

# Town of Mint Hill



Fiscal Year 2022-2023  
Proposed Budget Document

---

---

## BUDGET MESSAGE

---

---

**DATE:** 5/31/2022  
**TO:** THE HONORABLE MAYOR SIMMONS,  
MEMBERS OF THE BOARD OF COMMISSIONERS  
**FROM:** BRIAN L. WELCH, TOWN MANAGER/BUDGET OFFICER  
**RE:** PROPOSED FY 2022 - 2023 ANNUAL BUDGET

---

Pursuant to Section § 159-11 of the North Carolina General Statutes, I respectfully present the recommended FY 2022-2023 Budget for your review and consideration. The following message summarizes and highlights the significant elements of the proposed budget, particularly in those areas where there are notable changes from the FY 2021-2022 budget.

The recommended General Fund budget totals \$22,684,788. This budget is presented with a **proposed tax rate of \$0.255 per \$100** of assessed valuation, representing no change in the current tax rate as adopted for FY 2021-2022.

The Town's revenue forecasting philosophy has always been conservative and will continue for this fiscal year due to the ongoing uncertainty of current local, state, and national economic trends particularly those related to the COVID pandemic. Economic forecasting is not an exact science and at times relies upon the best professional judgment of the forecaster. To reduce the risks of miscalculating revenues or expenditures, the Town identifies as many factors as possible that may contribute to changes in revenue and expenditures, such as population growth, property values, development, and the overall health of the national and regional economies.

Our citizens and Board have much to be proud of with a tax rate of 25.5 cents. At 25.5 cents, our tax rate is one of the lowest in the state for a municipality of our size.

### GENERAL FUND/POWELL BILL REVENUE HIGHLIGHTS

---

***Ad Valorem Taxes:*** The Town of Mint Hill relies on property taxes for 42% of the General Fund Budget Revenues. The assessment of all property located in the Town of Mint Hill is provided to us by Mecklenburg and Union Counties. The assessed property value is projected at \$3,866,005,553.

The proposed General Fund tax rate will be set at 25.5¢ per \$100 valuation of property with an estimated collection rate of 98%. Ad Valorem tax revenues (including prior year taxes to be collected) for the coming Fiscal Year are budgeted at \$9,630,000.

**Local Sales and Use Tax:** The State of North Carolina grants local governments the authority to levy a local sales tax of up to 2.5%, with the state sales tax. Mecklenburg County levies this tax with Mint Hill receiving sales tax revenues based on an Ad Valorem basis. The FY 2022-2023 sales tax projection is \$2,600,000.

**Franchise Tax:** The state levies a franchise tax on the total gross receipts of various utilities. Each Town's share of the utility franchise tax is based on the actual receipts from electric and telephone service within their municipal boundaries during the fiscal year. The amount of revenue generated by this tax is highly dependent on weather conditions throughout the year. Also, any annexations of industrial or other facilities that are heavy users of electric or telephone services, effective during the fiscal year could impact this revenue. The Town has not annexed any industrial areas that will significantly impact this revenue. This revenue source is expected to be \$1,200,000 for FY 2022-2023.

**Powell Bill Tax:** State estimates report that the Powell Bill distribution will be higher for FY 2022-2023 based on action by the NC General Assembly; however, this forecaster expects the recent dramatic increase in fuel prices may negatively affect this expected increase. The calculating formula for this revenue is derived from the 2019 NC Certified population estimate of Mint Hill multiplied by \$21.66 (75%) and total mileage of road maintained by Mint Hill multiplied by \$1,675 (25%). The total estimated Powell Bill Tax Revenues for the FY 2022-2023 proposed budget is \$650,000.

### GENERAL FUND / POWELL BILL EXPENDITURE HIGHLIGHTS

---

**Personnel:** The FY 2022-2023 proposed budget includes funding for five additional sworn positions in the Police Department and three additional positions in the Fire Department. Also, the proposed budget includes a 10% market rate adjustment for Town Employees in addition to a 2.5% merit pool. The market adjustment will become effective with the second payroll after January 1, 2023. Additionally, the hourly rates for part-time employees will increase to \$15.00.

