

# **PROPOSED BUDGET**

**2019 – 2020**



EasternCarolinaCouncil

# **BUDGET & AUDIT COMMITTEE MEMBERS**

## **Edward Riggs, Jr. Treasurer**

Chairman of ECC Budget & Audit Committee, Pamlico County Commissioner  
Representing the Pamlico County Municipalities

## **Shane Turney, ECC President**

Mayor Pro Tem of the Town of Trent Woods

## **Jay Bender, ECC 1<sup>st</sup> Vice President**

Mayor of the Town of Pollocksville  
ECC Interim Executive Director

## **Bill Taylor, ECC 2<sup>nd</sup> Vice President**

Councilman of the Town of Morehead City

## **Roland Best**

Lenoir County Commissioner, Vice-Chair

## **Arthur Robinson**

Mayor Pro Tem of the Town of Hookerton

## **Jesse Dowe**

Duplin County Commissioner, Chairman

## **Staff Member:**

**Jenny Miller**, ECC Finance Director, Budget Officer



# **BUDGET MESSAGE**

May 1, 2019

I am pleased to present to you Eastern Carolina Council of Government's 2019/2020 Proposed Budget, which will be presented for approval at the General Membership Board meeting on June 13, 2019. This budget was prepared in accordance with the General Statutes of North Carolina and the Local Budget Fiscal Control Act and is intended to provide the General Membership Board and the community with a broad overview of the proposed budget. It is a balanced budget with revenues and expenditures totaling \$6,718,194.

ECC is committed to prudent fiscal management as well as being of great service to our member organizations. With the proposed budget our organization remains focused on our strategic goals and mission while continuing to maintain our financial viability. We continuously monitor and evaluate our revenues and expenditures to continue to maintain our strong financial stability. The organization's revenue picture continues to improve, which is reflected in our healthy fund balance and excellent audit reports, and this is due in large part to the continued efforts of our dedicated staff.

We have faced significant challenges during the previous year, with the effects of Hurricane Florence displacing the staff from the office for over four months and then the transitional time following the departure of former Executive Director Matt Livingston. But we continue to look for ways to improve efficiency and effectiveness in our organization, and for new avenues to increase our service to our members. This brings its own set of challenges as we work to have the competent staff in place to respond quickly to our members' requests for technical assistance and advice. We strive to discover that adequate price for our services so that we can continue to maintain financial sustainability and success.

As we welcome new leadership in the near future, we look forward to expanding our services to our members, and anticipate attracting new and returning members. The Eastern Carolina Council of Governments seeks to establish itself as the "go-to" agency for regional local governments. Through the active participation of county and municipal governments and the presence of dedicated and educated staff, we will achieve that goal.

I'd like to thank the Eastern Carolina Council General Membership Board and the officers for their guidance and continued support, not only throughout this budget season, but during our challenging year. In addition, a special note of thanks goes out to the Finance Director, the Department Heads, and their staffs for their contributions and guidance during this budget process.

