

Town of Mineral Springs

**ADOPTED BUDGET
2024-2025**

Adopted by:

The Mineral Springs Town Council

June 13, 2024

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FY2024-25 PROPOSED BUDGET
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**TOWN OF MINERAL SPRINGS
2024-2025 BUDGET**

MESSAGE FROM THE BUDGET OFFICER

I hereby present this recommended budget for the 2024-2025 fiscal year to the Mineral Springs town council.

The FY2024-25 budget reflects anticipated revenues and expenditures of \$428,975.00 including capital expenditures, which represents a \$9,785.00 increase over last year's final budget. General government expenditures total \$366,679.00, a decrease of \$2,799.00 over last year's amended budget, while the capital budget has increased by \$12,584.00 to \$62,296.00.


In spite of increases in staff salaries and employee overhead, we have been able to accomplish that slight decrease in operating expenditures through several key reductions. The fall festival will not take place in 2024, resulting in a reduction of \$8,000.00, and there will be no municipal election in 2024, resulting in a reduction of \$3,600.00. There is no proposed change to the salaries of the town council and mayor. Most other proposed operating expenditures are very close to their previous year's level.

The revenue side of the budget reflects a property tax base of approximately \$408.1 million, an increase of approximately \$17.4 million over the FY2023-24 tax base. Vehicle property taxes are expected to increase slightly according to Union County estimates. General sales and use tax revenues appear to have leveled out in FY2023-24, and we expect FY2024-25 revenues to remain close to last year's. The estimate of the town's overall state-shared sales-tax revenue stream has been decreased from \$281,480.00 to \$280,850.00.


"Interest" remains a large revenue component due to ongoing Federal Reserve funds-rate policy. Based on current interest rate trends, we anticipate \$47,195.00 in interest and dividend revenues, up from last year's estimated figure of \$39,000.00. These interest rates remain unpredictable and we are budgeting this revenue stream conservatively. Economists are anticipating a slight decrease in the funds rate by the Federal Reserve, perhaps from 5.5% to 5.0%, during our 2024-25 fiscal year. That would cut into anticipated interest revenues, but such estimates are speculative at best.

The town's \$270,618.75 in federal State and Local Fiscal Recovery Fund (SLFRF) revenues under the American Rescue Plan Act of 2021 (ARPA) were approved in FY2022-23 for expenditure in the "Revenue Replacement" category using the standard allowance authorized by the US Treasury's Final Rule. All SLFRF revenues have been designated for Revenue Replacement and transferred to the General Fund as of the close of FY2023-24.

I am pleased to recommend no change in the property tax rate. The proposed *ad valorem* tax rate for the 2024-25 fiscal year is 2.1 cents per \$100.00.



Frederick Becker III, Budget Officer



Date

TOWN OF MINERAL SPRINGS 2024-2025 BUDGET

BUDGET INTRODUCTION

FUND ACCOUNTING

The accounts of the Town of Mineral Springs are organized and operated on the basis of *funds*. A fund is a grouping of related accounts that have been segregated for specific activities or objectives.

Funds used by local governments can be grouped into two types: *governmental funds* and *proprietary funds*. Governmental funds are simply used to account for most governmental-type activities and are primarily financed by tax revenues. Proprietary funds are used for activities that operate more like businesses, such as water or sewer operations, where expenses are primarily financed by revenues derived from user charges rather than tax dollars. Mineral Springs currently uses only governmental funds, primarily a single *General Fund* and, when needed, *Project Funds* and *Special Revenue Funds*.

General Fund

The General Fund encompasses most of the town's day-to-day operations. Property taxes are one component of General Fund revenue. Other important General Fund revenue sources are various sales taxes and excise taxes that are distributed to the town by the North Carolina Department of Revenue. Finally, specific user charges such as permit fees are accounted for as General Fund revenues.

All general operating expenditures are budgeted and accounted for in the General Fund. In addition, capital expenditures (purchases of real and personal property assets that have multi-year service lives) are likewise budgeted and accounted for in the General Fund. Mineral Springs considers expenditures for fixed assets with a value greater than five hundred

dollars (\$500.00) to be capital expenditures.

Project Funds

Project Funds are used to budget and account for larger expenditures that may take place over more than one fiscal year. A large or multi-year capital project is authorized by a *Capital Project Ordinance* adopted by the town council, and the project is financed through a related Capital Project Fund. A Project Fund may receive transfers from the General Fund, or it may receive funds from other revenue sources such as grants or bond proceeds.

In recent years, the Town of Mineral Springs has established Capital Project Funds to construct the town hall, to purchase real property for conservation and recreation utilizing a North Carolina Clean Water Management Trust Fund grant, to purchase and undertake initial repairs on the historic Mineral Springs School agriculture building, to construct a parking area and trailhead for the Mineral Springs Greenway, to construct a small park adjacent to the town hall, and to provide a grant for an after-school program addressing social-emotional readiness issues in response to educational disruption due to Covid-19.

Project Fund expenditures are not included in the General Fund budget, but NC G.S. §159-13.2(f) states that “[e]ach year the budget officer shall include in the budget information in such detail as he or the governing board may require concerning each grant project or capital project (i) expected to be authorized by project ordinance during the budget year and (ii) authorized by previously adopted project ordinances which will have appropriations available for expenditure during the budget

year.” The Town of Mineral Springs closed out the Project Ordinance authorizing and funding the after-school program during FY2023-24.

