



# BUDGET PUBLIC HEARING/COUNCIL MONTHLY MEETING

Tuesday, June 27, 2023, at 6:00 PM  
RUTH TOWN HALL

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## AGENDA

### CALL TO ORDER

### INVOCATION

### ROLL CALL

### AGENDA ADOPTION

### GUEST SPEAKERS

1. All guest speakers MUST have contacted the Town Manager or member of the Board ahead of the meeting and be placed on the agenda with allotted time. Agenda's are created a week in advance.

### COMMUNITY FORUM

2. All participants should sign in giving their address and contact information preferences. Speakers have three minutes each to speak during community forum; not to exceed 10 speakers.

### APPROVAL OF LAST MEETING'S MINUTES

### COMMITTEE REPORTS

#### PUBLIC HEARING

3. Open forum to hear comments regarding the proposed budget 2023-2024. Visitors must be signed in, only have three minutes per. Mayor Guy should ask for a motion to enter the Public Hearing session; likewise a motion to close Public Hearing session once proposed budget is adopted should be received. Amie will be happy to review the documents if necessary. They are attached for ease of view.

#### FINANCIALS

4. All financial reports were circulated and discussed during budget workshop on the 13th of this month so the only report attached is the current, YTD budget vs actual. Also attached is my proposed budget amendment ordinance for the month of June. We need a motion to adjust budget to actual for the year and all line items.

#### AUDIT CONTRACT

5. We need to formally approve and sign off on the audit contract for this closing year.

### NEW BUSINESS

6. No Cost Solutions-I will communicate to the Board what this item is about. In the meantime, a quote and references have been attached to this line item for your perusal.

### OLD BUSINESS

7. Status update for entrance of Shadywoods Lane: the entrance landscaping has already begun this week and should be completed by week's end. As a reminder, this includes pulling all bushes and small trees, removing all mulch, preparing and planting grass seed. I have attached some ideas to this line item that were supplied to the graphic designers and sign installers. A few renderings have been submitted and are attached to this item content. Reminder the creative process is the most long suffering. I liken it to a large funnel, we pour LOTS of ideas in until we are WOWED by what comes out on the other side.

Below is the feedback I provided for rendering version 3

This one is much more on target. I'd like to see this rendering with the following modifications:

The panels/boxes behind the lettering taller, so there's not such an abrupt demarcation between the letters in front and the end of the panels behind.

I'd like to see a rendering including the letters The Town Of Ruth. I realize this might elongate and lengthen the sign, but we want this to be a WOW, smack you in the face, futuristic sign.

I'd like to play with the panel colors; different colors than what's provided here. Perhaps shades of blue etc. Colors that won't take away from the lettering and that will show up well @ night.

8. Per suggestion from the Board as to Mike's interest in leasing property mentioned rather than buying, he's equally as interested to lease. GIS of property in question has been attached to this line item.
9. David was to hopefully procure the size/dimensions and perhaps a quote for a cement pad for the outdoor exercise equipment. Insurance has been cleared.
10. The board was supplied with the quotes and requested time to sit with each and review. Inquiring as to if there is discussion, questions, decisions, etc. Both quotes have been attached here again for refreshing.
11. There was feedback provided via citizens that a yard sale had been conducted @ the McSwain property. Pictures are attached as examples. Regarding Insurance, our insurance company recommends and would require the renter to provide their insurance general liability certificate including Town of Ruth as an additional insured. Our insurance provider communicated after it's more economical for the renter to purchase Special event insurance naming themselves and Town of Ruth as covered for the event for the day. The insurance company also said it's good (not required) to have a lawyer draw up a contract covering the legality of the circumstances. He believed our legal rental contract might suffice.

## **ADJOURNMENT**

*In accordance with the Americans with Disabilities Act, persons who need accommodation to attend or participate in this meeting should contact Town Hall at (828) 287-7943 within 48 hours prior to the meeting to request such assistance.*

## Budget Message information

Item 3.

While we do not have a crystal ball, we are watching the market closely and are operating in the best interest of our community and its citizens. We have been awarded by the Federal Government funding to aid in replacement revenue. We are working faithfully to adhere to the guidelines while considering the best ways to obligate these funds. Cities and towns have been spotlighted as the economic engines of the state; I believe now we are the turbo fuel injected devices cultivating and authoring a new way to balance work, play, and an optimal, overall sense of value and peacefulness to its inhabitants. There remains a need to be creative, courageous, innovative, and resourceful in seeking additional revenue pursuits. We continue striving to cultivate revenue streams. We are delighted the Federal Grant allocations are here and will support our efforts to improve the Town's position. Therefore, in preparing and planning for revenues in this proposed budget, the following are conditions I have included in my calculations:

1. **Maintain collection rate of 96%-This is an outstanding collection rate and the 4% uncollected often is collected in the next fiscal period.**
2. **Maintain awareness of the absence of collection from seized property-Decrease in collection of residential property purchased by the state and now exempt from collections.**
3. **Commercial businesses removed by the new highway project we are optimistic will be replaced by new, more thriving business, although not realized yet.**
4. **Increase of Sales & Use, Franchise Utility, & Solid Waste tax distributions-I have not found any reasonable way to estimate these increases. We already know these distributions are "elastic" ones or "flex" revenue. Although this is hypothetical, I feel a prudent calculation is to maintain based on previous year performances.**
5. **Slight increase in interest on investments. There is no good way to estimate this rise and fall in yield. Therefore, you will begin to see the pattern of maintaining in hopes of erring on the side of realizing increased profitability.**
6. **Currently, I am recommending our tax rate remain unchanged. This would keep our tax rate at \$.31 per \$100.00 valuation.**

In preparing and planning for expenditures in this proposed budget, the following are conditions I have included in my calculations:

7. **As usual, we are always chasing regarding waste endeavors. There are many layers we must include in this calculation. Our CPI increase from Republic has increased beyond the CPI rate as they are adding in a 30% inflation rate for materials, fuel, etc. This equates to an increase of \$3,548.16 for the year. The feedback from RCSW reflects an increase of \$5.00 per ton from \$69.00 per ton to \$74.00. I have gathered our current fiscal year to date tonnage which is 127 tons; given the ytd budget vs actual tracking on point with two months billing yet to post, collectively approximated at \$1600.00, we will need to increase our budget by \$198.00 to account for this increase. It continues to be CLEAR we made the right decision to remove recycling from our services. MANY other LARGE towns and cities have followed suit. The problem of reconciling GDS cans in circulation with the tax bills continues to elude us and I dare say always will. I would not recommend reducing our per unit fee as will continue to absorb over \$7,500.00 going forward. It's noteworthy we certainly do not have any in our coffers for these restricted expenditures. It is noteworthy to remember, waste should be a self-sustaining operation, especially for a town of our size and means.**

Given all the information at our disposal at this time, based largely on current year activity/history, feedback/interaction with the board, proposed increases, tax value changes, change in management of duties, or submitted requests, I am recommending the following budget values:

Administration	\$ 124,767.12
Capital Outlay	\$ 26,500.00
Fire Department	\$ 49,700.00
Street Department	\$ 17,150.00
Sanitation Department	\$ 29,726.00
<b>Total Appropriations</b>	<b>\$ 247,843.12</b>

Current year's real property taxes	\$129,060.16
Current year's motor vehicle taxes	\$ 9,527.05
Powell Bill funds	\$ 13,284.00
Franchise taxes	\$ 11,050.00
Interest on investments	\$ 2,443.00
Solid Waste Disposal Tax	\$ 210.00
Sales & Use Tax	\$ 40,800.00
Landfill Taxes	\$ 22,000.00
Appropriated Fund Balance	\$ 19,468.91
<b>Total estimated revenues</b>	<b>\$247,843.12</b>

The only budget request given was a consideration for new Christmas decorations and features.

Naturally, given all the data I have highlighted, there are changes in fiscal policy for aggressively seeking revenue streams and development of the Town and its staff so growth may be fostered in all ways. In some cases, you must spend money to create revenue flows. The approach of the board is to be resourceful and open-minded in pursuing alternative sources of revenue. This includes grants and aid, however, is not limited to these temporary solutions. Financially the board wishes to continue its conservative perspective and guard expenditures closely.

While we are chasing our Pole Star of revenue, the new highway is an opportunity for us. It is an economic factor which will affect our upcoming budgets. We are hoping to enlist the assistance of those who can support us in capitalizing on this event and make it work in our favor. We believe Public Private Partnerships are the best path forward.

[G.S. 159-11(b)]

**Budget Ordinance for the Town of Ruth 2023-2024**

**BE IT ORDAINED** by the Governing Board of the Town of Ruth, North Carolina:

**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, 2023, and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this Town:

<b>Administration</b>	<b>\$ 124,767.12</b>
<b>Capital Outlay</b>	<b>\$ 26,500.00</b>
<b>Fire Department</b>	<b>\$ 49,700.00</b>
<b>Street Department</b>	<b>\$ 17,150.00</b>
<b>Sanitation Department</b>	<b>\$ 29,726.00</b>
<b>Total Appropriations</b>	<b>\$ 247,843.12</b>

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

<b>Current year's real property taxes</b>	<b>\$129,060.16</b>
<b>Current year's motor vehicle taxes</b>	<b>\$ 9,527.05</b>
<b>Powell Bill funds</b>	<b>\$ 13,284.00</b>
<b>Franchise taxes</b>	<b>\$ 11,050.00</b>
<b>Interest on investments</b>	<b>\$ 2,443.00</b>
<b>Solid Waste Disposal Tax</b>	<b>\$ 210.00</b>
<b>Sales &amp; Use Tax</b>	<b>\$ 40,800.00</b>
<b>Landfill Taxes</b>	<b>\$ 22,000.00</b>
<b>Appropriated Fund Balance</b>	<b>\$ 19,468.91</b>
<b>Total estimated revenues</b>	<b>\$247,843.12</b>

**Section 3:** There is hereby levied a tax at the rate of thirty-one cents (\$0.31) per one hundred dollars (\$100) valuation of property as listed for taxes as of June 13, 2022, for the purpose of raising the revenue listed "Current Year's Property Taxes" in the General Fund in Section 2 of this ordinance.