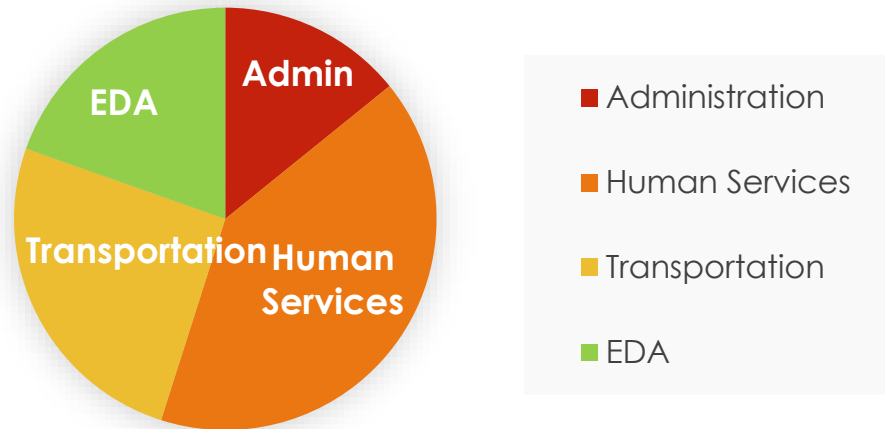
Respectfully submitted,

James V Bender, Jr.  
Interim Executive Director

# FY 19-20 PROJECTED MEMBER DUES

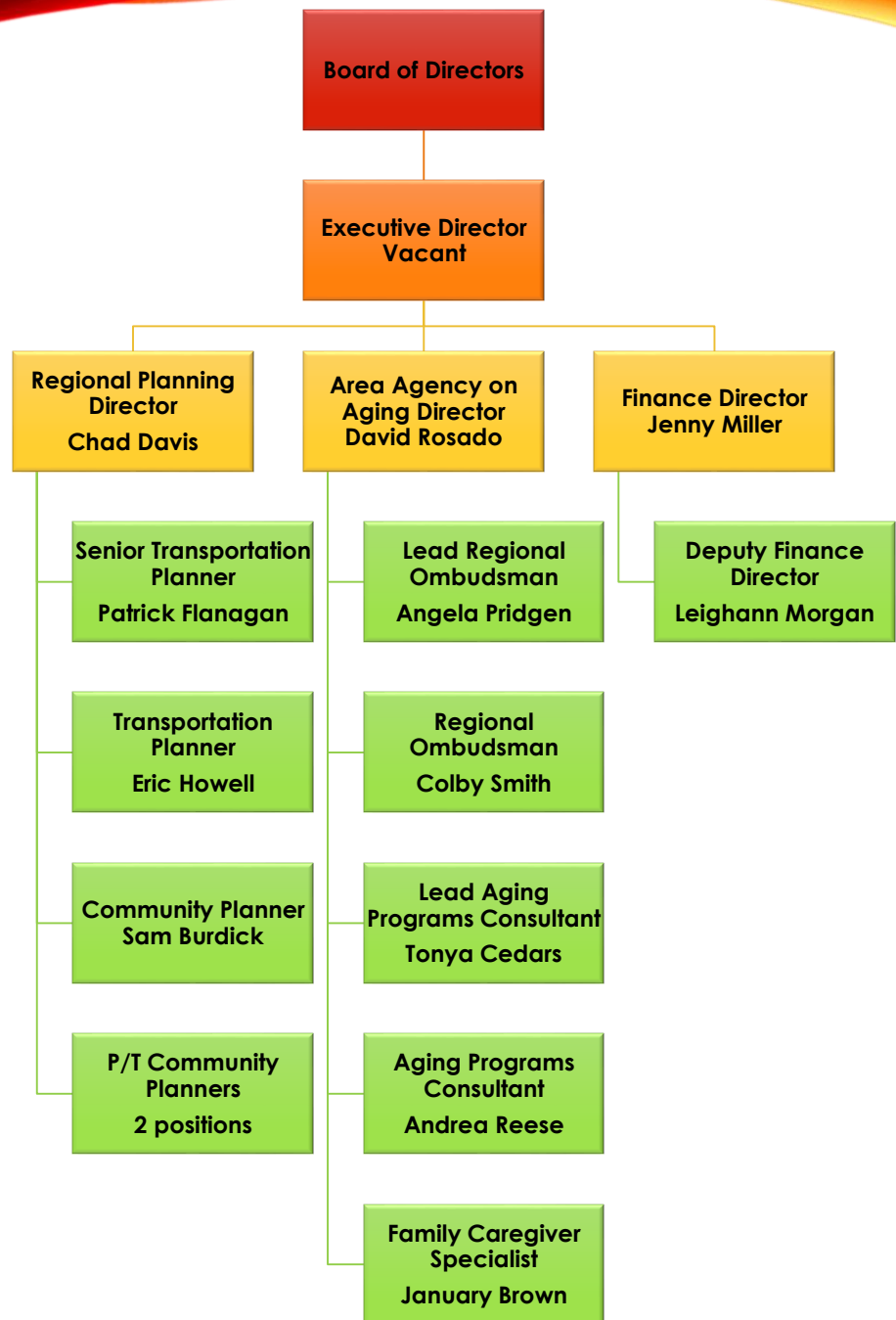
**\$228,181**

## Usage by Department



Department	Match/Allocation Usage	Percentage
Human Services	\$98,025	43%
Transportation	\$54,566	24%
EDA	\$42,000	18%
Administration	\$33,590	15%

