

TOWN OF RIVER BEND

NORTH CAROLINA



ANNUAL BUDGET

FISCAL YEAR 2021-2022

Town of River Bend



Fiscal Year 2021-2022

Annual Budget

Town of River Bend, North Carolina
45 Shoreline Drive
River Bend, NC 28562

252-638-3870

www.riverbendnc.org

Fiscal Year 2021-2022

Annual Budget

Adopted June 17, 2021

Mayor

John Kirkland

Town Council

Donald E. Fogle

Brian Leonard

Barbara Maurer

Morris "Buddy" Sheffield

Irving "Bud" Van Slyke, Jr. *

*also serves as Finance Officer and Mayor Pro Tempore

Prepared by:

Town Manager

Delane Jackson

Finance Director

Margaret Theis

Special recognition is hereby given to Margaret Theis. She retired as the Town's Finance Director on September 30, 2021. She worked in the Town's Finance Department for over 24 years. This budget document represents the final town budget which she was involved in preparing. Under her leadership the Town's Finance Department excelled, improved and won many awards.

About the cover- Pictured on the cover this year is the recently installed America Flag near the town's entrance sign, also known as "The Brick Sign." The sign was originally installed early in the town's life and has become a recognizable part of the town's history. The flag pole also served as the base for the town's Christmas tree for the first time in December, 2021.

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Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of River Bend

North Carolina

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morrell

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of River Bend, North Carolina for its annual budget for the fiscal year beginning July 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The 2020 award was our eleventh consecutive award.

Budget Message

Honorable Mayor and Members of Council
Town of River Bend, North Carolina:

May 21, 2021

Pursuant to Section 159-11 of the North Carolina General Statutes, the Town of River Bend's proposed budget for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022 is hereby submitted for your consideration. This budget represents the commitment of the Council to the vision statement and responds to the goals the Council developed at the Budget Kick-Off meeting on January 21, 2021:

1. Provide a safe, dynamic, and attractive community for people of all ages, and continue to address the changing demographic composition of the Town.
2. Provide safe drinking water and quality treatment of wastewater through maintenance of the current systems and continued prudent fiscal management of the utilities.
3. Continue to operate wastewater treatment facilities to maintain regulatory compliance and serve the current and future needs of the Town.
4. Continue to work with advisory boards as a means to encourage citizen participation in Town government.
5. Continue to be good stewards of the natural environment through planned stormwater and floodplain management efforts.
6. Continue to cooperate regionally and with other municipalities and, where appropriate, share ideas and resources.
7. Maintain a commitment to the Council-Manager form of government, and to support an adequate and well-trained staff to serve the current and future needs of the community.
8. Continue to employ sound fiscal management practices to ensure the long-term financial viability of the Town.
9. Maintain a visionary posture, acknowledging that change is inevitable.
10. Continue to conduct the business of the Town with complete transparency and integrity.

These goals provide the foundation upon which the budget is built. Over the course of four budget workshops in May, following numerous hours of staff research and development, this budget was explained in detail and each expenditure and revenue item considered relative to the long-term goals of this community. The uncertainty surrounding COVID-19 continued to impact the budget process. On March 10, 2020 Governor Roy Cooper declared a State of Emergency for North Carolina due to COVID-19. Subsequent Executive Orders from the Governor created many guidelines including limits on gatherings of people. One year later, many COVID-related limits continue. The nation-wide economic calamity caused by COVID-19 in 2020 continued to cause uncertainty for the fiscal year 2021-22 budget development process but in a much lower degree compared to last year. As of today, it is still unknown the severity or length of time COVID-19 will be impacting our town, state and nation but the outlook is much brighter now and the nation is recovering. Fortunately, from

a budgetary prospective, our local government has nearly fully recovered from Hurricane Florence. As expected, our property value has recovered from the decreases attributable to Hurricane Florence and are now higher than pre-Florence levels. I am estimating a property value increase of \$4,500,000 over last year. As always, two major considerations during budget preparation are the tax rate and utility rates. After reviewing all proposed expenditures and revenues, and considering the lingering impacts from COVID-19, I am recommending no change in the tax rate and no changes to the residential water or sewer rates. The proposed tax rate is 26¢.

The annual budget process is influenced by external factors including the condition of the national, state, and local economies, the emergent and pre-emergent needs identified in our community by the elected body, staff, and advisory boards, and the goals noted above. All these factors are considered in this budget, and armed with the knowledge that this document represents a significant amount of careful consideration and study, we are confident that it will allow the Town to meet its obligations, fulfill its goals, and remain fiscally strong.

Overview

The budget being presented for your consideration is balanced in accordance with the North Carolina Local Government Budget and Fiscal Control Act. The total operating budget for the three major funds are:

General Fund	\$ 1,891,341
Water Fund	\$ 585,500
Sewer Fund	\$ 659,500
Total Operating Budget	\$ 3,136,341

In addition to the three operating funds noted above, the town also has four minor funds that we operate for accounting purposes. They are- Capital Reserves for the General, Water and Sewer Funds, along with a Law Enforcement Separation Allowance Fund. The total of these four funds is \$121,243 and they are listed separately in the budget ordinance.

General Fund

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. This fund is established at the inception of a government and exists throughout the government's life. Expenditures are divided into functional departments in order to present a clear understanding of the costs of providing certain services. Personnel assigned to a specific functional area are paid from that department. We use a labor allocation formula to more accurately reflect the work being performed by each staff member within each of the three major funds.

The total expenditure budget for the General Fund, including transfers, is \$1,891,341. Overall, General Fund spending decreased \$440,869 as compared to the amended FY 20-21 budget. Revenue, as required by law, is balanced with the expenditure portion of the budget. This budget contains an appropriation from fund balance of \$244,602. A total of \$76,445 of the revenue is from a previously received grant to fund the costs of two grant-funded positions. This is the final year of funding and we expect the funds to be exhausted in March, 2022. Fund balance was significantly reduced in FY 19-20 due to the Building Utilization Strategy (BUS) project. The Town Council spent a considerable amount of time discussing the fund balance projections for the future and the need to rebuild the fund balance amount.

Expenditure Highlights by Department

While not attempting to cover specifics for all of the nineteen (19) departments within the General Fund, what follows are some highlights of the more significant expenditures and programs being proposed for FY 21-22. This year's proposed budget keeps capital spending at a relatively low level of \$107,000 following capital spending of only \$60,000 during the FY 20-21 budget.

Street Maintenance: The Town owns and maintains over 17 miles of streets. Each year our engineer reviews an evaluation he performed of all our streets in order to determine the priority for our paving funds. These funds, Powell Bill by name, are appropriated by and are received from the State based upon our population and number of miles of town maintained roads. This revenue source has been relatively level in recent years, while costs continue to escalate.

This year we are budgeting \$122,000 to follow the plan developed by our engineer to maintain the integrity of our roadways. The total amount we expect to pay for contracted paving services is above the amount we expect to receive in Powell Bill funds; therefore, local revenue will be utilized to complete these projects.

Stormwater: Typically, we allocate \$30,000 of funding within the stormwater Capital Improvement Plan (CIP). During FY 20-21 we completed a sizeable drainage project in the Channel Run area, which was largely funded by FEMA but required nearly \$64,000 in local funds. Therefore, we have budgeted \$15,000 for the stormwater CIP and have no specific project identified. However, the Town Council recently took on the maintenance responsibility for the swales within the town's streets and this budget includes \$75,000 in funding for equipment to meet that responsibility.

Public Buildings (Facilities): We plan to continue our efforts to be good custodians of our public facilities by making a few needed repairs and some modest improvements. Last year, the town's BUS project was completed. It included the construction of a new Municipal Building to house the Police Department and multi-purpose rooms for various community activities and renovations at Town Hall. The total project costs were \$1,300,000.

Public Works: The Department of Public Works pays for, among other items, the cost to operate streetlights and the cost to operate and maintain two vehicles. There are no major projects anticipated in Public Works this year.

Parks and Recreation: The budget being presented includes continued funding for our Parks and Recreation programs. In 2020, the Parks and Recreation Advisory Board plans for special events throughout the year, the largest of which is the annual 4th of July parade and picnic were cancelled due to COVID. Hopefully, the normal activities will return during the FY 21-22 year. Excluded from the Parks and Recreation budget again this year is funding for the River Bend Community Organic Garden. It is an educational community garden operated and maintained by a group of volunteers but functions as a component of Parks and Recreation.

Police: Expenditures for the Police Department include salaries and benefits for six full-time and multiple part-time officers, vehicle maintenance, uniforms, fuel, equipment, Community Watch and more. We provide 24/7/365 police presence within the Town. The Police Department's budget of \$565,000 is the largest in the General Fund, representing 32% of General Fund expenditures.

Throughout the budget process, Council and staff were mindful of the need to control costs while continuing to provide necessary services and maintain our infrastructure. Our efforts resulted in budgeted expenditures that are quite lean while maintaining the current level of services. The tax rate of 26¢ will remain in place for FY 21-22.

Requested projects and expenditures were kept to a minimum in order to develop a balanced budget. The revenues from some of the transfers are budgeted to be allocated in various CIPs and the Law Enforcement Separation Allowance Fund in the General Fund in order to provide more long-term stability to those plans.

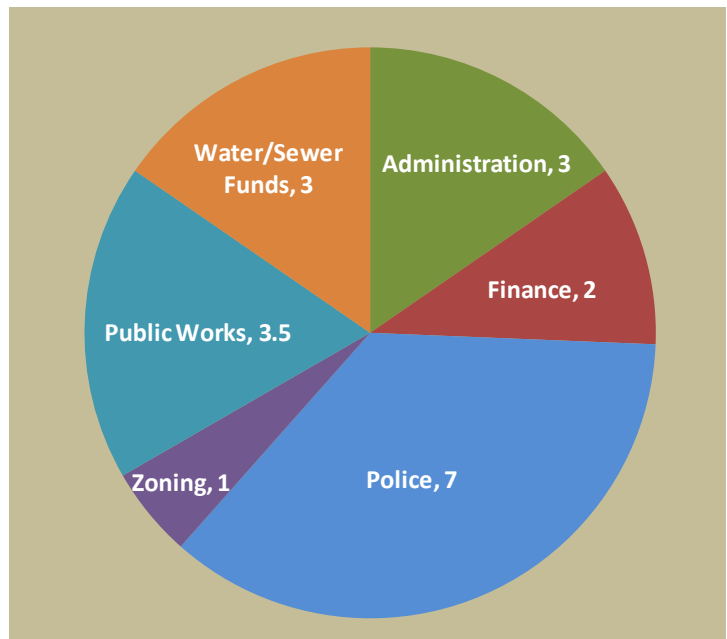
Recovery Grant: This is a temporary department which is being funded by a \$300,000 grant from the North Carolina Office of Recovery and Resiliency. The grant provided most, but not all, of the funding to hire two new employees and purchase a new vehicle during FY 19-20. The grant is for a 3-year period. FY 21-22 will be the last year for funding expenses associated with the grant.

Expenditures by Category

The North Carolina Local Government Commission (LGC) collects, maintains and compares financial data from all municipal governments in North Carolina. For comparison purposes, they group towns by population. This prevents small towns, such as River Bend, from being compared to large towns, such as Raleigh and Charlotte. They also separate towns that do own electrical distribution systems, from those that do not own electrical distribution systems. We fall into the 2,500-9,999 population group that do not operate an electrical distribution system. There are 112 towns in our group. The LGC compares the per capita expenditure for six functions for each town. Those six functions are: Utility, Debt Service, Transportation, General Government, Public Safety and Other. The 2020 data, (the most recent data from the LGC) is shown in the chart below.

Function	Average Per Capita Expenditure of Group	River Bend Per Capita Expenditure
Public Safety	\$443	\$240
Transportation	\$135	\$101
General Government	\$274	\$454
Utility	\$350	\$259
Debt Service	\$153	\$91
Other	\$310	\$386

One of the largest expenditures for River Bend and for most localities is the cost of personnel. Our professional staff allows the Town to continue to provide quality service to our residents. Excluding 2 grant funded positions, we currently have 18 full-time employees and 3 part-time employees, or 19.5 full time equivalents. Our projections indicate no need for additional staffing for at least the next five years. Our total personnel costs account for 45.52% of the combined operating budgets of the General and Enterprise Funds. This chart shows the number of full-time employees working in each department. It does not, however, show the allocation of labor between the General Fund and Enterprise Funds that we use to account for work done outside of an employee’s primary department. We use allocations in order to arrive at a more accurate cost of providing certain services and these allocations were thoroughly examined as this budget was prepared. A detailed allocation table was provided during the budget workshops.



