

# PROPOSED BUDGET

FY 2023-2024



## 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](http://www.eccog.org)

# BUDGET & AUDIT COMMITTEE MEMBERS

**Shane Turney, ECC Treasurer**

Chairman of ECC Budget & Audit Committee  
Town of Trent Woods – Commissioner

**Jay Bender, ECC President**

Mayor of the Town of Pollocksville

**Edward Riggs, ECC 1<sup>st</sup> Vice President**

Pamlico County Commissioner

**Arthur Robinson, ECC 2<sup>nd</sup> Vice President**

Mayor Pro Tem of the Town of Hookerton

**Roland Best**

Lenoir County Commissioner

**Bill Taylor**

Town of Morehead City Commissioner

**Jesse Dowe**

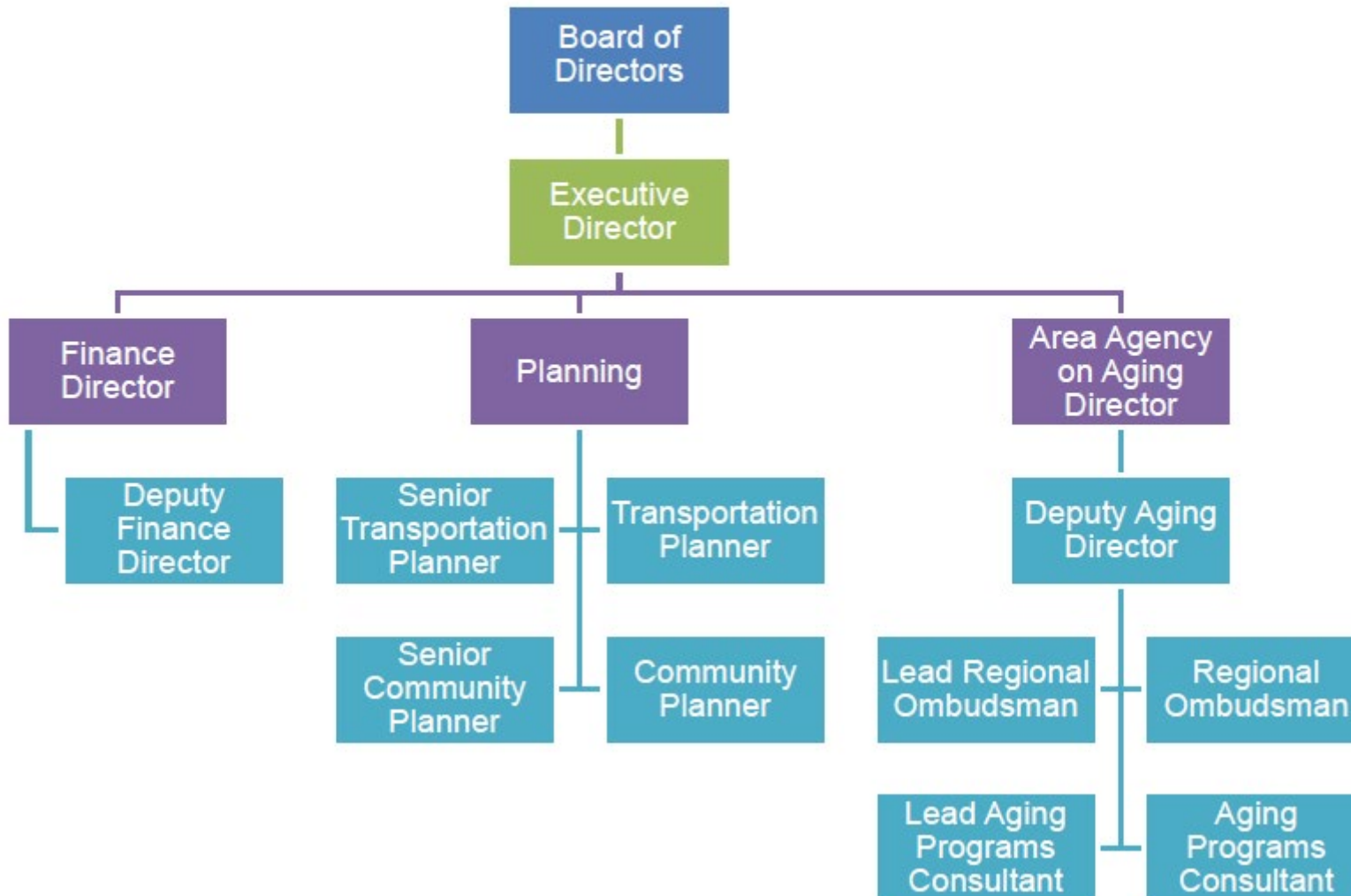
Duplin County Commissioner

**Staff Members:**

**David Bone**, ECC Executive Director, Budget Officer

**Melinda McGuire**, ECC Finance Director

# Eastern Carolina Council 2023 Organizational Chart



# BUDGET MESSAGE

May 25, 2023

As Executive Director, I submit this proposed annual operating budget for the Eastern Carolina Council of Government's (ECC) Fiscal Year 2023-2024. This budget is balanced and will be presented for approval at the General Membership Board meeting on June 8, 2023. This budget has been prepared in accordance with the provisions of NC General Statute 159-7, the NC Local Government Budget / 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 \$8,739,624 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 is scheduled for the General Membership Board Meeting on June 8, 2023, at 6:30 p.m. This public hearing has been duly advertised. A copy of this proposed budget has been placed on file with the ECC's Finance Director and will be available for public inspection during normal business prior to the June 8<sup>th</sup> public hearing.

A council of government is a unique local government without a tax base. ECC is a membership organization with membership dues, but a majority of our revenue comes from grant funds. In assembling this budget, the priority is to continue responsible development of our capacity and services while maintaining conservative fiscal management practices. The Fiscal Year 2023-24 Budget includes the continuation of several grant funding sources received in FY 2022-23, including American Recovery Plan (ARP) technical assistance funds, Disaster Recovery technical assistance funds, and a U.S. Economic Development Administration (EDA) Capacity-Building Grant.