**Administration:** There are no significant changes from the adopted FY 2021-2022 budget.

**General Services (Non-Departmental):** This account is derived from ongoing professional and contractual expenses the Town expends on an annual basis. These services include items that are associated with multiple departments or contributions to outside organizations. These items include but are not limited to the auditing/legal services, insurance and bonds, telephone, and utilities. Various outside organizations will receive funding from the Town of Mint Hill during FY 2022-2023. Donations are allocated as follows: Kid's Voting-\$2,500; Levine Senior Center-\$7,000; Mint Hill

Athletic Association-\$65,000; Mint Hill Chamber of Commerce-\$30,000; Mint Hill Youth Football-\$10,000; Mending Strides Ranch-\$5,000.

***Police Department:*** The Police Department budget includes funding for five (5) additional sworn positions. Further, technological funding is included to purchase new body cameras, computers, data storage solutions, and other technological needs. The purchase of eleven (11) vehicles has also been included.

***Fire Department:*** Funding is appropriated in this budget for the addition of three (3) Fire Fighter positions.

Idlewild Volunteer Fire department provides coverage for a portion of Mint Hill and Matthews. For this reason, both municipalities make financial contributions to the department to support ongoing operations. In an effort to combat rising operating costs while keeping the Idlewild VFD solvent and functioning at a high level, the Town has budgeted \$370,000 for FY 2022-2023 to offset operating and personnel costs and for continued help towards equipment acquisitions. An additional \$65,000 is allocated to the department as their portion of the fire service district tax proceeds collected from the Town's extra-territorial jurisdiction.

***Animal Control:*** Animal Control Services will continue to be provided by Charlotte-Mecklenburg Animal Control through an annual contract. The contract provides for receiving all animal control complaints, dispatching service, complaint investigation and resolution, transportation of animals and housing of the animals. The FY2022-2023 budget estimates the cost of this service at \$125,000.

***Street Maintenance:*** The Town maintains over 110 miles of streets within the corporate limits. These streets are assessed on an annual basis and are assigned priority for repair by the Public Works Supervisor and Town Engineer. The proposed FY2022-2023 budget has identified \$500,000 for street resurfacing. The proposed budget also includes \$3,000,000 for new sidewalk construction funded in part by a grant administered through the Charlotte Regional Transportation Planning Organization.

***Solid Waste / Recycling:*** The proposed budget provides funding for once weekly curbside collection of one ninety-six (96) gallon can, bi-weekly recycling and weekly debris pickup. The cost of this service for FY 2022-2023 is \$2,104,800 or \$17.54 per household per month. Landfill service and tipping fees will continue to be provided by Mecklenburg County Landfill service at a cost of \$400,000.

***Parks and Recreation:*** Funds have been added to this year's budget from ARPA proceeds to continue work on a new park located on Brief Road. This park will be smaller in scale than what was originally planned but will contain many features for our residents to enjoy while we continue to work towards a larger scale facility. Additionally, continued

work on improvements at Veterans Park to include the rebuilding of four tennis courts, replacement of the toddler playground equipment, and the installation of turf and lighting on both soccer fields.

### **STORMWATER FUND**

Mecklenburg County and all seven municipalities assess a stormwater fee to every tax parcel except undeveloped ones including tax-exempt agencies such as Governments, Schools, and Churches. The assessments are spent only on stormwater related expenditures to repair or maintain the major and minor stormwater system. The Town will continue to contract with Mecklenburg County Stormwater Services for inspection and repair services, supplemented by the Town's Public Works Department, as well as the continued implementation of the federally mandated Stormwater Phase II Permit Requirements. All priority rankings and subsequent work on stormwater complaints are in accordance with the Mecklenburg County Stormwater Services priority rating system.

