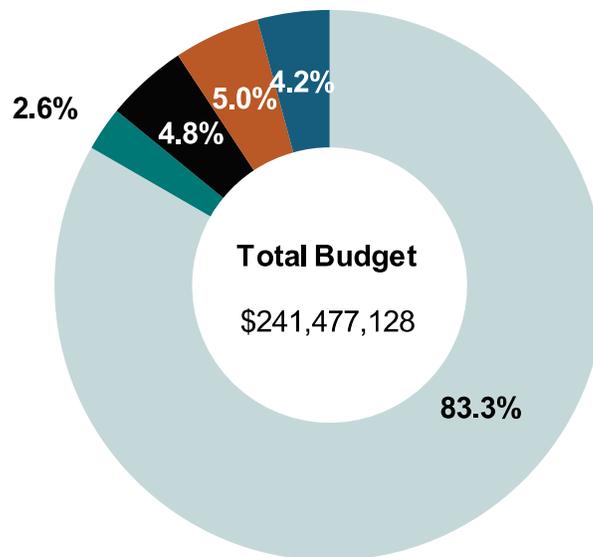


FISCAL YEAR 2020/21 BUDGET HIGHLIGHTS

The County's total Fiscal Year 2020/21 Budget is \$241,477,128. The County manages these funds using accounts—called funds—to track expenditures and revenue sources. The easiest way for most people to think about funds is to compare them to bank accounts. Money comes into a fund from a variety of sources and is then used to provide services to the public. Catawba County has 36 funds, with the largest being the General Fund. The General Fund is the primary operating fund composing \$201,219,565 or 83.3 percent of the budget. These funds are summarized in the budget into the following fund types:

TOTAL BUDGET



GENERAL FUND

Includes most County departments and services. It is often referred to as the operating Fund.

OTHER GENERAL FUND-LIKE FUNDS

Includes Self-Insurance, Reappraisal and Register of Deeds Automation Funds. These funds are largely funded by and/or tied to General Fund activities.

SPECIAL REVENUE FUNDS

Includes funds that are restricted for specific uses and have dedicated revenue sources including: E-911, Sheriff's Narcotics, Fire Protection Service Districts, Rescue Squads, Library Endowment, Parks/Historic Preservation Trust, Community Development, and Hospital Reserve Funds.

CAPITAL PROJECT FUNDS

Includes General Capital, Schools' Capital, Schools' Construction, Water & Sewer, and Solid Waste Capital Funds. Expenses in these funds are budgeted in projects, which--unlike other expenses that lapse at the end of each fiscal year--remain authorized until the projects are completed or the projects are closed.

ENTERPRISE FUNDS

Includes Solid Waste and Water & Sewer Operating Funds.

REVENUES

Catawba County has multiple revenue sources that are summarized in the following categories in the budget:

PROPERTY TAX

Includes revenues from taxes based on the assessed value of real and personal property owned. The General Fund reflects revenue from the county-wide 57.5 cents per \$100 of assessed valuation. Fire Service Protection District property taxes are budgeted in Special Revenue Funds.

SALES TAX

Consumers pay a sales tax rate of 2.25%. This revenue is budgeted primarily in the General Fund but also in Schools' Capital based on statutory requirements and Water & Sewer based on designations by the Board of Commissioners for use of the ¼ cent sales tax.

OTHER TAXES

Includes privilege licenses, real estate excise tax, tire and white goods disposal taxes, and ABC per bottle taxes.

INTERGOVERNMENTAL FUNDS

Includes funds received from the State and Federal governments, generally restricted for specific uses, and heavily concentrated in Human Services.

PERMITS & FEES

Includes building permit and ambulance fees and certified copies in the General Fund and Landfill user fees in the Solid Waste Management Fund.

MISCELLANEOUS

Includes ABC profits, cable TV franchise fees, interest on investments, and donations.

FUND BALANCE

Reflects the use of County savings.

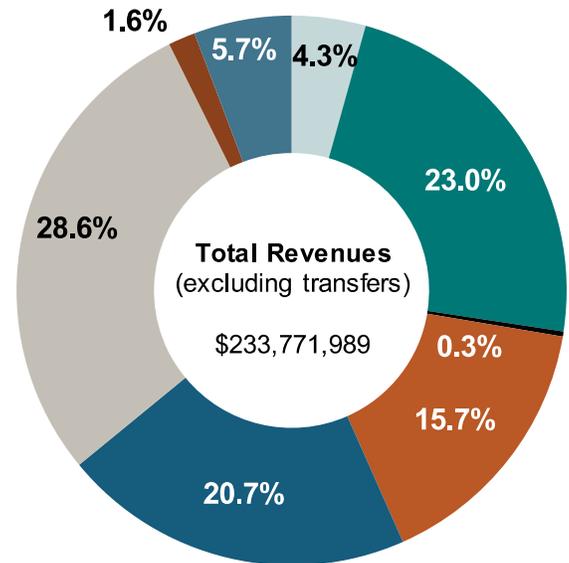
FINES & FORFEITURES

Fees collected by the Courts and entirely distributed to schools.

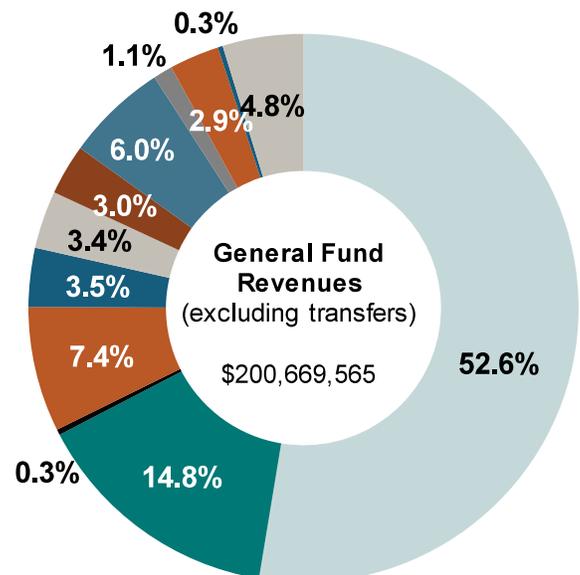
OTHER SOURCES

Includes debt proceeds, special contingency, and insurance premiums.