Special Revenue Funds

Special Revenue Funds are established for specific classes: voter-approved property taxes, service districts, and *Grant Project Ordinances*. Mineral Springs is utilizing a Special Revenue Fund to account for State and Local Fiscal Recovery Fund (“SLFRF”) revenues received from the US Treasury Department under the American Rescue Plan Act (“ARPA”). The town adopted Grant Project Ordinance O-2021-02 on August 12, 2021 representing SLFRF revenues of \$270,618.75 and adopted Grant Project Ordinance O-2022-01 on October 13, 2022 to utilize \$230,669.86 of those SLFRF revenues for salary reimbursements in the “Revenue Replacement” category. The town adopted Grant Project Ordinance O-2023-05 on February 8, 2024 to utilize the remaining \$39,948.89 in SLFRF revenues for additional salary reimbursements in the “Revenue Replacement” category, thereby closing out the SLFRF revenue project. All these SLFRF revenues and expenditures have been accounted for in a Special Revenue Fund. The ARPA Final Rule states that all SLFRF revenues *must* be spent on or before December 31, 2026. O-2023-05 fulfills that requirement.

BUDGET PREPARATION

The town of Mineral Springs operates on a *fiscal year* that runs from July 1 through June 30. The annual budget process begins with the budget officer working with departmental staff to estimate operating expenditures for the next fiscal year. These estimates usually begin in March. The following schedule has been established for the Mineral Springs fiscal year 2024-2025 budget preparation and enactment process:

April 11, 2024: Suggested departmental appropriations are presented to the town

council at its regular meeting. No revenue estimates are presented at this time. Council is asked to review the budget officer’s draft appropriations worksheet and advise him of any changes.

May 9, 2024: Prior to the town council’s regular May meeting, the budget officer completes his estimates of anticipated revenues for the upcoming fiscal year and incorporates these estimates plus Council’s recommended departmental expenditures into the *Recommended (or Proposed) Budget*. The Proposed Budget contains information on prior-year budgets, a detailed departmental revenue and expenditure breakdown, an analysis of those figures, a *draft FY2024-25 budget ordinance*, and a *budget message* that provides a brief overview of the proposed budget. The FY2024-25 proposed budget ordinance includes a recommended property tax rate. The budget officer must file a copy of the proposed budget with the town clerk on the day it is submitted to Council.

Council may make additional changes to the proposed budget, and then by motion will call for a public hearing on the budget. The town clerk will then advertise the time and place of that hearing, as well as stating in that advertisement that the budget is available for public inspection at the clerk’s office. In Mineral Springs, the public hearing is generally conducted at the regular June town council meeting, and the budget ordinance (subject to any additional changes) is then adopted by vote of the town council.

June 13, 2024: Council conducts the budget hearing and adopts a budget ordinance. North Carolina general statute also requires that copies of the adopted budget ordinance be filed in the offices of the town clerk, the budget officer, and the finance officer.

THE ROLE OF THE ANNUAL BUDGET ORDINANCE

Under the North Carolina Local Government Budget and Fiscal Control Act, no expenditure may be made by the finance officer or any departmental personnel if that expenditure is not authorized in the adopted budget ordinance. It should be noted that the governing document is the *ordinance*, and not the more detailed departmental expenditure breakdown. For example, if the “Office” appropriation in the budget ordinance is \$196,638, and the detailed breakdown lists expenditures of \$2,400 for “equipment” and \$4,600 for “utilities”, it would be perfectly legal for the finance officer to make “equipment” expenditures of \$3,000 and “utility” expenditures of \$5,800 during the fiscal year, *provided the total of all expenditures in the “Office” category does not exceed \$196,638.*

Some local governments allow the finance officer to make transfers between departmental appropriations in the budget ordinance as necessary. The Mineral Springs town council does not grant the finance officer this authority. If the finance officer finds that upcoming expenditures would exceed an appropriation in the budget ordinance, he *must* prepare a *budget amendment* and present it to Council for approval. This process serves as another layer of internal control, ensuring that the ultimate responsibility for compliance with the adopted budget ordinance rests solely with the town council.

STATE OF NORTH CAROLINA
TOWN OF MINERAL SPRINGS

**AN ORDINANCE TO ESTABLISH A BUDGET
FOR FISCAL YEAR 2024-2025
O-2023-09**

BE IT ORDAINED by the Council of the Town of Mineral Springs, North Carolina, the following:

Section I. Appropriations. The following amounts are hereby approved in the General Fund for the operation of the Town government and its activities for the fiscal year beginning 7/1/2024 and ending 6/30/2025, in accordance with a Chart of Accounts to be established for the Town:

ADMINISTRATIVE & GENERAL GOVERNMENT:	\$366,679.00
Advertising	\$1,200.00
Attorney	\$7,200.00
Audit	\$5,230.00
Charities and Agencies	\$12,575.00
Community Projects	\$24,488.00
Contingency	\$3,000.00
Employee Overhead	\$43,600.00
Fire Protection	\$12,000.00
Office and Administrative	\$196,638.00
Planning and Zoning	\$50,448.00
Street Lighting	\$1,900.00
Tax Collection	\$1,800.00
Training	\$3,000.00
Travel	\$3,600.00
CAPITAL:	\$62,296.00
Capital outlay	\$62,296.00
TOTAL APPROPRIATIONS:	\$428,975.00

Section II. Estimated Revenues. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning 7/1/2024 and ending 6/30/2025:

Property taxes	\$85,780.00
Interest	\$47,195.00
Other income	\$1,000.00
Sales taxes	\$280,850.00
Vehicle taxes	\$8,650.00
Zoning fees	\$5,500.00
TOTAL ESTIMATED REVENUES:	\$428,975.00

Section III. Property Tax Levy. A tax in the amount of \$0.021 per \$100.00 of assessed valuation is hereby levied on property within the Town of Mineral Springs which was listed for property taxes in Union County, North Carolina as of January 1, 2024.

