

**BUDGET ORDINANCE
FISCAL YEAR 2021-2022
GASTON COUNTY, NORTH CAROLINA**

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

SECTION I. BUDGET ADOPTION 2021-2022. There is hereby adopted a budget for the County of Gaston for the fiscal year beginning July 1, 2021 and ending June 30, 2022, a summary of which (by fund and function) is included as Exhibits I and II herein on page 5. 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 "2021-2022 Gaston County Budget."

SECTION II. TAX RATE LEVY 2021-2022. There is hereby levied for fiscal year 2021-2022 a tax rate of 83.00 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 2021-2022 Gaston County Budget fully funds longevity. There are funds allocated for a three percent (3%) market/merit adjustment implemented at mid-year for the equivalent of one and a half percent (1.5%) budget impact.

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, a Building Services Fund, a Tourism Fund, a Property Revaluation Fund (funded by transferring current year property tax revenues from the General Fund), an Emergency Telephone System Fund, a Courthouse Parking Fund, a Fire District Fund, a Community Investment Fund (CIF), 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 Finance Director is designated as Finance Officer.

As provided by G. S. 159-25 (b), the Board is authorized to require 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 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 is authorized to make transfers between capital projects within existing funds.

Movement of funds between expenditure categories (Personnel, Operating, Capital and Debt Service) may be requested by Departments, but require approval of the Budget Officer or their designee. No lapsed salary can be used to fund other operational expenditures without the Budget Officer or their designee approval. Movement of funds to purchase unbudgeted capital items requires approval of the Budget Officer or their designee.

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 operating allocation of \$51,501,704 for the Gaston County Board of Education. In addition, the Board approves \$1,972,049 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 \$24,392,102 for the school system's FY 2021-2022 capital and debt service needs, to be allocated as follows: \$1,227,000 for capital needs, \$22,862,102 for debt service, and \$150,000 for professional services related to debt issuances.

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 2021-2022 appropriation for Gaston College totals \$7,979,419 to be allocated as follows: \$5,618,062 for current operating expenses; \$697,219 for capital expenses; and \$1,664,138 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 page 5 herein and as more fully detailed in the document to be finalized per Section I above.

SECTION XII. COMMUNITY INVESTMENT FUND. The Board of County Commissioners does hereby approve the Community Investment Fund as budgeted by the County Manager or as amended by this Board on page 5. Accordingly, the Finance Director is authorized to make the proper entries to the County's accounting records as of June 30, 2021 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 a given fiscal year is limited to the tax levy based on the approved tax rate. Monthly distributions to the fire districts will be 10.00% of the approved budget beginning in July and continuing through March. Following the June monthly closing, the amount distributed to the fire districts will be reviewed and reconciled to the amount collected. In July, the fire districts will be distributed the amount collected up to the total approved budget.

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. Once the fiscal year closeout for the preceding fiscal year has been completed, these funds will be distributed to each fire district as an additional appropriation in the first quarter of any given fiscal year upon Board approval.

SECTION XIV. DESIGNATION OF INSURANCE RESERVES AND AUTHORIZATION FOR EXPENDITURES. The Board of Commissioners approves the designation of unspent funds, from "Insurance" line items (510103) and account 010-01-4199-0000-530025 "Insurance Deductible" into fund balance titled "Designated for Insurance Reserves".

Adopted this 8th day of June 2021, to become effective on July 1, 2021.