TOTAL REVENUES



GENERAL FUND REVENUES



REVENUE SUMMARY

	2018/19 Actual	2019/20 Current	2020/21 Requested	2020/21 Adopted	Percent Change
GENERAL FUND					
Property Tax	\$99,888,964	\$102,095,631	\$105,857,000	\$105,547,711	3.4%
Sales Tax	32,500,873	30,953,657	32,821,912	29,608,821	-4.3%
Other Taxes	856,513	680,000	680,500	680,500	0.1%
Federal	14,462,503	14,493,535	14,808,250	14,808,250	2.2%
State	6,870,366	6,989,773	6,928,605	6,928,605	-0.9%
Federal & State	6,529,983	6,017,073	6,832,229	6,832,229	13.5%
Local	5,356,097	5,965,605	6,117,443	5,989,443	0.4%
Permits & Fees	11,225,786	11,492,205	11,981,335	11,981,335	4.3%
Miscellaneous	3,998,512	2,148,672	2,296,343	2,296,343	6.9%
Fund Balance		7,284,596	10,012,656	5,871,853	-19.4%
Transfers Between Funds	586,299	718,759	550,000	550,000	-23.5%
Fines & Forfeitures	377,782	579,200	566,300	575,700	-0.6%
Other Sources	(312,119)	9,471,345	9,348,775	9,548,775	0.8%
	\$182,341,559	\$198,890,051	\$208,801,348	\$201,219,565	1.2%
OTHER GENERAL FUND TYPES					
Local	\$268,100	\$281,300	\$305,000	\$305,000	8.4%
Permits & Fees	24,222	19,000	20,000	20,000	5.3%
Miscellaneous	268,132	75,500	73,500	73,500	-2.6%
Fund Balance		351,168	433,224	529,025	50.6%
Transfers Between Funds	2,292,136	2,383,667	2,547,387	2,447,387	2.7%
Other Sources	2,441,899	2,525,000	2,876,650	2,876,650	13.9%
	\$5,294,489	\$5,635,635	\$6,255,761	\$6,251,562	10.9%
SPECIAL REVENUE FUNDS					
Prior Year Tax	\$826,183	\$826,183	\$826,183	\$844,892	2.3%
Fire Protection Service District	7,302,689	8,191,737	9,142,669	8,805,841	7.5%
State	1,072,804	1,108,068	906,463	896,573	-19.1%
Local	2,767	3,000	3,000	3,000	0.00%
Miscellaneous	301,521	7,500	52,500	52,500	600.0%
Fund Balance	0	1,339,965	1,018,445	999,736	-25.4%
Other Sources	0	5,000	5,000	5,000	0.0%
Transfers Between Funds	0	53,710	0	0	0.0%
	\$9,505,964	\$11,535,163	\$11,954,260	\$11,607,542	0.6%
CAPITAL PROJECT FUNDS					
Sales Tax	\$6,011,350	\$6,714,798	\$7,037,100	\$6,113,000	-9.0%
State	414,109	0	0	0	0.0%
Local	12,928	0	15,552	15,552	0.0%
Miscellaneous	2,632,997	0	355,600	355,600	0.0%
Fund Balance	0	1,455,848	9,015,009	976,845	-32.9%
Transfers Between Funds	8,751,538	6,504,855	6,729,241	4,707,752	-27.6%
Other Sources	0	10,250,000	99,300,000	0	0%
	\$17,822,922	\$24,925,501	\$122,452,502	\$12,168,749	-51.2%
ENTERPRISE FUNDS					
Sales Tax	\$326,174	\$0	\$0	\$0	0%
Other Taxes	372,218	342,000	342,000	342,000	0.0%
State	49,518	27,000	30,500	30,500	13.0%
Local	3,000	3,000	3,000	3,000	0.0%
Permits & Fees	8,256,489	8,017,500	8,208,561	8,208,561	2.4%
Miscellaneous	1,251,874	168,500	153,280	153,280	-9.0%
Fund Balance	0	3,023,166	1,480,970	1,480,369	-51.0%
Transfers Between Funds	1,694,984	0	0	0	0%
Other Sources	5,162	50,000	12,000	12,000	-76.0%
	\$11,959,419	\$11,631,166	\$10,230,311	\$10,229,710	-12.0%
TOTAL	\$226,924,353	\$252,617,516	\$359,694,182	\$241,477,128	-4.4%

EXPENDITURES

The budget uses Functions to break down expenditures. Functions are categories within funds that are descriptive of the departments and services budgeted within them. The charts reflect the amount of the total budget and General Fund budget dedicated to each function.

GENERAL GOVERNMENT

Provides administrative support for County government. Includes direct public services such as Board of Elections, Register of Deeds, and Tax as well as County Administration including the Board of Commissioners, County Manager, Human Resources, and Finance.

PUBLIC SAFETY

Work to provide a safe, secure community and provide emergency medical transportation. Includes the Sheriff's Office, Emergency Services, E-911 Communications Center, and other Public Safety activities.

ENVIRONMENTAL QUALITY

Includes Cooperative Extension Services, Soil and Water Conservation, and Forestry.

ECONOMIC & PHYSICAL DEVELOPMENT

Internal departments and external agencies focused on economic and physical development. Includes Technology, Planning, Parks, and Development, Utilities and Engineering, and other Economic Development. Total budget includes Solid Waste and Water and Sewer Funds.

HUMAN SERVICES

The Human Services' budget includes Social Services, Public Health, Partners Behavioral Health, and the Medical Examiner.

EDUCATION

Includes Catawba County Schools, Hickory Public Schools, and Newton-Conover City Schools and Catawba Valley Community College.

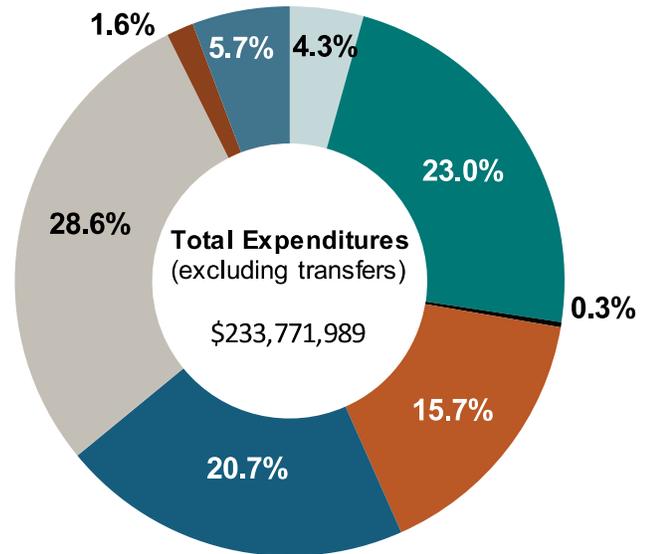
CULTURE

Includes the County Library system and outside organizations such as Catawba County Historical Association, United Arts Council of Catawba County, SALT Bock, and the Hickory Public Library.

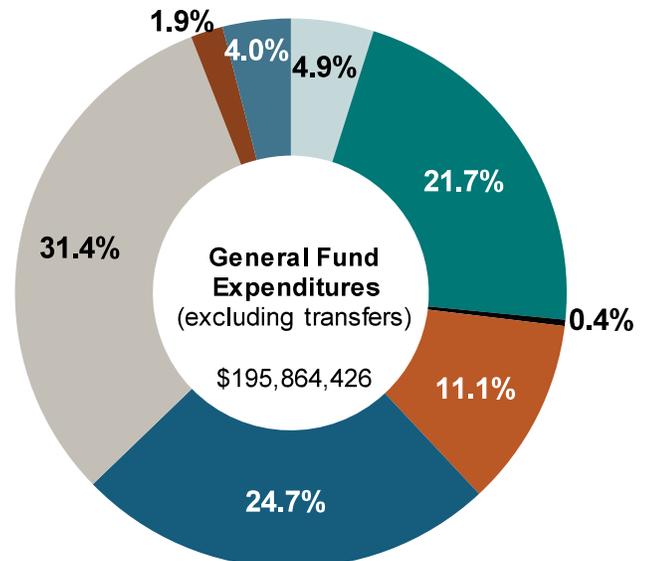
OTHER

Includes the Self-insurance fund and Catawba Valley Medical Center debt.

