

ORDINANCE #94-20:

**AN ORDINANCE APPROPRIATING FUNDS FOR OPERATING EXPENSES
FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA**

BE IT ORDAINED AND ESTABLISHED by the Village Council of the Village of Pinehurst, North Carolina, in a Regular Meeting assembled this 21st day of June, 1994, as follows:

SECTION I. That the document identified as the Village of Pinehurst 1994-1995 Budget, attached hereto, is made a part hereof by this reference and hereby adopted as the Municipal Budget and made applicable for the period covered by this Ordinance.

SECTION II. There is hereby appropriated for operating expenses of the Village Government and its activities for the Fiscal Year beginning July 1, 1994 and ending June 30, 1995, the total sum of **Four million two hundred ninety-five thousand six hundred twenty-one dollars**, the same to be allocated as set forth in Section III hereof, or as much thereof as may be necessary to defray the expenses and activities of the several departments of government.

SECTION III. That for the Fiscal Year beginning July 1, 1994 and ending June 30, 1995 the sum of **Four million two hundred ninety-five thousand six hundred twenty-one dollars** appropriated in **SECTION II** is allocated and appropriated to the several departments of government as follows:

APPROPRIATIONS:

<u>DEPARTMENT</u>	<u>GENERAL FUND</u>
Governing Body	\$ 227,251
Administration	406,869
Police Department	916,975
Fire Department	962,022
Planning & Building Insp.	297,577
Central Maintenance	-0-
Public Works Supervision	74,779
Streets & Grounds Division	536,764
Powell Bill	324,200
Sanitation Division	448,182
Parks & Recreation	29,710
Non-Departmental	71,292
TOTAL	\$ 4,295,621

SECTION IV. That for the Fiscal Year beginning July 1, 1994 and ending June 30, 1995, revenues are anticipated as follows:

REVENUES:

Tax Revenue (Own Source)	\$ 1,926,672
Intergovernmental Revenues	1,625,200
Fees & Service Charges	506,975
Other Revenues	102,000
Appropriations	134,774
TOTAL	\$ 4,295,621 =====

SECTION V. That the Budget for the Enterprise Fund as set forth in Section V of the document identified as the Village of Pinehurst 1994-1995 Budget is hereby adopted and made effective for the period beginning July 1, 1994 and ending June 30, 1995.

SECTION VI. That in order to raise the revenue required to meet the expenses of the Village Government and its activities as provided in the Appropriations in Section II for the Fiscal Year beginning July 1, 1994 and ending June 30, 1995 there is hereby levied the tax rate of twenty-three cents (\$.23) on each One Hundred Dollars (\$100.00) assessed valuation of taxable property as listed for taxes on January 1, 1994.

SECTION VII. That in order to raise revenue necessary for the purposes associated with the Special Revenue Fund, there is hereby levied on each One Hundred Dollars (\$100.00) assessed valuation the tax rate of three cents (\$.03).

SECTION VIII. That the discount rate for payment of Village taxes shall be two percent (2%) from billing as of July 1, 1994 through August 31, 1994.

SECTION IX. That the attached schedule of fees for the Village of Pinehurst Inspections Department is hereby adopted effective July 15, 1994, said said schedule attached hereto (exhibit A) and made a part hereof, the same as if included verbatim.

SECTION X. That this Ordinance shall be and the same is hereby effective for the period beginning July 1, 1994 and ending June 30, 1995.

THIS ORDINANCE is passed and adopted this 21st day of June, 1994.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

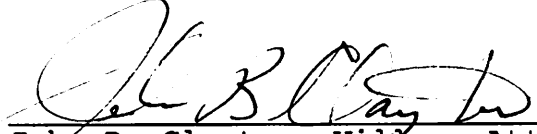
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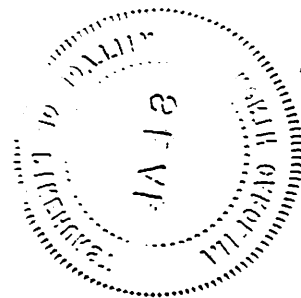
By:


Charles L. Mangers, Mayor


Mary H. McGraw, Village Clerk

Approved as to form:


John B. Clayton, Village Attorney



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M E M O R A N D U M

To : Mayor & Village Council
From: Village Manager *Hand*
Date: May 12, 1994
Re : First Draft of 1994-1995 Municipal Budget

Enclosed is a first draft of the proposed 1994-1995 Municipal Budget for the Village of Pinehurst. My budget message will be presented after we have had a few work sessions to form the proposed budget into the shape the Council desires.

I propose keeping our current operating budget tax rate of 23 cents. Pinehurst's appraised property valuation is now \$791,828,400. The appraised valuation of Pinehurst's Fire District is now \$124,000,000.

The assessed property valuation used in the proposed budget does include an estimated public utilities valuation. This valuation is assigned by the State of North Carolina in September. The public utilities valuation represents the assessed value of property owned by Aberdeen Carolina & Western R.R. Co., CP&L, CT&T, and Dixie Pipeline Company, located in the corporate limits of the Village of Pinehurst.

Revenue estimates for the proposed budget are shown in detail on pages 5 through 9.

Page 11 details the revenue projected from ad valorem property taxes, and the proposed budgets' projected effect on the fund balance of the General Fund is shown on page 12. The projected fund balance for the General Fund as of June 30, 1994 is \$ 1,502,363.00, 35% of the proposed budget.

Analyses and bases for revenue projections can be found on pages 13 through 15.

Page 16 shows a summary of expenditures by department. An analysis of certain types of expenditures is found on pages 17 and 18.

Pages 19 through 48 give a detailed description of the recommended expenditures for each department. Page 49 again

recaps all departments expenditures.

