

## **BUDGET ORDINANCE**

BE IT ORDAINED by the Board of Commissioners of Catawba County:

### **SECTION I**

#### **Budget Adoption, 2014/15**

The following budget with anticipated fund revenues of \$214,699,319 and departmental expenditures of \$214,699,319 (see Revenue and Expenditure Summary in the Summary Section of the budget document for breakdown) is hereby adopted in accordance with G.S. 159 by the County of Catawba for the fiscal year beginning July 1<sup>st</sup>, 2014, and ending June 30<sup>th</sup>, 2015, and the same is adopted by fund and department.

The following procedures, controls, and authorities shall apply to transfers and adjustments within the budget except for the budgets of the Reinventing Departments as shown in Section II.

- A. **Transfers Between Departments and Funds:** Transfers of appropriations between departments in a fund, between funds, and from contingency shall be approved by the Board of Commissioners or may be approved by the County Manager in conformance with all of the following guidelines:
1. The County Manager finds that they are consistent with operational needs and any Board approved goals.
  2. Transfers between departments and funds do not exceed \$50,000 each.
  3. Transfers from Contingency appropriations do not exceed \$50,000 each unless the County Manager finds an emergency exists.
  4. All transfers between departments and funds are reported to the Board of Commissioners by its next regular meeting following the date of the transfer (with the exception of performance awards and reclassification/pay inequity funds, which the County Manager has the authority to transfer).
- B. **Transfers within Departments and Activities:** Department Heads may transfer line item appropriations between and within activities within the departments under their jurisdiction with the approval of the Budget Manager.
- C. **Transfers of Appropriations from Contingency or Departments for Real Estate Transactions:** Transfers of appropriations from Contingency or departments may be made by the County Manager in order to secure options, pay deposits, or pay other necessary expenses related to real estate transactions approved by the Board of Commissioners.
- D. **Transfers of Capital Projects Appropriations:** Transfers of appropriations up to \$50,000 between projects within a capital project fund may be approved by the County Manager. All transfers between projects are reported to the Board of Commissioners by its next regular meeting following the date of the transfer.

- E. **Transfers of Appropriations from Special Departmental Expense and Revenue Contingencies:** Transfers of appropriations may be made by the Budget Manager from special departmental expense and revenue contingency accounts that have been set aside to accommodate mid-year adjustments for allocations from outside agencies. The budget for such special departmental contingency expenditures will not be used until revenues are received and the related funds are transferred out of the contingency accounts to an appropriate line item.

**SECTION II**

**Amendment to Procedures, Controls, and Authorities for Reinventing Departments**

The following procedures, controls, and authorities shall apply to transfers, personnel, and adjustments within the budget for the Reinventing Departments, as determined by the County Manager:

- A. As part of this process, the County's fund balance has been maintained by taking into account the average amount of unexpended funds turned back at the end of each year and making a onetime reduction in each Reinventing Department's allotment by that amount.
- B. The Board of Commissioners will appropriate funds for the Reinventing Departments based on approved outcomes to be achieved during the fiscal year.
- C. Department Heads are hereby authorized to transfer appropriations between activities or from special department contingencies under their jurisdiction with the approval of the Budget Manager. Requests for transfers from the General Fund contingency must be approved by the County Manager. The budget for such special departmental contingency expenditures will not be used until revenues are received and the related funds are transferred out of the contingency accounts to an appropriate line item. Department Heads within the Reinventing Departments are hereby authorized to reallocate existing positions between activities under their jurisdiction.
- E. Departments will be allowed to retain all unexpended allocations and/or revenues as defined by the County Manager.
- F. Reinventing Departments may create or abolish positions which impact the outcomes approved by the Board of Commissioners and within available revenues upon summary approval of the Board of Commissioners. Approval will come at the next regularly scheduled Board of Commissioners' meeting and will be attached and approved as part of the minutes.

**SECTION III**

**Tax Levy Rate**

A tax rate of \$0.53 per \$100 of assessed valuation is hereby levied for Fiscal Year 2014/15, all of which is levied in the General Fund. No discounts will be allowed for early payment of taxes.

The following rates are levied for fire protection service districts:

<u>Fire Protection Service District</u>	<u>Tax Rate Per \$100 Valuation</u>
Bandys Fire	\$0.0700
Catawba Rural Fire	\$0.0700
Claremont Rural Fire	\$0.0700
Conover Rural Fire	\$0.0700

Cooksville Fire	\$0.0617
Hickory Rural Fire	\$0.0700
Longview Rural Fire	\$0.0650
Maiden Rural Fire	\$0.0700
Mt View Fire	\$0.0600
Newton Rural Fire	\$0.0850
Oxford Fire	\$0.0558
Propst Fire	\$0.0615
Sherrills Ford Fire	\$0.0800
St. Stephens Fire	\$0.0900

**SECTION IV  
Hospital Fund**

The Catawba Valley Medical Center Board of Trustees is hereby required to submit a monthly copy of its financial statements to the County Finance Director that will include a budget to actual comparison of all expenses and revenues.