TOTAL EXPENDITURES



GENERAL FUND EXPENDITURES



EXPENDITURE SUMMARY

	2018/19 Actual	2019/20 Current	2020/21 Requested	2020/21 Adopted	Percent Change
General Fund					
General Government	\$8,209,066	\$9,034,383	\$9,449,018	\$9,528,488	5.5%
Public Safety	32,218,215	36,487,472	40,738,556	37,541,310	2.9%
Environmental Quality	607,125	722,247	723,995	712,263	-1.4%
Economic & Physical Development	18,213,678	20,034,168	21,511,404	21,106,166	5.4%
Human Services	43,134,865	47,259,838	49,114,993	48,374,227	2.4%
Schools Current Expense	45,057,124	46,076,976	47,861,364	46,710,448	1.4%
Libraries & Culture	3,613,338	3,623,760	3,737,290	3,703,424	2.2%
Debt Service	17,933,091	28,812,685	28,188,100	28,188,100	-2.2%
Transfers to Other Funds	8,168,554	6,838,522	7,476,628	5,355,139	-21.7%
	\$177,155,056	\$198,890,051	\$208,801,348	\$201,219,565	1.2%
Other General Fund Types					
Self Insurance Fund	\$4,964,384	\$5,021,400	\$5,630,800	\$5,630,800	12.1%
Reappraisal Fund	491,744	535,235	545,961	541,762	1.2%
Register of Deeds Auto. & Preserv.	79,048	79,000	79,000	79,000	0.0%
Capital Reserve Fund	407,378	0	0	0	0.0%
	\$5,942,554	\$5,635,635	\$6,255,761	\$6,251,562	10.9%
Special Revenue Fund Types					
Emergency Telephone System Fund	\$762,715	\$1,158,995	\$906,463	\$896,573	-22.6%
Narcotics Seized Fund	53,710	53,710	0	0	0.0%
State Unauthorized Substance Fund	36,587	70,000	70,000	70,000	0.0%
Narcotics Fed Seized Justice Fund	1,647	28,451	17,500	17,500	-38.5%
Narcotics Fed Seized Treasury Fund	0	25,259	20,000	20,000	-20.8%
Hospital Reserve Fund	500,000	500,000	500,000	500,000	0.0%
Rescue Squads Fund	883,245	841,692	1,009,136	1,009,136	19.9%
Library Endowment Fund	2,767	4,000	4,000	4,000	0.0%
Gretchen Peed Scholarship Fund	0	1,500	1,500	1,500	0.0%
Parks/Historic Preserv.Trust Fund	0	5,000	5,000	5,000	0.0%
Community Development Fund	130,615	0	0	0	0.0%
Fire Protection Service District Funds	7,538,117	8,846,556	9,420,661	9,083,833	2.7%
	\$9,909,403	\$11,535,163	\$11,954,260	\$11,607,542	0.6%
Capital Project Funds					
General Capital Projects	\$13,205,033	\$5,087,165	\$6,098,691	\$5,263,882	3.5%
Schools' Capital Fund	5,287,379	6,401,556	14,314,831	5,454,867	-14.8%
Schools' Construction Fund	15,600,292	11,036,780	100,588,980	0	0.0%
Water & Sewer Capital Fund	2,427,057	350,000	250,000	250,000	-28.6%
Solid Waste Capital	2,412,444	2,050,000	1,200,000	1,200,000	-41.5%
	\$38,932,205	\$24,925,501	\$122,452,502	\$12,168,749	-51.2%
Enterprise Funds					
Water and Sewer	\$783,795	\$2,559,262	\$2,537,970	\$2,537,369	-0.9%
Solid Waste	8,277,905	9,071,904	7,692,341	7,692,341	-15.2%
	\$9,061,700	\$11,631,166	\$10,230,311	\$10,229,710	-12.0%
TOTAL	\$241,000,918	\$252,617,516	\$359,694,182	\$241,477,128	-4.4%

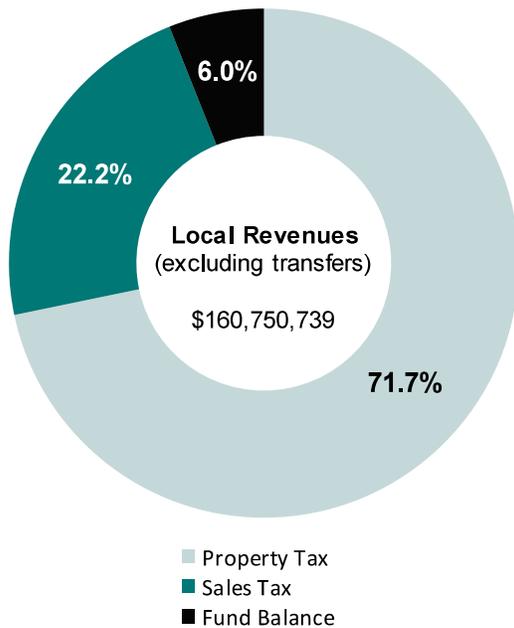
Local Funds

The County receives significant revenue from sources other than County, particularly in Human Services where County governments are often ordered by the State to carry out certain programs. These revenues are typically restricted to programs for which they are received and can't be used for other purposes. Because large amounts of restricted funds are received from the State, the term "County Share" has been created to identify how much County tax revenue is spent on programs.

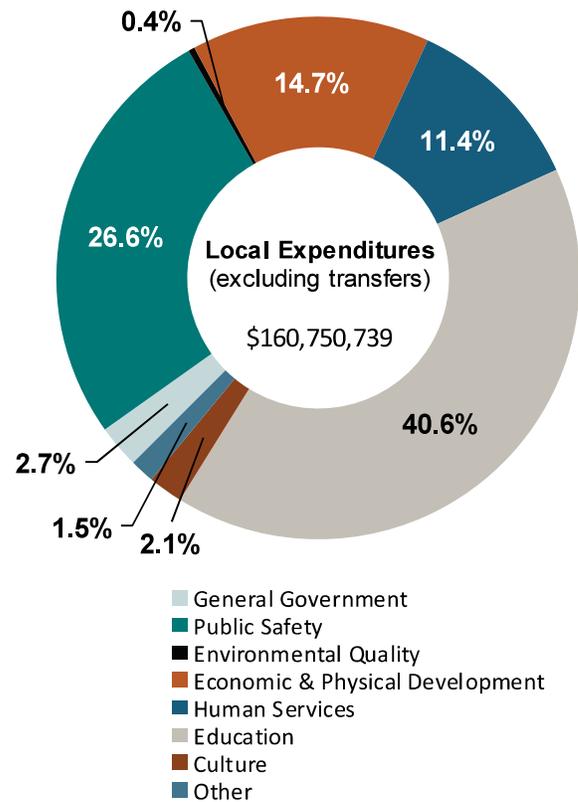
Other services (such as Building Services) generate sufficient user charge and fee revenue to support itself. In these instances, by Statute excess revenue can't be used to support other services. Similarly, Solid Waste, as an Enterprise Fund, supports itself without County tax revenue.

Many services provided by the County don't generate revenues at all, or the amount generated isn't sufficient to cover the cost of delivering the service such as Education, Public Safety, General Government Administration, and Libraries. The term Local Funds is used to refer to the portion of the budget supported by property tax, sales tax, and related fund balance dollars. When only local funds are considered, Education is clearly the largest portion of the County budget, followed by Public Safety.

LOCAL REVENUES



LOCAL EXPENDITURES



MAJOR CHANGES IN THE FISCAL YEAR 2020/21 BUDGET

REVENUE

Property Tax

Due to tax base growth and conservative budgeting in prior years, property tax revenue increased \$4.2 million budget to budget (\$3.47 million countywide property tax, \$725,307 fire protection service districts' property tax).

Sales Tax

Sales tax revenues decreased \$1,946,434 budget to budget due to the COVID-19 pandemic.

General Fund Balance

Fund balance appropriated in the General Fund decreased \$1,413,713 and it is anticipated that the Fund Balance appropriated will not actually be spent.

EXPENSE

Public Safety

Sheriff

The Sheriff's Office budget reflects increases primarily driven by two grant-funded School Resource Officers, radio replacements for statewide 800 MHz system compliance, and juvenile housing for Raise the Age.

