



**ANNUAL BUDGET
FOR FISCAL YEAR
JULY 1, 2023 – JUNE 30, 2024**



TOWN COUNCIL

Earnell Brown, Mayor
Ashley Hodges, Mayor Pro Tempore
Jerry Mimplitsch, Councilman
Connie Brothers, Councilwoman
Sandra Anderson, Councilwoman

Janice McKenzie Cole, Town Manager
(Budget Officer)

Gina Durante, Town Clerk

John Leidy, Town Attorney

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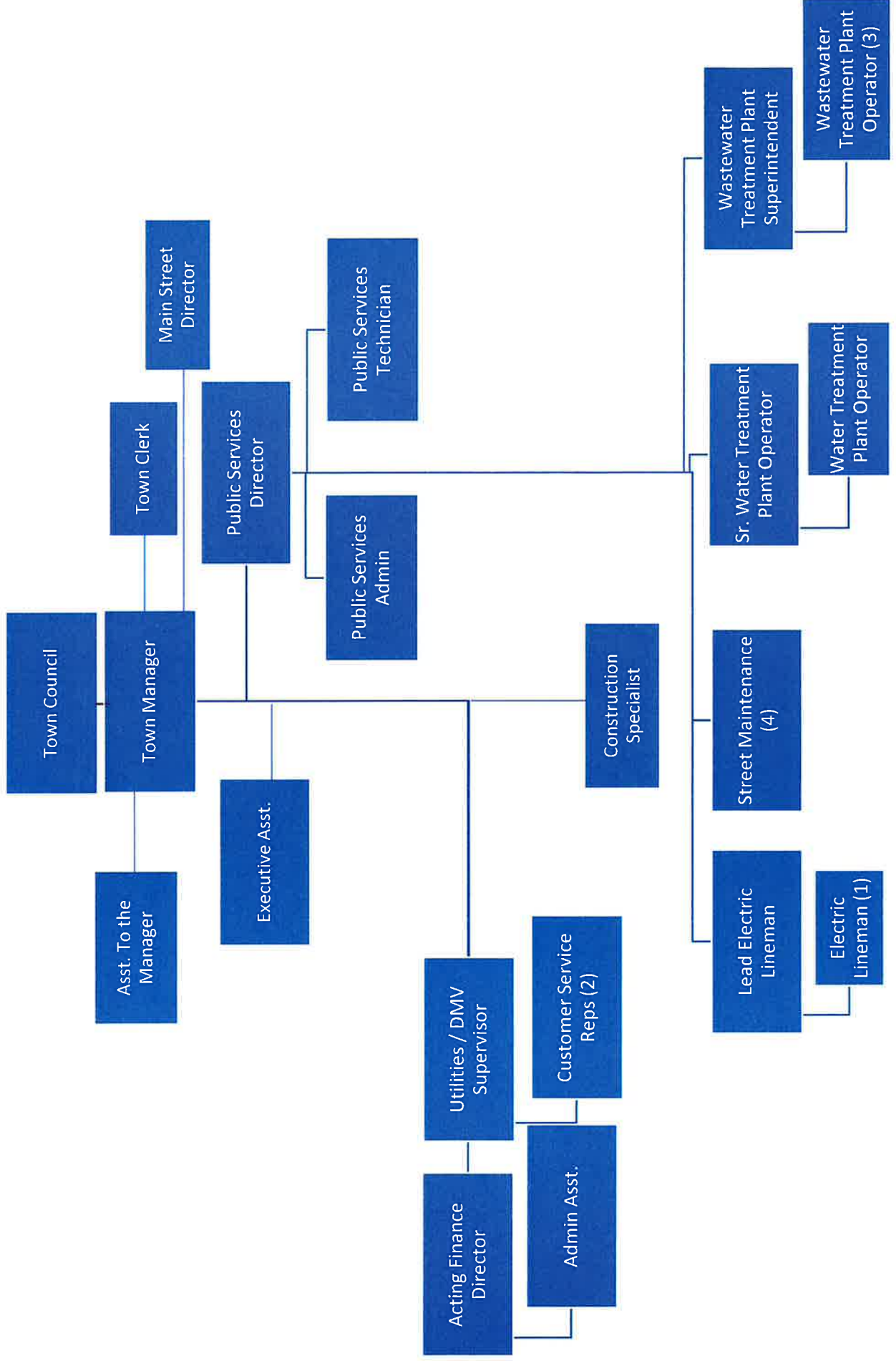
The Town of Hertford was established in 1758 and is North Carolina's seventh oldest town. It is the county seat of Perquimans County and is located on the beautiful Perquimans River. Hertford is home to a year-round population of approximately 2,200 citizens. The Town operates as a Council-Manager form 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.

Town of Hertford Organizational Chart



The Budget Process

In accordance with the Local Government Budget and Fiscal Control Act (LGBFCA), this budget document for the fiscal year ending June 30, 2024, meets the balance 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 appropriations. A final legal limit on this budget document is G.S. §159-13, 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 of 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. 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 the governing body's minutes within five days of adoption.