Through operational efficiencies in the utilization of personnel, leveraging technology to mitigate staffing increases, receiving countless hours of volunteer assistance, and other management strategies, we are able to maintain a staffing profile below that of comparable localities. In fact, according to 2020 data from the North Carolina Local Government Commission, River Bend's per capita expenditure for personnel was \$350, which is \$93 less than the \$443 average of our peer group.

This budget, following the guidance of the Council, by their continued support of our compensation plan, includes a 1.4% cost of living allowance. There is also a 1% longevity increase for eligible employees in accordance with the plan. An additional merit pool is available to be used to recognize outstanding performance of individual employees.

Sources of Revenue

Fortunately, COVID-19 did not have the negative impact that we expected on the local and state economy. Revenues from local sales tax grew during FY21. We expect that trend to continue during FY22. General Fund revenues are budgeted at \$1,891,341, a 0.61% increase compared to projected revenue in the current budget. Fund Balance appropriation in the General Fund is \$244,602, which is a substantial reduction compared to last year's approved amount of \$446,048. However, a large portion of this reduction is attributable to one-time grants received in FY21.

The General Fund receives revenue from several sources, the largest of which is Ad Valorem taxes. Ad Valorem, from the Latin phrase meaning "according to value," is levied upon the property, and measured by the value of the property, not the owner's ability to pay. While important, Ad Valorem tax revenue generates \$796,963 or only 42.14% of the revenue for our General Fund in FY22. Of that amount, \$83,200 is attributable to taxes on motor vehicles. That means that more than half of the services that we provide in the General Fund are paid for with sources other than local property tax revenue. State law limits the rate a locality may charge for this tax to \$1.50 per \$100 of valuation. Our proposed tax rate is 26¢, which is unchanged from last year. The property value is expected to increase by \$4,500,000 due mainly to continued recovery from Hurricane Florence.

According to the North Carolina Local Government Commission, the average effective tax rate among all reporting municipal governments in North Carolina as of June 30, 2019 (the latest available data) was \$0.4109 per hundred. River Bend contracts with the Craven County tax office to collect our taxes. This enables our residents to receive one tax bill and remit payment to one place. It also allows us to enjoy an excellent collection rate for real and personal property taxes. In FY 21-22, we have budgeted for a collection rate of 98.39%.

The next largest source of revenue comes from our share of the sales tax that we all pay. These are essentially two tax types: the Sales Tax on the retail sale or lease of tangible personal property, services, the rental of hotel rooms, and the Use Tax, which is an excise tax on the right to use or consume property in North Carolina or elsewhere. All taxes are pooled by the State and shared, in accordance with statutory formulas, by all 100 counties.

Each county, in turn, shares their portion of the sales tax proceeds with the incorporated cities and towns in that county.

In addition to sales tax revenue, the Town also receives revenue from the State reflecting our statutory portion of tax revenues from telecommunication services, video programming, beer and wine sales, and others. With the exception of funding received under the terms of the Powell Bill, State revenues can be used for any legitimate government function. Powell Bill funding, by law, is restricted for uses related to the maintenance of streets. Historically, River Bend uses 100% of this funding to continue to follow our master street maintenance plan.

Fund Balance

The North Carolina Local Government Commission (LGC) monitors the level of fund balance each unit maintains as a sign of their relative financial strength. Sufficient fund balance is essential to ensure a unit of local government has ample funds to respond to emergencies and opportunities. The benchmark for fund balance that the LGC uses is 8% of total expenditures. If a unit falls below that level, the LGC may express concern to the unit and direct action to increase the balance. Due to the \$1,300,000 costs associated with the BUS project, we ended FY20 with a fund balance of \$1,784,997 or approximately 48%. The policy set by the Town Council is to maintain a fund balance of at least 50% of total expenditures. We project that fund balance will rebound by the end of FY21-22 to a level of approximately 55%. According to June 30, 2019 LGC data, the average fund balance for our peer group was \$3,790,377, or 77.89%. The fund balance for River Bend for that same period was \$3,057,034 or 206.76%. While, at that time, our fund balance percentage was considerably higher than our peer group average, our fund balance dollar amount was about \$733,000 below our peer group average. I believe the dollar amount of fund balance is more important than the percentage of fund balance. I often say, "Percentages do not pay the bills, dollars do."

Enterprise Funds

In addition to the General Fund, covering all typical government operations, the Town of River Bend operates two enterprises: the water system and the sewer system. These two enterprises are operated as businesses by having all revenues and expenditures accounted for separately from other functions of the Town and by having rates established that cover all expenditures of the enterprise. River Bend purchased these two businesses from a private company, Carolina Water Service, in 1995. As a result of this purchase, a significant portion of the revenue we receive is dedicated to cover the debt incurred, and amortized with annual payments through fiscal year 2027.

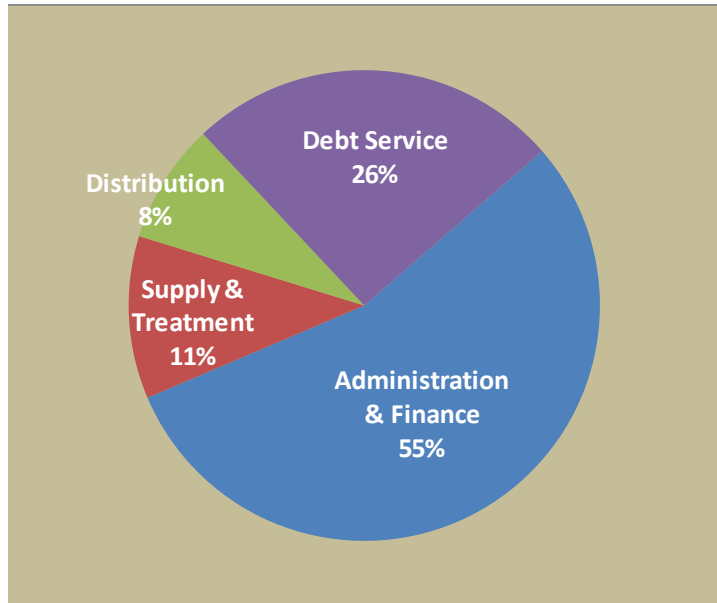
In FY2013, we refinanced the debt in order to take advantage of interest rates that were more favorable than we had in our prior debt structure. The result of this effort was a savings of nearly \$300,000 over the remaining life of the debt. In the process of this bond refunding we received an upgrade in our Standard & Poor's rating to AA- (subsequently

upgraded again in November of 2013 to AA+), and a Moody’s A1 stable rating. Both ratings remain the same today. These ratings are further evidence of good financial performance.

Water Enterprise Expenditures

Expenditures in the Water Fund are divided according to function. There are costs specifically associated with supply and treatment (taking the water from the ground and treating it to make it safe to drink) and costs associated with distributing it to the customer. Other costs, in the administration and finance area, include personnel, vehicles, office rent, utilities, and bond debt service.

As noted earlier, debt service is a large expenditure for this enterprise and is divided from the Administration and Finance department in the chart to illustrate its proportion to overall expenditures. The total budgeted expenditure for the water enterprise in FY21-22 is \$582,000, a decrease of \$28,134 or 4.61% from the current fiscal year budget. The graph to the right, shows the percentage of the expenditures that each department represents within the Water Fund.



The chart below shows the comparison of the current budget vs. the proposed budget.

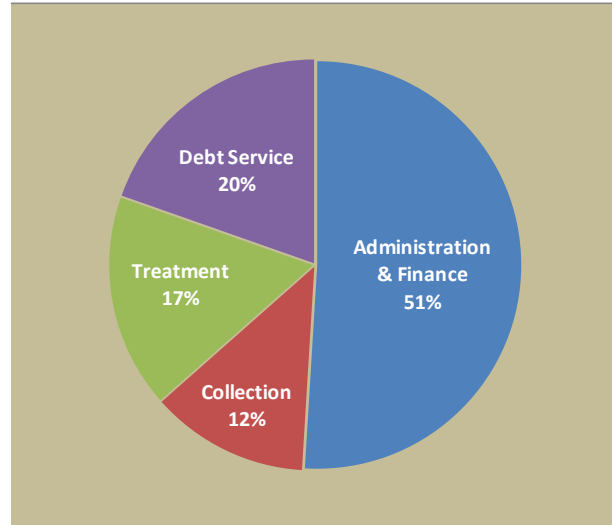
	Water	20-21	21-22	Change v. prior year	
		Budget	Proposed	%	\$
60-7125	Administration & Finance	447,734	469,000	4.75%	21,266
60-7132	Supply & Treatment	75,000	65,000	-13.33%	-10,000
60-7134	Distribution	87,400	48,000	-45.08%	-39,400
	TOTAL (less transfer and contingency)	610,134	582,000	-4.61%	-28,134

The chart above does not includes transfers, which in the Water Fund this year, are \$3,500 into the CIP for future vehicle purchases. Including transfers, the total Water Fund expenditures for FY22 are \$585,500 as noted on page 3.

Sewer Enterprise Expenditures

Similar to water expenditures, those for the sewer enterprise are also divided according to function. Costs specifically associated with collection (pipes and lift stations) are separated from those associated with operating the wastewater treatment plant. Other costs, in the administration and finance area, include personnel, vehicles, office rent, utilities, and bond debt. As noted earlier, debt service is a large expenditure for this enterprise and is divided from the Administration and Finance department in the chart to illustrate its proportion to overall expenditures.

Excluding, transfers, the total budgeted expenditure for the sewer enterprise in FY21-22 is \$656,000, a \$9,516 or 1.47% increase from the current fiscal year. The graph to the right, shows the percentage of the expenditures that each department represents within the Sewer Fund. The chart below shows the comparison of the current budget vs. the proposed budget.



Sewer		20-21	21-22	Change v. prior year	
		Budget	Proposed	%	\$
61-7125	Administration & Finance	442,884	463,000	4.54%	20,116
61-7142	Collection	91,600	82,000	-10.48%	-9,600
61-7144	Treatment	112,000	111,000	-0.89%	-1,000
TOTAL(Less transfers & contingency)		646,484	656,000	1.47%	9,516

The chart above does not include transfers, which in the Sewer Fund this year, are \$3,500 into the CIP for future vehicle purchases. Including transfers, the total Sewer Fund expenditures for FY22 are \$659,500, as noted on page 3.

Enterprise Fund Revenue

The budget for these two enterprises received attention in our budget workshop sessions with proposed revenues for current and future years being scrutinized in light of anticipated expenditures. We are fortunate to have a professionally designed rate model for each utility so the impact of the proposed expenditures can be compared to revenue at various rate levels. Based upon the proposed expenditures, proposed revenues from user fees and cash balance, except for Class 9 customers, the water utility rates will not change for FY 21-22. The cash balance in this utility is sufficient to respond to many unknown conditions, and there are no currently identified long-term capital needs that require the continued building of cash reserves.

Likewise, both current and future revenues and expenditures for sewer were considered during the budget work sessions. The sewer utility rates will not change in FY 21-22. The current rate structure, combined with conservative expenditures, will allow the utilities to maintain an adequate level of reserves to respond to emergent needs if they arise during the year and for the next few years. Each year, the Council looks at current and long-range needs of both systems. Next year, the Council will do the same and will consider any necessary rate changes to keep the funds sound.

Conclusion

It is important to concentrate our annual budgeting efforts on maintaining current levels of services and maintenance of Town-owned property and infrastructure, while attempting to avoid any large increase in rates and fees. The budget being presented for your consideration accomplishes these goals. Each year we are faced with different challenges and opportunities. Last year, it was the on-going recovery from Hurricane Florence, the impact of BUS on the town's budget, plus the COVID-19 Pandemic. While Hurricane Florence and BUS projects are basically complete, there are still unknowns related to the effects of COVID-19 on our national, state and local economies and budgets. A considerable amount of discussion was devoted to the difficulty of predicting such effects on the town's FY 21-22 budget, specifically related to rebuilding the fund balance.

