



TOWN OF MIDWAY

PROPOSED BUDGET AND FEE SCHEDULE

AND

BUDGET MESSAGE

FOR THE FISCAL YEAR ENDING JUNE 30, 2025

Prepared by

Tammy Michael, Town Manager

BUDGET MESSAGE FOR FY 2024-2025

Honorable Mayor John Byrum and
Town of Midway Council Members:

The General Fund Budget for the fiscal year ending June 30, 2025, is hereby presented for the amount of \$3,557,250.00. It embodies results of the Budget Work Shops held by Council on March 21st and April 23rd, 2024. The budget represents fundamentally conservative governmental service provisions and revenue projections. The elected body aims to balance residential quality of life with business opportunity and improve recreational amenities through sound fiscal management. It also continues to maintain a historically strong fund balance, minimal debt, and use of cash for nearly all recurring expenses and capital outlay projects. An appropriation from Fund Balance for \$1,456,850.00 is used to balance the budget.

The recreational use of thirty-eight (38) acres of land off Gumtree Road purchased in 2013 remains a priority for Council and funding is included in the proposed budget for FY 2024-2025 for this purpose.

The proposed tax rate remains unchanged at five cents (.05) per \$100 valuation.

The following municipal services are offered for town residents and businesses:

- Solid Waste and Recycling Collection
- Streetlights
- Land Use Planning, Zoning, and Code Enforcement
- Augmented Public Safety

This budget is balanced and prepared in accordance with the North Carolina Budget and Fiscal Control Act. On June 3, 2024, the Town Council will hold a public hearing on the budget for the fiscal year ending June 30, 2025. Any person who wishes to be heard on the budget may appear at that time. The budget may be reviewed at Town Hall or online at townofmidway-nc.gov.

This budget is respectfully submitted this the 6th day of May 2024.

Tammy Michael
Town Manager

Town of Midway
Budget for FYE June 30, 2025

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General Fund Revenues

GENERAL FUND REVENUES	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
<u>Ad Valorem Taxes</u>					
Taxes - Ad Valorem - Current	\$ 186,484.14	\$ 180,000.00	\$ 187,713.88	\$ 187,713.88	\$ 188,000.00
Taxes - Ad Valorem - Prior	3,332.87	3,000.00	3,711.19	3,711.19	3,700.00
Motor Vehicle Tax	23,950.48	17,197.00	20,897.81	20,897.81	20,000.00
Penalties & Interest	1,040.96	840.00	1,305.08	1,305.08	1,300.00
Discounts	-1,965.48	-1,966.00	-2,013.35	-2,013.35	-2,100.00
Refunds	0.00	0.00	-1.85	-1.85	0.00
Total Ad Valorem Taxes	\$ 212,842.97	\$ 199,071.00	\$ 211,612.76	\$ 211,612.76	\$ 210,900.00
<u>Other Taxes and Licenses</u>					
Sales Tax	\$ 1,729,778.30	\$ 1,500,000.00	\$ 1,366,408.48	\$ 1,600,000.00	\$ 1,600,000.00
Solid Waste Tax	3,730.64	3,000.00	2,923.00	3,500.00	3,500.00
ABC Revenue	21,718.94	20,000.00	0.00	20,000.00	20,000.00
Other	0.00	0.00	0.00	0.00	0.00
Total Other Taxes and Licenses	\$ 1,755,227.88	\$ 1,523,000.00	\$ 1,369,331.48	\$ 1,623,500.00	\$ 1,623,500.00
<u>Intergovernmental</u>					
Utility/Franchise Taxes	\$ 160,097.40	\$ 140,000.00	\$ 109,358.48	\$ 130,000.00	\$ 130,000.00
Total Intergovernmental	\$ 160,097.40	\$ 140,000.00	\$ 109,358.48	\$ 130,000.00	\$ 130,000.00
<u>Other Revenue</u>					
Investment Earnings	\$ 76,793.80	\$ 30,000.00	\$ 107,907.47	\$ 125,000.00	\$ 125,000.00
Pavilion Rental	0.00	0.00	4,600.00	4,600.00	10,000.00
Gazebo Rental			200.00	200.00	1,000.00
Other (SCIF/Directed Grants)	125,000.00	50,000.00	50,000.00	0.00	0.00
Permits and Fees	6,650.00	500.00	0.00	0.00	0.00
Tap Fee and Capital Recovery	0.00	0.00	6,162.00	6,162.00	0.00
Total Other Revenues	\$ 208,443.80	\$ 80,500.00	\$ 118,869.47	\$ 135,962.00	\$ 136,000.00
Total Recurring Revenue	\$ 2,336,612.05	\$ 1,942,571.00	\$ 1,859,172.19	\$ 2,101,074.76	\$ 2,100,400.00
Fund Balance Appropriated	\$ 534,408.55	\$ 1,250,071.00	0.00	539,954.28	\$ 1,456,850.00
Total General Fund Revenues	\$ 2,871,020.60	\$ 3,192,642.00	\$ 1,859,172.19	\$ 2,641,029.04	\$ 3,557,250.00

