

PROPOSED BUDGET

FY 2020/2021



Eastern Carolina Council

233 Middle Street; Ste 300

PO Box 1717

New Bern, NC 28560

Phone: 252.638.3185

Fax: 252.638.3187

www.eccog.org

BUDGET & AUDIT COMMITTEE MEMBERS

Shane Turney

Chairman of ECC Budget & Audit Committee
Mayor Pro Tem of the Town of Trent Woods

Jay Bender, ECC President

Mayor of the Town of Pollocksville

Bill Taylor, ECC 1st Vice President

Councilman of the Town of Morehead City

Edward Riggs, ECC 2nd Vice President

Pamlico County Commissioner
Representing the Pamlico County Municipalities

Roland Best

Lenoir County Commissioner, Vice-Chair

Arthur Robinson

Mayor Pro Tem of the Town of Hookerton

Jesse Dowe

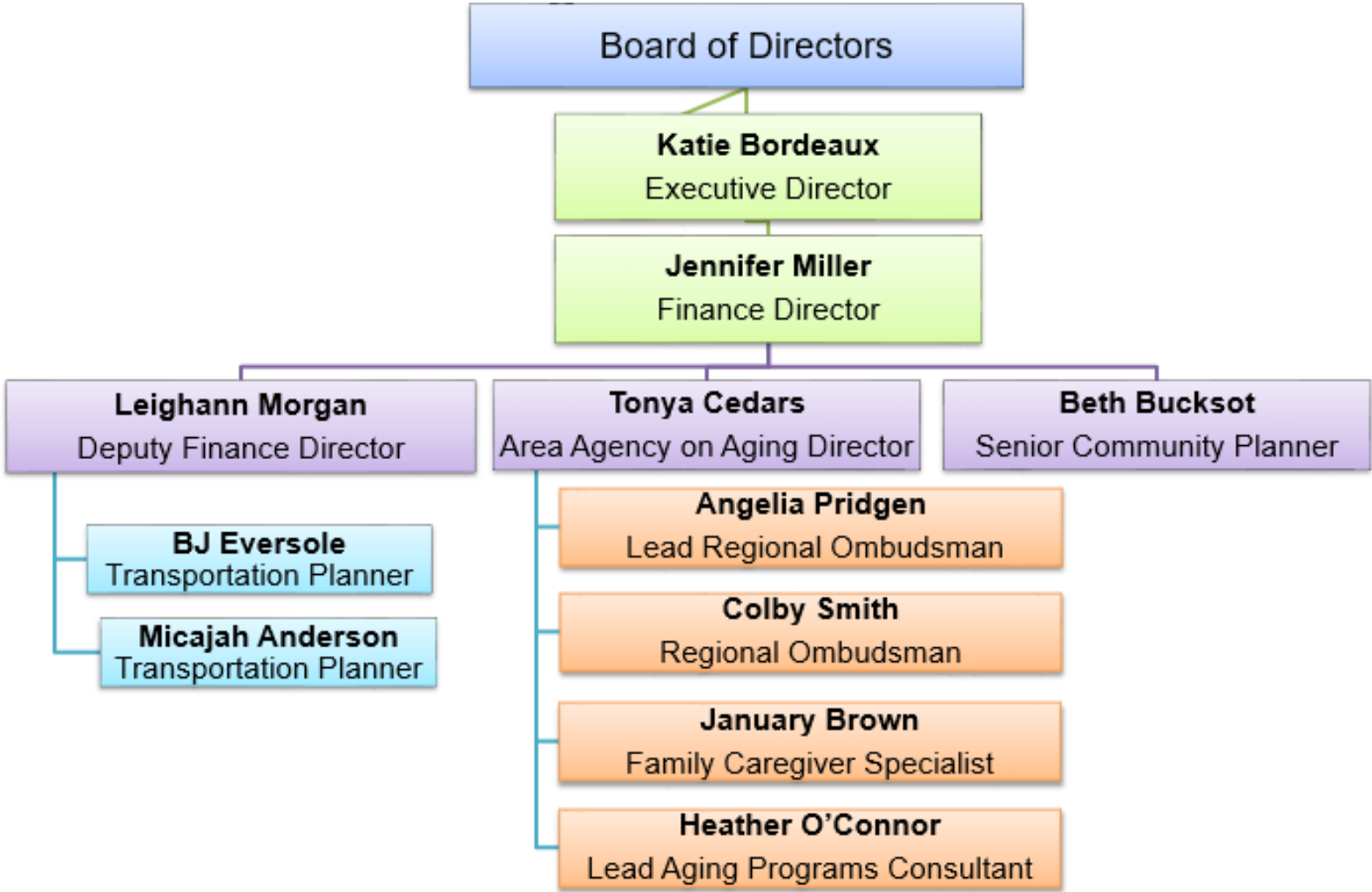
Duplin County Commissioner, Chairman

Staff Member:

Katie Bordeaux, ECC Executive Director, Budget Officer

Jenny Miller, ECC Finance Director

2020 ORGANIZATIONAL CHART



BUDGET MESSAGE

May 14, 2020

As Executive Director, I submit this proposed balanced annual operating budget for the Eastern Carolina Council of Government's (ECC) Fiscal Year 2020-2021 which will be presented for approval at the General Membership Board meeting on June 14, 2020. This budget has been prepared in accordance with the provisions of General Statute 159-7, the Local Government Budget, and Fiscal Control Act and is intended to provide the General Membership Board and the community with a broad overview of the proposed budget. This balanced budget includes estimated revenues and appropriations of \$6,817,337 and includes the operations of the Council's special funds, as well as the General Fund.

Notice of this submission is posted on the ECC's website, and a public hearing will be scheduled at the General Membership Board Meeting on June 11 at 6:30 p.m. A copy of this proposed budget will be placed on file with the ECC's Finance Director and will be available for public inspection during normal business hours within 10 days prior to the April 14th public hearing.

