18,808,677	\$ 3,094,219	\$ 7,063,562	\$ 1,360,507	\$ 21,682,091	\$ 334,562,739
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

RECONCILIATION OF GROSS TO NET BUDGET:

GROSS BUDGET	\$ 334,562,739
LESS INTERFUND TRANSFERS	\$ 50,214,095
NET BUDGET	\$ 284,348,644

Exhibit II

GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
APPROPRIATIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2017

APPROPRIATIONS:

Function	General Fund	Health Fund	Public Assistance Fund	Travel & Tourism Fund	Property Reval. Fund	Emerg. Telephone Fund	Courthouse Parking Fund	Fire District Fund	Debt Service Fund	School Debt Service	Capital Impvmts. Fund	Solid Waste Fund	Building Inspections Fund	SELF INSURANCE FUND	TOTAL
General Government	\$ 16,527,109				\$ 210,000		\$ 83,693				\$ 820,000			\$ 21,682,091	\$ 39,322,893
Community Services	\$ 9,241,363			\$ 806,643							\$ 100,000	\$ 7,063,562			\$ 17,211,568
Human Services	\$ 2,557,398	\$ 17,229,169	\$ 48,752,873												\$ 68,539,440
Education	\$ 51,384,897										\$ 2,174,219				\$ 53,559,116
Public Safety	\$ 59,355,122					\$ 1,055,133		\$ 4,541,012					\$ 1,360,507		\$ 66,311,774
Support Services	\$ 12,820,252														\$ 12,820,252
Debt Service									\$ 7,774,924	\$ 18,808,677					\$ 26,583,601
Transfers to Other Funds	\$ 50,214,095													\$ -	\$ 50,214,095
	\$ 202,100,236	\$ 17,229,169	\$ 48,752,873	\$ 806,643	\$ 210,000	\$ 1,055,133	\$ 83,693	\$ 4,541,012	\$ 7,774,924	\$ 18,808,677	\$ 3,094,219	\$ 7,063,562	\$ 1,360,507	\$ 21,682,091	\$ 334,562,739
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

RECONCILIATION OF GROSS TO NET BUDGET:

Gross Budget	\$ 334,562,739
Less Interfund Transfers	\$ (50,214,095)
NET BUDGET	\$ 284,348,644
	=====