Emergency Services

The Emergency Services budget includes costs associated with moving Animal Shelter operations in-house (including 15.0 additional FTEs), two additional EMS Shift Supervisors funded in April (2.0 FTEs) and associated equipment, a replacement vehicle for the current EMS Shift Supervisor, three replacement ambulances, and various operating increases.

911 Communications Center

The budget includes a \$26,000 reduction in Implemental Function Local revenues due to the CAD upgrade that occurred during Fiscal Year 2019/20.

Other Public Safety

The budget includes additional funding for jail diversion efforts in partnership with Court Services.

Environmental Quality

Forestry

Contractually, Catawba County funds 40 percent of the total budget for Forestry, with the State of North Carolina funding the remaining 60 percent. The decrease in the budget is due to removal of funds for a motor vehicle replacement that occurred in Fiscal Year 2019/20.

Cooperative Extension

The budget increase is driven by planned compensation increases.

Soil & Water Conservation

The budget increase is driven by planned compensation increases and needed equipment.

Economic & Physical Development

Technology

The budget includes the transfer of 1.85 FTEs from the Emergency Telephone System Fund to GIS due to statewide efforts to implement Next Generation 911 services (fully offset by associated revenue).

Planning, Parks, & Development

Operating and capital funds to prepare for the expected opening of Mountain Creek Park in July 2021 are budgeted. The budget also includes planned compensation changes and funds to contract for unified development ordinance updates.

Utilities & Engineering

Funds are included in the budget for the replacement of two vehicles and increased indirect costs.

Facilities

The budget includes increased utility and maintenance expense, primarily for the jail expansion and planned compensation changes

Human Services

Social Services

Social Services budget increased due largely to changes in entitlement programs such as foster care and Medicaid that pass-through the County budget as revenue and expense.

Public Health

The budget includes pass-through grant funding for Aids Leadership Foothills Alliance (ALFA), supporting the grant-funded Obstetric Care Management (OBCM) Public Health Nurse position, a new electronic health record system for the School Nurse Initiative, and operational resources.

Education

Current Expense

The budget includes increased current expense funding for public schools and Catawba Valley Community College (CVCC). The budget also continues to provide \$1.3 million for the K-64 Initiative.

Culture

Library

The budget increase is driven by planned compensation increases.

Other Cultural

The budget maintains current year funding levels for the United Arts Council, and Catawba County Historical Association and restores previous funding for the SALT Block. Funding for Newton Performing Arts is discontinued. The budget continues to fund Hickory Public Libraries so that County residents living outside the city limits of Hickory can use Patrick Beaver and Ridgeview Libraries free of charge.

General Government

County Manager

The budget increase is driven by planned compensation increases and funding retirement-driven staffing overlaps to allow cross training and build capacity in advance of long-term employees' retirement.

Tax

The budget increase is driven by planned compensation increases and required increases in state billing fees for motor vehicle tax billing.

Elections

The Board of Elections budget fluctuates annually based on the number of elections occurring during the fiscal year. The budget includes cyclical increases related to the 2020 general elections.

Register of Deeds

The budget includes planned compensation changes.

Finance

The budget includes a decrease in personal services due to staffing changes.

Contingency

Special contingency is increased to allow the county to recognize unanticipated revenue during the year.

Other

Self-Insurance Fund

The budget increase is primarily due to increased employee and retiree health claims, retiree health premiums, and property and general liability claims.

Reappraisal Fund

The budget for the Reappraisal Fund fluctuates annually based on the current stage of the four-year property tax revaluation cycle. The recommended Fiscal Year 2020/21 budget includes increased operating costs to address reappraisal staff training needs.

Emergency Telephone System Fund

The State of North Carolina is implementing Next Generation 911 (NG911) to ensure citizens are able to access 911 services regardless of their location or the communication technology they use. The NC 911 Board has contracted with AT&T for the implementation of a statewide Emergency Services IP Network (ESInet) and with GeoComm to manage the GIS services portion of the NG911 Project. All public safety answering points are scheduled to transition to ESInet by or before July 1, 2021, at which time, local addressing and mapping services will no longer be allowable charges to 911 funds.

Fire Service Protection Districts

The budget includes 11 districts remaining at their current rates, with three districts receiving tax increase beyond the current rate. Six districts will apply fund balance towards capital purchases.

Rescue Squads

The budget includes increased operational funds for each squad and purchases to replace a heat pump, quick response vehicle, and a medium duty rescue truck.

General Capital Projects

Funds are included toward the Trivium Corporate Center, future economic development, parks, various technology updates, public safety needs, and general renovations

Schools Capital

The budget decreased based on anticipated sales tax loss due to the COVID-19 pandemic.

Schools Construction

The budget decreased due to a one year delay in planned school construction projects.

Water & Sewer Capital

The budget continues the County's participation in the Hickory/Catawba County Waste Water Treatment Plan Expansion. Funds previously budgeted for the Trivium Corporate Center are transferred to the Trivium project in the General Capital Projects Fund.

Water & Sewer Administration

Expenses decreased slightly due to retiring debt.

Solid Waste Capital

The budget includes \$1,000,000 in a landfill closure project towards anticipated closure expenses. Additionally, funds budgeted for the installation of 15 wells and gas collection piping and wetlands mitigation.

Solid Waste Management

The budget includes an additional scale attendant to reduce wait times and provide one attendant per inbound and outbound land. Planned tipping fee increases to support future cell construction needs are included.

LONG-TERM FINANCIAL PLANNING

The Board of Commissioners began a strategic planning process in July 2016 aimed at enhancing and promoting the County's quality of life in order to attract working-age families and to grow the economy. Since that time, staff has been busy implementing key components of this plan and focusing on anticipating future service pressures and delivering responsive services to the community.

The Fiscal Year 2020/21 budget invests in services and infrastructure related to many of the 8 major focus areas of the strategic plan as well as general service needs. Highlights of investment include:

- *Economic Development:* The budget includes an additional \$2.7 million toward the County's share of a joint venture with the City of Hickory in Trivium Corporate Center plus \$100,000 to address emergent opportunities through the SECC Business Park/Education Campus.
- *K-64 and Education:* \$1.3 million dedicated to K-64 for the fourth year of a 5-year commitment, \$34 or 2 percent per pupil current expense increase for the three public school systems, and a 2 percent increase in current expense funding to CVCC. Additionally, the budget funds \$5.45 million in schools' annual capital needs. Additionally, \$45.75 million in construction projects are planned over the next two years. Further, \$14.8 million is committed to debt service for financed school projects.
- *Water & Sewer Infrastructure:* As part of the Strategic Plan, the County contracted for a comprehensive study of the Southeastern Catawba County water and sewer service area including development of a long-term capital improvement plan and a plan for financial sustainability. The study identified capital infrastructure needs for the next 10 years, which the County is financially well-positioned to address with existing funds.
- *Parks:* Work continues on Mountain Creek Park development, with operation of the initial phase anticipated at the beginning of Fiscal Year 2021/22, with a second phase in future years. The County plans to apply for PARTF grants to assist with the first phase of Mountain Creek Park. Additionally, funds to support 2 months' staffing for Mountain Creek Park and initial equipment purchase is included in the budget .
- *Healthy & Safe Community:* The County has reserved bed rental revenue since its last jail expansion in 2007 and dedicated 1.5 cents property tax since Fiscal Year 2015/16 toward the cost of future jail expansion. A 320-bed expansion began in Fiscal Year 2018/19 with total costs of \$33 million, \$22 million of which was debt financed with the rest coming from reserved revenue. The expansion is set to open in the first quarter of Fiscal Year 2020/21, and the budget accounts for one full year of operations. The budget also accounts for increased revenue from renting inmate beds to outside agencies.

