

BUDGET MESSAGE

May 17, 2022

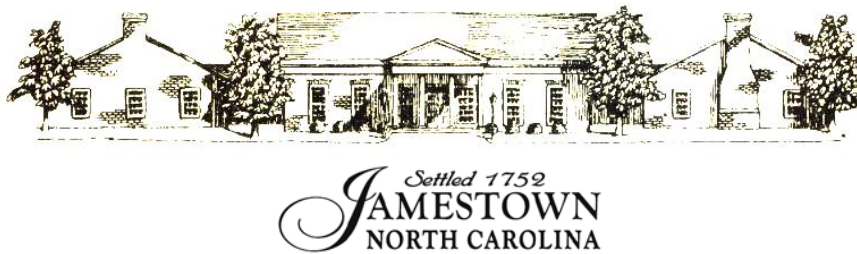
Honorable Mayor, Members of the Town Council, and Citizens of Jamestown:

The Mayor and Town Council adopted a strategic plan in June 2021 which would help the town realize its long-term vision by setting up outcomes and goals in a systematic, incremental manner.

The Strategic Plan contains five major outcomes including (1)staff excellence, (2)community outreach and involvement, (3)infrastructure and facilities, (4)public safety, and (5)planning and development. There are multiple goals associated with these five outcomes. Many of these goals are included in the Town's recommended 2022-23 operating and capital budget, as presented herein. We have incorporated the outcome/goal into the Capital Improvement Program (CIP). This will show the outcome and goal that each of the projects relates to.

We are pleased to present the recommended budget for the fiscal year 2022/23. The budget was prepared in accordance with North Carolina General Statute Chapter 159, "The North Carolina Local Government Budget and Fiscal Control Act". All funds within the proposed budget are balanced and all revenues and expenditures are identified.

The recommended budget for fiscal year 2022/23 totals \$17,868,999 for all Town operations, capital improvements, transfers, and debt service. The total budget, excluding inter-fund transfers, amounts to \$15,916,359. This represents a 39 % increase (\$4,476,148) from the current amended 2021/22 budget. The largest part of the increase is approximately \$2.9 million that will be expended in FY 2022-23 for the Water/Sewer fund to pay for the Town's portion of the Riverdale Pump Station Expansion project.



AD VALOREM TAXES / WATER and SEWER OPERATING REVENUES:

There was a revaluation of property values performed this year for Guilford County. The revenue-neutral tax rate is calculated to be \$.4687 per \$100 of valuation, which is less than the current tax rate of \$.485 per \$100 of valuation. The budget, as presented, includes a tax rate of \$.485 for the 2022/23 fiscal year. At this current tax rate, the amount of ad valorem property tax revenues are estimated to be approximately \$2,824,500, based on a collection rate of 99.82%. Tax and tag motor vehicle taxes are estimated to be approximately \$235,700 at \$.485 per \$100 tax rate.

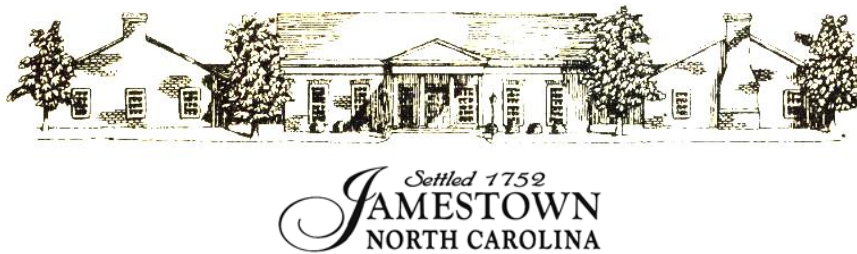
In the Water & Sewer Fund, the budget proposes to increase the water rate by approximately 3.17% over the 2021-22 fiscal year rate, due to an increase in the rate from Piedmont Triad Regional Water Authority whom the Town purchases water from. The budget proposes that the sewer rates increase approximately 3.16%, based on the increase in the rates that Jamestown pays the City of High Point for sewer treatment. Water and sewer usage fees are projected to bring in approximately \$3,588,000 in revenues, while additional revenue sources, such as connection fees, late fees, and investment income are projected at approximately \$95,000 for the 2022/23 fiscal year.