EARNELL BROWN
MAYOR
JANICE MCKENZIE COLE
TOWN MANAGER
GINA M. DURANTE
TOWN CLERK
JOHN LEIDY
TOWN ATTORNEY



COMMISSIONERS:

ASHLEY HODGES
MAYOR PRO TEM
JERRY MIMLITSCH
CONNIE BROTHERS
SANDRA ANDERSON

BUDGET MESSAGE

Madam Mayor, Mr. Mayor Pro Tem, Council Members

I am before you to provide a more formal presentation of the goals of the budget, an explanation of changes in program goals, and the program and appropriation levels than were explained in my power point presentation in April when the proposed Operating Budget for Fiscal Year 2023-2024 was first introduced. This budget was prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act. It was also prepared consistent with Council's goals and priorities as they have been developed for the strategic plan.

Our budget consists of three (3) funds, the general fund and our two enterprise funds, water and wastewater (sewer) and electric.

There has been little change in the revenue in our general fund over the last couple of years, and we know that to increase this amount significantly, without relying on tax increases, we must continue to move forward with Council's priority for the development of new housing and the rehabilitation of existing housing. Nonetheless, our property tax value did increase \$2.7 million over last year's and based on past performance, we anticipate a collection rate of 98.7%. The expenditures in this fund reflect our plan to shift more staff positions to administration and our Main Street Program to develop and implement strategies to focus on our priorities, to enable us to prepare succession plans for smooth transitions, and to pay salaries that are competitive.

One of our enterprise funds is water/wastewater (sewer). The infrastructure in our water and wastewater operations has been neglected for decades, not just in Hertford or North Carolina, but across the nation. This prompted Congress to pass the American Rescue Plan Act (ARPA) and Hertford has fared well in receiving grants to improve our operations. The Department of Environmental Quality, Division of Water Infrastructure has approved the Town for \$14.9 million in grants, over \$9 million of which is to improve our waterlines that cause the standing water and sinkholes in many of our streets. This sounds like a lot of money, and is, but it won't cover all of the work

that needs to be done. We cannot rest on our laurels because of this and the additional grants we have received. Nothing is stagnant. Every piece of equipment has a life expectancy and needs to be serviced during that life. If there is no plan, at the end of that life expectancy (which might be accelerated if there has been no maintenance) we have nothing and have to start from scratch to rebuild our infrastructure. We should never find ourselves in this position again. We cannot continue to operate just for today. It is unfair to our residents and as you well know, it is unfair to future town councils. So budgeting in the Town of Hertford has moved from a game of checkers to a game of chess. Whether you call it budgeting for depreciation or budgeting for a capital improvement plan, we have to do it.

The bulk of the revenue for our water/wastewater enterprise fund comes from what we charge as a base fee and for usage. A rate study by the Rural Water Association (RWA) found our Water Treatment and Distribution operation to be in a positive position. We anticipate an increase of \$154,771 over last year's revenue. However, our Wastewater Treatment & Collection Department is actually losing money and the rate study recommended that we take immediate action to remedy this drain. We were already taking steps to notify the Town of Winfall, whose wastewater we treat, that there would be an increase for their usage. They were still paying the \$90,000 annually that was last assessed 10 years ago. The increase in cost chemicals and other expenses required us to adjust their payment to \$144,000 a year. But, Winfall aside, we had to look toward increasing our revenue over our expenses within Town, and start funding depreciation. The rate study proposed three options. Of course, as we try to correct the years of neglect, we must be mindful of the impact that any increases have on our residents. We selected the option that would allow us to break even this fiscal year with no increase in the base rate and a 9.40% increase in the usage rate. Much smaller percentage increases should continue over the next four years and by FY 2028-2029 when the sewer debt of \$150,000 per year ends, that money can be applied to start fully funding depreciation. For those whose usage is 12,000 gallons or less, the increase would be from \$11.13 to \$13.23. For those whose usage is over 12,000 gallons the increase would be from \$13.91 to \$15.22

Our second enterprise fund is the electric fund. This is very different from our water/wastewater fund in that we are buying a product and reselling it with minimal profit, thus our base charge for electric service should cover all of the expenses associated with operating the Electric Department. That includes meter replacement and maintenance, meter reading, customer service department, the costs of billing residents and receiving payments. Again, mindful of and sensitive to the impact that these increases have on our residents we chose to do an incremental increase rather than the full amount to bring us to the recommended rate. We began by imposing a base rate of \$30 on ourselves in that previously municipal service was not paying a base rate. Residential was increased from \$11.72 to \$15.00, small general service was increased from \$25.28 to \$30.00, large general service was increased from \$105.21 to \$150, and large demand service peak demand was increased from \$101.10 to \$500. Future increases will be required to enable us to cover the expenses of operations and to fund capital spending at a minimum of \$150,000 a year in order to catch up.

It is not all bad news. We are financially sound. There is no recommendation for a property tax increase this year. Our fund balance in the general fund is \$1,264,967 in

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unallocated funds. We are at 80%, whereas Town Council previously set a requirement of 20% of the general fund. During the course of this fiscal year, we anticipate presenting budget amendments to move moneys out of the fund balance to the general fund to carry out priorities that are in the strategic plan. We have included in this budget a 4% cost of living increase for our employees. We have budgeted for, encourage and reward employees who take advantage of training opportunities that will enhance their performance, count toward them obtaining certifications, and increase their value to the Town.

