

# Town of Sharpsburg, North Carolina



## Budget Ordinance

Fiscal Year 2014-2015

Mayor

Randy Weaver

Mayor Pro – Tem

Maurice Garrett

Commissioner  
Wilbur Etheridge

Commissioner  
Randall Collie

Commissioner  
Raymond Moore

Commissioner  
Linda Virgil



## Administration and Department Heads

- Elton Daniels, Town Manager
- Lenessa Hawkins, Finance Officer
- Tracy Sullivan, Town Clerk
- Robert Smith, Utility Director
- Joey Petway, Chief of Police

**Mayor**  
Randy Weaver  
**Mayor Pro-Tem**  
Maurice Garrett  
**Town Manager**  
Elton Daniels



Town of  
**Sharpsburg, NC**  
TRI-COUNTY HOSPITALITY EST. 1883

**Commissioners**  
Raymond Moore  
Wilbur Etheridge  
Linda Virgil  
Randall Collie

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## Annual Budget Message

Date: June 3, 2014  
To: Mayor/Commissioners  
From: Elton Daniels, Town Manager/Budget Officer  
Cc: Citizens of Sharpsburg  
Re: Proposed 2014-15 Annual Budget

The adoption of a budget is one of the most important activities undertaken by local government officials each year. The budget serves as the governing body's primary opportunity to establish community priorities and as a tool for planning community services and programs. As years past, this year's budget places heavy emphasis on the Town mission and vision:

*Vision – "The Town of Sharpsburg will be strategic and progressive while maintaining its affordability and rich history. We believe in empowering our citizens by involving them in the Town's growth and future prosperity."*

*Mission – "The Town of Sharpsburg is a safe progressive community that promotes transparency, diversity, and focuses on the needs of its Tri-county citizenship."*

The following message summarizes and highlights the significant elements of the proposed budget, particularly, in those areas where there are notable changes from the Fiscal Year 2013 – 2014 Approved Budget. Many forces impacted this year's proposed budget i.e. Federal and State mandates, wholesale utility market and opportunities to streamline and advance operations. While the budget adoption occurs annually, the budget process is actually an ongoing process, throughout the year, for both staff and elected officials, as we all monitor performance, spending and review priorities.

That being said, economic forecasting is not an exact science and at times relies upon the best professional judgment of the forecaster. This year, the Town was fortunate to have input from citizens, business owners, professional staff and outside consultants (paid and volunteer). The Town held several public budget workshops. Much of the budget development was a negotiation between me and the staff, between the board and staff and between the board and the public. While it is understood, that a budget never completely satisfies everyone's interest, the development process, nonetheless, provided a great opportunity for our local government officials to work with a broad range of people, adhering to our mission and vision.

The FY 2014-15 proposed total municipal budget is balanced at \$5,627,862. This is a \$425,025 increase over \$5,202,337 or 8.16 percent compared to the FY 2013-2014. The Budget is comprised of the General Fund, Electric Fund and the Water/Sewer Fund.

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## Budget Message Continued....

The proposed FY 2014-2015 General Fund is \$1,603,607. This is a \$91,197 increase or 6.03 percent over the FY 2013-2014 approved General Fund Budget of \$1,512,410. The proposed FY 2014-2015 Electric Fund Budget is \$2,488,750. This is an increase of \$232,259 or 10.29 percent over the FY 2013-2014 Electric Fund Budget of \$2,256,491. The Proposed Water/Sewer Fund Budget is \$1,535,505. This is an increase of \$102,069 or 7.12 percent over the approved FY 2013-2014 Water Sewer Fund Budget of \$1,433,436. Additionally, Staff is projecting that the Powell Bill Fund will generate approximately \$59,101.

The Governing Board, was adamant about reducing taxes and fees. That said, in order to accomplish said goals, there were substantial tradeoffs. Listed below are the most significant proposed adjustments:

- No Cost of Living Adjustment for employees (COLA)
- Reduced Funding for Parks and Rec
- Reduced Fire Department Allocation (\$84,547 to \$54,350)
- Travel and Training funding reduced by approximately 40%

As a result of the aforementioned, the proposed FY 2014-15 budget does not include an increase in Ad Valorem taxes. The proposed Ad Valorem tax remains at \$0.65 per \$100 full valuation. While the proposed budget incorporates a 5% increase in electric rates, due to the projected wholesale market, "Out of Town" water/sewer customers will see a slight reduction in their rates, while water/sewer rates for citizens within the Town's limits will remain constant.

### **Conclusion**

As you can see from the budget message, the Town is steadily making progress. This year's budget is based on priority-based budgeting policies and reflects the appropriate funding of operating services based on the priorities of the community and the direction to the Town Board. This budget maintains the quality of programs necessary to meet the core services offered by the Town and provides the best possible use of tax payers and ratepayer monies.

Town's Staff spent many hours compiling information, making recommendations and meeting with citizens, to create this very complex financial document. They were diligent in funding the identified priorities while seeking to reduce operating expenses. I appreciate their efforts to create a budget that engaged employees, elected officials and the community in an inclusive, transparent process.

Despite the proposed changes in the operating budget, I am confident the Town of Sharpsburg can rise to the challenges that await us in the coming fiscal year, uphold our commitment to meeting the needs of our residents, embrace the opportunities for growth and development and ensure fiscal responsibility with respect to public funds and assets.

