

BUDGET MESSAGE

FOXFIRE VILLAGE, NORTH CAROLINA

2022 – 2023 BUDGET

In accordance with G.S: 159-11, for your consideration is the proposed FY 2022-2023 budget for Foxfire Village. This Budget has been based on a property tax rate of \$.38/100 of value and estimated revenues from the North Carolina League of Municipalities, State of North Carolina and Moore County Tax Department. This budget has been prepared in accordance with the NC Local Government Fiscal Control Act.

The Village will continue to use First Bank for their banking needs. A central depository account is maintained for the General Fund and Water Fund monies.

The annual audit of Foxfire Village is contracted to be performed by Anderson Smith & Wike PLLC, 220 East Washington St. Rockingham, NC 28380

The Village has an outstanding Water Fund Loan for new wells in the amount of \$50,870 with an annual note payment of \$25,253 plus interest of \$ 1,195 (2022-2023).

Appointment of Janice Gregorich as the Council member designated as the Finance Officer, as Budget Officer for year 2022-2023.

General Fund

Revenue 2022-2023

In general, we anticipate that revenue for the Village will increase for the 2022-2023 Budget due to the increase in the construction of new homes and the increase in Local Option Sales Tax .

Real Property and Motor Vehicle Taxes

The property valuation used in this budget are estimates obtained from the Moore County Tax Department; total valuation of \$204,583,295 This is an increase of \$236,660 Motor vehicle and an increase of \$ 3,902,307 real property over the prior year.

- Assumes we collect 98% of real and personal property tax
- Assumes we collect 98% of the motor vehicle tax

Local Option Sales Tax

Sales tax revenue is currently estimated at 28% of our total budgeted revenue.

There is an expected increase of 3.75% over the prior year however this could be reduced in the event there is an economic down turn.

Other State Collected Revenues

- Beer & Wine Tax: expect to stay the same
- Telecommunications Tax: expect a decrease of 7.5% due to loss of landlines, as consumers opt to go solely wireless.
- Utility Franchise Tax: expect to increase 1% ; is sensitive to weather conditions.
- Local Video estimated to decrease by 1.75%.

- The projected Powell Bill funds are estimated based on our population and street mileage to remain the same. Seventy-five percent of Powell Bill funds are based on estimated population and 25% are based on actual street mileage. We have used \$ 21.66 per capita of 1,293 people and \$1,675 per mile for 13.72 miles.

TOTAL REVENUE SUMMARY

2022-2023 revenue is a 6% decrease from 2021-2022.

The 2021-2022 budget included appropriated funds of \$ 124,000 and transfer from Police reserve of \$25,000.

<u>Revenue Source</u>	<u>Amount</u>	<u>% of Total Revenue</u>
Net Ad Valorem & MV Taxes	\$ 760,000	61%
Sales Tax	\$ 350,000	28%
Unrestricted Intergovernmental	\$ 76,000	6%
Restricted Intergovernmental	\$ 50,000	4%
Permits & Fees	\$ 8,000	1%
Sales & Services	\$ 4,200	0%
Misc Rev & Investment Earnings	\$ 250	0%
Total Budgeted Revenue	\$ 1,248,450	100%

EXPENSES 2022-2023

Salaries & Benefits

Increase of 4% due to the addition salary increases and a decrease of 16% for insurance.

Administration

Overall administration expenses decrease of 18% from the current year’s budget primarily due to no addition of a part time administrative clerk and decrease health insurance costs.

Public Safety/Police Protection Services

Overall public safety budget will decrease 8% due to police grant FYE 2022. The current police force of the Village includes a full-time police chief, two full-time officers, 1 auxiliary officer and one dog for the K-9 unit and a part-time officer, with primary responsibility for code enforcement.

Public Safety/Fire Protection Services

The budget includes an increase in fire district tax based on the increased of Real property values. The west end fire rate which is applied to all Ad Valorem tax valuations within the Village boundaries will remain at .085.

Streets & Roads

The budget has increased 12% due to the repaving and maintenance of village streets and increased costs for landscaping and mowing services.

Streets/Powell Bill

We have expensed all Powell Bill Funds currently available for 2021-2022 to repair, re-pave, mow, and maintain Village roads, including installation of new traffic control signs.

Pool

Expect to decrease of 36% due the completion of the parking lot improvements FYE 2022.

Park

This years budget includes improvements to the trails and shelter roof repairs.

TOTAL EXPENSE SUMMARY

<u>Department</u>	<u>Amount</u>	<u>% of Total Expenses</u>
Administration	\$ 198,900	16%
Public Safety	\$ 397,300	32%
Fire Dept	\$ 184,600	15%
Streets & Roads	\$ 294,980	24%
Pool	\$ 63,555	5%
Park	\$ 53,600	4%
Reserve Funds	\$ 55,000	4%
Contingency	\$ 515	0%
Total Expenses	\$ 1,248,450	100%

Water Fund

Revenue 2022-2023

Utility Revenue

Projected Utility Revenue for 2022-2023 reflects an expected 7% increase due to the construction of new homes.

Total Revenue Summary

Overall revenue increase of 16% due to the building of new homes as noted above. Appropriated fund balance of \$175,000 would be used for a potential new well.

Total Expense Summary

Overall expenses increase of 16%; this includes the addition of \$50,000 transferred to infrastructure maintenance.

<u>Revenue Source</u>	<u>Amount</u>	<u>% of Total Revenue</u>
Utility Revenues	\$ 267,000	50%
Misc. Rev/Investments	\$ 99,345	18%
Appropriated Fund Balance	<u>\$ 175,000</u>	<u>32%</u>
Total Budgeted Revenue	\$ 541,345	100%

Expenses 2022-2023

Total Expense Summary

<u>Expenditure</u>	<u>Amount</u>	<u>% of Total Expenses</u>
Salaries & Wages	\$ 115,310	21%
Current Operations	\$ 105,400	20%
Water Tower Main	\$ 28,000	5%
New Well Construction	\$ 175,000	32%
Debt Service	\$ 26,700	5%
Contingency	\$ 40,935	8%
Transfer to Infrastructure	\$ 50,000	9%
Total Expenses	\$541,345	100%

Janice Gregorich
Director of Finance/ Budget Officer