In assembling this budget, the priority is maintaining our present service level. As it has in the past several years, the economy continues to be a dominant factor in preparing this budget. Over the last couple of years there were signs that the state and local economy were recovering. However, the COVID-19 pandemic has placed uncertainties on our nation, state, and local governments. The financial health of the ECC is strong.

The Finance Director and I met with department directors to review processes and programs to discover any cost efficiencies and any needed resources to continue to effectively carry out the programs while meeting governmental requirements. This proposed budget represents our departments' best efforts to meet the needs of our region in a timely and responsible fashion, while striving to maintain the level of services our member and their residents deserve. We are committed to continuing our investment in aging, planning and development, infrastructure, transportation, and creating safer communities. These investments are critical to the future of our region.

The 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.

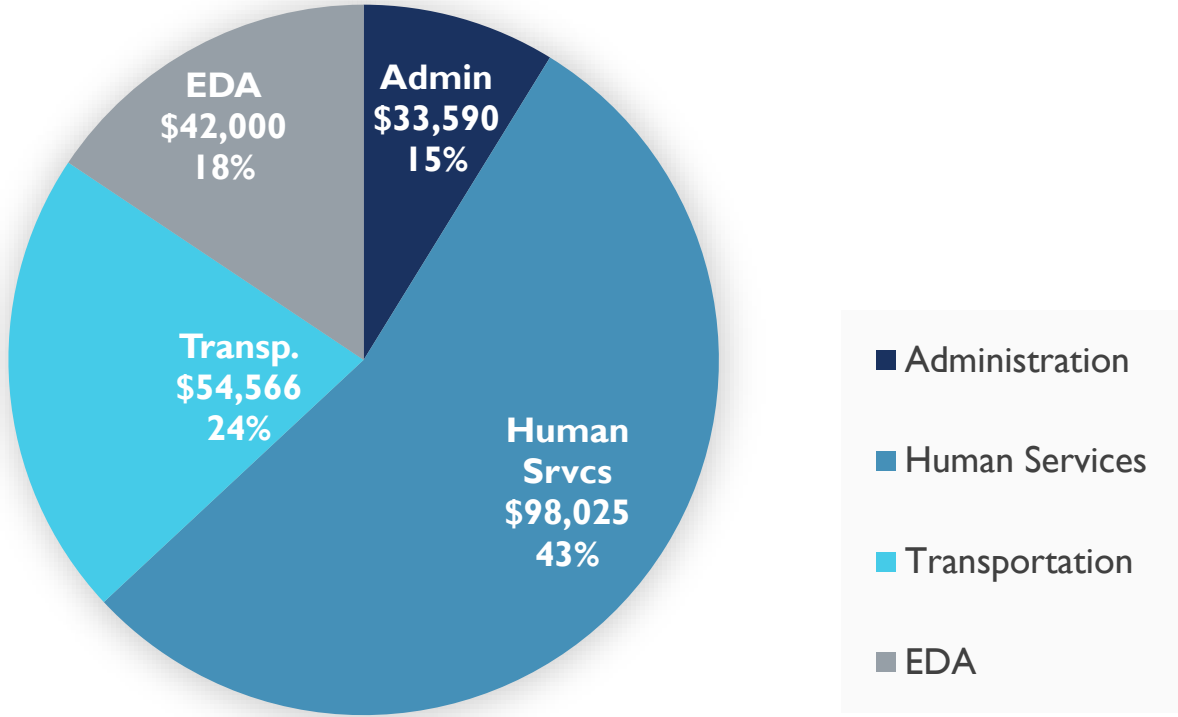
We continue to look for ways to improve efficiency and effectiveness in our organization, and for new avenues to increase our service to our members. This brings its own set of challenges as we work to have the competent staff in place to respond quickly to our members' requests for technical assistance and advice. We strive to discover that adequate price for our services so that we can continue to maintain financial sustainability and success.

