

Town of Sawmills

North Carolina



Annual Budget

Fiscal Year 2018 - 2019

**Town of Sawmills
North Carolina**

2018 - 2019

Annual Budget

Town Council

Johnnie Greene, Mayor

Clay Wilson, Mayor Pro Tem

Rebecca Johnson

Joe Norman

Keith Warren

Jeff Wilson

Town Office Staff

Christopher Todd, Town Administrator
Julie Good, Town Clerk

Karen Clontz, Finance Officer
Jeanie Mask, Administrative Assistant

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Budget Message

&

Ordinance

Annual Budget for the 2018-2019 Fiscal Year

Honorable Mayor Johnnie Greene
And Members of the Town Council:

Town Staff is pleased to present the proposed budget for Fiscal Year 2018-2019, beginning July 1, 2018 and ending June 30, 2019. The budget is balanced in its entirety as required by the North Carolina Local Government Budget and Fiscal Control Act.

The Town of Sawmills' overall budget for FY 2018-2019 totals \$3,281,794 reflecting an overall decrease of \$208,415, or 8.9% decrease from FY 2017-2018.

The proposed budget includes:

- no tax increases;
- 6% increase of the sewer rates;
- decrease in water rates with creation of multi-tiered structure
- an appropriation of Water and Sewer Fund reserves will be made this fiscal year;
- maintains current levels of service;
- maintains current levels of benefits for employees

Below is a brief budgetary summary of the various funds for the Town:

General Fund:

The proposed ad valorem tax rate for FY 2018-2019 is to remain at 20 cents per \$100 valuation with a collection rate of 96%. Each penny of the Town's property tax rate generates approximately \$20,767.00.

The General Fund currently remains debt free. The Town of Sawmills attempts to pay for capital outlay items from actual revenue sources and/or reserves rather than issuing bonds or borrowing funds and paying interest on debt. As has been the case in the previous three budgets, the Town will not need an appropriation of General Fund unrestricted reserves in order to balance the budget.

Anticipated State collected local revenues have been calculated utilizing data supplied by the North Carolina League of Municipalities and local economic data. The Town is anticipating small increases in most of these revenue sources as a result of the slowly improving local, state and national economy.

Some highlights in the General Fund Departmental budgets include:

- paving repairs on Withers Drive, Sigmon Drive, and Trojan Lane;
- purchase of a service truck with snow plow
- funds to retrofit a current truck with a knuckle boom for debris removal
- maintaining employee benefits at current levels;
- a 2% cost of living adjustment;
- a 1% - 3% merit increase for employees;
- continued participation in the Caldwell County Sales Tax Reinvestment Program in the amount of \$194,000

General fund revenues and expenditures are balanced at \$2,164,685 This amount represents a decrease of \$337,843, or a decrease of 14% from the previous 2017-2018 Fiscal Year Budget.

Enterprise Fund:

Due to the increased cost of service and desire to maintain our infrastructure, the Town Council and Staff recommended sewer rates increase for Fiscal Year 2018-2019 by approximately 6%. Water rates show a reduction in volumetric rates, that increases with water use tiers.

In light of the need to maintain Enterprise Fund reserves to address anticipated system improvements maintain solvency and meet unanticipated emergencies, both staff and the Town Council are urged to maintain adequate financial planning for the future. This may require adjusting water and sewer rates in the 2019-2020 Fiscal Year's Budget.

The Water Department, reflects a total of \$172,000 in expenses for the replacement of the Russell Drive waterline. The Sewer Department reflects a \$27,000 balance in capital outlays to create a GIS system for the sewer system.

Revenues for the Enterprise Fund for FY 2018-2019 are approximately \$1,117,109 reflecting an increase of \$57,428, or 5.4%, from the FY 2017-2018 budget. This includes the need for the appropriation of net assets in the amount of \$60,400 to balance this year's water and sewer budget.

Water Rates:

Water Base Rate: \$20.60

Water Volumetric Rate: \$6.00 per 1,000 gallons 1,000 - 10,000 gallons

Water Volumetric Rate: \$7.00 per 1,000 gallons 10,001 - 20,000 gallons

Water Volumetric Rate: \$4.50 per 1,000 gallons 20,001 - 30,000 gallons

Water Volumetric Rate: \$3.50 per 1,000 gallons > 30,000 gallons

Sewer Rates:

Sewer Base Rate: \$27.15

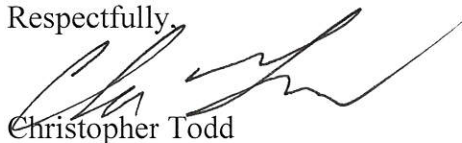
Sewer Volumetric Rate: \$7.60 per 1,000 gallons

Conclusion:

It is with great pride, and a lot of hard work, that we present the proposed budget for FY 2018-2019. The total budget estimates for FY 2018-2019 (across all funds) totals \$3,281,794 versus \$3,562,209 for FY 2017-2018. Staff did a great job in realizing the Town's monetary parameters and making adjustments accordingly. General Fund balance percentage is anticipated to improve this year.

I would like to thank the dedicated employees of the Town for their hard work and good stewardship of the Town's resources. These people work hard and take pride in carrying out their duties. I would like to thank the Mayor and Council for their dedication in carrying out their responsibilities in providing leadership and guidance in these times of budgetary stress and economic uncertainty.

Respectfully,



Christopher Todd
Town Administrator

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SAWMILLS, NORTH CAROLINA:

The following anticipated fund revenues, departmental expenditures, and interfund transfers are approved and appropriated for the Town of Sawmills' operations for the Fiscal Year beginning July 1, 2018 and ending June 30, 2019.

SECTION 1 – General Fund

Revenues:

Property Tax	466,800
Local Sales Tax	1,016,000
Powell Bill Allocation	200,000
Solid Waste Fee	185,000
State Shared (Utility/Franchise)	186,858
Other	9,277
Fund Balance Appropriated	100,000
Planning/Zoning Fees	<u>750</u>
Total Estimated General Fund Revenues	\$2,164,685

Expenditures:

Governing Body	49,450
Administration	429,100
Finance	82,450
Public Works	606,185
Streets and Highways (Powell Bill)	200,000
Sanitation/Recycling	323,850
Community Development	106,200
Parks and Recreation	173,450
Interlocal Transfer to Caldwell County	<u>194,000</u>
Total Estimated General Fund Expenditures	\$2,164,685

SECTION 2 – Utility Fund

Revenues:

Water	869,709
Sewer	<u>247,400</u>
Total Estimated Utility Fund Revenues	\$1,117,109

Expenditures:

Water	869,709
Sewer	<u>247,400</u>
Total Estimated Utility Fund Expenditures	\$1,117,109

SECTION 3 – Ad Valorem Taxes

An Ad Valorem tax rate of \$0.20 per one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2018, is hereby levied and established as the official tax rate for the Town of Sawmills for Fiscal Year 2018 - 2019. The rate is based upon a total projected valuation of \$256,376,500 and an estimated collection rate of 96%. The purpose of the ad valorem tax levy is to raise sufficient revenue to assist in financing necessary municipal government operations in Sawmills.

SECTION 4 – Documentation

Copies of this ordinance will be kept on file at Town Hall and shall be furnished to the Town Clerk and Finance Director to provide direction in the collection of revenues and disbursement of Town funds.

SECTION 5 – Special Authorization, Budget Officer

- A. The Town Administrator shall serve as Budget Officer.
- B. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department.
- C. The Budget Officer is authorized to effect interdepartmental transfers of minor budget amendments not to exceed ten percent (10%) of the appropriated funds for the department's allocation which is being reduced. Notification of all such transfers or amendments shall be made to the Town Council at their next regular meeting of that body following the transfers.

SECTION 6 – Restrictions

- A. Interfund transfers of moneys shall be accomplished only by authorization from the Town Council.
- B. The utilization of any contingency appropriation, in any amount, shall be accomplished only by the authorization from the Town Council. Approval of a contingency appropriation shall be deemed a budget amendment, which transfers funds from the contingency appropriation to the appropriate object of expenditure.


SECTION 7 – Budget Amendments


The North Carolina Local Government Budget and Fiscal Control Act allow the Town Council to amend the budget ordinance any time during the fiscal year, so long as it complies with the North Carolina General Statutes. The Town Council must approve all budget amendments, except where the Budget Officer is authorized to make limited transfers. Please review sections 5 and 6, which outline special authorizations and restrictions related to budget amendments.

SECTION 8 – Utilization of Budget and Budget Ordinance

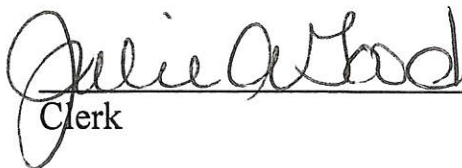
This ordinance and the budget documents shall be the basis for the financial plan of the Town of Sawmills during the 2018-2019 Fiscal Year. The Budget Officer shall administer the budget. The accounting system shall establish records that are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina.

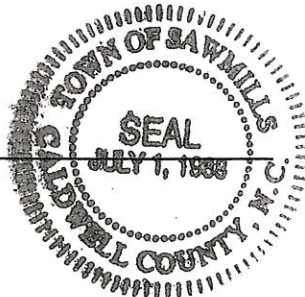
Adopted this the 19th day of June 2018.


Mayor Johnnie Greene


Christopher Todd, Town Administrator

ATTEST:


Clerk



Budgetary & Financial Information

- Distinguished Budget Presentation Award
- Budget Preparation Calendar
- Units of the Budget Document
- Fund Balance (General) & Net Assets (Utility)
- Explanation of Fund Balance (General) & Net Assets (Utility)
- Financial Policies
- Financial Management Systems
- Cash Management



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Sawmills

North Carolina

For the Fiscal Year Beginning

July 1, 2012

Christopher P. Morrell

President

Jeffrey R. Egan

Executive Director



FY 2018-2019 Budget Retreat and Workshop Schedules

December 19th at 6:00 pm Regular Council Meeting	Adopt FY 2017-2018 Budget Retreat and Workshop Schedules (Sawmills Town Hall Council Chambers)
January 18th at 6:00 pm Special Council Meeting	Coffee with the Council (Sawmills Town Hall Council Chambers)
February 15th from 9:00-4:00 Special Council Meeting	Annual Council Budget Retreat (Western Piedmont Council of Government)
March 8th from 5:00-7:00 Special Council Meeting	Budget Workshop Number 1 (Sawmills Town Hall Council Chambers)
April 5th from 5:00-7:00 Special Council Meeting	Budget Workshop Number 2 (Sawmills Town Hall Council Chambers)
April 19th from 5:00-7:00 Special Council Meeting	Budget Workshop Number 3 (Sawmills Town Hall Council Chambers)
May 3rd from 5:00-7:00 Special Council Meeting	Budget Workshop Number 4 (If needed) (Sawmills Town Hall Council Chambers)
May 15th at 6:00 pm Regular Council Meeting	Presentation of FY 2018-2019 Budget and Call a Public Hearing (Sawmills Town Hall Council Chambers)
June 19th at 6:00 pm Regular Council Meeting	Public Hearing and Adoption of FY 2018-2019 Budget (Sawmills Town Hall Council Chambers)

***As required by law all meetings are open to the public.**

UNITS OF THE BUDGET DOCUMENT

Summary:

The primary focus of most budget documents is the revenue and expenditure appropriations. To simplify the financial system and to fairly distribute the resources of the Town, this budget is separated into different units. Town services are separated by function so all costs and incomes generated by each unit can be accurately identified. These units are grouped into common services, functions, and cost areas that are in turn placed into the appropriate Fund, Department, and Line Item. The various levels of detail provided by the different units (funds, departments, and line items) help to manage the operational and fiscal activities of the Town. The following are definitions of the primary units that compose the Town of Sawmills Budget.

Fund:

The fund is an independent fiscal and accounting entity that has a separate set of accounting records for the purpose of operating a specific type of activity. Most funds are economically self-sufficient, having their own revenue sources to support operational activities. Funds may operate one or more sub-groups, called departments, which are responsible for delivering various types of services to the community. The Town of Sawmills operates three (3) funds: General, Utility, and CDBG Sewer Grant. The General Fund handles the “general” operations of the Town, such as administration, street maintenance, planning, etc. The Utility Fund is an enterprise fund which means it is operated in a manner similar to a business, where fees are paid for services provided - in this case customers pay for water and sewer usage.

Department:

Departments are a sub-unit or division of a fund. For example, the Sanitation department is part of the General Fund. A department is responsible for performing specific governmental functions within its area(s) of responsibility.

Line Items:

The budget for each fund and department consists of individual line items that identify specific expenditures and revenues. Examples of line items: salaries & wages, maintenance & repair, capital outlay, property tax revenues, sales tax revenues, etc. Line items are the most detailed way to list budgeted expenditure and revenue information.

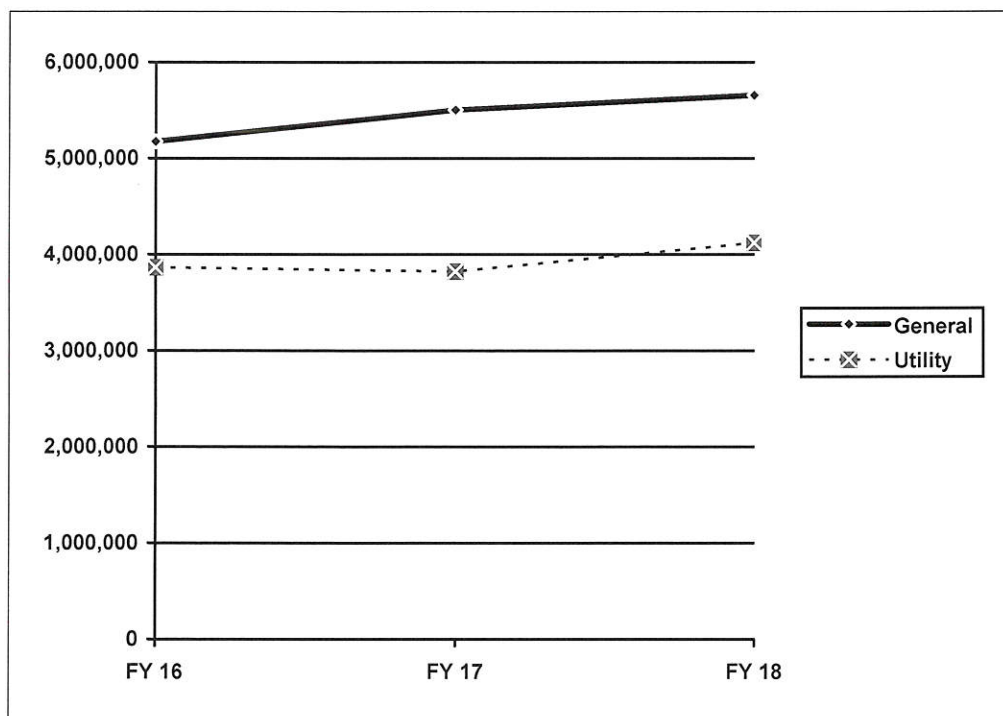
General Fund Balance and Utility Fund Net Assets

General Fund:

Fund Balance at the end of:	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018(est)</u>
(Assigned and Unassigned)	\$5,174,095	\$5,504,535	5,657,906

Utility Fund:

Net Assets at the end of:	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018(est)</u>
	\$3,866,120	\$3,819,650	4,120,051



EXPLANATION OF GENERAL FUND BALANCE & UTILITY NET ASSETS

GENERAL FUND: The estimated fund balance for FY 2018-2019 is projected to be \$5,657,906. Even though the figures reflect a stable fund balance, many factors can reduce the fund balance in a short period of time.

