

**Town of Fairview
Special Meeting
“Budget Workshop”
April 29, 2013**

The meeting was called to order by Mayor Long.

Council members present: Jerry Clontz, Arnold Price, B.B. Haigler

Darrell Baucom prepared a draft budget for fiscal year 2013-14 and went over it with Council.

*See below: Assumptions & Explanations and Profit & Loss Budget Overview July 1, 2013 – June 30, 2014

Town of Fairview
Fiscal Year 2013-2014 Budget
Assumptions and Explanations

Revenue

Ad valorem: based upon projected real and personal property values of \$387,865,608 from Union County using 98% collection rate for ad valorem taxes at \$.02 per hundred assessment rate.

Cable TV Franchise tax – used trends from 2012-13.

Investment income: Since interest rates are so low and we have moved all of our funds to the checking account, I did not project any investment income for next budget year.

Motor Vehicle taxes: based upon estimated values of \$31,554,762 and using 95% collection rates at \$.02 per hundred assessment rate.

Sales and use tax: NC League estimates slight growth of 3 to 3.5% for 2013-14. I based upon recent trends in current year revenue.

Franchise taxes: NC League estimates slight growth for of 2.5% for 2013-14. I estimated franchise taxes to be flat compared to current year.

Zoning fees: based upon recent trends

Expenses

Advertising: based upon current trends

Audit fees: based upon contract for the year of \$6,200

Capital Outlay: Not sure what to plan for this; does include \$3,150 for Laserfiche Avante System.

Collection fees: based upon 1.5% of ad valorem taxes and motor vehicle taxes

Computer and internet: based upon reimbursements to staff and estimated computer maintenance, etc.

Dues and subscriptions: School of Govt Foundation – 400 - NC League of Municipalities – 3,500 (estimate from NC League); Union County Chamber of Commerce – 375

Education – nominal amount for 2013-14 .

Elections expense: based upon estimated costs from UC Board of Elections.

Grants: based on contributing \$10,000 to various organizations during the year.

Liability insurance: Based upon 10% increase in costs over expense for 12-13.

Legal fees: based on trend of about \$600 per month.

Maintenance: nominal amount for 2013-14.

Office supplies: based upon recent trends plus \$200 for a scanner and \$250 for a printer for Ed's office.

Payroll expenses: Used same rate of pay for Council, Planning Board, Staff, etc with no cost of living and no merit increase.

Planning and zoning: Used same rate of pay as current year.

Postage: estimated \$200 for year.

Printing: nominal amount for 2013-14.

Professional fees: Small area conceptual plan with N-focus; \$2,355.39 per month for 11 months.

Public Safety: \$30,000 payment to Fairview VFD; \$2,500 per month

Rent - \$250 per month for 12 months

Solid Waste Management: None budgeted for 13-14

Telephone: estimated \$4000 for the year based on recent trends

Travel: estimated \$50 per month

'13 - Jun 14

Ordinary Income/Expense

Income

Ad Valorem taxes 76,000.00

Cable TV franchise taxes 2,800.00

Motor vehicle taxes 6,000.00

Sales and use tax 21,600.00

Utility Franchise taxes 160,000.00

Zoning fees 4,000.00

Total Income 270,400.00

Expense

Advertising and Promotion 1,200.00

Audit fees 6,200.00

Capital outlay 3,150.00

Collection fees 1,300.00

Computer and Internet Expenses 2,000.00

Dues and Subscriptions 4,275.00

Education 250.00

Elections expense 4,500.00

Grants 10,000.00

Insurance Expense 5,500.00

Legal fees 7,200.00

Maintenance/Renovations 300.00

Office Supplies 2,000.00

Payroll Expenses 21,762.00

Payroll taxes 4,469.00

Planning and zoning 36,653.00

Postage and Delivery 200.00

Printing and Reproduction 250.00

Professional Fees 25,909.00

Public Safety 30,000.00

Rent Expense 3,000.00
Telephone Expense 4,000.00
Travel Expense 600.00
Total Expense 174,718.00
Net Ordinary Income 95,682.00
Net Income 95,682.00
11:58 AM

The Council discussed the budget by line item.

It was suggested by Council to add:

- A. \$8,000 for Drop-off Site Run by County
- B. 1.7% CPI raise for Fairview's two employees
- C. \$2,600 increase in Planning & Zoning for Ed Humphries
- D. \$1,300 fee for being voting member of Mumpo
- E. Budget amendments need in Capital outlay for the Park and Fire Station for next year will be added when needed.

Darrell Baucom will bring an amended draft of the budget to the May meeting and ask the Council to call for a Budget Public Hearing for the June Regular Meeting.

Mayor Long closed the meeting.

Respectfully submitted,

Ed Humphries
Town Clerk

Elizabeth Long
Mayor

Approved this 13th day of May, 2013.