Maintaining our critical infrastructure and essential services comes at a cost; and River Bend, like towns throughout the State, must manage in a fiscal climate marked with a recovering but still uncertain economy. National, state and local economies that were growing prior to COVID-19, are once again showing signs of increasing recovery. Town Council members accept their responsibility with great conviction and sincerity and strive to be well informed and engaged in the operation of this government. This budget reflects the Council's commitment to maintaining and improving this community and positioning it to be financially sound in the future. I believe it to be worthy of your consideration and approval.

I thank the Mayor, Town Council, and Town staff for their commitment to and participation in this budget process. I want to recognize the considerable contribution of Margaret Theis and Mandy Gilbert, of our Finance Department, in the development of this year's budget. However, every member of the staff at Town Hall, along with the Department Heads contributed in some degree to the budget development process. This annual budget represents a true team effort as we all work to preserve the future of this great community.

Respectfully Submitted,

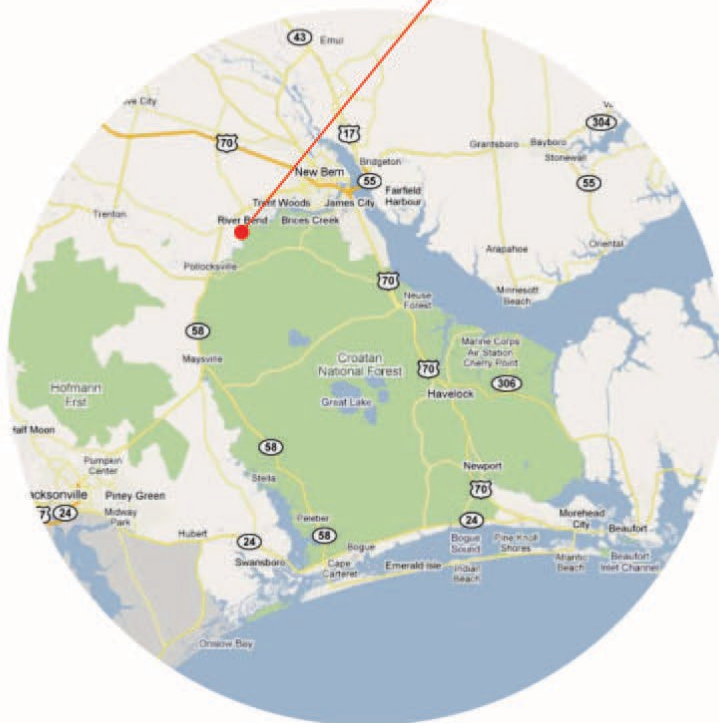


Delane Jackson,
Town Manager

Our location

River Bend is located in Eastern North Carolina on the Atlantic Coast. We are located half way between Virginia and South Carolina. It is 110 miles to Raleigh, our State Capital. Myrtle Beach, SC, a national tourist destination, is only 162 miles away from River Bend.

RIVER BEND, NORTH CAROLINA



Annual Budget Ordinance

BE IT ORDAINED by the Council of the Town of River Bend, North Carolina that the following anticipated fund revenues and departmental expenditures, together with certain fees and schedules, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of the Town government and its activities for the fiscal year beginning July 1, 2021 and ending June 30, 2022:

Summary

General Fund	1,891,341
General Capital Reserve Fund	107,187
Law Enforcement Separation Allowance Fund	13,545
Water Fund	585,500
Water Capital Reserve Fund	489
Sewer Fund	659,500
Sewer Capital Reserve Fund	22
Total	3,257,584

Section 1. General Fund

Anticipated Revenues

AD VALOREM Taxes 2021-2022	711,163
AD VALOREM Tax-Motor Vehicle	85,800
Animal Licenses	2,000
Sales Tax 1% Article 39	149,718
Sales Tax 1/2% Article 40	87,158
Sales Tax 1/2% Article 42	74,932
Sales Tax Article 44 105-524	10,235
Sales Tax Hold Harmless Distribution	86,068
Solid Waste Disposal Tax	2,200
Powell Bill Allocation	76,800
Beer and Wine Tax	13,225
Video Programming Sales Tax	53,600
Utilities Franchise Tax	111,000
Telecommunications Sales Tax	9,900
Court Refunds	500
Zoning Permits	5,000
Recovery Grant NCORR-FDLG-004	76,445
Miscellaneous	10,000
Interest-NCORR-FDLG-004 Investments	30
Interest- Powell Bill Investments	50
Interest-Gen Investments	500
Contributions	421
Wildwood Storage Rents	18,144
Rents & Concessions	18,000
Transfer From Capital Reserve Fund	43,850
Appropriated Fund Balance	244,602
Total	1,891,341

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Section 1. **General Fund (continued)**

Authorized Expenditures

Governing Body	32,000
Administration	262,000
Finance	129,000
Tax Listing	11,200
Legal Services	24,000
Elections	3,500
Police	551,500
Public Buildings	107,000
Emergency Services	4,000
Animal Control	11,000
Street Maintenance	191,000
Public Works	161,000
Leaf & Limb and Solid Waste	44,000
Stormwater Management	42,000
Wetlands and Waterways	3,000
Planning & Zoning	50,000
Recovery Grant NCORR-FDLG-004	76,475
Recreation & Special Events	7,500
Parks & Community Appearance	43,000
Contingency	17,667
Transfer To General Capital Reserve Fund	107,000
Transfer To L.E.S.A. Fund	13,500
Total	1,891,341

Section 2. **General Capital Reserve Fund**

Anticipated Revenues

Contributions from General Fund	107,000
Interest Revenue	187
Total	107,187

Authorized Expenditures

Transfer to General Fund	43,850
Future Procurement	63,337
	107,187

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Section 3. Law Enforcement Separation Allowance Fund

Anticipated Revenues:

Contributions from General Fund	13,500
Interest Revenue	45
Total	13,545

Authorized Expenditures:

Separation Allowance	1,517
Future LEOSSA Payments	12,028
Total	13,545

Section 4. Water Fund

Anticipated Revenues

Utility Usage Charges, Classes 1 & 2	199,710
Utility Usage Charges, Classes 3 & 4	8,949
Utility Usage Charges, Class 5	12,209
Utility Usage Charges, Class 8	3,586
Utility Customer Base Charges	231,472
Hydrant Availability Fee	20,496
Taps & Connections Fees	1,250
Nonpayment Fees	10,500
Late payment Fees	6,839
Interest Revenue	1,275
Sale of Capital Asset	0
Appropriated Fund Balance	89,214
Total	585,500

Authorized Expenditures

Administration & Finance [1]	469,000
Operations and Maintenance	113,000
Transfer To Fund Balance for Capital Outlay	3,500
Transfer To Water Capital Reserve Fund	0
Total	585,500

<i>[1] Portion of department for bond debt service:</i>	<i>148,991</i>
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Section 5. Water Capital Reserve Fund

Anticipated Revenues

Contributions From Water Operations Fund	0
Interest Revenue	489
Total	489

Authorized Expenditures

Future Expansion & Debt Service	489
Total	489

Section 6. Sewer Fund

Anticipated Revenues:

Utility Usage Charges, Classes 1 & 2	258,181
Utility Usage Charges, Classes 3 & 4	20,212
Utility Usage Charges, Class 5	27,576
Utility Usage Charges, Class 8	7,264
Utility Customer Base Charges	294,652
Taps & Connection Fees	1,250
Late payment Fees	7,902
Interest Revenue	1,919
Sale of Capital Asset	0
Appropriated Fund Balance	40,544
Total	659,500

Authorized Expenditures:

Administration & Finance [2]	463,000
Operations and Maintenance	193,000
Transfer to Fund Balance for Capital Outlay	3,500
Transfer to Sewer Capital Reserve Fund	0
Total	659,500

<i>[2] Portion of department for bond debt service:</i>	128,659
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Section 7. Sewer Capital Reserve

Anticipated Revenues:

Contributions From Sewer Operations Fund	0
Interest Revenue	22
Total	22

Authorized Expenditures:

Future Expansion & Debt Service	22
Total	22

Section 8. Levy of Taxes

There is hereby levied a tax at the rate of twenty-six cents (\$0.26) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2021, for the purpose of raising the revenue listed as "Ad Valorem Taxes 2021-2022" in the General Fund Section 1 of this ordinance. This rate is based on a valuation of \$278,000,000 for purposes of taxation of real and personal property with an estimated rate of collection of 98.39%. The estimated collection rate is based on the fiscal year 2019-2020 collection rate of 98.39% by Craven County who has been contracted to collect real and personal property taxes for the Town of River Bend. Also included is a valuation of \$33,000,000 for purposes of taxation of motor vehicles with a collection rate of 100% by the North Carolina Vehicle Tax System.

Section 9. Fees and Charges

There is hereby established, for Fiscal Year 2022, various fees and charges as contained in Attachment A of this document.

Section 10. Special Authorization of the Budget Officer

- A. The Budget Officer shall be authorized to reallocate any appropriations within departments.
- B. The Budget Officer shall be authorized to execute interfund and interdepartmental transfers in emergency situations. Notification of all such transfers shall be made to the Town Council at its next meeting following the transfer.
- C. The Budget Officer shall be authorized to execute interdepartmental transfers in the same fund, including contingency appropriations, not to exceed \$5,000. Notification of all such transfers shall be made to the Town Council at its next meeting following the transfer.

Section 11. Classification and Pay Plan

Cost of Living Adjustment (COLA) for all Town employees shall be 1.4% and shall begin the first payroll in the new fiscal year. The Town Manager is hereby authorized to grant merit increases to Town employees, when earned, per the approved Pay Plan.

Section 12. Utilization of the Budget Ordinance

This ordinance shall be the basis of the financial plan for the Town of River Bend municipal government during the 2021-2022 fiscal year. The Budget Officer shall administer the Annual Operating Budget and shall ensure the operating staff and officials are provided with guidance and sufficient details to implement their appropriate portion of the budget.

Section 13. Copies of this Budget Ordinance

Copies of this Budget Ordinance shall be furnished to the Clerk, Town Council, Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 17th day of June 2021

John R. Kirkland, Mayor

ATTEST:

Kristie Nobles, Town Clerk

Town of River Bend
Schedule of Rates and Fees
(Attachment A to Budget Ordinance)
Effective July 1, 2021

Amounts due are based upon the Fees and Charges Schedule in effect at the time of payment. It is the Town Council's intention that the Fees and Charges Schedule be revised as needed by July 1st of each year. Some fees and charges may be adjusted during the year as circumstances change.

GENERAL FUND

Administrative

Ad Valorem Tax	\$.26 per \$100 assessed valuation
Copies of Public Information	as specified by State Statute
Town Code, entire copy	\$75.00
Notary Fee	\$5.00 per signature after the first
Meeting Rooms	
Four hours or less	\$35.00
Over four hours	\$60.00
Returned Check Processing Charge	\$25, as allowed by G.S. §25-3-506
Administrative Fee for returned bank drafts	\$25.00

Public Safety

Pet License Fee	\$10.00
Town Ordinance Violation	
1st Offense	\$25.00
2nd Offense	\$50.00
3rd Offense	\$75.00
4th (and subsequent) offense	\$100.00

Ordinance permits penalties up to \$500. Penalties of this magnitude are reserved for serious infractions.

Golf Cart Registration Fee	\$10.00
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Nuisance Abatement Administrative Fee

<u>Cost of Abatement</u>	<u>Fee</u>
\$1 – 1,000	\$50.00
\$1,001 – and up	5% of total abatement cost (maximum fee \$2,000)

Parks

Town Hall Pavilion Use

Up to 25 attendants	No charge
26 - 100 attendants	\$25
Over 100 attendants	\$50

Planning and Zoning

Special Exception Use Permit \$200 plus cost of required legal advertisement and postage to notify abutting land owners

Variance \$200 plus cost of required legal advertisement and postage to notify abutting land owners

Appeal to Board of Adjustment \$200 plus cost of required legal advertisement and postage to notify abutting land owners

Residential Application Based on amount of project as follows:

Base Fee \$30

\$2 for every \$1,000 of project value after first \$1,000 and up to \$100,000; plus, \$1 for every \$1,000 above \$100,000 (All values rounded up to nearest \$1,000)

Zoning Administrator can use any appropriate means to verify project valuation.