UTILITY FUND: The net assets for FY 2018-2019 are estimated at \$4,120,051.

Water rates for the first 2,000 gallons will remain the same at \$20.60. For each additional 1,000 gallons, up to 10,000 gallons, the rate will decrease from \$6.25 to \$6.00. For usage of 10,001 to 20,000 = \$7.00 per gallon; usage of 20,001 to 30,000 = \$4.50 per gallon and \$3.50 per each 1,000 gallons. Our primary source of water is purchased from the City of Lenoir. There was a rate increase of 1.5% for water purchased by the Town, from the City of Lenoir, for the 2018-2019 fiscal year.

The sewer rate will increase from \$24.70 to \$27.15 for the first 2,000 gallons. This represents a 6% increase from the previous year. For each additional 1,000 gallons, the rate will increase from \$6.90 to \$7.60.

FINANCIAL POLICIES

Purpose:

The following set of financial policies was developed by the Town Council and Town Administrator. These policies are general in nature and designed to act as a guide to assist in making sound fiscal management decisions for the Town of Sawmills. By adhering to established financial policies, following the North Carolina Budget and Fiscal Control Act, accepting guidance from the Local Government Commission, Institute of Government, and the Town's independent auditors, Sawmills can continue to strengthen a solid foundation, which is built on responsible financial and budgetary practices.

Fund Balance:

To insure the Town's fiscal stability, it is necessary to maintain a healthy operating fund balance. The fund balance should not drop below 33% of total expenditures for the General Fund. In addition to the need for emergency funds, the fund balance allows the Town to maintain adequate cash flow levels, provides steady investment income, helps absorb revenue shortfalls, and occasionally aids in making nonrecurring capital purchases.

Operating Budget:

In accordance with the North Carolina General Statutes, the Town will adopt a balanced budget for the fiscal year starting July 1st and ending June 30th of the following calendar year. In addition to setting legal limits on expenditures, establishing a tax levy and tax rate, the Sawmills budget will act as a "work plan" designed for the purpose of implementing goals established by the Town Council. At the end of the fiscal year, the "work plan" will provide the governing body with a way to evaluate budgetary and organizational performance.

Accounting:

An independent accounting firm will perform an annual audit, which will comply with Generally Accepted Accounting Principles (GAAP). Every year the Town's staff will attempt to implement any suggestions made by the auditor in the Annual Financial Report. Every effort will be made by the Town to upgrade internal accounting controls, thus maximizing the security and efficiency of the accounting system.

FINANCIAL POLICIES (CONTINUED)

Investments:

The Town will attempt to maximize the investment of idle monies, thus generating greater amounts of non-tax revenue through increased investment earnings. The following factors will be of paramount importance whenever Town funds are invested: security, liquidity, diversity, and yield. The Town of Sawmills will only invest in those instruments that comply with North Carolina General Statute 159-30, which is part of the Local Government Budget and Fiscal Control Act.

Debt:

In accordance with North Carolina General Statute 159-55 the Town's bonded indebtedness will not exceed eight (8%) percent of the taxable property within its town limits. The Town's debt limit is approximately \$20,026,680. Capital items and capital projects will be financed for a period which should not exceed the life of the asset. There is no current debt for the General Fund and less than a 1% debt for the Utility Fund.

	<u>Balance Owed</u>	<u>Paid in Full</u>
<u>Utility Fund:</u>		
<u>ARRA Loan</u> – Cajahs		
Mtn Waterline		
Replacement	\$70,567.80	12/31/2030

FINANCIAL MANAGEMENT SYSTEMS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Town of Sawmills conform to Generally Accepted Accounting Principles (GAAP) as applicable to local governments. The following is a summary of the more significant accounting principles.

A. REPORTING ENTITY

For financial reporting purposes, in accordance with the criteria in NCGA Statement 3, the Town of Sawmills includes all funds, account groups, agencies, boards, commissions, and authorities which are controlled by or are financially dependent upon the Town.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts for the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In this report, the various funds are grouped into two broad categories and four generic fund types. The two account groups are not funds but are used to establish accountability over the Town's general fixed assets and general long-term debt.

Governmental Funds

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes and state shared revenues. The primary expenditures are for administration, finance, streets, sanitation/recycling, parks and recreation, community development (storm water, planning, and code enforcement) and governing body.

Proprietary Funds

Enterprise Fund - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is

FINANCIAL MANAGEMENT SYSTEMS (CONTINUED)

Appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Town of Sawmills has one enterprise fund: the Utility Fund.

Account Groups

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the Town, other than those accounted for in the proprietary fund.

General Long-Term Debt Account Group – This group of accounts is established to account for all long-term obligations of the Town, except those which are accounted for in the proprietary fund.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures of expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

All funds of the Town are accounted for during the year on the modified accrual basis of accounting in accordance with North Carolina General Statutes. The governmental funds are presented in the financial statement on the same basis. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which a fund liability is incurred, if measurable, except for unmatured principle and interest on general long-term debt which is recognized when due.

The proprietary fund is presented in the financial statements on the accrual basis. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period when incurred. Unbilled receivables are immaterial and are not accrued as revenue in the Utility Fund.

D. BUDGETARY DATA

Budgets are adopted as required by State Statute. An annual budget ordinance is adopted for the general and enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for special revenue and capital project funds. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions.

FINANCIAL MANAGEMENT SYSTEMS (CONTINUED)

Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. The Budget Officer is authorized to reallocate departmental appropriations among the various objects of expenditures within each department. During the year, several amendments to the original budget are necessary.

As required by G.S. 159-26(d), the Town maintains encumbrance accounts that are considered to be "budgetary accounts." Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities; they are reported as "Reserved for encumbrances" in the fund balance section of the combined Balance Sheet in the Town's Annual Financial Report.

CASH MANAGEMENT

Deposits

All deposits of the Town are made in board-designated official depositories and are collateralized as required by North Carolina General Statutes (G.S. 159-31). The Town may designate, as an official depository, any bank or savings and loan association whose principle office is located in North Carolina. Also, the Town may establish time deposit accounts such as Now and SuperNow accounts, money market accounts and certificates of deposit.

Currently, First Citizens Bank in Granite Falls serves as the central depository for the Town. The daily receipts are deposited into the Town's interest-bearing Money Market Account, to minimize the existence of idle funds and maximize interest earnings. All of the Town's monies in the central depository are covered by federal depository insurance.

Investments

North Carolina General Statutes (G.S. 159-30(c)) authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers acceptances; and The North Carolina Cash Management Trust, an SEC registered mutual fund. Investments are stated at cost or amortized cost. The Town pools monies from several funds to facilitate disbursement and investment and maximize investment income. Therefore, for the statement of cash flows, all enterprise fund cash and investments are essentially demand deposits and are considered cash and equivalents.

REVENUE & EXPENDITURES

- Revenue & Expenditures by Fund Comparison
- Revenues by Fund Comparison Graph
- Expenditures by Fund Comparison Graph
- Capital Improvement Expenditure Summary
- Revenue and Expenditure Summaries
- Revenue Assumptions
- Revenue Trends

Revenues and Expenditures by Fund

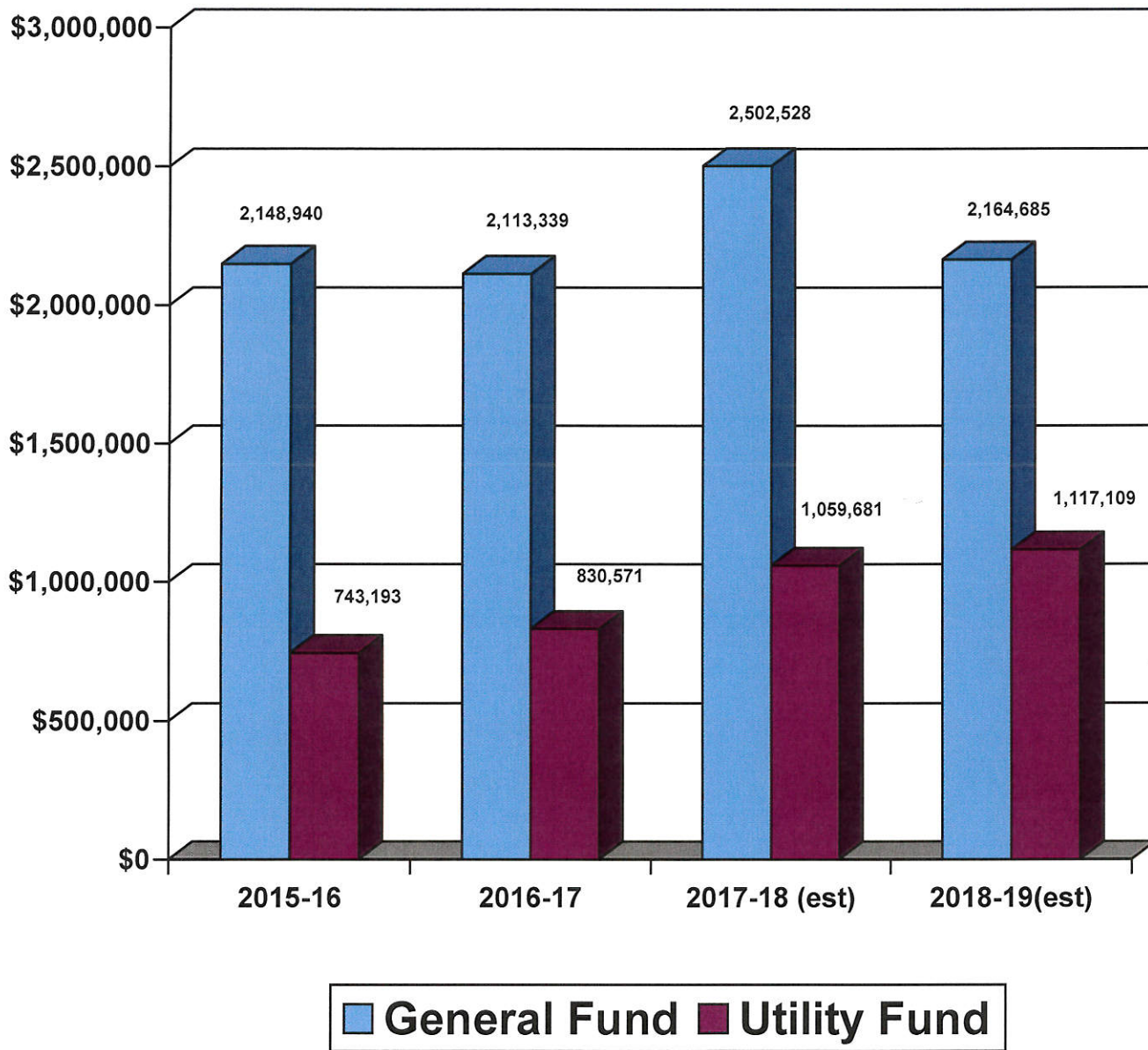
Revenues

<u>Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
General	\$2,148,940	\$2,113,339	\$2,502,528	\$2,164,685
Utility	<u>\$743,193</u>	<u>\$830,571</u>	<u>\$1,059,681</u>	<u>\$1,117,109</u>
Total	\$2,892,133	\$2,943,910	\$3,562,209	\$3,281,794

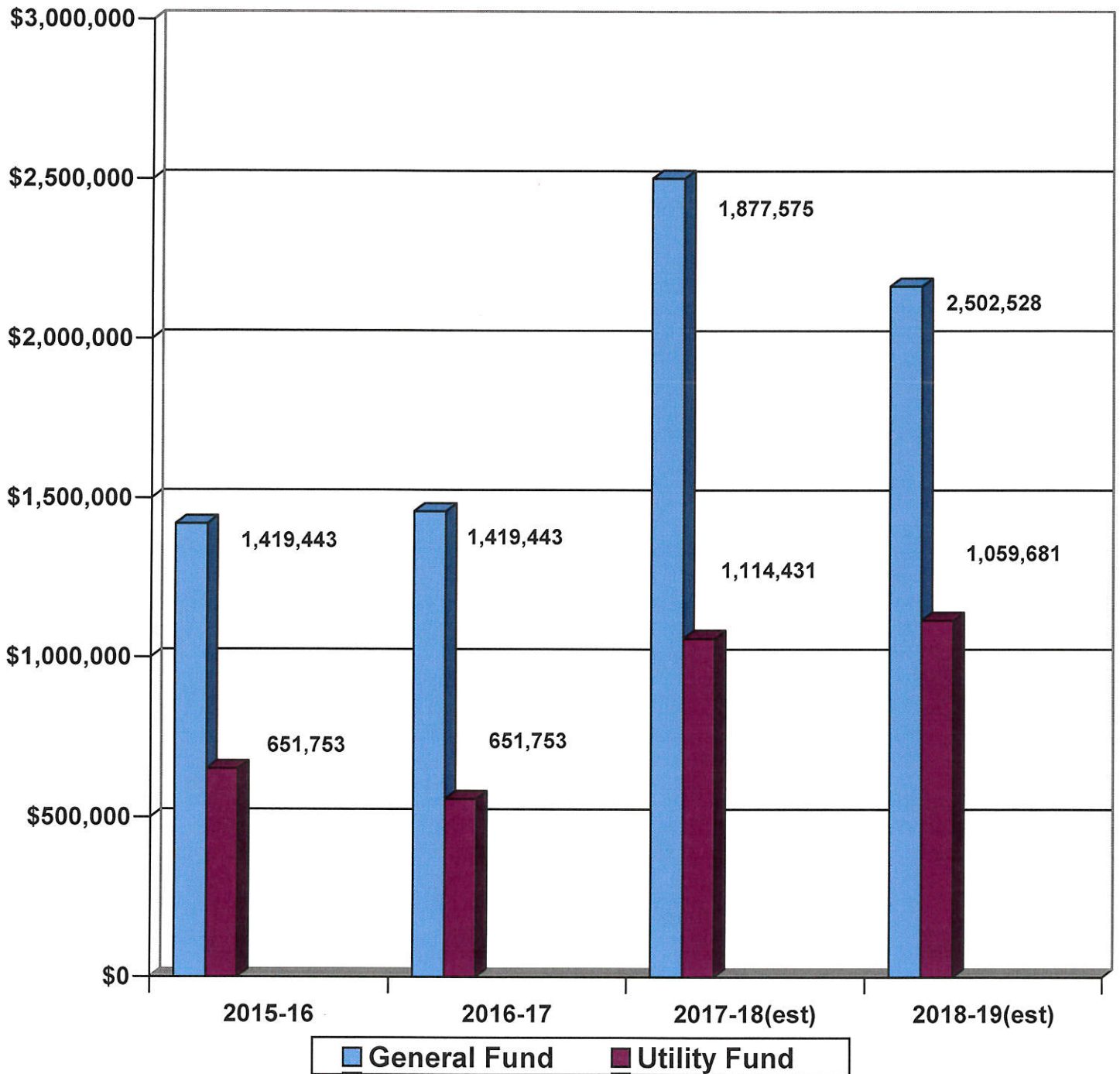
Expenditures

<u>Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
General	\$1,419,443	\$1,458,302	\$2,502,528	\$2,164,685
Utility	<u>\$651,753</u>	<u>\$557,564</u>	<u>\$1,059,681</u>	<u>\$1,117,109</u>
Total	\$2,071,196	\$2,015,866	\$3,562,209	\$3,281,794

