



City of Eden



April 7, 2022

Dear Governing Board Members:

I present for your review and consideration the proposed budget for the Fiscal Year beginning July 1, 2022. I am able to report to you that the City will discharge all of its financial obligations for the current budget year in the proper manner including the repayment of debt totaling \$2,278,541. Global inflation is at a 40-year high, provision has been made for the potential of inflationary impacts on goods and services, additional contingency has been planned for to counteract this eventuality. Since inflation cannot be easily predicted this contingency is a planning number that is designed to backstop overages related to inflation in operating lines (past the point where these lines have already been escalated). Additionally, Management has implemented and will continue to enforce a circumspect view on expenses, purchases, and costs including a soft-hiring freeze on administrative positions, fuel conservation, and delaying some capital purchases. In line with these measures, sales tax revenue projected for this budget was projected in a straight-line (flat) scenario, where our partners at the NC League of Municipalities have projected a 3.75% increase. By projecting sales tax revenue more conservatively Management has built-in a recessionary buffer to the budget since sales tax revenue will be the most adversely effected revenue stream in any potential recessionary scenario.

This budget, as presented, is a spending plan for the fiscal year beginning July 1, 2022 and ending June 30, 2023. Pursuant to NCGS 159-8, the budget presented is balanced as required by law. In this budget the operating expenditures of the city remain flat, but careful and precise expenditures are being provided for in order to enhance the public safety, improve the general welfare, and to continue to guard the public health. It should be noted that no new financing is a part of this budget, rather all the new items are being paid for on a PAYGO basis meaning “paid for as you go” rather than financed. These expenditures are enumerated below:

Public Safety

- 4 new police cars – to maintain the vehicle replacement plan for law enforcement
- New Self-contained Breathing Apparatus (SCBAs) for the fire department and public works department
- New police radios to account for narrow banding the radio frequency

General Welfare

- Resurfacing streets: Blackstock Street, Monroe Street, Fields Street, Greenwood Street, Hollingsworth Street, Farrell Street, Gracie Street, Briarwood Drive, Fourth Avenue, “D” Street

- Small Area Plan – a small area plan to focus on the Draper neighborhoods including the downtown business district
- Public Information/Education – allocating funds from a Public Education-Governmental (PEG) grant to expand public information and education by City departments
- Pocket Park – funding a pocket park proposed by the Strategic Planning Commission for the Boulevard area
- Historic Signs – funding historic markers requested by the Historic Preservation Commission
- Arbor Day, Nature Walk, and Tree Markers – funding tree and horticultural education opportunities requested by the Tree Board
- Downtown plantings – funding planters and plants in the downtowns requested by the Community Appearance Commission
- Funding Prowlers Youth Sports – reinvesting in youth sports in our community
- Allocating American Rescue Plan Act (ARPA) funds for the retention of employees and projects to improve efficiency and resiliency of public services
- Allocating funds for street improvements in the Leaksville downtown area
- Funding the merit pay program for the fiscal year

Public Health

- Purchasing equipment to allow for greater efficiency in waterline construction including dump trucks, an excavator, an a loader
- Replacing sludge dump valves at the water treatment plant
- Upgrading generator switchgear and PLC at the water treatment plant
- Rebuilding drinking water filters at the water treatment plant
- Renovating sludge scrapper #4 in the water treatment plant sedimentation basin
- Renovating the influent bar screen at the wastewater treatment plant
- Rehabilitating a clarifier at the wastewater treatment plant
- Adding 6 backup and standby generators to wastewater pump stations
- Replacement of approximately 2,520 linear feet of waterline on Circle Dr, Briarwood Dr, Short St, Jackson St and Stephens St; to improve the drinking water supply system for residents
- Designing the replacement of approximately 1,960 linear feet of waterline to plan for future replacement
- All sanitary sewer collection system work related to the Environmental Protection Agency Administrative Order of Consent is being provided for as part of grant funds, a separate project budget accounts apart from the annual budget.
- Purchasing a knuckle-boom loader to maintain the vehicle replacement plan for solid waste
- Allocating funding for Greenway Development to provide recreation facilities for an active and healthy lifestyle for residents; specifically, on projects prioritized by the Strategic Planning Commission, Parks Commission, and in conjunction with redevelopment of former industrial facilities, supported by grants in aid from the North Carolina General Assembly among other partners