The budget begins to implement the recommendation by a 2018 EMS study to increase the number of EMS Shift Supervisors by funding two supervisors in April subject to revenues. The budget supports a budget increase for Rescue Squads to account for increasing operating costs.

- *Solid Waste:* In Fiscal Year 2018/19, the BOC authorized expenditure of just over \$10 million in funds for the next landfill cell expected to begin accepting waste in 2021. Planning for this cell, closure/post closure costs of the existing cell, and future cell needs necessitated a \$2 per

ton tipping fee increase in Fiscal Year 2018/19—the first in over 10 years—with scheduled annual increases over the next 10 years. MSW tipping fees will increase by 2.2 percent and C&D tipping fees will increase by \$1 in Fiscal Year 2020/21. Tipping fees will continue to be based on the consumer price index or 2 percent in future years, whichever is greater. Additionally, the Fiscal Year 2020/21 budget includes an additional Scale Attendant position at the Landfill.

The County is able to make these investments within available revenues, maintaining the property tax rate of \$0.575 for every \$100 of valuation, thanks to growth in the tax base due to property tax base growth, a strong tradition of fiscal stewardship, and conservative budgeting. Comprehensive long-range plans have been developed for critical service areas such as school construction, jail expansion, water and sewer infrastructure, parks, libraries, and solid waste.

The following pages provide 4-year revenue and expenditure projections that reflect the County's long-range plans.

4-YEAR REVENUE SUMMARY PROJECTION

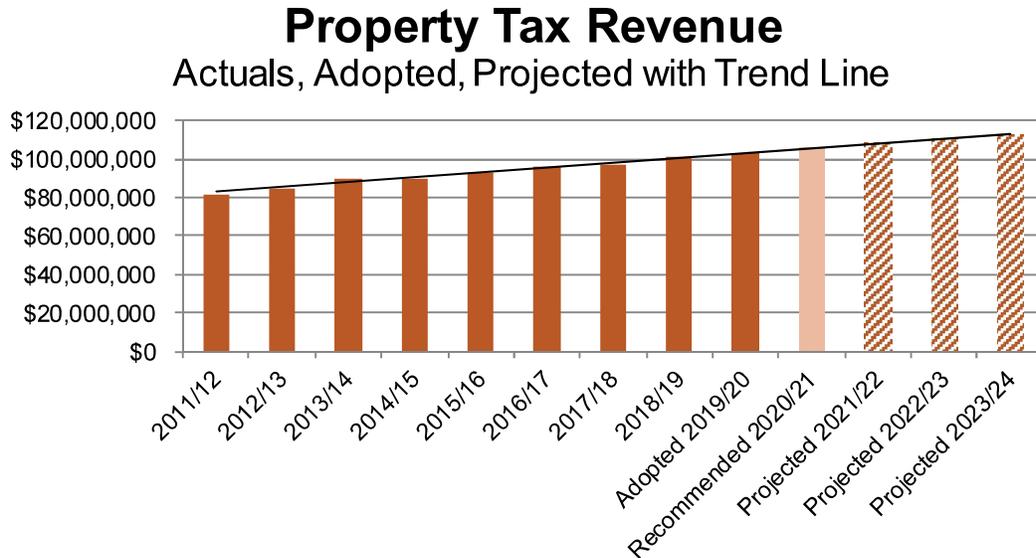
	2020/21 Adopted	2021/22 Projected	2022/23 Projected	2023/24 Projected
GENERAL FUND				
Property Tax	\$105,547,711	\$107,085,418	\$109,494,840	\$111,927,490
Sales Tax	29,608,821	30,200,997	32,063,824	32,706,413
Other Taxes	680,500	694,110	707,992	722,152
Federal	14,808,250	14,956,333	15,105,896	15,256,955
State	6,928,605	6,997,891	7,067,870	7,138,549
Federal & State	6,832,229	6,900,551	6,969,557	7,039,253
Local	5,989,443	6,049,337	6,109,830	6,170,928
Permits & Fees	11,981,335	12,220,962	12,465,381	12,714,689
Miscellaneous	2,296,343	2,342,270	2,389,115	2,436,897
Fund Balance	5,871,853	6,500,000	6,500,000	6,500,000
Transfers Between Funds	550,000	500,000	4,761,179	4,050,792
Fines & Forfeitures	575,700	587,214	598,958	610,937
Other Sources	9,548,775	10,374,984	9,471,345	9,348,772
	\$201,219,565	\$205,410,067	\$213,705,787	\$216,623,827
OTHER GENERAL FUND TYPES				
Local	\$305,000	\$311,100	\$317,322	\$323,668
Permits & Fees	20,000	20,400	20,808	21,224
Miscellaneous	73,500	74,970	76,469	77,998
Fund Balance	529,025	529,016	528,841	528,496
Transfers Between Funds	2,447,387	2,496,335	2,546,262	2,597,187
Other Sources	2,876,650	2,934,183	2,992,867	3,052,724
	\$6,251,562	\$6,366,004	\$6,482,569	\$6,601,297
SPECIAL REVENUE FUNDS				
Prior Year-Property Tax	\$844,892	\$844,892	\$844,892	\$844,892
Fire Protection Service District	8,805,841	8,981,958	9,161,597	9,344,829
State	896,573	896,573	896,573	896,573
Local	3,000	3,060	3,121	3,183
Miscellaneous	52,500	52,500	52,500	52,500
Fund Balance	999,736	975,026	957,075	938,361
Other Sources	5,000	5,000	5,000	5,000
	\$11,607,542	\$11,759,009	\$11,920,758	\$12,085,338
CAPITAL PROJECT FUNDS				
Sales Tax	\$6,113,000	\$6,485,260	\$6,864,965	\$7,252,264
State	0	500,000	0	250,000
Local	15,552	0	0	0
Miscellaneous	355,600	42,085	42,085	28,702
Fund Balance	976,845	42,147	42,147	0
Transfers Between Funds	4,707,752	2,608,863	1,642,205	1,082,580
Other Sources	0	0	46,750,000	2,350,000
	\$12,168,749	\$9,678,355	\$55,341,402	\$10,963,546
ENTERPRISE FUNDS				
Sales Tax	\$0	\$0	\$735,830	\$755,547
Other Taxes	342,000	342,000	342,770	343,548
State	30,500	0	0	0
Local	3,000	3,000	3,000	3,000
Permits & Fees	8,208,561	8,177,016	8,311,936	8,449,362
Miscellaneous	153,280	227,325	228,878	230,447
Fund Balance	1,480,369	0	(78,482)	(448,952)
Transfers Between Funds	0	1,528,390	0	0
Other Sources	12,000	0	0	0
	\$10,229,710	\$10,277,731	\$9,543,932	\$9,332,952
TOTAL	\$241,477,128	\$243,491,166	\$296,994,448	\$255,606,960