OTHER REVENUES:

Unrestricted intergovernmental revenues include distributions of local sales tax, telecommunications, utility sales, natural gas, and video programming sales tax. ABC system distributions are also included in this category of revenues. Based on projections from the NC League of Municipalities, we are projecting a slight increase in sales tax and piped natural gas revenues; while the other distributions are shown as being fairly flat.

Restricted intergovernmental revenues include funds received from federal, state or local sources which are restricted as to the use. The Town receives an annual Powell Bill allocation, which is based in part on population and in part by miles of streets. Estimated receipts to be received under Powell Bill are \$103,000. The Town has received half of the American Rescue Plan funding, and should receive the second half in July or August 2022.

Services and fees include revenues from golf course operations, planning and development fees, sanitation fees and cell tower and other leases. Golf course rounds played has continued to be very strong. Total golf course revenues are projected at approximately \$1,033,000 for the 2022/23 fiscal year. Rentals of the clubhouse are projected to be about \$8,000.



The Town has experienced a less than favorable return on investments over the past year, although rates have increased over the most recent 2 months. We are conservatively projecting interest income of approximately \$110,000 for all funds for 2022/23.

The recommended budget includes a general fund balance appropriation of approximately \$446,400 which will be used to fund capital projects. The proposed use of this fund balance amount still leaves the Town in compliance with its fund balance policy.

EXPENDITURES BY CATEGORY:

Personnel: This category of expenditures accounts for \$3,420,050 or 21.5% of the total budget (excluding transfers). These expenditures include salaries, FICA, retirement, group insurance, 401(k), and other miscellaneous benefits for 37 full-time positions. The Town also employs part-time and seasonal employees; however the only benefit they receive is FICA. The 2022/23 budget contains provisions to allow for a 3.75% cost of living increase, and a 0 – 3% merit increase for employees.

Supplies and Materials: This category accounts for \$1,274,300 or 8.0% of the total budget and includes supplies that are specific to each department (such as fertilizer for golf) as well as office supplies, fuel for equipment, small tools, and other miscellaneous items.

Contractual Services: This category accounts for \$4,147,104 or 26.1% of the total budget and includes attorney fees, property and liability insurance, cleaning, security system maintenance, other building service contracts, and other miscellaneous services.

Other operating expenditures: This category accounts for \$830,870 or 5.2% of the total budget and includes travel expenses, conferences and educational classes, utilities, dues, advertising, repairs and maintenance, telephone and data fees, and other miscellaneous fees.

Capital outlay: This category accounts for \$5,563,000 or approximately 35.0% of the total budget and includes vehicles and equipment valued greater than \$5,000, buildings and improvements valued at greater than \$20,000 and infrastructure valued at greater than \$50,000. Recommended capital outlay in the 2022/23 budget includes a new sanitation



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JAMESTOWN
NORTH CAROLINA

truck, bathrooms at Wrenn Miller Park and on the golf course, improvements to buildings, storm water, and crosswalks, as well as other equipment. There is an approximate \$2,900,000 expenditure for the Town's share of the Riverdale Pump Station expansion, which is considered as capital sewer improvements. Various capital expenditures are also accounted for in Capital Project Ordinance funds – which are multi-year funds that exist for the life of the projects. The current Capital Project Ordinance funds that the Town has open are sidewalk projects, and a recreational maintenance facility.

Debt payments (\$298,105), long-term commitments with other governments (\$190,000), reserve for future expenditures, etc. make up the remaining 4.2% of the budget.

This budget is proposed by the Town Manager and the Finance Director. At this time it is not final nor is it necessarily the budget that will be approved by Town Council.

Respectfully submitted,

Matthew Johnson
Town Manager

Judy Gallman
Finance Director

TOWN OF JAMESTOWN
2022/2023
ANNUAL BUDGET - Presented at May Council meeting
SUMMARY OF ALL FUNDS

FUND	DEPARTMENT	Total Revenues and Other Financing Sources	(as adopted)	(as amended to date)	Recommended 2022/2023	Increase / Decrease	%
			2021/2022	2021/2022			
General	All		6,465,436	7,138,861	8,132,304	993,443	13.92%
General Capital Reserve			101,010	101,010	126,040	25,030	24.78%
Water/Sewer			5,492,205	4,216,805	8,492,155	4,275,350	101.39%
Water/Sewer Capital Reserve			420,010	431,610	1,000,000	568,390	131.69%
Randleman Reservoir Capital Reserve			123,000	123,000	118,500	(4,500)	-3.66%
Total Revenues and Other Financing Sources - All Funds			12,601,661	12,011,286	17,868,999	5,857,713	48.77%

