



THE TOWN OF RUTHERFORD COLLEGE
FY 2016 - 2017 BUDGET TRANSMITTAL LETTER

June 6, 2016

Office of the Town Manager

The Honorable Gary McClure, Mayor
Members of the Town Council
Rutherford College, NC

Mayor McClure and Members of Council:

Pursuant to Section §159 – 11 of the North Carolina General Statutes, I am pleased to present the FY2016 – 2017 recommended budget for your review and consideration. The \$1,749,237 spending document is balanced and maintains the current property tax rate at \$.10 per hundred dollars of valuation.

The proposed spending plan has increased approximately 16% from FY2015 – 2016 due to the acquisition of an ARC Grant for water system improvements and the evolving needs of the Town. The creation of a Business Development Fund to help stimulate local economic growth, the government's gradual transition to a more energy efficient organization and the continuing need to identify and acquire grants were a primary focus of the administration while constructing this budget.

The proposed General Fund budget totals \$583,949 which is an overall 8% increase from the current year's budget. An improving economy statewide yielded a higher than average sales tax collection rate, which placed the administration in the unique position of actually generating revenue from non enterprise functions. Higher property tax collection rates and increased user fees, supplemented by smart Town management has placed the organization in a strong financial position for the long term.

The recommended Water & Sewer Fund budget totals \$1,045,002 which represents a 53% increase from this year's budget. A large portion of the percentage increase is due to distribution system improvements in relation to a federally subsidized grant awarded through the Appalachian Regional Commission. As directed by the Town Council in this year's Action Plan, the administration will continue to explore alternatives for subsidizing waterline replacement with a principle focus on maximizing the capacity of existing infrastructure. The Capital Improvement Program provides a project guide that allows the administration to allocate funding for the corresponding improvements accordingly.

In closing, I just want to remind the Town Council and residents of the outstanding job that the Town staff does to provide effective and efficient service day in and day out. A low crime rate, a functional infrastructure, top notch public facilities and a reasonable cost of living, are all highly valued and play a role in fostering the relationship between residents and of the administration, which is what truly makes Rutherford College a great place to live.

Respectfully Submitted,

Kenneth B. Geathers Jr.
Town Manager

TOWN OF RUTHERFORD COLLEGE
BUDGET ORDINANCE
FY 2016-2017

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF RUTHERFORD COLLEGE, NORTH CAROLINA:

SECTION I: Estimated Revenues- It is estimated that the following Revenues will be available during the fiscal year beginning July 1, 2016 and ending June 30, 2017, to meet the foregoing appropriations, according to the following schedules:

GENERAL FUND:

REVENUES:

AD VALOREM TAXES

Current Year	\$	102,000.00
Prior Year	\$	1,000.00
Penalties/Interest	\$	500.00
Vehicle Taxes	\$	6,000.00
TOTAL AD VALOREM TAXES	\$	<u>109,500.00</u>

OTHER TAXES AND LICENSES:

Utility Franchise Tax	\$	125,000.00
Sales Tax (1/2 Cent, 1 Cent)	\$	275,000.00
Alcohol/Beverage Tax	\$	6,500.00
TOTAL OTHER TAXES & LICENSES	\$	<u>406,500.00</u>

UNRESTRICTED INTERGOVERNMENTAL REVENUES:

Sales Tax Refund	\$	3,000.00
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RESTRICTED INTERGOVERNMENTAL REVENUES:

Solid Waste Disposal Tax	\$	750.00
Recycling Fee	\$	1,500.00
Solid Waste Fee	\$	29,000.00
TOTAL OTHER TAXES & LICENSES	\$	<u>31,250.00</u>

SALES AND SERVICE:

Cable	\$	1,000.00
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ADMINISTRATION GENERATED EARNINGS:

Zoning Compliances	\$	500.00
Park Rentals	\$	1,000.00
Community Room Rentals	\$	750.00
920 Malcolm Rental	\$	7,200.00
Festival/Vendor Fees	\$	300.00
Misc. Revenue	\$	500.00
TOTAL ADMIN. GENERATED EARNINGS	\$	<u>10,250.00</u>

OTHER FINANCING SOURCES:

Appropriated Fund Balance	\$	22,449.00
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TOTAL REVENUES

\$ 583,949.00

EXPENDITURES:

General Government	\$	356,700.00
Public Works	\$	61,500.00
Buildings & Grounds	\$	13,000.00

Economic Development	\$	18,500.00
Cultural & Recreational	\$	10,500.00
Transfers	\$	60,000.00
Payments on Long Term Debt	\$	63,749.00
TOTAL EXPENDITURES- General	\$	583,949.00

EXPENDITURES IN DETAIL:

GENERAL GOVERNMENT:

GOVERNING BODY:

Workshops & Seminars	\$	4,000.00
Travel & Meetings	\$	8,500.00
TOTAL GOVERNING BODY	\$	12,500.00

ADMINISTRATION:

Salaries & Wages	\$	100,000.00
Overtime Wages	\$	1,500.00
Payroll Taxes-FICA & Medicare	\$	8,750.00
Retirement Matching	\$	7,000.00
Unemployment Taxes	\$	250.00
Consulting Services	\$	5,000.00
Mayor Travel Expense	\$	3,000.00
Education & Training	\$	3,000.00
Professional Fees	\$	25,000.00
Engineering	\$	1,000.00
Technical Assistance	\$	25,000.00
Contracted Services	\$	15,000.00
Burke County React	\$	1,500.00
Utilites	\$	14,000.00
Telephone & Postage	\$	15,000.00
Maintenance & Repair	\$	10,000.00
Supplies	\$	6,500.00
Advertising	\$	2,500.00
Computer & Copier Expense	\$	20,000.00
Workers Compensation	\$	3,000.00
Group Insurance	\$	39,000.00
Liability Insurance and Bonding	\$	9,000.00
Supplimental Insurance	\$	400.00
Dues & Subscriptions	\$	4,500.00
Street Lights	\$	18,500.00
Miscellaneous	\$	3,000.00
Manager Expense	\$	1,300.00
Bank Service Charges	\$	1,500.00
TOTAL ADMINISTRATION	\$	344,200.00