Ad Valorem Taxes:

The estimated tax levy for FY 2024-2025 is \$359,806,070.00. The tax rate is five cents (.05) per one hundred dollars, using a 96% collection rate.

Sales Tax: Sales tax is based is conservatively projected on actual for the FY 2023-2024. The North Carolina League of Municipalities projects an increase of 2.2% for FY 2024-2025.

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Intergovernmental Revenues:

Utility franchise taxes include piped natural gas excise tax, electricity franchise tax, telecommunications sales tax and video franchise tax. The estimated revenues are based on North Carolina League of Municipalities' estimates of uncertain mixed receipts with projected 3.2% increase in combined revenues.

Solid Waste Tax:

The Town percentage of the State's Solid Waste Tax. This revenue is anticipated to increase by 1.9% and is to be used to offer recycling services and offset recycling disposal costs.

Alcohol Beverages Tax:

The Town percentage of the State's Alcohol Beverage Tax is anticipated to increase 3.5%.

Other Revenues:

Investment earnings. The Town of Midway conservatively projects investment earnings based on current market rates.

Planning Fees:

Permit fees minimized as service provision transitioned to Davidson County.

Capital Recovery and Tap Fees:

Capital recovery and tap fees continue to provide minimal revenue. These fees result from connections to sewer. Fees are anticipated to increase due to Council review of, and amendments to, fee structure in 2024-2025.

Annual Confirmation (as recommended by NC Office of the State Treasurer) of Bank Depositories:

- First National Bank
- Home Trust Bank
- North Carolina Capital Trust
- Encore Bank

General Fund Appropriations

Summary of Expenses by Department detailed line items are located on the following pages.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Governing Board	35,347.05	49,400.00	30,298.90	48,900.00	54,400.00
Administration	240,949.75	471,242.00	239,480.55	427,982.00	558,850.00
Public Safety	74,769.00	80,000.00	240.00	80,000.00	80,000.00
Public Works – Utilities & Services	436,325.09	502,600.00	310,317.83	502,600.00	574,600.00
Public Works – Town Park	2,041,458.07	2,035,000.00	284,179.60	457,238.48	2,235,000.00
Planning & Zoning	26,171.64	38,400.00	15,184.98	38,400.00	38,400.00
Cultural & Economic Development	16,000.00	16,000.00	6,000.00	6,000.00	16,000.00
Total Appropriations	\$ 2,871,020.60	\$ 3,192,642.00	\$ 885,701.86	\$ 1,561,120.48	\$ 3,557,250.00

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Governing Board Appropriations

The Governing Board provides legislative and policy leadership for the Town and directs the administration of all departments and boards.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Compensation	27,000.00	28,000.00	20,250.00	28,000.00	28,000.00
Payroll Tax Expense	2,065.20	2,400.00	1,548.90	2,400.00	2,400.00
Accounting Fees (Audit)	5,500.00	9,000.00	8,500.00	8,500.00	9,000.00
Travel/Meetings & Events	781.85	10,000.00	0.00	10,000.00	15,000.00
Total Governing Board Appropriations	\$35,347.05	\$ 49,400.00	\$ 30,298.90	\$48,900.00	\$54,400.00

Compensation:

Council compensation for all meetings, including regular scheduled meetings and special meetings. Regular scheduled meetings are monthly; special meetings on an as-needed basis.

