

Town of Fairview
Budget Ordinance Fiscal Year 2023-24

Be it ordained by the Governing Board of the Town of Fairview, NC:

Section I: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2023 and ending June 30, 2024 :

See attached Profit and Loss Budget Overview for individual listing of revenue items.

Total income \$379,570

Section II: The following appropriations are hereby made in the General Fund for the operation of the town government and its activities for the fiscal year beginning July 1, 2023 and ending June 30, 2024:

See attached Profit and Loss Budget Overview for individual listing of expense items.

Total expense \$379,570

Section III: Levy of taxes

There is hereby levied a tax rate of \$.02 per one hundred dollars valuation of property as listed as of January 1, 2023 for the purpose of raising the revenue listed as "Current year ad valorem property tax" in the General Fund in Section I of this ordinance.

Section IV: The Finance Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a) They may transfer amounts between line item expenditures within a department without limitation and without a report being prepared.
- b) They may transfer amounts up to \$1,000 between departments, including contingency appropriations within the same fund. They must make an official report on such transfers at the next regular meeting of the Governing Board.

Section V: Copies of this Budget Ordinance shall be furnished to the Clerk to the Governing Board and the Finance Officer to be kept on file by them for direction in the disbursement of funds.

Adopted this 13th day of June, 2023.

Phillip C. Thomas
Mayor

Town of Fairview
Profit & Loss Budget Overview
 July 2023 through June 2024

	Jul '23 - Jun 24
Ordinary Income/Expense	
Income	
Ad Valorem taxes	113,000.00
Alcoholic beverage	14,000.00
ARP Funds - Revenue replacement	23,000.00
Fund balance appropriated	-4,930.00
Motor vehicle taxes	12,500.00
Park rental income	0.00
Rent reserve	20,000.00
Rental house income	0.00
Sales and use tax	58,000.00
Utility Franchise taxes	127,000.00
Zoning fees	17,000.00
	379,570.00
Total Income	379,570.00
Expense	
Advertising and Promotion	1,000.00
Audit fees	9,600.00
Bank Service Charges	500.00
Capital Outlay - Office Reno	1,700.00
Capital Outlay - Town Hall	11,000.00
Debt repayment	57,160.00
Dues and Subscriptions	6,200.00
Elections expense	3,700.00
Festival expense	20,000.00
Grants	2,500.00
Insurance Expense	7,200.00
Internet and website	11,000.00
Legal fees	10,000.00
Miscellaneous Expense	1,000.00
Office expense	26,250.00
Office utilities	6,500.00
Park Maintenance	40,000.00
Park Utilities	5,200.00
Payroll Expenses	56,600.00
Payroll taxes	9,350.00
Planning and zoning	54,305.00
Professional Fees	3,000.00
Rental house repairs, etc	2,000.00
Salaries - Park	11,905.00
Solid Waste Manage cost share	8,000.00
Tax collection fees	2,200.00
Telephone Expense	1,200.00
Training expense	500.00
Zoning administration	10,000.00
	379,570.00
Total Expense	379,570.00
Net Ordinary Income	0.00
Net Income	0.00

Town of Fairview
Fiscal Year 2023-24 Budget
Assumptions and Explanations

Changes Since May 9th Meeting

Increased Park Utilities by \$2,400 for increased electrical use for Town Lighting.

Added Capital Outlay Office for new Sign cost of \$1,700.

Increased payroll expenses by \$600 for salary increase for Festival coordinator; overlooked in first budget draft.

Revenue

Ad valorem: based upon projected real and personal property values of \$575,500,081 from Union County using 98% collection rate for ad valorem taxes at \$.02 per hundred assessment rate. Used \$113,000.

Alcoholic Beverage tax: Assumed 2.0% growth and used the amount collected in May 2022 rounded up. Used \$14,000.

ARP Funds – Revenue Replacement: The Town has elected Revenue Replacement for the use of the ARP funds, so that our salary expenses will be reimbursed by the funds we receive from the US Treasury. Remaining amount not used at 06/30/23 will be about \$23,000.