ADOPTED this 13th day of June 2024. Witness my hand and official seal:

Frederick Becker III, Mayor

Attest:

Vicky A. Brooks, Clerk

REVENUES				\$ 428,975
<i>TOTAL INCOME</i>				\$ 428,975
Property Taxes			\$ 85,780	
Current Year	\$ 85,380			
Prior Years	\$ 400			
Interest			\$ 47,195	
Other Income			\$ 1,000	
Festival	\$ -			
Miscellaneous	\$ 1,000			
Sales Tax			\$ 280,850	
Alcoholic Beverage	\$ 13,500			
Electricity	\$ 209,000			
General Sales & Use	\$ 38,400			
Natural Gas Excise	\$ 1,450			
Telecommunications	\$ 2,000			
Video Programming	\$ 16,500			
Vehicle Taxes			\$ 8,650	
Zoning Fees			\$ 5,500	

EXPENDITURES				\$ 428,975
<i>ADMINISTRATIVE & GENERAL GOVERNMENT</i>				\$ 366,679
Advertising			\$ 1,200	
Attorney			\$ 7,200	
Audit			\$ 5,230	
Charities & Agencies			\$ 12,575	
Community			\$ 24,488	
Beautification, Maintenance	\$ 6,800			
Special events	\$ 2,000			
Festival	\$ -			
AMG	\$ -			
Misc	\$ 2,000			
Communication	\$ 8,688			
Newsletter	\$ 2,500			
Soc. Media	\$ 4,188			
Other	\$ 2,000			
Park & Greenway Maint	\$ 7,000			
Contingency			\$ 3,000	
Elections			\$ -	
Employee Overhead (FICA, work comp, bonds)			\$ 43,600	
Fire Protection			\$ 12,000	

Office			\$	196,638
Salary: Clerk		\$	47,990	
Salary: Deputy Clerk/Assistant		\$	14,400	
Salary: Finance Officer		\$	44,292	
Salary: Mayor		\$	6,000	
Salary: Council		\$	14,400	
Dues		\$	7,900	
Insurance		\$	5,000	
Records Management		\$	5,956	
Equipment & durable items		\$	2,400	
Supplies		\$	4,000	
Postage (General)		\$	1,000	
Telephone, Internet		\$	8,200	
Reserve/Misc		\$	500	
Town Hall Maintenance		\$	30,000	
Supplies	\$	2,000		
Services	\$	28,000		
Utilities		\$	4,600	
Planning			\$	50,448
Zoning Ord. & Planning		\$	3,000	
Zoning Administration		\$	43,448	
Salary	\$	41,448		
Contract	\$	2,000		
Land Use Planning		\$	3,000	
Reserve/Misc		\$	1,000	
Street Lighting			\$	1,900
Tax Collection			\$	1,800
Contract (Union County)		\$	1,800	
Misc.		\$	-	
Training			\$	3,000
Boards		\$	1,000	
Officials		\$	1,000	
Staff (Clerk, TC, FO)		\$	1,000	
Travel Expenses			\$	3,600
<i>CAPITAL</i>				\$ 62,296
Capital Outlay			\$	62,296

Town of Mineral Springs
2024-2025 BUDGET ANALYSIS

I. Appropriations

Administrative & General Government

Advertising **\$1,200.00**
Included are required notifications of public hearings and special meetings involving the town council, planning board, and board of adjustment; remains the same as last year.

Attorney **\$7,200.00**
This appropriation includes \$3,600.00 for retainer and general expense and is the same as last year's appropriation.

Audit **\$5,230.00**
Kendra Gangal, CPA wewhas proposed a charge for the annual audit of \$5,230.00, unchanged from last year.

Charities & Agencies **\$12,575.00**
Council has approved this separate appropriation in the budget ordinance in order to bring more control and greater transparency to the town's contribution to various local non-profits. The amount is calculated as 3% of the previous year's total budget: $0.03 \times \$419,190.00 = \$12,575.70$, rounded to \$12,575.00.

Community **\$24,488.00**
This appropriation is to be used for projects and services intended to benefit the quality of life in Mineral Springs, including maintenance and beautification. Downtown pole banners and Christmas lights are included in this appropriation. The Community appropriation has been decreased by \$12,500.00 over last year's appropriation primarily due to the Fall Festival being cancelled for 2024. The subcategory of "Communication" includes the newsletter and social-media expenses. The service partnership with Artists Music Guild for music licensing and other event programming has not been renewed for the upcoming fiscal year.

Contingency **\$3,000.00**
This appropriation is intended to cover small unforeseen expenses in miscellaneous categories which might arise during the fiscal year. Access to Contingency funds is generally accomplished through the budget amendment process. The contingency appropriation will not necessarily be expended.

Elections **\$0.00**
There is no municipal election scheduled during FY2024-25.