# ORGANIZATIONAL CHART



# SALARY SCHEDULE

POSITION	Approved Salary	FY 19-20
Executive Director	Vacant	Vacant
Finance Director	\$71,196	\$72,263
Deputy Finance Director	\$46,768	\$47,470
Area Agency on Aging Director	\$69,404	\$70,445
Regional Lead Ombudsman	\$50,174	\$50,926
Regional Ombudsman	\$48,396	\$49,122
Lead Aging Programs Consultant	\$52,891	\$53,684
Aging Programs Consultant	\$51,383	\$52,154
Family Caregiver Specialist	\$45,633	\$46,318
Regional Planning Director	\$58,287	\$59,161
Senior Transportation Planner	\$61,943	\$62,872
Community Planner	\$48,654	\$49,384
Transportation Planner	\$46,640	\$47,340
Community Planner P/T	28.00 p/hr	28.00 p/hr
Community Planner P/T	21.33 p/hr	21.33 p/hr



# **PROPOSED BUDGET ORDINANCE**

WHEREAS, Eastern Carolina Council of Government is required to adopt an annual balanced budget as set forth by the Local Government Budget and Fiscal Control Act of North Carolina; NOW BE IT ORDAINED by the Eastern Carolina Council of Government Board of Directors that the total budget of \$6,718,194 be adopted for the 2019-2020 Fiscal Year:

	<b>General Fund</b>	<b>Special Fund</b>
<b>Estimated Revenues</b>	<b>\$ 212,676</b>	<b>\$6,505,518</b>
<b>Appropriations</b>	<b>\$ 212,676</b>	<b>\$6,505,518</b>

## **RATE OF CONTRIBUTIONS ESTIMATED**

A contribution rate of .353 cents per capita remains the same from the fiscal year 2018-2019 and is hereby established as the official contribution from the member governments to the ECC for the fiscal year 2019-2020. This rate is based on the programs ECC desires to undertake and the necessary local funds needed to provide operational support and local match funds for the various state and federal programs that are of interest to ECC.

## **POLICIES**

Fringe benefits and in-direct costs shall be accounted for and allocated to projects in accordance with the circulars prescribed by the Office of Management and Budget. The indirect cost rate is based on direct salaries and benefits and is approved by a cognizant agency of the Federal government each year.

## **SPECIAL AUTHORIZATION - BUDGET OFFICER**

The Budget Officer or his designee is hereby authorized to transfer appropriations within any of the projects subject to the following limitations:

- (1) The Budget Officer may not increase any staff salary without authorization of the Executive Committee. Approval of the salary schedule in the budget implies authorization.
- (2) The Budget Officer shall be authorized to effect line-item budget transfers within a department without limitation, but not fund transfers at any time with the exception of required matches and journal entry corrections. The transfers are not required to be presented to the Board of Directors, so long as the total project cost is not changed and changes adhere to requirements of funder. Fund transfers do not require Board approval but must have the Treasurer or designees approval.
- (3) Due to the timing of receiving certain revenues and projects for the ECC, the Executive Director and Finance Director are hereby authorized to incur expenditures for new projects if total expenditures do not exceed current budget appropriated after a notice of revenue availability is received. A formal budget amendment incorporating such project funding will be presented to the General Membership Board or the Executive Committee whichever meets first.