In summary, I would reiterate that we are now playing chess and how we allocate and spend the Town's dollars is strategic.

Respectfully submitted

Janice McKenzie Cole
Town Manager



**FY 2023-2024 Budget
Department's Line-Item Budgets**

GENERAL FUND				
Revenues	FY '21-'22	FY '22-'23	FY '23-'24	
103000.0000 Appropriated Fund Balance				
103010.0000 Ad-Valorem Taxes (\$.65 tax rate)	\$688,162.00	\$740,180.00	\$	767,730
103010.0000 Prior Year Taxes (2011 - 2021 Taxes)	\$25,000.00	\$35,000.00	\$	25,000
103090.0000 Housing Authority	\$3,000.00	\$3,000.00	\$	3,000
103170.0000 Tax Penalty & Interest	\$10,000.00	\$5,000.00	\$	7,000
103190.0000 Town Tags	\$25,000.00	\$25,000.00	\$	25,000
103250.0000 Business Registration	\$2,300.00	\$2,500.00	\$	2,500
103290.0000 Interest on Investments	\$500.00	\$5,000.00	\$	42,480
103350.0000 DMV Misc. Revenue	\$12,000.00	\$12,000.00	\$	18,000
103370.0000 Utility Franchise Tax (Nat. Gas, Elec. and Telecon)	\$99,000.00	\$100,000.00	\$	27,000
103380.0000 Solid Waste Disposal Tax	\$1,620.00	\$1,600.00	\$	1,400
103410.0000 Beer & Wine Tax	\$9,500.00	\$8,500.00	\$	7,500
103430.0000 Powell Bill	\$55,000.00	\$65,000.00	\$	59,000
103450.0000 Local Option Sales Tax	\$571,919.00	\$639,000.00	\$	655,000
103460.0000 DMV Commission Fees	\$73,000.00	\$50,000.00	\$	58,000
103470.0000 ABC Store Net Profits	\$78,144.00	\$60,000.00	\$	75,000
103500.0100 County Fire Protection	\$75,000.00	\$80,000.00	\$	80,000
103510.0000 Police Misc Revenue				
103610.0000 Cemetery Revenue	\$5,000.00	\$18,000.00	\$	20,000
103810.0000 Mics. Revenue	\$67,516.00	\$20,000.00	\$	2,000
.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	\$	7,500
.1004 EAP Grant (\$1,000)		\$0.00	\$	-
.0105 Wellness Grant (\$2,000)		\$0.00	\$	-
.0106 Fee Schedule (5,000)		\$1,300.00	\$	1,300
.0107 Misc. Revenue		\$0.00	\$	50,000
103830.0100 Solid Waste Collection Fee	\$143,136.00	\$143,000.00	\$	124,000
103970.3000 Contrib. From Water & Sewer				
103970.3100 Contrib. From Elec. Fund				
103990.0300 Vol. Fire Dept. Grants	\$26,000.00	\$30,000.00	\$	30,000
.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	\$	2,088,410
EXPENDITURES				
10.4100 GOVERNING BODY				
10.4200 ADMINISTRATION			\$	727,527
10.5100 LAW ENFORCEMENT			\$	350,000
10.5300 FIRE			\$	230,899
10.5600 STREET			\$	396,024
10.5800 SANITATION			\$	143,000
10.5900 SUPPORT				
10.6600 NON-DEPARTMENTAL			\$	10,000
10.7100 NC DMV			\$	66,668
10.6400 CEMETERY			\$	52,500
10.8600 PLANNING			\$	69,257
10.8700 MAIN STREET			\$	42,535
			\$	2,088,410
			\$	(0)

ADMINISTRATION 10.4200 (&10.4100)

Dept. 10.4200	Object Expense Account	Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
10-4200-0200	Salaries (employees)	\$ 179,109.00	\$ 346,664	\$ 346,664
10-4200-0300	Planning/zoning Board Wages	\$ 500.00	\$ 7,500	\$ 7,500
10-4200-0400	Professional Services	\$ 100,000.00	\$ 93,500	\$ 93,500
10-4200-0500	FICA & 401K	\$ 22,608.00	\$ 39,520	\$ 39,520
10-4200-0600	Insurance (Health)	\$ 27,841.00	\$ 50,400	\$ 50,400
10-4200-0700	Retirement	\$ 19,218.00	\$ 44,789	\$ 44,789
10-4200-0900	Travel & Training	\$ 12,000.00	\$ 12,000	\$ 12,000
10-4200-1000	Election Expenses	-	\$ 9,500	\$ 9,500
10-4200-1100	Operating Expenses	\$ 50,000.00	\$ 50,000	\$ 50,000
10-4200-1101	Postage		\$ 6,000	\$ 6,000
10-4200-1110	Communications		\$ 29,000	\$ 29,000
10-4200-1300	Utilities/Electricity	\$ 7,000.00	\$ 11,000	\$ 11,000
10-4200-1500	Maintenance & Repair	\$ 5,000.00	\$ 2,500	\$ 2,500
10-4200-1600	Maintenance- Bldg.(Community Bldg)	\$ 5,000.00	\$ 2,000	\$ 2,000
10-4200-1700	Maintenance - Vehicle	\$ 1,200.00	\$ 500	\$ 500
10-4200-1710	Fuel		\$ 1,000	\$ 1,000
10-4200-2000	Tax Refund	\$ 21,000.00	\$ 1,000	\$ 1,000
10-4200-2600	Advertising	\$ 1,500.00	\$ 2,500	\$ 2,500
10-4200-3300	Materials & Supplies	\$ 5,000.00	\$ 4,000	\$ 4,000
10-4200-5400	Liability/Workers Comp Ins	\$ 8,995.00	\$ 10,000	\$ 10,000
10-4200-5700	Miscellenous Expenses	\$ 10,000.00	\$ 3,654	\$ 3,654
10-4200-5900	Late Fees/Penalties /Interest Charges	\$ 5,000.00	\$ 500	\$ 500
10-4200-7400	Capital Outlay			
Administration		\$ 480,971	\$ 727,527	\$ 727,527

