

Town of Fairview
Budget Ordinance Fiscal Year 2017-2018

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, 2017 and ending June 30, 2018:

Current year ad valorem property tax	\$ 73,000
Motor vehicle taxes	\$ 8,800
Sales and use tax	\$ 25,500
Utility Franchise taxes	\$142,000
Zoning fees	\$ 6,000
Total income	\$255,300

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, 2017 and ending June 30, 2018:

Advertising	\$ 1,200
Audit fees	\$ 7,500
Computer and internet expenses	\$ 8,250
Dues and subscriptions	\$ 5,450
Elections expense	\$ 3,000
Festival expense	\$ 10,000
Fire Department allocation	\$ 10,000
Fire Department truck payment	\$ 52,569
Insurance expense	\$ 4,900
Legal fees	\$ 7,200
Office supplies	\$ 3,000
Park maintenance	\$ 36,755
Park utilities	\$ 3,818
Payroll expenses	\$ 34,220
Payroll taxes	\$ 5,762
Planning and zoning	\$ 41,101
Professional fees	\$ 2,000
Rent expense	\$ 3,000
Repairs and maintenance	\$ 1,000
Solid waste management cost sharing	\$ 8,000
Tax collection expense	\$ 1,275
Telephone	\$ 3,600
Training	\$ 500
Travel	\$ 1,200
Total	\$255,300

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, 2017 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 12th day of June, 2017

Phillip C. Thomas
Mayor

Town of Fairview
Profit & Loss Budget Overview
 July 2017 through June 2018

	Jul '17 - Jun 18
Ordinary Income/Expense	
Income	
Ad Valorem taxes	73,000.00
Fund balance appropriated	0.00
Investment income	0.00
Motor vehicle taxes	8,800.00
PARTF grant	0.00
Sales and use tax	25,500.00
Special appro from Gen Assembly	0.00
Utility Franchise taxes	142,000.00
Zoning fees	6,000.00
Total Income	255,300.00
Expense	
Advertising and Promotion	1,200.00
Audit fees	7,500.00
Capital outlay	0.00
Computer, internet and website	8,250.00
Dues and Subscriptions	5,450.00
Elections expense	3,000.00
Festival expense	10,000.00
Fire Dept Allocation	10,000.00
Fire Dept Truck Payment	52,569.24
Insurance Expense	4,900.00
Legal fees	7,200.00
Maintenance/Renovations	0.00
Office Supplies	3,000.00
Park Maintenance	36,755.04
Park Utilities	3,817.92
Payroll Expenses	34,219.80
Payroll taxes	5,762.04
Planning and zoning	41,100.96
Professional Fees	2,000.00
Rent Expense	3,000.00
Repairs and Maintenance	1,000.00
Solid Waste Manage cost share	8,000.00
Tax collection fees	1,275.00
Telephone Expense	3,600.00
Training fees	500.00
Travel Expense	1,200.00
Zoning administration	0.00
Total Expense	255,300.00
Net Ordinary Income	0.00
Net Income	0.00

Town of Fairview
Fiscal Year 2017-18 Budget
Assumptions and Explanations

Changes since Budget Workshop

Increased Computer, internet and website expense by \$500 for upgrade to website.

Increased Park Utilities by \$2,400 for estimated power and water bills and \$1,417.92 for leased light expenses from Duke Energy

Decreased Park Maintenance by \$69.96 to balance income and expenses

Budgeted income and expenses equal, so there is no Fund Balance Appropriated.

Revenue

Ad valorem: based upon projected real and personal property values of \$368,589,123 from Union County using 98% collection rate for ad valorem taxes at \$.02 per hundred assessment rate. Used \$73,000.

Funds balance appropriated – funds needed to balance the budget as revenues exceed expenses by \$4,248.

Motor Vehicle taxes: based upon estimated values of \$44,274,413 and using 99% collection rates at \$.02 per hundred assessment rate. Used \$8,800.

Sales and use tax: NC League estimates slight growth of 4.25% for 2017-18; used 4.00%. Used \$25,500

Franchise taxes: NC League estimates slight growth for 2017-18. I estimated no change in franchise taxes and included Cable TV franchise tax in this category. Used \$142,000.

Zoning fees: based upon recent trends showing an increasing amount of zoning fee revenue; used \$500 per month. Used \$6,000.

Expenses

Advertising: based upon current trends = \$1,200

Audit fees: based upon increase from last year's audit by Moyer, Smith, Roller for \$7,050. Moyer, Smith, Roller are no longer doing Municipal audits, so I have our 16-17 audit out for bid. Used \$7,500.

Computer, internet and website expense: based upon reimbursements to staff and estimated computer maintenance, etc. Monthly email and server hosting and reimbursement of internet expense = \$305; Silver level support for One Source Documents = \$427; Website charge = \$1,250; Domain name renewal = \$400; Website upgrade = \$2,000. Used \$7,750.

Dues and subscriptions: School of Govt Foundation – 450 - NC League of Municipalities – 4,600 (Current year plus slight increase); Union County Chamber of Commerce – 450; Used \$5,450

Elections expense: based upon amount spent in 15-16 = \$2,721 plus slight increase; used \$3,000 as estimate for 17-18

Festival expense: Used \$10,000 for annual amount.

Fire Department Allocation: \$10,000 payment to Fairview VFD; \$833.33 per month.

Fire Department Truck Payment: Quarterly payment of \$13,142.31 for payment to Bank for new fire truck. Used \$52,569.

Liability insurance: Based upon estimate of property and casualty insurance from NC League of Municipalities = \$4,022. Estimate of workers comp insurance = \$500 and bond insurance = \$375. Used \$4,900.

Legal fees: based on trend of about \$600 per month. Used \$7,200.

Office supplies: based upon recent trends of \$250 per month. Used \$3,000.

Park Maintenance: Based upon Park Service contract of \$24,825, plus additional amounts of \$1,000 per month. Used \$36,825.

Payroll expenses: See worksheet documenting budgeted amount. Used 4.25% rate of increase for staff, which was the same as last year.

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

Planning and zoning: 17-18 rate of pay is \$41,101 per year.

Professional fees: Retreat expense for Council (1,400 in 16-17) plus other minor expenses = \$2,000

Rent - \$250 per month for 12 months; Used \$3,000.

Repairs and Maintenance: Misc repair and maintenance items that may occur = \$1,000.

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 \$1,275.

Telephone: estimated \$300 per month based on recent trends. Used \$3,600.

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

Travel: estimated \$1,200 for the year.