



## **TOWN OF ARCHER LODGE**

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Archer Lodge, NC 27527  
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***Mayor:***

Matthew B. Mulhollem

***Council Members:***

Clyde B. Castleberry

***Mayor Pro Tem***

Teresa M. Bruton

J. Mark Jackson

James L. (Jim) Purvis, III

Mark B. Wilson

### **Annual Budget Message**

#### **2022-2023 Fiscal Year Budget**

To: Honorable Mayor and Members of the Archer Lodge Town Council  
Archer Lodge, North Carolina

From: Mike Gordon, Budget Officer/Town Administrator

Date: June 8, 2022

Following this budget message for your review and consideration, you will find the proposed Annual Budget for fiscal year 2022-2023 for the Town of Archer Lodge in the amount of \$3,509,125. This amount includes considerations from the following funds:

1) General Fund, 2) Capital Reserve Fund, 3) Park Reserve Fund, and 4) Public Safety Reserve Fund.

Following several Budget Planning Sessions/Discussions held back on 21 February 2022, 21 March 2022 and continued at the Regular Council meeting on 4 April 2022, Ms. Batten, Finance Officer, along with myself examined comments and notations mentioned during this budgeting process. Ms. Batten's approach for our budget workshops has truly assisted the Town Council and staff in understanding the process, the budget worksheets, and delving into the computations of budgeting. Also, it provides many discussions for each department which changes, and considerations are notated. Following several drafts, meetings, and conversations, I feel certain that the proposed budget best represents the current suggestions from the Town Council and the current needs for the citizens of the Town of Archer Lodge and keeps the current tax rate of \$0.22/\$100.

As in the past the budget messages, tables best represent an overview of projected revenues and anticipated expenditures for the four funds for fiscal year ending June 30, 2023.

The following tables below represent the **General Fund 10**:

<b>General Fund 10 Revenue Sources:</b>	<b>Prior Year (FY 2020-2021) Actual Revenues</b>	<b>Current Year (FY 2021-2022) Revenues as Amended</b>	<b>Proposed Projected Revenues (FY 2022-2023)</b>
Ad Valorem Taxes	\$ 869,422.00	\$ 889,450.00	\$ 901,000.00
Unrestricted Intergovernmental	\$ 486,462.00	\$ 454,300.00	\$ 465,500.00
Restricted Intergovernmental	\$ 52,901.00	\$ 52,250.00	\$ 51,500.00
Permits and Fees	\$ 48,810.00	\$ 21,100.00	\$ 85,500.00
Investment Earnings	\$ 4,281.00	\$ 4,000.00	\$ 4,500.00
Miscellaneous	\$ 265.00	\$ -	\$ -
Transfer From Other Funds	\$ 65,099.00	\$ 183,750.00	\$ 351,600.00
Funds from Grants (ARPA & JoCo Open Space)	\$ -	\$ 1,900,427.00	\$ 608,900.00
Fund Balance Appropriated	\$ -	\$ 82,145.00	\$ 546,025.00
<b>Total Revenues / Estimated Resources</b>	<b>\$ 1,527,240.00</b>	<b>\$ 3,587,422.00</b>	<b>\$ 3,014,525.00</b>

<b>General Fund 10 Expenditures:</b>	<b>Prior Year (FY 2020-2021) Actual Expenditures</b>	<b>Current Year (FY 2021-2022) Expenditures as Amended</b>	<b>Proposed Anticipated Expenditures (FY 2022-2023)</b>
General Government	\$ 402,049.00	\$ 536,115.00	\$ 573,515.00
Public Safety	\$ 350,100.00	\$ 395,250.00	\$ 567,200.00
Transportation	\$ 18,787.00	\$ 52,600.00	\$ 28,500.00
Economic & Physical Development (P/Z)	\$ 138,048.00	\$ 182,295.00	\$ 236,930.00
Cultural and Recreation	\$ 85,381.00	\$ 194,750.00	\$ 233,940.00
Debt Service	\$ 145,062.00	\$ 140,985.00	\$ 136,940.00
Capital Outlay			\$ 460,000.00
Transfer To Other Funds	\$ 255,445.00	\$ 2,085,427.00	\$ 777,500.00
<b>Total Estimated/Appropriated</b>	<b>\$ 1,394,872.00</b>	<b>\$ 3,587,422.00</b>	<b>\$ 3,014,525.00</b>