## **UTILIZATION OF BUDGET AND BUDGET ORDINANCE**

This Ordinance and Budget Document shall be the basis of the financial plan for the ECC during the 2019-2020 fiscal year. The Budget Officer shall administer the budget and shall ensure that ECC Department Managers are provided guidance and sufficient details to implement their appropriate portion of the Budget. The Finance Department shall establish records which are in consonance with the Budget and this Ordinance and the appropriate statutes of the State of North Carolina. The ECC Budget is posted on the ECC website to comply with transparency requirements.

Adopted this 13th day of June, 2019

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Shane Turney  
President, ECC Board of Director

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James V. Bender, Jr.  
Interim Executive Director and Budget Officer

# BUDGET COMPARISON

	PROPOSED BUDGET FY 19-20	AMENDED BUDGET FY 18-19	VARIANCE
<b><u>REVENUES ANTICIPATED</u></b>			
FEDERAL	\$5,945,080	\$6,110,145	(\$165,065)
STATE	\$344,681	\$320,990	\$23,691
MIS REVENUE	\$4,500	\$4,500	\$0
LOCAL CASH / PROJECTS	\$228,181	\$214,206	\$13,975
LOCAL PROJECTS	\$179,086	\$320,812	(\$141,726)
APPROP FUND BALANCE	\$16,666	\$63,255	(\$46,589)
<b>TOTAL REVENUES</b>	<b>\$6,718,194</b>	<b>\$7,033,908</b>	<b>(\$315,714)</b>
<b><u>EXPENDITURES BY DEPARTMENT</u></b>			
<b>GENERAL GOVERNMENT:</b>			
ADMINISTRATION	\$67,340	\$85,063	(\$17,723)
PLANNING & GIS TECH ASST	\$120,336	\$259,264	(\$138,928)
ECONOMIC DEV T/A PROJECTS	\$15,000	\$31,860	(\$16,860)
AGING T/A PROJECTS	\$10,000	\$10,000	\$0
<b>TRANSPORTATION:</b>			
EAST CAROLINA RPO	\$132,968	\$132,968	\$0
DOWN EAST RPO	\$139,868	\$139,868	\$0
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT:</b>			
ECONOMIC DEVELOPMENT PLANNING & ADMIN	\$188,333	\$246,274	(\$57,941)
<b>RE-ENTRY:</b>			
CRAVEN-PAMLICO RE-ENTRY	\$225,000	\$225,000	\$0
<b>ENVIRONMENTAL PROTECTION</b>			
205J BRIDGETON	\$7,753	\$28,857	(\$21,104)
<b>HUMAN SERVICES:</b>			
TITLE III PLANNING & ADMINISTRATION	\$362,054	\$359,271	\$2,783
COMMUNITY RESOURCE CENTER (CRC-LCA)	\$0	\$30,000	(\$30,000)
OMBUDSMAN	\$212,439	\$212,412	\$27
AAA SUPPORT (SB1559)	\$48,263	\$48,263	\$0
FAMILY CAREGIVER SUPPORT (FCSP)	\$304,890	\$310,586	(\$5,696)
ELDER ABUSE	\$9,768	\$9,707	\$61
TITLE III, USDA, OP FAN PASS-THRU	\$4,758,023	\$4,788,356	(\$30,333)
TITLE III-D HEALTH PROMOTION	\$11,111	\$11,111	\$0
MFP	\$80,000	\$80,000	\$0
MIPPA	\$25,048	\$25,048	\$0
<b>Total Expenditures</b>	<b>\$6,718,194</b>	<b>\$7,033,908</b>	<b>(\$315,714)</b>