Employee Overhead **\$43,600.00**

Includes Scheduled bonds for Clerk/Zoning Administrator at \$100.00 and Finance Officer at \$450.00, workers compensation at \$3,000.00, FICA at \$11,328.00, NCLM benefits at \$1,810.00, and payroll processing at \$2,331.00. In addition, our required contribution to the NC Local Governmental Employees' Retirement System (NCLGERS) is estimated at \$24,472.00. Overall, this is a \$2,650.00 increase over last year, reflecting the increased FICA expenditures resulting from the staff salary increases, an NCLGERS increase from 17.55% to 18.30%, and corresponding increases in rates for workers compensation.

Fire Protection \$12,000.00

Our regular annual payment to the Mineral Springs Volunteer Fire and Rescue Department remains \$10,000.00, and our Fire Suppression Agreement with the Waxhaw Volunteer Fire Department includes an annual payment of \$2,000.00.

Office & Administration \$196,638.00

We are proposing increasing the clerk's base salary to \$47,990.00 and the finance officer's base salary to \$44,292.00. At Council's request, we conducted a deeper analysis of both cost-of-living allowances (COLA) and comparisons with municipalities similar in size to Mineral Springs. The North Carolina League of Municipalities (NCLM) conducts annual salary surveys, and Mineral Springs falls into the "Population of 2,500 – 4,999" category. Last year, a larger-than-usual increase had brought our salary scale closer to our peer averages in the NCLM survey, but still slightly under.

Based on COLA alone, the federal increase in the Social Security benefit for 2024 is 3.2%. Because salaries were still slightly behind those of our peers, we ran some calculations based on a 5% increase. That calculation resulted in the following: Town Clerk, \$47,990; Planning Director, \$41,448; Finance Officer, \$44,292.

The NCLM salary survey is not an "apples-to-apples" comparison, because the League only uses salaries for *full-time* positions, and Mineral Springs positions are half-time. Also, the role of the Clerk in Mineral Springs is closer to that of an Assistant Manager (in a small town) based on the Mineral Springs job description and duties which include supervision of another employee, management of service contracts such as janitorial and landscaping, website and social-media responsibilities, and special event administration and oversight. Following is a summary of salary comparisons taken from the November 2023 NCLM survey plus actual Mineral Springs data. The full-time salaries in the NCLM survey were simply halved to correspond to our situation.

Position	Minimum	Maximum	Peer Avg	Avg 1/2	MS 2023	Avg +3.2%	MS Prop.
Finance Officer	\$76,637	\$111,106	\$87,766	\$43,883	\$42,180	\$45,287	\$44,292
Planning Director	\$67,668	\$101,612	\$76,303	\$38,152	\$39,468	\$39,373	\$41,448
MS Clerk (Peer Asst. Mgr.)	\$84,732	\$123,698	\$98,343	\$49,172	\$45,660	\$50,746	\$47,990

In the table above, we have included a column ("Avg +3.2%") which represents last year's peer-municipality salary increased by a 3.2% COLA and a column showing the proposed Mineral Springs FY2024-25 salaries based on a 5% increase. For the Finance Officer, the proposed Mineral Springs salary is \$995 lower than the peer estimate, which

is reasonable. The Mineral Springs Planning Director falls \$2,075 above the peer estimate, while the Mineral Springs Clerk/Asst. Mgr. falls \$2,756 below the peer estimate. Since those positions are held by one full-time employee in Mineral Springs, the combined salary is \$681 below the combined peer figure, which again appears reasonable. Being so close to (slightly below) the statewide peer benchmarks indicates that the Mineral Springs staff salaries proposed for FY2024-25 are justified and reasonable.

Council has re-authorized the part-time position of deputy clerk/office assistant for at least 12 hours per week, and the current wage for that position is \$18.00/hr. Any changes to the hourly rate will be based on performance evaluations conducted by the Clerk as the position's supervisor. This position has been budgeted at \$14,400 allowing for flexibility in the number of hours worked. Council salaries will remain \$200.00 per month for FY2024-25, and the mayor's salary will remain \$500.00 per month. Other expenditures are proposed to be similar to last year's *amended* budget figures which included a \$28,000.00 amount for "Maintenance: Service". Based on Council's ongoing plan to continue upgrading our facilities, we are proposing the same amount for next year.

Planning **\$50,448.00**

Council has recommended increasing the planning director/zoning administrator's salary to \$41,448.00 as discussed above. The proposed \$2,000.00 appropriation for contract services associated with providing assistance with administration from third parties remains the same as last year's. Included in that appropriation is an amount of \$1,729.39 to cover an interlocal agreement with Union County for joint funding of the Urban Forester position and the cost of contract enforcement by N-Focus of the town's abandoned swimming pool ordinance.

Street Lighting **\$1,900.00**

This appropriation covers the cost of providing roadway lighting in the downtown area. This amount is \$50.00 higher than last year's *amended* appropriation.

Tax Collection **\$1,800.00**

Mineral Springs will continue operating under contract with Union County for property tax collection at a cost of 1.25% of the gross collections, which has worked very well for the town. Total commissions to Union County for FY2024-25 are estimated at \$1,800.00 which includes both current year and prior year collections.

Training **\$3,000.00**

Ongoing training sessions for the governing board, citizen boards, and staff are offered throughout the year by the Institute of Government, the NC League of Municipalities, and other professional organizations.

