



TOWN OF ARCHER LODGE

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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 2021-2022 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: May 17, 2021

Following this budget message for your review and consideration, you will find the proposed Annual Budget for fiscal year 2021-2022 for the Town of Archer Lodge in the amount of \$1,917,495. 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.

After the Budget Planning Retreat held back on 15 February 2021, which was an awesome budget workshop, Ms. Batten, Finance Officer, examined all comments and notations by each group when beginning the budgeting process. Following several drafts, meetings, and conversations, I feel certain that the proposed budget best represents the current needs for the citizens of the Town of Archer Lodge and keeps the current tax rate of \$0.22/\$100.

In last year's Budget Message, tables were provided which I believe better depicts an overview of projected revenues and anticipated expenditures for the four funds mentioned above; therefore, I chose to utilize them in this Budget Message for FY2022 and provide quick points for each fund.

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

General Fund 10 Revenue Sources:	Prior Year (FY 2019-2020) Actual Revenues	Current Year (FY 2020-2021) Revenues as Amended	Proposed Projected Revenues (FY 2021-2022)
Ad Valorem Taxes	\$ 839,507.00	\$ 861,900.00	\$ 862,000.00
Unrestricted Intergovernmental	\$ 434,053.00	\$ 370,710.00	\$ 454,300.00
Restricted Intergovernmental	\$ 54,705.00	\$ 53,000.00	\$ 52,250.00
Permits and Fees	\$ 25,310.00	\$ 35,140.00	\$ 21,100.00
Investment Earnings	\$ 13,436.00	\$ 3,000.00	\$ 4,000.00
Miscellaneous	\$ 5,562.00	\$ 500.00	\$ -
Transfer From Other Funds	\$ 67,919.00	\$ 65,100.00	\$ 183,750.00
Fund Balance Appropriated			\$ 82,145.00
Total Revenues / Estimated Resources	\$ 1,440,492.00	\$ 1,389,350.00	\$ 1,659,545.00

General Fund 10 Expenditures:	Prior Year (FY 2019-2020) Actual Expenditures	Current Year (FY 2020-2021) Expenditures as Amended	Proposed Anticipated Expenditures (FY 2021-2022)
General Government	\$ 412,368.00	\$ 461,714.00	\$ 487,565.00
Public Safety	\$ 335,684.00	\$ 345,500.00	\$ 380,250.00
Transportation	\$ 43,010.00	\$ 50,000.00	\$ 47,600.00
Economic & Physical Development	\$ 138,994.00	\$ 158,067.00	\$ 181,445.00
Cultural and Recreation	\$ 40,150.00	\$ 59,000.00	\$ 71,700.00
Debt Service	\$ 145,244.00	\$ 145,069.00	\$ 140,985.00
Capital Outlay	\$ -		\$ 165,000.00
Transfer To Other Funds	\$ 181,484.00	\$ 170,000.00	\$ 185,000.00
Total Estimated/Appropriated	\$ 1,296,934.00	\$ 1,389,350.00	\$ 1,659,545.00

QUICK POINTS OF THE GENERAL FUND:

- Archer Lodge Town Park – Parking Lot must be paved per Ordinance
- Potentially beginning in Jan 2022 – Full-Time Town Administrator
- Potentially beginning in Jan 2022 – Part-Time Parks & Recreation Director
- Jeep – Lease Buyout (August 2021)
- Ford F250 – Purchase for Parks & Recreation (Spring 2022)
- Public Safety Consideration
- Tax Rate – Remains at \$0.22

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

Capital Reserve Fund 30:	Proposed Estimated Revenues (FY 2021-2022)	Proposed Estimated Expenditures (FY 2021-2022)
Investment Earnings	\$ 1,800.00	\$ -
Transfer from General Fund 10	\$ 25,000.00	\$ -
Fund Balance Appropriated	\$ 68,200.00	\$ -
Transfer to General Fund 10	\$ -	\$ 95,000.00
Revenue Totals = Expenditure Totals	\$ 95,000.00	\$ 95,000.00

QUICK POINTS OF THE CAPITAL RESERVE FUND:

- Resume the Annual Transfer from the General Fund to Capital Reserve Fund of \$25,000
- Utilize Capital Reserve Funds for Paving the Parking Lot at the Archer Lodge Town Park by Transferring Funds to the General Fund - \$95,000

