

TOWN OF BUTNER

FISCAL YEAR 2024 - 2025

BUDGET HIGHLIGHTS



The budget highlights provide a summary of the significant elements of the manager’s recommended FY2024-2025 budget. The accompanied budget message provides an in-depth review of the recommended budget.

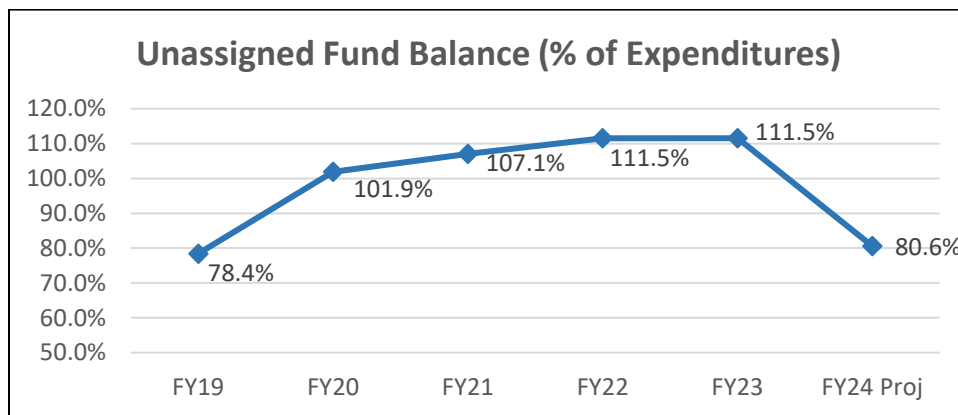
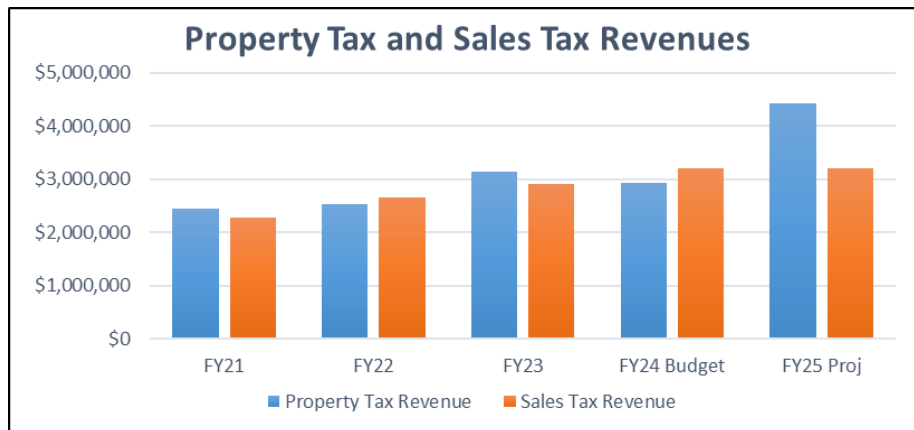
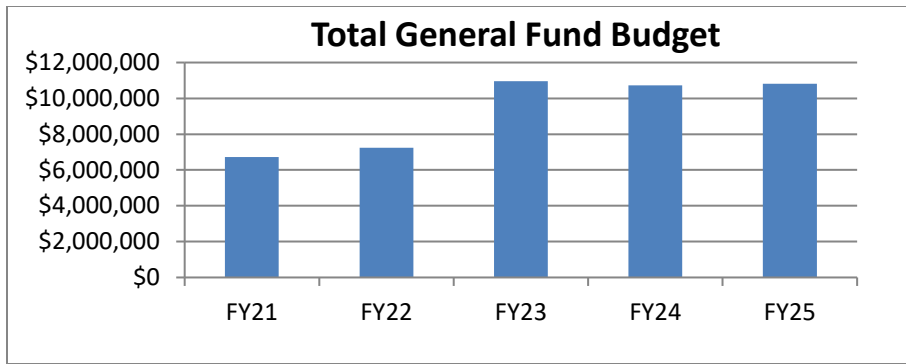
Overall Budget Highlights

- The recommended general fund budget is \$10,823,135 which represents an increase of \$90,510 or 0.84% from the current year adopted budget.