FUND	DEPARTMENT	Total Expenditures and Other Financing Uses	(as adopted)	(as amended to date)	Recommended 2022/2023		
			2021/2022	2021/2022			
General	Governing		75,700	142,200	174,300	32,100	22.57%
	Administration		564,050	620,125	779,900	159,775	25.76%
	Planning		405,800	537,600	267,950	(269,650)	-50.16%
	Buildings & Grounds		183,300	183,300	217,100	33,800	18.44%
	Public Safety		535,500	535,500	573,000	37,500	7.00%
	Fire		697,566	710,466	889,954	179,488	25.26%
	Street		293,400	302,149	305,500	3,351	1.11%
	Powell Bill		-	-	300,000	300,000	100.00%
	Sanitation		430,450	430,450	598,200	167,750	38.97%
	Recreation		383,970	439,970	448,000	8,030	1.83%
	Golf Course - Maintenance		931,500	913,920	963,200	49,280	5.39%
	Golf Course - Golf Shop		744,900	745,200	852,900	107,700	14.45%
	Debt Service		247,500	247,500	241,800	(5,700)	-2.30%
	Capital outlay		870,800	759,406	1,394,500	635,094	83.63%
	Transfers		101,000	571,075	126,000	(445,075)	-77.94%
	General Fund Total		6,465,436	7,138,861	8,132,304	993,443	13.92%
General Capital Reserve:							
Reserve for Future Expenditures			24,410	410	-	(410)	-100.00%
Transfers			76,600	100,600	126,040	25,440	25.29%
	General Capital Reserve Fund Total		101,010	101,010	126,040	25,030	24.78%
Water/Sewer:							
Operating / debt service			3,131,705	3,181,205	3,741,555	560,350	17.61%
Capital outlay			1,904,000	567,500	4,168,500	3,601,000	634.54%
Transfers			456,500	468,100	582,100	114,000	24.35%
	Water/Sewer Fund Total		5,492,205	4,216,805	8,492,155	4,275,350	101.39%
Water/Sewer Capital Reserve:							
Reserve for Future Expenditures			-	431,610	-	(431,610)	-100.00%
Transfers			420,010	-	1,000,000	1,000,000	100.00%
			420,010	431,610	1,000,000		
Randleman Reservoir Capital Reserve:							
Transfers			123,000	123,000	118,500	(4,500)	-3.66%
Total Expenditures and Other Financing Uses - All Funds			12,601,661	12,011,286	17,868,999	5,857,713	48.77%

	12,011,286	17,868,999	
Total Transfers between funds	571,075	1,952,640	
	11,440,211	15,916,359	excluding transfers
		4,476,148	increase
		39%	

**TOWN OF JAMESTOWN
BUDGET ORDINANCE
FISCAL YEAR 2022-2023**

BE IT ORDAINED by the Town Council of the Town of Jamestown, NC meeting in session on the 23rd day of June, 2022;

SECTION 1. The following amounts are hereby appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this Town:

Governing Body	\$	174,300
Administration		779,900
Planning		267,950
Buildings and Grounds		557,100
Public Safety		573,000
Fire		889,954
Streets		314,000
Powell Bill		300,000
Sanitation		838,200
Recreation		748,000
Golf Course - Maintenance		1,409,200
Golf Course - Golf Shop		912,900
Debt Service		241,800
Other Financing Uses - Transfer to Gen. Capital Reserve Fund		126,000
Total Appropriations	\$	<u>8,132,304</u>

SECTION 2. It is estimated that the following revenues and other financing sources will be available in the General Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023:

Ad valorem taxes (including tax & tag)	\$	3,060,200
Unrestricted intergovernmental		1,422,400
Restricted intergovernmental		103,000
Services and fees		1,357,811
Investment income		40,000
Miscellaneous		500
Other Financing Sources - Transfer from Gen. Capital Res Fund		75,000
Other Financing Sources - Transfer from ARP Grant Project Fund		1,429,995
Other Financing Sources - Appropriated Fund Balance		643,398
Total Appropriations	\$	<u>8,132,304</u>

