

ANNUAL BUDGET 2020 - 2021



Eastern North Carolina's Best Kept Secret

BUDGET MESSAGE

I am pleased to provide the **FY 20-21 Submitted Budget** for our Town of Snow Hill. This budget contains narrative descriptions of our municipal services, revenues and expenditures, line items and highlights from FY 19-20 as well as the challenges we will face in the upcoming fiscal year.

The **FY 20-21 Budget Ordinance** is also submitted, where revenues and appropriations tie back into the line items and are computer-balanced. The Budget Ordinance is the legal document which must be adopted prior to June 30, 2020.

I am submitting:

- A balanced General Fund Budget in the amount of \$ 1,052,305
- A balanced Water/Sewer Fund Budget in the amount of \$ 1,086,195
- A balanced Solid Waste Fund Budget in the amount of \$ 150,725
- A balanced Cemetery Fund Budget in the amount of \$ 73,780
- All Funds Total.....\$ 2,263,005
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FY 19-20 has been and continues to be a challenging fiscal year for Snow Hill. The FY 18-19 independent audit, as of this date, is still not done. Our Town has been/will be hit with the negative economic impact caused by COVID-19.

Revenue Adjustments Caused by COVID 19: Since our March 9, 2020 Budget Work Session, we have reduced projected Sales Tax Revenues from \$225,000 to \$200,000, and we reduced Water and Sewer Revenues from “fees” from \$1,010,000 to \$959,395. As a result, in order to achieve a balanced budget in the General Fund, “savings” were tapped to a greater extent.

As of this writing, there are no revenues forthcoming from the federal government for revenue losses caused by the virus. FEMA will only reimburse for expenditures related to protective measures. (masks, cleaning etc.).

Revenue Picture Overall: I am not telling you anything you do not already know. Because the Town’s population and tax base have not grown, revenues have likewise not grown in any fund.

Fund Balance Picture Overall: Unfortunately, the Town has had to tap into its General Fund’s Fund Balance over the last several years. For four fiscal years, including the upcoming FY and starting with the audit of FY 17-18, the Town has reduced its GF “saving account” from \$857,336 to \$659,753, a reduction of \$197,583. Over the same time frame, the Water & Sewer Fund has not experienced this decline, maintaining “savings”.

FY 20-21 includes minimal General Fund capital outlay appropriations. But the Town is still obliged to use General Fund non-recurring revenues (fund balance) to pay for recurring costs. The newly created Cemetery Fund remains dependent on GF Fund Balance transfers. We must be careful in our succeeding fiscal years to not dip too heavily into the GF’s Fund Balance.

In the upcoming FY, for unfunded, necessary GF Capital Outlay and dependent on the post-COVID-19 economy as well as the actual dollars presented by the FY 18-19 independent audit,

we plan to use Budget Ordinance Amendments. Capital Outlay in the Water Sewer Fund is budgeted.

Appropriation Adjustments Caused by COVID 19: None. Since we are a small town, we have worked around all the Executive Orders and operated town functions without increasing costs.

Appropriation Picture Overall: Comparing FY 18-19 Budgeted Appropriations (\$1,023,770) in the General Fund to FY 20-21 Submitted Budget Appropriations (\$1,052,305) shows a fractional increase (3%). However, this is deceptive, because cemetery and solid waste (sanitation) were excluded from the General Fund in FY 20-21. Over this time frame, the Administration Department has increased due to salary/benefit re-allocations, and the Police Department has increased gross appropriations due to increases in off-setting grant revenues (SRO and NCDOJ).

Key Decisions Included: The key recommendations included in the Submitted Budget are:

- Scheduled employee merit pay increases included;
- An across-the-board cost of living (COLA) is not included;
- One new position—a Maintenance Worker—is included;
- Blue Cross /Blue Shield will continue to provide employees' health insurance;
- Budgeting for a part-time manager; advertising for a full-time finance officer;
- No tax or fee increases or decreases; wrong time to increase cemetery fees;
- The tractor for the cemetery and the police car replacement are not included;
- Allocated salaries/benefits in the funds using a common sense approach;
- A new financial software system is included;
- \$12,000 for state-mandated zoning ordinance changes is included;
- Pressure washing downtown sidewalks is included.

If the Board chooses to include excluded items or expand a service or create a program—it may come with a **recurring cost**—which should be paid for with **recurring revenue**. Regardless, the tardiness of the FY 18-19 audit, **the Town of Snow Hill is still financially sound**. We need to make solid costs vs benefits decisions in order to remain this way.

The Submitted Budget continues existing Town operations without embellishments. Services have continued unabated. Town Hall Staff, Department Managers, and regular and part-time employees will continue to be dedicated to providing services during these challenging conditions.