Law Enforcement 5100

5100	Object Expense Account	Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
105100.0000	Contract Expense	\$350,000.00	\$ 350,000	\$ 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	\$ 350,000

Fire 5300

Dept. 10.5300	Object Expense Account	Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
10-5300-0200	Wages/Bonus		\$ 17,000	\$ 17,000
10-5300-0500	Fica T/S		\$ 1,301	\$ 1,301
10-5300-0700	Retirement/Insurance	\$ 3,000.00	\$ 3,000	\$ 3,000
10-5300-1100	Operating Expenses	\$ 25,000.00	\$ 20,000	\$ 20,000
10-5300-1300	Electricity	\$ 5,000.00	\$ 6,720	\$ 6,720
10-5300-1400	Travel & Training	\$ 3,000.00	\$ -	\$ -
10-5300-1600	Maint & Repair	\$ 8,000.00	\$ 5,000	\$ 5,000
10-5300-1700	Vehicles Expense	\$ 11,000.00	\$ 10,000	\$ 10,000
10-5300-1710	Fuel		\$ 4,500	\$ 4,500
10-5300-1800	Truck Payment	\$ 41,262.00	\$ 66,378	\$ 66,378
10-5300-3300	Material & Supplies	\$ 1,000.00	\$ 2,000	\$ 2,000
10-5300-5400	Liability Insurance	\$ 29,000.00	\$ 35,000	\$ 35,000
10-5300-7400	Capital Outlay/Equip	\$ 5,000.00	\$ -	\$ -
10-5300-7500	Grants	\$ 30,000.00	\$ 60,000	\$ 60,000
Fire		161,262.00	\$ 230,899	\$ 230,899

Street Expenditures 5600

5600	Object Expense Account	Approved	Manager	Approved
		Budget	Recommend FY	Budget
		FY 2022-2023	2023-2024	FY 2023-2024
105600.0200	Salaries	\$ 191,048.00	\$ 162,232	\$ 162,232
105600.0202	Overtime			
105600.0400	Professional Services		\$ 15,000	\$ 15,000
105600-0410	Equipment Rental		\$ 3,500	\$ 3,500
105600.0500	FICA (&401K)	\$ 20,444.00	\$ 18,494	\$ 18,494
105600.0600	Insurance	\$ 25,176.00	\$ 42,000	\$ 42,000
105600.0700	Retirement	\$ 17,378.00	\$ 20,944	\$ 20,944
105600.0900	Schools, Travel, & Training	\$ 2,000.00	\$ 750	\$ 750
105600.1100	Operating Expense	\$ 24,500.00	\$ 10,000	\$ 10,000
105600-1110	Communications		\$ 1,500	\$ 1,500
105600.1300	Utilities	\$ 8,200.00	\$ 5,345	\$ 5,345
105600.1400	Safety shoes, Physicals		\$ 800	\$ 800
105600.1500	Maintenance & Repairs Building		\$ 500	\$ 500
105600.1510	Park Mainten.		\$ 4,000	\$ 4,000
105600.1600	Maintenance & Repair-Equip.	\$ 17,500.00	\$ 8,000	\$ 8,000
105600.1610	Maintenance & Repair-Streets		\$ 500	\$ 500
105600.1700	Vehicle Expense	\$ 30,000.00	\$ 6,430	\$ 6,430
105600.1710	Fuel		\$ 15,000	\$ 15,000
105600.3200	Office Supplies		\$ 500	\$ 500
105600.3300	Materials & Supplies	\$ 10,000.00	\$ 7,000	\$ 7,000
105600.3310	Street Signs		\$ 500	\$ 500
105600.3500	Uniforms		\$ 3,200	\$ 3,200
105600.4500	Powell Bill	\$ 65,000.00	\$ 15,000	\$ 15,000
105600.5400	PL&WC Insurance	\$ 19,787.00	\$ 20,000	\$ 20,000
105600.5800	Debt Service			
105600.7300	Capital Improvements	\$ 62,000.00		
105600.7400	Capital Outlay	\$ 55,000.00	\$ -	\$ -
105600.8000	Ice Plant Loan	\$ 19,400.00	\$ 11,329	\$ 11,329
105600.8100	Landfill Maintenance	\$ 20,000.00	\$ 20,000	\$ 20,000
105600.9000	Contingency	\$ 10,000.00	\$ 3,500	\$ 3,500
Street		\$ 597,433.00	\$ 396,024	\$ 396,024