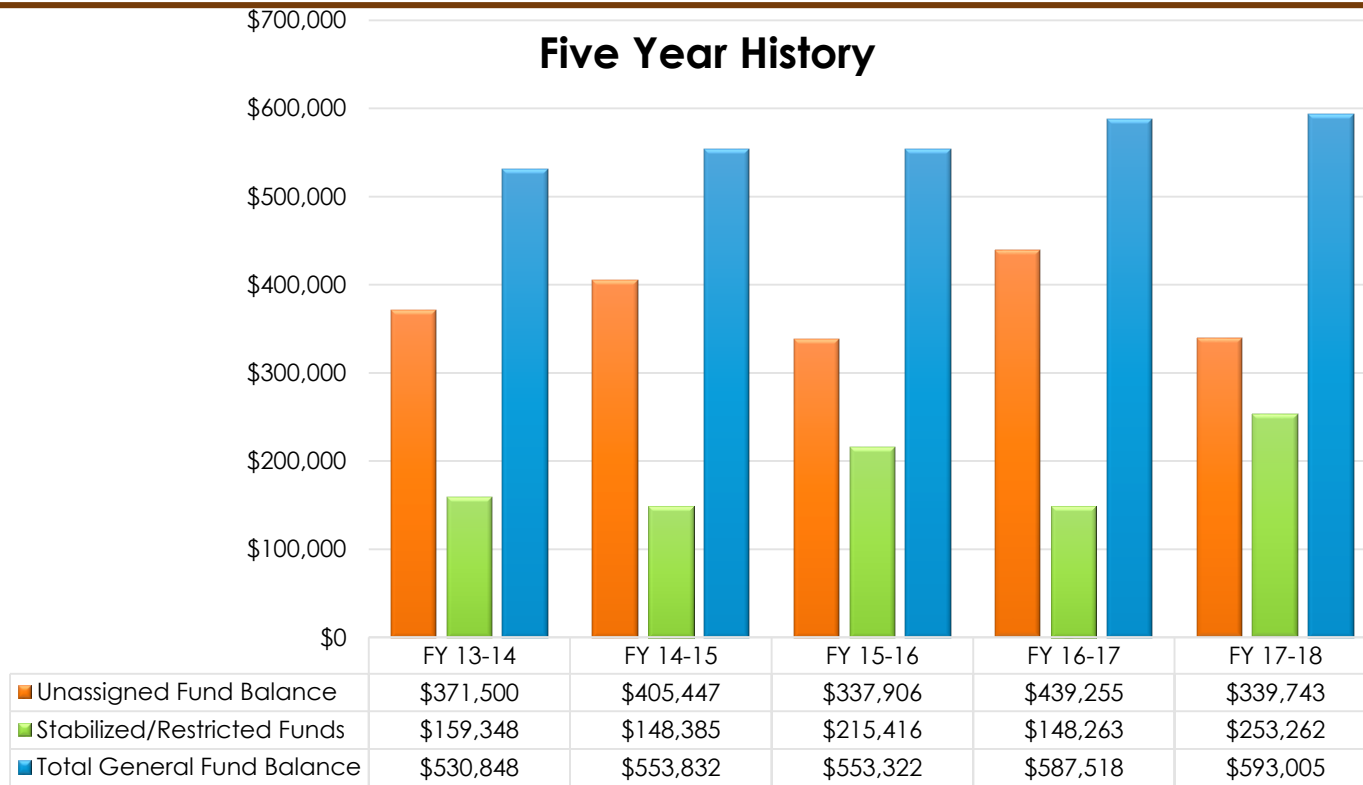
# Revenues

		Gen	PLAN	ECON	Aging				DIS		EDA						AAA	ELDER				PROPOSED
	GEN	Non-Indirect	T/A	DEV T/A	T/A	ECRPO	DERPO	205J	REC	Re-entrv	FY 18-20	AGING	PASS-THRU	MIPPA	IIID	OMB	SUPP	ABUSE	MFP	FCSP	TOTAL	
REVENUE:																						
FEDERAL						106,375	111,895	7,753	66,667		63,000	268,166	4,758,023	25,048	10,000	158,533		8,303	80,000	281,317	5,945,080	
STATE										225,000		14,695				32,662	48,263	488		23,573	344,681	
MIS REVENUE												4,500									4,500	
LOCAL CASH ECC	173,615			-		26,593	27,973				-	-				-		-			228,181	
LOCAL CASH PROJECTS																					-	
APPR FUND BAL.									16,666												16,666	
LOCAL PROJECTS		33,750	120,336	15,000	10,000																179,086	
OTHER:																					-	
ECC Match	(140,025)										42,000	74,693			1,111	21,244		977			-	
INDIRECT	-			-	-																-	
INTEREST INCOME																					-	
INTEREST INCOME RLF																					-	
																					-	
TOTAL REVENUE	33,590	33,750	120,336	15,000	10,000	132,968	139,868	7,753	83,333	225,000	105,000	362,054	4,758,023	25,048	11,111	212,439	48,263	9,768	80,000	304,890	6,718,194	

