



ANNUAL BUDGET
FOR FISCAL YEAR
JULY 1, 2022 – JUNE 30, 2023



TOWN COUNCIL

Earnell Brown, Mayor

Ashley Hodges, Mayor Pro Tempore

Jerry Mimlitsch, Councilman

Connie Brothers, Councilwoman

Sandra Anderson, Councilwoman

Janice McKenzie Cole, Interim Town Manager
(Budget Officer)

Gina Durante, Town Clerk

Benjamin Gallop, Town Attorney

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Town History

The Town of Hertford was established in 1758 and is North Carolina's seventh oldest town. It is the county seat of Perquimans County and is located on the beautiful Perquimans River. Hertford is home to a year-round population of approximately 2,200 citizens. The Town operates as a Council-Manager form of government. The Manager is responsible for the day-to-day operations of the Town and supervises the employees of the Town. The Town Council is made up of four Council members and a Mayor and they are responsible for creating the policies of the Town.



Mission Statement

To grow Hertford into a first-class community to live, work, play, and visit through an increased economic opportunity for residents and businesses, improved housing, more accessible youth programs, and more affordable cost of living.

The Budget Process

In accordance with the Local Government Budget and Fiscal Control Act (LGBFCA), the budget document for the fiscal year ending June 30, 2023, meets the balanced budget and inclusiveness requirements. The inclusiveness requirement means the Town may only spend sums of money that have been budgeted [G.S.159-8(a)]. The balanced budget requirement means that any budget ordinance, project ordinance, financial plan, or internal service fund must balance. General Statute 159-8(a) defines a balanced budget as when "the sum of estimated net revenues and appropriated fund balances is equal to the appropriations." A final legal limit on this budget document is G.S. 159-15, addressing a local government's ability to set a property tax levy and the regulations regarding that levy. Whether this budget is used primarily as a planning vehicle or as a means of reaching political agreement about budgetary policies, this document adheres to the three legal limits listed above and follows a process provided by the LGBFCA. There are three general stages of budget preparation and enactment including (1) departmental formation of expenditure requests and revenue estimates, (2) preparation of a recommended budget document by the budget officer, and (3) review and enactment of the annual budget ordinance by the respective governing body.

At the start of the budgeting process, it is common for the budget officer to produce a budget calendar, detailing the dates by which each stage in the annual budget process is to be completed. The LGBFCA requires mandatory dates at which certain processes must be completed [G.S. 159-10 to 13]. Departmental requests must be submitted to the budget officer. A recommended budget must be given to the governing body no later than June 1st, and the governing body must enact the budget ordinance at the start of the fiscal year, July 1st.

Upon submission of the annual budget document, the governing body must schedule a public hearing, detailing that a budget has been submitted and that copies are available for public inspection [G.S. 159-12(b)]. This notice will provide the time, date, and place of the budget hearing. The Town of Hertford strives to provide ample time between notice and the hearing date to provide the public an opportunity to attend the hearing. These strong public participation practices will improve the Town's responsiveness and accountability. Several legal provisions apply to the governing body review and adoption of the Budget Ordinance. First, ten days must elapse between submission of the budget and adoption of the Budget Ordinance [G.S. 159-13(a)]. Also, the governing body may conduct its review in both special and regular meetings. Open meetings laws (see G.S. 143-318.12) apply to the aforementioned situations, each board member must be notified of said meetings, and only budget matter may be discussed during said meetings (G.S. 159-17). There is no provision allowing for closed sessions for the local budget process. Another process in budget preparation and enactment is amending the budget.

A budget may need to be amended because revenue forecasts are developed months in advance of the fiscal year, these revenue collections may deviate, and expenditures and emergencies may arise requiring extra funding. A policy should specify the exact

circumstances under which the legislative body may amend the budget. Most budget amendments follow the same deliberative process: The Manager first proposes a package of amendments and the full Council then considers and acts upon the proposal. Finally, the budget is enacted upon official adoption of the Budget Ordinance, not later than July 1st. If the budget is not adopted, then G.S. 159-16 requires that an interim budget be adopted. The purpose of an interim budget is to ensure normal operations continue without any changes in program funding. Upon adoption of the Budget Ordinance, G.S. 159-13(d) requires the budget be entered into governing body's minutes within five days of adoption.