As it has in the past several years, the state of the economy is a dominant factor in preparing this budget. Our economy continues to rebound from the COVID-19 pandemic, and inflationary pressures continue. With ECC's reliance on federal grant programs, the discussions of raising the federal debt ceiling have created some uncertainty regarding future federal funding opportunities.

The Finance Director, AAA Director, and I met 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 members and their residents deserve. We are committed to continuing our investment in aging, planning, economic development, infrastructure, and transportation. These investments are critical to the future of our region.

With the proposed budget, our organization remains focused on reestablishing capacity and assisting our local government members on topics of regional impact and supporting local government members to better accomplish their mission. In assembling this budget, the priority is to have conservative revenue projections while continuing to implement steps to grow organizational capacity and services to our members. We continuously monitor and evaluate our revenues and expenditures. ECC's revenue picture continues to improve, and this is due in large part to the continued efforts of our dedicated staff and Board.

We continue to look for ways to improve efficiency and effectiveness in our organization, as well as new avenues to increase our service to our members. This is highlighted with the development of 2023-24 Strategic Priorities for ECC, which will be considered at the June 8<sup>th</sup> meeting. Working to improve and increase our services creates challenges, as we work to have the appropriate level of competent staff in place to respond quickly to our members' requests for technical assistance and advice. We strive to maintain the balance of financial sustainability / success with service to our members.