I want to thank and particularly recognize Laquita Davis for working on this budget's preparation as well as Hal Chesson, Linda Williams, Cathy Webb, and Department Managers for their input and contributions.

Respectfully,

A handwritten signature in blue ink that reads "John Bauer" with a stylized flourish at the end.

John Bauer, Town Manager & Budget Officer

GENERAL FUND REVENUE VS EXPENDITURES: SUMMARY

DESCRIPTION: This chart shows how the General Fund will be balanced in the upcoming year and how both the adopted & amended budgets have been in balance.

OUTLOOK: Besides the revenue reduction caused by COVID-19, this fund was reduced by approximately \$200,000 when sanitation and cemetery appropriations were moved to it's the Solid Waste Fund and Cemetery Funds, respectively. In prior budgets public safety included our Police Dept. and the contracted sum with the Volunteer Fire Dept. In the new FY, these appropriations are split. Most of the increase in "Administration" can be attributed to a re-allocation of salaries and benefits of employees. You will see a corresponding decrease in the water division.

SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
PROPERTY TAXES	\$378,500	\$374,500	\$374,500	\$368,700
SALES TAX REVENUE	\$225,000	\$225,000	\$225,000	\$200,000
SALES, SERVICE, AND OTHER REVENUE	\$492,200	\$542,170	\$381,323	\$483,605
TOTAL REVENUES	\$1,095,700	\$1,141,670	\$980,823	\$1,052,305
SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
GOVERNING BODY	\$48,800	\$45,943	\$45,943	\$46,040
ADMINISTRATION	\$142,790	\$145,996	\$136,496	\$234,290
POLICE	\$364,550	\$417,009	\$433,725	\$449,610
FIRE	\$34,000	\$44,000	\$44,000	\$44,000
STREETS	\$100,900	\$109,759	\$109,759	\$120,965
SANITATION	\$155,505	\$155,955	\$0	\$0
CEMETERY	\$56,825	\$62,108	\$0	\$0
POWELL BILL	\$50,000	\$48,200	\$48,200	\$48,200
CULTURAL & RECREATION	\$119,200	\$109,200	\$159,200	\$109,200
ELECTION	\$0	\$3,500	\$3,500	\$0
TOTAL EXPENDITURES	\$1,023,770	\$1,141,670.00	\$980,823	\$1,052,305

PROPERTY TAXES

DESCRIPTION: Ad Valorem property taxes are those taxes assessed and collected on real and personal property, including motor vehicles. Current year property taxes are the largest recurring revenue source in the General Fund.

HISTORY: In the immediate past 24 months, there have been two new housing starts inside the Town's limits and no major commercial developments. The "Greene Lamp Project" has yet to break ground. Over the past decade, the population has stabilized. In short, there has been zero to minimal growth in the Town's tax base. "Accessory buildings" have been the most prevalent new construction activity.

OUTLOOK: In FY 20-21, the tax base is based on property values determined in the octennial (8) Greene County evaluation process, which most recently occurred in 2013. The tax rate has been \$.34 since before 2013, so each penny now generates \$5,760 in recurring revenues. The upcoming budget realistically forecasts total property tax revenue as approximately the same level as in prior years. No increase in the tax base is forecast in future years until the revaluation process is undertaken again.

ASSUMPTIONS: Note: We have made no adjustment in this revenue source as a result of COVID-19 causing a downturn in the local real estate market since we do not believe existing pricing is inflated.

The estimated net taxable value for FY 20-21 is \$92,902,772. Therefore, with a tax rate of \$.34 per \$100 of assessed valuation and a collection rate of 97.56%, the projected current year total property tax revenue, using the following formula is:

\$92,902,772,000 divided by 100 multiplied by .34 multiplied by 97.56 % equals \$308,200, rounded. This amount is shown in the budget ordinance.

SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
PROPERTY TAXES: CURRENT YEAR	\$315,000	\$308,200	\$308,200	\$308,200
VEHICLE TAXES	\$48,000	\$50,000	\$50,000	\$50,000
PROPERTY TAXES-PRIOR YEARS	\$7,000	\$11,800	\$11,800	\$7,000
TAX PENALTIES/DEFERRED TAXES	\$2,500	\$3,500	\$3,500	\$3,000
LICENSE TAGS	\$6,000	\$1,000	\$1,000	\$500
TOTAL REVENUES	\$378,500.00	\$374,500.00	\$374,500.00	\$368,700.00

SALES TAX REVENUES

DESCRIPTION: This revenue category contains several "Articles" approved by the NC General Assembly over the years. Sales tax revenues are received by Greene County from the State of North Carolina and then distributed on a per capita basis to its towns. Our portion, while stable, has shown minimal growth over time due to several factors with the main one being lack of population growth.