### **TOURISM REVENUE FUND**

Mecklenburg County collects hotel and motel tax from properties within the County. Revenues collected within the Town limits are shared with the County, which uses its portion of the tax to fund the Charlotte Convention Center as well as other regional tourism draws. The remaining portion of the tax is remitted to the Town of Mint Hill to be spent on the promotion of local tourism. This fund also accounts for revenues collected from the Prepared Food and Beverage Tax for use for the same purpose. Per an interlocal agreement between all municipalities within Mecklenburg County, the Town's portion of the tax equates to 75% of that amount collected in each municipality. Approved funding for the Mint Hill Historical Society in the amount of \$75,000, Mint Hill Arts in the amount of \$16,000, Pottery 51 in the amount of \$10,000, Honor the Warriors in the amount of \$5,500, Mint Hill Events in the amount of \$20,000, and American Legion in the amount of \$15,000 has been added in FY 2022-2023. Proceeds from this Fund also go towards the continued implementation of the Town's Cultural Action Plan via a contribution to the Arts and Science Council in the amount of \$15,000.

### **INFRASTRUCTURE FUND**

This Fund contains proceeds for future infrastructure work that has been contributed by developers in lieu of immediately installing the infrastructure required as part of their development. Currently the Fund contains monies slated for the installation of sidewalk, curb and guttering and other improvements along Wilgrove-Mint Hill Road.

### **ARPA FUND**

As part of the American Rescue Plan Act of 2021, every unit of government in the United States was awarded funding to deal with the effects of the COVID pandemic. The amount of funding was based on population. The Town of Mint Hill was awarded \$8,800,000, to be received in two direct payments from the State of North Carolina. Over the next four years, the Town will utilize these

funds on multiple projects aimed at providing services and opportunities that will positively impact the most residents. Projects include but are not limited to: new park construction, additional police officers, fire safety equipment, numerous park facility upgrades, technology upgrades related to reducing points of contact while maintaining high levels of service provision, and an external allocation to our local charitable services partner.

### **SUMMARY**

Mint Hill will continue all efforts to provide its residents with the highest possible level of service while striving to be good stewards of the Town's tax dollars. We will manage the continued growth of our area to provide a well-balanced community with a high standard of living that is sustainable in all economic conditions. The Town will continue to work with other agencies to resolve issues related to water/sewer, transportation, growth, and recreational opportunities. Identifying what are the best long-term interests for the Town, goal-setting for the future and working towards these goals will continue to be our primary focus.

In closing, I would like to extend my sincerest appreciation to the elected officials and the entire Town Staff for their dedication, hard work and genuine interest in our community. Their selfless efforts and commitment to excellence is a big reason Mint Hill is one of the best communities in North Carolina.