Revenues by Fund 2016 - 2019



Expenditures by Fund 2016 – 2019



Comparison of Revenue and Expenditure Summaries

REVENUES

<u>General Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
Ad Val/Vehicle Tax	521,340	496,285	463,000	466,800
Sales Tax	1,063,175	1,056,448	1,015,000	1,016,000
Powell Bill(allocation/reserve)	149,980	147,621	198,550	200,000
State Shared Rev	214,864	212,817	192,000	186,858
Solid Waste Fee	185,581	185,746	200,000	185,000
Miscellaneous	12,640	13,727	11,978	9,277
Fund Balance	0	0	86,000	100,000
Capital Reserve (refuse truck)	0	0	335,000	0
Planning Fees	<u>1,360</u>	<u>695</u>	<u>1,000</u>	<u>750</u>
Total	2,148,940	2,113,339	2,502,528	2,164,685

<u>Utility Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
Water Tank Cell Tower Lease	0	0	0	19,000
Utility Charges	713,276	793,029	884,450	842,000
Taps & Connections	3,000	18,214	5,000	5,000
Late Charges	13,550	14,550	15,000	15,000
Transfer from Capital Reserve	0	0	86,000	86,000
Miscellaneous	13,367	4,778	5,250	5,500
Net Asset Appropriation	0	0	63,981	60,400
AIA Grant-GIS	<u>0</u>	<u>0</u>	<u>0</u>	<u>84,209</u>
Total	743,193	830,571	1,059,681	1,117,109

EXPENDITURES

<u>General Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
Governing Body	35,000	32,853	48,308	49,450
Administration	311,027	299,264	489,400	429,100
Finance	69,708	70,010	80,500	82,450
Streets & Highways	75,678	97,720	263,500	200,000
Public Works	263,985	260,616	424,120	606,185
Sanitation	204,700	172,911	566,650	333,850
Community Development	63,723	58,772	102,950	96,200
Parks & Recreation	115,622	186,156	247,100	173,450
Operating Transfers	0	0	86,000	0
Inter Local Transfer	<u>280,000</u>	<u>280,000</u>	<u>194,000</u>	<u>194,000</u>
Total	1,419,443	1,458,302	2,502,528	2,164,685

<u>Utility Fund</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18(est)</u>	<u>2018-19(est)</u>
Water	535,868	427,981	804,231	869,709
Sewer	<u>115,885</u>	<u>129,583</u>	<u>255,450</u>	<u>247,400</u>
Total	651,753	557,564	1,059,681	1,117,109

2018-2019 CAPITAL IMPROVEMENT EXPENDITURE SUMMARIES

Capital Improvement Decision Process: The Town's formal Capital Improvement Program (CIP) covers a span of ten years. Identifying a need for capital improvement comes from the Mayor, Board, Citizens, and Town Staff. Once a potential need is identified, it is evaluated during the annual goal setting retreat and reviewed more closely during budget workshops. A final decision is rendered at the time of budget adoption.

Definition of Capital Improvement: A capital improvement in Sawmills is defined as any expenditure for equipment, buildings, any structure/facility related to municipal operations, machinery, land acquisition, plan, study, or project in which the cost for the item exceeds \$10,000. The information listed on the next few pages is a summary of the Capital expenditures for the General and Utility Funds for the ten years.

Town of Sawmills Capital Improvement Plan (10 Year)

[FY 18/19](#)
[FY 19/20](#)
[FY 20/21](#)
[FY 21/22](#)
[FY 22/23](#)
[FY 23/24](#)
[FY 24/25](#)
[FY 25/26](#)
[FY 26/27](#)
[FY 27/28](#)

General Fund

Administration										
Town Hall Carpet	10,000									
Security System Generator		15,000								
		35,000								
Town Hall (D/S)			120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Administration Subtotal	10,000	35,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Public Works										
Service Truck/plow	44,000									
Public Works Heat/Air		10,000								
Public Works Parking Lot paving		30,000								
Generator			35,000							
Service/snow removal truck				50,000						
Public Works Subtotal	44,000	40,000	35,000	0	0	0	0	0	0	0
Parks & Recreation										
Press Box (2) - Baird Park		30,000								
Baird Park lights/poles replace		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Lights - Veterans Park			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Maintenance Building-Veterans			178,000							
Paving-Baird & Veterans				50,000						
Concession Stand - Veterans Park				200,000						
Pave Access Rd- Veterans Park							50,000			
Parks & Recreation Subtotal	0	130,000	278,000	450,000	200,000	200,000	200,000	150,000	100,000	0
Sanitation										
Knuckle boom only (modify 1995 GMC)	70,000									
Tub brush grinder		300,000								
Dump Truck			200,000							
Refuse Truck #4				350,000						
Sanitation Subtotal	70,000	300,000	200,000	0	350,000	0	0	0	0	0

<u>FY 18/19</u>	<u>FY 19/20</u>	<u>FY 20/21</u>	<u>FY 21/22</u>	<u>FY 22/23</u>	<u>FY 23/24</u>	<u>FY 24/25</u>	<u>FY 25/26</u>	<u>FY 26/27</u>	<u>FY 27/28</u>
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Streets & Highways

29

Water

Russell Drive	100,000
GIS for water lines(AIA Grant)	88,500
Mission Road/Withers Dr	83,000
Water Meters	300,000
Leta Lane	72,000
Baker Circle - extension	200,000
Electric Meter Readers	20,000
Spring Lake MHP	170,000
Mayfield Drive	37,000
Paul Drive	56,000
Ardmore Drive	25,000
Maggie Lane/Gatewood	118,750
Marcus Drive	37,000
White Pine Drive	72,000
Jess Drive	34,000
Magnolia Lane	136,000
Helton Road	180,000
Edgewood Drive	50,000
Water Department Subtotal	188,500 383,000 272,000 190,000 93,000 143,750 109,000 170,000 180,000 50,000

Town of Sawmills Capital Improvement Plan (10 Year)

[FY 18/19](#)
[FY 19/20](#)
[FY 20/21](#)
[FY 21/22](#)
[FY 22/23](#)
[FY 23/24](#)
[FY 24/25](#)
[FY 25/26](#)
[FY 26/27](#)
[FY 27/28](#)

Sewer									
GIS for sewer lines	27,000								
321A North-Elmore to Hudson		TBD							
Bakers Circle		128,000							
Blackburn Court & Villa Lane			174,000						
Villa Woods, Loye Ln, Baker Circle, Chantilly Dr (South)			333,000						
Duncan Dr & Chantilly Dr (North)				165,000					
Clyde Dr & Burl St				223,000					
Cleo Dr, Karr Dr, Remont St & Holden Pl					234,000				
Sewer Department Subtotal	27,000	0	128,000	174,000	333,000	165,000	223,000	234,000	0
Utility Fund CIP Total	215,500	383,000	400,000	364,000	426,000	308,750	332,000	404,000	50,000

*TBD - To be determined

Capital Budget Items by Department FY 2018 - 2019

General Fund & Utility Fund

General Fund

Public Works-

1. Service Truck w/tool bed/snow plow	\$44,000
---------------------------------------	----------

Sanitation –

1. Knuckle boom only (Modify 1995 GMC 7000)	\$70,000
--	----------

Total General Fund	\$114,000
---------------------------	------------------

Utility Fund

Water Department -

1. GIS for Water lines (\$84,209 covered by AIA Grant)	\$88,500
---	----------

Sewer Department -

1. GIS for Sewer lines	\$27,000
------------------------	----------

Total Utility Fund	\$115,500
---------------------------	------------------

Capital Budget – General Fund	\$114,000
--------------------------------------	------------------

Capital Budget – Utility Fund	\$115,500
--------------------------------------	------------------

Total Capital Budget	\$220,500
-----------------------------	------------------

EXPLANATION OF CAPITAL EXPENDITURES

Capital Items – General Fund

Explanation, Financing, & Operational Impacts

Item: Service Truck with tool bed/snow
plow
Cost: \$44,000

To replace retired equipment.

Dept: **Public Works**

Item: Knuckle boom
Cost: \$70,000

A 1995 GMC will be modified to add a knuckle
boom.

Dept: **Sanitation**

Capital Items – Utility Fund

Item: GIS-Water Lines
Cost: \$88,500

Project will enhance utility asset management,
maintenance and repair.

Dept: **Water**

Item: GIS – Sewer Lines
Cost: \$27,000

Project will enhance utility asset management,
maintenance and repair.

Dept: **Sewer**
Cost: \$27,000

REVENUE ASSUMPTIONS

The following information briefly explains the major sources of revenue and describes the means used to project anticipated income for the Town of Sawmills.

Ad Valorem Taxes Ad Valorem or property tax income is based on a \$.20 tax rate per \$100 of \$256,376,500 assessed valuation with an estimated 96% collection rate for property and 100% for vehicles.

Investments The Town generates income by investing idle cash in CD's, money market accounts, and investments in the North Carolina Capital Management Trust Fund. An average monthly balance of temporarily idle cash for each fund is determined by using historical trend analysis and by performing cash flow projections for FY 2018-19.

Shared Revenues State-shared revenue sources remain reduced due to action taken by the North Carolina General Assembly. The distribution of revenue changes from year to year. Sawmills receives the following State-shared revenues: Franchise, Piped Natural Gas, Excise, and Telecommunication Taxes. For 2018-19, estimates of these revenues have been included in the budget.

Local Sales Tax The State collects and distributes local levied tax on retail sales. The tax consists of a one cent (Article 39), and two one-half cent taxes (Articles 40 & 42), of which each local government receives a portion, based on either a per capita (population) or ad valorem (property value) basis determined by the county. Caldwell County distributes sales tax money based on per capita. To continue to receive these taxes on a per capita basis, the Town and other municipalities have entered into an interlocal agreement with Caldwell County to use these funds on economic development incentives benefiting the County. The Town's contribution is \$194,000.

Powell Bill Fund Powell Bill funds are generated from the State's Gasoline Tax. A percentage of this tax is returned to municipalities through a formula based on a town's population and mileage of streets maintained by the municipalities. Powell Bill money can only be used for street maintenance, construction, traffic signs, curbs and gutters, drainage, and other related needs.

Water Billings	The Town sells potable water to residential and commercial establishments within the Sawmills town limits. Minimum monthly water charges to customers will remain at \$20.60 for the first 2,000 gallons, with a decreased rate from \$6.25 to \$6.00 for each additional 1,000 gallons up to 10,000 gallons; \$7.00 per 1,000 from 10,001 to 20,000; \$4.50 per 1,000 from 20,001 to 30,000 and \$3.50 per 1,000 after 30,001.
Sewer Billings	The Town collects waste water through a sewer collection system. The bill each month is based on a customer's water consumption. The minimum monthly sewer charge will increase to \$27.15 for the first 2,000 gallons with each additional 1,000 gallons at a rate of \$7.60.
Fund Balance	This revenue source comes from the Town's surplus in either the General or Utility Funds. The appropriation of fund balance (General Fund), or net assets (Utility Fund), is necessary to balance projected revenues and expenditures. The level of appropriation is determined by the difference between estimated expenditures and estimated revenues for the upcoming fiscal year.
Misc. Revenue	This revenue source is generated by park rental fees, trash cans, Town promotional materials, Veterans Memorial engraving and copies.
Capital Reserve	This fund is represented on a municipality's balance sheet accounting for reserves set aside for future long-term capital investments, projects or emergency expenditures. This type of fund is set aside to insure the municipality has adequate funding to at least partially finance the project.
Other	All other revenue sources were projected by using one, or a combination of the following forecasting methods: historical trend analysis, projections from the N.C. League of Municipalities, and/or institutional knowledge.

REVENUE TRENDS

General Fund

Property tax revenues make up approximately 21.5% of the General Fund revenues. We are starting to see a slight improvement in revenue projections for the Town. Sawmills, and many other North Carolina municipalities, receive State Shared Revenues. This represents approximately 8% of the revenue and is comprised of the Franchise, Utility, Excise, and Telecommunication taxes. As long as these revenues remain subject to annual appropriation by the North Carolina General Assembly, they will continue to be an unstable and unpredictable source of revenue. The Sales and Use Tax, along with City Hold Harmless, is approximately 47% of the General Fund Revenue. Also included is the Powell Bill revenue which represents approximately 9% of the revenue. However, these funds are restricted to street related expenditures. A fund balance of \$100,000 has been appropriated and represents 4.5% of the revenue projections. These funds will be used to supplement road expenditures. The remaining 10% is comprised of the solid waste fees, planning/zoning fees, investments and miscellaneous revenue.

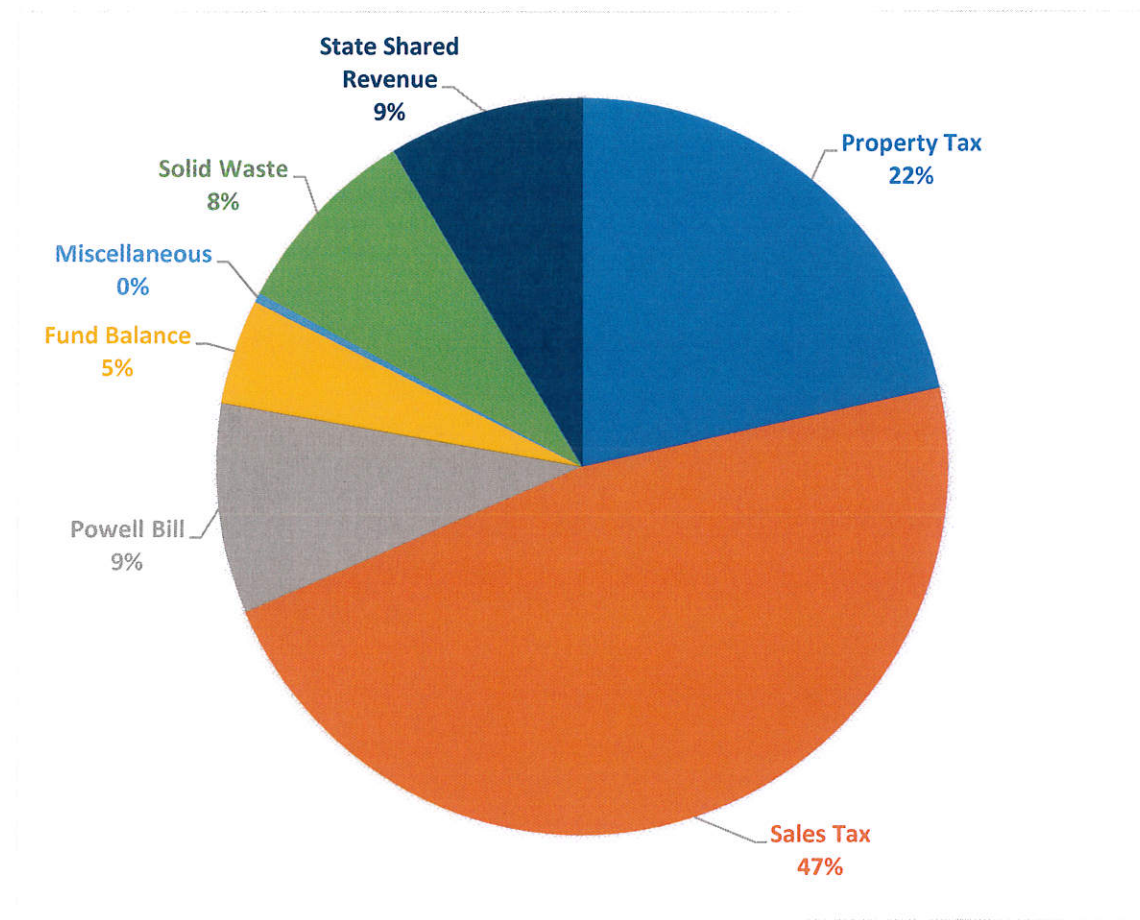
Utility Fund

The vast majority of support for this fund comes from water sales. Over the years, water sales and usage have increased slightly. Occasionally, sales will drop from one year to the next. Proceeds from water sales, and the other smaller revenue sources, should provide adequate revenues to maintain the Utility Fund as a self-supporting enterprise activity. Projects for FY 2018-19 include replacing water lines on Russell Drive. Also, the Town has received an AIA Grant, in the amount of \$84,209 which will help implement a GIS system for the Town's water and sewer lines.