## **Budget Highlights:**

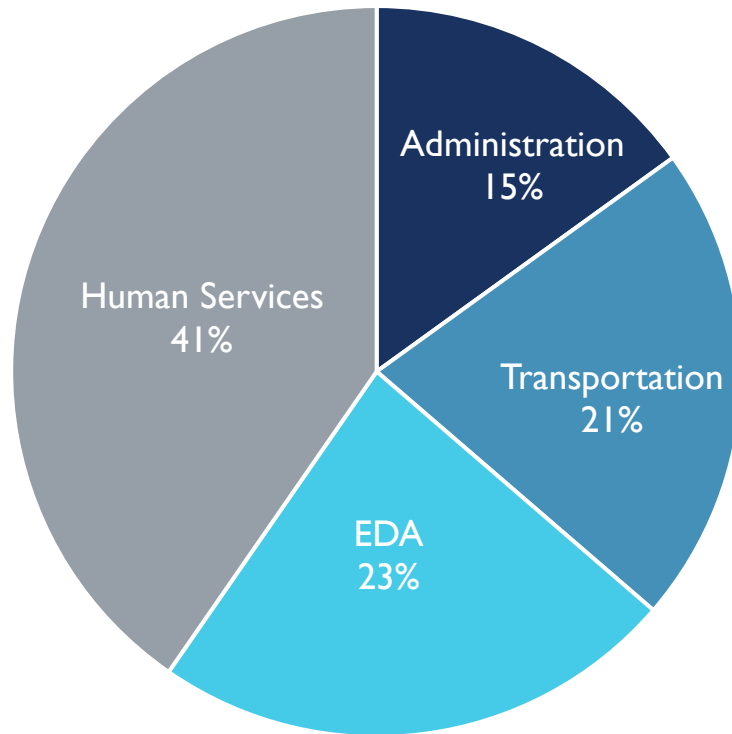
- As a member organization, we strive to keep dues as low as possible while providing outstanding service. Membership rates remain at \$0.353 per capita. Dues have not increased since FY 2006-07.
- Revenue for Administrative and Planning Technical Assistance is expected to grow.
- A cost-of-living adjustment of 2.5% is included for employees, as well as the potential for a one-time salary enhancement of up to 4%, based on merit.
- Health insurance rates are increasing by 3%, while dental insurance rates are not increasing.

Thank you to the Eastern Carolina Council Executive Committee, General Membership Board, and the officers for their guidance and continued support. Additionally, a special note of thanks goes out to the Finance Director, AAA Director, and their staff members for their contributions and guidance during this budget process.

Respectfully submitted,

David Bone

## Projected Member Dues \$256,492



USAGE OF  
MEMBERSHIP  
DUES 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 \$8,739,624 be adopted for the 2023-2024 Fiscal Year:

	General Fund	Special Fund
Estimated Revenues	\$ 38,604	\$8,701,020
Appropriations	\$ 38,604	\$8,701,020

## RATE OF CONTRIBUTIONS ESTIMATED

A contribution rate of \$0.353 per capita remains the same from the fiscal year 2022-2023 and is hereby established as the official contribution from the member governments to the ECC for the fiscal year 2023-2024. 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.
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 2023-2024 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 8th day of June, 2023.

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

David Bone  
Executive Director and Budget Officer

# BUDGET COMPARISON

	PROPOSED BUDGET FY 23-24	ORIGINAL BUDGET FY 22-23	VARIANCE
<b>REVENUES ANTICIPATED</b>			
FEDERAL	\$5,375,693	\$5,973,307	(\$597,615)
STATE	2,586,781	\$2,586,781	\$0
MIS REVENUE	\$4,500	\$4,500	\$0
LOCAL CASH / PROJECTS	\$256,492	\$215,986	\$40,506
LOCAL PROJECTS	\$516,159	\$59,094	\$457,065
APPROP FUND BALANCE	\$0	\$109,832	(\$109,832)
<b>TOTAL REVENUES</b>	<b>\$8,739,624</b>	<b>\$8,949,500</b>	<b>(\$209,876)</b>
<b>EXPENDITURES BY DEPARTMENT</b>			
<b>GENERAL GOVERNMENT:</b>			
ADMINISTRATION	\$38,604	\$129,762	(\$91,158)
ADMIN & FISCAL T/A PROJECTS	\$0	\$0	\$0
PLANNING & GIS TECH ASST	\$394,189	\$44,094	\$350,095
ECONOMIC DEV T/A PROJECTS	\$121,970	\$15,000	\$106,970
<b>TRANSPORTATION:</b>			
EAST CAROLINA RPO	\$132,969	\$132,968	\$1
DOWN EAST RPO	\$139,869	\$139,868	\$1
<b>ECONOMIC &amp; COMMUNITY DEVELOPMENT:</b>			
ECONOMIC DEVELOPMENT PLANNING & ADMIN	\$220,000	\$100,000	\$120,000
<b>HUMAN SERVICES:</b>			
TITLE III PLANNING & ADMINISTRATION	\$379,746	\$395,169	(\$15,423)
COMMUNITY RESOURCE CENTER (CRC-LCA)	\$0	\$0	\$0
OMBUDSMAN	\$232,953	\$210,739	\$22,214
AAA SUPPORT (SB1559)	\$48,263	\$48,263	\$0
FAMILY CAREGIVER SUPPORT (FCSP)	\$302,873	\$302,874	(\$1)
ELDER ABUSE	\$9,157	\$9,157	\$0
TITLE III, USDA, OP FAN PASS-THRU	\$4,334,535	\$4,352,879	(\$18,344)
TITLE III-D HEALTH PROMOTION	\$9,271	\$11,111	(\$1,840)
ECC CARES/COVID	\$0	\$0	\$0
MIPPA	\$0	\$0	\$0
ARPA	\$2,375,225	\$3,057,616	(\$682,391)
<b>TOTAL EXPENDITURES</b>	<b>\$8,739,624</b>	<b>\$8,949,500</b>	<b>(\$209,876)</b>