Sanitation 5800

Dept. 10.5800	Object Expense Account	Budget	Approved Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
105800.0000	Contract Expense	\$ 143,000.00	\$ 143,000.00	\$ 143,000	\$ 143,000
Sanitation 5800		\$ 143,000	\$ 143,000	\$ 143,000	\$ 143,000

Cemetery 6400

Dept. 10.6400	Object Expense Account	Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
106400.0000	Cemetery Contract	\$ 43,000.00	\$ 47,500	\$ 47,500
106400.1000	Cemetery Upkeep	\$ 7,000.00	\$ 5,000	\$ 5,000
Cemetery		\$ 50,000	\$ 52,500	\$ 52,500

Non-Departmental 6600

Dept 10.6600	Manager		
	Budget	Recommended	Approved
	FY 2022-2023	Budget	Budget
	FY 2022-2023	FY 2023-2024	FY 2023-2024
Donations to Perquimans Art League	\$ 2,000	\$ 2,000	\$ 2,000
Donation to Perquimans Tourism	\$ 2,000	\$ 2,000	\$ 2,000
Donation to Chamber of Commerce	\$ 2,000	\$ 2,000	\$ 2,000
Donation to Open Door		\$ 2,000	\$ 2,000
Donation to HHI for Fireworks		\$ 2,000	\$ 2,000
NON-DEPARTMENTAL	\$ 6,000	\$ 10,000	\$ 10,000

DMV License Plate Agency 7100

Dept. 10.7100	Object Expense Account	Budget	Manager Recommend	Approved Budget
		FY 2022-2023	FY2023-2024	FY 2023-2024
107100.0200	Salaries	\$ 23,402.00	\$ 37,820	\$ 37,820
107100.0500	FICA &401K	\$ 2,525.00	\$ 4,312	\$ 4,312
107100.0600	Insurance	\$ 3,110.00	\$ 16,800	\$ 16,800
107100.0700	Retirement	\$ 2,147.00	\$ 4,886	\$ 4,886
107100.1100	Operating Expenses	\$ 137.21	\$ 150	\$ 150
107100.3300	Material & Supplies		\$ 200	\$ 200
107100.5300	Liability/Wrkers Comp Ins	\$ 2,401.00	\$ 2,500	\$ 2,500
NCDMV License Plate Agency		\$ 33,722	\$ 66,668	\$ 66,668

Planning 8600

Dept. 10.8600	Object Expense Account	Approved Budget FY 2022- 2023	Manager Recommend FY 2023-2024	Board Approved FY 2023-2024
108600.0200	Salaries/Planning Board	\$ 55,820.00	\$ 33,589	\$ 33,589
108600.0400	Professional Services			
108600.0500	FICA & 401k	\$ 6,013.00	\$ 3,829	\$ 3,829
108600.0600	Insurance	\$ 7,405.00		
108600.0700	Retirement	\$ 5,111.00	\$ 4,340	\$ 4,340
108600.0900	Travel & Training	\$ 2,000.00	\$ 1,000	\$ 1,000
108600.1100	Operating Expense	\$ 3,000.00	\$ 3,000	\$ 3,000
108600.3300	Material & Supplies	\$ 11,780.00	\$ 7,500	\$ 7,500
108600.5300	Liability/Workers Comp Ins	\$ 1,000.00	\$ 1,000	\$ 1,000
108600.5700	Miscellaneous Expense	\$ 500.00	\$ 5,000	\$ 5,000
108600.7100	Demolition	\$ 50,000.00		
108600.9000	Grant Match	\$ 50,000.00	\$ 10,000	\$ 10,000
	Planning	192,629.00	\$ 69,257	\$ 69,257

Main Street 8700

Dept. 10.8700	Object Expense Account	Budget 2022-2023	Manager Recommend FY 2023-2024	Board Approved FY 2023-2024
108700.0200	Salaries/Planning Board		\$ 34,486	\$ 34,486
108700.0400	Professional Services			
108700.0500	FICA & 401k		\$ 3,780	\$ 3,780
108700.0600	Insurance			
108700.0700	Retirement		\$ 1,768	\$ 1,768
108700.0900	Travel & Training		\$ 1,000	\$ 1,000
10800.1100	Operating Expense			
108700.3300	Material & Supplies			
108700.5300	Liability/Workers Comp Ins		\$ 500	\$ 500
108700.5700	Miscellaneous Expense		\$ 1,000	\$ 1,000
Main Street		0.00	\$ 42,535	\$ 42,535

ENTERPRISE FUND			
Revenues	FY '21-'22	FY -22-'23	FY-'23-'24
WATER/WASTEWATER			
303000.0000 Fund Balance Appropriated	\$0	\$0.00	
303290.0000 Interest Earned	\$0	\$0.00	\$ 8,168
303350.0000 Miscellaneous Water Revenue	\$3,300.00	\$0.00	
303350.0100 Miscellaneous Sewer Revenue	\$0.00	\$9,000.00	\$ 5,600
303710.0000 Water Taps	\$1,000.00	\$1,000.00	\$ 1,000
303710.0300 Water User Fees	\$0.00	\$0.00	
303710.0400 Sewer Taps	\$1,000.00	\$1,000.00	\$ 1,000
303710.0500 Sewer User Fees	\$0.00	\$0.00	
303710.0100 Water Charges	\$ 768,904.23	\$807,741.00	\$ 803,107
303710.0200 Sewer Charges	\$ 1,105,316.74	\$1,065,866.00	\$ 1,240,972
303710.0600 Winfall Charges	\$90,000.00	\$90,000.00	\$ 144,000
	\$1,969,520.97	\$1,974,607.00	\$ 2,203,847
Expenditures			
Water Distrib			\$70,420
Water			\$710,941
Wastewater Collections			\$446,420
Wastewater Treatment			\$976,066
			\$2,203,847
			\$0