EARNELL BROWN
MAYOR

JANICE MCKENZIE COLE
INTERIM TOWN MANAGER

GINA M. DURANTE
TOWN CLERK

BENJAMIN M. GALLOP
TOWN ATTORNEY



COMMISSIONERS:

ASHLEY HODGES
MAYOR PRO TEM

JERRY MIMLITSCH

CONNIE BROTHERS

SANDRA ANDERSON

BUDGET MESSAGE

Madam Mayor, Mr. Mayor Pro Tem and Council Members:

I am here to present to you the proposed Operating Budget for Fiscal Year (FY) 2022-2023 for the Town of Hertford, North Carolina. This budget was not created in a vacuum, but rather every effort was made to adhere to the Town's strategic plan for FY 2022-2023 that was developed during the one and a half day retreat that you held in February of this year and officially adopted on May 9, 2022. The financial plan set forth herein in a fiscally responsible and balanced manner reflects not only your goals and priorities, but your values as well. This budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act.

A highlight of this budget is equity in billing. As you know, by law, the budget ordinance is separated into the general fund and enterprise funds for utilities and public works. In our case we have the general fund, an electric enterprise fund and a fund for water and wastewater combined. Each fund should support itself. In other words, the rate charged for electricity must be sufficient to support the electric operations in the Town. Likewise, the rates charged for water and sewer must be sufficient to support those public works operations. And similarly, the revenue from the property tax rate and various other monies received by the Town should be enough to fund the operations of the Town. Those other revenues would include a portion of sales taxes that we receive, beer and wine taxes, profit from the ABC store, and so on. But you have little control over those sums. What you have control over is the revenue obtained from property taxes because you set the tax rate.

A review of the past Town of Hertford budgets reveals that in prior years the Town has transferred money from the electric fund to the general fund to support the operations of the Town. If there is excess money in this fund that can be transferred out to the general fund then it means that the electric rate that we are charging our residents is higher than it needs to be to support the electric department operations and maintenance. Now there is nothing illegal about this practice. The courts have upheld it, but just because it is legal does not mean that it is equitable. Thus, this budget proposes a cut in the electric rate.

Town of Hertford • P.O. Box 32 • 114 West Grubb • Hertford, North Carolina 27944
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This reduction in the electric rate is consistent with the value that you have listed in the Strategic Plan, "we must maintain the public trust by speaking truth, being transparent,, and listening always." And during that retreat, you impressed upon me that overcharging for electricity was a practice of grave concern for you. We are not speaking truth if we impose a higher than necessary rate on our residents causing them to carry a burden that should be elsewhere. Thus this budget ordinance proposes to cut the electric rate from 12.17¢ per kWh to 11.17¢ per kWh. That will then put Hertford's electric rate more in line with what is charged in Elizabeth City and Edenton and less than what is charged by Albemarle Electric. The residents who live in public housing or rent their homes and use the average amount of electricity each month (1000kWh) should realize about a 10% reduction in their electric bill or about a savings of \$120 a year. And even with that you will see that the electric fund revenue does not suffer a decrease because we did not underestimate the amount anticipated to be collected, but rather based in on the actual collections to date and used those to project the collection rate for the remaining months. This reduction in the rate is consistent with our mission statement that says in part "Grow Hertford into a first-class community...while maintaining an affordable cost of living."

If we are no longer going to use the electric fund to subsidize the Town's general operations then we must make up that difference. What you control, as I stated earlier is the property tax rate. So this budget proposes an increase in the property tax rate from 55.5¢ per \$100 to 65¢ per \$100. For a resident whose home is worth the median property value for the Town of Hertford, which is \$132,400, the rise in their annual property tax payment will be offset by their monthly savings in their electric bill. It will have a costlier impact on those whose homes are of higher value and energy efficient, but this is an equitable solution.

There is no proposed increase in our water and sewer fees. However, an increase for the high users that you enacted last year has not yet been implemented due to the limitation of the software that the Town uses. That has been ironed out and will be implemented this July 1st. However, again, that is not a new increase, in fact, the high user got a one-year reprieve

This current fiscal year we have increased our general fund balance by earmarking the profit from the sale of Town property to the fund balance. We suggest that 75% of any future profits from the sale of Town property be similarly applied to the fund balance. The aggressive approach to inventorying town property, developing and disposing of it will further this objective and allow our fund balance to grow.

The strategic goal that you identified for a community appearance of which our residents can be proud is reflected in the increase of appropriated funds for the Street Department and the Planning Department. These increases will allow us to do more to improve our roadways and act on the vacant, abandoned and neglected houses.

This budget has a substantial increase in capital outlay and capital improvements in our wastewater treatment over what was budgeted last year and in the maintenance and repair of our wastewater collection and wastewater treatment operations. We take every opportunity to apply for grants that will enable us to study the problems in our infrastructure system and repair it.

The Town is aggressively seeking grants to further the strategic goal and the plan for an attractive historic waterfront community for tourist and citizens. And finally, built into this budget is a 3% cost of living raise for the Town employees so that we can continue to recruit and retain the talent we need to move Hertford forward.

