



Dale R. Folwell, CPA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

Town of Pikeville
FYE June 30, 2022 Proposed Budget Ordinance
Presented June 1, 2021

BE IT ORDAINED by the NC Local Government Commission acting in place of the Board of Commissioners for the Town of Pikeville, North Carolina pursuant to NC General Statute 159-181(c):

Section 1. The following amounts are hereby appropriated for the operation of the Town's Government and its activities for the fiscal year (FY) beginning July 1, 2021 and ending June 30, 2022, according to the following schedules:

Schedule A. General Fund

Governing Board	\$ 12,596
Police	342,354
Administration	100,064
Fire	40,000
Streets	39,500
Sanitation	76,950
Cemetery	10,765
	6,636
Library	
Recreation	59,514
Total General Fund	\$ 688,379

Schedule B. Special Revenue Funds

Maintenance and Repair of Town Hall	\$ 50,000
Powell Bill Eligible Street Projects	<u>100,000</u>
Total Special Revenue Funds	<u>\$ 150,000</u>

Schedule C. Water and Sewer Utilities Fund

Water and Sewer Administration	\$ 87,366
Water Operations	152,408
Sewer Operations	<u>466,256</u>
Total Water and Sewer Utilities Fund	<u>\$ 706,030</u>

Schedule D. Electric Utility Fund

Electric Administration	\$ 83,120
Electric Operations	<u>1,028,580</u>
Total Electric Utility Fund	<u>\$ 1,111,700</u>

Section 2. It is estimated the following revenues will be available during the FY beginning July 1, 2021 and ending on June 30, 2022 to meet the appropriations shown in Section 1 according to the following schedules:

Schedule A. General Fund

Taxes:

Property Taxes- Current Year	\$ 294,511
Property Taxes- Prior Years	2,750
Vehicle Taxes	30,500

Penalties & Interest on Taxes	1,500
Beer & Wine Taxes	2,918
Sales Taxes	195,000
Utility Franchise Taxes	43,000
Video Taxes	5,300
Telecommunication Sales Taxes	5,700
Solid Waste Disposal Taxes	<u>500</u>
Total Taxes	\$ 581,679

User Fees:

Building Permit Fees	\$ 800
Garbage Collection Fees	78,000
Court Facility Fees	500
Park Areas Rental Fees	800
Sale of Cemetery Lots Fees	7,000
Grave Opening Fees	<u>10,000</u>
Total User Fees	\$ 97,100

Other Revenues:

Electricities Smart Community Donation	\$ 5,000
Gas Tax Refunds	2,800
Interest Earnings	800
Miscellaneous Revenues	<u>1,000</u>
Total Other Revenues	\$ 9,600

Total General Fund Revenues	<u>\$ 688,379</u>
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Schedule B. Special Revenue Funds

Appropriated Fund Balance- Gen Assmby-Commerce Grant	\$ 50,000
Appropriated Fund Balance- Powell Bill Street Aid	<u>100,000</u>

Total Special Revenue Funds	<u>\$ 150,000</u>
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Schedule C. Water and Sewer Utilities Fund

Charges For Services - Water	\$ 290,000
Charges For Services - Sewer	350,000
Interest Earnings	30
Water Tank Antenna Fees	36,000
Spray Field Rental	15,000
Water Tank Maint. Fees	<u>15,000</u>
Total Water and Sewer Utilities Fund	<u>\$ 706,030</u>

Schedule D. Electric Utility Fund

Charges For Electric Services	\$ 1,090,000
Connection Fees	1,000
Late Fees	14,000
Reconnection Fees	5,700
Interest Earnings	<u>1,000</u>
Total Electric Utility Fund	<u>\$ 1,111,700</u>

Section 3. That the tax rate of \$0.69 is hereby levied on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2021, for the purpose of raising revenue from property taxes as set forth in the foregoing revenue estimate, and in order to finance the General Fund's appropriations for the general expenses incidental to the proper government of the Town.