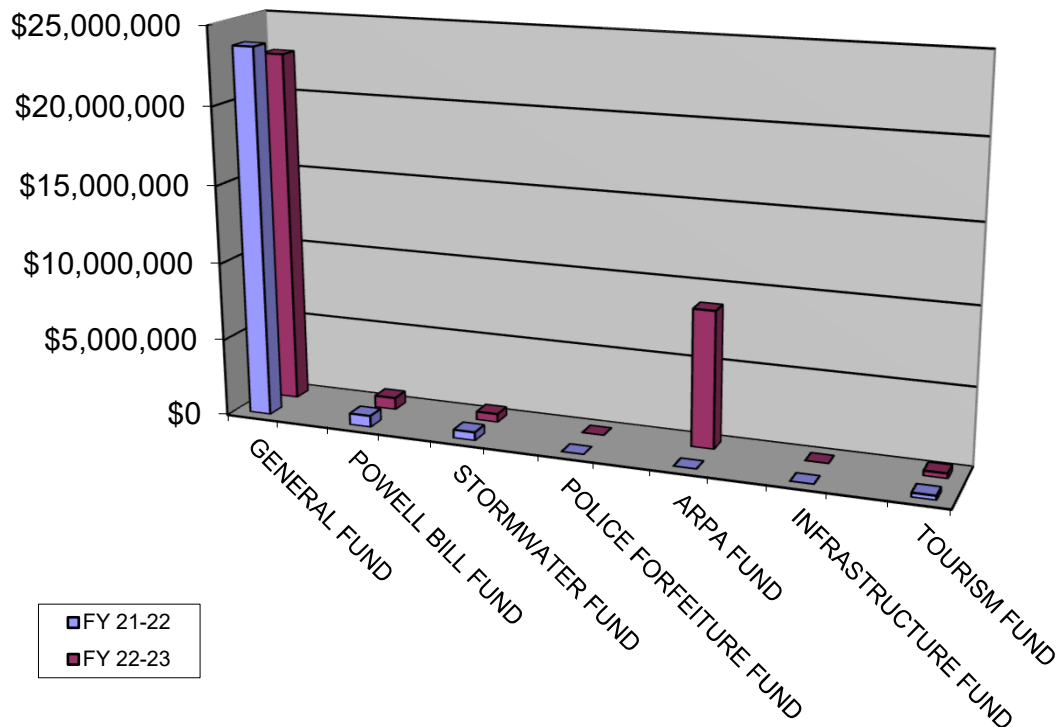
Respectfully submitted,



Brian L. Welch  
Town Manager/Budget Officer

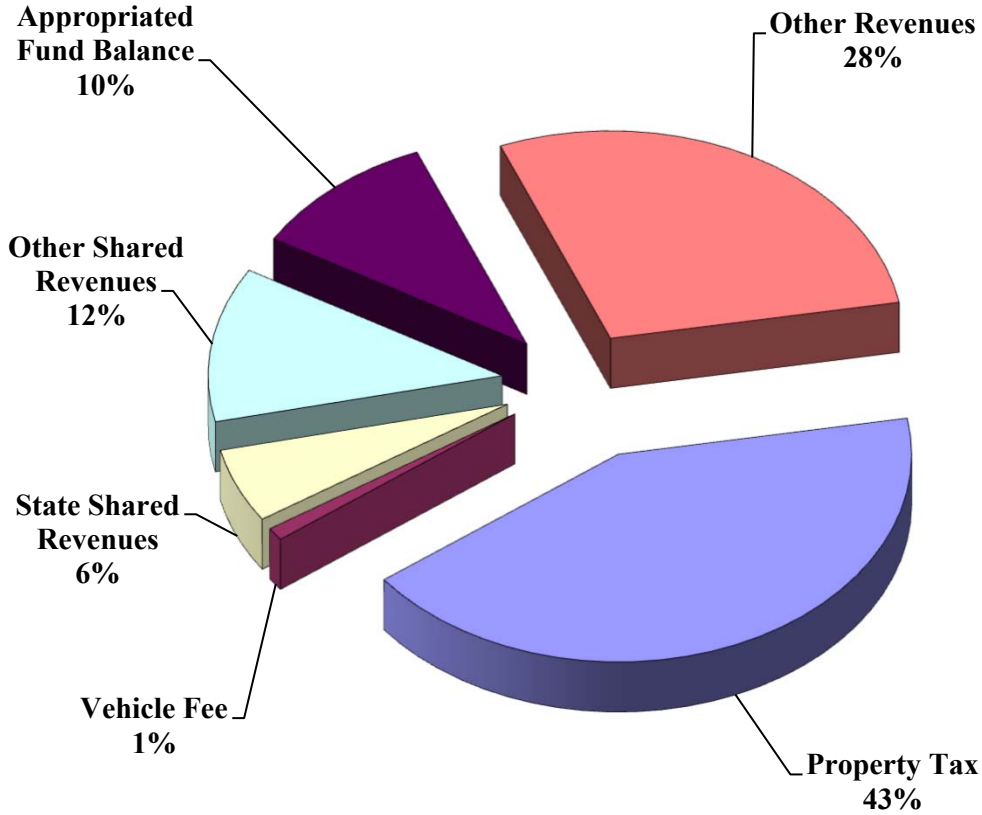
## SUMMARY OF ANNUAL BUDGET BY FUND

TYPE OF FUND	FY 21-22	FY 22-23
<b>GENERAL FUND</b>	<b>\$23,682,017</b>	<b>\$22,684,788</b>
<b>POWELL BILL FUND</b>	<b>740,000</b>	<b>769,000</b>
<b>STORMWATER FUND</b>	<b>537,149</b>	<b>540,703</b>
<b>POLICE FORFEITURE FUND</b>	<b>50</b>	<b>50</b>
<b>ARPA FUND</b>	<b>0</b>	<b>8,800,000</b>
<b>INFRASTRUCTURE FUND</b>	<b>50</b>	<b>50</b>
<b>TOURISM FUND</b>	<b>277,150</b>	<b>325,150</b>
<b>TOTAL</b>	<b>\$25,236,416</b>	<b>\$33,119,741</b>



# FY 2022-2023 GENERAL FUND REVENUE SUMMARY

<b>REVENUES</b>	
Property Tax	\$9,630,000
Vehicle Fee	225,000
State Shared Revenues	1,310,000
Other Shared Revenues	2,732,000
Appropriated Fund Balance	2,360,788
Other Revenues	6,427,000
<i>Total Revenues</i>	<hr/> <b>\$22,684,788</b>