This budget proposal includes that there be no property tax increase keeping the rate at \$0.6090 which marks the 14th year without an increase since 2008. A rate escalator of \$0.50 on all water-sewer fees is proposed this fiscal year, in order to maintain the provision of clean drinking water and the proper treatment of wastewater due to rising cost associated with inflation and to prepare to pay substantial debt service associated with the Environmental Protection Agency Administrative Order of Consent. A pass-thru fee increase is proposed of \$1.00 in the solid waste fee from \$19.75 to \$20.75 in order to pass-thru the cost of landfill disposal that was increased \$1.00 by Rockingham County Government. Updates to other rates and charges have been undertaken to bring these inline with costs county and regionwide.

The proposed general fund budget is \$17,630,200 with the ad valorem tax rate of \$0.6090 per \$100 of valuation.

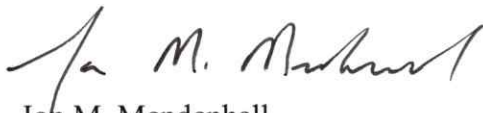
The proposed water and sewer fund budget is \$11,848,900.

The proposed self-insurance fund budget is \$3,739,700.

I commend and applaud each resident, volunteer, elected official, and employee for their hard work, sense of community, and togetherness during this past year and encourage their continued hard work as we begin the next fiscal year. I especially thank Mrs. Tammie McMichael and Mrs. Amy Winn for their assistance in the preparation of this budget.

Copies of the proposed budget are being made available to news media and copies for the public to view will be available at City Hall in the Office of the City Clerk. As provided by law, above and herein the budget is thus submitted this the 7th day of April, 2022 in the County of Rockingham, City of Eden.

Respectfully Submitted,



Jon M. Mendenhall
City Manager

**CITY OF EDEN, NORTH CAROLINA
2022-2023 BUDGET ORDINANCE**

BE IT ORDAINED by the City Council of the City of Eden, North Carolina in regular session assembled:

Section 1: The following amounts are hereby appropriated for the operation of the City of Eden government and its activities for the fiscal year beginning July 1, 2022, and ending June 30, 2023, according to the following summary and schedules.

Summary (Funds)	Estimated Revenues	Total Budget Appropriation
General	\$17,630,200	\$17,630,200
Self Insured Insurance	\$3,739,700	\$3,739,700
Water and Sewer	\$11,848,900	\$11,848,900
Runabout Travel	\$20,000	\$20,000
Municipal Service Tax District	\$11,800	\$11,800
 (Less inter-fund transfers)	 <u>\$2,738,100</u>	 <u>\$2,738,100</u>
 (Less Appropriated Fund Balances)	 <u>\$1,811,400</u>	 <u>\$1,811,400</u>
 (Less Pass Thru Funds – Ex. Runabout Travel)	 <u>\$698,700</u>	 <u>\$698,700</u>
 TOTAL	 <u>\$28,002,400</u>	 <u>\$28,002,400</u>

Section 2: That for said fiscal year there is hereby appropriated out of the General Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
10-4110	City Council	\$38,700
10-4120	Administrative & Legal Services	\$438,200
10-4130	Finance/Human Resources	\$316,400
10-4135	Marketing & Customer Service	\$364,300
10-4145	Information Technology	\$471,800
10-4190	Facilities & Grounds	\$584,100
10-4310	Police	\$5,693,800
10-4340	Fire	\$2,368,600
10-4350	Engineering	\$40,800
10-4510	Streets	\$1,482,700
10-4515	Powell Bill	\$540,000
10-4710	Solid Waste	\$1,834,600
10-4910	Planning & Community Development	\$652,300
10-6120	Recreation	\$810,100
10-6920	Fleet Maintenance	\$757,900
10-9100	Special Appropriations	\$735,900
10-9990	Contingency	<u>\$500,000</u>
 TOTAL		 <u>\$17,630,200</u>