# REVENUE DETAILS

BUDGET 2023-2024 PROPOSED																	
		400	406	433&434	300	350	714	715	500	900 Series	877	513	520	530	540	920 & 800 SERIES	
			PLAN	COG				EDA						AAA	ELDER		PROPOSED
		GEN	T/A	Assoc	ECRPO	DERPO	EDA	Capacity	AGING	PASS-THRU	ARPA	IIID	OMB	SUPP	ABUSE	FCSP	TOTAL
REVENUE:																	
FEDERAL	4701				106,375	111,895	40,200	120,000	281,434	1,956,220	2,287,489	8,344	176,295		7,783	279,658	5,375,893
STATE	4702								15,423	2,378,315	87,736		33,370	48,263	458	23,216	2,586,781
MIS REVENUE	4711								4,500								4,500
LOCAL CASH ECC	4713	201,926			26,594	27,974		-	-				-		-		256,494
LOCAL CASH PROJECT	4715																-
APPR FUND BAL.	4712	-					-										-
LOCAL PROJECTS	4716		121,970	394,189													516,159
OTHER:																	-
ECC Match	4101	(163,320)					19,800	40,000	78,389			927	23,288		916		-
IN KIND	4703	-	-														-
INTEREST INCOME	4707																-
INTEREST INCOME R	4103																-
TOTAL REVENUE		38,606	121,970	394,189	132,969	139,869	60,000	160,000	379,746	4,334,535	2,375,225	9,271	232,953	48,263	9,157	302,873	8,739,626