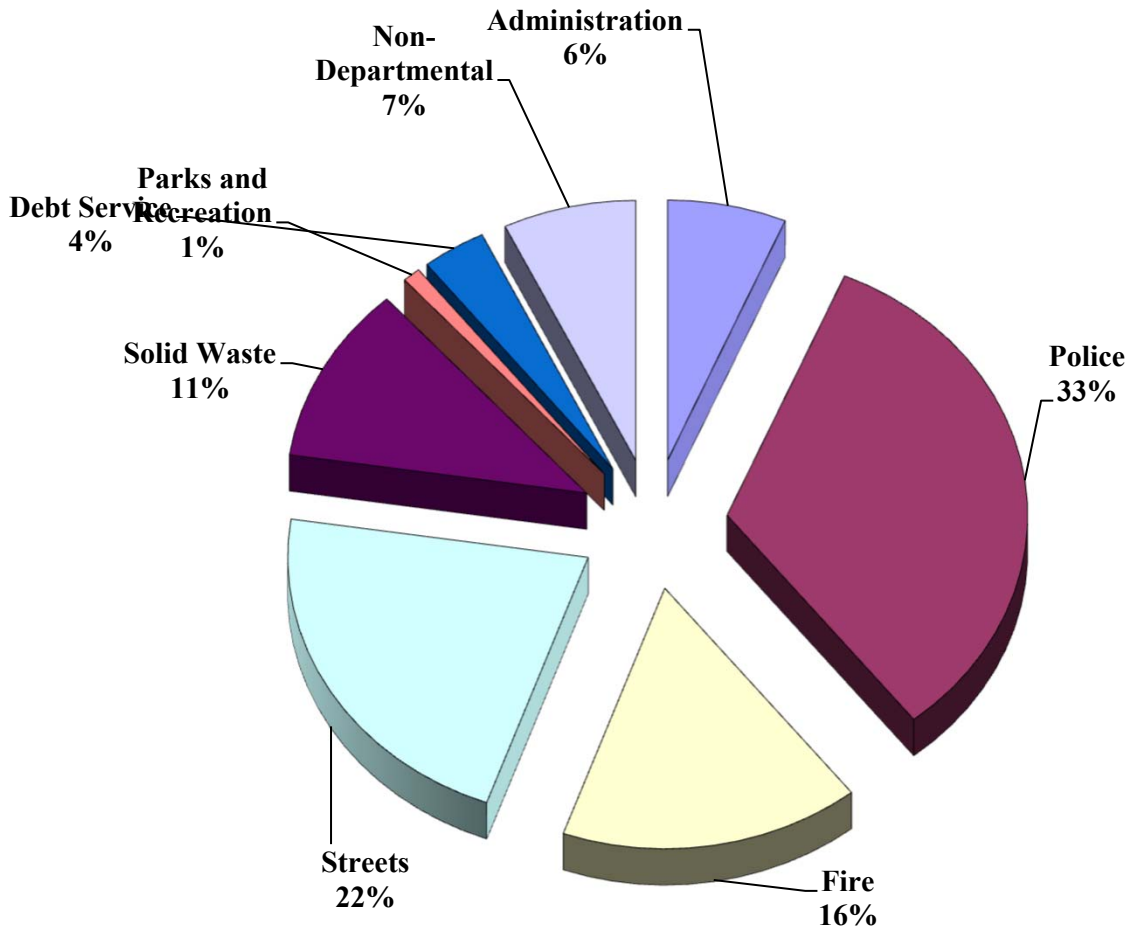




# FY 2022-2023 GENERAL FUND EXPENDITURE SUMMARY

**EXPENDITURES**

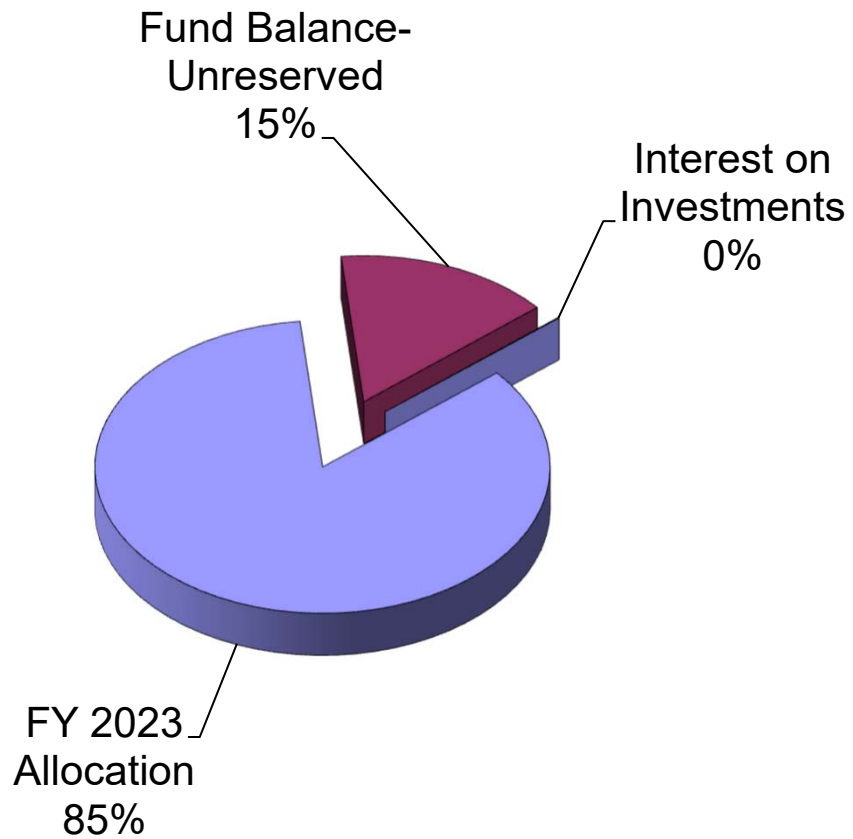
<b>Governing Body</b>	<b>\$44,295</b>
<b>Administration</b>	<b>1,447,963</b>
<b>Police</b>	<b>7,458,350</b>
<b>Fire</b>	<b>3,656,027</b>
<b>Streets</b>	<b>4,949,877</b>
<b>Solid Waste</b>	<b>2,504,800</b>
<b>Parks and Recreation</b>	<b>218,603</b>
<b>Debt Service</b>	<b>781,073</b>
<b>Non-Departmental</b>	<b>1,623,800</b>
<b>Total Expenditures</b>	<b>\$22,684,788</b>



**FY 2022-2023 POWELL BILL  
REVENUE SUMMARY**

**REVENUES**

FY 2023 Allocation	\$650,000
Fund Balance-Unreserved	118,500
Interest on Investments	500
<hr/>	
<b>Total Revenues</b>	<b>\$769,000</b>