Residential Flood Plain Application with Zoning Permit

40% of the fee for the Town's residential zoning permit and shall be additional to the zoning permit fee for enclosed structures (fences, decks, and other similar exempt from additional fee).

Commercial Application

Based on amount of project as follows:

Base Fee \$50

\$4 for every \$1,000 of project value after first \$1,000 and up to \$100,000; plus, \$2 for every \$1,000 above \$100,000 (All values rounded up to nearest \$1,000)

Zoning Administrator can use any appropriate means to verify project valuation.

Commercial Flood Plain Application with Zoning Permit

40% of the fee for the Town's commercial zoning permit and shall be additional to the zoning permit fee for enclosed structures (fences, decks, and other similar exempt from additional fee).

Residential Flood Plain Application without Zoning Permit

Based on amount of project as follows:

Base Fee \$30

\$2 for every \$1,000 of project value after first \$1,000 and up to \$100,000; plus, \$1 for every \$1,000 above \$100,000 (All values rounded up to nearest \$1,000)

Zoning Administrator can use any appropriate means to verify project valuation.

Commercial Flood Plain Application without Zoning Permit

Based on amount of project as follows:

Base Fee \$50

\$4 for every \$1,000 of project value after first \$1,000 and up to \$100,000; plus, \$2 for every \$1,000 above \$100,000 (All values rounded up to nearest \$1,000)

Zoning Administrator can use any appropriate means to verify project valuation.

Engineering Review	Charged to applicant at the actual cost of the service as billed by the contracted engineer.
Zoning Amendment Request (Map or Text)	\$200 plus cost of required legal advertisement and postage to notify abutting land owners
Sign Permit	\$30
Tree Harvest Permit	\$50
Zoning and Subdivision Ordinances	\$25 per set

Wildwood Storage Rental Rates

Unit Number	Unit Size	Monthly Rent
BB 01	5x20	\$35
BB 02	5x20	\$35
BB 03	5x20	\$35
BB 04	5x20	\$35
BB 05	10x20	\$75
BB 06	10x20	\$75
BB 07	10x20	\$75
BB 08	10x20	Town Occupied (TO)
BB 09	10x20	TO
BB 10	10x20	TO
BB 11	10x20	TO
BB 12	10x20	TO
GB 15	10x16	\$65
GB 16	10x16	\$65
GB 17	10x16	\$65
GB 18	10x16	\$65
GB 19	10x16	\$65
GB 20	10x16	TO
GB 21	10x16	TO
GB 22	10x16	TO
OP	Open Spaces (40)	\$25
Late Payment Charge		\$10, assessed after the 10 th of the month
Interest Charge		1.5% monthly on outstanding balances

ENTERPRISE FUNDS

Water and Sewer - Rates and Fees

	Water	Sewer
Class 1 and 2 - Residential ⁽¹⁾		
Customer Base Charge per month ⁽²⁾	13.24	24.18
Usage per 1,000 gallons	4.02	9.08
Initial Connection (Tap) charge ⁽³⁾	1,250.00	1,250.00
Nonpayment Fee	70.00	-
Class 3 and 4 - Commercial		
Customer Base Charge per month ⁽²⁾	72.32	141.99
Usage per 1,000 gallons	4.02	9.08
Initial Connection (Tap) charge ⁽⁴⁾	3,500.00	1,250.00
Nonpayment Fee	100.00	-
Class 5 - Industrial		
Customer Base Charge per month ⁽²⁾	224.24	444.93
Usage per 1,000 gallons	4.02	9.08
Initial Connection (Tap) charge ⁽⁴⁾	5,000.00	1,250.00
Nonpayment Fee	200.00	-
Class 6 - Early Bird (No longer available)		
Class 7 - Fire Hydrant Charge		
Availability Charge per year	183.00	-
Class 8 - 1" Water Service		
Customer Base Charge per month ⁽²⁾	25.90	49.43
Usage per 1,000 gallons	4.02	9.08
Initial Connection (Tap) charge ⁽⁴⁾	1,500.00	1,250.00
Nonpayment Fee	100.00	-
Class 9 - Vacant /Out of Use Non-residential Property		
Customer Base Charge per month ⁽²⁾	13.24	24.18
Usage per 1,000 gallons	4.02	9.08
Nonpayment Fee	70.00	-
Class 10 - Vacant Residences		
Customer Base Charge per month ⁽²⁾	13.24	-
Nonpayment Fee	70.00	-

Special Charges

Service Call - 2 hour minimum

\$35 per hour - signed by customer to initiate work outside of scheduled work hours of 7:00 a.m. - 4:00 p.m. on weekdays and 7:00 a.m. - 3:00 p.m. on weekends

Meter Testing Charge \$25 - no charge if meter defective

Special Charges (continued)

Returned Check Processing Charge \$25, as allowed by G.S. §25-3-506

Late Payment Charge 10% of amount overdue per month or part of month beginning 30 days after billing date

Irrigation Connection Inspection \$20

(1) Residential customer deposit may apply. Please refer to Water Resources Department Policy Manual.

(2) Base charges do not include any usage.

(3) The published Initial Connection (Tap) charges are based on the historic River Bend average cost that has been experienced in making connections. There will be cases when, because of the local depth of the service main pipe to which the connection is to be made, or other site specific differences from the norm, the published connection fee will not cover the actual cost of the tap. When the Water Resources Superintendent encounters such conditions, he shall notify the applicant requesting the tap that the cost may exceed the published fee. In those cases, a record of cost associated with the specific tap will be accounted for and if the total cost exceeds the published fee, then the applicant shall pay a fee equal to the actual cost.

(4) The necessary equipment will be provided to the resident at cost. The resident is responsible for installing the irrigation meter on the resident's side of the regular water meter. After installation, the work will be inspected by a Water Resources Department employee.

Consolidated Revenue Budget Summary

This summary provides the reader a broad overview of the revenue budgets for the three major funds over several fiscal years and the adopted FY 21-22 budget.

General Fund				
	18-19	19-20	20-21	21-22
	Actual	Projected	Projected	Adopted
Ad Valorem Taxes	720,856	716,087	796,446	796,963
Animal Licenses & Zoning Permits	12,400	6,500	7,400	7,000
Interest	35,225	20,713	9,805	580
Wildwood Rents & Cable Franchise	19,170	18,120	18,120	18,144
Other Revenue & Rents	66,570	32,390	28,500	30,200
Contributions	1,200	1,200	421	421
Powell Bill (includes appropriation)	86,040	84,892	84,500	76,800
State Revenue (other than sales tax)	203,440	194,015	191,771	187,725
Sales Tax Revenue	449,855	401,519	385,953	408,111
Government Grants (State and County)	6,830	1,115,372	100,780	76,445
Fees (court refund)	500	450	500	500
Charges to Other Funds	0	0	0	0
Transfer from Capital Reserve	59,142	63,800	42,970	43,850
Transfer from Fund Balance	1,200,628	527,400	222,833	244,602
Fund Total	2,861,856	3,182,458	1,890,000	1,891,341
Water				
	18-19	19-20	20-21	21-22
	Actual	Projected	Projected	Adopted
Base Fee	180,742	182,824	228,035	231,472
Usage Charges	204,671	207,930	222,572	224,454
Hydrant Fee	22,384	21,672	20,930	20,496
Tap Fees	2,800	1,250	1,250	1,250
Non Payment Fees	11,830	7,350	12,740	10,500
Late Payment Fees	5,974	4,325	8,628	6,839
Capital Investment Fees	0	0	0	0
Charges to General Fund	0	0	0	0
Other (includes interest, transfers, etc.)	15,881	11,016	2,947	1,275
Appropriated Fund Balance	0	89,071	104,894	89,214
Fund Total	444,281	525,438	601,996	585,500
Sewer				
	18-19	19-20	20-21	21-22
	Actual	Projected	Projected	Adopted
Base Fee	288,921	292,028	294,376	294,652
Usage Charges	293,375	286,178	310,381	313,233
Tap Fees	1,250	1,250	1,250	1,250
Late Payment Fees	6,821	5,640	9,943	7,902
Capital Investment Fees	0	0	0	0
Charges to General Fund	0	0	0	0
Other (includes interest, transfers, etc.)	14,920	12,818	3,492	1,919
Appropriated Fund Balance	30,695	0	0	40,544
Fund Total	635,982	597,914	619,442	659,500
Total All Funds	3,942,119	4,305,810	3,111,438	3,136,341

Consolidated Expenditure Budget Summary

This summary provides the reader a broad overview of the expenditure budgets for the three major funds over several fiscal years and the adopted FY 21-22 budget.

General Fund				
	18-19	19-20	20-21	21-22
	Actual	Actual	Projected	Adopted
Governing Body	21,043	31,491	19,381	32,000
Administration	242,423	244,839	259,167	262,000
Finance	155,517	114,372	123,210	129,000
Tax Listing	9,518	10,883	10,880	11,200
Legal Services	21,157	12,000	12,000	24,000
Elections	0	2,571	0	3,500
Police	533,778	612,891	595,417	551,500
Public Buildings	122,672	170,273	174,257	107,000
Emergency Services	821,465	57,294	4,201	4,000
Animal Control	12,637	12,151	11,959	11,000
Street Maintenance	173,130	155,529	207,344	191,000
Public Works	146,665	154,301	150,381	161,000
Leaf & Limb and Solid Waste	33,854	32,750	50,503	44,000
Stormwater Management	21,740	175,664	212,729	42,000
Wetlands & Waterways	20,077	1,500	70,960	3,000
Planning & Zoning	41,534	56,162	47,265	50,000
Recreation & Special Events	6,125	5,000	2,600	76,475
Parks & CAC	37,614	84,782	34,409	7,500
Recovery Grant	42,637	87,365	98,900	43,000
Contingency (1% per policy)	16,639	11,509	12,000	17,666
Transfer to Capital Reserve	124,000	1,024,200	60,000	120,500
Fund Total	2,604,225	3,057,527	2,157,563	1,891,341
Water				
	18-19	19-20	20-21	21-22
	Actual	Actual	Projected	Adopted
Administration & Finance	406,910	419,603	454,997	469,000
Supply & Treatment	43,214	60,426	62,100	65,000
Distribution	40,139	45,409	84,900	48,000
Other (includes transfers and contingency)	26,558	3,500	3,500	3,500
Fund Total	516,821	528,938	605,497	585,500
Sewer				
	18-19	19-20	20-21	21-22
	Actual	Actual	Projected	Adopted
Administration & Finance	400,025	412,184	448,133	463,000
Collection	37,769	74,637	57,910	82,000
Treatment	89,481	121,439	95,519	111,000
Other (includes transfers and contingency)	63,000	63,000	63,000	3,500
Fund Total	590,275	671,260	664,562	659,500
Total All Funds	3,711,321	4,257,725	3,427,622	3,136,341

Consolidated Fund Balance Summary

Fund Balance is, simply explained, the amount of assets in excess of liabilities in a given fund. The North Carolina Local Government Commission (LGC) monitors the level of unreserved Fund Balance each locality maintains as a sign of their relative financial strength. The benchmark the LGC uses is 8% of total expenditures, below which they express concern to the locality and direct action to increase the balance. The goal, as set forth in the Financial and Budgetary Policies adopted by the Town Council, is to maintain a General Fund Balance of at least 50% of total expenditures. According to LGC Memorandum #2022-04, dated August 26, 2021, our peer group of cities and towns with populations between 2,500 and 9,999 had an average Fund Balance Available (FBA) of 77.29% at the end of fiscal year 2020. River Bend's FBA was 54.24%. Communities in proximity to the coast generally have a higher percentage.

Having such a balance enables us to meet our financial obligations without interruptions due to cash flow, generates investment income, eliminates the need for short-term borrowing, and provides a reserve of funds to respond to emergencies or opportunities.

The chart shown below summarizes the fund or cash balances of each of the three major funds and shows the projected balance at the end of Fiscal Year 2022 when compared to the level projected for the end of Fiscal Year 2021. A detailed explanation of Fund Balance is included in each fund's section of this budget document. These are unaudited numbers based on staff calculations and projections.