Beginning July 1, 2016, the N.C. General Assembly passed legislation that allocates a portion of Article 39, 40, and 42 local taxes to 79 counties based on statutory percentages. While this is not an additional authorized levy, the NCDOR distributes this monthly allocation under the Article 44*524 label on reports to reference G.S. 105-524, which sets out the distribution. For the 16-17 fiscal year, the first year of the reallocation, the distribution amount was \$84.8 million. This amount is adjusted in subsequent years by the change in local sales and use tax collection under Articles 39, 40, and 42.

This Article 44*524 revenue is distributed between a county and municipalities according to the county's selected method of distribution. The law requires a county to use these revenues for economic development, public education, and community college purposes.

HISTORY: Since Revenues are distributed based on population, the growth in this source will be based on the Town's increasing its residential growth.

OUTLOOK: No growth is predicted over FY 19-20 Budget Levels. In fact, because of lower economic activity caused by stay-at-home executive orders to prevent COVID-19 spreading, we reduced our original projection by 10% from \$225,000 to \$200,000.

SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
ALL ARTICLES	\$225,000	\$225,000	\$225,000	\$200,000
TOTAL SALES TAX REVENUE	\$225,000	\$225,000	\$225,000	\$200,000

GENERAL FUND SALES, SERVICES AND OTHER REVENUES

DESCRIPTION: This category contains many smaller revenue sources, the largest of which are: Appropriation from GF Fund Balance (\$93,975); PEG Channel (\$84,000);

HISTORY: This revenue category has been flat. The category decreases in FY 20-21 as solid waste revenues have been transferred to the Solid Waste Management (Enterprise) Fund as well as cemetery revenues transferred to the Cemetery Fund.

OUTLOOK: If we are successful in obtaining grants, the Town would credit the revenues under this category. Always the goal would be not to dip into savings (fund balance) to fund recurring expenditures. However, due to COVID-19, sales tax revenue losses, we needed to increase fund balance appropriated here.

SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
Local Video Programming Revenues	\$5,000	\$5,000	\$5,000	\$5,000
PEG Channel	\$84,000	\$84,000	\$84,000	\$84,000
Interest Income	\$200	\$300	\$300	\$300
Rents/Leases	\$28,300	\$28,300	\$28,300	\$28,300
Miscellaneous Income: Police	\$3,000	\$3,000	\$3,000	\$3,000
SRO Grant-GC BOE	0	0	0	\$32,330
Police Dept Fines	\$50,000	\$55,000	\$55,000	\$55,000
Police Department Grant NCDPS	0	0	0	\$24,500
Sale of Equipment Property	0	\$25,000	0	\$2,000
Zoning Fees	\$500	\$800	\$800	\$800
Franchise Tax	\$65,000	\$65,000	\$65,000	\$65,000
Piped Nature Gas	\$3,000	\$3,000	\$3,000	\$3,000
Beer and Wine Tax	\$7,000	\$7,000	\$7,000	\$7,000
Powell Bill Allocation	\$50,000	\$48,000	\$48,000	\$48,200
Solid Waste Fees & Disposal Tax	\$111,000	\$111,000	\$111,000	0
Greene Co. ABC Board	\$2,000	\$1,400	\$1,400	\$4,000
Cemetery Fees	\$57,500	\$58,500	0	0
Fuel Tax	\$700	\$700	\$700	\$700
Misc. Income	0	\$1,500	\$215	\$1,500
Telecommunication Taxes	\$25,000	\$25,000	\$25,000	\$25,000
Appropriation from Fund Balance	0	\$19,670	\$53,608	\$93,975
TOTAL	\$492,200	\$542,170	\$381,323	\$483,605

GOVERNING BODY:

DESCRIPTION: The five (5) member Board is the official policy-making body for the Town of Snow Hill. The Mayor, presiding officer of the Board's Meetings, serves as the official and ceremonial leader of the Town, but only votes in case of ties. In 2017, The Mayor (Mr. Dennis Liles.) was elected by Snow Hill's voters to serve a four-year term. Mayor Pro Tem (Mr. Bobby Taylor) was unanimously selected by fellow Board members in DEC 2019.; his term also expires in 2021 as does Ms. Rosa Wilkes and Ms. Geraldine Shackleford. Elected to four-year terms in 2019 were Commissioners Diane Andrews, and Ms. Lorraine Washington (re-elected).

All official actions by the Board are made at public meetings, most normally held on the second Monday of each month. Each meeting has an agenda and citizens are allowed to make public comments. The Board also conducts special meetings, and work sessions on the Town's budget and other issues of special interest.

FY 19-20 HIGHLIGHTS: The Board 1) evaluated and adopted the FY 20-21 Town Budget; 2) conducted budget goal-setting public work sessions in addition to those legally required; 3.) approved three sales of Town-owned real estate; 4.) approved several design/construction contracts to improve the Town's infrastructure; and 5.) met with NC Commerce, Historic Preservation, and ECU officials all with the goal to improve the Town's economic development.