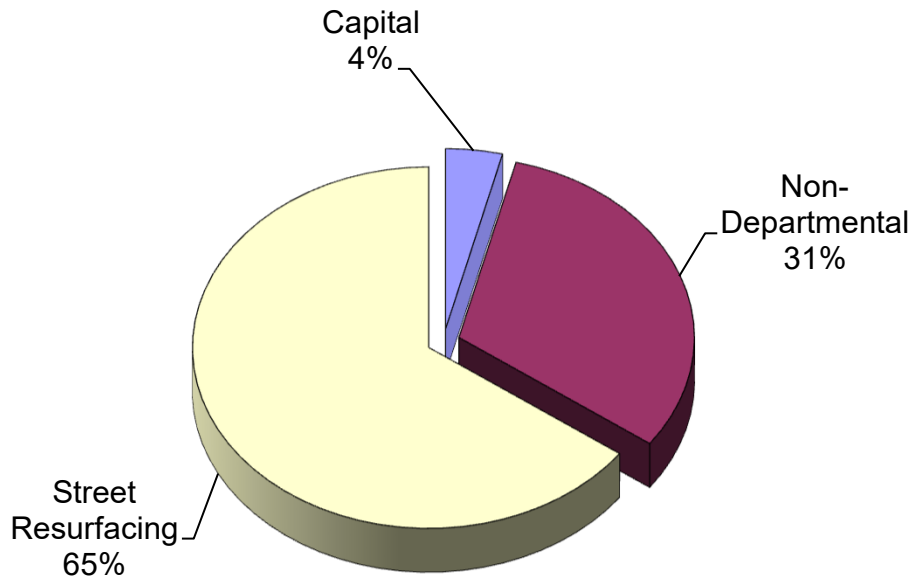


# FY 2022-2023 POWELL BILL

## EXPENDITURE SUMMARY

### EXPENDITURES

Capital	\$30,000
Non-Departmental	239,000
Street Resurfacing	500,000
<hr/>	
<b>Total Expenditures</b>	<b>\$769,000</b>



## 2022-2023 BUDGET ORDINANCE

**BE IT ORDAINED** by the Board of Commissioners of the Town of Mint Hill, NC meeting in regular session on June 9, 2022, that the following Fund Revenues and Department Expenditures together with certain restrictions and authorizations are adopted:

### SUMMARY

General Fund	\$22,684,788
Powell Bill Fund	769,000
Stormwater Fund	540,703
Police Forfeiture Fund	50
Infrastructure Fund	50
ARPA Fund	8,800,000
Tourism Revenue Fund	325,150

**TOTAL FUND SUMMARY** **\$33,119,741**

### Section I GENERAL FUND

#### Revenues Anticipated

<u>SOURCE</u>	<u>AMOUNT</u>
Ad Valorem Taxes - Levy	\$8,800,000
Ad Valorem Taxes-Prior Years	20,000
Auto Fee	225,000
Ad Valorem Taxes-Interest	10,000
Motor Vehicle Tax	800,000
Vehicle Rental Tax	5,000
Other Taxes - ABC	110,000
Solid Waste Disposal	17,000
Beer & Wine Tax	110,000
Utility Franchise Tax	1,200,000
Sales and Use Tax Refund	2,600,000
Other Financing Sources	3,792,000
Earnings on Investments	50,000
Other Miscellaneous Revenues	2,555,000
Zoning Application Fees	30,000
Fund Balance-Unreserved	2,360,788
<b>Total General Fund Revenue</b>	<b>\$22,684,788</b>

## Expenditures Authorized

<u>Department</u>	<u>Amount</u>
Governing Body	\$44,295
Administration	1,447,963
Police	7,458,350
Fire	3,656,027
Streets	4,949,877
Solid Waste	2,504,800
Parks and Recreation	218,603
Debt Service	781,073
Non-Departmental	1,623,800
	<hr/>
<b>Total General Fund Expenditures</b>	<b>\$22,684,788</b>

**Section II**  
**POWELL BILL FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Powell Bill Revenue	\$650,000
Fund Balance-Unreserved	118,500
Interest on Investments	500
	<hr/>
<b>Total Powell Bill Revenues</b>	<b>\$769,000</b>