So to reiterate, the highlights of this proposed budget are

1. A decrease in the electric rate from 12.17¢ per kWh to 11.17¢ per kWh
2. An increase in the property tax rate from 55.5¢ per \$100 to 65¢ per \$100
3. The implementation of the increased rate for water/sewer for high volume users that was delayed for one year.
4. Concentration on the appearance of our Town both above and under the ground.

Respectfully submitted,


Janice McKenzie Cole,
Interim Town Manager



FY 2022-2023 Budget
Department's Line-Item Budgets

GENERAL FUND		
Revenues	FY '21-'22	FY '22-'23
103000.0000 Appropriated Fund Balance		
103010.0000 Ad-Valorem Taxes (\$.65 new tax rate)	\$688,162.00	740,180.00
103010.0000 Prior Year Taxes (2012 - 2022 Taxes)	\$25,000.00	35,000.00
103090.0000 Housing Authority	\$3,000.00	3,000.00
103170.0000 Tax Penalty & Interest	\$10,000.00	5,000.00
103190.0000 Town Tags	\$25,000.00	25,000.00
103250.0000 Business Registration	\$2,300.00	2,500.00
103290.0000 Interest on Investments	\$500.00	5,000.00
103350.0000 DMV Misc. Revenue	\$12,000.00	12,000.00
103370.0000 Utility Franchise Tax (Nat. Gas, Elec. and Telecom)	\$99,000.00	100,000.00
103380.0000 Solid Waste Disposal Tax	\$1,620.00	1,600.00
103410.0000 Beer & Wine Tax	\$9,500.00	8,500.00
103430.0000 Powell Bill	\$55,000.00	65,000.00
103450.0000 Local Option Sales Tax	\$571,919.00	639,000.00
103460.0000 DMV Commission Fees	\$73,000.00	50,000.00
103470.0000 ABC Store Net Profits	\$73,144.00	50,000.00
103500.0100 County Fire Protection	\$75,000.00	80,000.00
103510.0000 Police Misc Revenue		
103610.0000 Cemetery Revenue	\$5,000.00	18,000.00
103810.0000 Mics. Revenue	\$67,516.00	20,000.00
.0101 Fireman's Relief Fund Payment from State(\$4,000)		
.0102 From SEI for Firemen Life Ins. (\$3,516)		
.0103 Zoning Fees (\$3,000)		1,500.00
.1004 EAP Grant (\$1,000)		0.00
.0105 Wellness Grant (\$2,000)		0.00
.0106 Fee Schedule (5,000)		1,300.00
.0107 Misc. Revenue		0.00
103830.0100 Solid Waste Collection Fee	\$143,136.00	143,000.00
103970.3000 Contrib. From Water & Sewer		
103970.3100 Contrib. From Elec. Fund		
103990.0300 Vol. Fire Dept. Grants	\$26,000.00	30,000.00
.0301 Dept. of Insurance (Town Match)		
.0302 FEMA Grant		
103990.0700 Internal Service Reimb. (Admin Chg.)		0.00
103990.0800 Elec. System Payment in Lieu of Taxes	\$9,855.00	
103990.0900 Elec. System Operating Transfer (3% of fixed asse	\$84,000.00	0.00
103990.1400 Fund Balance Appropriated		
105100.1100 Police Operating Fund		
TOTAL GENERAL FUND REVENUE	\$2,064,652.00	2,045,580.00
EXPENDITURES		
10.4200 ADMINISTRATION	\$	511,671.00
10.5100 LAW ENFORCEMENT	\$	350,000.00
10.5300 FIRE	\$	161,262.00
10.5600 STREET	\$	597,433.00
10.5800 SANITATION	\$	143,000.00
10.5900 SUPPORT	\$	-
10.6600 NON-DEPARTMENTAL	\$	6,000.00
10.7100 NC DMV	\$	33,585.00
10.6400 CEMETERY	\$	50,000.00
10.8600 PLANNING/MAIN STREET	\$	192,629.00
TOTAL GENERAL FUND EXPENDITURES	\$	2,045,580.00
Surplus or Deficit		\$0.00

ADMINISTRATION 10.4200 (&10.4100)