Thank you to the Eastern Carolina Council General Membership Board and the officers for their guidance and continued support. Additionally, a special note of thanks goes out to the Finance Director, the Deputy Finance Director, the Department Heads, and their staffs for their contributions and guidance during this budget process.

Respectfully submitted,
Katie S. Bordeaux
Executive Director

Projected Member Dues

\$215,986



USAGE BY DEPARTMENT

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 \$6,518,226 be adopted for the 2020-2021 Fiscal Year:

	General Fund	Special Fund
Estimated Revenues	\$ 143,350	\$6,374,876
Appropriations	\$ 143,350	\$6,374,876

RATE OF CONTRIBUTIONS ESTIMATED

A contribution rate of .353 cents per capita remains the same from the fiscal year 2019-2020 and is hereby established as the official contribution from the member governments to the ECC for the fiscal year 2020-2021. 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 their 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, with the exception of merit raises approved in the budget, without authorization of the Executive Committee. Approval of the budget ordinance includes a 3% raise for current staff, effective July 1, 2020 and 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, merits, and journal entry corrections. The transfers are not required to be presented to the Board of Directors, so long as the total project cost does not change 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 2020-2021 fiscal year. The Budget Officer shall administer the budget and shall ensure that ECC Department Directors are provided guidance and sufficient details to implement their appropriate portion of the Budget. The Finance Department shall establish records which are in consistent 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 11th day of June, 2020

James V. Bender, Jr.
President, ECC Board of Director

Katie Bordeaux.
Executive Director and Budget Officer



PUBLIC HEARING – FY 20/21 BUDGET

Please mute your mics if you are not talking.

Please state your name before speaking.

