

# MEMO

**To: Mineral Springs Town Council**  
**From: Rick Becker**  
**Date: April 6, 2014**  
**Subject: FY2014-2015 Budget: Preliminary Departmental Appropriations**

The accompanying spreadsheet shows the FY2012-13 final budget and actual expenditures, the FY2013-14 current budget and estimated final actual expenditures, and suggested appropriation levels for the FY2014-15 budget.

This "first draft" suggests an increase of \$10,191 over the current year's operating expenditure budget, or 4.01%. This figure, as usual, reflects no changes in staff salaries. Council should decide whether or not to apply increases in these salaries; historically, council has approved 3% across-the-board cost-of-living increases and may wish to consider other factors as well. Note that the "Assistant/Deputy" position is given a \$10,500 budget amount; this is not a salaried position, and the \$10,500 is a maximum suggested allocation for the position. Currently, this position requires 12 hours per week, corresponding to the time the town hall is open for regular business hours. The hourly rate for this position is currently \$15.00.

## Reading the Chart

In the right-hand column, headed "2014-15 proposed", bold-faced numbers are the totals within each budgetary department. These numbers add up to the total of \$264,396. These are the categories that ultimately end up in the adopted budget ordinance and within which the town must operate; numbers within these departments are "flexible", and may be changed during the fiscal year as needed without budget amendments as long as the departmental totals in the ordinance are not increased. Salaries are shown in white, at the same amount as the current year. "Employee Overhead" is also shown in white with a slight increase over the current year (explained below), and may increase if salaries increase. The three sets of figures in the "dotted" cells are simply sub-subcategories within subcategories.

## Major Increases

1. **"Special Events"**: a new subcategory of "Festival" has been added at a suggested initial amount of \$2,500. This number is from the original preliminary budget for the 2014 15<sup>th</sup> Anniversary Festival prepared by Clerk Vicky Brooks and Coordinator Barbara Erps.  
**Increased from \$0 to \$2,500.**
2. **"Park & Greenway Maint"**: While routine maintenance has generally fallen well under budget, Council may wish to consider a monthly "Port-a-John" rental at the trailhead.  
**Increased from \$3,600 to \$4,200.**
3. **"Town Hall Maint"**: The building is getting older and may require some of the less-frequent maintenance items. For example, last year the driveway was sealcoated. This year, exterior cleaning will probably be needed. **Increased from \$11,500 to \$12,500.**

4. **“Land Use Plans”**: Staff has considered developing both a pedestrian/sidewalk plan and a park master plan. Both of these plans would be prerequisite to applying for grants in these two areas. **Increased from \$2,000 to \$5,000.**
5. **“Street Lighting”**: With additional activity predicted in the downtown area with the advent of sewer service, Council may wish to consider adding street lights. Likely areas for consideration are west of the post office, north of the railroad tracks for a few hundred feet, and south of Highway 75 to the town hall. **Increased from \$2,200 to \$4,000.**

### **Major Decreases**

1. **“Elections”**: Since there is no municipal election during FY 2014-15, only the election contract with the city will be payable. **Decreased from \$4,200 to \$600.**

### **Other Items of Note:**

1. **“Salary: Finance Officer”**: This position, like all town positions, is subject to NC Workers Compensation requirements. It has been rated as a “clerical” position”. However, like the combined Town Clerk/Planning Director position, some of the duties of the position involve non-clerical tasks, such as site inspections, trail work, and building maintenance. These tasks are rated at a higher workers compensation premium. The NCLM Workers Compensation system allows members to split jobs over two or more ratings for reporting purposes as long as there is a reasonable method of accounting for the approximate split in duties. While I estimate that slightly more than half of the Finance Officer job is “clerical” in nature, assigning it to equal parts “clerical” and “not otherwise classified” enables us more accurately to report our Workers Compensation liability without understating the amount of time spent at the higher-rated tasks. This is similar to how we treated the Clerk position, where the Clerk portion of the job is considered “clerical”, while the Planning Director/Zoning Administrator job is considered “not otherwise classified” for Workers Compensation reporting purposes.
2. **“Employee Overhead”**: Reporting half of the Finance Officer salary as “not otherwise classified” for Workers Compensation purposes would increase the overall premium by approximately \$200. **Increased from \$24,600 to \$24,800.**

Most other line items and departmental appropriations remain very close to FY2013-14 levels. The budget amounts approved by council in recent years appear to be representing the town’s overall spending priorities quite well, and as such there is no need to modify those budget amounts.