Dept. 10.4200	Object Expense Account	BUDGET	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
104200.0200	Salaries (employees)	\$ 188,868.00	\$ 173,891.94	\$ 179,109.00	
	Salaries (elected officials)		\$ 31,200.00	\$ 31,200.00	
104200.0400	Professional Services	\$ 62,000.00	\$ 100,000.00	\$ 100,000.00	
104200.0500	FICA & 401K	\$ 17,525.00	\$ 21,949.81	\$ 22,608.00	
104200.0600	Insurance	\$ 74,372.00	\$ 27,841.30	\$ 27,841.00	
104200.0700	Retirement	\$ 17,177.00	\$ 19,217.94	\$ 19,218.00	
104200.0900	Travel & Training	\$ 18,000.00	\$ 12,000.00	\$ 12,000.00	
104200-1000	Election Expenses		-	-	
104200.1100	Operating Expenses	\$ 25,000.00	\$ 50,000.00	\$ 50,000.00	
104200.1300	Utilities/Electricity	\$ 9,500.00	\$ 7,000.00	\$ 7,000.00	
104200.1500	Maintenance & Repair	\$ 2,000.00	\$ 5,000.00	\$ 5,000.00	
104200.1600	Maintenance- Bldg. & Parks	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
104200.1700	Maintenance - Vehicle	\$ 1,000.00	\$ 1,200.00	\$ 1,200.00	
104200.2000	Tax Collection	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	
104200.2600	Advertising	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00	
104200.3300	Materials & Supplies	\$ 7,500.00	\$ 5,000.00	\$ 5,000.00	
104200.5400	Liability/Workers Comp Ins	\$ 8,703.00	\$ 8,995.00	\$ 8,995.00	
104200.5700	Miscellaneous Expenses/Contigen cy	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00	
104200-5900	Late Fees/Penalties /Interest Charges	\$ -	\$ 5,000.00	\$ 5,000.00	
104200.7400	Capital Outlay				
Administration		473,645.00	505,795.99	511,671.00	0.00

Law Enforcement 5100

5100	Object Expense Account	Budget	Department	Manager	Board
			Requested	Recommend	Approved
			FY 2021-2023	FY 2022-2023	FY 2022-2023
105100.0000	Contract Expense	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	
105100.0200	Salary & Wages				
105100.0500	FICA T/S				
105100-0700	Retirement				
105100.1100	Operating Exp				
105100.1300	Utilities				
Public Safety		350,000.00	350,000.00	350,000.00	0.00

Fire 5300

Dept. 10.5300	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
105300.0700	Retirement/Insurance		\$ 3,000.00	\$ 3,000.00	
105300.1100	Operating Expenses	\$ 5,000.00	\$ 27,000.00	\$ 25,000.00	
105300.1300	Electricity	\$ 7,000.00	\$ 5,000.00	\$ 5,000.00	
105300.1400	Travel & Training	\$ 5,000.00	\$ 3,000.00	\$ 3,000.00	
105300.1600	Maint & Repair	\$ 5,000.00	\$ 12,000.00	\$ 8,000.00	
105300.1700	Vehicles Expense	\$ 24,000.00	\$ 11,000.00	\$ 11,000.00	
105300.1800	Truck Payment	\$ 41,262.00	\$ 41,262.00	\$ 41,262.00	
105300.3300	Material & Supplies	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
10530.5400	Liability Insurance	\$ 24,000.00	\$ 29,000.00	\$ 29,000.00	
105300.7400	Capital Outlay/Equip	\$ -	\$ 17,962.96	\$ 5,000.00	
105300.7500	Grants	\$ 26,000.00	\$ 30,000.00	\$ 30,000.00	
105300.8000	911 Communication	\$ -			
Fire		138,262.00	180,224.96	161,262.00	

Street Expenditures 5600

Dept. 10.5600	Object Expense Account	Department Requested		Manager	Board
		Budget	FY 2022-2023	Recommend FY 2022-2023	Approved FY 2022-2023
105600.0200	Salaries	\$ 134,081.00	\$ 185,483.69	\$ 191,048.00	
105600.0202	Overtime				
105600.0400	Professional Services	\$ 31,000.00			
105600.0500	FICA (&401K)	\$ 12,108.00	\$ 19,848.23	\$ 20,444.00	
105600.0600	Insurance	\$ 33,572.00	\$ 25,175.64	\$ 25,176.00	
105600.0700	Retirement & 401k	\$ 14,329.00	\$ 17,377.93	\$ 17,378.00	
105600.0900	Schools, Travel, & Training	\$ 3,000.00	\$ 4,000.00	\$ 2,000.00	
105600.1100	Operating Expense	\$ 17,170.00	\$ 18,535.00	\$ 24,500.00	
105600.1300	Utilities	\$ 6,000.00	\$ 11,800.00	\$ 8,200.00	
105600.1600	Maintenance & Repair	\$ 12,000.00	\$ 12,323.00	\$ 17,500.00	
105600.1700	Vehicle Expense	\$ 16,500.00	\$ 46,320.00	\$ 30,000.00	
105600.3300	Materials & Supplies	\$ 9,900.00	\$ 14,860.00	\$ 10,000.00	
105600.4500	Powell Bill	\$ 40,000.00	\$ 155,700.00	\$ 65,000.00	
105600.5400	PL&WC Insurance	\$ 19,787.00	\$ 19,787.00	\$ 19,787.00	
105600.5800	Debt Service	\$ -			
105600.7300	Capital Improvements	\$ 107,040.00	\$ 237,000.00	\$ 62,000.00	
105600.7400	Capital Outlay	\$ 5,500.00	\$ 213,500.00	\$ 55,000.00	
105600.8000	Ice Plant Loan	\$ 19,400.00	\$ 19,400.00	\$ 19,400.00	
105600.8100	Landfill Maintenance	\$ 28,000.00	\$ 33,920.00	\$ 20,000.00	
105600.9000	Contingencies/ Debt service	\$ -		\$ 10,000.00	
Street		\$ 509,387.00	\$ 1,035,030.49	\$ 597,433.00	