BUDGET COMPARISON

	<u>PROPOSED BUDGET FY 20-21</u>	<u>AMENDED BUDGET FY 19-20</u>	<u>VARIANCE</u>
<u>REVENUES ANTICIPATED</u>			
FEDERAL	\$6,073,190	\$6,035,581	\$37,609
STATE	\$344,817	\$423,416	(\$78,599)
MIS REVENUE	\$4,500	\$4,500	\$0
LOCAL CASH / PROJECTS	\$215,986	\$228,181	(\$12,195)
LOCAL PROJECTS	\$120,844	\$179,086	(\$58,242)
APPROP FUND BALANCE	\$23,000	\$58,654	(\$35,654)
IN-KIND	35,000	\$16,666	\$18,334
TOTAL REVENUES	<u>\$6,817,337</u>	<u>\$6,946,084</u>	<u>(\$128,747)</u>
<u>EXPENDITURES BY DEPARTMENT</u>			
GENERAL GOVERNMENT:			
ADMINISTRATION	\$22,506	\$33,590	(\$11,084)
ADMIN & FISCAL T/A PROJECTS	\$51,750	\$78,744	(\$26,994)
PLANNING & GIS TECH ASST	\$44,094	\$120,336	(\$76,242)
ECONOMIC DEV T/A PROJECTS	\$15,000	\$15,000	\$0
AGING T/A PROJECTS	\$10,000	\$23,660	(\$13,660)
TRANSPORTATION:			
EAST CAROLINA RPO	\$132,968	\$132,968	\$0
DOWN EAST RPO	\$139,868	\$139,868	\$0
ECONOMIC & COMMUNITY DEVELOPMENT:			
ECONOMIC DEVELOPMENT PLANNING & ADMIN	\$215,000	\$188,333	\$26,667
RE-ENTRY:			
CRAVEN-PAMLICO RE-ENTRY	\$225,000	\$225,000	\$0
ENVIRONMENTAL PROTECTION			
205J	\$64,759	\$6,495	\$58,264
HUMAN SERVICES:			
TITLE III PLANNING & ADMINISTRATION	\$364,030	\$362,054	\$1,976
COMMUNITY RESOURCE CENTER (CRC-LCA)	\$0	\$30,000	(\$30,000)
OMBUDSMAN	\$217,260	\$212,439	\$4,821
AAA SUPPORT (SB1559)	\$48,263	\$48,263	\$0
FAMILY CAREGIVER SUPPORT (FCSP)	\$300,871	\$304,890	(\$4,019)
ELDER ABUSE	\$9,712	\$9,768	(\$56)
TITLE III, USDA, OP FAN PASS-THRU	\$4,840,097	\$4,898,517	(\$58,420)
TITLE III-D HEALTH PROMOTION	\$11,111	\$11,111	\$0
MFP	\$80,000	\$80,000	\$0
MIPPA	\$25,048	\$25,048	\$0
Total Expenditures	<u>\$6,817,337</u>	<u>\$6,946,084</u>	<u>(\$128,747)</u>