- The revenue neutral rate for the coming year inclusive of growth is 27 cents. The budget proposes a tax rate of 40 cents compared to 42.5 cents in the prior year which allows the Town to cover increased costs, set aside funds for future capital projects, and prepare for an upcoming loss of \$500,000 in annual revenue.

Revenue Neutral Tax Rate Calculation	
(1) FY 2024 Tax Value	\$ 707,939,797
(2) FY 2024 Tax Rate	0.4250
(3) Tax Revenue Yield	\$ 3,008,744
(4) FY 2025 Tax Value	\$ 1,151,106,055
(5) New Tax Rate Before Growth	0.261
(6) Growth Factor	2.08%
(7) Revenue Neutral Tax Rate	0.27

- The budget prepares the Town for future growth and service needs and begins planning for future capital projects. This is apparent with the development of a town roadway specification manual, a public safety facility location assessment, a soccer/multipurpose field study, a pavement condition assessment and on-call engineering services.
- The budget advances the town’s information technology and broadband availability to include improving security measures and cameras, refreshing end-of-life network components, transitioning from a Virtual Office Advantage to a Modern Office Advantage environment to streamline operations, and providing public Wi-Fi access at the Athletic Park.
- The budget invests in the growth, retention, and compensation of our greatest resource – our employees. The budget funds the full year cost of the recently implemented salary study, provides a cost-of-living adjustment to offset inflation, continues a merit program that encourages employees to excel, funds department head leadership training and employee professional development and introduces additional ways for recognizing employees and contributions.
- The budget prioritizes employee and resident safety through investments in public safety equipment and replacements while meeting the need for public safety’s assigned vehicle program.
- The budget focuses on community appearance through dedicated part-time staff for litter cleanup and updated signage at the recycling center.



*Fund balance projected to decrease following transfer to Capital Fund in FY24.

Fiscal Year	Tax Base	Tax Rate
FY 2018	\$610,643,056	36.5 ¢
FY 2019	\$641,089,752	36.5 ¢
FY 2020	\$646,579,231	36.5 ¢
FY 2021	\$674,956,328	36.5 ¢
FY 2022	\$700,704,384	36.5 ¢
FY 2023	\$744,983,295	42.5 ¢
FY 2024 Proj.	\$707,939,797	42.5 ¢
FY 2025 Proj.	\$1,151,106,055	40 ¢

*FY17-23 based on Audit; FY24 & 25 projections from Tax Office

Summary of Revenues

- Property Tax – anticipate receiving \$4,424,429 (increase of \$1,485,476) due to the proposed tax rate and natural growth. The tax collection rate decreased from 98.46% to 97.85%; 1 cent on tax rate totals \$112,636.
 - Motor Vehicle Tax – increase of \$12,103 with budgeted total of \$340,000 (this amount is included in the property tax amount above).
- Sales Tax – level budgeted revenue of \$3,203,616 due to strong budgeting in prior year; Post pandemic increases are slowing down.
- DHHS Agreement for Public Safety/Fire Protection – increase of \$28,809 with total anticipated revenue of \$965,052. The town receives these funds for providing dedicated police and fire services to Central Regional Hospital. Agreement through FY25 with the option to extend.
- Revenue from SGWASA – SGWASA will continue paying the Town \$500,000 per year through FY27. This was a result of session law 2006-159 which provided funds to any municipality that assumed majority functions of the Butner Reservation. These funds are to be received for 20 years from the Town’s incorporation date.
- Investment earnings – decrease of \$65,338 with budgeted total of \$319,192; Interest income has increased significantly from less than \$15,000 per year to over \$380,000 per year in the last two years. We anticipate interest rates cooling off in the future.
- SRO Fees – increase of \$44,953 with budgeted total of \$179,812 due to full year revenue from second SRO. BPS provides one SRO to Falls Lake Academy and one for the three Granville County Schools (GCS) in Butner.
- Granville County Fire Department Allocation – increase of \$7,244; The total amount anticipated for FY25 is \$88,086 which is provided from the County fire tax for mutual aid and portions of our fire district outside town limits. The Town also receives funds to cover the cost of our volunteers’ workman’s comp and retirement supplement.
- Transfer from Capital Reserve – remains at \$225,000.
- Appropriations from fund balance
 - The budget is balanced without budgeting any use of fund balance. The unassigned fund balance is projected to decrease to 80% of expenditures by the end of FY24 following a large transfer to the capital fund.