**QUICK POINTS OF THE GENERAL FUND:**

- Annual Events: Shredding Event/Food Truck (Fall), Outdoor Entertainment/Band (Fall) & Park Grand Opening (Spring)
- Property/Liability Insurance (15%) and Workers Comp Insurance (374%) increases
- Council Chambers Furnishings
- New Hires: ASAP – Human Resources Officer / Town Clerk  
Oct '22 – Parks & Recreation Director

**QUICK POINTS OF THE GENERAL FUND (continued):**

- New Hires: Jan '23 – Town Administrator (Full-Time)  
Jan '23 – Parks Maintenance Specialist (Full-Time)
- Current Staff: 3% COLA  
2% 401K Increase and No Merit Increase in Jan '23
- Mayor/Town Council: \$50/month increase
- Planning Board/  
Board of Adjustment Members: \$50/meeting (increased \$10)
- Parking Lot at the Corner of Town Property – Archer Lodge Rd/Buffalo Rd
- Concrete Parking Pad at the Veterans Memorial
- Law Enforcement Consideration = 7 days a week / 12 daylight hours a day
- All Utilities in Public Buildings increased due to estimates used for new park and park maintenance building/office/picnic shelter/restrooms
- New Park Professional Fees – Design/Engineering Services (phase 2, phase 3, etc.)
- Parks & Rec Department – small equipment for office and park maintenance equipment
- Parks & Rec Department – Ford F250 Truck, Hauling Trailer, Zero Turn Mower, Continue Lease on Reel Mower (currently ALCC's)
- New Park – Enwood Picnic Shelter Only (81% funded by Jo Co Open Space Grant)
- Tax Rate – Remains at \$0.22

The following table below represents the **Capital Reserve Fund 30:**

<b>Capital Reserve Fund 30:</b>	<b>Proposed Estimated Revenues (FY 2022-2023)</b>	<b>Proposed Estimated Expenditures (FY 2022-2023)</b>
Investment Earnings	\$ 1,000.00	\$ -
Transfer from General Fund 10	\$ 25,000.00	\$ -
Fund Balance Appropriated	\$ 65,600.00	\$ -
Transfer to General Fund 10	\$ -	\$ 91,600.00
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ 91,600.00</b>	<b>\$ 91,600.00</b>

**QUICK POINTS OF THE CAPITAL RESERVE FUND:**

- Continue Annual Transfer of \$25,000
- Utilize Capital Reserve Funds for purchasing Capital (truck, trailer, mower, balance left owing on picnic shelter) listed in the General Fund for the Parks & Rec Dept as mentioned above

The following table below represents the **Park Reserve Fund 31:**

<b>Park Reserve Fund 31:</b>	<b>Proposed Estimated Revenues (FY 2022-2023)</b>	<b>Proposed Estimated Expenditures (FY 2022-2023)</b>
Investment Earnings	\$ 1,000.00	\$ -
Transfer from General Fund 10	\$ 202,000.00	\$ -
Transfer to General Fund 10	\$ -	\$ 60,000.00
Transfer to Archer Lodge Town Prk Fnd 41	\$ -	\$ 143,000.00
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ 203,000.00</b>	<b>\$ 203,000.00</b>

**QUICK POINTS OF THE PARK RESERVE FUND:**

- Transfer from General Fund consists of:
  - Three Cents Property Taxes Estimate = \$124,000
  - Fee in Lieu of Rec – 52 Lots @ \$1,500 = \$ 78,000
- Transfer to General Fund – Loan Payment on Park Land \$60,000
- Transfer to Archer Lodge Town Park – Town’s Portion on PARTF Grant (amount was entered to balance fund)

The following table below represents the **Public Safety Reserve Fund 32:**

<b>Public Safety Reserve Fund 32:</b>	<b>Proposed Estimated Revenues (FY 2022-2023)</b>	<b>Proposed Estimated Expenditures (FY 2022-2023)</b>
Investment Earnings	\$ 1,000.00	\$ -
Transfer from General Fund 10	\$ 25,000.00	\$ -
Fund Balance Appropriated	\$ 174,000.00	\$ -
Transfer to General Fund 10	\$ -	\$ 200,000.00
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ 200,000.00</b>	<b>\$ 200,000.00</b>

**QUICK POINTS OF THE PUBLIC SAFETY RESERVE FUND:**

- Continue Annual Transfer of \$25,000
- Utilize Public Safety Reserve Funds for the General Fund Public Safety / Law Enforcement Consideration = 7 days a week / 12 daylight hours a day

The following table below summarizes the Proposed Annual Budget for Fiscal Year Ending June 30, 2023:

<b>Total Proposed Annual Budget for All Funds (FY 2022-2023)</b>	<b>Total Proposed Estimated Revenues for All Funds</b>	<b>Total Proposed Estimated Expenditures for All Funds</b>
<b>Revenue Totals = Expenditure Totals</b>	<b>\$ 3,509,125.00</b>	<b>\$ 3,509,125.00</b>

Below you'll find a table that represents the Ad Valorem Tax Revenues projected in the budget however with a conservative figure.