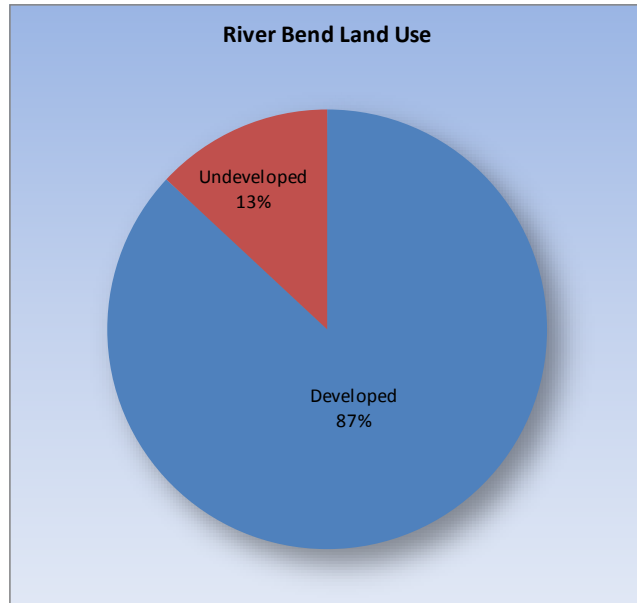
Fiscal Year Ending June 30,	2016	2017	2018	2019	2020	2021(proj)	2022(proj)	*Change vs. 2021
General Fund								
Fund Balance \$	1,863,336	2,106,518	2,294,498	2,787,506	1,649,910	1,280,926	1,036,324	(244,602)
Fund Balance %	105.5%	130.0%	131.1%	107.0%	44.5%	57.4%	54.8%	-2.6%
Water Fund								
Cash Balance \$	689,943	738,400	801,435	760,755	833,607	732,648	651,425	(81,223)
Cash Balance %	156.3%	155.2%	172.3%	155.2%	165.0%	121.0%	111.3%	-9.7%
Sewer Fund								
Cash Balance \$	505,161	636,591	799,634	899,395	1,043,090	1,064,122	1,030,277	(33,845)
Cash Balance %	92.7%	122.9%	161.9%	148.2%	186.3%	160.1%	143.3%	-16.8%
Total								
Fund/Cash Balance \$	3,058,440	3,481,509	3,895,567	4,447,656	3,526,607	3,077,696	2,718,026	(359,670)
* represents the difference in dollar and percentage amounts compared to previous year								

Community Profile

Founded as the City of River Bend Plantation, it was renamed the Town of River Bend in 1981 when it was incorporated. Located in Craven County a few miles south of historic New Bern, River Bend, North Carolina encompasses three square miles of wooded area, bordered by the Trent River on the south and a navigable canal system on the east. A privately owned 18-hole golf course winds throughout the Town and a privately owned marina serves the needs of recreational boaters. The population figures below are based on 2020 Census data. However, the rest of the data reflects 2010 data. The 2020 data has not been fully analyzed as of the date of publication for this document.

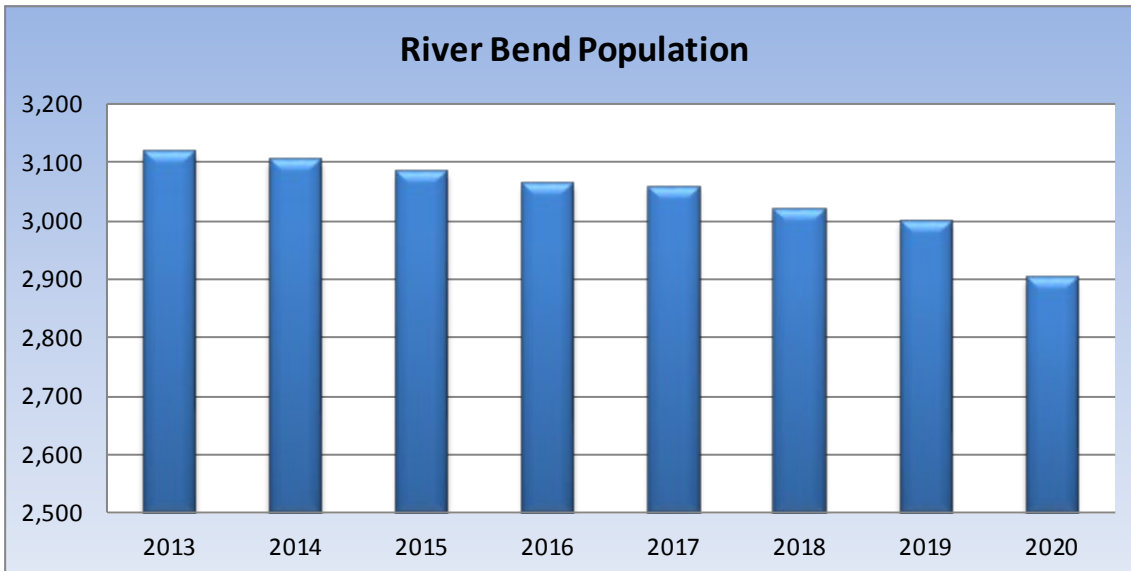
Land Use

According to the US Census Bureau, the town has a total area of 2.8 square miles, of which 2.6 square miles is land and 0.2 square miles is water. The latest Craven County GIS data indicates land is divided into 1,754 parcels, of which 1,525 are developed and 229 are undeveloped. The Town owns 103 acres that are currently designated as a Wildlife Preserve and are thus not available for development. The chart to the right shows that nearly 90% of our lots are developed.



Population

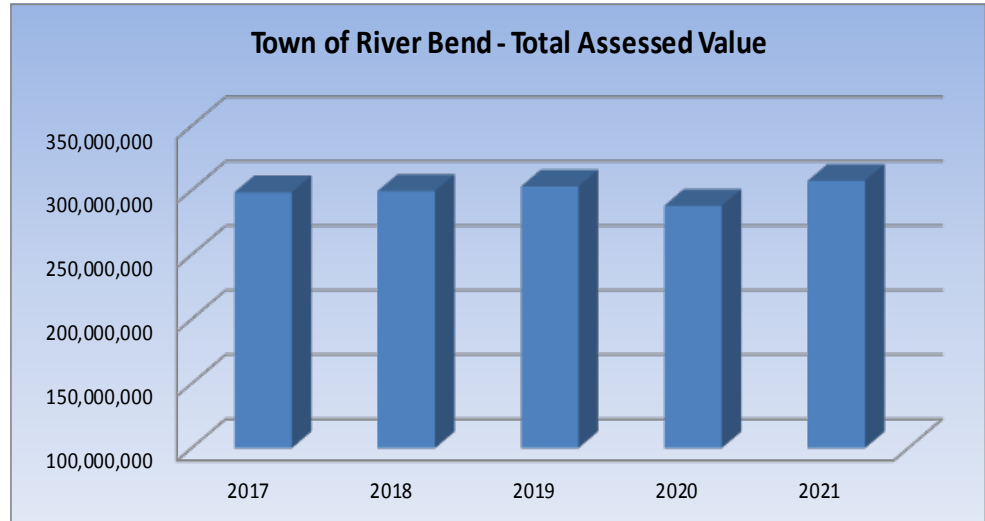
The population of River Bend as reported in the 2020 Census was 2,902. The chart below shows the population since 2013 as of June 30 for each year. Non-Census year data comes from the North Carolina State Demographer's Office and is based on fiscal year calendars.



Housing

The occupancy rate of River Bend’s housing units is relatively high – 89.7% of the Town’s housing units are occupied, as reported in the 2010 Census. Of the vacant units, 2.5% are used for seasonal, recreational, or occasional use. Of the occupied units, 79.7%, are owner-occupied, and 20.3% of the units are renter-occupied.

Housing values, particularly assessed values, in River Bend decreased in 2019 after Hurricane Florence. They have now recovered and are higher now than pre-hurricane values. The next valuation is scheduled for 2023.



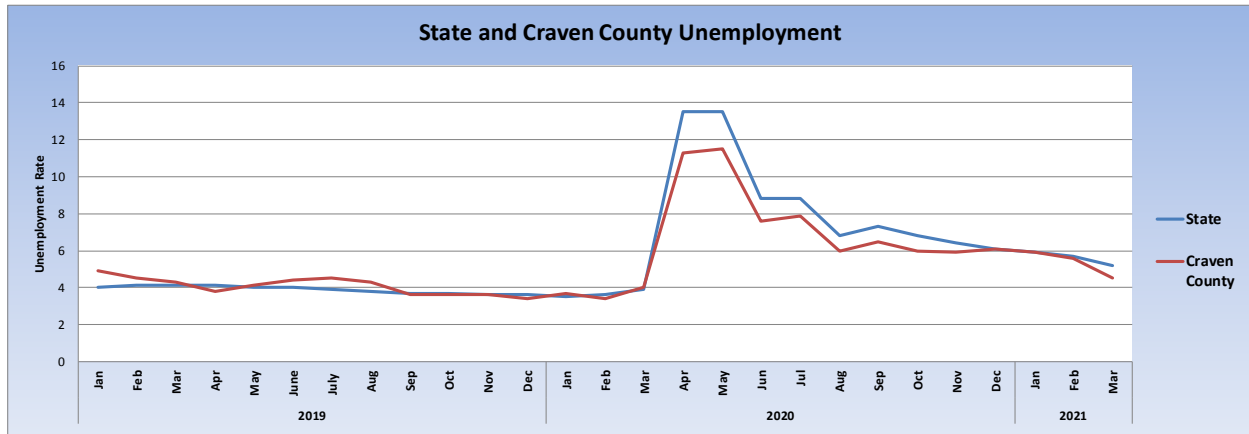
Economy and Education

The 2010 Census reported that the majority of River Bend’s workers were employed in the educational, health and social services (23%), and the manufacturing (20%) industries. Of our population over 16 years old, 56.8% were listed as “not in the labor force” in 2010. This reflects the level of retirees in Town. Of those in the labor force, 1.7% were listed as unemployed.

Employer	Employees
Department of Defense	5,498
CarolinaEast Health Systems	2,303
Craven County Schools	1,646
BSH Home Appliances	1,200
Moen Incorporated	820
State of North Carolina	797
Craven County	650
Wal-Mart	622
Craven Community College	531
City of New Bern	451
TOTAL Top 10 Employers	14,518

The table to the left shows the top ten employers in Craven County, as published by the Craven County Finance Department (ACFR, 2020). Department of Defense excludes 7,215 active military personnel based in Craven County. It includes civilian employment at the Fleet Readiness Center, Naval Health Clinic, 2nd MAW, and MCAS Cherry Point. Craven County unemployment, despite being boosted by the effect of local military and related employment, currently is higher than the statewide unemployment rate.

As with other areas, Craven County and North Carolina experienced high rates of unemployment during the onset of the COVID-19 pandemic in 2020. The chart below tracks unemployment since January, 2019 comparing the State and County rates. The March, 2021 data shows the Craven County and State rates at 4.5% and 5.2% respectively. A sharp decrease in unemployment compared to the COVID-19 related spike in April, 2020.



The median household income recorded in the 2010 Census was \$48,547 compared to a national median household income of \$41,994. Only 4% of our population has an income below the poverty level, compared to a national poverty rate of 11.3%.

For residents 25 years of age and older, 93.2% have a high school or higher education; 26.5% have a bachelor's degree or higher, and 8% have a graduate or professional degree.

Town Government

The Town of River Bend operates under the Council-Manager form of government. All five members of the Town Council (Council) are popularly elected to serve four-year terms. Terms of office are staggered so an election for at least a portion of the Council is held every two years.

The Mayor is elected directly by the voters to serve a four-year term and presides at all meetings of the Council and represents the Town at official functions. The Mayor, and each member of the Council, also serve as liaisons to Advisory Boards, or in other administrative capacities in support of the function of the Town. The Mayor Pro-Tempore is a member of the Council, selected by the Council to assume the duties of the Mayor in the Mayor's absence.

The Council appoints a Town Manager to direct the administrative and day-to-day affairs of the Town. The Manager works for the Town Council as a whole and is an at-will employee of the Council. The Manager is the supervisor of Town staff and, by law, the Town's Budget Officer. The Manager provides the Council with regular reports regarding the operational and financial condition of the Town and works with the Council to establish and implement long-range plans. His other duties are prescribed as a matter of law in Chapter 160A-148 of

the North Carolina General Statutes. In River Bend, the Manager also serves as the Zoning Administrator and is therefore responsible for interpretation and enforcement of the Town's Code of Ordinances.