# Expenses

	Gen	PLAN	ECON	Aging		DIS	EDA									AAA	ELDER				PROPOSED
	GEN	Non-Indirect	T/A	DEV T/A	T/A	ECRPO	DERPO	205J	REC	Re-entry	FY 18-20	AGING	PASS-THRU	MIPPA	IIID	OMB	SUPP	ABUSE	MFP	FCSP	TOTAL
<b>EXPENDITURES:</b>																					
SALARY	156,020		57,597	4,604	-	58,585	64,055	-	38,519		45,580	106,786	-		6,021	96,483	25,360	3,567	14,358	84,315	761,853
FRINGE BENEFITS	47,069		20,067	1,332	-	22,123	21,668	-	14,462		13,192	37,089	-		1,298	36,177	8,157	1,331	3,096	26,840	253,902
BOARD TRAVEL	500																				500
BOARD MEETINGS	4,500																				4,500
MIS												4,500									4,500
PRES ALLOWANCE	1,800																				1,800
ADVISORY COUNCIL												6,000				500					6,500
TRAINING	4,000	1,000	500	757	10,000	800	800				1,000	4,000			-	800				4,500	28,157
PROGRAM SERVICES								7,753		225,000		42,467						2,820	50,846		328,886
PASS-THRU													4,758,023							120,028	4,878,051
TRANSP/MILEAGE	6,000	3,000	3,145	1,000		5,241	4,563		2,082		1,827	13,000			727	7,883	713		3,492	6,186	58,859
TRAVEL/PER DIEM	8,000		1,000	1,000		1,200	1,600				1,500	28,000			-	3,300			500	3,500	49,600
LEGAL	12,000																				12,000
INSURANCE/ BONDING	10,000																				10,000
CONSULTANT		25,554																			25,554
AUDIT	2,336	196				773	813		1,017		610	28,255									34,000
RENT	54,138	2,000										480									56,618
CAPITAL LEASE	6,000																				6,000
POSTAGE	1,000		50	200		100	100				50	800				683			200	400	3,583
PRINTING/PUBS	1,000	500		500								1,000									3,000
TELEPHONE	1,917		561			568	568		520		485	4,500				1,047				1,074	11,239
UTILITIES	13,752																				13,752
BROADBAND	1,770		885			885	885		885		885	2,500				1,770				1,770	12,235
COMP EQUIP/SUPPLIES	2,000	1,000		1,000								2,000									6,000
OFFICE SUPPLIES	4,000	500	503	1,000		1,538	1,605				400	5,000				2,000			100	1,200	17,846
IT SYSTEM ADMIN	11,540		3,010	621		5,338	5,338		3,664		3,664	6,436				5,727				5,727	51,065
DUES & SUB	13,438					1,525	1,525				11,000	4,000				125				-	31,613
CLEANING SERVICES	4,896																				4,896
ADVERTISING	500											600		25,048							26,148
MAINT & REPAIRS	2,047											2,000									4,047
ADMIN WEBSITE	628																				628
COPIER COSTS/PAPER	1,500		500	500		500	455				200	2,400				400			100	2,808	9,363
BANK CHARGES	500																				500
EMPLOY SCREENING	1,000																				1,000
<b>TOTAL IN-DIRECT EXPE</b>	<b>(340,262)</b>	<b>-</b>	<b>32,518</b>	<b>2,486</b>	<b>-</b>	<b>33,792</b>	<b>35,892</b>	<b>-</b>	<b>22,183</b>	<b>-</b>	<b>24,608</b>	<b>60,240</b>	<b>-</b>	<b>-</b>	<b>3,065</b>	<b>55,545</b>	<b>14,034</b>	<b>2,050</b>	<b>7,308</b>	<b>46,541</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>33,590</b>	<b>33,750</b>	<b>120,336</b>	<b>15,000</b>	<b>10,000</b>	<b>132,968</b>	<b>139,868</b>	<b>7,753</b>	<b>83,333</b>	<b>225,000</b>	<b>105,000</b>	<b>362,054</b>	<b>4,758,023</b>	<b>25,048</b>	<b>11,111</b>	<b>212,439</b>	<b>48,263</b>	<b>9,768</b>	<b>80,000</b>	<b>304,890</b>	<b>6,718,194</b>