SECTION 3. The following amounts are hereby appropriated in the General Capital Reserve Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this Town:

Other Financing Uses - Transfer to Other Funds	\$	126,040
Reserve for Future Expenditures		-
Total Appropriations	\$	<u>126,040</u>

SECTION 4. It is estimated that the following revenues and other financing sources will be available in the General Capital Reserve Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023:

Investment income	\$	40
Other Financing Sources - Transfer from General Fund		126,000
Total Appropriations	\$	<u>126,040</u>

SECTION 5. The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer system for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this Town:

Water and Sewer Utility Operations	\$	7,853,750
Debt Service		56,305
Other Financing Uses - Transfers to W/S Capital Reserve funds		582,100
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Total Appropriations	\$	8,492,155
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SECTION 6. It is estimated that the following revenues and other financing sources will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023:

Charges for Services	\$	3,588,000
Other Operating Revenues		25,000
Nonoperating Revenues		70,000
Other Financing Sources - Transfer from W/S Capital Reserve funds and Appropriated Net Position		4,809,155
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Total Appropriations	\$	8,492,155
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SECTION 7. The following amounts are hereby appropriated in the Water and Sewer Capital Reserve Fund for the accumulation of funds for water and sewer system improvements for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this Town:

Transfer to Other Funds	\$	1,000,000
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Total Appropriations	\$	1,000,000
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SECTION 8. It is estimated that the following revenues and other financing sources will be available in the Water and Sewer Capital Reserve Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023:

Nonoperating Revenues	\$	10
Other Financing Sources - Transfer from Water & Sewer Fund		550,000
Other Financing Sources - Net Position Appropriated		449,990
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Total Appropriations	\$	1,000,000
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SECTION 9. The following amounts are hereby appropriated in the Randleman Reservoir Capital Reserve Fund for payment of debt payments to PTRWA for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this Town:

Other Financing Uses - Transfer to Water & Sewer Fund	\$	118,500
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Total Appropriations	\$	118,500
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SECTION 9. It is estimated that the following revenues and other financing sources will be available in the Randleman Reservoir Capital Reserve Fund for the fiscal year beginning July 1, 2022, and ending June 30, 2023:

Nonoperating Revenues	\$	100
Other Financing Sources - Transfer from Water & Sewer Fund		32,100
Other Financing Sources - Net Position Appropriated		86,300
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Total Appropriations	\$	118,500
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SECTION 10. There is hereby levied a tax at the rate of \$.485 per one hundred dollars (\$100) assessed valuation of taxable property, as listed for taxes as of January 1, 2021, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 2 of this ordinance.

This rate is based on a total estimated valuation of property for purposes of taxation of \$582,937,117 and the Fiscal Year 2020-2021 estimated rate of collection of 99.82%, plus a tax and tag valuation of motor vehicles of \$48,370,412.

The Town taxes will be payable under the same discount rate applicable to Guilford County taxes.

SECTION 11. - Pursuant to authority granted to the Budget Officer by North Carolina General Statute 159-15, the Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He/she may transfer amounts between line item expenditures within a department without limitation and without a report being required. These changes should not result in increases in salaries.
- b. He/she may transfer amounts up to \$25,000 between departments, including contingency appropriations, within the same fund. He/she must make an official report on such transfers at the next regular meeting of the Governing Board.
- c. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

SECTION 12. - The Town Manager, Assistant Town Manager, and Finance Director are hereby authorized to execute contractual documents on behalf of the Town of Jamestown for the purchase of apparatus, supplies, materials, or equipment up to \$89,999.99 upon the condition that they are in compliance with the requirements of Article 8 of Chapter 143 of the North Carolina General Statutes. The Town Manager, Assistant Town Manager, and Finance Director are further authorized to enter into general contracts and agreements on behalf of the Town of Jamestown up to \$50,000.

SECTION 13. - The Town Manager or a designee may make cash advances between funds without the approval of the Town Council. Advances will be reported to the Town Council monthly.

SECTION 14. - Copies of the Ordinance shall be furnished to the Finance Director of the Town of Jamestown, to be kept for direction in the disbursement of the funds.