



Legislation Text

File #: 2017-159, Version: 1

TITLE

INTERLOCAL AGREEMENT WITH THE GUILFORD COUNTY SOIL & WATER CONSERVATION DISTRICT TO ESTABLISH A BUDGET AND ASSIGNED FUND BALANCE FOR THE TRANSITION OF GUILFORD COUNTY SOIL & WATER CONSERVATION DISTRICT FOUNDATION ACCOUNT FUNDS

SPONSOR

J. Leslie Bell

BACKGROUND

Since June 15, 2004, the Guilford County Soil and Water Conservation District (District) has been depositing revenue from the 1) No Till Drill rental; 2) Annual Tree Sale event; and 3) Donations (relative to all 3 revenue sources, donations are minimal) into a North Carolina Foundation for Soil and Water Conservation (Foundation) account - a 501(c)(3) tax-exempt organization <http://ncsoilwater.org/about/foundation-documents/> headquartered at 5171 Glenwood Avenue in Raleigh, NC. The fund typically does not exceed \$10,000 at any point and current funds as of May 3, 2017 are \$6,716.41 (see attached). This discretionary Foundation bank account is not currently part of, and is aside from, the County's annual budget for the Soil and Water Program and is used by the District Board of Supervisors to supplement program funding (as needed) for its educational programs (elementary/middle school and high school), including but not limited to, its annual poster, speech and essay contest, staff training, and supporting other public education/awareness soil and water activities/programs (e.g., annual Awards Banquet).

Currently, an account ledger specifically for Guilford County Soil & Water Conservation District maintains the monthly revenue and expenditures for the District among any other co-mingled funds in the account which have been deposited by other sources not for the benefit of the Guilford County Soil and Water Conservation District. Any local cash received is converted to a money order or cashier's check and sent to the Foundation for deposit and logged under Guilford County. When funds are needed and approved via a majority vote of the District Board of Supervisors, a check is requested by District staff for that specific amount and purpose, and written by the Foundation and mailed to the appropriate address.

The District is one of eleven (11) local soil and water districts in Area 3 and attached is a survey of responses from other Area 3 soil and water districts explaining how they manage their funds.

Currently, the District conducts no external local audit of account activity for which may be cost-prohibitive (based on its average annual balance). The District would like to enter into an interlocal agreement (attached) with the Guilford County Board of Commissioners to establish a budget and assigned fund balance which will be included as part of the County's annual financial audit (similar to Chatham County - see attached Area 3 Responses to Financial Questions). Minutes of the November 2016 and draft May 2017 District Board of Supervisors' monthly meeting are attached. Although no issue(s) to date regarding the accounting of these funds have arisen, the District is initiating this request, as it finds that maintaining funds locally and providing as much transparency as possible is in the public's interest. The intent of the District Board is to continue to use such revenue only to support and supplement District activities, as approved by a majority vote of the District Board.

BUDGET IMPACT

Budget adjustments will be presented to the Board of Commissioners upon finalization of transfer amounts.

REQUESTED ACTION

Approve interlocal agreement with the Guilford County Soil & Water Conservation District to establish a budget and assigned fund balance for the transition of Guilford County Soil & Water Conservation District Foundation Account Funds.