Accounting Fees:

Annual audit as required by N. C. General Statutes and American Rescue Plan Funds audit.

Travel/Meetings:

To support ongoing training throughout the year as needed to maintain current with legislative statutory updates, regulations, and best management practices.

Administration Appropriations

The Administrative staff maintains the Town’s records, ensures compliance with North Carolina General Statutes and local ordinances, prepares financial information, acts as intermediary between the Governing Board and citizens, and administers daily operations for all other departments.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Administration Appropriations					
Compensation	83,175.30	113,400.00	75,868.22	113,400.00	170,360.00
Payroll Tax Expense	6,362.91	10,000.00	5,803.88	10,000.00	13,033.00
Retirement	1,507.28	6,800.00	3,106.12	6,800.00	21,731.00
Group Insurance	3,032.30	13,092.00	6,565.20	11,724.00	28,800.00
Unemployment	8.13	2,000.00	0.00	2,000.00	2,000.00
Supplies	7,155.64	7,500.00	4,673.16	7,500.00	7,500.00
Bank Charges	788.82	700.00	430.14	700.00	800.00
Travel/Meetings/Education	471.30	5,000.00	5,107.18	5,200.00	5,500.00
Grants	11,021.00	12,000.00	10,000.00	10,000.00	12,000.00
Mileage Reimbursement	494.34	1,000.00	554.75	1,000.00	1,000.00
Postage	244.48	500.00	136.00	500.00	500.00
Utilities - Town Hall	7,133.45	6,500.00	5,804.41	6,500.00	6,500.00
Water/Sewer	360.83	600.00	222.29	600.00	600.00
Printing	0.00	1,000.00	0.00	1,000.00	1,000.00
Midway Economic Development	10.00	0.00	0.00	0.00	0.00
Advertising	1,070.16	2,500.00	257.02	2,500.00	2,500.00
Contracted Services	27,289.28	75,000.00	27,946.19	50,000.00	74,376.00
Codify Ordinances	0.00	25,000.00	0.00	25,000.00	25,000.00
Maintenance and Repairs	8,949.89	3,000.00	5,932.31	6,000.00	7,000.00
Insurance and Bonding	8,385.06	30,000.00	10,757.01	10,757.00	20,000.00
Dues and Subscriptions	11,909.92	10,000.00	8,200.92	10,000.00	10,000.00
Capital and Non-Capital Outlay	349.36	25,000.00	0.00	25,000.00	25,000.00
Town Hall Supplies/Equip./HVAC	7,316.00	15,000.00	180.11	15,180.00	15,000.00
Town Hall Furnishings	932.09	10,000.00	138.00	10,000.00	10,000.00
License/Permits	0.00	500.00	0.00	500.00	500.00
Legal and Professional	33,120.94	75,000.00	46,776.59	75,000.00	77,000.00
Tax Collection Fees	19,861.27	20,000.00	20,971.05	20,971.00	21,000.00
Other Expenses	0.00	150.00	50.00	150.00	150.00
Total Administration Appropriations	\$ 240,949.75	\$ 471,242.00	\$ 239,480.55	\$ 427,982.00	\$ 558,850.00

Salaries: Town Manager, Town Clerk, and Deputy Town Clerk.