Sanitation 5800

Dept. 10.5800	Object Expense Account	Budget	Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
105800.0000	Contract Expense	\$ 143,000.00	\$ 143,000.00	\$ 143,000.00	
Sanitation 5800		143,000.00	143,000.00	143,000.00	

Cemetery 6400

Dept. 10.6400	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
106400.0000	Cemetery Contract	\$ 40,000.00	\$ 42,000.00	\$ 43,000.00	
106400.1000	Cemetery Upkeep	\$ 25,000.00	\$ 6,900.00	\$ 7,000.00	
106400-8000	Cemetery Upkeep Contract				
Cemetery		40,000.00	48,900.00	50,000.00	0.00

Non-Departmental 6600

Object Expense Account

Dept 10.6600	Budget	Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
Donations to Perquimans Art League		2000	2000	
Donation to Perquimans Tourism		2000	2000	
Donation to Chamber of Commerce		2000	2000	
NON-DEPARTMENTAL		6000	6000	

DMV License Plate Agency 7100

Dept. 10.7100	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
107100.0200	Salaries	\$ 23,258.00	\$ 22,720.26	\$ 23,402.00	
107100.0500	FICA 3-401K	\$ 2,088.00	\$ 2,451.84	\$ 2,525.00	
107100.0600	Insurance	\$ -	\$ 3,109.93	\$ 3,110.00	
107100.0700	Retirement	\$ 2,471.00	\$ 2,146.69	\$ 2,147.00	
107100.1100	Operating Expenses	\$ 500.00			
107100.3300	Material & Supplies	\$ 500.00			
107100.5300	Liability/Workers Comp Ins	\$ 2,401.00	\$ 2,401.00	\$ 2,401.00	
NCDMV License Plate Agency		31,218.00	32,829.72	33,585.00	0.00

Planning/Main Street 8600

Dept. 10.8600	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
108600.0200	Salaries	\$ 35,379.00	\$ 54,194.00	\$ 55,320.00	
108600.0500	FICA & 401k	\$ 1,642.00	\$ 5,937.71	\$ 6,013.00	
108600.0600	Insurance	\$ -	\$ 7,404.60	\$ 7,405.00	
108600.0700	Retirement	\$ -	\$ 5,111.15	\$ 5,111.00	
108600.0900	Travel & Training	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
104200.1100	Operating Expense	\$ 1,000.00	\$ 1,000.00	\$ 3,000.00	
108600.3300	Material & Supplies	\$ 300.00		\$ 11,730.00	
108600.5300	Liability/Workers Comp Ins	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
108600.5700	Miscellaneous Expense	\$ 14,144.00		\$ 500.00	
108600.XXXX	Demoition	\$ 40,000.00	\$ 50,000.00	\$ 50,000.00	
108600.XXXX	Grant Match / Contingency	\$ 83,451.00	\$ 50,000.00	\$ 50,000.00	
Planning & Main Street		178,915.00	76,547.47	192,629.00	0.00