GENERAL FUND

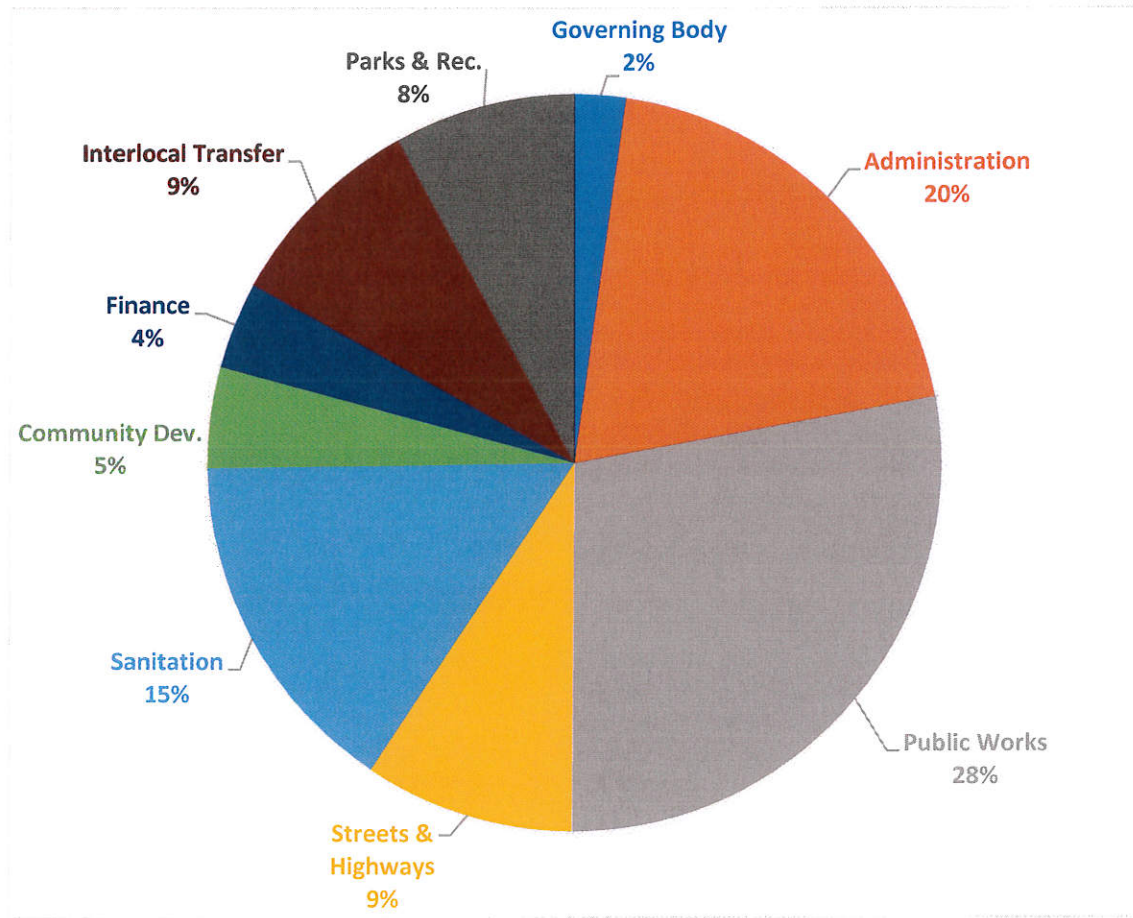
- **Revenues for General Fund Graph**
- **Expenditures for General Fund Graph**
- **Governing Body**
- **Administration**
- **Finance**
- **Public Works**
- **Streets & Highways**
- **Sanitation & Recycling**
- **Community Development**
- **Parks & Recreation**

2018 - 2019 Revenues General Fund



Total Revenues \$2,164,685

2018 - 2019 Expenditures General Fund



Total Expenditures \$2,164,685

GOVERNING BODY

*Mayor
* Town Council

The Town's elected Governing Body consists of a Mayor and five Council members. The Mayor and Council are elected on four-year staggered terms. Elections are held every two years.

OBJECTIVES

- Constantly monitor projects in the Town, working with staff to ensure that the Budget is in compliance and being wise stewards of the Town's monies. Work with residents to understand problems and needs to improve the Town's services and functions.
- Continue to work with the Western Piedmont Council of Governments, the North Carolina League of Municipalities, as well as the County and local municipalities.

Expenditures

	<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
	\$48,308	\$49,450	+2%
<u>Mayor/Council</u>	<u>Total</u>	<u>Changes</u>	<u>Total</u>
	6	0	6

ADMINISTRATION

* Town Administrator
* Administrative Assistant

* Town Clerk

The Administrative Department consists of the Town Administrator who handles the day-to-day operations of the Town, a Town Clerk and Administrative Assistant. The Town Clerk records the minutes for the Town Council meetings and keeps all records for the Town. The Administrative Assistant ensures assists with payment applications for utility billing.

OBJECTIVES

- Administrative staff will attend conferences and classes to improve job knowledge and efficiency.

Expenditures

<u>2017-18(Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$489,400	\$428,100	-14%

Personnel

<u>Full Time</u>	<u>Part Time</u>
3	0

FINANCE

* Finance Officer

The Finance Department maintains and updates all financials such as Year End Reports, Statements of Revenues and Expenses, Trial Balance, General Ledger and all Journal Entries to stay within the allotted budget. Personnel also maintain all State and Federal reports such as County Sales Tax Report, 941's, State Withholding, and Municipal Certification Report. The Finance Department also handles all aspects of personnel, health insurance, workers compensation, property and liability insurance, internal auditing, accounts payable, accounts receivable, fixed assets, payroll, works with the Auditor on the yearly audit, and helps prepare the annual budget.

OBJECTIVES

The Finance Officer will attend conferences and/or classes that include local, state and national information regarding governmental laws, employment laws, accounting, auditing and financial management information. These classes/conferences will aide the Finance Officer to be in compliance with GAP, GASB and local, State, and Federal requirements.

Expenditures

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$80,500	\$82,450	+2%

Personnel

<u>Full Time</u>	<u>Part Time</u>
1	0

PUBLIC WORKS DEPARTMENT

* Public Works Director

* Public Works Employees

The Public Works Department endeavors to keep all buildings, equipment and the infrastructure of the Town in operational order. The main goal is to keep the Town clean, safe, and in good repair.

OBJECTIVE

- Coordinate with the NC Department of Transportation by maintaining roads in the Town with paving/repairs, keeping right of ways clear, snow removal, mowing and removal of debris.
- Sustain all the Town's facilities with continual maintenance and repairs.
- FY 2018-19 - A fund balance appropriation of \$100,000 was budgeted to supplement costs associated with Powell Bill expenditures. Street paving for Withers Drive, Sigmon Drive and Trojan Lane. Purchase of a service truck with a tool bed and snow plow.

Expenditures

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$466,600	\$806,185	+42%
(\$295,600/PW + \$263,500/PB)	(\$606,185/PW + \$200,000/PB)	

Personnel**Full Time****Part Time**

4

0

*Total includes Public Works (PW) and Streets/Highways (Powell Bill).

The Sanitation Department collects trash around the Town on a daily basis. Residents within the Town receive this curbside collection weekly for a monthly fee of \$8.00. Stoves, refrigerators, sofas, tables, boxes, and other miscellaneous items, can be scheduled for pick up by contacting the Town Hall office.

The Town of Sawmills contracts with Republic Services (aka - Garbage Disposal Services) to collect recyclable material on a bi-weekly basis. The Town encourages residents to participate in the recycling program by providing free containers and also a list of items that can be recycled. The recycle rewards program (\$32 credit to the sanitation bill), which began in July, 2011, continues to be a success resulting in an increase in materials being recycled. The Town's goal is to increase the amount of collectible recycling materials and reduce the amount of refuse being taken to the landfill.

During the 2017-18 fiscal year, a third automated trash truck was purchased., as scheduled per the Capital Improvement Plan, and due to the average life cycle of a trash truck being five years

OBJECTIVES

- Continue to provide efficient curbside service to the citizens of Sawmills while keeping expenses in check.
- Work with Republic Services to collect recyclables and encourage more participation from residents. Information packets will be used to inform participating residents how to improve ways to recycle and make them aware of their role by conserving resources.

Expenditures

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$449,319	\$333,850	-26%

Personnel

<u>Full Time</u>	<u>Part Time</u>
1	0

BUDGET SUMMARY

Expanding services, at both the Baird Park and the Veterans Memorial Park, is still the focus for the Parks & Recreation Department in the next few years. In the future, Duke Energy plans to work with the Town to construct a greenway at the Veterans Park. The Town will strive to enhance the aesthetics of the parks with landscaping improvements throughout the year.

OBJECTIVES

- Expand and develop both parks for the use and enjoyment of Town residents.
- Keep both parks clean and well maintained and offer recreational activities that interest all residents in the Town such as walking trails, ball fields, picnic shelters, handicap accessibility, a fishing pier and playgrounds.
- Apply for grants that can be used to develop more recreational facilities.

Expenditures

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$125,474	\$173,450	27%

Personnel

<u>Full Time</u>	<u>Part Time</u>
2	0

COMMUNITY DEVELOPMENT

- * Planning Commission
- * Code Enforcement
- * Town Planner

In an effort to increase efficiency, the Town has combined the Planning and Code Enforcement positions via the services of the Western Piedmont Council of Governments (WPCoG). The Town's Code Enforcement service has changed and, as a result, the Town will be more reactive as opposed to proactive. The Town Planner works to manage growth and promote sustainable development to benefit residents, employers and the natural environment. Our quality of life is enhanced through the Town's planning principals, ordinances and anticipating future needs.

Also included in the budget are Town sponsored events These include the Fall Festival, Veterans Day, Christmas Tree lighting and parade, Easter Egg Hunt, the Memorial Day fireworks display and the Farmers Market.

OBJECTIVES

- as the population increases, long range plans for land use are essential to predict services needed for residents of the Town.
- to rewrite the Zoning and Subdivision ordinances to reflect changes in land use and to ensure residents use land and resources wisely.
- to enforce removal of junk cars, noxious weeds and dilapidated homes which will help property values as well as home owner satisfaction.
- to ensure proper permitting of flood plain and storm water areas.
- to encourage beautification of public and private properties
- to update the Town's comprehensive land use plan that will provide guide lines for development over the next 10 years.