Notes accompanying the expenditure pages for individual departments help interpret the purpose for certain line items.

Pages 50 through 54 show estimated fund balances for the Powell Bill fund, Special Revenue fund, Capital Project fund, and Capital Reserve fund as of June 30, 1994, proposed expenditures for each fund for FY 1994/1995, and projected fund balances for each fund as of June 30, 1995.

The budget for the Enterprise Fund is found on pages 55 through 58.

On page 59 can be found the estimated fund balance for the Residential Assurance fund as of June 30, 1994, along with proposed revenues and expenditures for the fund for FY 1994/1995, and the projected fund balance as of June 30, 1995.

A schedule of the Village's long term debt can be found on page 60. The five-year Capital Improvement Plan begins on page 61. The inaugural budget for the Municipal Service District (Ponds) begins on page 64.

In the folder included with your budget notebook are several documents it is hoped will assist you in studying the budget. They are:

- 1) Sources of revenue report; gives important information about each source of revenue the Village receives. As you are aware, the General Assembly has taken away the growth factor of a number of revenue sources.
- 2) A proposed pay scale for 1994/1995.
- 3) A document showing which positions are allocated to certain salary grades.
- 4) A roster of all current Village employees along with current salaries of all employees.
- 5) Pertinent pages from the most recent survey by the NCLM of the salaries paid by towns with populations between 5,000 and 10,000 people. This is the basis of my recommendations regarding a good number of salary grade changes for Village employees whose salary is not competitive with salaries paid by towns with populations similar to that of Pinehurst.
- 6) Graphs showing pertinent, historical fiscal information regarding the Village such as tax rates, fund balances, valuation growth, and receipts and expenditures.

No cost of living or across the board raises are proposed.

Several significant changes are proposed for the pay and classification system of the Village. The proposed new pay scale has higher starting pay (the first four steps of the old scale have been deleted, and four new steps have been added to the end, the old pay scale was last amended in July, 1991), the percentage increases for half steps are now 3% versus the old 2 1/2%, and the percentage increases for full steps are now 6% rather than the old 5%, and as I mentioned above, a number of Village positions are recommended for reassignment to new salary grades to remain competitive with the pay offered by similar communities. Also this year, I am recommending that the Village begin contributing 2 1/2% of all non-law enforcement employee's salary into each employee's 401 (k) account. In the next fiscal year, I recommend that the Village up that contribution to 5% of each non-law enforcement employee's salary. To offset those payments, I am recommending that this upcoming fiscal year, and the next, 1995/1996, merit increases for employees be limited to a maximum of 3% (half-steps). The 401 (k) contributions for all employees are a very common benefit provided by municipalities for all of their employees. Most started providing the benefit in 1985 when the North Carolina General Assembly made all towns and counties begin contributing to a law enforcement employee's 401 (k). Because of the inherent unfairness of this mandate to municipalities that a certain class of employees receive higher benefits than other employees, many towns decided to provide the benefit to all employees. Pinehurst did not elect to provide the benefit to all employees in 1985, but since then has contributed annually 5% of each law enforcement officer's salary to his 401 (k) account. Not only is making this benefit available for all employees an attractive benefit in and of itself, it corrects an inequity regarding benefits provided to Village employees.

\$56,706 (3%) of proposed payroll is set aside for merit-based salary increases upon the annual evaluation of each Village employee. \$ 35,960 is included in the proposed payroll of the proposed budget for the purpose of paying part-time, temporary help in addition to the salary of the Administrative Intern.

For your information, the following is a list of items (equipment, land, vehicles or additional employees) requested by each department head but not recommended for funding, and not included in the proposed budget:

Police Department - \$1,000.00 requested for unspecified Capital Outlay, Buildings and Grounds.

Fire Department - Secretary \$ 15,029.

Streets & Grounds - Radios for trucks, \$2,470.

Enterprise Fund - Vinyl siding for three barns \$21,000.00, additional water truck \$10,000.00, bleachers \$5,500.00.

The dollar value of unfunded, unrecommended requests is \$55,000.00, which is comparable to the revenue generated by seven-tenths of one cent of the Village's tax rate.

I recommend we review the budget as follows:

May 16, 1994 Work Session - general, initial discussion, requests for additional information, revenues.

May 23, 1994 Work Session - Personnel, Administration, Zoning and Inspections, Governing Body.

June 1, 1994 Work Session - Public Safety Departments, Public Works, Streets, Sanitation, Central Maintenance.

June 6, 1994 Work Session - Parks and Recreation, Non-Departmental, Enterprise Fund.

June 13, 1994 Work Session - Special Revenue Fund, Municipal Service District, Capital Project Fund, Capital Reserve Fund, Residential Assurance Fund, Recap prior to Public Hearing.

June 20, 1994 Regular Meeting - Public Hearing.

June 27, 1994 Special Session - Adopt.

I think you will find that the proposed budget is somewhat more aggressive in its spending than in previous years, yet it is responsible in the manner in which it addresses the needs of our fast growing community, which encompass both the opportunities and the concerns of growth. In formulating the budget, and planning for the next fiscal year, my goals included:

1. Providing for the means to improve areas in the Village which, though not blighted, are below our community's standard.
2. To continue to develop opportunities for our growing young population,
3. To provide for the means by which the Village can continue to promote good development and growth in and around the Village.
4. To apply Village services equally throughout the Village.
5. To provide equally Village services in newly annexed areas.

6. To attract and retain quality Village employees.

I realize that a number of you are new to the Village's budget process, and I am quite happy to spend additional time with you, individually or as a group, to help you understand the process, or to answer any questions or concerns you may have.

Please feel free to contact me with any comments, questions or suggestions you may have, or if there is any additional information I can provide.

AMW:mm