Section 3: It is estimated that the following General Fund Revenues will be available during the fiscal year beginning July 1, 2022, to meet the foregoing General Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3189-11092	Ad Valorem: Prior Years – Rock Co.	\$148,600
3189-18000	Interest on Delinquent	\$21,000
3190-11000	Ad Valorem: Current Year	\$5,649,000
3190-12093	DMV-Vehicle Tax – Current Year	\$685,000
3190-12093	DMV-Vehicle Tax – Prior Year	\$400
3190-12094	Short Term Rental Vehicle Tax	\$3,300
3190-12095	Municipal Vehicle Tax	\$198,000
3190-15000	Dog License	\$900
3190-18000	Interest on Current Taxes	\$14,800
3190-18100	Interest on Current Taxes – DMV	\$5,800
3190-19097	Payment in Lieu of Annexation	\$265,500
3190-19098	DMV Collection Fees	(\$29,100)
3190-19100	Occupancy Tax	\$78,400

Tax Revenue Total \$7,041,600

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3270-11000	Privilege License	\$700
3270-12000	Franchise Fees/State	\$102,300
3343-41000	Building Permits	\$41,000
3343-41100	Plumbing Permits	\$8,700
3343-41300	Mechanical Permits	\$17,700
3343-41400	Sign Permits	\$400
3343-41500	Electrical Permits	\$27,500
3434-48000	Fire Department Permits	\$1,600
3491-41100	Planning Zoning Permits	\$1,100

Licenses & Permits Total \$201,000

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3350-00200	Donations & Fees – Pottery Festival	\$4,800
3350-02100	Riverfest	\$50,000
3350-02200	Oink & Ale Festival	\$12,500
3350-02300	Shaggin' on Fieldcrest	\$13,000
3350-02400	Touch-A-Truck	\$3,000
3350-02500	Grown & Gathered	\$12,000
3350-02700	Winterfest	\$3,000
3412-43000	Vending Machine Proceeds	\$10,000
3434-49000	Fire on Behalf Payments	\$14,100
3434-50000	Fire Dept Rental – Draper Rural	\$200
3612-48000	Freedom Park Concessions	\$11,100
3612-48100	Bridge Street Center Concessions	\$600
3612-48200	East Eden Center Concessions	\$500
3612-48300	East Eden Pool Concessions	\$7,000
3612-48500	Splash Pad Concessions	\$11,000
3612-48600	Splash Pad Admissions	\$25,000
3612-86000	Pool Admissions	\$22,000
3612-86100	Building Use	\$25,000
3612-86200	Field Use & Lights	\$1,000
3831-49000	Interest: Checking	\$45,900
3831-49500	Interest: NC Cash Mgt. Trust	\$100
3831-49700	Interest: Powell Bill Funds	\$100
3831-49900	Eden PD/Forfeiture Interest	\$300
3839-89000	Miscellaneous Revenue	\$5,000
3984-90000	Transfer from ARPA Fund	\$769,000
3991-99300	Fund Balance Appropriated	\$1,000,000

Use of Money & Property Total \$2,046,200

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3231-31000	Local Option Sales Taxes	\$1,354,000
3232-31000	½ Cent Sales Taxes	\$970,600
3233-31000	½ Cent Sales Taxes	\$642,000
3234-31000	½ Cent Sales Taxes	\$266,400
3234-31001	State Hold Harmless Payment	\$1,053,600
3234-31002	Solid Waste Disposal Tax Distribution	\$11,700
3270-13000	Peg Channel Grant	\$26,000
3322-31000	Wine & Beer Taxes	\$62,600
3324-31000	Utilities Franchise Taxes	\$870,400
3325-33000	Powell Bill: State Street Aid	\$440,000
3335-32000	County Grants: Fire Department	\$2,400
3336-33000	Police School Resource Officers	\$173,600
3431-73000	Project Safe Rockingham County	\$20,500
3434-52000	Draper Rural Fire Tax	\$4,100
3612-48400	Recreation Grant-Sr. Center	\$4,400
3837-89000	ABC Revenues	\$205,900
3837-89100	ABC Revenues: Law Enforcement	\$9,200
Other Agencies Revenues Total		<u>\$6,117,400</u>