Expenditures

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$66,372	\$96,200	31%

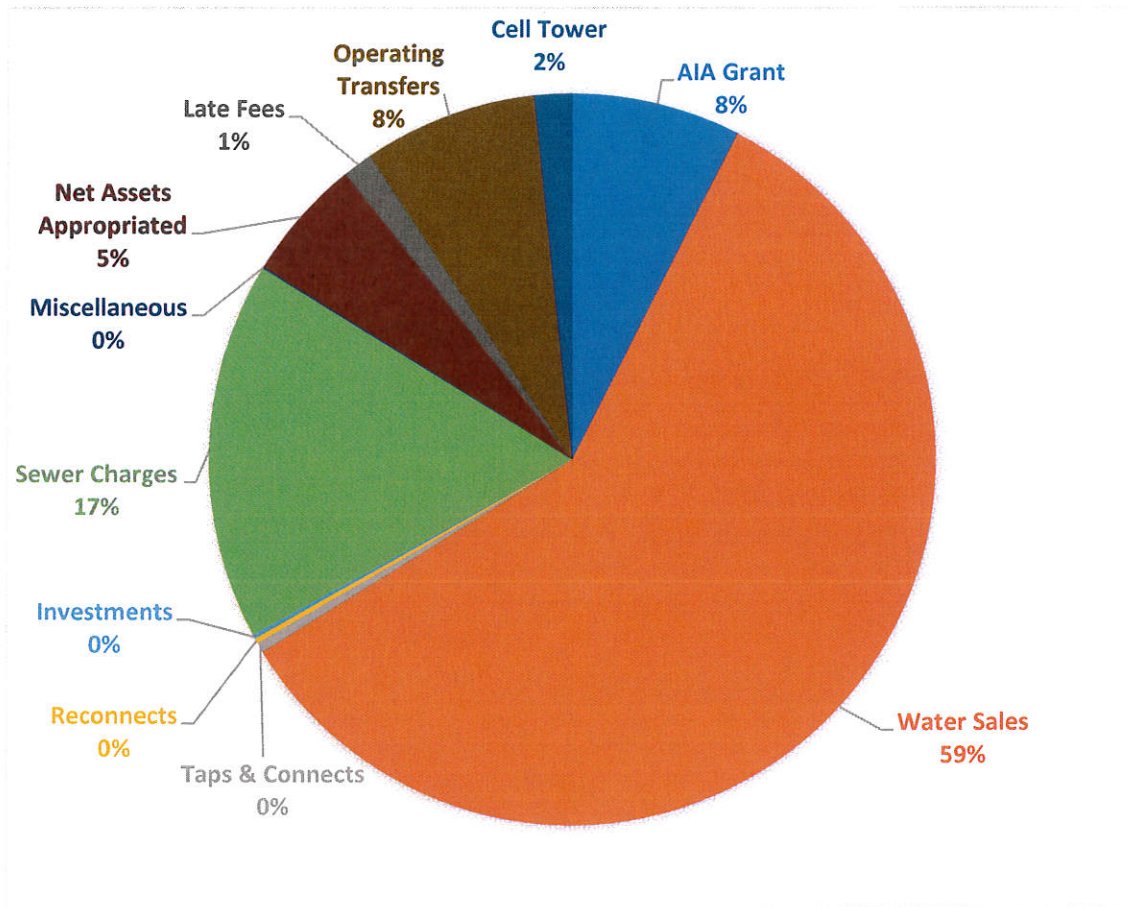
Personnel

<u>Full Time</u>	<u>Part Time</u>
0	9

UTILITY FUND

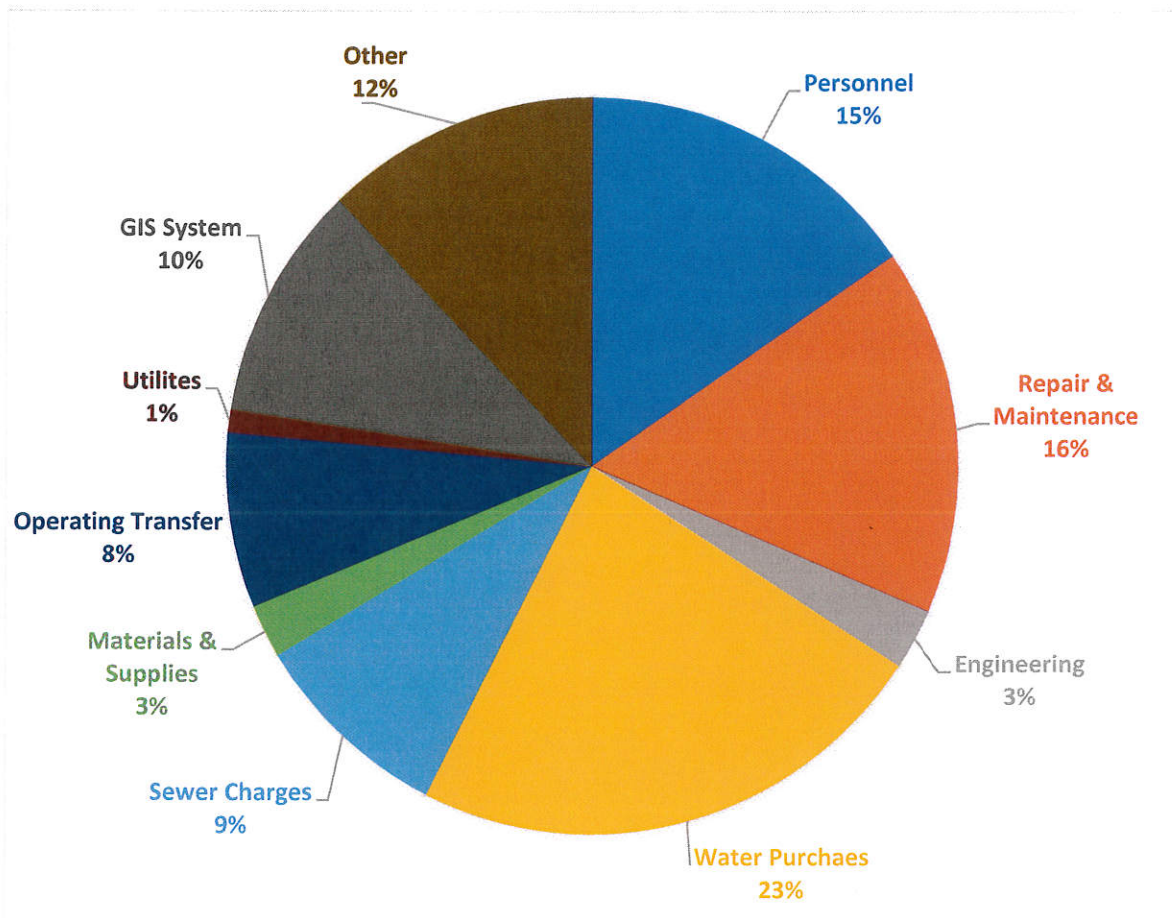
- Revenues for Utility Fund Graph
- Expenses for Utility Fund Graph
- Water Department
- Sewer Department

2018 – 2019 Revenues Utility Fund



Total Revenues \$1,117,109

2018 - 2019 Expenses Utility Fund



Total Expenses \$1,117,109

WATER DEPARTMENT

*Water Department ORC

*Water Department Employee

The Water Department maintains and reads water meters, installs new taps, connects and disconnects water customers, and repairs broken lines. All purchased water is tested regularly to insure its safety. An analysis of this testing is sent to the Town's residents in the annual summer newsletter. The Town of Sawmills purchases water from the City of Lenoir, Baton Water and Caldwell County and resells to residents in the Town.

During FY 2018-2019, water lines will be replaced on Russell Drive. Also, a GIS system will be installed on the water and sewer lines. This was made possible through an AIA Grant facilitated by Western Piedmont Council of Governments.

OBJECTIVES

- Insure residents have clean potable water with few interruptions.
- Replace damaged waterlines as quickly as possible.
- Review water needs of residents and respond to those needs.
- Update maps with water line infrastructure to aid employees in finding problem areas quickly to reduce interrupted service and also aid others such as cable and power companies when digging.

EXPENDITURES

<u>2017-18 (Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$843,882	\$869,709	3%

PERSONNEL

<u>Full Time</u>	<u>Part Time</u>
1.5	0

SEWER DEPARTMENT

*Sewer Department ORC

*Sewer Department Employee

The Sewer Department maintains sewer lines as well as several pump stations. As new sub-divisions are developed, additional sewer lines will be needed.

For FY 2018-19, in conjunction with Western Piedmont Council of Governments and an AIA Grant, a GIS system will be installed on the water and sewer lines.

OBJECTIVES

- Keep all equipment and sewer lines operational with limited interruptions.
- Continually review sewer needs of Town.
- Update maps with sewer line infrastructure to aid employees in location.

EXPENDITURES

<u>2017-18(Estimate)</u>	<u>2018-19 Budget</u>	<u>% Change</u>
\$244,413	\$247,400	1%

PERSONNEL

<u>Full Time</u>	<u>Part Time</u>
.5	0

**Town of Sawmills
Annual Budget Estimates - Revenues**

**Fiscal Year: 2018-2019
Summary**

Budget Page:
1

Fund	Fund #	Last Year	Current Year		Budget	
		Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
General Fund	1	\$2,113,339	\$2,502,528	\$1,728,100	\$2,433,232	\$2,164,685
Utility Fund	2	\$830,571	\$1,059,681	\$680,739	\$974,733	\$1,117,109
TOTALS:		\$2,943,910	\$3,562,209	\$2,408,839	\$3,407,965	\$3,281,794

Town of Sawmills
Annual Budget Estimates - Revenues

Fiscal Year: 2018-2019
General Fund

Budget Page:
2

Account Name	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Ad Valorem Current Year	1-00-3101	\$411,118	\$400,000	\$392,039	\$405,000	\$405,000
Ad Valorem Prev Year	1-00-3102	\$19,337	\$20,000	\$8,601	\$12,000	\$20,000
Ad Valorem Refunds	1-00-3103	(\$64)	(\$500)	\$0	(\$100)	(\$250)
Ad Valorem Collection Fees	1-00-3104	(\$10,381)	(\$15,000)	(\$10,073)	(\$15,000)	(\$15,000)
Vehicle Interest	1-00-3105	\$208	\$100	\$49	\$100	\$150
Vehicle Taxes	1-00-3110	\$72,654	\$55,000	\$37,412	\$56,118	\$55,000
Vehicle Taxes Prev Year	1-00-3111	\$625	\$200	\$80	\$100	\$100
Vehicle Refunds	1-00-3112	(\$566)	(\$400)	(\$320)	(\$400)	(\$500)
Vehicle Collection Fees	1-00-3113	(\$3,412)	(\$3,100)	(\$1,543)	(\$2,315)	(\$3,000)
Interest on Ad Valorem	1-00-3114	\$6,577	\$6,500	\$2,097	\$3,200	\$5,000
Ad Valorem Late List Rev	1-00-3115	\$189	\$200	\$264	\$300	\$300
NSF fees	1-00-3116	\$570	\$400	\$570	\$60	\$400
Hold Harmless	1-00-3229	\$279,899	\$240,000	\$147,357	\$250,000	\$250,000
Article 44 1/2% Sales tax	1-00-3230	\$61,623	\$50,000	\$32,957	\$60,000	\$46,000
Article 39 1% Sales Tax	1-00-3231	\$312,400	\$320,000	\$157,086	\$300,000	\$315,000
Article 40 1/2 % Sales Tax	1-00-3232	\$250,709	\$255,000	\$130,439	\$255,000	\$255,000
Article 42 1/2 % Sales Tax	1-00-3233	\$151,817	\$150,000	\$76,204	\$150,000	\$150,000
Sales Tax on Telecommunications	1-00-3234	\$23,157	\$22,000	\$5,958	\$20,000	\$15,000
Excise Tax on Piped Natural Gas	1-00-3235	\$2,642	\$2,000	-\$307	\$500	\$500
Powell Bill Funds	1-00-3316	\$147,621	\$147,000	\$146,797	\$146,797	\$146,000
Wellness Grant	1-00-3319	\$0	\$250	\$0	\$0	\$0
Cable Franchise Fees	1-00-3323	\$28,940	\$15,000	\$7,082	\$20,000	\$15,000
Utility Franchise Fees	1-00-3324	\$151,987	\$150,000	\$37,754	\$150,000	\$150,000
Veteran's Memorial Engraving/Misc	1-00-3333	\$425	\$250	\$0	\$0	\$250
Planning & Zoning Fees	1-00-3340	\$695	\$1,000	\$505	\$550	\$750
Sale of Recyclable Materials	1-00-3351	\$0	\$0	\$192	\$200	\$0
Investment Earnings	1-00-3831	\$2,943	\$2,500	\$3,276	\$3,300	\$2,750
Investment Earnings - Powell Bill	1-00-3832	\$151	\$100	\$101	\$125	\$127
Mowing/Snow Removal	1-00-3833	\$2,628	\$2,628	\$3,358	\$3,358	\$3,358
Solid Waste Fee	1-00-3834	\$185,746	\$200,000	\$123,412	\$185,000	\$185,000
Solid Waste Revenue	1-00-3835	\$3,463	\$3,000	\$1,830	\$3,000	\$3,000
Parks/Rec (Misc)	1-00-3836	\$500	\$750	\$450	\$600	\$500
Parks/Rec Fee	1-00-3837	\$150	\$500	\$275	\$400	\$500
Miscellaneous Revenue	1-00-3839	\$5,158	\$1,500	\$693	\$1,039	\$1,500
Farmers Market Fees	1-00-3841	\$1,630	\$600	\$305	\$1,000	\$1,000
Veteran's Park/Rec Fee	1-00-3842	\$2,200	\$2,500	\$2,200	\$2,300	\$2,250
Over/Under Cash Reconciliation	1-00-3843	\$0	\$0	\$0	\$0	\$0
NC Debt Setoff	1-00-3845	\$0	\$0	\$0	\$0	\$0
Transfer from Capital Reserve	1-00-3860	\$0	\$335,000	\$335,000	\$335,000	\$0
Powell Bill Reserve	1-00-3889	\$0	\$51,550	\$0	\$0	\$54,000
Fund Balance Appropriated	1-00-3990	\$0	\$86,000	\$86,000	\$86,000	\$100,000
TOTALS:		\$2,113,339	\$2,502,528	\$1,728,100	\$2,433,232	\$2,164,685

**Town of Sawmills
Annual Budget Estimates - Revenues**

**Fiscal Year: 2018-2019
Utility Fund**

Budget Page:
3

	Fund 2	Last Year	Current Year			Budget
Department	Dept #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Water	80	\$669,663	\$804,231	\$477,357	\$712,307	\$869,709
Sewer	90	\$160,908	\$255,450	\$203,382	\$262,426	\$247,400
TOTALS:		\$830,571	\$1,059,681	\$680,739	\$974,733	\$1,117,109

**Town of Sawmills
Annual Budget Estimates - Revenues**

**Fiscal Year: 2018-2019
Utility Fund - Water Department**

Budget Page:
4

Account Name	Fund 2	Last Year	Current Year		Budget	
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Water Tank Cell Tower Lease	2-00-3120	\$0	\$0	\$6,440	\$6,440	\$19,000
Water Sales	2-00-3710	\$632,121	\$715,000	\$452,702	\$679,053	\$655,000
Water Taps & Connections	2-00-3711	\$18,214	\$5,000	\$2,500	\$3,750	\$5,000
Reconnection Fees	2-00-3713	\$1,775	\$2,500	\$1,600	\$2,400	\$2,500
Late Charges	2-00-3714	\$14,550	\$15,000	\$11,050	\$16,576	\$15,000
Investment Earnings	2-00-3831	\$2,230	\$1,500	\$1,806	\$2,200	\$2,000
Miscellaneous Revenue	2-00-3839	\$633	\$1,000	\$1,259	\$1,888	\$1,000
NC Debt Setoff	2-00-3845	\$140	\$250	\$0	\$0	\$0
Capital Contributions	2-00-3850	\$0	\$0	\$0	\$0	\$0
AIA Grant - Waterlines GIS	2-00-3861	\$0	\$0	\$0	\$0	\$84,209
Operating Transfer from Capital Reserve	2-00-3900	\$0	\$0	\$0	\$0	\$86,000
Appropriated Net Assets	2-00-3990	\$0	\$63,981	\$0	\$0	\$0
TOTALS:		\$669,663	\$804,231	\$477,357	\$712,307	\$869,709

**Town of Sawmills
Annual Budget Estimates - Revenues**

**Fiscal Year: 2018-2019
Utility Fund - Sewer Department**

Budget Page:

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	Fund 2	Last Year	Current Year			Budget
Account Name	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Sewer Charges	2-00-3750	\$160,908	\$169,450	\$117,382	\$176,426	\$187,000
Sewer Tap & Connections	2-00-3751	\$0	\$0	\$0	\$0	\$0
Capital Contributions	2-00-3850	\$0	\$86,000	\$86,000	\$86,000	\$0
Sewer Net Funds Appropriated	2-00-3991	\$0	\$0	\$0	\$0	\$60,400
TOTALS:		\$160,908	\$255,450	\$203,382	\$262,426	\$247,400

Town of Sawmills
Annual Budget Estimates - Expenditures/Expenses

Fiscal Year: 2018-2019
Summary

Budget Page:
6

Fund	Fund #	Last Year	Current Year		Estimated Entire Year	Budget
		Actual 2016-2017	Budget 2017-2018	Actual to February 2018		2018-2019 Estimate
General Fund	1	\$1,458,302	\$2,502,528	\$1,630,708	\$2,026,986	\$2,164,685
Utility Fund	2	\$557,564	\$1,059,681	\$569,523	\$969,684	\$1,117,109
TOTALS:		\$2,015,866	\$3,562,209	\$2,200,231	\$969,684	\$3,281,794

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund

Budget Page:

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Account	Dept #	Last Year	Current Year		Budget
		Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year 2018-2019 Estimate
Governing Body	10	\$32,853	\$48,308	\$33,939	\$40,755
Administration	20	\$299,264	\$489,400	\$312,802	\$410,942
Finance	30	\$70,010	\$80,500	\$49,095	\$73,587
Public Works	40	\$260,616	\$424,120	\$229,355	\$343,899
Community Development	45	\$58,772	\$102,950	\$47,302	\$72,200
Parks and Recreation	46	\$186,156	\$247,100	\$82,741	\$136,301
Streets & Highways	50	\$97,720.00	\$263,500.00	\$202,681.00	\$208,557.00
Sanitation and Recycling	60,70	\$172,911.00	\$566,650.00	\$392,793.00	\$460,745.00
Operating Transfers	00	\$0.00	\$86,000.00	\$86,000.00	\$86,000.00
Interlocal Transfer to Caldwell County	20	\$280,000.00	\$194,000.00	\$194,000.00	\$194,000.00
TOTALS:		\$1,458,302	\$2,502,528	\$1,630,708	\$2,026,986