**Expenditures Authorized**

<u>Department</u>	<u>Amount</u>
Street Resurfacing	\$500,000
Non Departmental	239,000
Capital	30,000
	<hr/>
<b>Total Powell Bill Expenditures</b>	<b>\$769,000</b>

**Section III  
STORMWATER FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Stormwater Fees	\$540,203
Interest on Investments	500
Fund Balance-Unreserved	0
	<hr/>
<b>Total Stormwater Revenues</b>	<b>\$540,703</b>

**Expenditures Authorized**

<u>Source</u>	<u>Amount</u>
Administration	\$430,703
Non-Departmental	110,000
Capital	0
	<hr/>
<b>Total Stormwater Expenditures</b>	<b>\$540,703</b>

**Section IV**  
**POLICE FORFEITURE FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Interest on Investments	<u>\$50</u>
<b>Total Forfeiture Revenues</b>	<b>\$50</b>

**Expenditures Authorized**

<u>Source</u>	<u>Amount</u>
Contingency	<u>\$50</u>
<b>Total Forfeiture Expenditures</b>	<b>\$50</b>



**Section V**  
**ARPA FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Revenue--Grant	\$4,400,000
Fund Balance Unreserved	4,400,000
	<hr/>
<b>Total ARPA Revenues</b>	<b>\$8,800,000</b>

**Expenditures Authorized**

<u>Source</u>	<u>Amount</u>
Police	\$1,800,000
Fire	600,000
Parks	4,700,000
Administration/Contingency	1,200,000
External Allocation	500,000
	<hr/>
<b>Total ARPA Expenditures</b>	<b>\$8,800,000</b>

**Section VI  
INFRASTRUCTURE FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Interest on Investments	<hr/> \$50
<b>Total Infrastructure Revenues</b>	<b>\$50</b>

**Expenditures Authorized**

<u>Source</u>	<u>Amount</u>
Contingency	<hr/> \$50
<b>Total Infrastructure Expenditures</b>	<b>\$50</b>

**Section VII  
TOURISM FUND**

**Revenues Anticipated**

<u>Source</u>	<u>Amount</u>
Prepared Food/Occupancy Tax	\$320,000
Grants	5,000
Fund Balance-Unreserved	0
Interest on Investments	150

**Total Tourism Revenues** **\$325,150**

**Expenditures Authorized**

<u>Source</u>	<u>Amount</u>
Non-Departmental	\$325,150

**Total Tourism Expenditures** **\$325,150**

**SECTION VIII  
TAX RATE ESTABLISHED**

An Ad Valorem Tax Rate of \$0.255 per \$100 at full valuation is hereby established as the official tax rate for the Town of Mint Hill for the fiscal year 2022-2023. This rate is based on a total true valuation of \$3,866,005,553 and an estimated rate of collection of approximately 98%. A vehicle fee of \$10 is also hereby established and is levied on all vehicles registered within the corporate limits.

**Section IX  
SPECIAL AUTHORIZATION, BUDGET OFFICER**

- A The Budget Officer shall be authorized to reallocate departmental appropriations among the various objects of expenditures as he believes necessary.

**Section X  
RESTRICTIONS, BUDGET OFFICER**

- A Utilization of appropriations established in any Capital Reserve Account may be accomplished only with the express approval of the Board.
- B Upon authorization by the Board at some future time, the Budget Officer may activate the Capital Projects Fund and thereafter treat it as any other operating

**Section XI  
UTILIZATION OF BUDGET AND BUDGET ORDINANCE**

This Ordinance and the Budget Document shall be the basis of the financial plan for the Mint Hill Municipal Government during the 2022-2023 Fiscal Year. The Budget Officer shall administer the Budget and he shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the Budget. The accounting section shall establish records that are in consonance with the Budget and this Ordinance and the appropriate statutes of the State of North Carolina.

**ADOPTED THIS THE 9TH DAY OF JUNE, 2022**