Travel Expenses **\$3,600.00**

Included are expenses for travel to off-site training sessions, and any necessary meals and overnight accommodations. Also included are reimbursements for expenses incurred by council and staff in the course of ordinary business. This appropriation remains the same as last year's.

Capital

Capital Outlay **\$62,296.00**

These funds are designated for capital needs such as major equipment purchases, furniture and fixtures, and improvements to or purchases of real property.

II. Estimated Revenues

Interest Earned **\$47,195.00**

Interest rates have increased sharply in response to Federal Reserve policy. The federal funds rate is currently 5.50%; most analysts expect this rate to be decreased to 5.00% sometime toward the end of calendar year 2024. Our projected interest revenue for FY2023-24 will be approximately \$51,864.00 which is \$12,864 higher than the budget estimate. Most of the town's idle fund balance has been moved to the North Carolina Capital Management Trust (NCCMT), an investment fund that is approved by the North Carolina State Treasurer for safekeeping of local government assets. The town currently has just under \$1,000,000.00 in the NCCMT earning approximately 4.6% (variable on a daily basis), and it is reasonable to estimate that we will earn \$45,000.00 in dividends with an average balance of \$1,000,000.00 at 4.5%. An additional \$500,000.00 on deposit at First National Bank at 0.65% should earn at least \$3,250.00, and it may be practical to move some of those funds to the NCCMT for even greater revenues. Still, the anticipated rate cuts by the Federal Reserve may reduce our yields slightly throughout FY2024-25, so we should remain cautious when estimating future interest rates on our fund balance deposits.

Other **\$1,000.00**

This category covers various small-scale sources of revenue not accounted for in the other major categories. We anticipate refunds of North Carolina sales and use taxes paid by the town on purchases, and a few miscellaneous payments and fees such as copy charges. Zoning fees continue to be budgeted as a separate line item.

2024 Property Tax Receipts **\$85,380.00**

The estimated tax base has increased by \$17.4 million due primarily to new construction. Union County's estimate for real property is \$384,233,098 and for personal property is \$15,196,138. We estimate that our Public Service Property tax base will be \$8,626,496 based on last year's figure.

We are proposing an *ad valorem* tax rate of \$0.021/\$100.

Gross estimated tax levy must be reduced based on the collection rate for FY2022-23 as of June 30, 2023, which was 99.64% according to the Union County tax administrator’s reports. The revenue estimate was arrived at as follows:

Real Property	\$384,233,098
Personal Property	\$15,196,138
Public Service Property (est.)	\$8,626,496
Est. Real and Personal Tax Base	\$408,055,732

Tax rate: \$0.021/\$100 assessed valuation
 Total levy: \$85,691.70
 Estimated collection rate: 99.64% → \$85,383.21

Property Taxes, prior years **\$400.00**

We will receive some 2015 through 2023 delinquent tax payments from Union County. The total outstanding property taxes for that period will be approximately \$1,000.00, and we should expect Union County to collect approximately half of that. There will be no more collections of delinquent taxes from 2014 or earlier.

Sales Taxes **\$280,850.00**

Based on current fiscal year performance and accounting for anticipated economic conditions, the estimated breakdown is as follows:

Alcoholic Beverage tax	\$13,500.00
Electricity sales tax	\$209,000.00
General sales and use tax	\$38,400.00
Natural Gas excise tax	\$1,450.00
Telecommunications sales tax	\$2,000.00
Video Programming sales tax	\$16,500.00
Total	\$280,850.00

The amount of Alcoholic Beverage tax distributed to municipalities is *not* based on actual sales within the municipalities but instead is based solely on population. Collections of this tax over the past five years has ranged from \$12,559 to \$14,343 with no clear trend, so we are estimating a figure near the median of those numbers. Monthly General Sales and Use Tax revenues have actually continued to increase during the current fiscal year and these revenues are now averaging approximately \$3,200.00/month. We believe that these collections will remain close to the same amount next fiscal year. As for the Electricity Sales Tax, the town’s largest revenue source, the amount has leveled off or even decreased slightly over the past few years. When North Carolina changed this tax from a franchise tax to a sales tax beginning in FY2014-15, the general assembly established FY2013-14 as the “baseline year” for this distribution. Sales tax on additional electricity consumption above this “baseline” amount is calculated by the same formula that General Sales and Use tax distributions are calculated: a formula that allocates the distribution based on the town’s percentage of the total property tax levy in the county. Because Mineral Springs has such a low tax base and tax rate, our levy is a very small percentage of the countywide levy and as a result incremental increases in Electricity Sales Tax distributions are very small and Electricity Sales Tax distributions haven’t

varied by more than \$1,000.00 for the past nine years. This year we are budgeting only a \$1,000.00 increase in the anticipated Electricity Sales Tax distribution.

Telecommunications and Video Programming sales tax distributions have been treated this way for many years and have actually begun to decrease slightly over time. Overall, we are anticipating a decrease of \$680.00 in sales tax revenue for FY2024-25.

Vehicle Taxes

\$8,650.00

Current-year vehicle taxes will all be collected by Union County via the state Vehicle Tax System in which property taxes are collected directly at the time of registration renewal. This amount reflects a collection rate of 98%, based on Union County’s estimate of the Mineral Springs vehicle tax base of \$42,045,250. In reality, the state-collected system yields a theoretical 100% collection rate for accounting purposes, since the way the system works the tax levy doesn’t exist until it is collected. Even so, some vehicles don’t get renewed, and some collections end up being refunded. Using a 98% collection rate is just an estimate reflecting these vehicles leaving the tax rolls.