<b>Date</b>	<b>Type</b>	<b>Net Assessed Value</b>	<b>Provided By</b>	<b>Levy \$0.22 / \$100</b>
12/31/2021	Motor Vehicles	\$ 56,210,926	Jo Co Tax Office	\$ 123,664
08/31/2021	Public Service Companies	\$ 2,455,476	NC Dept of Rev	\$ 5,402
05/20/2022	Real and Personal Property	\$ 360,672,457	Jo Co Tax Office	\$ 793,480
<b>07/01/2021</b>	<b>TOTAL</b>	<b>\$419,338,859</b>		<b>\$ 922,586</b>
<b>PROPOSED</b>	<b>AD VALOREM</b>	<b>TAXES</b>	<b>CONSERVATIVE</b>	<b>\$ 899,000</b>

The final table and an important one is the Town's Debt Service:

<b>LOAN</b>	<b>LENDER</b>	<b>BALANCE BEFORE PAYMENT</b>	<b>PAYMENT DUE</b>	<b>FY 2021- 2022</b>	<b>BALANCE AFTER PAYMENT</b>
Town Hall	BB&T Gov't	\$ 166,667	03/22/23	\$ 39,017	\$ 133,333
Park Loan	M/M G. Smith	\$ 250,000	08/20/22	\$ 60,000	\$ 200,000
Town Hall Expansion	KS Bank	\$ 324,000	09/10/22	\$ 37,919	\$ 297,000
<b>TOTAL</b>		<b>\$ 740,667</b>		<b>\$136,936</b>	<b>\$ 630,333</b>

In closing, the proposed budget in the General Fund for fiscal year ending June 30, 2023 shows a **decrease** of **<\$572,897>** over the current year’s amended budget of \$3,587,422 as pictured below:

Current Year (FY 2021-2022) Revenues as Amended	Proposed Projected Revenues (FY 2022-2023)
\$ 3,587,422.00	\$ 3,014,525.00

However, the current fiscal year revenues as amended includes the following:

1. SCIF Grant Received - \$850,000
2. ARPA (2<sup>nd</sup> Half) Not Received in FY22 but expected in FY23 - \$525,500

By removing those two amounts from the current fiscal year amended total, a more accurate comparison of the current year (FY22) with the proposed fiscal year (FY23) exists. The adjusted total for FY22 would be \$2,211,922 to compare with the proposed budget total for FY23 of \$3,014,525. The proposed budget for fiscal year ending June 30, 2023 is roughly 36.29% higher than the adjusted total as explained. This proposed budget has \$460,000 in capital improvements as well as the salaries and benefits of three full-time (1 - Administration Department & 2 - Parks & Rec Department) human capital improvements which is phased in throughout the fiscal year.

Due to my announced resignation as of December 31, 2022, this will be my last budget message as your Town Administrator/Budget Officer, and I know the proposed budget before you this evening is the Town of Archer Lodge’s highest ever. Nothing was left out of this budget, as you can see. If it was mentioned at the budget discussions or to Ms. Batten or me, it’s in there. In the beginning of exploratory, the community/citizens, at the time, wanted to incorporate and we did. They wanted a park and we got land and we’re moving dirt. As you review this budget, I strongly remind you to remember the movie, ***Field of Dreams***, and as Kevin Costner said, **“If you build it, they will come,”** and by the amounts in this budget, we are building for sure and planning ahead, because population is up and will continue to grow. The fields that we once knew as younger boys and girls are few and far between in the Archer Lodge town limits and those that can make Archer Lodge a better community in the next 10 – 20 years are in these Council Chambers and that’s you Mayor/Council.

Many thanks to our Finance Officer and staff for their dedication and service during the last year but especially during the entire COVID pandemic. They endured trials and

maintained continuous workflow without interruptions and are very dedicated to the Town of Archer Lodge. Lastly, thanks to Mayor and Council for their support during my tenure. My only hope is that I leave Archer Lodge a better place to live and play because it will forever be, **MY HOME!**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mike Gordon". The signature is written in a cursive, flowing style.

Mike Gordon  
Budget Officer/Town Administrator