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Retirement and Group Insurance: Personnel benefits for full-time or half-time employees as regulated by the North Carolina Local Government Employees Retirement System. Employer’s contribution rate for FY 2024-2025 increases from 15.14% to 15.89%. The General Assembly dictates the pension adjustment annually. The Liability Portion is established upon entry into the system, and exists for a 20-year period, designed as the jurisdiction’s equity portion to equalize fair shares with other jurisdictions who entered the system.

Grants: Grants for recreation or development activities as approved by Council on an individual basis.

Contracted Services: Any contracts that the Town might need during the year. The Town has used these funds for webpage administration, rights-of-way maintenance, equipment, or facility maintenance. Vendors include (but not limited to): Clines Floats, Warren Hill, Pinwilz, LLC, One-Step Computer, LLC, Pest Control, DH Cleaning Services, Willow’s Wishing Well Landscaping, Coeco (copier contract,) K&V HVAC, and Spectrum/Charter Communications.

Insurance: Workers Compensation, Property, Liability and Bonding.

Legal and Professional Services: Attorney, Engineering, Accounting, etc.

Capital and Non-Capital Outlay: Additional needs to be determined for Town Hall.

Public Safety Appropriations

The Town of Midway contracts for service with the Davidson County Sheriff’s Department to enforce the law in an impartial manner, recognizing the statutory and judicial limitation of law enforcement authority and the constitutional rights of all people.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Contract Services – Davidson County	74,769.00	80,000.00	240.00	80,000.00	80,000.00
Total Public Safety Appropriations	\$ 74,769.00	\$ 80,000.00	\$ 240.00	\$ 80,000.00	\$ 80,000.00

The contract portion for \$74,499 is supplemented in 2024-2025 with \$5,501 to be used on an “as needed” basis to enhance safety response due to man-made and/or natural disasters and to provide off-duty public safety services for public events.

Public Works Appropriations/Town Park Appropriations

The Public Works appropriations encompasses maintenance of public buildings and grounds, Town Park development maintenance/operations, maintenance of equipment, compliance with Federal and State mandates, rights-of-way maintenance, grounds maintenance, and landscaping.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Public Works Appropriations					
Utilities - Street Lights	33,315.85	45,000.00	31,565.97	45,000.00	50,000.00
Utilities – Duke Energy-Add'l Poles	0.00	0.00	0.00	0.00	5,000.00
Utilities – Poles (Colter Electric)	0.00	6,600.00	0.00	6,600.00	6,600.00
Contract Service - Solid Waste/Recycling	359,160.39	386,000.00	253,152.61	386,000.00	415,000.00
Contract Other - Mowing	43,848.85	40,000.00	25,599.25	40,000.00	45,000.00
Special Projects	0.00	25,000.00	0.00	25,000.00	53,000.00
Total Public Works	\$ 436,325.09	\$ 502,600.00	\$ 310,317.83	\$ 502,600.00	\$ 574,600.00
Town Park Appropriations					
Town Park-Capital Outlay*	23,401.24	0.00	72,238.48	72,238.48	1,800,000.00
Town Park Rec Dev & SCIF Grants	1,823,954.21	1,650,000.00	0.00	0.00	50,000.00
Town Park Operating Costs	194,102.62	385,000.00	211,941.12	385,000.00	385,000.00
Total Town Park Appropriations	\$ 2,041,458.07	\$ 2,035,000.00	\$ 284,179.60	\$ 457,238.48	\$ 2,235,000.00
Total Public Works/Town Park Appropriations	\$ 2,477,783.16	\$ 2,537,600.00	\$ 594,497.43	\$ 959,838.48	\$ 2,809,600.00

Streetlights: Utility costs for current lights, including high-mast lighting at U.S. Highway 52/I-285 interchange.

Contracted Residential Garbage Service and Recycling: Once weekly service. No changes to service level with the additional costs for the Town now responsible for recycling disposal tipping fees.

Contracted Services Other/Mowing: Rights-of-way, recreational tract, and decorative signs maintenance.

Special Projects: Includes Beautification Projects to enhance the visual aspects of the Town.