TOTAL GENERAL GOVERNMENT	\$	356,700.00
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PUBLIC WORKS:

Garbage & Recycling	\$	60,000.00
Christmas Decorations	\$	1,500.00
TOTAL PUBLIC WORKS	\$	61,500.00

PUBLIC BUILDINGS & GROUNDS:

General Maintenance	\$	5,000.00
Contracted Services	\$	5,000.00
Capital Outlay	\$	3,000.00
TOTAL PUBLIC BUILD & GROUNDS	\$	13,000.00

ECONOMIC DEVELOPMENT:		
Burke Partnership-BDI	\$	16,000.00
VEDIC Appropriation	\$	2,500.00
TOTAL ECONOMIC DEVELOPMENT	\$	<u>18,500.00</u>

CULTURAL & RECREATIONAL:		
Town Festival	\$	4,000.00
Veteran's Day Fish Fry	\$	1,500.00
Christmas Festival & Parade	\$	1,500.00
Movie In the Park Event	\$	1,000.00
Park Expense	\$	500.00
Burke County Library	\$	2,000.00
TOTAL CULTURAL & REC	\$	<u>10,500.00</u>

DEBT SERVICE:		
USDA Town Hall/ Principal	\$	40,188.00
USDA Town Hall/ Interest	\$	12,926.00
920 Malcolm/ Principal	\$	6,318.00
920 Malcolm/ Interest	\$	4,317.00
TOTAL DEBT SERVICE	\$	<u>63,749.00</u>

OTHER FINANCING USES:		
Transfer to Business Development	\$	40,000.00
Transfer to Powell Bill	\$	20,000.00
	\$	<u>60,000.00</u>

TOTAL EXPENSES- General	\$	<u>583,949.00</u>
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WATER & SEWER OPERATING FUND:

REVENUES:		
Water & Sewer Charges	\$	422,000.00
Administrative Fees	\$	123,000.00
Tap Fees	\$	5,000.00
Penalties Collected	\$	7,000.00
Reconnect Fees	\$	1,000.00
Trash Can Fees	\$	29,000.00
Recycling Fees	\$	1,500.00
ARC Grant	\$	300,000.00
Appropriated Fund Balance	\$	<u>156,502.00</u>

TOTAL REVENUES- Utility	\$	<u>1,045,002.00</u>
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EXPENDITURES:		
Salaries	\$	79,000.00
Overtime Pay	\$	700.00
Payroll Taxes	\$	6,200.00
Retirement	\$	2,300.00
Telephone & Postage	\$	5,000.00
Water Purchases	\$	165,000.00
Sewer Treatment	\$	132,500.00
Engineering	\$	5,000.00
Sewer ROW Mowing	\$	10,000.00
General Maintenance	\$	16,000.00
Sewer System Repairs & Maintenance	\$	15,000.00
Utilities	\$	2,500.00

Supplies	\$	10,000.00
Miscellaneous	\$	4,000.00
Water Testing	\$	5,000.00
Utility Truck Expense	\$	2,000.00
Bank Service Charges	\$	500.00
Debt Water- Principal	\$	7,116.00
Debet Water- Interest	\$	20,208.00
Debt Sewer- Principal	\$	21,500.00
Debt Sewer- Interest	\$	46,099.00
ARRA Debt Principal	\$	3,879.00
Transfer to General Fund (Recycling Fees)	\$	1,500.00
Transfer to General Fund (Trash Can Fees)	\$	29,000.00
ARC Project	\$	455,000.00

TOTAL EXPENDITURES- Utility \$ 1,045,002.00

POWELL BILL FUND:

REVENUES:

RESTRICTED INTERGOVERNMENTAL REVENUES:

Powell Bill Allocation	\$	47,000.00
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ASSIGNED REVENUES:

Transfer from General Fund	\$	20,000.00
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TOTAL REVENUES: \$ 67,000.00

EXPENDITURES:

Engineering	\$	5,000.00
Snow Removal	\$	2,500.00
Street & ROW Maint	\$	10,000.00
Street Paving	\$	26,500.00
Graveling Streets	\$	20,000.00
Other Maintenance	\$	3,000.00
TOTAL TRANSPORTATION	\$	67,000.00

TOTAL EXPENDITURES: \$ 67,000.00

BUSINESS DEVELOPMENT FUND:

REVENUES:

Transfer from General Fund	\$	40,000.00
Appropriated Fund Balance	\$	13,286.47

TOTAL REVENUES: \$ 53,286.47

EXPENDITURES:

Business Development Projects	\$	53,286.47
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TOTAL EXPENDITURES: \$ 53,286.47

THERE IS HEREBY Levied the following rate of tax on each hundred dollars (\$100.00) valuation of taxable property, as listed as of July 1, 2016, for the purpose of raising the Revenue for Current Year's Property Tax, as set forth in the foregoing estimates of Revenue, and in order to finance the foregoing appropriations:

GENERAL FUND (For the expenses incident to the proper government of the town).

TOTAL RATE PER \$100.00 VALUATION \$ 0.10

DISTRIBUTION: Copies of this Ordinance shall be furnished to the Finance Officer of the Town of Rutherford College, North Carolina, to be kept on file by them for their direction in disbursement of funds.

ADOPTED, this, the 6th day of June, 2016.

Mayor Gary McClure
6/6/2016

ATTEST:

Budget Officer