Summary of Expenditures

	FY24-25 Total	Amount Increase/ (Decrease)	Percentage Increase/ (Decrease)
Personnel Cost	\$6,812,868	\$534,283	8.5%
Operational Cost	\$2,113,495	(-\$14,412)	(-0.7%)
Capital Outlay	\$1,896,772	(-\$429,361)	(-18.5%)
Overall	\$10,823,135	\$90,510	0.84%

* Prior year adopted budget was \$10,732,625 and included \$1,332,841 for ladder truck; When truck purchase order rolls over in FY25, the total budget will increase \$1.4 million over prior year.

- **Personnel cost - increase of 8.5% or \$534,283.**
 - Full year salary study impact - \$285,000
 - Cost of living adjustment (3%) - \$134,339
 - Merit Pay - \$123,144 (range of 1.5% to 3% based on performance; exceeding expectations rating increased 0.25% from prior year)
 - Employee Retirement – increase due to salary study implementation and state changing rates from 12.85% to 13.6% for general employees and from 14.1% to 15.1% for law enforcement - \$51,211.
 - Public Works – new part-time position for litter cleanup - \$20,000
 - Planning and Zoning – removed third position budgeted in prior year; using on-call services to assist as needed.

- **Operational cost – decrease of 0.7% or \$14,412**
 - Council and Mayor – increase in professional services for strategic planning - \$1,900; reduction of \$15,000 in election expenses; reduction of \$2,500 in printing; increase of \$1,662 in dues and subscriptions due to projected increases.
 - Administration – decrease in retiree health insurance - \$3,500; decrease in professional services - \$2,160.
 - Finance – increase in bank service charges - \$1,000; increase in miscellaneous expense - \$1,200; decrease in computer software - \$7,500; decrease of \$2,000 in minor equipment; decrease of \$1,300 in dues and subscriptions.
 - Human Resources – increase in employee wellness for additional recognitions and service awards - \$2,000; decrease of \$10,000 in professional services due to prior year cost of salary study; decrease in public relations - \$1,000; professional services includes \$1,250 for new online policy management software; increase in training for additional department head training and employee professional development - \$3,500.
 - Town Hall – increase in internet/cable due to upgraded fiber connection - \$2,000; decrease of \$6,000 in grounds maintenance based on actuals; includes \$3,000 in minor equipment for additional security cameras.
 - Landscape and Beautification – reduction in building/grounds maintenance - \$1,000.
 - Information Technology – increase in computer hosting \$58,474 includes onetime \$22,000 for migrating from VOA to MOA environment (potential savings of \$26,000) and onetime \$23,000 for refreshing end-of-life network components; reduction of

\$121,157 in computer software due to one-time finance software purchase cost from prior year.