Water Distribution 8000

Dept. 30.8000	Object Expense Account	Budget FY 2022-2023	Manager Recommend FY2023-2024	Approved Budget FY 2023-2024
308000.0400	Professional Services		\$ 2,600	\$ 2,600
308000.1100	Operating Expense		\$ 2,500	\$ 2,500
308000.3300	Materials & Supplies		\$ 15,100	\$ 15,100
308000.7300	Capital Improvements		\$ 50,220	\$ 50,220
308000.9400	Contingencies			
Water		\$ -	\$ 70,420	\$ 70,420

Water Plant Expenditures 8100

Dept. 30.8100	Object Expense Account	Approved Budget	Manager Recommend FY2023-2024	Approved Budget
		FY 2022-2023		FY 2023-2024
308100.0200	Salaries	\$ 69,782.00	\$ 150,151.98	\$ 150,151.98
308100.0210	Overtime			
308100.0400	Professional Services	\$ 8,700.00	\$ 39,700.00	\$ 39,700.00
308100.0500	FICA	\$ 7,456.00	\$ 17,117.33	\$ 17,117.33
308100.0600	Insurance	\$ 9,182.00	\$ 25,200.00	\$ 25,200.00
308100.0700	Retirement & 401k	\$ 6,338.00	\$ 19,399.64	\$ 19,399.64
308100.0900	Schools, Travel & Training	\$ 4,600.00	\$ 1,000.00	\$ 1,000.00
308100.1100	Operating Expense	\$ 91,550.00	\$ 51,000.00	\$ 51,000.00
308100.1110	Communications		\$ 8,250.00	\$ 8,250.00
308100.1300	Utilities	\$ 34,640.00	\$ 17,200.00	\$ 17,200.00
308100.1400	Safety Boots		\$ 450.00	\$ 450.00
308100.1410	Equipment Rental		\$ 3,350.00	\$ 3,350.00
308100.1500	Maintenance & Repair-Building		\$ 19,991.00	\$ 19,991.00
308100.1600	Maintenance & Repair-Equip	\$ 15,000.00	\$ 11,500.00	\$ 11,500.00
308100.1700	Vehicle Expense	\$ 10,100.00	\$ 4,467.00	\$ 4,467.00
308100.1710	Fuel		\$ 5,900.00	\$ 5,900.00
308100.3200	Office Supplies		\$ 750.00	\$ 750.00
308100.3300	Materials & Supplies	\$ 9,400.00	\$ 20,000.00	\$ 20,000.00
308100.3500	Uniforms		\$ 1,275.00	\$ 1,275.00
208100.5300	Dues	\$ 2,070.00	\$ 4,500.00	\$ 4,500.00
308100.5400	PL&WC Insurance	\$ 9,651.00	\$ 9,000.00	\$ 9,000.00
308100.7300	Capital Improvements	\$ 30,000.00	\$ 17,000.00	\$ 17,000.00
308100.7400	Capital Outlay	\$ -	\$ -	\$ -
308100.7600	Equipment/not Capitals	-		
308100.8000	Ice Plant Loan	\$ 5,948.00	\$ 5,948.00	\$ 5,948.00
308100.8200	Water Loan	\$ 312,118.00	\$ 240,280.40	\$ 240,280.40
308100.9400	Contingencies		\$ 37,511.00	\$ 37,511.00
Water		\$ 626,535	\$ 710,941	\$ 710,941

Wastewater Collection Expenditures 8200				
Dept. 30.8200	Object Expense Account	Approved Budget FY 2022-2023	Manager Recommend FY 2023-2024	Approved Budget FY 2023-2024
308200.0200	Salaries	\$ 113,440.00	\$ 154,259	\$ 154,259
308200.0210	Overtime			
308200.0400	Professional Services	\$ 6,200.00	\$ 6,500	\$ 6,500
308200.0500	FICA & 401K	\$ 12,026.00	\$ 17,586	\$ 17,586
308200.0600	Insurance	\$ 14,809.00	\$ 25,200	\$ 25,200
308200.0700	Retirement	\$ 10,222.00	\$ 19,930	\$ 19,930
308200.0900	Travel & Training	\$ 6,000.00	\$ 2,800	\$ 2,800
308200.1100	Operating Expenses	\$ 8,000.00	\$ 1,300	\$ 1,300
308200.1110	Communications		\$ 6,500	\$ 6,500
308200.1300	Utilities/Electricity	\$ 39,100.00	\$ 32,000	\$ 32,000
308200.1400	Safety Boots		\$ 1,200	\$ 1,200
308200.1410	Equipment Rental		\$ 6,600	\$ 6,600
308200.1500	Maintenance & Repair-Building		\$ 10,000	\$ 10,000
308200.1600	Maintenance & Repair-Equipment	\$ 59,500.00	\$ 25,000	\$ 25,000
308200.1700	Vehicle Expense	\$ 35,000.00	\$ 25,780	\$ 25,780
308200.1710	Fuel		\$ 11,100	\$ 11,100
308200.3300	Materials & Supplies	\$ 1,500.00	\$ 2,500	\$ 2,500
308200.5400	PL & WC	\$ 8,473.00	\$ 9,000	\$ 9,000
308200.7300	Capital Improvements		\$ 27,000	\$ 27,000
308200.7400	Capital Outlay	\$ -	\$ 25,000	\$ 25,000
308200.8000	Ice Plant Loan	\$ 5,948.00	\$ 5,948	\$ 5,948
308200.9400	Contingencies	\$ 5,000.00	\$ 31,217	\$ 31,217
	Wastewater Collection	\$ 325,218	\$ 446,420	\$ 446,420