***Town Park Recreational Development:** Capital project to continue design and development of passive recreational area on 38-acre tract between Gumtree Road and Country Lane. Construction of additional parking lot and construction of maintenance storage building. *ADA Sidewalk, Dumpster Pad and Connecting Sidewalks.

Town Park Operating Costs: Includes the positions of Town Park Attendant(s), Walking Trail Maintenance, Mowing, Seeding, etc., Town Park Lights, Trash Service, and other costs associated with Town Park Operations.

Planning and Zoning Appropriations

The Planning and Zoning appropriations ensure compliance with the Town of Midway’s adopted residential and Commercial Business District Zoning Ordinances along with the Subdivision Ordinance. The Town contracts with Davidson County for planning, zoning, and enforcement services.

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
<u>Planning & Zoning Appropriations</u>					
Salaries	7,800.00	7,800.00	5,850.00	7,800.00	7,800.00
Payroll Expense	596.64	600.00	447.48	600.00	600.00
Travel/Meetings	0.00	4,000.00	0.00	4,000.00	4,000.00
Contract Services - Planning &Zoning	17,775.00	20,000.00	8,887.50	20,000.00	20,000.00
Subdivision Ordinance Update PTRCOG *Used Travel/Mtg Funds)	0.00	0.00	0.00	0.00	0.00
*Travel/Meetings (Davidson Co)	0.00	6,000.00	0.00	6,000.00	6,000.00
Other	0.00	0.00	0.00	0.00	0.00
Total Planning & Zoning	\$ 26,171.64	\$ 38,400.00	\$ 15,184.98	\$ 38,400.00	\$ 38,400.00

Planning Board Salaries: Twelve (12) regular monthly meetings and special meetings as needed.

Contract Services: Contract with Davidson County Planning and Zoning to administer Zoning Ordinances and Code Enforcement.

Cultural, Recreation, Economic Development

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Educational Grants	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Davidson Co. Economic Development	10,000.00	10,000.00	0.00	0.00	10,000.00
Total, Cultural, Rec., Econ. Dev.	\$ 16,000.00	\$ 16,000.00	\$ 6,000.00	\$ 6,000.00	\$ 16,000.00

Educational Grants: Funds to be contributed equally to the six public schools specifically serving the Midway area and to be used to promote educational programs in the local schools. Schools serving the area: Midway Elementary School, Friedberg Elementary School, Oak Grove Middle School, Oak Grove High School, North Davidson Middle School, and North Davidson High School.

Economic Development: Davidson County Economic Development Commission.

Debt Service

	Actual FYE 6/30/23	Budget FYE 6/30/24	Actual 3/31/2024	Projected FYE 6/30/24	Budget 6/30/2025
Principal Payment	0.00	0.00	0.00	0.00	0.00
Interest Payment	0.00	0.00	0.00	0.00	0.00
Total Debt Service	\$ 0.00	0.00	0.00	0.00	0.00

No new debt service anticipated for budget for FYE June 30, 2025.

**Town of Midway
Proposed Fee Schedule
Fiscal Year 2024-2025**

Administration

Returned Check Fee	\$25.00
Copies – Per Page	\$0.10

Town Park Rental Fees*

Pavilion – ¼ for three-hour block	\$100.00
Pavilion – ½ for three-hour block	\$250.00
Pavilion – Full pavilion for three-hour block	\$500.00
Gazebo – Three-hour block	\$100.00

*All reservations require a refundable deposit equal to the rental fee.

Sewer Fees

Zoning Designation	Tap Fee	Sq. Footage Fee	Acreage Fee	Residential Capital Recovery Fee
Residential	\$1,500.00	\$0.00	\$0.00	\$3,500.00
Commercial and Industrial	\$4,000.00	\$0.75/sq. ft.*	\$3,000.00	\$0.00

*The square footage fee shall be calculated using the subarea totals as shown on the Davidson County tax appraisal card for the relevant property.