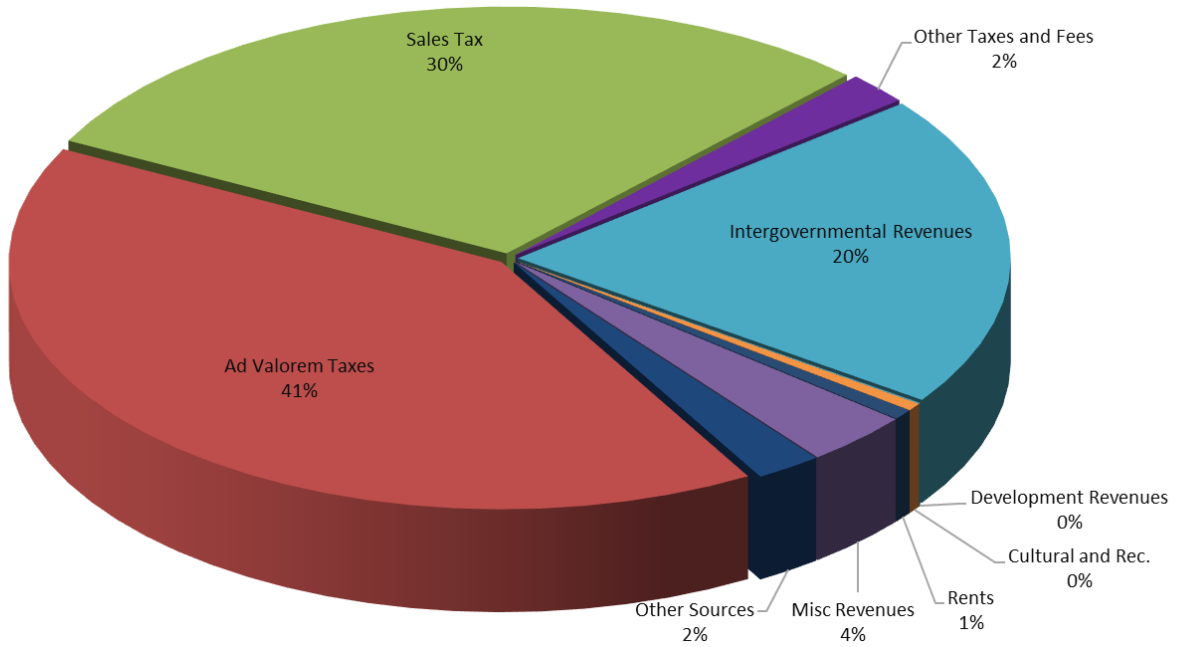
- Public Safety – increase in professional services for a promotional assessment center - \$6,000; increase in professional services for facility location assessment - \$18,300; increase in advertising for a recruitment video - \$5,000; increase in public relations for additional public engagement and events - \$3,310; increase in computer hosting for refreshing end-of-life network components - \$22,250; Internet/Cable includes \$15,633 for purchase of 30 phones with built in Mi-fi technology for officers; decrease in building repairs and maintenance - \$5,000; increase in equipment repairs and maintenance - \$5,000; increase in vehicle repairs and maintenance due to actuals - \$10,000; decrease in K9 supplies - \$2,880; increase in fuel - \$4,500; increase in tires/tubes - \$1,000; computer software includes \$3,750 for purchase of online policy management software; reduction of \$1,000 in electricity; increase in food and provisions for departmental meetings - \$1,000; increase in uniforms - \$2,250; increase in training - \$1,000; reduction of \$1,000 in internet/cable for BPS training center.
- Public Safety Security and Safety Supplies – body armor/vests - \$6,000; ammo for qualification - \$3,200; spike strips - \$1,200; radar units - \$11,000; fire hose - \$12,500; reflective vests - \$2,900; optics, lights, and slings - \$2,730; rifle magazines - \$1,125; tourniquets - \$2,400; fire gloves - \$1,800; fire hoods - \$550; AED devices - \$4,500.
- Public Works – reduction in computer hosting - \$1,200; increase in training for supervisory training - \$3,000; increase in streets maintenance for contracted right-of-way mowing - \$8,000; reduction in motor fuel - \$2,000; reduction in tires and tubes due to purchasing turf tires in prior year - \$3,000.
- Recycling Center - increase in grounds maintenance for signage grant match - \$2,000.
- Forestry and Nursery – decrease in professional services - \$1,000.
- Planning and Zoning – professional services includes \$40,000 for development of town roadway specification manual, \$15,000 for on-call planning assistance, and \$1,000 for searchable Board of Adjustment minutes; reduction in GIS expense - \$1,500; reduction in minor equipment due to prior year furniture purchase - \$3,500; reduction in dues and subscriptions - \$9,400.
- Butner Athletic Park – increase in internet/cable to add public Wi-fi - \$10,000; increase in grounds/field maintenance to offset cost of automated painting machine - \$4,000; minor equipment includes \$5,000 for mound replacements.
- D Street Ballfield – increase in building/grounds maintenance - \$1,200.
- Gazebo Park – decrease of \$1,000 in building/grounds maintenance based on actuals.
- Lake Holt – reduction in building/grounds maintenance - \$3,000.
- Soldier’s Memorial Sports Arena – increase in internet/cable due to new Wi-fi service added in prior year - \$3,500; increase in minor equipment for additional security cameras - \$2,000.
- Special Events – reduction of \$1,000 in advertising based on actuals; increase in public relations - \$1,000; decrease in printing - \$2,000; increase in minor equipment for portable lights (subject to receiving grant) - \$3,000.