FY 20-21 GOALS: The Board will: 1) continue to take steps to encourage the Town's economic development; 2) continue to evaluate the appropriate use of state and federal grants; 3) oversee policy related and enforcement issues with respect to the Town's appearance; 4) continue to take an active role in improving the Town's public infrastructure; and 5) focus efforts on improving downtown Snow Hill.

FUNDING LEVELS:

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$35,300	\$34,411	\$34,412	\$34,500
\$2,700	\$2,632	\$2,633	\$2,640
\$10,800	\$8,900	\$8,898	\$8,900
\$48,800	\$45,943	\$45,943	\$46,040

ADMINISTRATION:

DESCRIPTION: This cost center budgets 50% of the part-time Town Manager's (TM)'s costs, and (50%) Town Clerk/Collections Clerk, (50%) Tax Collector, (50%) Collections Clerk, and (50%) of the Finance Officer's salaries and benefits. The "other 50%" for these staff is allocated to either the Water or Sewer divisions in the Water & Sewer Fund. The TM provides overall leadership in the administration of all Town programs, policies, and operations. The TM assists the Board by providing recommendations and background materials on programs, trends, and issues of concern to the Board, Departments and citizens. The TM currently serves as the Town's Finance Officer, Budget Officer, Purchasing Agent, Economic Developer, Grants Writer and Planning & Zoning Administrator. The "Administration Staff" are responsible for general accounting, accounts payable, accounts receivable, issues receipts and disbursements, fixed assets accounting, payroll, cash management, finance reporting, grants record keeping, water and sewer billing, tax collections, budgetary compliance, internal control, the annual independent audit, special projects, and new personnel and benefits orientation, plus all duties associated with preparing agendas, keeping minutes, and maintaining public records associated with the Town Clerk.

FY 19-20 HIGHLIGHTS: Administration: 1) prepared FY 20-21 budget; 2) conducted goal-setting and budget workshops and answered questions; 3.) prepared successful Environmental Enhancement Grant (EEG) Application to develop the Contentnea Nature and Trails Preserve; 4.) complete the FY 18-19 Audit prior to JUNE 30, 2020; 5) handled zoning permit requests, including holding Planning Board meetings for Greene Lamp special use permit; 6.) managed capital projects : Hwy. 13 Pump station rehabilitation and Small Boat Launch Facility; and 7.) promoted economic development, facilitating meetings with officials from NC Commerce, ECU, and Historic Preservation.

FY 20-21 GOALS: Administration plans to: 1) manage FY 20-21 Budget, including budget work sessions; 2) complete the FY 19/20 audit on time without exceptions; 3) reduce unnecessary records/improve records retention policy; 4) address code violations to a greater extent, 5) oversee contracts, prepare grant applications, and promote economic development; and 6.) manage capital projects and grants.

FUNDING LEVELS:

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$39,380	\$51,417	\$42,327	\$102,100
\$7,130	\$9,187	\$8,607	\$16,090
\$96,280	\$85,392	\$85,562	\$116,100
\$142,790	\$145,996	\$136,496	\$234,290

POLICE:

DESCRIPTION: The Snow Hill Police Department is responsible for the safety and protection of its citizens and property. The Department has one (1) Police Chief (Gordon Hobbs), and six (6) Sworn Patrol Officers, one of whom is the School Resource Officer (SRO)

FY 19-20 HIGHLIGHTS: The Department

- 1.) Purchased under the Crime Control Grant new computers in patrol vehicles;
- 2.) Applied for the Crime Control Grant again to be able to purchase necessary equipment. Note: expenses under the grant are booked here, as are SRO expenses, while grant revenues (\$24,500) and SRO revenues (\$33,500) are in the General Fund "Sales, Services, and Other Revenues" Category;
- 3.) SHPD officers took 153 criminal reports and made 73 arrests in those cases. SHPD also responded to 70 motor vehicle crashes, made 10 DWI arrests, and served 27 warrants from other jurisdictions.

FY 20-21 GOALS:

- 1.) To continue to operate a proactive police department, including holding a major fund raiser for kids during Christmas.
- 2.) To interact with the community and build better community policing relationships.
- 3.) To continue our education to better serve the Town of Snow Hill, including training an SRO.

FUNDING LEVELS:

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended		Submitted Budget 2020-21
241,520	275,224	268,019	SALARIES	278,800
82,220	98,785	98,785	BENEFITS	103,810
40,810	43,000	51,945	OPERATING	42,500
0	0	14,976	Capital Outlay	24,500
364,550	417,009	433,725	TOTAL	449,610

FIRE: SNOW HILL RURAL FIRE DEPARTMENT INC.

