



Village of Marvin, North Carolina

Recommended Budget Fiscal Year 22-23

VILLAGE COUNCIL

Joe Pollino, Mayor
Kim Vandenberg, Mayor Pro-Tem
Jamie Lein, Councilmember
Bob Marcolese, Councilmember
Andy Wortman, Councilmember
Wayne Deatherage, Councilmember

VILLAGE MANAGER

Christina L. Amos

FINANCE OFFICER

Jamie M. T. Bays

VILLAGE CLERK

Austin W. Yow

Village of Marvin
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Marvin, NC 28173
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BUDGET MESSAGE FOR FY23

To: Mayor and Village Council

Date: April 22, 2022

From: Christina Amos, Village Manager

Attached is the recommended FY23 budget for the Village of Marvin. In accordance with § 159-26(b), the operating budget breaks out relevant departments or municipal services and reflects the fund accounting structure as required by the N.C. Local Government Budget Fiscal Control Act.

The recommended budget is \$2,324,912 which represents a \$348,798 increase from the current year's adopted budget with the majority of this increase being attributable to the implementation of new solid waste services which began in April of FY22. The recommended budget is balanced, with no proposed tax rate increase. Since 2010, the Village's population has experienced exponential growth. While population increased, the Village's tax rate remained stable until FY21, when a one cent tax rate increase was adopted by Village Council.

Generally, Village staff is proposing a balanced budget that maintains current service levels without any significant increase in costs.

Revenue

The Ad Valorem tax (e.g., real property, personal property, and vehicle taxes) is a major source of the Village's revenue, representing 41% of total revenue. There was a slight increase in ad valorem as the total valuation increased due to new residential and commercial developments and voluntarily annexed properties; this number will slowly continue to rise with construction of recently approved residential and commercial developments and the continual promotion of voluntary annexation. Revenues from unrestricted intergovernmental revenues (e.g., beer and wine tax, utility sales tax, and local option sales tax) represent 28% of total revenue and are projected to remain flat. Powell Bill dollars are expected to be slightly lower than last year based on a one-time appropriation made by the NC legislature in FY22. It is important to note that as additional roads are accepted from NCDOT and private developers, this revenue will increase slightly; however, the majority of Powell Bill funding is based off municipal population which remains relatively stable for Marvin. There is a sharp increase in revenues for the Solid Waste Department, as the FY22 Budget only had three months of revenue for this newly enacted municipal service. There is no projected Fund Balance appropriation.

Vision and Strategy

Per Council's strategic direction, the priorities, goals and objectives that drove the decision-making process for the development of the FY23 operating budget are as follows:

Goals/Objectives:

- Fully operational first year in new Village Hall facility.
- Convert the Finance Officer position from part time to full time.
- Execute of first year with professional communications consultant for message consistency and optimal Village communications.
- Commence first full year of solid waste services.
- Continue commitment to quality-of-life standards by funding a Marvin Parks and Greenspace Master Plan which will align goals/objectives with available granting funding such as the Parks and Recreation Trust Fund, thus, allowing more recreational opportunities at least tax impact for Marvin residents.
- Continue priority of public safety with law enforcement coverage during peak times 7 days/week.
- Continue commitment to build-out New Town/Marvin Road roundabout;

- Continue fifteen-year plus sustained adherence to Council’s Asset Capitalization Policy.
- Fund 100 percent of the General Fund Capital Improvement Plan.
- Continued service of third-party Certified Public Accountant to assure professional standards of fiscally sound operations and GAAP procedures are met.
- Observe the established practice of assuring total expenditures be matched with an approximate 5 percent contingency as allowed by NC statute.
- Continue road resurfacing strategy, which utilizes State funding more efficiently and requires little to no use of ad valorem tax dollars. This equates to no road resurfacing proposed this year because NCDOT will not be participating this fiscal year.
- Maintain competitive employee benefits with a 3 percent merit for high performing employees and a 7 percent Cost of Living Allowance.
- Absorb the 8 percent increase in health insurance to minimize the effect on employees and maintain a competitive benefits package.
- Continue focusing on quality of life for Village residents with an increase in event planning and the implementation of the proposed 23-27 Capital Improvement Plan, which funds over \$60,000 in capital needs for parks and recreation AND an appropriation to start a Maintenance and Equipment Capital Reserve.
- Appropriate and transfer \$10,000 to Greenway and Loop Expansion Capital Project.
- Continue commitment to fund National Wildlife Federation Community (MARSH).