# EXPENDITURE DETAILS

<b>EXPENDITURES:</b>																	
<b>DIRECT EXPENSE:</b>																	
SALARY	5720	227,250	13,875	151,564	57,041	62,746	27,244	65,926	141,876	-	-	4,075	104,200	23,655	3,877	113,968	997,296
FRINGE BENEFITS	5721	72,910	5,276	46,073	23,114	24,391	8,218	19,907	54,240	-	-	1,533	40,892	8,295	1,606	34,519	340,975
BOARD TRAVEL	5455	200															200
MATCH/IK (BOARD TRAVE	5456																-
BOARD MEETINGS	5704	3,500															3,500
ANNUAL MEETING	5705																-
RECYCLING	5759																-
MIS	5460								4,500								4,500
MERIT ALLOWANCE	5720																-
PRES ALLOWANCE	5465	1,800															1,800
MISC-TUIT REIM	5466	-															-
ADVISORY COUNCIL	5500								2,414								2,414
SPECIAL PROJECTS	5501																-
TRAINING	5502	2,000	1,200		500	500			1,500			-	-			800	6,500
PROGRAM SERVICES	5510		31,533	-				-	6,529			1,840,505				25	1,878,592
PASS-THRU	6999									4,334,535		521,680				60,290	4,916,505
<b>TUITION REIMBURSEMENT</b>																	-
TRANSP/MILEAGE	5700	4,200	2,000	8,945	3,053	3,053	5,923	12,071	5,000			13,040	-	1,401	-	883	61,769
TRAVEL/PER DIEM	5701	3,000	1,000	5,461	1,467	800		572	3,000			-	-				15,300
LEGAL	5749	10,000							-								10,000
INSURANCE/ BONDING	5600	20,024															20,024
CONSULTANT	5750		54,083	107,325			-										161,408
AUDIT	5751	54,466			610	610	-	610	36,027								92,323
RENT	5752	54,138						1,256	480				240			-	56,114
CAPITAL LEASE	5754	6,099															6,099
POSTAGE	5758	2,000	58					180	250				75			20	2,583
PRINTING/PUBS	5759	500		1,742			-		1,000								3,242
TELEPHONE	5760	4,784	2,396		1,477	-		1,200	2,550				3,145			3,600	19,152
UTILITIES	5761	15,023															15,023
BROADBAND	5768	4,331	-		1,331	-		1,331	3,428				1,715			1,636	13,772
COMP EQUIP/SUPPL	5769	3,925		2,500				3,400	2,000								11,825
OFFICE SUPPLIES	5770	4,100	300	2,415	350	190	-	796	4,000			808	500	47		2,500	16,006
IT SYSTEM ADMIN	5771	7,024			1,555	1,555	-	3,055	6,110				6,619			6,109	32,027
DUES & SUB	5772	15,038			1,663	1,663	560	6,000	4,000							1,410	30,334
CLEANING SERVICES	5773	7,020															7,020
ADVERTISING	5774	1,000							-								1,000
MAINT & REPAIRS	5775	2,821							500								3,321
ADMIN WEBSITE	5776	200															200
COPIER COST/PAPER	5778	5,000	500	500	-		-		500				300			200	7,000
PAYROLL EXPENSE	5780																-
UTILITIES																	-
BANK CHARGES	5779	1,400															1,400
EMPLOY SCREENING	5781	400															400
<b>TOTAL EXPENSES</b>		<b>534,153</b>	<b>112,221</b>	<b>326,526</b>	<b>92,162</b>	<b>95,508</b>	<b>41,946</b>	<b>116,303</b>	<b>279,903</b>	<b>4,334,535</b>	<b>2,375,225</b>	<b>6,416</b>	<b>159,087</b>	<b>31,997</b>	<b>6,366</b>	<b>227,278</b>	<b>8,739,624</b>
<b>IN-DIRECT EXPENSE:</b>																	-
<b>INDIRECT CARRY-FORWARD (FY11-12)</b>																	-
INDIRECT ALLOCATED	5899	(495,548)	9,750	67,663	40,807	44,361	18,054	43,697	99,842	-	-	2,855	73,866	16,266	2,791	75,595	-
<b>TOTAL IN-DIRECT EXPENSES</b>		<b>(495,548)</b>	<b>9,750</b>	<b>67,663</b>	<b>40,807</b>	<b>44,361</b>	<b>18,054</b>	<b>43,697</b>	<b>99,842</b>	<b>-</b>	<b>-</b>	<b>2,855</b>	<b>73,866</b>	<b>16,266</b>	<b>2,791</b>	<b>75,595</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>		<b>38,604</b>	<b>121,970</b>	<b>394,189</b>	<b>132,969</b>	<b>139,869</b>	<b>60,000</b>	<b>160,000</b>	<b>379,746</b>	<b>4,334,535</b>	<b>2,375,225</b>	<b>9,271</b>	<b>232,953</b>	<b>48,263</b>	<b>9,157</b>	<b>302,873</b>	<b>8,739,626</b>

# 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

Human Services

Transportation

# SPECIAL REVENUE FUNDS

## Economic and Physical Development

ECC received a two-year US Department of Commerce Economic Development Administration (EDA) Planning grant award which runs from January 1, 2021 to December 31, 2023 for economic development in our region. ECC also received an additional 35-month grant from EDA for capacity building. Income and expenses related to this and other economic development grants received during the fiscal year are assigned to this category.

## 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.

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

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**

**David Bone, Executive Director**  
**Phone (252) 638-3185 ext. 3005**  
**Email: [executivedirector@eccog.org](mailto:executivedirector@eccog.org)**

**Melinda McGuire, Finance Director**  
**Phone (252) 638-3185 ext. 3028**  
**Email: [finance@eccog.org](mailto:finance@eccog.org)**

**P. O. Box 1717  
233 Middle Street  
3<sup>rd</sup> Floor, O'Marks Building  
New Bern, NC 28560  
Website: [eccog.org](http://eccog.org)**