Special thanks are extended to the Mayor and Board of Commissioner for allowing me to continue to serve this Town as Budget Officer/Town Manager. I would like to also personally thank Chief Petway, Lenessa Hawkins, Finance Officer, Tracy Sullivan, Town Clerk and Robert Smith, Public Works Director, for their professional and understandable budgets. Furthermore, I would like to thank the other members of the Town's Staff, including our Management Intern Ms. Cynthia Jenkins, for their efforts in developing this budget.

Pursuant to Section § 159-11 of the North Carolina General Statutes, I respectfully present the recommended Fiscal Year 2014 - 2015 Proposed Budget to the Board of Commissioners for your review and consideration.

Sincerely,



Elton Daniels, MPA  
Town Manager



**TOWN OF SHARPSBURG**  
FISCAL YEAR 2014-2015  
BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of the Town of Sharpsburg, North Carolina meeting in regular meeting 16<sup>th</sup> day of June, 2014, that the following fund revenues and department expenditures together with certain restrictions and authorizations are adopted.

**SECTION 1: FY 2013-2014 BUDGET SUMMARY**

The following amount are hereby appropriated in the General Fund for the operation of the Town Government and its activities for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

**GENERAL FUNDS**

	FY 2014-15 Budget
<b>REVENUES:</b>	
Ad Valorem	438,245
Other Taxes	12,075
Unrestricted Governmental	391,370
Restricted Intergovernmental	59,101
Permits & Fees	300,620
Investment Earnings	1,100
Miscellaneous	4,000
Appropriated Fund Balance	177,096
Transfer from Electric Fund	110,000
Transfer from Water/Sewer Fund	110,000
<b>TOTAL GENERAL FUND REVENUES</b>	<b>1,603,607</b>
<b>EXPENDITURES:</b>	
Governing Board	126,700
Administration	216,570
Police	610,382
Fire Protection	54,350
Parks and Recreation	17,500
Streets and Sanitation	578,105
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>1,603,607</b>

The following amounts are hereby appropriated in the Electric Fund for the operation of the electric utility for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

ELECTRIC FUND

REVENUES:	FY 2014-15 Budget
Investment Earnings	1,700
Miscellaneous Revenue	50
Electrical Charges	2,450,000
Connection Fees	2,000
Penalty Fees	35,000
<b>TOTAL ELECTRIC FUND REVENUES</b>	<b><u>2,488,750</u></b>
EXPENDITURES:	
Electric Operations	2,354,050
Budgeted Transfer to General Fund	110,000
Debt Service	13,224
Contingency	11,476
<b>TOTAL ELECTRIC FUND EXPENDITURES</b>	<b><u>2,488,750</u></b>

The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

WATER/SEWER FUND

REVENUES:	FY 2014-15 Budget
Investment Earnings	1,500
Charges for Water/Sewer	1,499,000
Miscellaneous Revenue	5
Penalty Fees	35,000
<b>TOTAL WATER/SEWER FUND REVENUES</b>	<b><u>1,535,505</u></b>
EXPENDITURES:	
Water/Sewer Operations	1,240,550
Budgeted Transfer to General Fund	110,000
Debt Service	130,000
Contingency	54,955
<b>TOTAL WATER/SEWER FUND EXPENDITURES</b>	<b><u>1,535,505</u></b>

**TOTAL BUDGETED REVENUES FOR FY 2014-2015** **\$5,627,862**

**TOTAL BUDGETED EXPENDITURES FOR FY 2014-2015** **\$5,627,862**

**SECTION 2: MUNICIPAL TAX RATE ESTABLISHED**

An Advalorem Tax Rate of \$.65 per \$100 full valuation is hereby established as the Official Tax Rate for the Town of Sharpsburg for the fiscal year 2014-2015.

**Section 3: SPECIAL AUTHORIZATION - BUDGET OFFICER**

- 1 The Budget Officer shall be authorized to transfer line item expenditures within a department with out limitation and without a report being required. These changes should not result in increasing recurring obligations such as salaries. The Budget Officer shall make budget amendment as deemed appropriate no less than once per fiscal year.
- 2 The Budget Officer shall be authorized to execute inter-departmental transfers in the General Fund, not to exceed 10% of the appropriated monies for the department whose allocation is reduced. An official report on such transfers shall be given at the next regular meeting of the Board of Commissioners.
- 3 The Budget Officer may make inter-fund loans for a period of not more than 60 days. The Board of Commissioners shall be informed of such inter-fund loans at their next regularly scheduled meeting. The Board of Commissioners will also be notified when such loan is repaid.
- 4 Inter-fund transfers, established in the budget document, may be accomplished without recourse to the Board.

**Section 4: RESTRICTION - BUDGET OFFICER**

- 1 The inter-fund transfer of monies, except as noted in paragraph 2 above shall be accomplished by Board authorization only.
- 2 No salary increase or bonus may be paid without prior authorization for the Board of Commissioners.
- 3 No contributions to any agencies shall be made without approval of the Board of Commissioners.

**Section 5: UTILIZATION OF THE BUDGET ORDINANCE**

This Ordinance and the budget information contained herein shall be the basis of the 2014-2015 Fiscal Year. The Budget Officer shall administer the Budget and shall insure that department heads are provided guidance and sufficient details to implement their appropriate portion of the budget. The Finance Department shall establish records which are in agreement with the Budget and this Ordinance and the appropriate statutes of the State of North Carolina.

This Budget Ordinance and accompanying schedules are hereby adopted by the Town of Sharpsburg Board of Commissioners this 16th day of June, 2014.

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Randy Weaver, Mayor

ATTEST:

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Tracy Sullivan, Town Clerk