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

Park Reserve Fund 31:	Proposed Estimated Revenues (FY 2021-2022)	Proposed Estimated Expenditures (FY 2021-2022)
Investment Earnings	\$ 1,200.00	\$ -
Transfer from General Fund 10	\$ 135,000.00	\$ -
Transfer to General Fund 10	\$ -	\$ 62,000.00
Transfer to Archer Lodge Town Prk Fnd 41	\$ -	\$ 74,200.00
Revenue Totals = Expenditure Totals	\$ 136,200.00	\$ 136,200.00

QUICK POINTS OF THE PARK RESERVE FUND:

- Transfer from General Fund consists of:
 - Fee in Lieu of Rec – 10 Lots @ \$1,500 = \$15,000
 - Three Cents Property Taxes Estimate = \$120,000
- Transfer to General Fund – Loan Payment on Park Land \$62,000
- Transfer to Archer Lodge Town Park – Town’s Portion on PARTF Grant (figure to balance fund)

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

Public Safety Reserve Fund 32:	Proposed Estimated Revenues (FY 2021-2022)	Proposed Estimated Expenditures (FY 2021-2022)
Investment Earnings	\$ 1,300.00	\$ -
Transfer from General Fund 10	\$ 25,000.00	\$ -
Fund Balance Appropriated	\$ 450.00	\$ -
Transfer to General Fund 10	\$ -	\$ 26,750.00
Revenue Totals = Expenditure Totals	\$ 26,750.00	\$ 26,750.00

QUICK POINTS OF THE PUBLIC SAFETY RESERVE FUND:

- Continue Annual Transfer of \$25,000
- Public Safety Consideration/Idea

The following table below summarizes the **Proposed Annual Budget for Fiscal Year Ending June 30, 2022:**

Total Proposed Annual Budget for All Funds (FY 2021-2022)	Total Proposed Estimated Revenues for All Funds	Total Proposed Estimated Expenditures for All Funds
Revenue Totals = Expenditure Totals	\$ 1,917,495.00	\$ 1,917,495.00

Also, allow me to share the following table that represents the Ad Valorem Tax Revenues projected in the budget which further demonstrates the need for sewer and some commercial growth in Archer Lodge.

Date	Type	Net Assessed Value	Provided By	Levy \$0.22 / \$100
12/31/2020	Motor Vehicles	\$ 49,681,706	Jo Co Tax Office	\$ 109,300
09/09/2020	Public Service Companies	\$ 2,217,332	NC Dept of Rev	\$ 4,878
03/29/2021	Real and Personal Property	\$ 347,476,020	Jo Co Tax Office	\$ 764,447
07/01/2021	TOTAL	\$ 391,375,058		\$ 878,625
PROPOSED	AD VALOREM	TAXES	CONSERVATIVE	\$ 860,000

The final table that must be shared is the Town's Debt Service:

LOAN	LENDER	BALANCE BEFORE PAYMENT	PAYMENT DUE	FY 2021-2022	BALANCE AFTER PAYMENT
Town Hall	BB&T Gov't	\$ 200,000	03/22/22	\$ 40,153	\$ 166,667
Park Loan	M/M G. Smith	\$ 300,000	08/20/21	\$ 62,000	\$ 250,000
Town Hall Expansion	KS Bank	\$ 351,000	09/10/21	\$ 38,829	\$ 324,000
TOTAL		\$ 851,000		\$140,982	\$ 740,667

In closing, the proposed budget for fiscal year ending June 30, 2022 shows an increase of roughly 22.8% over the current year's amended budget of \$1,561,850; however, please note the following:

1. Current year budget (FY20-21) when adopted last July 2020 –
Very Conservative due to COVID-19
2. Current year budget (FY20-21) – Ms. Batten mentioned that she will present a budget amendment in June as the final “clean up” which will have increased, unexpected revenues
3. Proposed budget (FY21-22) – Purchases of Capital Assets totaling \$165,000
4. Proposed budget (FY21-22) – Half-Year, Full-Time Town Administrator, Salary/Benefits
5. Proposed budget (FY21-22) – Half-Year, Part-Time Parks & Recreation Director, Salary
6. Appropriations of Fund Balance being utilized in all funds

Having endured many important titles with the Town of Archer Lodge since our incorporation in November 2009, my new role as Budget Officer has reminded me of how well we continue to manage our citizens tax dollars to make Archer Lodge better. Many thanks to our Finance Officer and staff for their dedication and service. Lastly, thanks to the Mayor and Town Council for stepping up to represent this town and supporting the citizens and our wonderful staff.

Respectfully submitted,



Mike Gordon
Budget Officer
Town Administrator