4-YEAR EXPENSE SUMMARY PROJECTION

	2020/21 Adopted	2021/22 Projected	2022/23 Projected	2023/24 Projected
GENERAL FUND				
General Government	\$9,528,488	\$9,709,058	\$9,903,239	\$10,101,304
Public Safety	\$37,541,310	\$38,409,136	\$39,174,979	\$39,940,822
Environmental Quality	\$712,263	\$726,508	\$741,038	\$755,859
Economic & Physical Development	\$21,106,166	\$22,020,289	\$22,460,695	\$22,909,909
Human Services	\$48,374,227	\$49,341,712	\$50,328,546	\$51,335,117
Schools Current Expense	\$46,710,448	\$47,644,657	\$48,597,550	\$49,569,501
Libraries & Culture	\$3,703,424	\$3,777,492	\$3,853,042	\$3,930,103
Debt Service	\$28,188,100	\$28,570,266	\$32,738,212	\$32,138,965
Transfers to Other Funds	\$5,355,139	\$5,210,949	\$5,908,486	\$5,942,247
	\$201,219,565	\$205,410,067	\$213,705,787	\$216,623,827
OTHER GENERAL FUND TYPES				
Self Insurance Fund	\$5,630,800	\$5,734,407	\$5,839,920	\$5,947,375
Reappraisal Fund	\$541,762	\$552,597	\$563,649	\$574,922
Register of Deeds Auto. & Preserv.	\$79,000	\$79,000	\$79,000	\$79,000
	\$6,251,562	\$6,366,004	\$6,482,569	\$6,601,297
SPECIAL REVENUE FUNDS				
Emergency Telephone System Fund	\$896,573	\$896,573	\$896,573	\$896,573
Narcotics Seized Fund	\$0	\$0	\$0	\$0
State Unauthorized Substance Fund	\$70,000	\$70,000	\$70,000	\$70,000
Narcotics Fed Seized Justice Fund	\$17,500	\$15,000	\$15,000	\$15,000
Narcotics Fed Seized Treasury Fund	\$20,000	\$15,000	\$15,000	\$15,000
Hospital Reserve	\$500,000	\$500,000	\$500,000	\$500,000
Rescue Squads Fund	\$1,009,136	\$1,009,136	\$1,009,136	\$1,009,136
Gretchen Peed Scholarship Fund	\$1,500	\$1,500	\$1,500	\$1,500
Parks/Historic Preserv. Trust Fund	\$5,000	\$5,000	\$5,000	\$5,000
Fire Protection Service District Funds	\$9,083,833	\$9,242,800	\$9,404,549	\$9,569,129
	\$11,607,542	\$11,759,009	\$11,920,758	\$12,085,338
CAPITAL PROJECT FUNDS				
General Capital Projects	\$5,263,882	\$2,228,945	\$2,743,113	\$4,311,912
Schools' Capital Fund	\$5,454,867	\$5,599,410	\$5,748,289	\$5,901,634
Schools' Construction Fund	\$0	\$0	\$45,750,000	\$0
Water & Sewer Capital Fund	\$250,000	\$250,000	\$250,000	\$250,000
Solid Waste Capital	\$1,200,000	\$1,600,000	\$850,000	\$500,000
	\$12,168,749	\$9,678,355	\$55,341,402	\$10,963,546
ENTERPRISE FUND				
Water & Sewer	\$2,537,369	\$2,525,717	\$2,515,821	\$2,483,694
Solid Waste	\$7,692,341	\$7,752,014	\$7,028,111	\$6,849,258
	\$10,229,710	\$10,277,731	\$9,543,932	\$9,332,952
TOTAL	\$241,477,128	\$243,491,166	\$296,994,448	\$255,606,960

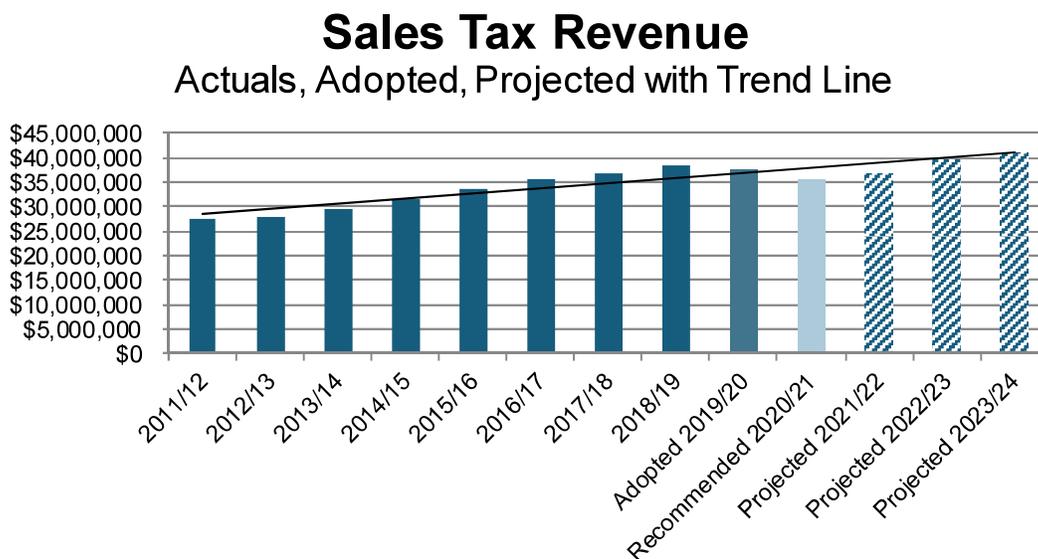
REVENUE TRENDS

MAJOR REVENUE SOURCES (ACTUALS & TRENDS)



Property Tax

A tax levied by the Board of Commissioners applicable to real and personal property. Once every four years, the County Tax Assessor must revalue the real property in the County. The County tax rate is \$0.575 per \$100 of valuation. Fiscal Year 2020/21 budgeted property tax is \$105,547,711.

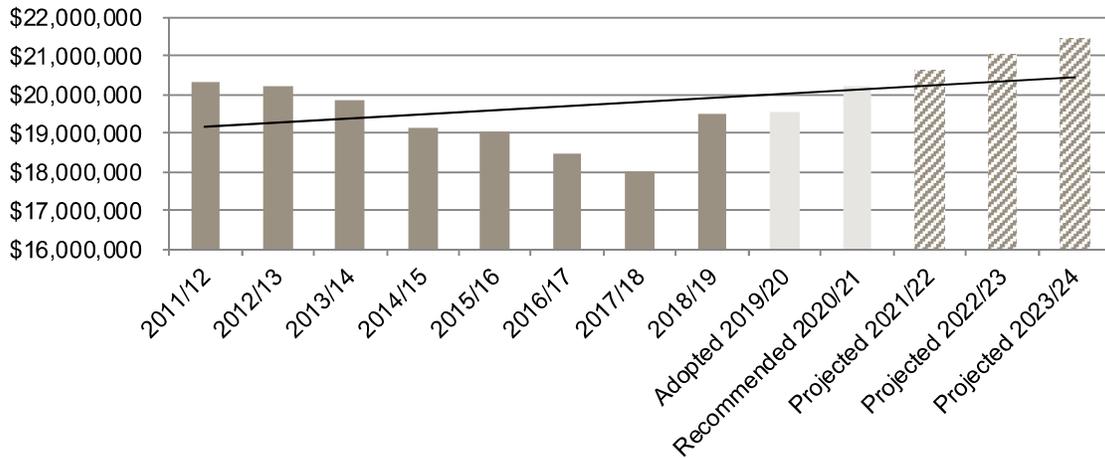


Sales Tax

Sales tax is levied by the County, collected by the State, and then returned to the County. Sales Tax revenue is directly related to an economy's growth or decline. Sales Tax estimates include a 5.2 percent decrease for Fiscal Year 2020/21 compared to Fiscal Year 2019/20 budget.