**Town of Sawmills
Annual Budget Estimates - Expenses**

**Fiscal Year: 2018-2019
Utility Fund**

Budget Page:
8

Dept	Dept #	Last Year	Current Year		Budget	
		Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Water	80	\$427,981	\$804,231	\$491,591	\$648,205	\$869,709
Sewer	90	\$129,583	\$255,450	\$77,932	\$321,479	\$247,400
TOTALS:		\$557,564	\$1,059,681	\$569,523	\$969,684	\$1,117,109

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Governing Body

Budget Page:
9

Account Name	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-10-4100	\$13,800	\$14,000	\$9,200	\$13,800	\$14,000
Workers Compensation	1-10-4104	\$108	\$108	\$108	\$108	\$200
FICA & Medi Taxes	1-10-4106	\$1,056	\$1,150	\$704	\$1,056	\$1,150
Community Assistance Program	1-10-4109	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Donations	1-10-4110	\$16,000	\$16,000	\$14,800	\$16,000	\$16,000
Payments Board of Elections	1-10-4111	\$0	\$7,000	\$5,241	\$5,241	\$7,000
Uniforms	1-10-4125	\$0	\$500	\$0	\$0	\$500
Office Supplies	1-10-4126	\$0	\$500	\$173	\$200	\$500
Freight IN	1-10-4130	\$0	\$50	\$96	\$100	\$100
Travel & Schools	1-10-4131	\$98	\$5,000	\$40	\$250	\$5,000
Fuel	1-10-4225	\$0	\$500	\$0	\$0	\$500
Miscellaneous Exp	1-10-4295	\$1,791	\$2,000	\$2,577	\$3,000	\$3,000
Town Promotion Materials & Supplies	1-10-4515	\$0	\$500	\$0	\$0	\$500
TOTALS:		\$32,853	\$48,308	\$33,939	\$40,755	\$49,450

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Administration

Budget Page:
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Account	Fund 1	Last Year	Current Year		Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	2018-2019 Estimate
Wages	1-20-4100	\$114,061	\$132,000	\$91,091	\$136,637
Overtime	1-20-4101	\$0	\$500	\$6	\$10
Employee Benefits	1-20-4103	\$35,481	\$47,000	\$30,883	\$46,324
Workers Compensation	1-20-4104	\$1,184	\$6,500	\$581	\$1,184
FICA & Medi Taxes	1-20-4106	\$3,842	\$12,000	\$2,130	\$3,195
Professional Fee's Accounting	1-20-4118	\$12,035	\$15,000	\$10,710	\$12,000
Professional Fee's Legal	1-20-4119	\$24,842	\$35,000	\$21,067	\$34,000
Professional Fee's Engineer	1-20-4120	\$2,406	\$1,500	\$634	\$1,000
Uniforms	1-20-4125	\$0	\$1,000	\$515	\$800
Office Supplies	1-20-4126	\$5,680	\$8,000	\$2,277	\$4,000
Office Equipment	1-20-4127	\$300	\$2,500	\$2,651	\$4,000
Wellness and Health	1-20-4128	\$0	\$0	\$0	\$0
Safety Equipment and Materials	1-20-4129	\$0	\$0	\$0	\$0
Freight IN	1-20-4130	\$518	\$1,000	\$66	\$100
Travel & Schools	1-20-4131	\$7,922	\$12,000	\$1,146	\$2,500
Telephone	1-20-4132	\$3,580	\$4,500	\$2,394	\$3,590
Utilities	1-20-4133	\$4,993	\$6,800	\$3,381	\$5,071
Permits and Fees	1-20-4134	\$372	\$1,000	\$160	\$240
Repairs & Maintenance	1-20-4135	\$6,377	\$16,400	\$13,305	\$16,000
Postage	1-20-4136	\$659	\$1,000	\$415	\$675
Advertising	1-20-4137	\$1,296	\$4,000	\$418	\$2,000
Printing	1-20-4138	\$156	\$1,000	\$0	\$0
Insurance and Bonds	1-20-4145	\$15,565	\$21,000	\$14,989	\$16,000
Dues and Subscriptions	1-20-4148	\$12,729	\$14,000	\$12,287	\$12,500
Unemployment Benefits	1-20-4149	\$607	\$5,000	\$0	\$0
Non Refundable Taxes Expense	1-20-4150	\$912	\$1,000	\$604	\$906
Capital Outlay	1-20-4151	\$17,843	\$79,000	\$63,442	\$63,442
Bank Service Charge	1-20-4170	\$525	\$3,500	\$332	\$500
Computer Expense	1-20-4180	\$8,046	\$20,000	\$22,521	\$23,000
Town Website Maintenance	1-20-4181	\$556	\$1,000	\$412	\$600
Prior Year Expenditures	1-20-4199	\$0	\$0	\$0	\$0
Fuel	1-20-4225	\$200	\$1,200	\$77	\$100
Leases & Maint	1-20-4243	\$629	\$1,500	\$341	\$500
Caldwell Railroad Commission	1-20-4244	\$61	\$500	\$0	\$0
Cash Over/Short	1-20-4280	\$0	\$0	\$0	\$0
Miscellaneous Exp	1-20-4295	\$2,995	\$10,000	\$1,380	\$2,068
Contract Services	1-20-4760	\$12,892	\$23,000	\$12,587	\$18,000
TOTALS:		\$299,264	\$489,400	\$312,802	\$410,942
					\$429,100

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Finance

Budget Page:
11

Account	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-30-4100	\$48,875	\$53,000	\$33,662	\$50,493	\$55,000
Overtime	1-30-4101	\$0	\$0	\$0	\$0	\$0
Employee Benefits	1-30-4103	\$16,047	\$17,000	\$11,088	\$16,632	\$17,000
Workers Compensation	1-30-4104	\$0	\$0	\$0	\$0	\$0
FICA & Medi Taxes	1-30-4106	\$3,739	\$4,250	\$2,575	\$3,862	\$4,250
Office Supplies	1-30-4126	\$618	\$750	\$575	\$750	\$750
Office Equipment	1-30-4127	\$400	\$600	\$0	\$0	\$500
Frieght IN	1-30-4130	\$0	\$100	\$0	\$0	\$100
Travel & Schools	1-30-4131	\$15	\$2,500	\$517	\$1,000	\$2,500
Telephone	1-30-4132	\$106	\$0	\$50	\$0	\$0
Permits and Fees	1-30-4134	\$0	\$0	\$50	\$50	\$50
Dues and Subscriptions	1-30-4148	\$210	\$300	\$160	\$300	\$300
Unemployment Benefits	1-30-4149	\$0	\$0	\$0	\$0	\$0
Computer Expense	1-30-4180	\$0	\$1,000	\$418	\$500	\$1,000
Miscellaneous Exp	1-30-4295	\$0	\$1,000	\$0	\$0	\$1,000
TOTALS:		\$70,010	\$80,500	\$49,095	\$73,587	\$82,450

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Public Works

Budget Page:
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	Fund 1	Last Year	Current Year			Budget
Account	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-40-4100	\$135,672	\$175,000	\$105,647	\$158,470	\$180,000
Overtime	1-40-4101	\$1,911	\$3,400	\$1,700	\$2,500	\$3,400
Wages Part Time	1-40-4102	\$0	\$0	\$0	\$0	\$0
Employee Benefits	1-40-4103	\$47,191	\$65,000	\$41,634	\$62,451	\$65,000
Workers Compensation	1-40-4104	\$5,263	\$6,500	\$5,847	\$5,847	\$6,500
FICA & Medi Taxes	1-40-4106	\$10,525	\$15,000	\$8,212	\$12,318	\$13,750
Professional Fee's Engineer	1-40-4120	\$0	\$1,000	\$0	\$0	\$1,000
Steets and Lights	1-40-4124	\$15,695	\$18,000	\$10,141	\$15,211	\$21,000
Uniforms	1-40-4125	\$2,355	\$6,300	\$1,460	\$2,300	\$6,000
Equipment and Materials	1-40-4129	\$0	\$2,000	\$760	\$1,140	\$4,000
Freight IN	1-40-4130	\$274	\$300	\$53	\$80	\$300
Travel & Schools	1-40-4131	\$0	\$1,500	\$90	\$150	\$1,000
Telephone	1-40-4132	\$1,814	\$3,500	\$1,232	\$1,848	\$2,500
Utilities	1-40-4133	\$7,952	\$8,500	\$4,635	\$6,953	\$8,000
Permits and Fees	1-40-4134	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance	1-40-4135	\$2,868	\$29,000	\$2,909	\$25,000	\$65,000
Non Refundable Taxes Expense	1-40-4150	\$345	\$300	\$183	\$275	\$400
Capital Outlay	1-40-4151	\$7,345	\$40,000	\$35,807	\$35,807	\$44,000
Computer Expense	1-40-4180	\$1,095	\$1,200	\$593	\$889	\$11,500
Prior Year Expenditures	1-40-4199	\$0	\$0	\$0	\$0	\$0
Fuel	1-40-4225	\$2,703	\$2,000	\$989	\$1,500	\$3,000
Leases & Maint	1-40-4243	\$180	\$1,000	\$0	\$0	\$1,000
Miscellaneous Exp	1-40-4295	\$11,283	\$13,000	\$5,245	\$7,800	\$13,835
Materials & Supplies	1-40-4515	\$3,095	\$3,500	\$1,978	\$3,000	\$15,000
Paving & Speed humps	1-40-4559	\$0	\$0	\$0	\$0	\$112,000
Contract Services	1-40-4760	\$3,050	\$28,120	\$240	\$360	\$28,000
TOTALS:		\$260,616	\$424,120	\$229,355	\$343,899	\$606,185

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Streets/Highways

Budget Page:
13

Account	Fund 1	Last Year	Current Year		Budget	
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-50-4100	\$0	\$0	\$0	\$0	\$0
Overtime	1-50-4101	\$0	\$0	\$0	\$0	\$0
Employee Benefits	1-50-4103	\$0	\$0	\$0	\$0	\$0
Workers Compensation	1-50-4104	\$0	\$0	\$0	\$0	\$0
FICA & Medi Taxes	1-50-4106	\$0	\$0	\$0	\$0	\$0
Equipment Purchases	1-50-4117	\$0	\$0	\$0	\$0	\$0
Professional Fee's Engineer	1-50-4120	\$12,870	\$25,000	\$8,417	\$10,000	\$25,000
Safety Equipment and Materials	1-50-4129	\$0	\$0	\$0	\$0	\$0
Freight IN	1-50-4130	\$0	\$0	\$200	\$200	\$0
Repairs & Maintenance	1-50-4135	\$6,910	\$52,000	\$1,815	\$2,500	\$0
Capital Outlay	1-50-4151	\$0	\$0	\$0	\$0	\$0
Miscellaneous Exp	1-50-4295	\$0	\$1,000	\$0	\$500	\$0
Materials & Supplies	1-50-4515	\$0	\$13,500	\$6,892	\$10,000	\$0
Drainage	1-50-4558	\$0	\$0	\$0	\$0	\$0
Paving	1-50-4559	\$77,940	\$172,000	\$185,357	\$185,357	\$175,000
Right of Way	1-50-4600	\$0	\$0	\$0	\$0	\$0
TOTALS:		\$97,720	\$263,500	\$202,681	\$208,557	\$200,000

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Sanitation

Budget Page:
14

		Last Year	Current Year		Budget	
		Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-60-4100	\$43,560	\$47,000	\$30,194	\$45,500	\$70,000
Overtime	1-60-4101	\$67	\$1,000	\$232	\$400	\$1,000
Wages Part Time	1-60-4102	\$0	\$0	\$0	\$0	\$0
Employee Benefits	1-60-4103	\$16,191	\$16,000	\$10,760	\$16,500	\$30,000
Workers Compensation	1-60-4104	\$3,000	\$4,000	\$3,603	\$3,603	\$3,000
FICA & Medi Taxes	1-60-4106	\$3,338	\$3,600	\$2,327	\$3,500	\$6,000
Recycle Rewards	1-60-4110	\$100	\$100	\$100	\$100	\$100
Professional Fee's Engineer	1-60-4120	\$0	\$0	\$0	\$0	\$0
Uniforms	1-60-4125	\$0	\$0	\$0	\$0	\$0
Equipment and Materials	1-60-4129	\$0	\$0	\$0	\$0	\$1,200
Freight IN	1-60-4130	\$150	\$200	\$40	\$60	\$200
Permits and Fees	1-60-4134	\$21,696	\$50	\$0	\$0	\$50
Repairs & Maintenance	1-60-4135	\$2,974	\$60,000	\$10,990	\$20,000	\$50,800
Postage	1-60-4136	\$0	\$3,500	\$2,077	\$3,500	\$3,500
Printing	1-60-4138	\$0	\$0	\$0	\$0	\$4,000
Unemployment Benefits	1-60-4149	\$0	\$0	\$0	\$0	\$0
Non Refundable Taxes Expense	1-60-4150	\$109	\$200	\$0	\$0	\$0
Capital Outlay	1-60-4151	\$0	\$335,000	\$281,432	\$281,432	\$70,000
Capital Reserve	1-60-4152	\$0	\$0	\$0	\$0	\$0
Fuel	1-60-4225	\$11,116	\$16,000	\$7,979	\$13,000	\$16,000
Allowance For Bad Debt	1-60-4285	\$850	\$1,000	\$500	\$500	\$1,000
Miscellaneous Exp	1-60-4295	\$0	\$3,000	\$510	\$1,000	\$1,000
Materials & Supplies	1-60-4515	\$457	\$1,000	\$80	\$150	\$1,000
Contracted Services	1-60-4760	\$0	\$0	\$0	\$0	\$0
Landfill Expenses	1-60-4761	\$6,144	\$10,500	\$3,996	\$6,500	\$7,000
Contracted Services Recycle	1-70-4762	\$63,159	\$64,500	\$37,973	\$65,000	\$68,000
TOTALS:		\$172,911	\$566,650	\$392,793	\$460,745	\$333,850

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Community Development

Budget Page:
15

Account	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-45-4100	\$50	\$200	\$0	\$100	\$200
Workers Compensation	1-45-4104	\$0	\$0	\$0	\$0	\$0
FICA & Medi Taxes	1-45-4106	\$4	\$50	\$0	\$50	\$50
Professional Fee's Engineer	1-45-4120	\$0	\$500	\$0	\$0	\$0
Office Supplies	1-45-4126	\$0	\$0	\$0	\$0	\$0
Office Equipment	1-45-4127	\$0	\$0	\$0	\$0	\$0
Freight IN	1-45-4130	\$24	\$250	\$0	\$0	\$100
Utilities	1-45-4133	\$0	\$250	\$129	\$250	\$250
Contractors	1-45-4135	\$190	\$10,000	\$0	\$0	\$10,000
Postage	1-45-4136	\$26	\$100	\$20	\$50	\$100
Advertising - Community Development	1-45-4137	\$704	\$1,500	\$725	\$1,000	\$1,500
Miscellaneous Exp	1-45-4295	\$347	\$1,000	\$0	\$250	\$1,000
Materials & Supplies	1-45-4515	\$16,415	\$36,100	\$12,800	\$20,000	\$27,000
Contract Services	1-45-4760	\$41,012	\$53,000	\$33,628	\$50,500	\$56,000
Plat & Zoning Fees	1-45-4980	\$0	\$0	\$0	\$0	\$0
TOTALS:		\$58,772	\$102,950	\$47,302	\$72,200	\$96,200

