



Town of Garland

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Austin Brown

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BUDGET MESSAGE FOR THE 2020/2021 PROPOSED BUDGET

The Town of Garland Proposed Budget for 2020/2021 includes total revenues and expenditures in the amount of \$815,020.00 for three funds as listed:

General Fund	\$500,000.00
Water/Sewer Fund	\$285,000.00
Powell Bill Fund	\$ 30,020.00
2020/2021 TOTAL	\$815,020.00
2019-2020 TOTAL BUDGET	\$983,063.50
2018/2019 TOTAL BUDGET	\$986,988.62
2017/2018 TOTAL BUDGET	\$918,689.33

The 2020/2021 Proposed Budget denotes a decrease of \$168,043.50 in total revenues and expenditures for the three funds as compared to the current fiscal year totals.

GENERAL FUND

2020/2021 Proposed Budget	\$500,000.00
2019/2020 Budget	\$636,563.50
2018/2019 Budget	\$612,105.19
2017/2018 Budget	\$552,669.33
2016/2017 Budget	\$502,787.00

HIGHLIGHTS

REVENUES

- Represents an overall decrease of \$136,563.50 in the proposed 2020/2021 General Fund Budget based on the current General Fund Budget. The majority of the approximate 21.4% decrease in revenue is contributed to no proposed use of Fund Balance versus \$44,000.00 used in the current budget and FEMA proceeds of \$41,593.05 in the current budget. A more conservative approach to revenue projections was used in this proposed budget based on the potential ongoing economic impact of the Covid-19 pandemic as well as the loss of revenue from a major account holder.
- Ad Valorem Tax Revenues have been configured on a collection rate of 90%. The total valuation is estimated at \$29,248,076.00 which could yield approximately \$189,527.53 in tax revenue based on the tax rate of .72 cent per \$100.00 valuation. Because of the potential impact of the Covid-19 pandemic, collection projections are \$180,000.00 in the proposed 2020/2021 budget. If collections exceed the projections during the 2020/2021 fiscal year, tax revenues can be increased by amending the Budget Ordinance. 2020 Ad Valorem tax collections are projected at \$160,000.00 and Motor Vehicle tax collections are projected at \$20,000.00. This represents a decrease of \$10,763.08 compared to the current budget.
- Motor Vehicle Licenses Fees will remain at \$10.00/vehicle for 2020/2021 with projected revenues of \$3,000.00.

- Business Registration Fees remain unchanged from the three previous years. A fee of \$20.00 per business annually will be assessed to cover the administrative costs of the Business Registration Program in 2020/2021.
- Local Option Sales Tax Revenue was decreased \$10,000.00 from \$160,000.00 to \$150,000.00.
- Utility Franchise tax revenues decreased \$11,000.00 from \$41,000.00 to \$30,000.00.
- Refuse Collection revenues decreased \$13,200.00 to \$105,000.00 as compared to \$118,200.00 in the current budget. This decrease in projected revenue is based on the loss of a major account holder. No consumer rate increases have been included in the proposed 2020/2021 budget.
- Cemetery Plot Sales have a projected revenue of \$3,000.00.

EXPENSES

- Governing Body expenses decreased by \$56.00 with total expenditures projected at \$21,185.00.
- Administrative Department decreased expenses by \$4,021.45 with total expenditures projected at \$117,770.55.
- No Elections expenses projected in the proposed 2020/2021 budget.
- Tax Supplies/Software expenses decreased \$400.00 from \$4,000.00 to \$3,600.00.
- Legal expenses decreased \$3,000.00 from \$15,000.00 to \$12,000.00.
- Building Fund expenses decreased \$42,016.00 from \$113,016.00 to \$71,000.00.
- Zoning expenditures were added to this proposed budget in the amount of \$2,700.00.
- Streets and Highways expenditures decreased \$63,768.29 from \$182,908.29 to \$119,140.00. Debt service is appropriated in the amount of \$13,600.00 to pay the annual dump truck payment.
- Sanitation Department expenses decreased \$13,050.00 from \$110,050.00 to \$97,000.00 based on the projected decrease in revenue from the loss of a major account holder. The Town of Garland will receive a Consumer Price Index increase in costs from the contracted vendor. No increase in customer fees are proposed for 2020/2021.

- Parks & Recreation Department expenses decreased \$1,856.99 from \$34,866.87 to \$33,009.88.
- Cemetery Department projected expenses increased \$1,000.00 from \$11,000.00 to \$12,000.00.
- Contingency Funds have been proposed in the amount of \$4,500.00 to cover emergent or unplanned expenses that may arise in the 2020/2021 fiscal year.