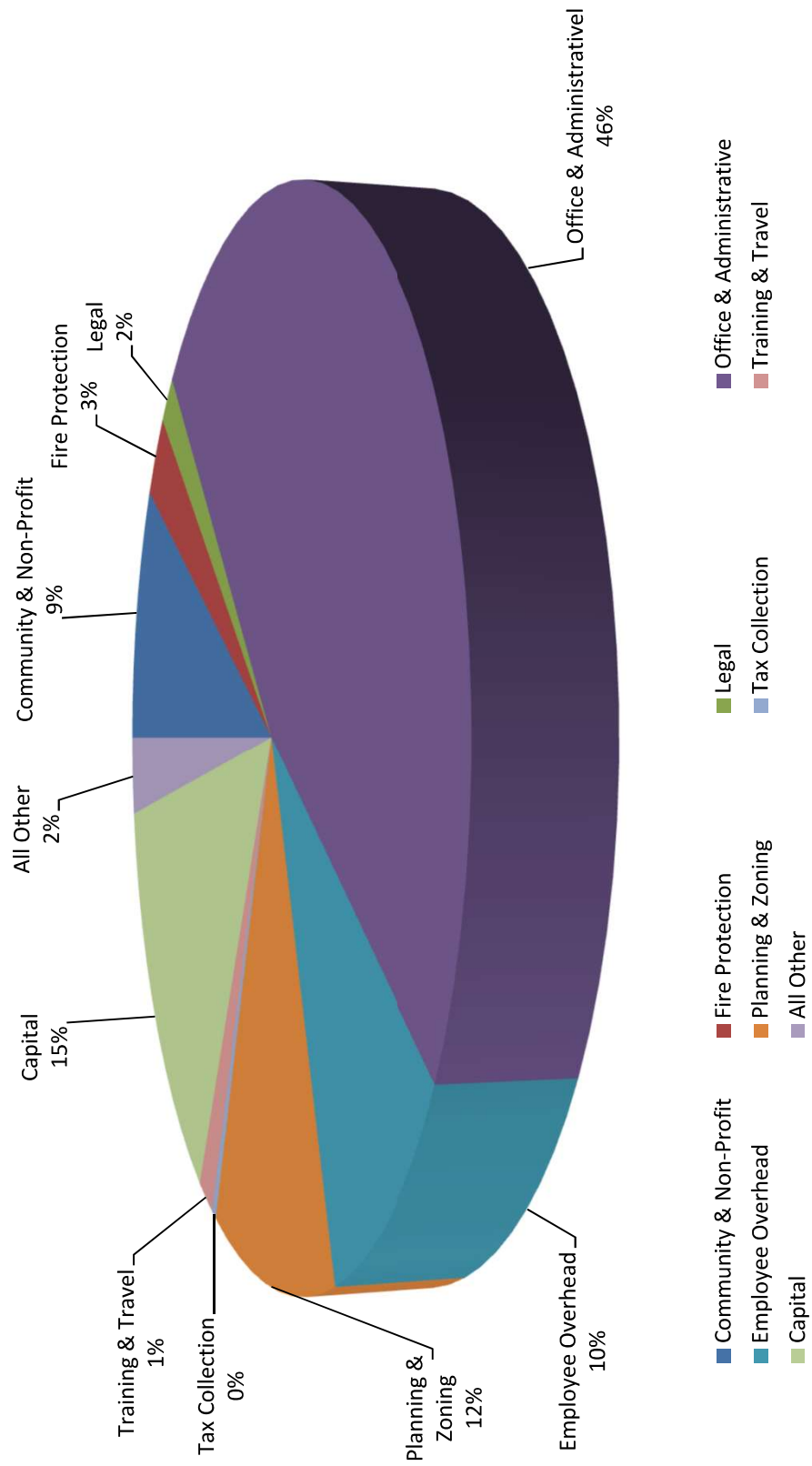
Zoning Fees

\$5,500.00

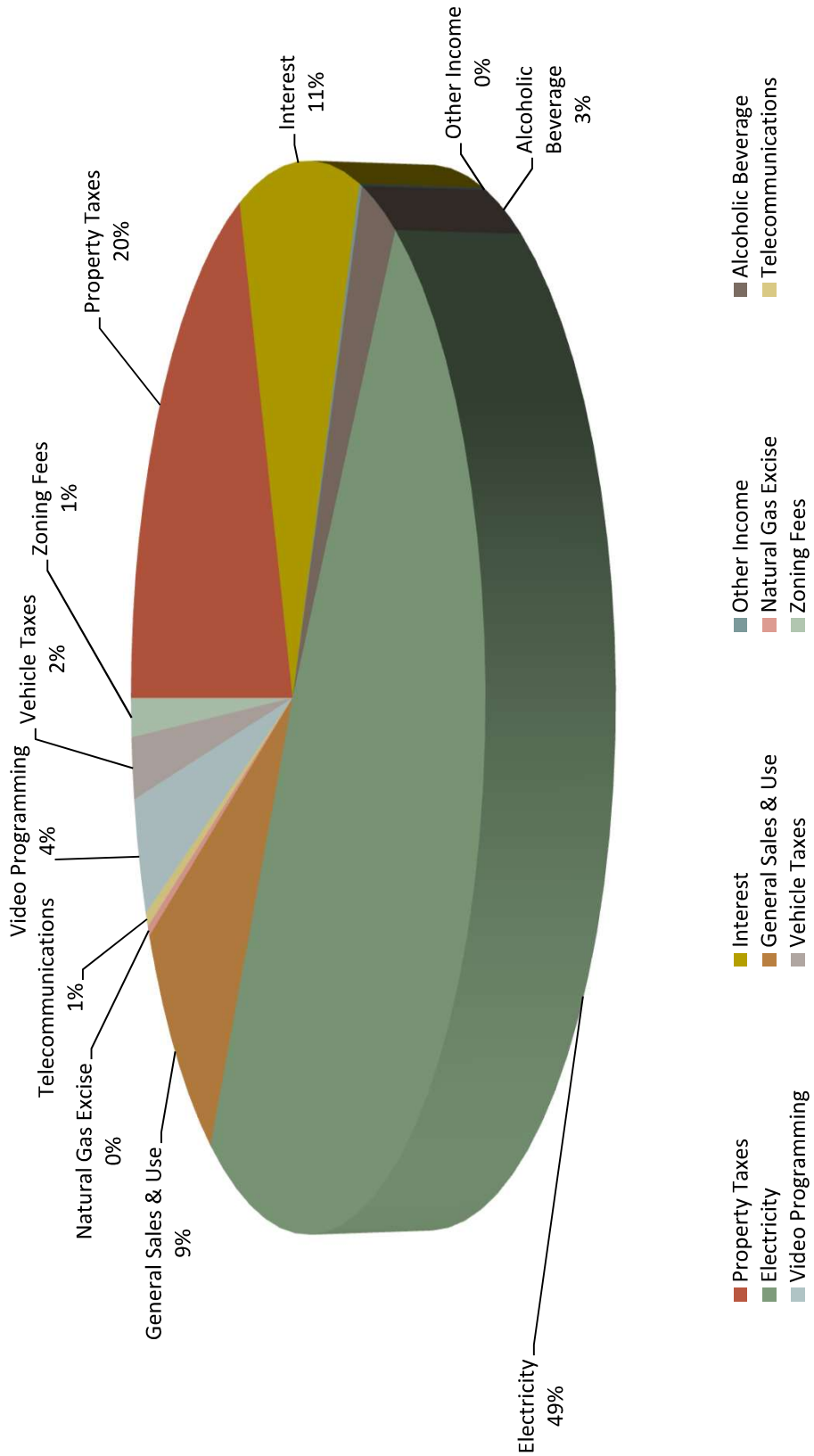
This estimate is based on the current rate of new construction both individually and in subdivisions, plus additional zoning permits for accessory structures, garages, signs, and fences as well as miscellaneous applications for amendments, special use permits, and variances. Zoning activity remains surprisingly high in spite of most major subdivisions being close to “built out”. Overall, zoning activity is expected to be slightly lower than that of FY2023-24, which is expected to exceed the \$4,500.00 budgeted amount by \$1,600.00.

Mineral Springs Proposed Expenditures 2024-2025

\$428,975



Mineral Springs Proposed Revenues 2024-2025 \$428,975



PRIOR YEAR (AS AMENDED)

REVENUES			\$ 419,190
<i>TOTAL INCOME</i>			<i>\$ 419,190</i>
Property Taxes		\$ 82,435	
Current Year	\$ 81,835		
Prior Years	\$ 600		