This rate is based on a total valuation of property for the purposes of taxation of \$44,705,551 and an estimated rate of collection of 96.0%.

**Section 4:** The City Mayor or a designee is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. Transfers between line-item expenditures within a department without limitation and without a report being required. These changes must not result in increases in recurring obligations such as salaries.
- b. Transfers up to \$1,000 between departments, including contingency appropriations, within the same fund. The budget officer must make an official report on such transfers at the next regular meeting of the Governing Board.

**c. All transfer between funds requires prior approval by the Governing Board in an amendment to the Budget Ordinance.**

*Item 3.*

**Section 5: The City Mayor or a designate may make cash advances between funds for periods not to exceed 60 days without reporting to the Governing Board. Any advances that extend beyond 60 days must be approved by the Board. All advances that will be outstanding at the end of the fiscal year must be approved by the Board.**

**Section 6: Copies of this Budget Ordinance shall be furnished to the Clerk to the Governing Board and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.**

**Adopted this 27th day of June 2022.**

### TOWN OF RUTH PROPOSED BUDGET 2023-2024

**REVENUE:**

1030100 CURRENT TAXES	\$129,060.16
1032900 INTEREST ON INVESTMENTS	\$2,400.00
1032901 INTEREST ON POWELL BILL	\$43.00
1033600 PERSONAL AUTO TAX	\$9,527.05
1034300 POWELL BILL ALLOCATION/* <u>RESTRICTED</u>	\$13,284.00
1036702 SALES & USE TAX	\$40,800.00
1036703 NC FRANCHISE TAX	\$11,050.00
1036704 SOLID WASTE DISPOSAL TAX	\$210.00
1039900 APPROPRIATED FUND BALANCE/** <u>RESERVES</u>	\$19,468.91
1039901 LANDFILL FEE/* <u>RESTRICTED</u>	\$22,000.00
<b>Total Revenue</b>	<b>\$247,843.12</b>

**EXPENSE:****ADMINISTRATION:**

1040900 NC SALES TAX	\$2,400.00
1040901 SALES TAX OTHER	\$250.00
1040902 SHIPPING AND HANDLING	\$250.00
1041000 SALARY OF MAYOR	\$775.08
1041001 COMMISSIONERS	\$1,292.00
1041002 TAX COLLECTION & CLERK EXPENSE	\$23,600.04
1041003 LEGAL SERVICES	\$5,000.00
1041004 PROFESSIONAL SERVICES	\$11,000.00
1041010 ELECTION EXPENSE	\$2,500.00
1041011 TOWN EDUCATION EXPENSE	\$500.00
1041013 UTILITIES/ CITY HALL – MALL	\$3,000.00
1041015 MAINTENANCE & REPAIR BUILDING & GROUNDS	\$8,500.00
1041016 MAINTENANCE & REPAIR EQUIPMENT	\$8,500.00
1041026 ADVERTISING	\$500.00
1041033 DEPARTMENTAL SUPPLIES & EXPENSE	\$1,500.00
1041053 DUES & SUBSCRIPTIONS	\$19,500.00
1041054 INSURANCE & BONDS	\$4,000.00
1041058 CHRISTMAS LIGHT EXPENSE	\$30,000.00
1041059 DOWNTOWN BEAUTIFICATION	\$200.00
1041060 TOWN HALL FURNISHINGS	\$500.00
1041070 TOWN GROUNDS	\$1,000.00
	<b>\$124,767.12</b>

**CAPITAL OUTLAY:**

1051071 CAPITAL OUTLAY LAND	\$0.00
1051072 CAPITAL OUTLAY BUILDING	\$0.00
1051073 CAPITAL OUTLAY OTHER IMPROVEMENTS/SIGNAGE	\$25,000.00
1051074 CAPITAL OUTLAY OTHER EQUIPMENT	\$0.00
1051076 CAPITAL OUTLAY TECHNOLOGY	\$1,500.00
	<b>\$26,500.00</b>

**FIRE DEPARTMENT:**

1053045 CONTRACTED SERVICES	\$49,200.00
1053046 TREE REMOVAL	\$500.00
	<b>\$49,700.00</b>



**STREET DEPARTMENT:**

1056013 UTILITIES-STREET LIGHT	\$7,500.00
1056014 UTILITIES-SIGNAL LIGHT	\$50.00
1056015 MAINTENANCE – EXISTING STREETS	\$5,000.00
1056016 SNOW & ICE REMOVAL	\$2,000.00
1056018 DRAINAGE AND STORM SEWER	\$0.00
1056019 CURB AND GUTTER	\$0.00
1056020 BIKEWAYS	\$1,500.00
1056021 SIDEWALKS	\$0.00
1056022 GREENWAYS	\$500.00
1056025 TOWN HALL MOWING AND BEAUTIFICATION	\$600.00
	<b>\$17,150.00</b>

**SANITATION DEPARTMENT:**

1058045 GARBAGE CONTRACTED SERVICES	\$20,328.00
1058046 LANDFILL FEES	\$9,398.00
	<b>\$29,726.00</b>

**Total Expense** **\$247,843.12**