The Hospital maintains a balance of not less than \$4 million with the County, in the Hospital Capital Reserve Fund, to finance and construct major Hospital capital projects. This Fund is intended to be used primarily to finance and construct major Hospital capital projects. However, in an emergency situation, with written request of the Hospital, the County may, in its discretion, permit amounts on deposit in the Fund to be extended for any lawful purpose including payment of operating expenses of the Hospital. As long as a \$4 million balance in the Fund is maintained, monthly depreciation payments from the Hospital are not required. Monthly payments of \$50,000 will be required any time such \$4 million balance is not maintained.

Catawba Valley Medical Center is public non-profit hospital and an entity or component unit of Catawba County Government. The County owns the assets but the Hospital is not a line department of the County and therefore is not included in the County budget. The Hospital is authorized to operate as an enterprise fund.

**SECTION V  
Schools' Current Expense**

The allocation of general revenues for the schools' current expense per school system is \$1,475 per pupil based on the average daily membership of K-12, \$52 per pupil of which is budgeted separately in support of schools cooperating on the following inter-school system programs--Catawba County Bus Garage, HCAM Core Academy, Conover School for Exceptional Children, therapeutic day treatment, and Community Schools.

It is recommended that the three county school systems appropriate from their estimated fund balance an amount not to exceed 5 percent of the current expense fund for the purpose of establishing a contingency account.

In accordance with the School Budget and Fiscal Control Act, each Board of Education is required to submit to the Board of Commissioners, as soon as adopted, a copy of the School Board's budget resolution. The school finance officer will submit a quarterly statement of the financial condition of the Administrative unit to the Board of Commissioners.

**SECTION VI**  
**Capital Projects and Grants**

Project Managers will be designated on a project-by-project basis for all County construction projects and the procedures set forth in "Architectural Procedures – Catawba County", adopted by the Board of Commissioners shall be used to coordinate the efforts of all parties involved in a project. Any changes in the estimate, as a result of bids or otherwise, shall be reported by the Project Managers and carry his or her recommendation of approval to the Board of Commissioners prior to the advertising of bids. When compiled and approved by user agencies, all projects must conform to the Catawba County Design and Construction Specifications.

In accordance with the School Budget and Fiscal Control Act each school system will submit to the County Budget Manager detailed project sheets for each capital project included in this budget on sheets as specified in the "Uniform Budget" format, by January 1, 2015.

The General Capital Projects Fund, the Hospital Construction Fund, the Water and Sewer Fund, the School Capital Outlay Fund, the School Bond Capital Projects Fund, the Schools' Construction Fund, the Fire Districts Funds, and the Community Development Fund are hereby authorized. Appropriations made for the specific projects or grants in these funds are hereby appropriated until the project is completed.

Any grant or capital project budget previously adopted, the balance of any anticipated, but not received, revenues and any unexpended appropriations remaining on June 30<sup>th</sup>, 2014, shall be reauthorized in the 2014/15 budget unless a specific new budget has been prepared.

**SECTION VII**  
**Emergency Approvals, Schools**

Emergency transfers to and from the School Capital Outlay Fund shall be in accordance with the School Budget and Fiscal Control Act.

**SECTION VII**  
**Annual Financial Reports**

All agencies receiving County funding are required to submit an audit report by December 31<sup>st</sup>, 2014. Approved payments may be delayed pending receipt of this financial information.

**SECTION IX**  
**Fees and Licenses**

Charges for fees and licenses by Catawba County Departments or Agencies shall be in accordance with the fee policy. Fee changes to be adopted by the Board of Commissioners are set forth in the attached Schedule A.

**SECTION X**  
**Per Diem Pay**

The Board of Commissioners and members of County boards are authorized to receive per diem pay as follows:

Alcoholic Beverage Control Board – Chair, \$75 per meeting; Members, \$50 per meeting  
Board of Adjustment – Chair, \$50 per meeting; Members, \$35 per meeting  
Board of Commissioners – Chair, \$950 per month; Members, \$750 per month; In-County Travel Allowance, \$250 per month  
Board of Elections – Chair, \$75 per meeting; Members, \$50 per meeting; \$100 for Election Day  
Equalization & Review Board – Chair, \$50 per meeting; Members, \$35 per meeting  
Hospital Board of Trustees - Chair, \$75 per meeting; Members, \$50 per meeting  
Jury Commission – Chair, \$50 per meeting; Members, \$35 per meeting  
Library Board – Chair, \$50 per meeting; Members, \$35 per meeting  
Mental Health Board – Chair, \$60 per meeting; Members, \$40 per meeting  
Planning Board – Chair, \$50 per meeting; Members, \$35 per meeting  
Public Health Board – Chair, \$50 per meeting; Members, \$35 per meeting  
Social Services Board – Chair, \$50 per meeting; Members, \$35 per meeting  
Subdivision Review Board – Chair, \$50 per meeting; Members; \$35 per meeting  
Value Review Committee – Chair, \$50 per meeting; Members \$35 per meeting