Interest		\$ 39,000	
Other Income		\$ 3,600	
Festival	\$ 3,000		
Miscellaneous	\$ 600		
Sales Tax		\$ 281,480	
Alcoholic Beverage	\$ 12,780		
Electricity	\$ 208,000		
General Sales & Use	\$ 38,400		
Natural Gas Excise	\$ 1,700		
Telecommunications	\$ 2,100		
Video Programming	\$ 18,500		
Vehicle Taxes		\$ 8,175	
Zoning Fees		\$ 4,500	

EXPENDITURES			\$ 419,190
<i>ADMINISTRATIVE & GENERAL GOVERNMENT</i>			<i>\$ 369,478</i>
Advertising		\$ 1,200	
Attorney		\$ 7,200	
Audit		\$ 5,230	
Charities & Agencies		\$ 11,080	
Community		\$ 36,988	
Beautification, Maintenance	\$ 6,800		
Special events	\$ 14,000		
Festival	\$ 8,000		
AMG	\$ 4,000		
Misc	\$ 2,000		
Communication	\$ 9,188		
Newsletter	\$ 3,000		
Soc. Media	\$ 4,188		
Other	\$ 2,000		
Park & Greenway Maint	\$ 7,000		
Contingency		\$ 2,100	
Elections		\$ 3,600	
Employee Overhead (FICA, work comp, bonds)		\$ 40,950	
Fire Protection		\$ 12,000	