At the April 10, 2014 meeting, council should consider three items related to the budget:

1. determine salary figures for next year
2. decide on whether or not to include any of the proposed changes in the FY2014-15 budget
3. advise the budget officer of any changes council might wish to make to other appropriations so that the formal proposed budget may be presented to council in May.

TOWN OF MINERAL SPRINGS									
2014-2015 BUDGET: PRELIMINARY APPROPRIATION WORKSHEET (4/10/2014)									
Appropriation dept		Trend	2012-13	2012-13	2013-14	2013-14	2013-14	2014-15 proposed	
		13→'14	budget	actual	budget	(7/1-3/31)	(est. final)		
Advertising		↔	\$1,800	\$ 594	\$1,800	\$ 748	\$ 1,248	\$	1,800
Attorney		↔	\$9,600	\$ 4,051	\$9,600	\$ 3,477	\$ 4,377	\$	9,600
Audit		↔	\$4,200	\$ 4,200	\$4,500	\$ 4,500	\$ 4,500	\$	4,800
Community Involvement		↔	\$18,900	\$16,939	\$19,900	\$5,090	\$15,490	\$	23,000
	Beautification, Maintenance	↔	\$4,800	\$ 5,665	\$5,800	\$ 3,043	\$ 4,043	\$	5,800
	Charities, Agencies	↔	\$9,500	\$ 8,800	\$9,500	\$ 500	\$ 9,300	\$	9,500
	Special Events	↔	\$1,000	\$ 62	\$1,000	\$ 43	\$ 143	\$	3,500
	Festival	↔	\$0	\$ -	\$0	\$ -	\$ -	\$	2,500
	Misc	↔	\$1,000	\$ 62	\$1,000	\$ 43	\$ 143	\$	1,000
	Park & Greenway Maint	↔	\$3,600	\$ 2,412	\$3,600	\$ 1,504	\$ 2,004	\$	4,200
Contingency		↔	\$2,900	\$ -	\$800	\$ -	\$ -	\$	3,000
Dues		↔	\$4,625	\$ 4,530	\$5,725	\$ 4,931	\$ 4,931	\$	5,725
	Chamber	↔	\$300	\$ 300	\$300	\$ 300	\$ 300	\$	300
	COG	↔	\$750	\$ 750	\$750	\$ 750	\$ 750	\$	750
	IOG	↔	\$300	\$ 287	\$300	\$ 300	\$ 300	\$	300
	League	↔	\$2,900	\$ 2,928	\$3,600	\$ 3,201	\$ 3,201	\$	3,900
	Other	↔	\$375	\$ 265	\$775	\$ 380	\$ 380	\$	475
Elections		↔	\$ 600	\$ 523	\$4,200	\$2,095	\$ 2,645	\$	600
	Contract	↔	\$600	\$ 523	\$600	\$ -	\$ 550	\$	600
	Municipal	↔	\$0	\$ -	\$3,600	\$ 2,095	\$ 2,095	\$	-
Employee Overhead		↔	\$22,900	\$ 20,648	\$24,600	\$ 17,332	\$ 23,562	\$	24,800
Fire Department		↔	\$21,000	\$ 20,691	\$12,000	\$ -	\$ 12,000	\$	12,000
Insurance		↔	\$4,500	\$ 3,649	\$4,500	\$ 3,714	\$ 3,714	\$	4,500
Leases		↔	\$0	\$ -	\$0	\$ -	\$ -	\$	-
Newsletter		↔	\$2,400	\$ 638	\$2,400	\$ 801	\$ 1,500	\$	2,400
Office		↔	\$118,412	\$ 101,544	\$113,304	\$ 79,356	\$ 107,437	\$	115,868
	Salary: Clerk		\$28,956	\$ 28,956	\$29,808	\$ 23,348	\$ 31,172	\$	31,172
	Salary: Assistant/Deputy	↔	\$10,500	\$ 7,956	\$10,500	\$ 5,415	\$ 7,605	\$	10,500