# GENERAL FUND BALANCE



# **FUNDING CATEGORIES**

## **General Government Fund**

This category of income and expenses is also called the “general fund.” It includes the following cost categories: administration and technical assistance projects. Examples of technical assistance projects include manager searches, parks and recreation planning, PARTF grant applications, pay studies, training programs, etc. These vary from time to time. The dues collected from member governments become income in the administration category and then are transferred & applied as required to match Federal/State funding (Economic Development Administration Planning Grant, the Rural Transportation Planning Organization Grant & Aging Programs).

## **Special Revenue Fund**

The Special Revenue Fund accounts for the proceeds of specific revenue sources that are restricted by law or account for expenditure of funds for specified purposes.

This Fund includes all federal and state grants, such as:

Economic Development

Environmental Protection

Human Services

Local Re-Entry Councils

Transportation

# **SPECIAL REVENUE FUNDS**

## **Economic and Physical Development**

ECC received a three-year US Department of Commerce Economic Development Administration (EDA) Planning grant award which runs from January 1, 2018 to December 31, 2020. Income and expenses related to this and other economic development grants received during the fiscal year are assigned to this category.

## **Environmental Protection**

At any given time ECC may have one or more Environmental Protection grants. One example of an environmental protection program is the 205j Water Quality grant which is a federally funded program passed through the state. ECC must compete with other Councils of Government for this funding. At this time ECC utilizes these 205j funding to map storm water systems for municipalities that meet the criteria.

## **Transportation**

ECC houses two Rural Transportation Planning Organization (RPOs). The Down East RPO serves non-metropolitan portions of Carteret, Craven, Jones, Onslow and Pamlico counties. The Eastern Carolina RPO serves the non-metropolitan portions of Duplin, Greene, Lenoir, and Wayne counties. The concerned counties provide the state-required match separate from the ECC dues. The income and expenses from these two state grants are handled under the Transportation category. Any other transportation related grants received by ECC would be assigned to this category.

# **SPECIAL REVENUE FUNDS**

## **Human Services**

This category of income and expenses are primarily from the Area Agency on Aging programs which include:

AAA P&A— These funds are used to provide general support to the AAA staff and functions.

Legal Aid— These funds are paid to designated providers of legal aid by contract.

Senior Center General Purpose— Provided to counties to support senior center operations.

III-D — Health promotion program funding

FCSP — Family Care Giver Support Program funds provide assistance to families caring for loved ones.

MFP — Money Follows the Person program provides assessment and assistance to those wishing to transition from a facility back to a residence.

Ombudsman — ECC employs two ombudsmen that follow up on facility complaints made primarily by residents and their families.

LCA — Local Contact Agency funding allows AAA staff to coordinate any information, assistance, and referral system for all older adults, people with disabilities and their caregivers.

SB 1559 — This supplemental funding is used at the discretion of the AAA program as needed.