DESCRIPTION:

Snow Hill Rural Fire Department Inc, the first fire department in Greene County, was founded and established in 1920. Snow Hill Rural Fire Department Inc. provides the Town of Snow Hill and the Rural Fire District fire protection through separate entities operating under one building. Through changes in state requirements, the town was unable to continue its provisions which led to a contractual agreement. Currently, the Town of Snow Hill contracts with Snow Hill Rural Fire Department Inc. for fire protection. Snow Hill Rural Fire Department operates annually on a fixed budget provided by a fire district tax, a town contract, and a fundraiser.

The Snow Hill Rural Fire Department Inc. is housed in a modern 15,000 sq. ft. building located just outside city limits. In 2016 the department improved its fire insurance rating to a 5 across our 6-mile district. On an average, the department will respond to 280 calls for service annually. The department operates on 100% volunteer who are interested in serving their community

FY 19-20 HIGHLIGHTS:

Snow Hill Rural Fire Department Inc. had another successful fundraiser October 2019. Purchased new vehicle stabilization equipment and currently in the application process for a FEMA & USDA Grant! Successfully passed all annual hose testing, pump testing, and aerial and ground ladder testing. The fire year contract with the Fire Department was increased from \$34,000 to \$44,000 this FY.

FY 20-21 GOALS:

Begin preparations to purchase a tanker through a capital improvement plan. Continue a successful fundraiser. Prepare and train for an upcoming inspection near 2021. It is expected the same level of fire protection will be provided.

FY 18-19	BUDGET 19-20	AMENDED	SUBMITTED BUDGET 20-21
\$34,000	\$44,000	\$44,000	\$44,000

STREETS:

DESCRIPTION: The Public Works Department is responsible for all public streets and parking lots owned by the town. This includes striping and resurfacing streets, parking lots, striping parallel parking spaces, striping handicap spaces, painting speed bumps, cross walks, and repairing sink holes. The public works staff is also responsible for maintaining all street signs that are on town streets. A large portion of the budget is to pay for streetlights power costs (\$40,000)

HIGHLIGHTS: Basic work accomplished in accordance with the description.

FY 2019-20 GOALS: Purchase a new mower (50% allotted here); patch potholes; mow grass in the r-o-w; undertake street sweeping; pay for power for streetlights. Hire and train new maintenance worker (50% allotted here).

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended		Submitted Budget 2020-21
\$25,110	\$30,231	\$30,231	SALARIES	\$34,815
\$10,040	\$13,038	\$13,038	BENEFITS	\$11,200
\$65,750	\$66,490	\$66,490	OPERATING	\$70,700
0	0	0	CAPITAL OUTLAY	\$4,250
\$100,900	\$109,759	\$109,759	TOTAL	\$120,965

POWELL BILL REVENUES VS EXPENDITURES

DESCRIPTION: The Powell Bill is codified in N.C.G.S. 138-41.1 through N.C.G.S. 136-41.4 N.C.G.S. 136-41.3 provides, in part: “the funds allocated to cities and towns under the provisions of G.S. 136-41.2 shall be expended by said cities and towns primarily for resurfacing of streets within the corporate limits of the municipality but may be used for the purposes of maintaining, repairing, constructing, reconstructing or widening of any street or public thoroughfare including bridges, drainage, curb and gutter, and other necessary appurtenances within the corporate limits of the municipality or for meeting the municipality’s proportionate share of assessments levied for such purposes, or for the planning, construction and maintenance of bikeways, greenways or sidewalks.”

HISTORY: The annual revenues have remained at approximately \$50,000 over the past five years. Additions or deletions from the Town’s list of public roads can increase or decrease this revenue source.

OUTLOOK: With no new roads constructed, revenues are budgeted at around FY 2018-2019 Actual Levels.

EXPENDITURES: Powell Bill Funds are proposed to fund the costs of one Town employee who works in Streets with the balance designated to fund street re-surfacing, sidewalk repairs, or other eligible projects. \$20,000 is allotted as the town’s match for NCDOT sidewalks on MLK, Jr. Parkway. There exists a cash balance of \$84,000 at the end of June 30, 2019. Powell Bill is not an enterprise fund.

SOURCE	FY 18-19 Budget	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
STREET ALLOCATION	\$50,000	\$48,000	\$48,000	\$48,200
TOTAL REVENUES	\$50,000	\$48,000	\$48,000	\$48,200
SOURCE	FY 18-19 BUDGET	FY 19-20 ADOPTED BUDGET	FY 19-20 AMENDED BUDGET	SUBMITTED FY 20-21 BUDGET
Salaries	\$18,220	\$22,369	\$22,369	\$18,020
Benefits	\$3,555	\$5,129	\$5,129	\$1,370
Paving/Sidewalk				\$26,810
Operating Costs	\$8,500	\$8,830	\$8,830	\$2,000
PB Reserve	\$19,725	\$11,672	\$11,672	
TOTAL EXPENDITURES	\$50,000	\$48,000	\$48,000	\$48,200

CULTURAL AND RECREATION

DESCRIPTION: This expenditure category contains appropriations for the PEG Channel (\$84,000) which is offset by equal revenues from the NC Treasurer; the Town has no discretion in the use of such funds.