WATER/SEWER FUND

2020/2021 Proposed Budget	\$285,000.00
2019/2020 Budget	\$299,500.00
2018/2019 Budget	\$298,456.43
2017/2018 Budget	\$301,700.00
2016/2017 Budget	\$279,000.00

HIGHLIGHTS

REVENUES

- Proposed budget represents an approximate 4.84% decrease in the total Water/Sewer Fund Budget as compared to the current budget. Total decrease equals \$14,500.00 and this is attributed in part to no Fund Balance appropriations. Fund Balance appropriation of \$7,500.00 is allocated in the current budget. No customer fee increases are proposed for 2020/2021.
- Water Revenues decreased from \$110,000.00 to \$108,000.00 based on conservative collection projections.
- Sewer Revenues decreased from \$142,000.00 to \$140,000.00.
- County Water Revenue decreased by \$1,000.00 from \$26,000.00 to \$25,000.00.

EXPENSES

- Debt Service payment of \$12,719.00 remains unchanged in proposed 2020/2021 Budget for the Water Meter Replacement Loan.
- Contingency expense of \$6,000.00 allocated in the proposed budget for emergent or unplanned expenditures.

- Administration/Postage Fund expenditures decreased \$300.00 from \$1,800.00 to \$1,500.00.
- Software expenditures remain the same at \$3,200.00.
- Salaries and Wages increased from \$46,000.00 to \$58,000.00 in anticipation of hiring a full-time public works employee.
- Utilities for water and sewer decreased \$992.00 from \$20,000.00 to \$19,008.00.
- Maintenance and Repairs for equipment, buildings and vehicles expenditures decreased \$8,875.00 from \$32,375.00 to \$23,500.00.
- Water Tank Maintenance expenses increased \$1,123.00 from \$10,800.00 to \$11,923.00.
- Professional Services expenditures projected at \$26,000.00 as compared to \$30,000.00 in the current budget.
- Communications/PR expenses decreased \$400.00 from \$1,000.00 to \$600.00
- Departmental Supplies expenses decreased \$1,460.00 from \$10,000.00 to \$8,540.00.
- Dues/Travel/School decreased \$700.00 from \$4,200.00 to \$3,600.00.
- Insurance and Bonds decreased \$400.00 from \$4,000.00 to \$3,600.00.
- Gas expenses decreased by \$2,796.00 from \$5,596.00 to \$2,800.00.
- Chemical expenses decreased by \$2,000.00 from \$10,000.00 to \$8,000.00.
- Penalties/Fines expenses increased \$1,000.00 from \$2,000.00 to \$3,000.00.
- Testing expenses decreased \$1,150.00 from \$18,150.00 to \$17,000.00.
- Contracted Services expenses decreased \$1,000.00 from \$6,000.00 to \$5,000.00.
- Capital Outlay/Improvement allocated in the amount of \$17,000.00.
- Capital Outlay/Equipment expenses have been allocated in the amount of \$15,000.00.

POWELL BILL FUND

2020/2021 Proposed Budget	\$30,020.00
2019/2020 Budget	\$47,000.00
2018/2019 Budget	\$76,427.00
2017/2018 Budget	\$64,320.00
2016/2017 Budget	\$36,000.00

HIGHLIGHTS

REVENUES

- Allocations projected at \$20,000.00 based on the economic impact of the Covid-19 pandemic. This projected allocation represents a decrease of approximately \$10,130.00 based on the 2019/2020 allocation.
- Proposed budget includes use of Fund Balance appropriation of \$10,000.00 versus use of Fund Balance in the current budget of \$16,874.79.

EXPENSES

- Maintenance and Repair expenditures proposed are \$28,000.00 as compared to \$45,200.00 in the 2019/2020 Budget. The decrease in expenditures are attributed to the projected decrease in the allocation and a decrease in available fund balance secondary to paving completed on W. Third and W. Fourth Street.

A Fee Schedule is attached listing fees and rates charged by the Town of Garland. One fee increase is being proposed for the 2020/2021 fiscal year. Increase Zoning Application Fee from \$50.00 to \$75.00 effective July 1, 2020.

A DISCOUNT OF 2% WILL BE GIVEN FOR REAL AND PERSONAL PROPERTY TAXES PAID BY AUGUST 31, 2020.

Prepared and Submitted by:

Pamela Cashwell, Town Clerk/Finance Officer