Exhibit I

GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
FUNDING SOURCES
FOR THE FISCAL YEAR ENDING JUNE 30, 2022

FUNDING SOURCE	GENERAL FUND	HEALTH FUND	PUBLIC ASSISTANCE FUND	BUILDING SERVICES FUND	COMMUNITY INVESTMENT FUND	COUNTY DEBT FUND	SCHOOL DEBT FUND	CAPITAL IMPROVEMENTS FUND	TOURISM FUND	EMERGENCY TELEPHONE FUND	COURTHOUSE PARKING FUND	FIRE DISTRICT FUND	PROPERTY REVALUATION FUND	SCHOOL FINES & FORFEITURES FUND	DEEDS OF TRUST FUND	SOLID WASTE FUND	SELF INSURANCE FUND	TOTAL
AD VALOREM TAXES	\$ 169,704,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,760,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 176,465,169
SALES TAX	\$ 31,286,207	\$ -	\$ -	\$ -	\$ 19,160,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,446,827
OTHER TAXES	\$ 2,432,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ 3,492,700
FEES, LICENSES, & PERMITS	\$ 17,666,080	\$ 5,302,900	\$ 132,200	\$ 2,726,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 579,741	\$ 83,926	\$ -	\$ -	\$ 554,500	\$ 196,953	\$ 8,558,578	\$ -	\$ 35,800,900
SALES, SERVICES, & FEES	\$ 3,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,253,423	\$ -	\$ 2,257,086
STATE, FEDERAL, & GRANT REVENUE	\$ 3,595,738	\$ 3,132,346	\$ 25,424,423	\$ -	\$ 2,050,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 34,217,507
INVESTMENT INTEREST	\$ 350,000	\$ -	\$ -	\$ -	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
MISCELLANEOUS REVENUE	\$ 977,170	\$ 427,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,170
HEALTH INSURANCE REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,173,110	\$ 23,173,110
TRANSFERS IN FROM OTHER FUNDS	\$ 3,000,000	\$ 8,987,895	\$ 19,004,386	\$ -	\$ 14,603,990	\$ 7,964,918	\$ 23,012,102	\$ 12,275,760	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 89,099,051
FUND BALANCE APPROPRIATION	\$ -	\$ 2,404,045	\$ 842,200	\$ -	\$ 6,788,170	\$ -	\$ -	\$ -	\$ 53,009	\$ 74,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 993,068	\$ 3,000,000	\$ 14,154,496
	\$ 229,016,146	\$ 20,254,186	\$ 45,404,209	\$ 2,726,022	\$ 43,252,780	\$ 7,964,918	\$ 23,012,102	\$ 12,275,760	\$ 813,009	\$ 653,745	\$ 83,926	\$ 6,760,581	\$ 250,000	\$ 554,500	\$ 196,953	\$ 12,120,069	\$ 26,173,110	\$ 431,512,016

RECONCILIATION OF GROSS TO NET BUDGET:

GROSS BUDGET	\$ 431,512,016
LESS INTERFUND TRANSFERS	<u>\$ (89,099,051)</u>
NET BUDGET	\$ 342,412,965

Exhibit II

GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
APPROPRIATIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2022

FUNCTION	GENERAL FUND	HEALTH FUND	PUBLIC ASSISTANCE FUND	BUILDING SERVICES FUND	COMMUNITY INVESTMENT FUND	COUNTY DEBT FUND	SCHOOL DEBT FUND	CAPITAL IMPROVEMENTS FUND	TOURISM FUND	EMERGENCY TELEPHONE FUND	COURTHOUSE PARKING FUND	FIRE DISTRICT FUND	PROPERTY REVALUATION FUND	SCHOOL FINES & FORFEITURES FUND	DEEDS OF TRUST FUND	SOLID WASTE FUND	SELF INSURANCE FUND	TOTAL
GENERAL GOVERNMENT	\$ 41,344,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,764,386	\$ -	\$ -	\$ 83,926	\$ -	\$ 250,000	\$ -	\$ 196,953	\$ -	\$ 23,173,110	\$ 71,812,668
PUBLIC SAFETY	\$ 71,282,490	\$ -	\$ -	\$ 2,726,022	\$ -	\$ -	\$ -	\$ 337,155	\$ -	\$ 653,745	\$ -	\$ 6,760,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,759,993
EDUCATION	\$ 59,156,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,378,000	\$ 1,924,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 554,500	\$ -	\$ -	\$ -	\$ 68,013,534
CULTURAL & RECREATIONAL	\$ 6,894,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,794,734
HUMAN SERVICES	\$ 3,957,332	\$ 20,254,186	\$ 45,277,348	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,838,866
ENVIRONMENTAL PROTECTION	\$ 94,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,120
ECONOMIC & PHYSICAL DEVELOPMENT	\$ 3,440,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 813,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,253,100
SOLID WASTE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,087,548	\$ -	\$ 11,087,548
DEBT SERVICE	\$ -	\$ -	\$ 126,861	\$ -	\$ -	\$ 7,964,918	\$ 16,634,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,032,521	\$ -	\$ 25,758,402
TRANSFERS OUT TO OTHER FUNDS	\$ 42,846,271	\$ -	\$ -	\$ -	\$ 43,252,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 89,099,051
	\$ 229,016,146	\$ 20,254,186	\$ 45,404,209	\$ 2,726,022	\$ 43,252,780	\$ 7,964,918	\$ 23,012,102	\$ 12,275,760	\$ 813,009	\$ 653,745	\$ 83,926	\$ 6,760,581	\$ 250,000	\$ 554,500	\$ 196,953	\$ 12,120,069	\$ 26,173,110	\$ 431,512,016

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