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3350-00100	Historic Preservation Book Sales	\$500
3412-41000	Other Administrative Revenues	\$2,000
3431-41000	Police Revenue: Dog Fines	\$2,700
3431-41100	Police Security Charges	\$40,000
3431-41200	Police Security Fringe Benefit Charges	\$9,600
3431-41300	Court Costs	\$5,000
3431-41400	Parking Violations	\$400
3431-41500	Police Fingerprinting Supplies	\$500
3431-41600	Police Department: Sale of Materials	\$100
3431-41700	Police Revenue	\$6,500
3431-84000	Police Department Restitution	\$7,800
3434-41000	Outside Fire Protection Charges	\$6,300
3451-41100	Street Dept. Revenue: Driveways	\$4,400
3451-81000	Street Mowing	\$9,200
3491-40000	Planning Dept. Nuisance Fees	\$54,000
3491-41000	Planning Department Applications	\$700
3491-41600	Planning: Code Compliance Ins.	\$200
3491-81000	Planning Department Sale of Materials	\$200
3612-41000	County User's Fees	\$500
3612-41100	League Entrance Fees	\$1,400
3612-41200	Recreation Dept. Revenue: Lesson	\$400
3612-41300	Dixie Youth Tournament	\$10,000
3612-86400	Recreation Dept. Miscellaneous	\$16,000
3612-87000	Fuel Purchases – County Agencies	\$5,800
Charges for Current Services		<u>\$184,200</u>

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3471-41100	Residential Fees – Solid Waste	\$1,500,900
3471-41101	Commercial Fees – Solid Waste	\$530,700
3471-81000	Sale of Materials/Scrap	\$2,500
3471-81100	Recycling Income – Solid Waste	\$1,000
3471-81200	Sale of Compost/Mulch–Solid Waste	\$1,200
3471-81400	Demolition – Abatement	\$3,500

Total Solid Waste Revenue	<u>\$2,039,800</u>
General Fund Revenue Total	<u>\$17,630,200</u>

Section 4: That for said fiscal year there is hereby appropriated out of the Self-Insured Insurance Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4145-18300	Group Insurance Fixed Cost	\$1,040,000
4145-29900	Group Insurance Additional Charges	\$68,300
4145-30000	Claims	<u>\$2,631,400</u>
Self Insured Insurance Fund Total		<u>\$3,739,700</u>

Section 5: It is estimated that the following Self-Insured Insurance Fund Revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023, to meet the foregoing Self-Insured Insurance Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3351-01000	Charges to Other Funds/GF	\$2,370,800
3351-03000	Charges to Other Funds/W/S	\$686,400
3831-49000	Interest – Checking	\$1,300
3839-83000	Refunds	\$269,800
3839-99100	Fund Balance Appropriated	<u>\$411,400</u>
Self Insured Insurance Fund Total		<u>\$3,739,700</u>

Sections 4 and 5 of this Budget Ordinance hereby authorize City payment of individual premiums in excess of that set forth in City Code § 10-6.3 for said fiscal year only. This authorization in no way creates any benefit or right in property whatsoever of any individual employee or retiree to City payment of premiums for any future year above that prescribed in City Code § 10-6.3.

Section 6: That for said fiscal year there is hereby appropriated out of the Water & Sewer Fund the Following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
7110	Water Resources	\$770,300
7115	Billing & Collections	\$400,700
7120	Water Filtration	\$1,700,400
7125	Collection & Distribution	\$2,535,200
7130	Water Reclamation	\$1,496,700
8120	Water Construction	\$220,000
8130	Sewer Construction	\$157,000
9920	Special Appropriations	\$4,068,600
9990	Contingency	<u>\$500,000</u>
Water & Sewer Fund Total		<u>\$11,848,900</u>