This rate of tax is based on an estimated total appraised valuation of property for the purpose of taxation of \$43,527,212 and an estimated rate of collection of ninety-eight and six-hundredths percent (98.06%)

Section 4: The Secretary of the Local Government Commission and the Finance Officer are hereby authorized to (a) take any actions and to (b) execute and deliver any contract, agreement, and any other document on behalf of the Local Government Commission that may be necessary, appropriate or desirable for the purpose of collecting District receipts and expending appropriations from all funds.

Section 5: Copies of this Budget Ordinance shall be furnished to the Secretary of the Local Government Commission and to the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 22nd day of June, 2021

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, do hereby certify that the foregoing is a true and correct copy of the Ordinance adopted by the North Carolina Local Government Commission at its meeting held on June 22, 2021.

Witness my hand this 22nd day of June 2021.



Town of Pikeville, NC
Budget Message for FYE June 30, 2022

Honorable Local Government Commission Members, Mayor Charles Hooks, the Town of Pikeville Commissioners, and Citizens:

The Town's Total Budget for fiscal year ending (FYE) June 30, 2022 is hereby presented for \$2,656,109.

The General Fund totals \$688,379. It provides modest overall growth of \$16,049, or 2.4% over the previous year's adopted budget, and uses no Town savings account monies (fund balance) to fund its annual expenditures.

It embodies results of discussions between LGC staff, citizens, the Town's Mayor and Board of Commissioners, and Town staff. The Town budget absorbs inflationary increases from:

- insurance premiums
- garbage removal contract
- fuel, supplies, and other critical materials

The proposed property tax rate remains unchanged at sixty-nine cents (\$0.69) per \$100 valuation. The Town's tax base of assessed valuation of real property is estimated to grow to \$39.3 million, up .79% from the prior year's \$38.9 million. The total tax base of \$48.5 million nets an estimated \$294,511, or 42.8% of your General Fund budget from 2022 property taxes. Estimated population for the Town remains just below 700.

Sales taxes provide an estimated \$251,917, up 4.8% from the FY21 budgeted amount of \$240,300. Sales tax revenues have maintained this moderate growth rate during the Covid pandemic. Consumers using online purchasing kept this revenue source steady.

Pikeville's Enterprise operations maintain their user fee rates from the previous year. Over 31 million gallons-drinking water (16.2m) and wastewater (14.8m)- were processed through the Town's systems. For Electricity, 7.6 million kilowatt hours lit up the Town.

Fiscal constraint is a focus of this budget but providing needed services to the Town also has been addressed.

The following general municipal services are offered for town residents and businesses with no increases in taxes and user fee rates:

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|--|--|
| • Police Services- \$4,800 added for operations; funds one vehicle replacement | • Garbage Collection- rates maintained |
| • Fire Services- \$40,000 VFD contract continues | • Street Paving- ~ ½ mile funded |
| | • Recreational Spaces- upkeep enhanced |

Town employees' compensation and benefits are maintained at the current year's levels for now. Ongoing analysis of benefits may yield potential future savings. The proposed budget includes amounts to recruit and hire both a Town Clerk and a Town Manager. The Town Manager is proposed instead of the former Town Administrator role.

This budget is balanced and prepared in accordance with the North Carolina Budget and Fiscal Control Act.

On June 14, 2021, the Local Government Commission and the Town Board will hold a joint public hearing at 7 PM on the budget for FYE June 30, 2022. Any person who wishes to be heard on the budget may appear in person at Town Hall or appear at virtual online meeting and speak at that time. Those who wish to provide comments during the public hearing must sign up no later than 5 PM on June 13, 2021 at SLGFD@nctreasurer.com. You will need to provide your name and address and indicate you wish to speak on the Pikeville public hearing in your email. You will receive a follow up email with a link to the meeting that allows you to participate at your allotted time.

A link to the budget hearing will be posted on the Town's website. The draft budget and this budget message may be reviewed at Town Hall or online at www.pikevillenc.gov.

This budget is respectfully submitted this the 1st day of June, 2021.

Susan McCullen
Town of Pikeville Finance Officer,
Director of Fiscal Management Section
NC Treasurer's Office