This category also contains expenses for: Development (\$8,000); Nonprofits (\$10,000); Neuse Regional Library (\$500); Planning Board (\$2700); Civic Organizations (\$1,000); and Code Enforcement (\$3,000).

FY 19-20 HIGHLIGHTS: The reason the amended budget is \$50,000 more than the adopted budget was this sum was owed to Greene County as a contribution for the County's Wellness Center. Non-profits were and are funded based in large part on their ability to improve the economic activity in the Town.

The Town donated to ten (10) nonprofits., beautified downtown with Christmas lights, hosted the Christmas extravaganza, hosted the Veteran's Day service to honor local veterans, supported the Halloween Event and was the key organizer of the Christmas Parade.

FY20-21 GOALS:

The Town will continue: 1) to support the nonprofit community programs; 2) support beautification activities; and 3.) support other community enriching events. The emphasis in the upcoming year is to improve the level of economic activity in the downtown. Note: The Submitted Budget for FY 20 – 21 appropriates moneys at the exact level as FY 19 – 20.

FUNDING LEVELS:

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$84,000	\$84,000	\$84,000	\$84,000
\$35,200	\$25,200	\$75,200	\$25,200
\$119,200.00	\$109,200.00	\$159,200.00	\$109,200.00

WATER AND SEWER FUND: WATER

DESCRIPTION: The Town of Snow Hill has five (5) wells one of which is currently offline and not permitted for use. We have one well which is in a superficial aquifer. The well system provides an estimated 200,000 gallons of water daily which is permitted. It is an open flow system connected to Greene County Water System and South Greene Water Corporation through five (5) connections. The entire town system serves approximately 1100 connected customers. The town also has two (2) elevated storage tanks. Well No. 1 tank located on Hwy 258 S. holds \$150,000 gallons of water maximum capacity and Well No. 2 tank located on Kingold Blvd. holds 500,000 gallons maximum capacity. Well No. 2 has a 75kw generator in the event of a power failure. This well will sustain the towns demand in the event of an emergency.

FY 19-20 HIGHLIGHTS: Greene St./Harper St. 1200 feet of watermain replacement has been designed, bid out, and awarded to the low bidder in the fall, 2019. Unfortunately, we could not execute the contract until the NCLGC has approved the construction loan; and the approval cannot occur until the FY 18-19 audit is done! Completed during the 3rd quarter, the NCDOT widening project on Highway 13 relocated a Town water line. The painting of the Kingold Blvd. Water Tank was successfully completed; US Cellular installed antennas on the Tank and now pay TOSH a monthly rental fee. The Asset Inventory Water Grant was completed in the 1st quarter. No major water main breaks.

FY 2020-21 GOALS: Execute the contract for the Greene St./Harper St. Water Main Project and complete prior to January 1, 2021. Depending on the contracts schedule, clean out the interior of the Kingold Blvd. water tank. Perform major work on town water well #5 at an estimated cost of \$35,000.

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended		Submitted Budget 2020-21
\$190,990	\$195,800	\$195,800	SALARIES	\$129,780
\$54,400	\$58,300	\$58,300	BENEFITS	\$30,625
\$220,485	\$223,250	\$223,250	OPERATING	\$214,150
\$47,100	\$47,100	\$47,100	DEBT SERVICE	\$62,100
\$11,460	\$11,500	\$11,500	CAPITAL RESERVE	\$0
\$524,435	\$535,950	\$535,950	TOTAL	\$436,655

WATER & SEWER FUND: SANITARY LINES & WASTEWATER TREATMENT PLANT (WWTP)

DESCRIPTION: The Town of Snow Hill has approximately 15.45 miles of sanitary sewer mains to include three hundred sixty (360) sewer man-holes. We also maintain seven (7) lift stations with approximately 2.13 miles of force mains. The lines consist of terra cotta pipe, PVC, and ductile iron. Construction started in 1920 but continues through today.

The WWTP was built in 2001. The plant is permitted for 500,000 gallons per day. We are currently operating at 200,000 gallons per day. The plant is a closed loop reactor system with aerobic digestion.