ENTERPRISE FUND		
Revenues	FY '21-'22	FY -22-'23
WATER/WASTEWATER		
303000.0000 Fund Balance Appropriated	\$0	\$0.00
303290.0000 Interest Earned	\$0	\$0.00
303350.0000 Miscellaneous Water Revenue	\$3,300.00	\$0.00
303350.0100 Miscellaneous Sewer Revenue	\$0.00	\$9,000.00
303710.0000 Water Taps	\$1,000.00	\$1,000.00
303710.0300 Water User Fees	\$0.00	\$0.00
303710.0400 Sewer Taps	\$1,000.00	\$1,000.00
303710.0500 Sewer User Fees	\$0.00	\$0.00
303710.0100 Water Charges	\$ 768,904.23	\$807,741.00
303710.0200 Sewer Charges	\$ 1,105,316.74	\$1,065,866.00
303710.0600 Winfall Charges	\$90,000.00	\$90,000.00
TOTAL WATER/WASTEWATER FUND REVENUE	\$1,969,520.97	\$1,974,607.00
Expenditures		
Water		\$626,590.00
Wastewater Collections		\$325,218.00
Wastewater Treatment		\$1,022,799.00
TOTAL WATER/WASTEWATER FUND EXPENDITURES		\$1,974,607.00
Surplus or Deficit		\$0.00

Water Expenditures 8100

Dept. 30.8100	Object Expense Account	Budget	Department	Manager	Board
			Requested FY 2022-2023	Recommend FY 2022-2023	Approved FY 2022-2023
308100.0200	Salaries	\$ 106,144.00	\$ 67,749.66	\$ 69,782.00	
308100.0210	Overtime				
308100.0400	Professional Services	\$ 31,000.00	\$ 20,500.00	\$ 8,700.00	
308100.0500	FICA	\$ 8,728.00	\$ 7,238.77	\$ 7,456.00	
308100.0600	Insurance	\$ 15,984.00	\$ 9,181.70	\$ 9,182.00	
308100.0700	Retirement & 401k	\$ 12,120.00	\$ 6,337.83	\$ 6,338.00	
308100.0900	Schools, Travel & Training	\$ 3,500.00	\$ 4,600.00	\$ 4,600.00	
308100.1100	Operating Expense	\$ 79,084.00		\$ 91,550.00	
308100.1300	Utilities	\$ 32,817.00	\$ 34,640.00	\$ 34,640.00	
308100.1600	Maintenance & Repair	\$ 7,100.00	\$ 57,000.00	\$ 15,000.00	
308100.1700	Vehicle Expense	\$ 8,700.00	\$ 10,100.00	\$ 10,100.00	
308100.3300	Materials & Supplies	\$ 12,800.00	\$ 13,000.00	\$ 9,400.00	
208100.5300	Dues	\$ 2,000.00	\$ 2,070.00	\$ 2,070.00	
308100.5400	PL&WC Insurance	\$ 10,616.00	\$ 9,651.00	\$ 9,706.00	
308100.7300	Capital Improvements	\$ 29,000.00	\$ 270,200.00	\$ 30,000.00	
308100.7400	Capital Outlay	\$ -	\$ 80,500.00	\$ -	
308100.7600	Equipment/not Capitals	\$ 10,000.00	\$ 25,000.00	-	
308100.8000	Ice Plant Loan	\$ 6,293.89	\$ 9,000.00	\$ 5,948.00	
308100.8200	Water Loan	\$ 312,118.00	\$ 312,118.00	\$ 312,118.00	
308100.9400	Contingencies/D ebt service	\$ 69,916.00	\$ 9,920.00		
Water		757,920.89	1,043,856.96	\$ 626,590.00	\$ -

Wastewater Treatment Expenditures 8300

Dept. 30.8300	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
308300.0200	Salaries	\$ 152,117.00	\$ 116,234.33	\$ 113,773.00	
308300.0210	Overtime				
308300.0400	Professional Services	\$ 31,000.00		\$ 6,200.00	
308300.0500	FICA & 401K	\$ 23,976.00	\$ 12,342.97	\$ 13,228.00	
308300.0600	Insurance	\$ 15,319.00	\$ 16,290.12	\$ 16,290.00	
308300.0700	Retirement	\$ 23,976.00	\$ 11,244.54	\$ 11,245.00	
30.8300.0900	Travel & Training	\$ 4,000.00	\$ 5,000.00		
308300.1100	Operating Expenses	\$ 63,813.00	\$ 70,000.00	\$ 58,800.00	
308300.1300	Utilities/Electricity	\$ 36,843.00	\$ 27,500.00	\$ 92,000.00	
308300.1600	Maintenance & Repair	\$ 34,500.00	\$ 71,500.00	\$ 71,500.00	
308300.1700	Vehicle Expense	\$ 15,000.00	\$ 23,000.00	\$ 15,000.00	
308300.3300	Materials & Supplies	\$ 34,300.00	\$ 42,540.00	\$ 41,640.00	
308300.5400	PL & WC	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	
308300.7300	Capital Improvements	\$ -	\$ 130,000.00	\$ 112,000.00	
308300.7400	Capital Outlay	\$ 8,335.00	\$ 202,500.00	\$ 104,500.00	
308300.8000	Ice Plant Loan	\$ 6,293.89	\$ 6,293.89	\$ 8,923.00	
308300.8200	Sewer Loan	\$ 314,750.00	\$ 314,750.00	\$ 333,971.00	
308300.9300	Internal Service Charge	\$ -		\$ 5,229.00	
308300.9700	Contingencies/Debt service	\$ 64,916.00	\$ 30,000.00	\$ 5,000.00	
Wastewater Treatment		\$ 887,148.89	\$ 1,087,455.85	\$ 1,022,799.00	\$ -