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Parks & Recreation

Budget Page:
16

Account	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	1-46-4100	\$67,615	\$63,000	\$39,099	\$59,000	\$63,000
Overtime	1-46-4101	\$173	\$1,250	\$147	\$250	\$1,250
Wages Part Time	1-46-4102	\$0	\$0	\$0	\$0	\$0
Employee Benefits	1-46-4103	\$33,715	\$31,000	\$19,417	\$30,000	\$35,000
Workers Compensation	1-46-4104	\$1,146	\$2,000	\$801	\$801	\$2,000
FICA & Medi Taxes	1-46-4106	\$5,186	\$6,000	\$3,002	\$5,000	\$6,000
Professional Fee's Engineer	1-46-4120	\$0	\$1,000	\$0	\$0	\$0
Veteran's Memorial Engraving	1-46-4122	\$400	\$1,500	\$0		\$1,000
Veteran's Park Flood Lights	1-46-4124	\$516	\$0	\$439	\$650	\$1,000
Uniforms	1-46-4125	\$0	\$0	\$0	\$0	\$0
Equipment and Materials	1-46-4129	\$2,530	\$3,000	\$0	\$3,000	\$0
Freight IN	1-46-4130	\$57	\$500	\$15	\$50	\$500
Telephone-Cell phone	1-46-4132	\$525	\$650	\$351	\$600	\$650
Utilities	1-46-4133	\$18,096	\$19,000	\$11,610	\$19,000	\$20,000
Permits and Fees	1-46-4134	\$0	\$150	\$0	\$0	\$0
Repairs & Maintenance	1-46-4135	\$15,960	\$99,000	\$4,351	\$10,000	\$25,000
Unemployment Benefits	1-46-4149	\$0	\$0	\$0	\$0	\$0
Non Refundable Taxes Expense	1-46-4150	\$0	\$50	\$0	\$0	\$50
Capital Outlay	1-46-4151	\$11,523	\$0	\$0	\$0	\$0
Capital Reserve	1-46-4152	\$0	\$0	\$0	\$0	\$0
Fuel	1-46-4225	\$3,396	\$5,000	\$1,530	\$2,500	\$4,000
Miscellaneous Exp	1-46-4295	\$524	\$3,000	\$100	\$150	\$3,000
Materials & Supplies	1-46-4515	\$6,137	\$10,000	\$1,699	\$5,000	\$10,000
Water Purchases	1-46-4558	\$204	\$1,000	\$180	\$300	\$1,000
Contract Services	1-46-4760	\$18,453	\$0	\$0	\$0	\$0
TOTALS:		\$186,156	\$247,100	\$82,741	\$136,301	\$173,450

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Operating Transfers

Budget Page:
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Account	Fund 1	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Operating Transfer to Water/Sewer	1-00-4490	\$0	\$86,000	\$86,000	\$86,000	\$0
Operating Transfer to Capital Projects	1-00-4493	\$0	\$0	\$0	\$0	\$0
Operating Transfer to CDBG	1-00-4494	\$0	\$0	\$0	\$0	\$0
Operating Transfer	1-00-4495	\$0	\$0	\$0	\$0	\$0
TOTALS:		\$0	\$86,000	\$86,000	\$86,000	\$0

Town of Sawmills
Annual Budget Estimates - Expenditures

Fiscal Year: 2018-2019
General Fund - Interlocal Transfer

Budget Page:
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	Fund 1	Last Year	Current Year			Budget
Account	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Interlocal Trans Caldwell County	1-20-4296	\$280,000	\$194,000	\$194,000	\$194,000	\$194,000
TOTALS:		\$280,000	\$194,000	\$194,000	\$194,000	\$194,000

Town of Sawmills
Annual Budget Estimates - Expense

Fiscal Year: 2018-2019
Utility Fund - Water Department

Budget Page:
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Account Name	Fund 2	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	2-80-4100	\$69,706	\$56,000	\$30,329	\$50,000	\$70,000
Overtime	2-80-4101	\$2,751	\$3,000	\$2,373	\$3,600	\$4,000
Wages Part Time	2-80-4102	\$0	\$0	\$0	\$0	\$0
Employee Benefits	2-80-4103	\$32,140	\$20,000	\$12,807	\$19,210	\$35,000
Workers Compensation	2-80-4104	\$4,250	\$4,000	\$1,792	\$1,792	\$5,000
FICA & Medi Taxes	2-80-4106	\$5,525	\$4,000	\$2,501	\$4,000	\$6,000
Professional Fee's Legal	2-80-4119	\$0	\$0	\$0	\$0	\$5,000
Professional Fee's Engineer	2-80-4120	\$12,801	\$25,000	\$20,131	\$25,000	\$20,000
Uniforms	2-80-4125	\$0	\$0	\$0	\$0	\$0
Equipment and Materials	2-80-4129	\$19,942	\$10,000	\$0	\$0	\$30,000
Freight IN	2-80-4130	\$288	\$250	\$39	\$50	\$500
Travel & Schools	2-80-4131	\$442	\$1,000	\$290	\$400	\$1,000
Telephone	2-80-4132	\$577	\$1,500	\$420	\$600	\$1,500
Utilities	2-80-4133	\$397	\$1,500	\$719	\$1,100	\$1,500
Permits and Fees	2-80-4134	\$3,365	\$4,500	\$3,185	\$4,000	\$5,000
Repairs & Maintenance	2-80-4135	\$33,162	\$234,000	\$160,473	\$175,000	\$150,000
Postage	2-80-4136	\$6,176	\$8,000	\$3,503	\$5,500	\$8,000
Printing	2-80-4138	\$5,387	\$5,000	\$3,331	\$5,000	\$10,000
Unemployment Benefits	2-80-4149	\$0	\$0	\$0	\$0	\$0
Non Refundable Taxes Expense	2-80-4150	\$0	\$100	\$0	\$0	\$709
Capital Outlay	2-80-4151	\$0	\$123,000	\$67,880	\$67,880	\$88,500
Capital Reserve	2-80-4152	\$0	\$0	\$0	\$0	\$0
Bank Service Charge	2-80-4170	\$2,808	\$4,000	\$2,747	\$3,000	\$3,500
Computer Expense	2-80-4180	\$255	\$3,500	\$0	\$0	\$400
Prior Year Expenditures	2-80-4199	\$0	\$0	\$0	\$0	\$0
Fuel	2-80-4225	\$5,291	\$7,000	\$4,734	\$5,500	\$7,000
Debt Service Payment-Cajah's Mtn W	2-80-4270	\$5,881	\$5,881	\$0	\$5,881	\$6,000
Penalties and Interest	2-80-4275	\$0	\$0	\$0	\$0	\$0
Cash Over/Short	2-80-4280	\$28	\$0	\$42	\$42	\$100
Allowance For Bad Debt	2-80-4285	\$3,372	\$2,500	\$0	\$4,400	\$5,000
Miscellaneous Exp	2-80-4295	\$701	\$1,500	\$86	\$150	\$5,000
Materials & Supplies	2-80-4515	\$12,517	\$0	\$12,168	\$19,000	\$25,000
Water Purchases	2-80-4558	\$186,130	\$260,000	\$148,580	\$225,000	\$260,000
Tech Support	2-80-4560	\$2,100	\$2,500	\$0	\$2,100	\$5,000
Due from CIP Reserve	2-80-4562	\$0	\$0	\$0	\$0	\$86,000
Contracted Services	2-80-4760	\$11,989	\$16,500	\$13,461	\$20,000	\$25,000
TOTALS:		\$427,981	\$804,231	\$491,591	\$648,205	\$869,709

Town of Sawmills
Annual Budget Estimates - Expense

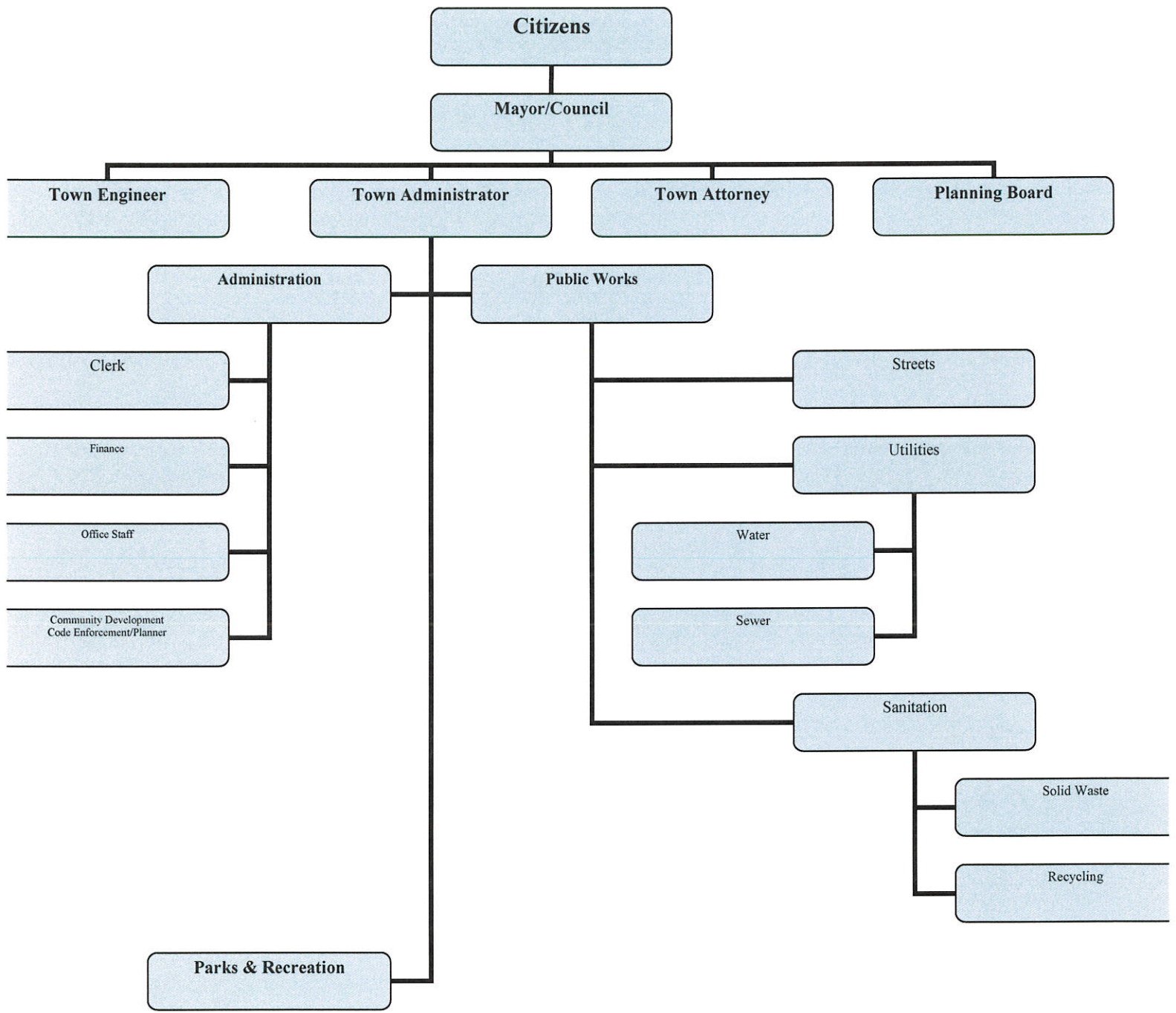
Fiscal Year: 2018-2019
Utility Fund - Sewer Department

Budget Page:
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Account Name	Fund 2	Last Year	Current Year			Budget
	Account #	Actual 2016-2017	Budget 2017-2018	Actual to February 2018	Estimated Entire Year	2018-2019 Estimate
Wages	2-90-4100	\$27,711	\$31,500	\$19,177	\$29,000	\$32,500
Overtime	2-90-4101	\$1,776	\$2,000	\$1,494	\$2,241	\$2,000
Wages Part Time	2-90-4102	\$0	\$0	\$0	\$0	\$0
Employee Benefits	2-90-4103	\$11,625	\$12,000	\$7,965	\$12,000	\$13,000
Workers Compensation	2-90-4104	\$1,013	\$1,500	\$1,500	\$1,500	\$1,500
FICA & Medi Taxes	2-90-4106	\$2,256	\$2,500	\$1,582	\$2,373	\$2,500
Professional Fee's Legal	2-90-4119	\$262	\$0	\$0	\$0	\$6,000
Professional Fee's Engineer	2-90-4120	\$36,651	\$50,000	\$10,723	\$120,000	\$10,000
Uniforms	2-90-4125	\$0	\$0	\$0	\$0	\$0
Equipment and Materials	2-90-4129	\$0	\$2,000	\$0	\$0	\$4,000
Freight IN	2-90-4130	\$0	\$250	\$385	\$500	\$500
Travel & Schools	2-90-4131	\$198	\$500	\$0	\$200	\$500
Telephone	2-90-4132	\$2,081	\$2,100	\$1,269	\$2,100	\$2,200
Utilities	2-90-4133	\$9,081	\$9,300	\$6,315	\$9,400	\$10,000
Permits and Fees	2-90-4134	\$1,290	\$600	\$180	\$300	\$1,000
Repairs & Maintenance	2-90-4135	\$16,788	\$31,000	\$8,248	\$13,000	\$30,000
Unemployment Benefits	2-90-4149	\$0	\$0	\$0	\$0	\$0
Non Refundable Taxes Expense	2-90-4150	\$204	\$200	\$0	\$115	\$200
Capital Outlay	2-90-4151	\$194	\$0	\$115	\$0	\$27,000
Capital Reserve	2-90-4152	\$0	\$86,000	\$0	\$86,000	\$0
Prior Year Expenditures	2-90-4199	\$0	\$0	\$0	\$0	\$0
Allowance For Bad Debt	2-90-4285	\$1,941	\$1,000	\$0	\$650	\$2,000
Miscellaneous Exp	2-90-4295	\$5	\$1,000	\$88	\$100	\$1,000
Materials & Supplies	2-90-4515	\$1,245	\$2,000	\$1,310	\$2,000	\$1,500
Contracted Services	2-90-4760	\$0	\$0	\$0	\$0	\$0
Sewer Charges	2-90-4558	\$15,262	\$20,000	\$17,581	\$40,000	\$100,000
Sewer Easements/RoW	2-90-4600	\$0	\$0	\$0	\$0	\$0
TOTALS:		\$129,583	\$255,450	\$77,932	\$321,479	\$247,400

APPENDIX

- **Organizational Chart**
- **Description of Town of Sawmills**
- **Demographics of Town of Sawmills**
- **Departmental Performance**
- **Staffing by Position/Department**
- **Position Changes**
- **Glossary**



DESCRIPTION OF THE TOWN OF SAWMILLS

The Town of Sawmills is located in the southeastern part of Caldwell County. The square mileage of the town is approximately 6.2 square miles and is approximately 10 miles northwest of Hickory, North Carolina and 10 miles southeast of Lenoir, North Carolina. The Town Hall is located at 4076 US Hwy 321A adjacent to the Sawmills Voluntary Fire Department. Sawmills is a neighbor to Batonsville, Granite Falls and Hudson, North Carolina.