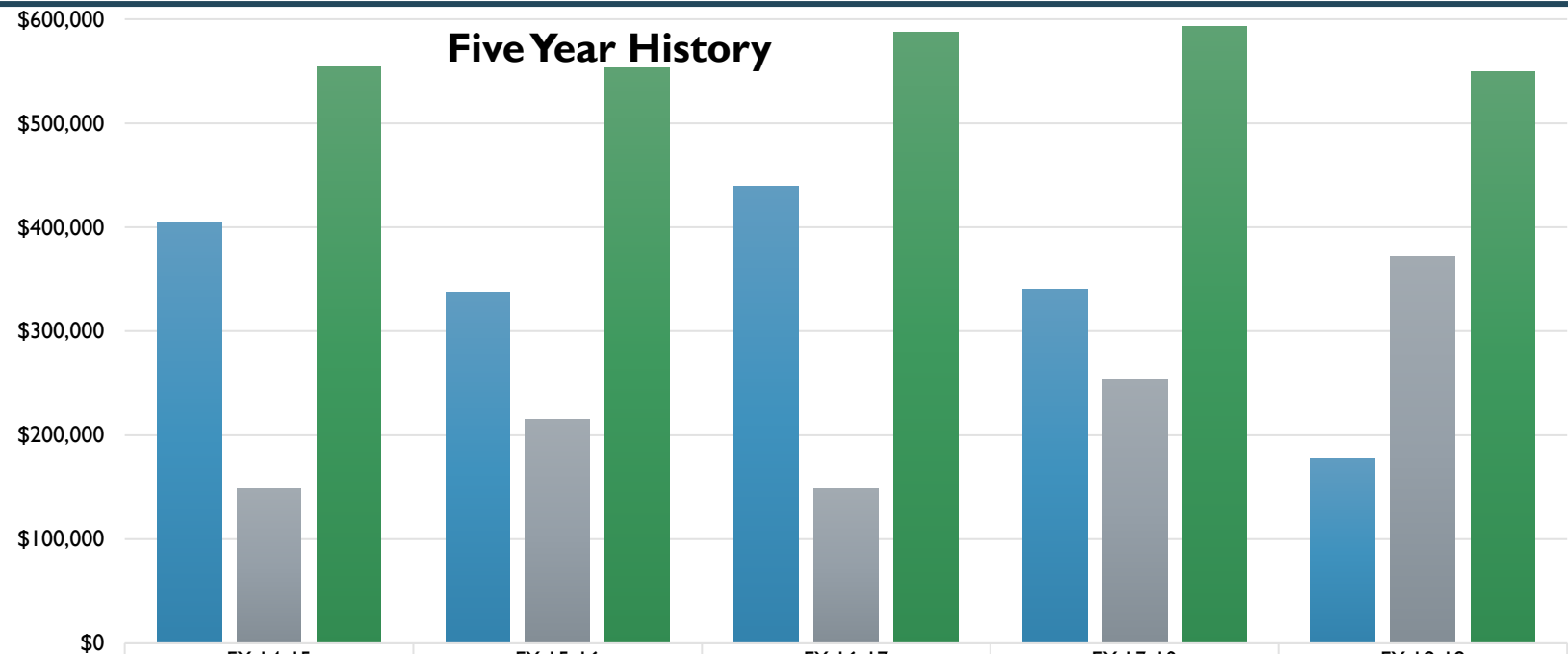
REVENUE DETAILS

	400	402	406	419-489	490	300	350	618	710	402	712 & 713	500	900 Series	502	513	520	530	540	550	920 & 800 SERIES	PROPOSED	
	Gen		PLAN	ECON	Aging	DIS					AAA										ELDER	PROPOSED
	GEN	Non-Indirect	T/A	DEV T/A	T/A	ECRPO	DERPO	205J	REC	Re-entry	EDA	AGING	PASS-THRU	MIPPA	IIID	OMB	SUPP	ABUSE	MFP	FCSP	TOTAL	
REVENUE:																						
FEDERAL						106,375	111,895	29,759	92,000		60,000	269,647	4,840,097	25,048	10,000	162,448		8,255	80,000	277,666	6,073,190	
STATE										225,000		14,777				33,086	48,263	486		23,205	344,817	
MIS REVENUE												4,500									4,500	
LOCAL CASH ECC	161,420			-		26,593	27,973				-	-				-		-			215,986	
APPR FUND BAL									23,000												23,000	
LOCAL PROJECTS		51,750	44,094	15,000	10,000																120,844	
ECC Match	(138,914)										40,000	75,106			1,111	21,726		971			-	
IN KIND	-		-	-				35,000													35,000	
TOTAL REVENUE	22,506	51,750	44,094	15,000	10,000	132,968	139,868	64,759	115,000	225,000	100,000	364,030	4,840,097	25,048	11,111	217,260	48,263	9,712	80,000	300,871	6,817,337	