Wastewater Treatment Expenditures 8300				
Dept. 30.8300	Object Expense Account	Approved Budget FY 2022-2023	Manager Recommend FY2023-2024	Approved Budget FY 2023-2024
308300.0200	Salaries	\$ 119,773.00	\$ 154,259	\$ 154,259
308300.0210	Overtime			
308300.0400	Professional Services	\$ 6,200.00	\$ 17,550	\$ 17,550
308300.0410	Equipment Rental		\$ 6,350	\$ 6,350
308300.0500	FICA & 401K	\$ 13,228.00	\$ 17,585	\$ 17,585
308300.0600	Insurance	\$ 16,290.00	\$ 16,800	\$ 16,800
308300.0700	Retirement	\$ 11,245.00	\$ 19,930	\$ 19,930
30.8300.0900	Travel & Training		\$ 2,800	\$ 2,800
308300.1100	Operating Expenses	\$ 58,800.00	\$ 84,400	\$ 84,400
308300.1110	Communications		\$ 3,065	\$ 3,065
308300.1300	Utilities/Electricity	\$ 92,000.00	\$ 92,000	\$ 92,000
308300.1400	Safety Boots		\$ 2,400	\$ 2,400
308300.1500	Maintenance & Repair-Building		\$ 5,000	\$ 5,000
308300.1600	Maintenance & Repair-Equipment	\$ 71,500.00	\$ 30,500	\$ 30,500
308300.1700	Vehicle Expense	\$ 15,000.00	\$ 22,780	\$ 22,780
308300.1710	Fuel		\$ 8,000	\$ 8,000
308300.3200	Office Supplies		\$ 1,200	\$ 1,200
308300.3300	Materials & Supplies	\$ 41,640.00	\$ 42,700	\$ 42,700
308300.3310	Lab Supplies		\$ 12,400	\$ 12,400
308300.3500	Uniforms		\$ 2,550	\$ 2,550
308300.5400	PL & WC	\$ 7,500.00	\$ 8,000	\$ 8,000
308300.7300	Capital Improvements	\$ 112,000.00		
308300.7400	Capital Outlay	\$ 104,500.00	\$ 55,000	\$ 55,000
308300.8000	Ice Plant Loan	\$ 8,923.00	\$ 5,948	\$ 5,948
308300.8200	Sewer Loan	\$ 333,971.00	\$ 333,630	\$ 333,630
308300.9300	Internal Service Charge	\$ 5,229.00		
308300.9700	Contingencies	\$ 5,000.00	\$ 31,217	\$ 31,217
Wastewater Treatment		\$ 1,022,799.00	\$ 976,066	\$ 976,066

ENTERPRISE FUND				
	FY2021-2022	FY2022-2023	FY2023-2024	
ELECTRIC				
Revenues				
313000.0000 Fund Balance Appropriated	\$0.00	\$0.00		
313290.0000 Interest Earned	\$0.00	\$0.00	\$25,000	
313350.0000 Miscellaneous Revenue	\$5,000.00	\$5,000.00	\$1,000	
313670.0500 Sales Tax Refund	\$24,000.00	\$20,000.00	\$0	
313670.0400 7% Sales Tax	\$176,210.00	\$180,000.00	\$205,000	
313670.0500 Sales tax from State	\$61,000.00	\$60,000.00	\$60,000	
313710.0000 Electric Charges.	\$2,803,830.00	\$2,879,648.00	\$2,970,348	
313750.0100 Disconnect/Reconnect Fees	\$40,000.00	\$50,000.00	\$30,000	
	\$3,110,040.00	\$3,194,648.00	\$3,291,348	
Expenditures				
Electric			\$3,291,348	
			\$0	