HISTORY

In the southern section of Caldwell County, there was a small community of approximately 1,500 residents. The name of the community was Sawmills because there were several lumber saw mills in the area. Residents of the Sawmills community realized their need for water. The Caldwell County Board of Commissioners appointed three men to help form the Sawmills Sanitary District. These men became the first Board of Commissioners. In 1958 the residents of the Sawmills community held a referendum, which brought about the decision of borrowing \$150,000, in order to install a water system. This loan put the community in debt for twenty-five years. The sanitary district purchased water from the City of Lenoir's water system.

In 1973 the sanitary district realized the need for solid waste pick-up. They partnered with the Town of Hudson and purchased a garbage truck. It soon became apparent that one truck would not be able to serve both communities, so the sanitary district bought out Hudson's share of the truck in 1975 and started servicing Sawmills' sanitary district.

DEMOGRAPHICS

On April 29, 1988 a special census cited the Town's initial population as 3,885. As of August 21, 2014, the North Carolina Office of State Budget and Management certified the Town's population at 5,162. The 2010 US Census Bureau has listed the population at 5,240.

GOVERNMENT

On July 1, 1988, the Sawmills Sanitary District incorporated, and was renamed the Town of Sawmills. The Town of Sawmills operates under a Mayor and five Council members. The Mayor and the Council are elected every four (4) years. Elections are non-partisan, staggered, and held during odd-numbered years. The Board hires a Town Administrator to carry out its policies, as well as to manage and direct the daily operations.

DESCRIPTION OF SAWMILLS (CONTINUED)

The Town of Sawmills maintains streets, a utility department, a sanitation department, and two parks. Even though the Sawmills Fire Department is located beside the Town Hall, it is a separate operating unit. The Fire Department is composed of voluntary fire persons and first responders. The Town does install and maintain fire hydrants throughout the town to aid the Fire Department.

PUBLIC SERVICE ENTERPRISES

Electric distribution service is provided by Blue Ridge Electric Membership Corporation and Duke Energy. CenturyLink (formerly Embarq), Charter Communications and AT&T provide telecommunications and cable services within the town limits.

TOWN WEBSITE

Effective December 2009, the town has instituted a new website which will be the focal point of town activities via the web. When completed, all town planning related documents, council minutes and agendas will be available online. A calendar of events will be posted on a monthly basis with updates posted as needed. The address is - www.townofsawmills.com .

SOCIAL MEDIA

In 2011, the Town created a Facebook page to better inform the citizens of events, emergencies and Town projects.

CodeRED

Beginning July 1, 2014, the Town has contracted with Emergency Communications Network (ECN) to implement an emergency alert system. The system will also allow the citizens to be notified of weather alerts, water breaks and outages, road work, Town events and closings.

Town of Sawmills Demographics

The Town of Sawmills is a charming bedroom community located in the southern part of Caldwell County, North Carolina. The Town encompasses approximately 6.2 square miles. Sawmills is an hour's drive north of Charlotte and only an hour's drive southeast of Boone.

The median resident age is 42.9 years old, with a median household income of \$36,393 and a median house value of \$96,617. The population of the Town consists of the following: Caucasian (91.9%), African American (.9%), Hispanic (5.2%) and Asian (.2%). It is estimated that the town is growing at an annual rate of less than 1%. Some of the new residents are coming from northern states due to climate, lower property taxes, retirement and a lower cost of living.

Education attainment in Sawmills includes: high school (73.1%), bachelor's degree or higher (9.3%), graduate or professional degree (3.7%).

There is approximately the same percent of males to females in the town. Marital status of the population in Sawmills over the age of 15 is: never married (28.6%), now married (55.7%), separated (3.7%), widowed (5.6%), and divorced (10.1%).

The Town has two recreational parks. The first park, Sawmills Municipal Park, is located at Baird Drive and has been used continuously over the years to host many recreational activities such as youth sports, a walking trail, and a playground. In coordination with Duke Energy and a PARTF grant, the Town added Veterans Park, located on the Water Works Road, to accommodate additional activities. The park has two baseball fields, a soccer field, 18 hole disc golf course, playground equipment, access to a boat dock and two veterans' memorials. One of the memorials includes signature monuments for the engraving of veterans' names. The Town also constructed an additional 9 hole beginners disc golf course located at Veterans Memorial Park.

The Town of Sawmills is home to two schools - Sawmills Elementary School with 307 students and the largest school in the county, South Caldwell High School, with an enrollment of over 1,561 students.

As the demographics of the town changes, the Town of Sawmills will also evolve by encouraging new industry while still striving to supply the best services to improve the quality of life for all its residents.

1. Website: idcide.com/citydata/nc/sawmills, 2014
2. Website: city-data.com/Sawmills-North-Carolina, 2014
3. Website: publicschoolreview.com/county/public-schools.php, 2003-2014

DEPARTMENTAL PERFORMANCE

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<u>Governing Body</u>			
Town Council Meetings	16	16	18
<u>Administration/Finance</u>			
Purchase Orders Issued	353	353	328
Checks Issued	921	861	838
Water Bills Mailed	24,166	26,509	25,692
Work Orders Issued	2,170	2,542	2,579
<u>Public Works/Streets</u>			
Total Work Orders	460	536	420
Right of ways cleaned/mowed	16	18	9
Road signs installed/repared	5	8	5
Pavement repairs	12	7	12
Brush pick up	363	386	348
Miscellaneous	64	117	46
<u>Sanitation</u>			
Special pick up	672	711	968
White Goods pick up	28	37	10
<u>Community Development</u>			
Zoning Permits Issued	20	42	45
<u>Parks and Recreation</u>			
Update signs and regulations	14	4	3
Baird (365)/Veteran's Park(365)	Open year round		
<u>Planning Commission</u>			
Planning Commission Meetings	1	1	1

DEPARTMENTAL PERFORMANCE (continued)

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<u>WATER</u>			
Total Work Orders	788	889	699
Total Water Customers	2,066	2,021	2,017
Hydrants Maintained	160	160	189
Water Lines Maintained (miles)	54	54	54.19
Water Taps Requested	6	3	20
Master Meters Read	1,460	1,460	1,460
Meters Re-Read	47	66	49
Meters Installed	6	130	20
Leaks Repaired	41	35	26
Water Purchased/ Lenoir(m/gal)	94	97	94
Water Purchased/ Baton (m/gal)	4	4	4
Water Purchased/Caldwell County (thousand gal)	223	174	707
<u>Sewer</u>			
Lift Station Inspect/Maintain	624	624	936
Total Sewer Customers	474	485	492

STAFFING BY POSITION/DEPARTMENT
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<u>Governing Body</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Volunteers/Auxiliary</u>
Mayor/Council	0	6	0
<u>Community Development</u>			
Planning Members	0	7	0
Code Enforcement	.5	0	0
Planner	.5	0	0
<u>Administration</u>			
Town Administrator	1	0	0
Town Clerk	1	0	0
Finance Officer	1	0	0
Office Manager	0	0	0
Administrative Secretary	1	0	0
<u>Public Works</u>			
Public Works Director	1	0	0
General Laborer	3	0	0
<u>Sanitation</u>			
Crew Leader	1	0	0
General Laborer	0	0	0
<u>Water & Sewer</u>			
Water Department ORC	.5	0	0
Sewer ORC	.5	0	0
General Laborer	1	0	0
<u>Parks & Recreation</u>			
Recreation Employees	2	0	0
Total	13	13	38

POSITION CHANGES

DEPARTMENT	FY 15	FY 16	FY 17	FY 18	FY 19	Net Change FY 15-19
Governing Body	6	6	6	6	6	0
Planning Commission (total does not include 2 alternates)	5	5	5	5	5	0
Administration (3/Adm; 1/Finance)	4	4	4	4	4	0
Public Works (Public Works Director; 3 Laborers)	2	2	2	3	4	0
Parks/Recreation	1	1	1	1	2	0
Sanitation	2	2	2	1	1	0
Water/Sewer	3	3	3	3	2	0
TOTAL	23	23	23	23	24	0

GLOSSARY

Accrual Accounting: A basis of accounting which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed.

Ad Valorem Taxes: Property Taxes based on the valuation of Taxable Property at the rate set forth by Council for the budget year per one-hundred-dollar valuation.

Appropriation: An authorization granted by the Town Council to make expenditures and incur obligations for purposes specified in the Budget Ordinance.

Assessed Valuation: A value established by the Caldwell County Tax Assessor's office for real and personal property to be used as a basis for levying property taxes.

Balanced Budget: Planned expenditures equal anticipated revenues. The North Carolina Local Government Budget and Fiscal Control Act requires the budget, which is submitted to the Town Council, be balanced.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects.

Budget: A plan of financial operation for the Town of Sawmills and its various municipal services, which includes estimated revenues and expenditures for a specific fiscal year.

Budget Amendment: A procedure used by the Town staff and Town Council to revise a budget appropriation.

Budget Calendar: A schedule which outlines the process of budget preparation, adoption, and administration.

Budget Document: The official document, representing a comprehensive financial program for a specific fiscal year, which is prepared by the Town staff and approved by the Town Council. The document presents policies and various budgetary information which reflects decisions made by the Town Council.

Budget Message: A general discussion of the budget which provides the Town Council and the public with a general summary of the most important aspects of the budget, changes from previous fiscal year, and the views and recommendations of the Town Administrator.

Budget Ordinance: A document adopted by the Town Council which lists revenues by source, appropriations by department or fund, and levies taxes for the coming fiscal year.

Capital Outlay: Items (such as vehicles, equipment, and furniture) purchased by the Town which have an expected life which exceeds one year.

Capital Reserve: Monies set aside to finance ongoing projects and replace obsolete infrastructures.

Cash Accounting: Basis of accounting which recognizes revenues when cash is received and expenses are recognized when cash is disbursed.

Cash Management: The management of cash necessary to pay for government services while investing temporary cash excesses, in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships.

Contingency: Account in which funds are set aside for unforeseen expenditures which may become necessary during the year. Use of these funds must be approved by the Town Council before they can be appropriated.

Debt Service: An obligation by the Town to pay the principal and interest of all bonds and other debt instruments (lease-purchase agreements, etc.) according to a pre-determined payment schedule.

Department: A unit of the Town government that is responsible for performing a primary governmental function.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside or commit funds for future expenditures.

Enterprise Fund: A fund used to account for activities that are financed and operated in a manner similar to business enterprises and for which a fee for services is charged. Fees are charged to the consumers (users) of the service to completely or partially recover the expenses of the operation. Enterprise Funds typically include public utilities, sanitation, airport, and transportation systems.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the Town Council in the Budget Ordinance.

Expenditure: The cost of goods or services received by the Town.

Federal Depository Insurance: All monies of the Town must be insured up to a maximum of \$250,000 in all banks.

Fiscal Year: The time period indicates the start and finish for recording financial transactions. The Fiscal Year for the Town of Sawmills starts on July 1st and ends June 30th.

Fixed Assets: Assets of a long-term character intended to be held or used, such as land, buildings, machinery, furniture, and equipment.

Fund: A fund is a separate fiscal and accounting entity with a separate set of accounting records that governments segregate to carry on a specific activity.

Fund Balance: The cash and investments, which remain at the end of the fiscal year, can legally be appropriated to fund expenditures in the upcoming fiscal year. The Local Government Budget Fiscal and Fiscal Control Act limit the amount of fund balance monies which may be appropriated in the next budget year.

GAAP: Generally Accepted Accounting Principals (GAAP) relates to accounting rules and uniform standards for financial reporting, representing generally accepted practice and procedures of the accounting profession. GAAP provides a set of minimum standards and guidelines for financial accounting and reporting. Therefore, all GAAP-Basis Financial Statements are reasonably comparable, regardless of the legal jurisdiction or geographic location of the government.

General Fund: A fund established to account for the resources used for the general operation of the Town.

General Ledger: An accounting file (mechanism) which is a grouping of the accounts in which the activities of the Town are recorded.

General Obligation Bonds: Debt instruments issued by the Town which are backed by the full faith and credit of the issuing government.

Goal: A broad/general statement of direction based on the needs of the community and government.

Grants: Monies received to finance special projects from other State agencies such as NC Parks and Recreation Trust Fund.

Indicator: A quantitative measure or index which may represent the degree of presence or magnitude of change in a condition.

Infra-structure: Includes all assets that are of a long-term nature such as roads, water lines, sewer lines and electric services.

Interfund Transfer: Money transferred from one fund to another.

Intergovernmental Revenue: Revenue received from another government for a specified purpose.

Investment Revenue: Revenue earned on investments with a third party. The Town uses a pooled cash system. All the funds' cash is pooled and invested together. The interest earned is then allocated back to the individual funds by the average cash balance in that fund.

LGBFCA: The Local Government Budget and Fiscal Control Act govern all financial activities of local governments within the State of North Carolina.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

Maturities: The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Modified Accrual Accounting: A basis of accounting for which expenditures are accrued, but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are "measurable" and "available for expenditure."

Obligations: Are notes, commercial paper and banker's acceptances and are fully guaranteed both by principal and interest by the United States Government.

Objective: A statement of specific direction, which is to be accomplished by the staff or departments.

Operating Transfer: Routine and/or recurring transfers of assets (money) between funds.

ORC: Operator in Responsible Charge (ORC) person(s) responsible for upkeep/maintenance of the water/sewer system.

Ordinance: A law of rule made by an authority such as a city government.

Potable Water: Water of sufficient quality to serve as drinking water.

Powell Bill Funds: Are generated from the State's Gasoline Tax. A percentage of the tax is returned to municipalities based on a town's population and street mileage maintained by the town and can only be used to maintain streets, sidewalks, and other street needs.

Program: An organized set of related work activities that are directed toward accomplishing a common goal. Each Town department is usually responsible for a number of related service programs.

Property Taxes (Ad Valorem): Taxes paid by property owners in the Town of Sawmills. These taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Property Tax Rate: The rate at which real and personal property in Town is taxed in order to produce the necessary revenues to conduct vital governmental activities. The current tax rate in the Town of Sawmills is \$0.20 per \$100 of assessed valuation.

Republic Services: Formerly Garbage Disposal Services of Hickory, NC (GDS), is a contracted service the Town utilizes for the purpose of recycling materials

Revenue: Income received from a variety of sources and used to finance government or enterprise operations.

Special Assessment: A mandatory levy made against specific properties to absorb part or all of the cost of a specific improvement or service deemed to primarily benefit those certain properties.

State Shared Revenue: The distribution of taxes collected by the State and distributed to local municipalities and includes Piped Natural Gas Excise, Franchise, and Telecommunication Taxes.

Tax Levy: The total amount of revenue to be raised by property (ad valorem) taxes.

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.