EXPENDITURE DETAILS

EXPENDITURES:																					
SALARY	145,213		15,862	4,185	3,760	55,768	61,452	6,489	53,275		41,861	122,915	-	5,372	98,085	24,004	4,317	23,099	86,554	752,212	
FRINGE BENEFITS	48,907		5,329	1,280	1,443	21,744	22,950	2,180	16,747		13,671	41,664	-	2,062	39,995	8,817	1,738	8,867	25,020	262,417	
BOARD TRAVEL	500																			500	
BOARD MEETINGS	5,000																			5,000	
MIS												4,500								4,500	
MERIT ALLOWANCE	21,859			2,133		2,791	3,139		7,014		2,726	4,715								44,377	
PRES ALLOWANCE	1,800																			1,800	
ADVISORY COUNCIL												6,000			500					6,500	
TRAINING	3,330		1,200	977	2,499	949	807				2,000	4,000		-	800				1,426	17,988	
PROGRAM SERVICES												9,620							30,192	39,812	
PASS-THRU								55,000	225,000				4,840,097							117,000	5,237,097
TRANSP/MILEAGE	5,219	2,000	2,000	1,000		6,237	4,578	223	956		2,801	13,000		396	6,126	955	983	2,832	6,186	55,492	
TRAVEL/PER DIEM	5,000	1,053	1,000			2,365	1,200				1,000	28,000		-	1,178			500	2,000	43,296	
LEGAL	13,420																			13,420	
INSURANCE/ BONDING	11,000																			11,000	
CONSULTANT		32,000	5,000																	37,000	
AUDIT	2,336	196				773	813		1,017		610	28,255								34,000	
RENT	54,138	3,401										480								58,019	
CAPITAL LEASE	6,000																			6,000	
POSTAGE	1,000	100	200	200		100	100				200	800			683			200	400	3,983	
PRINTING/PUBS	500	2,000		384					500		500	1,000								4,884	
TELEPHONE	3,000		561	561		568	568		520		520	3,500			1,047				1,074	11,919	
UTILITIES	15,000																			15,000	
BROADBAND	1,770		885	885		885	885		885		885	2,500			1,770				1,770	13,120	
COMP EQUIP/SUPPL	1,924	2,000									1,000	1,000								5,924	
OFFICE SUPPLIES	4,000	2,000	503	882		1,000	1,000		500		1,000	5,000						100	2,000	17,985	
IT SYSTEM ADMIN	7,000	3,000				3,549	3,397		2,578		2,513	6,436			5,727					39,927	
DUES & SUB	12,731		1,700			1,525	1,525				4,000	4,000								25,481	
CLEANING SERVICES	4,896																			4,896	
ADVERTISING	500	3,000										600		25,048						29,148	
MAINT & REPAIRS	2,047											1,000								3,047	
ADMIN WEBSITE	628																			628	
COPIER COST/PAPER	2,000	1,000	500	100		500	200		100		200	2,400			400			100	2,466	9,966	
BANK CHARGES	500																			500	
EMPLOY SCREENING	500																			500	
INDIRECT ALLOCATED	(359,213)	-	9,354	2,412	2,297	34,214	37,255	867	30,908		24,512	72,645	-	-	3,281	60,949	14,487	2,673	14,110	49,249	
TOTAL EXPENDITURES	22,506	51,750	44,094	15,000	10,000	132,968	139,868	64,759	115,000	225,000	100,000	364,030	4,840,097	25,048	11,111	217,260	48,263	9,712	80,000	300,871	6,817,337

GENERAL FUND BALANCE



	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Unassigned Fund Balance	\$405,447	\$337,906	\$439,255	\$339,743	\$178,454
Stabilized/Restricted Funds	\$148,385	\$215,416	\$148,263	\$253,262	\$371,636
Total General Fund Balance	\$553,832	\$553,322	\$587,518	\$593,005	\$550,090

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 executive level 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 – The Area Agency on Aging Program & Administration 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 issued through Senate Bill 1559 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.

Glossary

Fringe Benefits	Health insurance, dental insurance, life insurance, disability insurance, 401K contributions, etc.
Fund Balance	Unassigned Fund Balance + Stabilized Fund Balance. Assets less liabilities that includes equity and reserved funds
Indirect cost	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.
IT SYS Administration	Computer System Administration, Cloud computing and related services
Match	Funds required for matching or leveraging of awarded grants.
Member Dues/ Contributions	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.
Membership Dues	Line item for annual subscriptions to professional associations
MIS Reimbursement	ARMS (Aging Resources Management System) fee paid by ECC for use of system but reimbursed through various agencies
RAAC	Regional Aging Advisory Committee
Reimbursement	To make restoration or payment
REV or Revenue	Income
Stabilized / Restricted Fund Balance	Obligated Funds from Accounts/Awards Received (Unavailable funds)
T/A or Technical Assistance	Assistance provided by ECC staff to local governments and others for a fee.
Transfer	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.
Unassigned Fund Balance	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)



EASTERN CAROLINA COUNCIL OF GOVERNMENT

**P. O. BOX 1717
NEW BERN, NC 28562-1717**

Katie S. Bordeaux, Executive Director
Phone (252) 638-3185 ext. 3005
Email: kbordeaux@eccog.org

Jenny Miller, Finance Director
Phone (252) 638-3185 ext. 3028
Email: jmiller@eccog.org

**P. O. Box 1717
233 Middle Street
3rd Floor, O'Marks Building
New Bern, NC 28560
Website: eccog.org**