The Council appoints six volunteer boards to serve in advisory, planning and quasi-judicial capacities in accordance with their duties. Following is a brief description of each advisory board.

Planning Board

The purpose of the Board is to advise the Council and Manager on planning and zoning issues to include, but not be limited to, establishment or revision of districts, and regulation and restriction of the erection, construction, reconstruction, alteration, repair or use of buildings, structures or land in accordance with G.S. § 160A-382. The Board shall work on other issues assigned by the Council or Manager. The Board shall propose principles, goals, and methods, and offer guidance to the Council and Manager on planning and zoning issues (River Bend Code of Ordinances 3.05.036).

Parks & Recreation Board

The purpose of the Board is to advise the Council and Manager on parks and recreation issues to include, but not be limited to, Town parks and recreation areas, safety matters in Town parks and recreation areas, and recreational activities in Town parks and recreation areas. The Board shall work on other issues assigned by the Council or Manager. The Board shall propose principles, goals, and methods, and offer guidance to the Council and Manager on parks and recreation issues (River Bend Code of Ordinances 3.05.001).

Environmental/Waterways Advisory Board

The purpose of the Board is to keep current on federal, state and county rules and regulations on waterways and the environment, to inform and advise the Council and Manager on changes or status of such, and to provide recommendations on waterways and environmental issues or concerns relating to use, preservation, conservation and protection of such resources in the Town. Advice, information and resulting recommendations are to be developed through research, reference to, or consultation with experts in the appropriate fields. The Board shall work on other issues assigned by the Council or Manager. The Board shall propose principles, goals, and methods and offer guidance to the Council and Manager on waterways and environmental issues. For purposes of this subchapter, waterways and environment include, but are not necessarily restricted to: canals, channels, lakes and ponds, stormwater, soil and landscape, air and open space, and flora and fauna therein (River Bend Code of Ordinances 3.05.016).

Community Appearance Commission

The purpose of the Commission is to advise the Council and Manager on community appearance issues to include, but not be limited to, enhancing the appearance of the municipality and its surroundings, making recommendations for planting of trees, shrubs or other planting materials to Town property including Town rights-of-way, and any other matter that affects the overall appearance of the Town. The Commission shall work on

other issues assigned by the Council or Manager. The Commission shall propose principles, goals, and methods, and offer guidance to the Council and Manager on community appearance issues (River Bend Code of Ordinances 3.05.056).

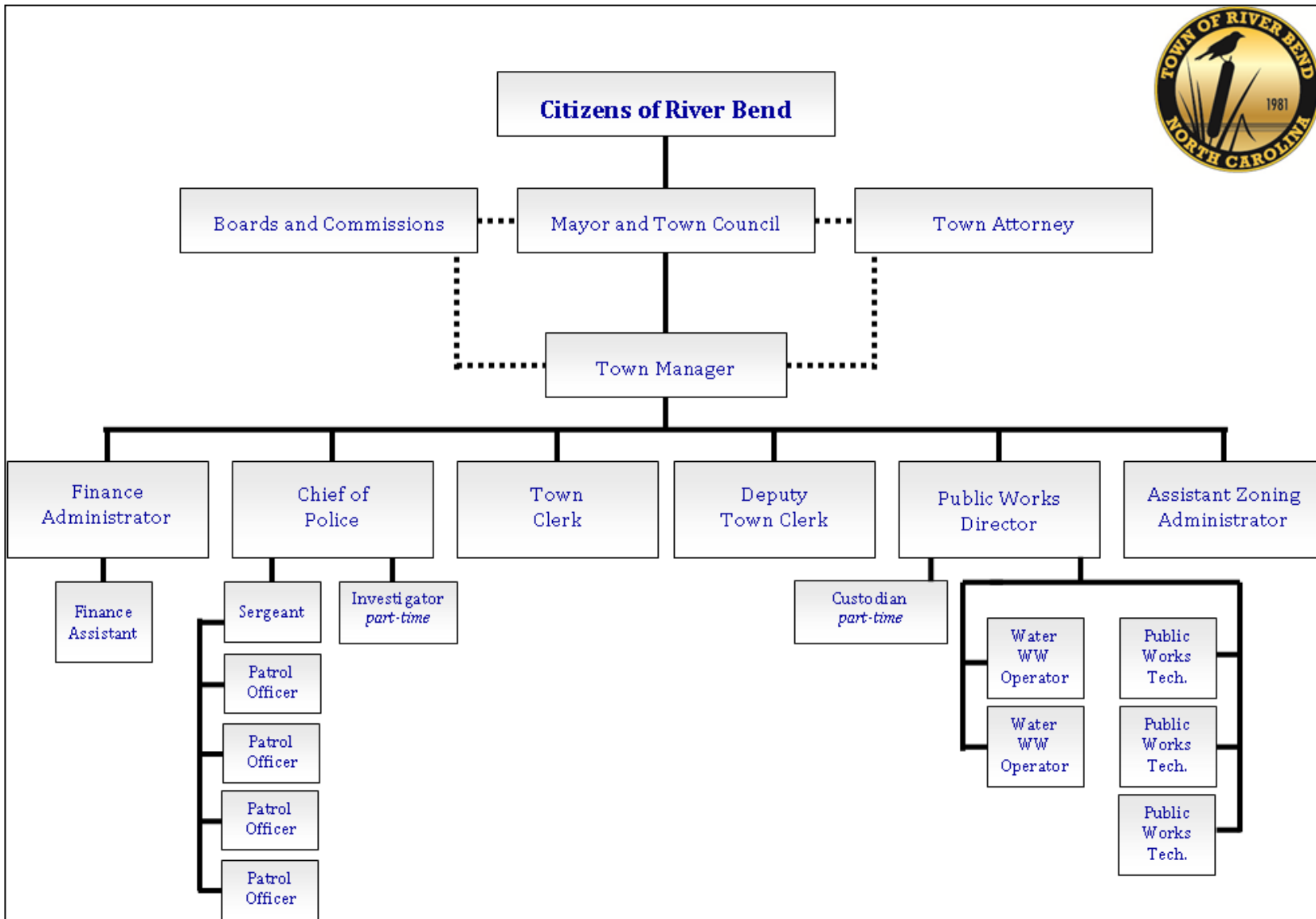
Public Works Advisory Board

The purpose of the Board is to advise the Council and Manager on public works issues to include, but not be limited to, water and sewer matters, public roads, and public buildings. The Board shall work on other issues assigned by the Council or Manager. The Board shall propose principles, goals, and methods, and offer guidance to the Council and Manager on water resources and public works issues (River Bend Code of Ordinances 3.05.076). Due to a long-lasting period of multiple vacancies, the PWAB is no longer active and is slated to be officially removed from the Code of Ordinances at a later date.

Board of Adjustment

The Board of Adjustment shall have the following powers and duties: (a) *Administrative Review*. To hear and decide appeals from and review and order, requirement, decision or determination made by an administrative official charged with enforcement of this Chapter. (b) *Interpretation*. To interpret the terms of this chapter and zoning maps and to pass upon disputed questions of lot lines or district boundary lines and similar questions as they arise in the administration of this chapter. (c) *Special Exception Permits*. To hear and decide special and conditional use permits in accordance with standards and procedures specified in the Chapter. Reasonable and appropriate conditions may be imposed upon these terms. (d) *Exceptions from the application requirements for business district areas*. To hear and decide on requests for exceptions from the design guidelines and performance standards required under §15.02.048. (e) *Subpoena*. To subpoena witnesses and compel the production of evidence. (f) *Oath*. To administer Oaths to witnesses in any manner coming before the Board. (g) *Variance*. When unnecessary hardships would result from carrying out the strict letter of this Chapter, the Board may vary any of the provisions herein upon certain conditions. (River Bend Code of Ordinances 15.02.175)

This Organizational Chart depicts the relationships between the Town staff, Town Manager, the Town Council, and Advisory Boards.



Financial and Budgetary Policies

I. Introduction

The Town of River Bend maintains comprehensive financial policies covering a broad range of the elements of the Town's financial plans and financial systems that underlay the management of overall financial resources. These policies have major objectives to be achieved that include:

1. To link long-term financial planning with short-term daily operations and decision-making.
2. To maintain and improve the Town's financial position.
3. To maintain and improve the Town's credit ratings by meeting or exceeding the requirements of rating agencies through sound financial policies.
4. To maintain and increase investor confidence in the Town and to provide credibility to the citizens of the Town regarding financial operations.
5. To comply with the North Carolina Budget and Fiscal Control Act and the policies of the North Carolina Local Government Commission (the "LGC").
6. To effectively conduct asset-liability management of the Town's balance sheet.

II. Operating Budget

1. The Town's Annual Budget Ordinance will be balanced in accordance with the Local Government Budget and Fiscal Control Act (G.S. 159-8(a)).
2. The Town's Annual Budget Ordinance will be adopted, by fund and department, by each July 1 (G.S. 159-13(a)).
3. In order to force a higher level of planning throughout all levels of Town government, the annual budget process will focus on future needs through a Capital Improvements Plan, as discussed later in this document.
4. The annual budget process will consist of a series of public meetings where Council and staff discuss needs in relation to the Town's mission statement, and Council's adopted priorities.

III. Revenue Policy

1. Ad Valorem Tax – As provided by the North Carolina Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy will be budgeted as follows:
 - a. Assessed valuation will be provided by the Craven County Tax Assessor.
 - b. The estimated percentage of collection will not exceed the actual collection percentage of the preceding fiscal year, in accordance with State law.

- c. The property tax rate will be set each year based upon the costs of providing general governmental services, meeting debt service obligations and building or maintaining any reserves or fund balances the Council deems necessary.
2. State revenues fluctuate according to the general economic condition of the state and the county. Accordingly, the Town will budget these revenues in a conservative manner using guidance from the North Carolina League of Municipalities to determine predicted rates of growth in these revenues.
3. User Fees – The Town Council (the “Council”) will set user fees annually by listing such fees within a fee schedule adopted with the Annual Budget Ordinance. In the case of the water and sewer enterprises, the Council will continue to use a professionally designed rate model in order to determine the most appropriate rates based upon current and future expenses. User fees will maximize charges for services that can be individually identified and where costs are directly related to the provision of or to the level of service provided.
 - a. Emphasis of user fees results in the following benefits:
 1. The burden on the Ad Valorem tax is reduced.
 2. User fees are paid by all users, including those exempt from property taxes.
 3. User fees help minimize subsidization in any instance where there are requirements in order to qualify for the use of the service and the service is not provided to the general public.
 4. User fees produce information on the demand level for services and help to make a connection between the amount paid and the services received.
4. Interest Income – Interest income is subject to variability based upon changes in prevailing interest rates, which cannot be predicted with certainty. Such revenue shall therefore be budgeted in a conservative manner within the Annual Budget Ordinance and shall comply with the Asset – Liability Management section of this policy.
5. Grant Funding – Staff will pursue opportunities for grant funding. Application for grant funding will be made after a grant has been evaluated for consistency with the Council’s goals and compatibility with Town programs and objectives. Staff must have Council approval to apply for a grant for any amount over \$50,000 and for any grant that requires a local dollar match. All awarded grants can only be accepted by Council action at which time the related budget shall be established.
 - a. Grants that have been awarded in prior years and are recurring in nature will be included and addressed through the annual budget process.
 - b. Grants that fund operating expenditures but have a funding termination date must fully disclose that fact to the Council prior to acceptance.
 - c. The grant manager for each grant shall be the Town Manager. The grant manager is responsible for all grant monitoring, compliance and reporting. The grant manager will provide copies of all documents to the Finance Director. The Finance Director will maintain a grant file by fiscal year for each active grant.
 - d. For grants involving federal funds, the grant manager is responsible for checking the list of federally debarred contractors prior to awarding any contracts.