Rent Reserve: Combination of house rental, park rental and land rental income to be used for future capital expenditures in the Park. Total revenue for those rental items was approximately \$20,000 for 22-23.

Motor Vehicle taxes: based upon estimated values of \$561,799,529 and using 100% collection rates at \$.02 per hundred assessment rate. Used \$12,500.

Sales and use tax: NC League estimates 6.3% growth in revenue due to economic growth. Current year income is approximately \$55,000; used \$58,000 for 23-24 budget.

Franchise taxes: NC League estimates slightly negative growth for 2023-24. Based on current year trends, I used \$127,000 as estimated amount.

Zoning fees: based upon trends from 22-23; used \$17,000, which is the same budget as last fiscal year.

Expenses

Advertising: Used \$1,000 for advertising for special meetings.

Audit fees: Used JB Watson's estimated audit fee plus additional estimated accounting charges due to audit procedures related to grants; used \$9,600.

Bank service charges: based on recent trends; used \$500

Capital outlay storage room: Installation of HVAC unit in storage room, per request from Ed; estimated at \$11,000.

Debt repayment: Repayment of debt to the Haiglers in January 2024 for land purchase note. Used \$57,160.

Dues and subscriptions: School of Govt Foundation – 550 - NC League of Municipalities – 4,900 (Current year plus slight increase); Union County Chamber of Commerce – 350; Association of Municipal Clerks – 80; NC Mayor's Association – 200; Miscellaneous 120; Used \$6,200 same as last year.

Elections expense: Estimated costs from Union County Elections Board = 3638.59; used \$3,700.

Festival expense: Used \$20,000 for annual amount, which is the same as 22-23 budget. Actual spent for May 2022 to April 2023 has been \$17,500.

Grants: Used \$2,500 as an estimate of contributions to organizations. Slight increase over \$2,000 budget for 22-23.

Liability insurance: Property and Casualty insurance of \$5,500; increase of 10% over P&C insurance for 22-23; bonding premium of \$500 and workers comp of \$1,200, for a total of \$7,200.

Internet and website expense: Monthly email, server hosting, annual amount = \$4,200; Time Warner phone and internet, annual = \$3,000; Website charge = \$2,150; Domain name renewal = \$400; Miscellaneous of \$1,250; used \$11,000; same as last year.

Legal fees: Based on trend of legal fees; adjusted higher based on possible increase due to enhanced zoning enforcement from N-Focus; used \$10,000.

Miscellaneous: Various unclassified expenses; Used \$1,000.

Office expense: based upon trend in office-related expenses plus 5% increase; Used 26,250.

Office utilities: Increased \$1,700 from last year due to higher water costs from Union County; Used 6,500.

Park Maintenance: Used \$40,000, increased 10% over current run rate of 36,220. 22-23 budget was \$30,000.

Park Utilities: Used 10% increase over recent trends in utility bills. Used \$2,800.

Payroll expenses: See worksheet documenting budgeted amount. Used 6.2% rate of increase for staff, per NCLM salary survey for 23-24.

Payroll taxes: Total salaries at 7.65% rate for employer taxes.

Planning and zoning: Salary broken out separately for Ed.

Professional fees: Retreat expense for Council, plus other minor expenses of \$1,500; Used \$3,000. Consideration for expenses for Urban Forestry program; expense not included in current budget projection.

Rental house repairs: used \$2,000 estimate for 23-24. Spent 4,150 for 22-23.

Salaries – Park; salary broken out separately for Jerry.

Solid Waste Management: Used budgeted amount of \$8,000 as recommended by Union County Waste Management.

Tax Collection fees: based upon 1.5% of ad valorem taxes and motor vehicle taxes. Used \$2,200.

Telephone: estimated \$100 per month based on recent trends. Used \$1,200.

Training and education fees: used nominal amount of \$500 per year.

Zoning administration: Estimated fees for zoning enforcement to N-Focus. Spent approximately \$1,000 per month that we have used them; estimated \$10,000.