HIGHLIGHTS: The Town was awarded an Asset Inventory Sewer Grant on March 19th, 2019 for the sanitary sewer system. This grant covered an inventory and approximate life span on all lines and equipment. The paper and digital mapping work was successfully completed during the 3rd quarter of the FY. The Martin Luther King, Jr. Blvd. sewer lift station rehabilitation project should be completed within the allotted grant funds near the close of the FY. The upgrade of the influent pump station control panel (\$30,000) was completed; the Kingold Sewer Outfall Repair (\$5,400) and Greene Str. Outfall Cleaning (\$25,000) were completed as emergency projects. No Notices of Violations (NOVs) this FY.

FY 2019-20 GOALS: The transfer switches/junction boxes on several pump stations will be completed at a budgeted cost of \$20,000. The WWTP spectrometer (\$8,000) will need replacement as well. Also, \$35,000 in this division will be re-allocated to the water division for the upgrade of one (1) well.

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$193,380	\$198,330	\$198,330	\$190,330
\$52,905	\$55,000	\$55,000	\$59,310
\$265,280	\$255,720	\$274,349	\$244,900
\$0	\$0	\$6,371	\$63,000
\$92,000	\$92,000	\$92,000	\$92,000
\$603,565	\$601,050	\$626,0500	\$649,540
		TOTAL	

SOLID WASTE FUND:

DESCRIPTION: Created in FY 19-20, this new fund is an enterprise fund similar to the Water & Sewer Fund. User fees are the revenues which support and pay for the collection and disposal of solid waste. Total revenues are projected to be \$150,725. One hundred percent (100%) of the salary and benefits for one employee is allocated to this fund to provide vegetative and special pickup services, as well as other clean-up duties.

FY 19-20 Highlights: FY 19-20 represented the first year of a three (3) year contract was negotiated with Waste Industries, LLC which caps annual increases at no more than 2.5%. (Once a week residential service is provided). The collection contract is seventy percent (70%) of the total fund's appropriations. Prior to this FY, the Solid Waste costs were included in the General Fund; now both the revenues & appropriations have been removed from the General Fund. No ad valorem revenues support solid waste collection and disposal.

FY 20-21 Goals: 1) To manage the collection contractor, respond to citizen complaints and maintain safe, high quality collection operations; 2) to continue the Town providing vegetative and special pick up services; 3) to monitor revenues to keep up with expenses.

FUNDING LEVELS:

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$22,210	\$25,869	\$25,869	\$17,110
\$8,695	\$11,336	\$11,336	\$1,310
\$124,600	\$118,750	\$118,750	\$132,305
\$155,505	\$155,955	\$155,955	\$150,725

CEMETERY FUND: REVENUES vs. EXPENDITURES

DESCRIPTION: This fund was created in the first quarter of the fiscal year and is supposed to operate as an enterprise fund. However, expenses are forecasted to exceed fee-based revenues in the upcoming FY. Given the status of the local economy, we thought it prudent not to recommend fee increases. The Board and citizens should recognize that the cemetery is not breaking even.

The Snow Hill Cemetery has approximately 6,000 grave spaces dating back to the early 1920's. In FY 17-18, the Town purchased land, with the intention of expanding the cemetery; expenditures were high that FY.

The Town is proud of the cemetery as the roads are paved with asphalt and decorated with crepe myrtles and azalea bushes. A sound barrier was formed on each side of the cemetery for privacy. The cemetery is open to the public and owned and operated by the Town of Snow Hill.

FY 19-20 HIGHLIGHTS: The Town averages two burials per week. Several storm damaged trees were removed, and the wall repaired.

FY 2020-21 GOALS: Complete a new set of updated computer records. Continue providing high levels of maintenance to the cemetery. Begin developing a plan of action for the new section.

REVENUES	GF FY 18-19 BUDGET	GF FY 19-20 ADOPTED	CEMETERY FUND FY 19-20 AMENDED	CEMETERY FUND FY 20-21 SUBMITTED
SALE OF LOTS	\$21,000	\$22,500	\$22,500	\$22,500
GRAVE OPENINGS	\$35,000	\$35,000	\$35,000	\$35,000
INSTALL GRAVE MARKERS	\$1,500	\$1,000	\$1,000	\$500
TRANSFER FROM GF BALANCE	\$1325	\$3608	\$3,608	\$15,780
TOTAL CEMETERY REVENUES:	\$58,825	\$62,108	\$62,108	\$73,780

EXPENDITURES

FY 2018-19 Budget	Budget 2019-20 Adopted	Budget 2019-20 Amended	Submitted Budget 2020-21
\$31,220	\$35,371	\$35,371	\$48,600
\$4,955	\$6,337	\$6,337	\$7,450
\$22,650	\$20,400	\$20,400	\$17,730
\$58,825	\$62,108	\$62,108	\$73,780

**TOWN BOARD
TOWN OF SNOW HILL**

INTRODUCED BY: John Bauer, Town Manager & Budget Officer

**BUDGET ORDINANCE FOR THE FISCAL YEAR BEGINNING
JULY 1, 2020**

BE IT ORDAINED by the Town Board of the Town of Snow Hill, North Carolina.