Office				\$	189,612
Salary: Clerk		\$	45,660		
Salary: Deputy Clerk/Assistant		\$	14,400		
Salary: Finance Officer		\$	42,180		
Salary: Mayor		\$	6,000		
Salary: Council		\$	14,400		
Dues		\$	7,600		
Insurance		\$	4,800		
Records Management		\$	5,672		
Equipment & durable items		\$	2,400		
Supplies		\$	4,000		
Postage (General)		\$	1,000		
Telephone, Internet		\$	6,800		
Reserve/Misc		\$	1,000		
Town Hall Maintenance		\$	29,200		
Supplies	\$	1,200			
Services	\$	28,000			
Utilities		\$	4,500		
Planning				\$	49,468
Zoning Ord. & Planning		\$	3,000		
Zoning Administration		\$	41,468		
Salary	\$	39,468			
Contract	\$	2,000			
Land Use Planning		\$	3,000		
Reserve/Misc		\$	2,000		
Street Lighting				\$	1,850
Tax Collection				\$	1,600
Contract (Union County)		\$	1,600		
Misc.		\$	-		
Training				\$	3,000
Boards		\$	1,000		
Officials		\$	1,000		
Staff (Clerk, TC, FO)		\$	1,000		
Travel Expenses				\$	3,600
<i>CAPITAL</i>				\$	49,712
Capital Outlay				\$	49,712

PRIOR YEAR

2023 FINAL BUDGET AMOUNTS				ACTUAL (5/24 & 6/24 PROJECTED)		VARIANCE	
REVENUES				\$ 419,190		\$ 436,233.00	\$ 17,043
Interest			\$ 39,000			\$ 51,864.00	\$ 12,864
Property Taxes			\$ 82,435			\$ 82,319.00	\$ (116)
Sales Tax			\$ 281,480			\$ 282,516.00	\$ 1,036
Vehicle Taxes			\$ 8,175			\$ 9,003.00	\$ 828
Zoning Fees			\$ 4,500			\$ 6,170.00	\$ 1,670
Other			\$ 3,600			\$ 4,361.00	\$ 761
EXPENDITURES				\$ 419,190		\$ 335,191.00	\$ (83,999)
<i>ADMINISTRATIVE & GENERAL GOVERNMENT</i>				<i>\$ 369,478</i>		<i>\$ 335,191.00</i>	<i>\$ (34,287)</i>
Advertising			\$ 1,200			\$ 898.00	\$ (302)
Attorney			\$ 7,200			\$ 4,665.00	\$ (2,535)
Audit			\$ 5,230			\$ 5,230.00	\$ -
Charities			\$ 11,080			\$ 11,000.00	\$ (80)
Community Projects			\$ 36,988			\$ 25,746.00	\$ (11,242)
Beaut., Maint.		\$ 6,800			\$ 6,266		
Communication		\$ 9,188			\$ 4,988		
Newsletter	\$ 3,000			\$ 1,400			
Soc. Media	\$ 4,188			\$ 3,588			
Other	\$ 2,000			\$ -			
Special Events		\$ 14,000			\$ 8,850		
Festival	\$ 8,000			\$ 5,875			
AMG	\$ 4,000			\$ -			
Misc.	\$ 2,000			\$ 2,975			
Park & Greenway		\$ 7,000			\$ 5,642		
Contingency			\$ 2,100			\$ -	\$ (2,100)
Elections			\$ 3,600			\$ 3,522.00	\$ (78)
Employee overhead			\$ 40,950			\$ 40,843.00	\$ (107)
Fire Department grant			\$ 12,000			\$ 12,000.00	\$ -
Intergovernmental			\$ -			\$ -	\$ -
Office			\$ 189,612			\$ 183,716.00	\$ (5,896)
Sal.: Clerk		\$ 45,660			\$ 45,660		
Sal: Deputy		\$ 14,400			\$ 11,903		
Sal.: Fin. Officer		\$ 42,180			\$ 42,180		
Sal: Mayor		\$ 6,000			\$ 6,000		
Sal: Council		\$ 14,400			\$ 14,400		
Dues		\$ 7,600			\$ 7,695		
Insurance		\$ 4,800			\$ 4,453		
Records Management		\$ 5,672			\$ 5,672		
Equip. & dur.		\$ 2,400			\$ 1,376		
Supplies		\$ 4,000			\$ 2,407		
Postage		\$ 1,000			\$ 600		
Tel., Internet		\$ 6,800			\$ 8,130		
Reserve		\$ 1,000			\$ 155		
Town Hall Maint		\$ 29,200			\$ 28,631		
Supplies	\$ 1,200			\$ 1,832			
Services	\$ 28,000			\$ 26,799			
Utilities		\$ 4,500			\$ 4,454		
Planning			\$ 49,468			\$ 42,413.00	\$ (7,055)
Zoning Ord.		\$ 3,000			\$ 475		
Zoning Admin		\$ 41,468			\$ 41,186		
Salary	\$ 39,468			\$ 39,468			
Contract	\$ 2,000			\$ 1,718			
Land Use Plan		\$ 3,000			\$ -		
Reserve/Misc		\$ 2,000			\$ 752		
Street Lighting			\$ 1,850			\$ 1,829.00	\$ (21)
Tax Collection			\$ 1,600			\$ 1,530.00	\$ (70)
Salary		\$ -			\$ -		
Contract (Union County)		\$ 1,600			\$ 1,530		
Training			\$ 3,000			\$ 425.00	\$ (2,575)
Officials		\$ 1,000			\$ 120		
Planning Org.		\$ 1,000			\$ -		
Staff		\$ 1,000			\$ 305		
Travel Expenses			\$ 3,600			\$ 1,374.00	\$ (2,226)
CAPITAL			\$ 49,712			\$ -	\$ (49,712)
Capital Outlay			\$ 49,712			\$ -	\$ (49,712)
EXCESS (SHORTAGE) OF INCOME OVER EXPENDITURES - Applied to Fund Balance						\$ 101,042.00	