Permits & Fees Revenue

Actuals, Adopted, Projected with Trend Line

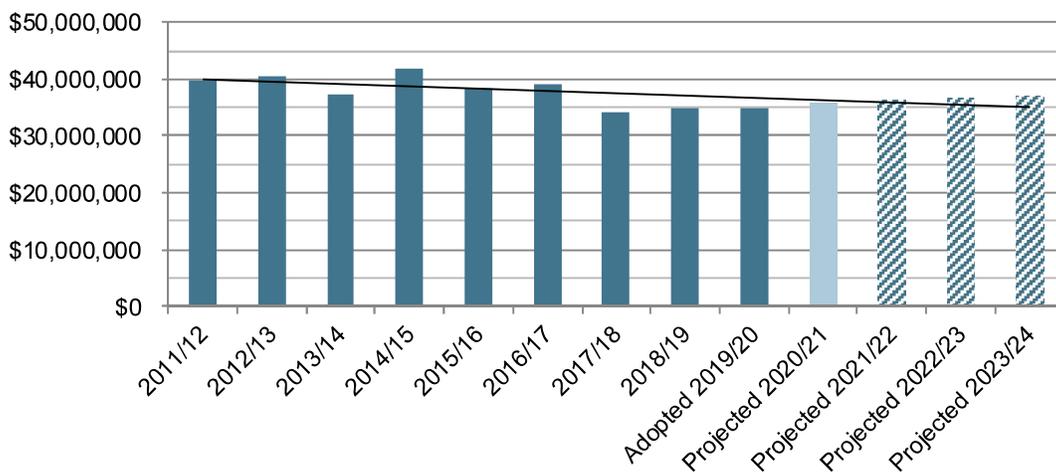


Permits & Fees

Revenue from permits and fees includes funds received from Medicaid reimbursement, user fees, and assessments to municipalities for items such as elections, GIS, or planning studies. The largest revenues in this category include Landfill User Fees (\$5,780,016), Ambulance Charges (\$5,700,000), and Building Permits (\$2,303,101).

Intergovernmental Revenue

Actuals, Adopted, Projected with Trend Line



Intergovernmental

Revenues received from the State and Federal government. Most of these revenues are tied to programs that the State or Federal Agency has ordered the County to implement, such as human service programs. Some of the largest revenues in this category include Medicaid Administration (\$3,340,800), State Aid to Families with Dependent Children – Foster Care (\$2,000,000), Work First Block Grant (\$1,887,585), and Lottery (\$1,600,000).

FUND BALANCE

The County uses four basic fund types: General, Special Revenue, Capital, and Enterprise. Each of these fund types has its own specific legal and accounting requirements. Appropriations lapse at year end in the General, Special Revenue, and Enterprise Funds, for which annual budgets have been legally adopted. The Capital Projects Funds budgets are adopted on a project ordinance basis, spanning more than one year. Appropriations are carried over in these funds until the project is completed. Each fund also has its own fund balance. Fund balance represents monies that remain unspent after all budgeted expenditures have been made. These unspent monies serve as a working capital reserve to pay expenditures in the early part of the fiscal year before taxes are collected. The fund balances are also available for appropriation or may be saved for major capital expenditures. The Chief Financial Officer and the Budget and Management Director estimate fund balances for the current year and upcoming fiscal year based on expected revenue and expenditure occurrences throughout the year.

Fund balance is typically referred to in two ways: available fund balance and unassigned fund balance. The County's available fund balance refers to its total cash and investments minus liabilities, encumbrances, and deferred revenues at the end of each fiscal year. Unassigned fund balance is more conservative, referring to the amount of fund balance with no restrictions or designations that is freely available to be appropriated and spent at any time. It is calculated starting with the available fund balance and reducing it by things such as fund balance appropriated for subsequent year's expenses and Board of Commissioners' designations such as Reinventing Surplus (which may or may not be spent), and other reserves. The tables below reflect unassigned fund balance.

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. The County had available fund balance of \$70.5 million or 39.3 percent, as defined by the Local Government Commission (LGC), at the end of Fiscal Year 2018/19. This is well above the LGC's 8 percent requirement and the Board of Commissioners' goal of 16 percent.

General Fund (and like Funds) Unassigned Fund Balance at the end of Fiscal Year 2018/19 was \$42 million or 24 percent. The Fiscal Year 2020/21 budget appropriates \$6.5 million in General Fund fund balance to help finance County operations and schools' annual capital projects. This is a \$784,596 decrease from the amount budgeted in Fiscal Year 2019/20. Additionally, \$523,100 in fund balance is appropriated in the General Fund-Like Funds. Due to conservative revenue and expense budgeting, it is expected that most of this appropriation is simply a balancing number and will not be spent.

General Fund (and like Funds) Unassigned	Act. 6/30/2019	Est. 06/30/20	Appropriated	
			FY 2020/21	Est. 06/30/21
General Fund (110)	39,299,599	39,300,000	\$5,871,853	37,300,000
Self Insurance Fund (115)	2,670,709	2,600,000	517,600	2,100,000
Register of Deeds Autom. & Preserv (160)	31,227	32,000	5,500	27,000
Total	42,001,535	41,932,000	6,394,953	39,427,000

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for special purposes.

Special Revenue Fund Types Unassigned	Act. 6/30/2019	Est. 06/30/20	Appropriated	
			FY 2020/21	Est. 06/30/21
Emergency Telephone (202)	671,324	672,000	0	672,000
Narcotics Seized (205, 207, 208)	94,327	95,000	37,500	23,000
State Substance Abuse (206)	141,879	142,000	70,000	122,000
Rescue Squads (240)	480,747	481,000	164,244	317,000
Library Endowment (250)	193,303	193,000	0	193,000
Gretchen Peed Scholarship (260)	54,954	55,000	0	55,000
Parks Preservation (270)	5,533	6,000	0	6,000
Community Development (280)	54,408	54,000	0	54,000
Fire Districts (352-369)	1,226,320	1,026,000	277,992	800,000
Total	2,922,794	2,724,000	549,736	2,242,000

Capital Projects Funds

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The County maintains a separate Schools' Capital Projects Fund, General Capital Projects Fund, Hospital Construction and Operations Fund, Water and Sewer Construction Fund, and Capital Projects Reserve Fund for accounting and budgeting purposes.

Capital Projects Fund Types Unassigned	Act. 6/30/2019	Est. 06/30/20	Appropriated	
			FY 2020/21	Est. 06/30/21
General Capital Projects (410)	1,996,909	1,247,000	399,978	850,000
Schools' Capital Projects (420)	4,202,497	4,202,000	226,867	3,980,000
Schools' Construction (423)	16,081,553	17,243,333	250,000	16,993,000
Hospital Construction & Reserve (235)	3,233,084	2,733,084	500,000	2,268,000
Total	25,514,043	25,425,417	1,376,845	24,091,000

Enterprise Funds

Enterprise Funds are used to account for services that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs of providing service to the general public on a continuing basis be financed or recovered primarily through user charges. The County has two enterprise funds, the Solid Waste Management Fund and the Water and Sewer Fund.

Enterprise Fund Types Unassigned	Act. 6/30/2019	Est. 06/30/20	Appropriated	
			FY 2020/21	Est. 06/30/21
Water & Sewer (515 & 475)	20,490,374	19,990,000	1,729,168	18,261,000
Solid Waste (525 & 485)	12,160,118	10,490,000	100,000	10,390,000
Total	32,650,492	30,480,000	1,829,168	28,651,000

FEES UPDATES

Below are the fee changes/clarifications that are included as part of this budget. All fees are effective July 1, 2020, unless otherwise noted. The entire fee schedule is included in the appendix.