Wastewater Collection Expenditures 8200					
Dept. 30.8200	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
308200.0200	Salaries	\$ 77,312.00	\$ 110,136.25	\$ 113,440.00	
308200.0210	Overtime				
308200.0400	Professional Services	\$ -	\$ 6,200.00	\$ 6,200.00	
308200.0500	FICA & 401K	\$ 9,262.00	\$ 11,675.43	\$ 12,026.00	
308200.0600	Insurance	\$ -	\$ 14,809.20	\$ 14,809.00	
308200.0700	Retirement	\$ 7,894.00	\$ 10,222.31	\$ 10,222.00	
308200.0900	Travel & Training	\$ 3,800.00	\$ 3,800.00	\$ 6,000.00	
308200.1100	Operating Expenses	\$ 15,000.00	\$ 21,000.00	\$ 8,000.00	
308200.1300	Utilities/Electricity	\$ 34,000.00	\$ 39,100.00	\$ 39,100.00	
308200.1600	Maintenance & Repair	\$ 36,000.00	\$ 78,000.00	\$ 59,500.00	
308200.1700	Vehicle Expense	\$ 24,000.00	\$ 38,000.00	\$ 35,000.00	
308200.3300	Materials & Supplies	\$ 7,500.00	\$ 11,500.00	\$ 1,500.00	
308200.5400	PL & W/C	\$ 8,473.00	\$ 8,473.00	\$ 8,473.00	
308200.7300	Capital Improvements	\$ -			
308200.7400	Capital Outlay	\$ -	\$ 103,000.00	\$ -	
308200.8000	Ice Plant Loan	\$ 6,293.89		\$ 5,948.00	
308200.8200	Sewer Loan	\$ -	?		
308200.9400	Contingency/Debt Service	\$ 94,916.00		\$ 5,000.00	
Wastewater Collection		\$ 324,450.89	\$ 455,916.19	\$ 325,218.00	\$ -

ENTERPRISE FUND		
	FY2021-2022	FY2022-2023
ELECTRIC		
Revenues		
313000.0000 Fund Balance Appropriated	\$0.00	\$0.00
313290.0000 Interest Earned	\$0.00	\$0.00
313350.0000 Miscellaneous Revenue	\$5,000.00	\$5,000.00
313670.0500 Sales Tax Refund	\$24,000.00	\$20,000.00
313670.0400 7% Sales Tax	\$176,210.00	\$180,000.00
313670.0500 Sales tax from State	\$61,000.00	\$60,000.00
313710.0000 Electric Charges	\$2,803,830.00	\$2,879,648.00
313750.0100 Disconnect/Reconnect Fees	\$40,000.00	\$50,000.00
TOTAL ELECTRIC FUND REVENUE	\$3,110,040.00	\$3,194,648.00
Expenditures		
Electric		\$3,194,648.00
Surplus or Deficit		\$0.00

Electric Expenditures 8100

Dept. 31.8100	Object Expense Account	Budget	Department Requested FY 2022-2023	Manager Recommend FY 2022-2023	Board Approved FY 2022-2023
318100.0200	Salaries	\$372,277.00	\$325,753.70	\$335,526.00	
318100.0210	Overtime			\$41,516.00	
318100.0400	Professional Services	\$31,000.00	\$61,400.00	\$36,400.00	
318100.0500	FICA & 401K	\$29,497.00	\$35,026.29	\$36,077.00	
318100.0600	Insurance	\$44,735.00	\$44,427.60	\$44,428.00	
318100.0700	Retirement	\$38,125.00	\$30,666.93	\$30,667.00	
318100.0900	Travel & Training	\$5,500.00	\$5,500.00	\$5,500.00	
318100.1100	Operating Expenses	\$33,850.00	\$2,300.00	\$35,750.00	
318100.1300	Utilities	\$5,000.00	\$15,500.00	\$7,500.00	
318100.1600	Maintenance & Repair	\$13,100.00	\$20,000.00	\$8,000.00	
318100.1700	Vehicle Expense	\$13,600.00	\$51,000.00	\$20,000.00	
318100.3300	Materials & Supplies	\$28,950.00	\$95,500.00	\$81,500.00	
318100.3700	7% Sales Tax	\$182,190.00	\$183,000.00	\$183,000.00	
318100.4800	Electricity for Resale	\$2,003,570.00	\$2,014,868.00	\$1,992,223.00	
318100.5400	PL & WC	\$35,161.00	\$35,161.00	\$35,161.00	
318100.7300	Capital Improvements	\$139,433.00	\$233,000.00	\$190,000.00	
318100.7400	Capital Outlay & Equipment		\$55,500.00	\$52,000.00	
318100.8000	Ice Plant Loan	\$18,881.67	\$18,881.67	\$19,400.00	
318100.9200	Internal Service Charging	\$24,352.00		\$0.00	
318100.9500	Electric Fund Operating	\$84,000.00	\$84,000.00	\$0.00	
318100.9700	Contingency/Deb t service	\$5,000.00		\$40,000.00	
Electric		\$3,108,221.67	\$3,311,485.19	\$3,194,648.00	\$0.00