Budget Overview by Revenue Source and Functional Area

The following is a summary of the balanced FY23 Recommended Budget for the Village of Marvin’s General Fund.

Revenues by Type	Budgeted FY 22-23
Ad Valorem Taxes	\$957,497
Unrestricted Intergovernmental	\$656,837
Restricted Intergovernmental	\$147,000
Permits and Fees	\$29,000
Sales and Services	\$51,300
Investment Earnings	\$2,000
Fund Balance Appropriated	\$0
Solid Waste	\$472,628
Miscellaneous	\$8,650
Total Revenue	\$2,324,912

Expenditures by Type	Budgeted FY 22-23
General Government	\$908,850
Planning & Zoning	\$198,672
Public Safety	\$229,677
Transportation	\$147,000
Culture and Recreation	\$318,085
Solid Waste Services	\$472,628
Contingency	\$50,000
Total Expenditures	\$2,324,912

The Village of Marvin also has several capital projects, which are authorized by project ordinance, with appropriations made by Council to the following capital project funds:

Project Name	Project Authorization	Balance Available for Future Spending ¹
Village Hall	\$2,144,425	\$177,172
Farmer's Market	\$ 25,000	\$25,000
Greenway Trails	\$ 54,450	\$0
Greenway and Loop	\$138,500	\$54,220

¹ Capital Project Fund Balance as of Fiscal Year End June 30, 2021 minus any known expenditures as of April 26, 2022.

A public hearing to receive resident input on the recommended FY23 General Fund Budget is set for 6:00 pm at Marvin Village Hall, located at 10006 Marvin School Road, Marvin, NC 28173 on May 26, 2022. A copy of the FY23 Recommended Budget will be available for inspection with the Village Clerk at Village Hall and on the Village's website at www.marvinnc.gov.

I wish to express my thanks to the Mayor and Village Council for their support, leadership, and recognition of all Village employees who have accomplished so much this past year. Please let me know if I can be of any further assistance as you review this proposal.

Respectfully submitted,



Christina L. Amos
Village Manager

How a Dollar Bill is Divided by Functional Area



General Government, 39.0%

Solid Waste Services, 20.0%

Public Safety, 10.0%

Planning & Zoning, 9.0%

Transportation, 6.0%

Culture and Recreation, 14.0%

Contingency 2.0%

ABOUT MARVIN

The Village of Marvin, in Union County, North Carolina was incorporated under the North Carolina General Statutes on July 1, 1994. Per the U.S. Census and as of 2020, the Village of Marvin's population was approximately 6,358.

The Village of Marvin is a Council-Manager form of government and is governed by an elected Mayor and five-member council, with an anticipated new council seat in the 2023 election. The most updated Village Council meeting schedule can be found online at MarvinNC.gov. Regular and special meetings are open to the public.

PROPERTY TAX RATES

Fiscal Year	Approved Tax Rate
1994 - 2001	2.5 cents
2002 - 2005	5.17 cents
2006 – 2019	5.00 cents
2020 – Present	6.00 cents

How are your Property Taxes Calculated? An Example:

Market Value	\$500,000
Divided by \$100 increment	\$ 5,000
Multiplied by the Real Property tax rate	<u>.0600</u>
Village property taxes due	<u>\$ 300.00</u>

Union County assesses real property at 100 percent of estimated market value. In accordance with NCGS § 159-11, a revaluation of real property is required at least every eight years. Union County's most recent revaluation was conducted on January 1, 2021.