Animal Shelter	Change	Proposed Fee
<i>The following fees are added due to County resuming Animal Shelter operations:</i>		
Microchip	New fee	\$15
Boarding Fees	New fee	\$10 per day
Rabies Vaccine (one year)	New fee	\$10
Bordetella Vaccine	New fee	\$10
Cat Adoption (six months or older)	New fee	\$75
Kitten Adoption (under six months)	New fee	\$100
Dog Adoption (adult)	New fee	\$100
Puppy Adoption	New fee	\$125
Small Animals Adoption (no specific care – rabbits, hamsters, guinea pigs, etc.)	New fee	\$20
Exotic/Reptile Adoption (specific care – bearded dragons, snakes, etc.)	New fee	\$35
Livestock Tier 2 (goats, sheep, pigs)	New fee	\$25
Livestock Tier 3 (cows)	New fee	\$75
Livestock Tier 4 (equines)	New fee	\$150

Public Health	Change	Proposed Fee
Add statement: "Public Health is authorized to offer vaccinations based on public demand and need. The fee for each vaccination is the cost of the vaccine plus a flat administrative fee of \$22.00."	No change to cost; creates flexibility in offerings based on public need	No change to cost (Direct cost + \$22)

Solid Waste	Change	Proposed Fee
Uncovered/Unsecured Load	New fee FY 20/21	\$50 per occurrence
Unloading After Hours	New fee FY 20/21	\$25 per 15 minutes or any part thereof
MSW Tipping Fee	Increase 2.2% or \$0.79 per ton increase/\$0.39 minimum increase	Most from \$35.70 to \$36.49 per ton, from \$17.85 to \$18.24 minimum
Construction and Demolition (C&D) Tipping Fee	Increase of \$1 per ton	Most from \$25 to \$26 per ton
Clean, Natural, Uncontaminated Wood Pallets	New fee FY 20/21	\$10 per ton

Natural Lumber (less than 8-feet in length)	New fee FY 20/21	\$10 per ton
Scrap Tires	Increase of \$10 per ton	\$100 per ton
Compost	Decrease \$15 per 3-yard scoop or \$15 per ton	\$15 per 3-yard scoop or \$15 per ton

PERSONNEL SUMMARY

The Fiscal Year 2020/21 Budget includes a total of 1,167.8 authorized full-time equivalents (FTEs) in all funds. An FTE simply converts the hours worked by a position into a percentage of a full year's number of hours (2,080/year). Some FTEs may be filled with more than one person (multiple positions) and the work that is accomplished may equal more than 2,080 hours (reserve positions in the Sheriff's Office and EMS, respite position in Social Services). If so, the FTE may be 1.25 or 2,600 hours worked.

SUMMARY OF PERSONNEL CHANGES

New and increased FTEs included with the Fiscal Year 2020/21 Budget are as follows:

Position	Department	Total FTEs	Funding Source
EMS – Shift Supervisor	Emergency Services (EMS)	2.0	General Fund
Scale Attendant	Solid Waste Management	1.0	Solid Waste Management Fund
Deputy Sheriff	Sheriff's Office (Court Security)	2.0	General Fund
Attorney	County Manager (Legal)	1.0	General Fund
Park Ranger	Planning, Parks& Development	3.0	General Fund
Park Supervisor	Planning, Parks& Development	1.0	
Total Recommended FTEs		10.0	

Positions added/abolished by Board of Commissioners' action during Fiscal Year 2019/20 are as follows:

Position	Department	Total FTEs	Funding Source
School Resource Officer	Sheriff's Office (added during FY19/20)	2.0	DPI Grant
Animal Services Staff	Emergency Services (Animal Services)	15	General Fund
Total FY19/20 Added FTEs		17.0	

FULL TIME EQUIVALENTS BY DEPARTMENT

	2018/19 Actual	2019/20 Current	2020/21 Requested	2020/21 Adopted
General Government				
County Manager				
Permanent	12.00	12.00	13.00	13.00
Hourly	0.28	0.28	0.47	0.47
Human Resources				
Permanent	11.00	11.00	11.00	11.00
Hourly	0.25	0.25	0.25	0.25
Tax Department				
Permanent	19.00	19.00	19.00	19.00
Hourly	0.00	0.00	0.00	0.00
Board of Elections				
Permanent	4.00	4.00	4.00	4.00
Hourly	0.63	1.16	1.01	1.01
Register of Deeds				
Permanent	10.00	10.00	10.00	10.00
Hourly	0.67	0.67	0.67	0.67
Finance				
Permanent	15.00	15.00	15.00	15.00
Hourly	0.25	0.77	0.77	0.77
Total General Government				
Permanent	71.00	71.00	72.00	72.00
Hourly	2.08	3.13	3.17	3.17
Public Safety				
Sheriff's Office				
Permanent	198.00	243.00	257.00	247.00
Hourly	10.43	10.98	8.48	7.90
Emergency Services				
Permanent	112.00	122.00	141.00	139.00
Hourly	13.61	11.08	9.36	9.36
Communications Center				
Permanent	32.00	33.00	33.00	33.00
Hourly	1.99	3.45	2.78	2.78
Total Public Safety				
Permanent	342.00	398.00	431.00	419.00
Hourly	26.03	25.51	20.62	20.04

	2018/19 Actual	2019/20 Current	2020/21 Requested	2020/21 Adopted
Environmental Quality				
Cooperative Extension				
Permanent	1.00	1.00	1.00	1.00
Hourly	0.95	1.09	1.09	1.09
Soil & Water Conservation				
Permanent	2.60	2.60	2.80	2.60
Hourly	0.00	0.00	0.00	0.00
Total Environmental Quality				
Permanent	3.60	3.60	3.80	3.60
Hourly	0.95	1.09	1.09	1.09
Economic & Physical Development				
Technology				
Permanent	30.15	31.15	34.00	33.00
Hourly	0.20	0.53	0.49	0.49
Planning, Parks, & Development				
Permanent	10.00	10.00	19.00	14.00
Hourly	2.04	2.75	4.84	2.75
Utilities & Engineering				
Permanent	29.40	29.40	29.40	29.40
Hourly	0.00	0.24	0.00	0.00
Facilities				
Permanent	17.00	17.00	17.00	17.00
Hourly	0.02	0.00	0.00	0.00
Total Economic & Physical Development				
Permanent	86.55	87.55	99.40	93.40
Hourly	2.26	3.52	5.33	3.24
Human Services				
Social Services				
Permanent	400.90	400.90	400.90	400.90
Hourly	8.50	8.51	8.51	8.51
Public Health				
Permanent	104.50	105.50	107.50	105.50
Hourly	1.88	1.27	1.26	1.26
Total Human Services				
Permanent	505.40	506.40	508.40	506.40
Hourly	10.38	9.78	9.77	9.77

	2018/19 Actual	2019/20 Current	2020/21 Requested	2020/21 Adopted
Culture				
Library				
Permanent	35.80	35.80	35.80	35.80
Hourly	2.30	2.30	2.30	2.30
Total Culture				
Permanent	35.80	35.80	35.80	35.80
Hourly	2.30	2.30	2.30	2.30
Other Funds				
Emergency Telephone System Fund				
Permanent	1.85	1.85	0.00	0.00
Hourly	0.00	0.00	0.00	0.00
Reappraisal Fund				
Permanent	6.00	7.00	7.00	7.00
Hourly	0.00	0.00	0.00	0.00
Solid Waste Management				
Permanent	26.85	28.60	29.60	29.60
Hourly	0.00	0.32	0.32	0.32
Water & Sewer				
Permanent	1.00	1.00	1.00	1.00
Hourly	0.00	0.24	0.24	0.24
Total Other Funds				
Permanent	35.70	38.45	37.60	37.60
Hourly	0.00	0.56	0.56	0.56
GRAND TOTAL				
Permanent	1,080.05	1,140.80	1,188.00	1,167.80
Hourly	44.00	45.89	42.84	40.17