2022-2023 BUDGET ORDINANCE

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

SECTION 1: It is estimated that the following revenue will be available in the General Fund for the fiscal year beginning July 1, 2022 and ending June 20, 2023:

Ad Valorem Taxes	\$740,180.00
Other Taxes	\$814,100.00
State Shared Revenues	\$115,000.00
Investment Earnings	\$ 5,000.00
Sales & Services	\$261,300.00
Grant Revenues	\$110,000.00
Payments from Other funds	\$ 0
Miscellaneous	<u>\$ 0</u>
	\$2,045,580.00

SECTION 2: 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:

Administration Department	\$511,671.00
Law Enforcement	\$350,000.00
Fire Department	\$161,262.00
Street Department	\$597,433.00
Sanitation Department	\$143,000.00
Non-Departmental	\$ 6,000.00
NCDMV-License Plate Agency	\$ 33,585.00
Cemetery Department	\$ 50,000.00
Planning/Main Street Department	<u>\$192,629.00</u>
	\$2,045,580.00

SECTION 3: It is estimated that the following revenues 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	\$ 1,873,607.00
Tap Fees	\$ 2,000.00
Interest Earned	0
Grant Revenue	0
Winfall Charges	\$ 90,000.00
Miscellaneous	<u>\$ 9,000.00</u>
	\$1,974,607.00

SECTION 4: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the Water and Sewer Utilities for the Fiscal Year beginning July 1, 2022, and ending June 30, 2023:

Water Department	\$ 626,590.00
Wastewater Collections Department	\$ 325,218.00
Wastewater Treatment Department	<u>\$1,022,799.00</u>
	\$1,974,607.00

SECTION 5: It is estimated that the following revenues will be available in the Electric Fund for the Fiscal Year beginning July 1, 2022, and ending June 30, 2023:

Charges for Services	\$2,879,648.00
Connect/Disconnect Fees	\$ 50,000.00
Other Operating Fees	<u>\$ 265,000.00</u>
	\$3,194,648.00

SECTION 6: The following amounts are hereby appropriated in the Electric Fund for the operation of the electric utility for the Fiscal Year beginning July 1, 2022, and ending June 30, 2023:

Electric Operations	\$ 811,525.00
Electric Maintenance	\$ 331,500.00
Costs of Power	\$1,992,223.00
Loans	\$ 19,400.00
Contingency	<u>\$ 40,000.00</u>
	\$3,194,648.00

SECTION 7: There is hereby levied a tax at the rate of sixty-five cents (\$0.65) per one hundred dollars (\$100) valuation property as listed as of January 1, 2022 for the purpose of raising the revenue listed as Ad Valorem Taxes in the General Fund in Section 1 of this Ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$116,893,950 and an estimated rate of collection of 97.4%

SECTION 8: The Town Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a) Transfer between line expenditures within a department up to \$7500 without a report being necessary. These changes must not result in increases in recurring obligations such as salaries.
- b) Transfer amounts up to \$1,000 between departments of the same fund with an official report of such transfers being given at the next regular meeting of the Town Council.
- c) All transfers between funds require prior approval by the Town Council in an amendment to the budget ordinance.
- d) Capital purchases in excess \$5,000 shall first be approved by the Town Council and registered as a fixed asset.

SECTION 9: Copies of this Budget Ordinance shall be furnished to the Finance Officer and to the Budget Officer of this Town to keep on file by them for their direction in the disbursements of funds.

Adopted this 15th day of June 2022



Ashley Hodges, Mayor Pro Tem



Gina M. Durante, Town Clerk