Elder Abuse — Funds for initiatives to help prevent elder abuse



## Glossary

205j	Water Quality grant– Federal funding, pass through state
ADM, Admin or Administration	Administrative expenses to include overhead and fixed costs such as building space, utilities, janitor, phones, and administrative functions. Operations and support of the core ECC functions. Funds received through Membership Dues are used to support these operations and the local match requirements of programs undertaken by the Board of Directors. Indirect funds from grants and special projects also support this category.
Advisory Council	Meeting expenses of advisory boards to ECC (RAAC, etc.)
Aging	Older Americans Act Program called“ Aging
Aging Pass-thru	Funds received that are allocated to the counties by formulas for various AAA programs. ECC staff monitors the use of these funds.
Allocation	Cost distributed to programs per guidelines
Assessed Population	Population minus the active duty military
Appropriated Fund Balance	Unassigned fund balance that has been approved by the Board for use in the current year.
Appropriations	Funding that has been set aside for a specific use
Balanced Budget	A budget ordinance is balanced when the sum of estimated new revenues and appropriated fund balances in equal to appropriations
Board	ECC Board of Directors
Budget Officer	The ECC Executive Director
Budget Ordinance	Financial plan that is legally adopted by the ECC Board of Directors
Capital Lease	Postage machine and copier machine lease
Consultant	Non-employee services for specific tasks
Deferred Revenue	Monies paid but not yet earned
Expenditure	An expense, disbursement or cost
Fiscal Year (FY)	For ECC the fiscal year is July 1 to June 30. The fiscal year 16-17 refers to the fiscal year beginning July 1, 2016 to June 30, 2017.
Fringe Benefits	Health insurance, dental insurance, life insurance, disability insurance, 401K contributions, etc.

## Glossary

<b>Fund Balance</b>	Unassigned Fund Balance + Stabilized Fund Balance. Assets less liabilities that includes equity and reserved funds
<b>Indirect</b>	Expenses of doing business not readily identified with a particular grant, contract, project, etc. but are necessary for the general operation of the organization and the conduct of activities it performs.
<b>IT SYS Administration</b>	Computer System Administration, Cloud computing and related services
<b>Match</b>	Funds required for matching or leveraging of awarded grants.
<b>Member Dues/ Contributions</b>	Amount paid by local governments (counties and municipalities) to be a member of ECC. Used to help make required matches for funds and to support administrative functions.
<b>Membership Dues</b>	Line item for annual subscriptions to professional associations
<b>MIS Reimbursement</b>	ARMS (Aging Resources Management System) fee paid by ECC for use of system but reimbursed through various agencies
<b>RAAC</b>	Regional Aging Advisory Committee
<b>Reimbursement</b>	To make restoration or payment
<b>REV or Revenue</b>	Income
<b>Stabilized / Restricted Fund Balance</b>	Obligated Funds from Accounts/Awards Received (Unavailable funds)
<b>T/A or Technical Assistance</b>	Assistance provided by ECC staff to local governments and others for a fee.
<b>Transfer</b>	Funds that are received in one fund and moved to another fund for expenditures. For example, the ECC dues received are deposited into the General Fund and later transferred to the Federal and State program for expenditures and to satisfy the match requirements.
<b>Unassigned Fund Balance</b>	The residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Cash-Accounts Payable & Deferred Revenue (Available funds)

## Acronyms

AAA	Area Agency on Aging
DERPO	Down East RPO
DIS Rec	Hurricane Matthew Disaster Recovery Grant
ECC	Eastern Carolina Council (d/b/a)
ECRPO	Eastern Carolina RPO
EDA	Economic Development Administration-a unit of the US Department of Commerce
FCSP	Family Care Giver Support (AAA program)
GIS	Geographic Information Systems (mapping data)
HCCBG	Home and Community Care Block Grant, AAA funding source
OMB	Ombudsman-AAA program
P&A	Planning and Administration-AAA program
PARTF	Parks and Recreation Trust Fund
PEV	Plug-in Electric Vehicle Study
RPO	Rural Transportation Planning Organization-areas established by the NC Department of Transportation for planning of local transportation needs.
SB 1559	Senate Bill 1559-an AAA program of supplemental funding

# **EASTERN CAROLINA COUNCIL OF GOVERNMENT**

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