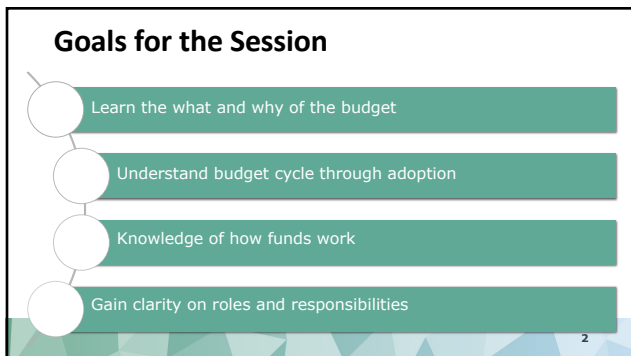
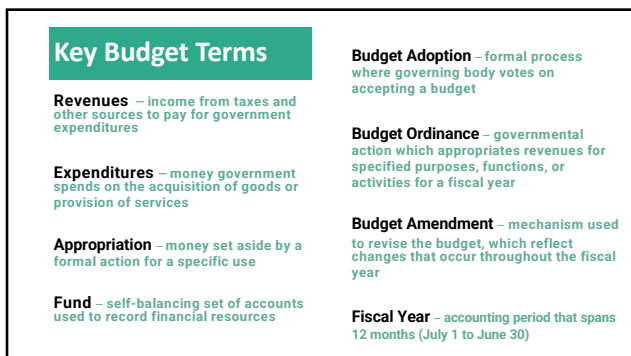




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A budget is

A Plan

That forecasts resources – taxes, state/federal funds, fees and charges for services (**Revenues**)

To accomplish service delivery to the community

Through people, contracts, supplies, materials and equipment, debt (**Expenditures**)

In a manner that aligns with the County's goals and priorities

5



6

Why do a Budget?

It's Required

State Statute NCGS 159-8 requires a balanced budget ordinance from all local governments

Budget is the tool by which Commissioners create the **legal authority to spend** (appropriation) for County operations

It's a **Communication tool** - the process (and budget document) explains how taxpayer dollars are used for the community's benefit

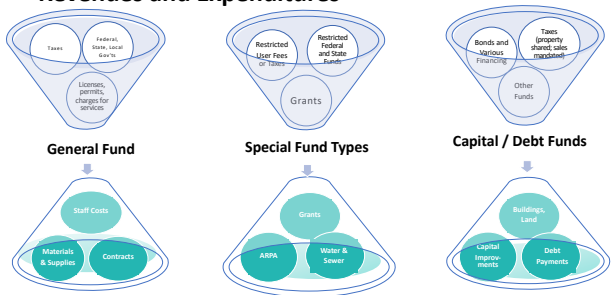
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The Budget Cycle



8

How Funds Work – Revenues and Expenditures



9

Time span of funds determines budget ordinance type

Annual NCGS §159-13

Appropriation is for a single fiscal year (July 1 to June 30)
If amount not spent or obligated against the appropriation by end of fiscal year, authority to spend lapses
Fund requires re-adoption each year

Project / Multi-year NCGS §159-13.2

A project (grant or capital) ordinance authorizes all appropriations necessary for the completion of the project
Does not require re-adoption in any subsequent fiscal year – spending authority can span multiple years

10

Example of Fund Types and Individual Funds

Fund Type	Annual or Multi-year	Attributes	Individual Funds
General Fund	Annual	Taxes primary source	General Fund (Core County operations)
Special Revenue	Either	Revenues restricted for specific purposes	ARPA, Fire Tax Districts, E911 Fees, Representative (DSS) Payee, Fines and Forfeitures
Enterprise	Annual	Self-supported from fees and charges	Water and Sewer Operating Fund, Water & Sewer Districts, Solid Waste Operations
Custodial	Annual	Funds held on behalf of others; Not for county use	Municipal Property Tax Distributions, Jail Inmate Trust Funds, Cooperative Extension
Grant & Capital Projects	Multi-year	Budgets align with life of project	Grants Fund, Water and Sewer Capital, Solid Waste Capital

You will spend most of your time on the General Fund

11

DISCUSSION TOPIC #1: JUMPING INTO THE PROCESS

As a newly elected commissioner, you are joining your County as the budget process is gearing up.

What information do you need so you can hit the ground running and actively engage in the budget process?

12

Budget Roles and Responsibilities

County Departments

County Manager

Board of Commissioners

13

Role of County Departments

Develops budget requests taking into account

- Changing needs of the community or new regulation
- Maintaining or enhancing service delivery
- Strategic and long-range plans
- Investments in technology, equipment and process improvement; implementation of best practices

14

Role of the County Manager

Recommends a budget to the Board of Commissioners that:

- Considers Board priorities
- Maintains or expands county services
- Budgets all revenue sources
- Is fiscally responsible
- Communicates the impact of any tax or fee increase on residents and business

15

Foundations of a Fiscally Responsible Budget

Budgets must be balanced and should avoid using one-time resources to fund recurring expense

Maintain an adequate General Fund reserve (fund balance)
Typically set as percentage of the next year's budget

Revenue projections should be set at realistic and attainable levels
Property tax collection rates cannot exceed the actual collection for the prior fiscal year

16

Once the County Manager recommends the budget, **the budget is then the Board's to modify, change and formally adopt.**

17

DISCUSSION TOPIC #2: Providing Input

How can a 5 to 9-member board help shape the budget recommendation to move goals and priorities forward?

What processes, meetings, communications, plans, etc. would be helpful?

18

DISCUSSION QUESTIONS #3: Finalizing the Budget

What are your thoughts on how to address the three primary issues raised about the budget?

If you want to increase funding in any area, it requires reducing other amounts in the County Manager's recommending budget or finding additional revenue sources. Where do you start?

How do you handle the Sheriff's request for a meeting?

22

Take Aways

Budgets are legally required and provide the spending authority for all county resources

Budgets must be balanced and follow fiscally sound policies

Well-defined roles and responsibilities exist

Budget is a year-round process

The Budget Process is one of the Board's most important responsibilities

23

Thank you for your time and attention!



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24