Section 7: It is estimated that the following Water & Sewer Fund Revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023 to meet the foregoing Water & Sewer Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3362-51200	Sale of Water	\$4,883,400
3362-53000	Leak Adjustments/Water	(\$38,600)
3363-51300	Sewer Service Charges	\$5,294,700
3363-53000	Leak Adjustments/Sewer	(\$54,700)
3363-53900	One-Time Pool Adj.	(\$2,200)
3711-58000	Miscellaneous Returned Checks	\$2,000
3713-53000	Pre-Treatment Charges	\$46,400
3714-42000	Water Service Application Fees	\$20,000
3714-51000	W/S Meter Tampering Fees	\$100
3714-52000	Reconnection Charges	\$257,600
3714-52200	Water Taps	\$10,000
3714-52300	Sewer Taps	\$4,000
3831-49000	Interest: Checking	\$11,100
3834-86000	Rent of Equipment	\$51,200
3835-81000	Sale of Materials	\$700
3839-89000	Miscellaneous Revenues	\$1,500
3984-90000	Transfer from ARPA Fund	\$961,700
3991-99100	Fund Balance Appropriated	<u>\$400,000</u>
Water & Sewer Fund Total		<u>\$11,848,900</u>

Section 8: That for said fiscal year there is hereby appropriated out of the Runabout Travel Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
9100-31200	Runabout Travel Expense	<u>\$20,000</u>
Runabout Travel Fund Total		<u>\$20,000</u>

Section 9: It is estimated that the following Runabout Travel Fund Revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023 to meet the foregoing appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3612-84000	Runabout Travel Fees	<u>\$20,000</u>
Runabout Travel Fund Total		<u>\$20,000</u>

Section 10: That for said fiscal year there is hereby appropriated out of the Municipal Services Tax District Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4135-29900	MSD Tax – Leaksville	\$8,600
4135-29901	MSD Tax – Draper	\$2,000
4135-29902	MSD Tax – Boulevard	<u>\$1,200</u>
Municipal Service Tax District Fund Total		<u>\$11,800</u>

Section 11: It is estimated that the following Municipal Services Tax District Fund Revenues will be available during the fiscal year beginning July 1, 2022 and ending June 30, 2023 to meet the foregoing appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3190-19100	MSD Tax – Boulevard	\$1,200
3190-19200	MSD Tax – Leaksville	\$8,600
3190-19300	MSD Tax – Draper	\$2,000
Municipal Service Tax District Fund Total		<u>\$11,800</u>

Section 12: There is hereby levied for the fiscal year ending June 30, 2023 the following rate of taxes on each one hundred dollars (\$100) assessed valuation of taxable property as listed as of January 2022 for the purpose of revenue, and in order to finance foregoing appropriations:

A General Fund (for the general expense incident to the proper government of City of Eden, North Carolina) tax rate of \$0.609 per hundred dollars (\$100) of assessed valuation. Such rates are based on an estimated total appraised value of property for the purpose of taxation of approximately \$939,223,481 with an assessment ratio of 100% of appraised value. Estimated collection rate of 98.76%.

A Municipal Service District tax rate of \$0.100 per hundred dollars (\$100) of assessed valuation for the Leaksville, Draper, and Boulevard municipal service tax districts.

Section 13: The Tax and Service Rates section of the FY 2022-2023 budget sets forth the applicable fees for the fiscal year beginning July 1, 2022 and ending June 30, 2023.

Section 14: The Personnel section of the FY 2022-2023 budget sets forth the grade and positions classification plan for the fiscal year beginning July 1, 2022 and ending June 30, 2023.

Section 15: Copies of this Budget Ordinance shall be furnished to the Director of Finance & Personnel and City Manager of the City of Eden, to be kept on file by them for their direction in the collection of revenues and expenditures of amounts appropriated.


Section 16: The City Manager, by authority of this ordinance, may transfer/reallocate between & within departments up to a maximum of ten percent (10%) of the moneys appropriated within any of the above stated funds, including any transfers/reallocations between funds.

Adopted this the 17th day of May, 2022.



 Neville Hall
 Mayor

ATTEST:



 Deanna Hunt
 City Clerk