Electric Expenditures 8100

Dept. 31.8100	Object Expense Account	Budget FY2022- 2023	Manager Recommend FY2023-2024	Approved Budget FY 2023-2024
318100.0200	Salaries	\$335,526.00	\$ 198,815	\$ 198,815
318100.0210	Overtime	\$41,516.00	\$ 35,000	\$ 35,000
318100.0400	Professional Services	\$36,400.00	\$ 51,000	\$ 51,000
318100.0500	FICA & 401K	\$36,077.00	\$ 22,665	\$ 22,665
318100.0600	Insurance	\$44,428.00	\$ 16,800	\$ 16,800
318100.0700	Retirement	\$30,667.00	\$ 25,687	\$ 25,687
318100.0900	Travel & Training	\$5,500.00	\$ 5,500	\$ 5,500
318100.1100	Operating Expenses	\$35,750.00	\$ 6,000	\$ 6,000
318100.1110	Communications		\$ 9,000	\$ 9,000
318100.1300	Utilities	\$7,500.00	\$ 9,000	\$ 9,000
318100.1400	Safety Boots		\$ 1,000	\$ 1,000
318100.1500	Maintenance & Repair-Building		\$ 8,000	\$ 8,000
318100.1600	Maintenance & Repair- Equipment	\$8,000.00	\$ 13,500	\$ 13,500
318100.1700	Vehicle Expense	\$20,000.00	\$ 28,000	\$ 28,000
318100.1710	Fuel		\$ 10,000	\$ 10,000
318100.3200	Office Supplies		\$ 500	\$ 500
318100.3300	Materials & Supplies	\$81,500.00	\$ 95,000	\$ 95,000
318100.3500	Uniforms		\$ 1,900	\$ 1,900
318100.3700	7% Sales Tax	\$183,000.00	\$ 150,000	\$ 150,000
318100.4800	Electricity for Resale	\$1,992,223.00	\$ 2,149,110	\$ 2,149,110
318100.5400	PL & WC	\$35,161.00	\$ 40,000	\$ 40,000
318100.7300	Capital Improvements	\$190,000.00	\$ 89,000	\$ 89,000
318100.7400	Capital Outlay & Equipment	\$52,000.00	\$ 185,000	\$ 185,000
318100.8000	Ice Plant Loan	\$19,400.00	\$ 27,472	\$ 27,472
318100.9200	Internal Service Charging	\$0.00		
318100.9500	Electric Fund Operating	\$0.00		
318100.9700	Contingency	\$40,000.00	\$ 113,399	\$ 113,399
Electric				
		\$3,194,648	\$ 3,291,348	\$ 3,291,348

2023-2024 BUDGET ORDINANCE

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

SECTION 1: It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2023, and ending June 30, 2024:

Ad Valorem Taxes	\$767,730.00
Other Taxes	\$722,900.00
State Shared Revenues	\$155,000.00
Investment Earnings	\$ 42,480.00
Sales & Services	\$240,300.00
Grant Revenues	\$160,000.00
Payments from Other funds	\$ 0
Miscellaneous	<u>\$ 0</u>
	\$2,088,410.00

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, 2023, and ending June 30, 2024:

Administration Department	\$727,527.00
Law Enforcement	\$350,000.00
Fire Department	\$230,899.00
Street Department	\$396,024.00
Sanitation Department	\$143,000.00
Non-Departmental	\$ 10,000.00
NCDMV-License Plate Agency	\$ 66,668.00
Cemetery Department	\$ 52,500.00
Planning Department	\$ 69,257.00
Main Street	<u>\$ 42,535.00</u>
	\$2,088,410.00

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, 2023, and ending June 30, 2024:

Charges for Services	\$2,044,079.00
Tap Fees	\$ 2,000.00
Interest Earned	\$ 8,168.00
Winfall Charges	\$ 144,000.00
Miscellaneous (Riversound)	<u>\$ 5,600.00</u>
Balance	\$2,203,847.00

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, 2023, and ending June 30, 2024:

Water Distribution	\$ 70,420.00
Water Department	\$710,941.00
Wastewater Collections Department	\$446,420.00
Wastewater Treatment Department	<u>\$976,066.00</u>
	\$2,203,847.00

SECTION 5: It is estimated that the following revenues will be available in the Electric Fund for the Fiscal Year beginning July 1, 2023, and ending June 30, 2024:

Charges for Services	\$2,970,348.00
Connect/Disconnect Fees	\$ 30,000.00
Other Operating Fees	<u>\$ 291,000.00</u>
Fund Balance Appropriated	\$3,291,348.00

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, 2023, and ending June 30, 2024:

Administration	\$ 298,967.00
Cost of Power	\$2,149,110.00
Electric Operations	\$ 702,400.00
Loans	\$ 27,472.00
Contingency	<u>\$ 113,399.00</u>
	3,291,348.00


SECTION 7: There is hereby levied a tax at the rate of sixty-five and a half cents (\$0.655 per one hundred dollars (\$100) valuation of the property as listed as of January 2023, 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 \$ 119,602,769 with a 98% collection rate.

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

- A. The Town Manager may transfer amounts up to \$3,000 between line-item expenditures within a department with an official report of such transfers being given at the next regular meeting of the Town Council
- B. The Town Manager may 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. The Town Manager may not transfer any amounts between funds or from any contingency appropriation within any fund, except as approved by the Governing Body in the budget ordinance as amended.
- D. Capital Purchases in excess of \$5,000 shall first be approved by the Town Council and registered as a fixed asset.
- E. Purchases between \$500 and \$5,000 shall be recorded on an internal inventory managed by the Town Clerk.

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 disbursement of funds.

Adopted this 12th day of June 2023



Earnell Brown, Mayor



Gina M. Durante, Town Clerk