Section 1 A. It is estimated that the following REVENUES will be available in the General Fund for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Property Taxes	\$	308,200.00
Motor Vehicles, Penalties, Interest	\$	60,500.00
Sales Taxes	\$	200,000.00
Sales, Services, and Other Revenues	\$	389,630.00
Fund Balance Appropriation	\$	93,975.00
TOTALS For General Fund Revenues	\$	1,052,305.00

Section 1 B. There is hereby levied a tax at the rate of thirty-four cents (\$.34) per one hundred dollars (\$100) valuation of property listed as of January 1, 2020, for the purpose of raising revenue included in "Property Taxes" in the General Fund in Section 1 B of this ordinance. This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$92,902,772 estimated collection rate of 97.56%.

SECTION 1 C. The following EXPENDITURES are hereby appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2020, and ending June 30, 2021, in accordance with the chart of accounts heretofore established for this Town:

Governing Body	\$	46,040.00
Administration	\$	234,290.00
Police	\$	449,610.00
Fire	\$	44,000.00
Streets	\$	120,965.00
Powell Bill	\$	48,200.00
Cultural & Recreation	\$	109,200.00
TOTALS For General Fund Expenditures	\$	1,052,305.00

Section 2 A. The following REVENUES will be available in the Water and Sewer Fund for fiscal year beginning July 1, 2020 and ending June 30, 2021.

Source: Water/Sewer

Water Fees	\$	432,250.00
Sewer Fees	\$	527,145.00
Other Revenue	\$	126,800.00
Water/Sewer Fund Total REVENUES	\$	1,086,195.00

Section 2 B. The following EXPENDITURES are hereby appropriated in the Water and Sewer Fund fiscal year beginning July 1, 2020 to June 30, 2021.

Water	\$	436,655.00
Sewer & WWTP	\$	649,540.00
Water/ Sewer Fund Total EXPENDITURES	\$	1,086,195.00

Section 3 A. The following REVENUES will be available in the Solid Waste Fund for the fiscal year beginning July 1, 2020, and ending June 30, 2021, in accordance with the chart of accounts:

Refuse Collection Fees	\$	149,725.00
Other Revenues	\$	1,000.00
Solid Waste Fund Total REVENUES	\$	150,725.00

Section 3 B. The following EXPENDITURES will be appropriated to the Solid Waste Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Salaries	\$	17,110.00
Benefits	\$	1,310.00
Contracted Collection	\$	105,100.00
Operating Costs	\$	27,205.00
Solid Waste Fund Total EXPENDITURES	\$	150,725.00

Section 4 A. The following REVENUES will be available in the Cemetery Fund for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Source: Cemetery

Sale of Lots	\$	22,500.00
Grave Openings	\$	35,000.00
Grave Markers	\$	500.00
General Fund Balance Transferred In	\$	15,780.00
Cemetery Fund Total REVENUES	\$	73,780.00

Section 4 B. The following EXPENDITURES will be appropriated to the Cemetery Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Salaries & Wages	\$	48,580.00
Benefits	\$	7,450.00
Operating	\$	13,500.00
Capital Outlay	\$	4,250.00
Cemetery Fund Total EXPENDITURES	\$	73,780.00

Section 5. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. She/he may transfer amounts between line item expenditures up to \$250 within a department without limitations and without a report being required. These changes should not result in increases in recurring obligations such as salaries.
- b. She/he may transfer amounts up to \$5,000 between departments, including contingency appropriations, within the same fund. He must make an official report on such transfers as the next regular meeting of the Board.
- c. She/he may not transfer any amounts between funds, except as approval by the Board in a Budget Ordinance as amended.

Section 6. Effective July 1, 2020, the following are in effect in expenditure control:

- a. Purchase orders are required for any purchases over \$500.
- b. Formal approval (by resolution) from the Board is required for all "non-routine" expenditures exceeding \$5,000. Routine expenditures include utilities, legally required advertising, postage, fuel, and water or sewer purchase contracts.
- c. Emergency approval of purchases orders exceeding \$5,000 may be conveyed by the Town Manager in consultation with the Mayor of Board and subsequent notification of the Board.

Section 7. Copies of this Budget Ordinance shall be furnished to the Town Clerk and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

AMENDMENTS

MOVED _____ **SECONDED** _____

APPROVED ____ **DENIED** _____ **UNANIMOUS** _____

YEA VOTES: ____

Adopted this the _____ day of June 2020.

Dennis K. Liles, Mayor

Attest:

Laquita M. Davis, Town Clerk