The Union County Tax Department is responsible for real and personal property assessments for the Village each year. Once the tax base is certified by the Union County Board of Commissioners, the bills are printed, mailed and the collection process begins. The Village of Marvin's tax collection function was transferred to Union County on July 1, 2021. Therefore, Union County will collect all taxes on behalf of Marvin and remit collections to the Village monthly.

BUDGET ORDINANCE
VILLAGE OF MARVIN, NORTH CAROLINA
FISCAL YEAR 2022-2023
OR-2022-XX-XX

BE IT ORDAINED by the Governing Board of the Village of Marvin, North Carolina:

Section 1: The following amounts are hereby appropriated to the General Fund for the operation of Village of Marvin and its activities for the fiscal year beginning July 1, 2022, and ending June 30, 2023, according to the following schedule:

General Government	\$ 908,850
Planning & Zoning	198,672
Public Safety	229,677
Transportation	147,000
Culture and Recreation	318,085
Solid Waste Services	472,628
Contingency	<u>50,000</u>
 Transfer to Greenway Loops Capital Project Fund	 <u>\$10,000</u>

Total Appropriations **\$ 2,324,912**

Section 2: It is estimated that the following revenues from the following major sources will be available in the General Fund during the fiscal year beginning July 1, 2022, and ending June 30, 2023 to meet the foregoing schedules:

Ad Valorem Taxes	\$ 957,497
Unrestricted Intergovernmental	656,837
Restricted Intergovernmental	147,000
Permits and Fees	29,000
Sales and Services	51,300
Investment Earnings	2,000
Miscellaneous	8,650
Sold Waste	472,628

Total Estimated Revenues **\$ 2,324,912**

Section 3: The following amounts are hereby appropriated to the Capital Project Fund – Greenway Loop Fund for the fiscal year beginning July 1, 2022 to June 30, 2023.

Trail Construction	<u>\$10,000</u>
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It is estimated that the following revenues will be available in the Capital Project Fund – Greenway Loop for fiscal year beginning July 1, 2022 to June 30, 2023.

Transfer from the General Fund, Current Revenue	<u>\$10,000</u>
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Section 4: There is hereby levied a tax at the rate of six cents (\$0.06) per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2023, for the purpose of raising the revenue constituting the general property taxes listed as "Ad Valorem Taxes" in the General Fund in Section 2 of this ordinance.

Section 5: Pursuant to NCGS §§160A-314(a) and 160A-314.1(1) the Marvin Village Council previously imposed a collection fee for the collection of solid waste for each single-family residence within the municipal limits. The annual fee for the FY 22-23 is \$244 per single-family residence.

Section 6: The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. The Budget Officer shall be authorized to reallocate up to \$5,000 in appropriations between the budget categories in the foregoing schedules, excepting capital outlay, Salaries and Related Expenditures, and Public Safety. Notification of all such reallocations shall be made to the Village Council in the Treasury Report following the month of reallocation.
- b. The Budget Officer shall be authorized to reallocate funds within each budget category schedule as needed, excepting payroll.
- c. The Budget Officer shall be authorized to utilize appropriations contained in contingencies as needed except to increase the Salaries and Related Expenditures schedule. Notification of all such appropriations from contingencies shall be made to the Village Council in the Treasury Report following the month of reallocation.
- d. Reallocation of appropriations for capital outlay, Salaries and Related Expenditures, and Public Safety shall require a budget ordinance amendment approved by Village Council.

Section 7: This ordinance shall be the basis of the financial plan for the Village of Marvin during the Fiscal Year 2022-2023. The Budget Officer shall administer the Budget and ensure that Village employees are provided guidance and sufficient details to implement the budget. The Finance Officer shall establish and maintain all records which are in agreement with this Budget Ordinance, and the appropriate General Statutes of the State of North Carolina.

Section 7: In accordance with G.S. 159-13, a copy of this Budget Ordinance shall be filed with the Village Clerk, the Budget Officer, and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this xxth day of May, 2022

*Austin Yow, MPA, Clerk
Village of Marvin*

*Joe E. Pollino Jr., Mayor
Village of Marvin*