	Salary: Finance Officer: Clerical		\$28,056	\$ 28,056	\$28,896	\$ 21,672	\$ 28,896	\$	14,448
	Salary: Finance Officer: Other		\$0	\$ -	\$0	\$ -	\$ -	\$	14,448
	Salary: Mayor	↔	\$4,800	\$ 4,800	\$4,800	\$ 3,600	\$ 4,800	\$	4,800
	Salary: Council	↔	\$7,200	\$ 7,200	\$7,200	\$ 5,400	\$ 7,200	\$	7,200
	Equipment	↔	\$7,200	\$ 925	\$2,400	\$ 588	\$ 1,588	\$	2,400
	Supplies	↔	\$5,000	\$ 4,043	\$4,000	\$ 1,722	\$ 2,722	\$	4,000
	Postage	↔	\$800	\$ 991	\$800	\$ 739	\$ 1,239	\$	1,000
	Telephone, Internet, Security	↔	\$6,800	\$ 6,160	\$6,800	\$ 5,604	\$ 6,612	\$	6,800
	Reserve/Misc	↔	\$2,000	\$ 421	\$1,000	\$ 220	\$ 500	\$	1,000
	Town Hall Maint	↔	\$11,500	\$7,958	\$11,500	\$ 7,163	\$ 9,318	\$	12,500
	Equip. & Supplies	↔	\$2,500	\$ 1,232	\$2,500	\$ 431	\$ 931	\$	2,500
	Services	↔	\$9,000	\$ 6,726	\$9,000	\$ 6,732	\$ 8,387	\$	10,000
	Utilities	↔	\$5,600	\$ 4,078	\$5,600	\$ 3,885	\$ 5,785	\$	5,600
Planning		↔	\$ 41,008	\$ 27,936	\$ 37,776	\$ 20,651	\$ 30,474	\$	41,953
	Parks & Greenways	↔	\$6,000	\$ -	\$3,000	\$ -	\$ -	\$	3,000
	Zoning Ord. & Planning Board	↔	\$2,000	\$ 1,905	\$2,000	\$ -	\$ 1,595	\$	2,000
	Zoning Administration		\$30,008	\$25,604	\$27,776	\$ 20,188	\$ 27,952	\$	28,953
	Salary		\$25,008	\$ 25,008	\$25,776	\$ 20,188	\$ 26,953	\$	26,953
	Contract & Other	↔	\$5,000	\$ 596	\$2,000	\$ -	\$ 999	\$	2,000
	Land Use Plans	↔	\$0	\$ -	\$2,000	\$ -	\$ -	\$	5,000
	Reserve/Misc	↔	\$3,000	\$ 427	\$3,000	\$ 463	\$ 927	\$	3,000
Street Lighting		↔	\$2,000	\$ 1,891	\$2,200	\$ 1,270	\$ 1,901	\$	4,000
Tax Collection		↔	\$2,800	\$ 2,721	\$3,700	\$ 2,486	\$ 3,168	\$	3,750
	Salary	↔	\$1,500	\$ 1,560	\$1,800	\$ 1,350	\$ 1,800	\$	1,800
	Contract	↔	\$1,000	\$ 975	\$1,200	\$ 903	\$ 1,103	\$	1,500
	Postage	↔	\$100	\$ -	\$200	\$ 18	\$ 50	\$	200
	Listing, Advertising	↔	\$0	\$ -	\$0	\$ -	\$ -	\$	-
	Billing	↔	\$200	\$ 186	\$500	\$ 215	\$ 215	\$	250
Training		↔	\$3,000	\$ 1,683	\$3,000	\$ 1,290	\$ 1,965	\$	3,000
	Officials	↔	\$1,000	\$ 875	\$1,000	\$ 225	\$ 600	\$	1,000
	Boards	↔	\$1,000	\$ -	\$1,000	\$ -	\$ -	\$	1,000
	Staff	↔	\$1,000	\$ 808	\$1,000	\$ 1,065	\$ 1,365	\$	1,000
Travel		↔	\$3,000	\$ 2,663	\$4,200	\$ 3,369	\$ 3,869	\$	3,600
Capital Outlay			\$ 37,405	\$ 21,327	\$ 50,075	\$ 2,283	\$ 7,283		
Operating Expenditures		↔	\$ 263,645	\$ 214,901	\$ 254,205	\$ 151,110	\$ 222,781	\$	264,396
Totals			\$301,050	\$236,228	\$304,280	\$ 153,393	\$ 230,064	\$	264,396