- **Capital Outlay – decrease of 18.5% or \$429,361.**
 - Vehicle purchases/replacement – includes outright purchase of the following:
 - Six Public Safety vehicles for assigned vehicle program - \$405,000
 - One Public Works vehicle - \$60,000; BAP Turf equipment - \$22,000
 - One town hall vehicle replacement - \$40,000
 - Council and Mayor – replacement of council room chairs - \$15,000
 - Public Safety Equipment (Capital Improvement Plan) – body camera replacement - \$55,597; radio replacements - \$60,120; turnout gear replacement - \$21,420; fire fighter helmets - \$5,600; pistols replacement - \$26,635; six flock LPR cameras - \$21,900; UAV - drone purchase - \$15,000; car camera server replacement - \$10,000
 - Cultural and Recreation – includes \$100,000 for inclusive playground at Gazebo Park; includes \$50,000 for designing parking lot expansion at sports arena; includes \$40,000 for soccer/multipurpose field location study; includes \$8,500 for converting portion of concrete pad at Gazebo Park into pickleball court.
 - Transfer to Capital Fund for future Gateway Study/Design - \$500,000.
 - Transfer to Capital Reserve - \$440,000

Summary of Other Funds

- **Powell Bill (Fund 11)**
 - Anticipate receiving \$235,256 in FY25; Fund balance of \$497,196 as of January 2024. Anticipate future year street resurfacing and sidewalk projects competing for these funds.
 - Powell Bill funds are used to maintain, repair, construct or widen streets, bridges, bike paths, greenways, sidewalks, or drainage areas. The state allocates funds based on a formula with 75% based on population and 25% based on number of municipal maintained street miles. The Town of Butner maintains 16.96 miles of streets.
- **Local Vehicle Tax – Streets (Fund 21)**
 - Anticipate receiving \$35,000 in local vehicle tax funds in FY25; Fund balance of \$139,013 as of January 2024.
 - Includes \$34,850 to complete pavement condition assessment of Town streets.
 - NCGS 20-97 (b1) authorizes towns to charge a per vehicle local tax. The Town charges \$10 per vehicle of which half goes to the general fund and half stays in the local vehicle tax fund. The funds are permitted to be used for maintaining and repairing the town's local streets.
- **Stormwater Fund (Fund 62)**
 - The total stormwater budget is \$493,592 for FY25; Fund balance of \$1,870,382 as of January 2024.
 - Major expenses include \$23,393 to SGWASA for IAIA, \$13,900 in UNRBA dues, and \$31,000 for Granville County shared stormwater services; Fund covers 25% of public works staffing cost and 29% of planning staff costs.
 - Stormwater fees are charged to property owners through the County tax office. The fee includes a fixed fee for every property as well as an impervious area fee based on the amount of impervious area and a gross area fee that varies based on the total property area. Stormwater fees are used to cover Town stormwater related expenses (ditches, pipes, stormwater system) as well as staff and consultants involved in the stormwater process.
 - The Town is a part of the Granville-Person regional stormwater utility which includes Creedmoor, Stem, Granville County and Person County. The stormwater fee for all jurisdictions has remained the same for 12 years and the utility's consultant (Raftelis) is evaluating the need for future rate adjustments to keep up with future program costs.

FY2024-25 General Fund Revenues



FY2024-25 General Fund Expenditures