6. Appropriation of Fund Balance – Assigned fund balance originally appropriated with adoption of the General Fund annual operating budget shall not exceed 3% of the prior fiscal year’s budgeted expenditures, unless done per Section 2b of the Reserve/Fund Balance section of this policy. Any further commitment of fund balance in the General Fund during the fiscal year shall require four “yes” votes from the five members of Council.
7. Budgetary Responsibilities – The Town Manager shall develop initial budget estimates of applicable revenues. Those estimates are to be supported by variables (base, rate, etc.) that comprise such revenue. Monitoring of the revenue budget shall be performed by the Finance Director in a timely manner throughout the fiscal year and shall include an analysis of actual versus budgeted variances. Compliance of revenue with all laws and/or regulations is primarily the responsibility of the revenue-initiating department.

Revenue Spending Policy

1. The Town will follow a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Department, as directed by the Finance Officer, will use resources in the following hierarchy as appropriate: bond proceeds, federal funds, State funds, local non-Town funds, and Town funds.
2. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Town.

IV. Expenditure Policy

1. Expenditure budgets shall be monitored throughout the fiscal year by department heads, the Finance Director and the Town Manager. Budget compliance, which includes electronic obligations, is the responsibility of the department head and the Town Manager.
2. Budgeted funds will only be spent for categorical purposes for which they are intended. Budget amendments may be made to reflect unexpected expenses and must be approved by vote of the Council. Appropriations of debt proceeds will be made only for the purpose for which such debt instrument was issued or for the payment of debt principal and interest.
3. Budgeted expenditures for debt service for any variable rate debt or synthetic variable rate debt will be set to at least the average of the prior five years.
4. For continuing contracts, funds will be appropriated in the annual budget ordinance to meet current year obligations arising under the contract, in accordance with G.S. 160A-17.
5. Payroll will be processed in accordance with the requirements of the Fair Labor Standards Act. Overtime and benefit payments will be made in accordance with the Town’s Personnel Policy.
6. The Town may utilize non-capital operating leases or installment purchase loans for the procurement of copiers, multifunction copiers/printer type machines and for personal computers.

7. The Town will fund current expenditures with current resources and will strive to avoid balancing budgets utilizing one-time revenues.
8. The Town will employ the use of the carryover method for reappropriation of outstanding purchase orders and contracts as of the end of each fiscal year into the new fiscal year. The process shall be explained in each year's budget process.

V. Reserve/Fund Balance Policy

1. In accordance with State statute, appropriated fund balance in any fund will not exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those figures stand at the close of the fiscal year next preceding the budget year.
2. The Town will strive to maintain a General Fund unassigned fund balance that significantly exceeds the minimum eight percent (8%) as recommended by the LGC. Unassigned fund balance is defined as the portion of fund balance that remains available for appropriation by the Town Council after all commitments for future expenditures, required reserves defined by State statutes, and Council-established assignments have been calculated. The percentage is to be determined by dividing the unassigned fund balance amount by actual expenditures of the then completed fiscal year. The goal is to maintain a fund balance of no less than 50%.
 - a. Purpose of Reserve: These funds will be utilized to avoid cash flow interruptions, generate interest income, eliminate the need for short-term borrowing, and maintain the Town's credit ratings.
 - b. Reserve Drawdown: The available fund balance may be purposefully drawn down below the target percentage for emergencies, economic influences, nonrecurring expenditures, or major capital projects.
 - c. Reserve Replenishment: If the available fund balance falls below the target percentage for two consecutive fiscal years, the Town will replenish funds by direct appropriation in the next budget developed for the fiscal year after the occurrence is known. In that instance, the Town will annually appropriate 25% of the difference between the target percentage level and the actual balance until the target level is met. In the event appropriating 25% is not feasible, the Town will appropriate a lesser amount and shall reaffirm by Council resolution its commitment to fully replenish the fund balance over a longer period of time.
 - d. Any General Fund unassigned fund balance that exceeds the target goal range may be used to reduce general fund debt.
3. The Town will appropriate within the annual budget a contingency appropriation each fiscal year. The minimum level of contingency is 1% of budgeted general fund expenditures and the maximum is an amount equal to the revenue generated by a \$.01 ad valorem tax rate plus the approved provision for personnel merit bonuses.

4. The Town's goal will be to maintain a minimum cash balance in both the water and sewer operating funds (separately) of 50% of actual expenditures of the then completed fiscal year. These funds will be utilized to avoid cash flow interruptions, generate interest income, fund capital expenditures, eliminate the need for short-term borrowing and maintain the Town's credit ratings.

VI. Asset-Liability Management

1. The Town will seek to incorporate coordinated investment and debt structuring decisions with the goal of such coordination being to use each side of the balance sheet to mitigate, or hedge, cash flow risks posed by the other side of the balance sheet.
2. The Town considers short-term investments to be effective hedges to variable rate debt because movements in interest rates should have offsetting impacts upon both.
 - a. Given the prevalent patterns of business, economic and interest rate cycles, the Town may strive to match temporary increases in interest income to temporary increases in interest expense through the use of variable rate debt or synthetic variable rate debt.
 - b. This recognizes that variable rate debt generally offers lower interest costs and that the use of higher interest income to offset higher interest expense is preferable to creating a budget imbalance due to reliance upon temporarily increased interest income.
3. The Finance Officer is designated to monitor and report on financial market conditions and their impact on performance of debt, investments, and any interest rate hedging products implemented or under consideration.
4. The Finance Officer is designated as the individual responsible for negotiating financial products and coordinating investment decisions for debt structure. The Finance Officer is designated as the individual responsible for recommending debt structure to the Council.
5. The Town may incorporate the use of variable rate debt or synthetic variable rate debt, as allowed by the Debt Management Section of the LGC, into its debt structure. Unhedged variable or synthetic variable rate debt shall not exceed 20% of the Town's total, non-Utility debt outstanding.

VII. Capital Improvements Policy

1. Capital Improvements Plan
 - a. The Town will update and re-adopt annually a five-year capital improvements plan (CIP) which projects capital needs and details the estimated costs, description and anticipated funding sources for capital projects. A separate CIP will be developed for the General Fund, Water Fund, and Sewer Fund.
 - b. The annual update of the CIP will be conducted in conjunction with the annual operating budget process.

- c. The first year of the five-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.
- d. A programming or cost estimation study is eligible for inclusion in the CIP for a project for which a future request is being considered. Such a study is encouraged in order to generate reliable cost estimates for the CIP.
- e. The Town expects to see new capital items generally first appear in the last year of the CIP.
- f. The Town acknowledges pay-as-you-go financing as a significant capital financing source, but will ultimately determine the most appropriate financing structure for each capital project both on an individual basis after examining all relevant factors of the project and in conjunction with the funding of the entire CIP.

2. Capital Formation

- a. General fund revenue is the source for the General Fund CIP. The water CIF fee and hydrant fee are sources of revenue for the water Capital Reserve Fund. The sewer CIF fee is a revenue source for the sewer Capital Reserve Fund. The water and sewer enterprise fund annual budget will also provide CIP revenue in these areas as the use of CIF/Hydrant fee revenue is limited, per Council resolution, to debt reduction or system expansion activities.
- b. The General Fund Capital Reserve Fund is the funding source for pay-as-you-go financing and for debt service payments for debt financed projects in the General Fund CIP.
- c. Given the historical volatility of the state and other revenues, the five- year projections of revenue used to complete the CIP shall be very conservative.

3. Fixed Assets

- a. The capitalization threshold for fixed assets shall be \$5,000. The threshold will be applied to individual fixed assets and not to groups of fixed assets. Fixed assets will only be capitalized if they have a useful life of at least three years following the date of acquisition. A physical inventory of capitalized fixed assets will be performed, either simultaneously or on a rotating basis, so that all fixed assets are physically accounted for at least once every four years.

VIII. Debt Policy

1. Debt will only be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired from current or budgeted resources. **Debt will not be used for operational needs.** Debt financing can include general obligation bonds, revenue bonds, certificates of participation, lease/purchase agreements, special obligation bonds, or any other financing instrument allowed under North Carolina law.

2. The Town will seek to structure debt and to determine the best type of financing for each financing need based on the flexibility needed to meet project needs, the timing of the project, taxpayer or rate payer equity, and the structure that will provide the lowest interest cost in the circumstances.
3. Debt financing will be considered in conjunction with the approval by the Council of the Town's CIP.
4. Capital projects financed through the issuance of bonds, installment financings or lease financings will be financed for a period not to exceed the expected useful life of the project.
 - a. General fund debt will normally have a term of 20 years or less. When practical, the term of non-Utility debt will not exceed 30 years.
 - b. Enterprise fund (water and sewer) debt will normally have a term of 30 years or less. When practical, the term of Utility debt will not exceed 40 years.
5. The Town will strive to maintain a high level of pay-as-you-go financing for its capital improvements.
6. Debt Affordability
 - a. The net debt of the Town, as defined in G.S. 159-55, is statutorily limited to 8% of the assessed valuation of the taxable property within the Town. The Town will strive to maintain a net debt level of no greater than 4%.
 - b. Total General Fund debt service will not exceed any limits imposed by the LGC. As a guide, formulas established by the LGC and rating agencies will be monitored and appropriately applied by the Town. Debt service as a percentage of the operating budget will be targeted at less than 15%.
 - c. The Town will strive to achieve amortization of 60% or more of its non-Utility debt principal within ten years.
7. The Town will seek to structure debt in the best and most appropriate manner to be consistent with the Asset – Liability Management section of this policy.
8. If the Town issues Revenue Bonds, and whereas the minimum coverage ratio expected for Town revenue bonds is 1.20 times, upon the calculation of a coverage ratio for any Utilities System Revenue Bonds which is below 1.5 times (Net Revenues as defined by the General Indenture, but excluding cash receipts from special assessments, over Debt Service as defined by the General Indenture), the Finance Officer will notify the Council of such. Within three months of such notification, the Finance Officer will again report to the Council and will have performed the necessary internal study to advise the Council on the actions necessary to restore the coverage ratio to above 1.5 times. This policy is intended to ensure that all reasonable steps necessary are taken to begin the process of reviewing water revenues and rates well before the coverage ratio for outstanding revenue bonds could reach the minimum level of 1.20 times.
9. The Town will seek to employ the best and most appropriate strategy to respond to a declining interest rate environment. That strategy may include, but does not have to be limited to, delaying the planned issuance of fixed rate debt, examining the potential for

refunding of outstanding fixed rate debt, and the issuance of variable rate debt. The Town will seek to employ the best and most appropriate strategy to respond to an increasing interest rate environment. That strategy may include, but does not have to be limited to, the issuance of variable rate debt (a historically lower interest cost), and the use of forward delivery fixed rate debt.

10. The Town will monitor the municipal bond market for opportunities to obtain interest rate savings by refunding by forward delivery, currently refunding or advance refunding outstanding debt. The estimation of net present value savings for a traditional fixed rate refunding should be, at a minimum, 3% of the refunded maturities before a refunding process begins. The estimation of net present value savings for a synthetic fixed rate refunding should be, at a minimum, in the range of 5% to 6% of the refunded maturities before a refunding process begins.
11. The Town will strive for the highest possible bond ratings in order to minimize the Town's interest costs.
12. The Town will normally obtain two debt ratings (Fitch Ratings, Moody's, or Standard & Poor's) for all publicly sold debt issues.
13. While some form of outstanding debt exists, the Town will strive to have a portion of that debt in the form of general obligation debt, when fiscally advantageous.
14. For all years that the Town has any publicly sold debt outstanding, the Town will provide annual information updates to each of the debt rating agencies if desired by those agencies.
15. The Town will use the Annual Comprehensive Financial Report as the disclosure document for meeting its obligation under SEC Rule 15c2-12 to provide certain annual financial information to the secondary debt market via various information repositories.
16. The Town recognizes the significance of the debt portfolio and the need for the ability to properly manage and maintain that portfolio. The Finance Director will maintain a current database of all debt.

IX. Accounting, Auditing and Financial Reporting

1. The Town will maintain accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act. The Town will maintain accounting systems that enable the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).
 - a. The basis of accounting within governmental funds will be modified accrual.
 - b. The basis for accounting within all Enterprise and Internal Service Funds will be modified accrual.
2. Financial systems will be maintained to enable the continuous monitoring of revenues and expenditures or expenses with complete sets of monthly reports provided to the Council and the Town Manager. Monthly expenditure/expense reports will be provided to each

department head for their functional area and online, real time, view only, access to the financial system will be made available to department heads and other staff as much as practical and its use encouraged.