## **SECTION XI**

### **Personnel**

- A. Salaries - Salaries for Fiscal Year 2014/15 are based on the Fiscal Year 2014/15 pay plan for Catawba County that is adopted as a part of this budget and is effective July 1<sup>st</sup>, 2014. Funds are included for a 1 percent cost of living adjustment effective July 1, 2014 and a 1 percent performance pay increase for employees who satisfy performance expectations as reflected in employees' annual performance evaluations. Up to 50 percent of top performers will receive an additional 1 percent increase, also based on performance evaluations.
- B. Performance Awards - Funds are allocated in the budget to provide one-time lump sum performance awards to recognize exceptional performance at the discretion of the County Manager.
- C. Travel Allowance - The travel allowance rate will be according to the IRS reimbursement rate.
- D. Special Payment - Positions that require specialized skills may be compensated by a special payment. This payment will only occur while the employee is serving in that capacity. This special payment is not considered a part of the annual base pay for classification. The amount of special payment is to be approved by the County Manager upon a recommendation by the Human Resources Director.

## **SECTION XII**

### **Budget Policy for State and Federal Fund Decreases**

It will be the policy of this Board that it will not absorb any reduction in State and Federal funds; that any decrease shall be absorbed in the budget of the agency by reducing personnel or department expenditures to stay within the County appropriation as authorized.

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

**SECTION XIII**  
**Reappraisal Fund**

In accordance with the provisions of G.S. 153A-150, an appropriation of \$369,763 will be made from the General Fund to the Reappraisal Fund for the purpose of providing funds for the next reappraisal.

**SECTION XIV**  
**Fiscal Control Act**

The Budget Manager and the Finance Director are hereby directed to make any changes in the budget of fiscal practices that are required by the Local Government and Fiscal Control Act. This shall extend to permitted consolidations of funds and "Single Tax Levies" permitted in the Fiscal Control Act.

- A. As provided by G.S. 159-25 (b), the Board has authorized dual signatures for each check or draft that is made on County funds. The signatures of the County Manager, Finance Director, Assistant County Manager, and Assistant Finance Director shall be authorized signatures of the County.
- B. Operating funds encumbered on the financial records of the County as of June 30<sup>th</sup>, 2014, are hereby re-appropriated to this budget.
- C. The Board authorizes the appropriation of all Fund Balances earned by the Reinventing Departments as determined by the County Manager and as a result of the County's annual audit of June 30<sup>th</sup>, 2014.
- D. The Board also authorizes (as is the practice) one principal account as depository for all funds received by the Finance Director from any source. Current accounting techniques shall be used to assure that all funds will be properly accounted for in the financial records of the County.

**SECTION XV**  
**Authorization to Contract**

The County Manager or his designee are hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Board of Commissioners, for the following purposes: 1) Form grant agreements to public and non-profit organizations; 2) Leases of routine business equipment; 3) Consultant, professional, or maintenance service agreements; 4) Purchase of supplies, materials, or equipment where formal bids are not required by law; 5) Applications for and agreements for acceptance of grant funds from Federal, State, public, and non-profit organization sources, and other funds from other government units, for services to be rendered which have been previously approved by the Board; 6) Construction or repair projects; 7) Liability, health, life, disability, casualty, property, or other insurance or performance bonds other than similar items required by the Sheriff or Register of Deeds; and 8) Other administrative contracts which include agreements adopted in accordance with the directives of the Board of Commissioners.

**SECTION XVI**

**Authorization to Award and Reject Bids**

Pursuant to General Statute 143-129, the County Manager is hereby authorized to award formal bids received in amounts less than \$250,000 within the following guidelines: 1) bid is awarded to the lowest responsible bidder; 2) sufficient funding is available within the departmental budget; and 3) purchase is consistent with the goals and/or outcomes of the department. The County Manager shall further be authorized to reject any and/or all bids received if it is in the best interest of Catawba County. A report shall be made to the Catawba County Board of Commissioners of all bids awarded or rejected under this section and entered in the minutes of its formal sessions.

This ordinance is adopted this 2<sup>nd</sup> day of June 2014.



Katherine W. Barnes, Chair



J. Thomas Lundy, County Manager

**SCHEDULE A**

Below are the fee increases that have been adopted as a part of this budget. All fees are effective July 1<sup>st</sup>, 2014, unless otherwise noted. (See Appendices for complete fee schedule and fee philosophies)

**Human Resources**

Flu Test .....	\$14.00
Urine Pregnancy Test.....	\$3.00

**Library**

Fax Service (local or toll free) .....	\$1.00 first page, \$.10 each additional page
Fax Service (long distance) .....	\$2.00 first page, \$.20 each additional page

**PUBLIC HEALTH**

Tests

Rabies Titer (\$8 increase) .....	\$93.00
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Environmental Health

ServSafe 19-hour class, book, test, and answer sheet .....	\$84.00
ServSafe test and answer sheet .....	\$40.00

**SHERIFF**

Inmate Prescription Drug Co-Payment (\$5 increase) .....	\$10.00
Transport Involuntary Commitment to Another County's Facility .....	\$75.00 per hour (or portion)

**SOLID WASTE**

Scrap Tire Disposal (\$2 increase) .....	\$80.00 per ton
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