



VILLAGE OF MISENHEIMER
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June, 2017

FY 2017/2018 BUDGET MEMORANDUM

PROPOSED BUDGETED REVENUE RECAP:

Ad Valorem Taxes	30,000
Unrestricted Intergovernmental Revenues	174,150
Restricted Intergovernmental Revenues	13,265
Sales and Services	265,000
Investment Earnings	1,000
Miscellaneous	2,000
Fund Balance Appropriation	90,000
GRAND TOTAL	\$575,415

PROPOSED BUDGETED EXPENDITURES RECAP:

General Government	158,100
Public Safety/Law Enforcement	337,815
Zoning	3,500
Solid Waste & Recycling	19,000
Cultural & Recreational	4,500
Transportation	52,500
Appropriation to General Fund Balance	0
GRAND TOTAL	\$575,415

2017 Stanly County Property Revaluation-Revenue-Neutral Tax Rate:

The general reappraisal of real property for the Village of Misenheimer and Stanly County was performed in 2017. State law requires that units of local government, including public authorities, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information. The FY 17/18 operating budget follows the general reappraisal of real property for the Village of Misenheimer. The revenue-neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the current year if no reappraisal had occurred. The rate is adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general appraisal performed in 2013. The reappraisal produced a tax base of \$13,100,000 for the Village of Misenheimer. The tax levy for the current fiscal year is \$ 12,600,000 and the growth factor since the last general reappraisal is 1.0 percent. Using the formula mandated by state law, the revenue-neutral tax rate for the Village of Misenheimer is 22 cents. The proposed property tax rate for FY 17/18 is 22 cents, which represents no change from the property tax rate for FY 16/17.

The following Revenue related items are included in the Proposed FY 17/18 Budget:

- The property tax rate will remain at .22 per \$100 of real property for FY 17/18.
- The rate to apportion to the Richfield-Misenheimer Fire Department for fire and rescue will remain at .07 of the total .22 property tax rate proposed for FY 17/18.
- Revenues for FY 17/18 are budgeted based on revenue projections from the North Carolina League of Municipalities and prior year data.
- The Village is eligible to receive NCDOT Powell Bill funds during FY 17/18 as the .15 mile of Colony Apartment Road was acquired by the Village from NCDOT's maintenance responsibilities during FY 11/12.
- Pfeiffer University is renewing the contract for Police services for FY 17/18 at \$265,000 per year.
- The Village will receive annual funding for Alcohol/Beverage Tax.

The following Personnel related items were included in the Proposed FY 17/18 Budget:

- Hourly full-time Misenheimer Police Department salaries will increase 7% for FY 17/18. Salaries must be periodically analyzed and evaluated to maintain market comparability in order to attract and retain qualified personnel.
- The Misenheimer Police Department salary for the Chief of Police will increase 3.5% for FY 17/18. The Village recognizes the Chief's position and records of increased safety and low employee turnover.
- The Administrator/Clerk salary for the Village will increase 21.8% for FY 17/18. The Village recognizes the dual role Administrator/Clerk position as dynamic and intends to compensate based on ability with regard to employee retention.
- The 401(k) plan employer contribution will remain at 5% for employees eligible to participate in the 401(k) plan.
- Health, Dental, Life, & Accidental Death & Dismemberment (AD&D) insurance renews December 1, 2017. The FY 17/18 Budget assumes a 20% increase in health insurance premiums, an 8% increase in dental insurance, and a 5% increase in life insurance premiums upon renewal on December 1, 2017.
- The NC Local Government Employee Retirement System (LGERS) employer contributions will increase for FY 17/18 (LOCG=7.50 % from 7.25% and LOCL-Local LEO=8.25% from 8.0%).
- The Police Chief will continue to perform Zoning Officer and Flood Plain Administrator duties during FY 17/18. A \$1,500.00 stipend will be added to his compensation for FY 17/18.

The following Capital Improvements were included in the Proposed FY 17/18 Budget:

- \$50,000 has been appropriated from fund balance for historic Gladstone restoration to include the ceiling, roof and exterior.
- \$6,000 has been budgeted for Community Building improvements to include vinyl overhang, and a Village Seal for the front of the building.
- \$6,000 has been budgeted for bullet proof vests for the Police Department

The following Expenditures of note were included in the Proposed FY 17/18 Budget:

- \$40,000 has been appropriated for 1/3 of the projected cost to alleviate the Merner Terrace traffic problem in conjunction with Pfeiffer University and Gray Stone each contributing 1/3 of the cost.

A Public Hearing will be held on Monday, June 26, 2017 at 6PM to review and discuss the FY 17/18 Proposed Budget. Following the conclusion of the Public Hearing portion of the meeting, Council will convene for the regularly scheduled monthly Council Meeting to address the approval of the FY 17/18 Budget and other items that may be included on the June 26,2017 Agenda.