3. The Town will place emphasis on maintenance of an accounting system which provides strong internal budgetary and financial controls designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, as well as the accountability of assets.
4. An annual audit will be performed by an independent certified accounting firm which will issue an opinion on the annual financial statements as required by the Local Government Budget and Fiscal Control Act.
5. The Town will solicit proposals from qualified independent certified public accounting firms for audit services. The principal factor in the audit procurement process will be the auditor's ability to perform a quality audit. The Town may enter into a multiyear agreement with the selected firm for a period of up to three fiscal years. Firms are not barred from consecutive contract awards. The Council, upon recommendation from the Finance Officer and Audit Committee, shall approve the contractual relationship with the auditor
6. The Town will maintain a standing audit committee. The committee will oversee the independent audit of the Town's financial statements, from the recommendation of the auditor to the resolution of any audit findings.
7. The Finance Officer will conduct some form of internal audit procedures at least one time per year, specifically focusing upon cash receipts procedures.
8. The Town will prepare an ACFR in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.
9. Full and complete disclosure will be provided in all regulatory reports, financial statements and debt offering statements.
10. The Town shall use the ACFR as the disclosure document for meeting its obligation to provide certain annual financial information to the secondary debt market via various information repositories. The annual disclosure is a condition of certain debt covenants and contracts that are required by SEC Rule 15c2-12.
11. The Finance Director will develop and maintain a Financial Procedures Manual as a central reference point and handbook for all financial, accounting and recording procedures.
12. The Town Manager will establish, document and maintain a Computer Disaster Recovery Plan and will provide for the daily backup of data and the offsite storage of the same.

X. Cash Management Policy

1. Receipts

- a. All aspects of cash receipts shall be subject to proper internal controls with standard controls documented and followed by revenue generating departments.
- b. The Town Manager shall prescribe internal control procedures for departments which address adequate segregation of duties, physical security, daily processing and reconciliation, use of automated resources, and treatment of overpayments.
- c. Cash receipts will be collected as expediently as reasonably possible to provide secure handling of incoming cash and to move these monies into interest bearing accounts and investments.
- d. All incoming funds will be deposited daily as required by State law.
- e. The Finance Officer is responsible for conducting at least two unannounced random or risk based internal audits of cash receipting locations per fiscal year.
- f. Upon any suspicion of fraud, the department head shall timely notify the Town Manager for further investigation.
- g. Upon any suspicion of non-compliance with internal control directives, the department head shall timely notify the Town Manager for further investigation.
- h. The Town reserves the right to refuse acceptance of more than \$5.00 in coins, damaged currency, suspicious currency or any check for the transaction of business.

2. Cash Disbursements

- a. The Town's objective is to retain monies for investment for the longest appropriate period of time.
- b. Disbursements will be made timely in advance of or on the agreed-upon contractual date of payment unless earlier payment provides greater economic benefit to the Town.
- c. Inventories and supplies will be maintained at minimally appropriate levels for operations in order to increase cash availability for investments purposes.
- d. Dual signatures are required for Town checks. Electronic signature of checks, drafts and purchase orders, while technically possible, is not deemed appropriate at this time. The Council may provide by appropriate resolution or ordinance for the use of a signature stamp or similar device in signing checks and drafts and in signing the preaudit certificate on contracts or purchase orders. The Council shall charge the Finance Officer with the custody of the stamp or device, and the Finance Officer and sureties on his official bond are liable for any illegal, improper, or unauthorized use.

- e. Electronic payments shall be utilized to the fullest extent possible where it is determined to be cost effective by the Finance Director. Such payments shall be integrated with financial systems and shall follow the proper data internal controls in accordance with the NC Administrative Code 20 NCAC 03.0410.

XI. Investment Policy

1. Policy - It is the policy of the Town to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the Town and conforming to all State statutes governing the investment of idle funds.
2. Scope - This investment policy applies to all financial assets of the Town except authorized petty cash, and debt proceeds, which are accounted for and invested separately from pooled cash. The Town pools the cash resources of its various funds and participating component units into a single pool, as deemed appropriate, in order to maximize investment opportunities and returns. Each fund's and participating component unit's portion of total cash and investments is tracked by the financial accounting system.
3. Prudence
 - a. The standard of prudence to be used by authorized staff shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
 - b. Authorized staff acting in accordance with procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the Council and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.
4. Authorized Staff - G.S. 159-25(a) 6 delegates management responsibility for the investment program to the Finance Officer. The Finance Officer will establish and maintain procedures for the operation of the investment program that are consistent with this policy. Such procedures will include delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer.

The Finance Officer will be responsible for all transactions undertaken and will establish and maintain a system of controls to regulate the activities of subordinates. In the absence of the Finance Officer and those to which he or she has delegated investment authority, the Town Manager or his or her designee is authorized to execute investment activities.

5. Objectives - The Town's objectives in managing the investment portfolio, in order of priority, are safety, liquidity, and yield.

- Safety - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To best mitigate against credit risk (the risk of loss due to the failure of the security issuer) diversification is required. To best mitigate against interest rate risk (the risk that changes in interest rates will adversely affect the market value of a security and that the security will have to be liquidated and the loss realized) the second objective, adequate liquidity, must be met.
 - Liquidity - The investment portfolio shall remain sufficiently liquid to meet all operating and debt service cash requirements that may be reasonably anticipated. The portfolio will be structured so that securities mature concurrent with cash needs (static liquidity), with securities with an active secondary market (dynamic liquidity), and with deposits and investments in highly liquid money market and mutual fund accounts.
 - Yield - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary, economic and interest rate cycles, taking into account investment risk constraints and liquidity needs.
6. Ethics and Conflicts of Interest - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Town Manager any interests in financial institutions with which they conduct business material to them. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individuals with whom business is conducted on behalf of the Town.
7. Authorized Financial Dealers and Financial Institutions
- a. The Finance Officer will maintain a list of financial institutions that are authorized to provide investment services. Authorized financial institutions will be selected by credit worthiness and must maintain an office in the State of North Carolina. These may include “primary” dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule).
 - b. Any financial institutions and broker dealers that desire to become qualified to conduct investment transactions with the Town must supply the Finance Officer with the following:
 - Audited financial statements;
 - Proof of National Association of Securities Dealers certification;
 - Proof of State registration; and
 - Certification of having read the Town’s investment policy.

- c. Any previously qualified financial institution that fails to comply or is unable to comply with the above items upon request will be removed from the list of qualified financial institutions.
 - d. The Finance Officer shall have discretion in determining the number of authorized financial institutions and may limit that number based upon the practicality of efficiently conducting the investment program. The Finance Officer shall also have the discretion to add or remove authorized financial institutions based upon potential or past performance.
8. Internal Control - The Town Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires the use of estimates and judgments by management.
9. Collateralization - Collateralization is required for certificates of deposit. North Carolina General Statutes allow the State Treasurer and the Local Government Commission to prescribe rules to regulate the collateralization of public deposits in North Carolina banks. These rules are codified in the North Carolina Administrative Code – Title 20, Chapter 7 (20 NCAC 7). The Pooling Method of collateralization under 20 NCAC 7 allows depositories to use an escrow account established with the State Treasurer to secure the deposits of all units of local government. This method transfers the responsibility for monitoring each bank's collateralization and financial condition from the Town to the State Treasurer. The Town will only maintain deposits with institutions using the Pooling Method of collateralization.
10. Delivery and Custody - All investment security transactions entered into by the Town shall be conducted on a delivery versus payment basis. Securities will be held by a third party custodian designated by the Finance Officer and each transaction will be evidenced by safekeeping receipts and tickets.
11. Authorized Investments - The Town is empowered by North Carolina G.S. 159-30(c) to invest in certain types of investments. The Town Council approves the use of the following investment types, the list of which is more restrictive than G.S. 159-30(c):
 - a. Obligations of the United States or obligations fully guaranteed as to both principal and interest by the United States.
 - b. Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the United States Postal Service.
 - c. Obligations of the State of North Carolina.

- d. Bonds and notes of any North Carolina local government or public authority that are rated “AA” or better by at least two of the nationally recognized ratings services or that carries any “AAA insured” rating.
 - e. Fully collateralized deposits at interest or certificates of deposit with any bank, savings and loan association or trust company that utilizes the Pooling Method of collateralization (section VIII.I).
 - f. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service, which rates the particular obligation.
 - g. Banker’s acceptance of a commercial bank or its holding company provided that the bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
 - h. Participating shares in a mutual fund for local government investment, provided that the investments of the fund are limited to those qualifying for investment under G.S. 150-30(c) and that said fund is certified by the LGC. (The only such certified fund is the North Carolina Capital Management Trust.)
 - i. Evidences of ownership of, or fractional undivided interest in, future interest and principal payments on either direct obligations of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian (STRIPS).
 - j. Guaranteed investment contracts utilizing repurchase agreements but only for the investment of debt proceeds which are to be collateralized at 105% and marked to market on a daily basis.
12. Prohibited Forms of Authorized Investments
- a. The use of repurchase agreements in the normal investment portfolio (not debt proceeds) is prohibited.
 - b. The use of collateralized mortgage obligations is prohibited.
 - c. The use of any type of securities lending practices is prohibited.
13. Diversification - Investments will be diversified by security type and by institution.
- a. With the exception of United States treasury securities and the North Carolina Capital Management Trust, no more than 30% of the Town’s total investment portfolio will be invested in a single security type or with a single financial institution.

- b. The total investment in certificates of deposit shall not exceed 25% of the Town's total investment portfolio and the investment in certificates of deposit with a single financial institution shall not exceed FDIC insurance limitations.
 - c. The Finance Officer is responsible for monitoring compliance with the above restrictions. If a violation occurs, the Finance Officer shall report such to the Town Manager and to the Council along with a plan to address the violation.
14. Maximum Maturities - To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements. Beyond identified cash flow needs, investments will be purchased so that maturities are staggered. The following maturity limits are set for the Town's investment portfolio:
- a. At least 60% of the investment portfolio will have maturities of no more than 3 years from the date of purchase.
 - b. At least 80% of the investment portfolio will have maturities of no more than 5 years from the date of purchase.
 - c. At least 95% of the investment portfolio will have maturities of no more than 10 years from the date of purchase.
 - d. No investments maturing more than 15 years from the date of purchase may be purchased.
 - e. For purposes of this section, for any variable rate demand obligation, the purchase date is considered to be the last reset and remarketing date and the maturity date is considered to be the next reset and remarketing date.
 - f. If any change is made to the Town's policy for unassigned fund balance in the General Fund then other sections of this policy must be concurrently revised.
15. Selection of Securities - The Finance Officer or his or her designee will determine which investments shall be purchased and sold and the desired maturity date(s) that are in the best interest of the Town. The selection of an investment will involve the evaluation of, but not limited to, the following factors: cash flow projections and requirements; current market conditions; and overall portfolio balance and makeup.
16. Responses to Changes in Short Term Interest Rates
- a. The Town will seek to employ the best and most appropriate strategy to respond to a declining short-term interest rate environment. The strategy may include, but does not have to be limited to, purchases of callable "cushion" bonds, lengthening of maturities in the portfolio, and increases in the percentage of ownership of treasury notes relative to that of treasury bills.
 - b. The Town will seek to employ the best and most appropriate strategy to respond to an increasing short-term interest rate environment. That strategy may include, but does not have to be limited to, purchases of "step-up" securities, shortening of maturities in the portfolio, the use of floating rate investments, and increases in the percentage of ownership of treasury bills relative to that of treasury notes.

17. Performance Standards - The investment portfolio will be managed in accordance with the parameters specified within this policy. The investment portfolio will strive to obtain a market average rate of return within the constraints of the Town's investment risk profile and cash flow needs. The performance benchmarks for the performance of the portfolio will be rates of return on 90-day commercial paper and on three-year treasury notes.
18. Active Trading of Securities -It is the Town's intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal. However, if economic or market conditions change making it in the Town's best interest to sell or to trade a security before maturity, that action may be taken.
19. Pooled Cash and Allocation of Interest Income - All monies earned and collected from investments other than bond proceeds will be allocated monthly to the various participating funds and component units based upon the average cash balance of each fund and component unit as a percentage of the total pooled portfolio. Earnings on bond proceeds will be directly credited to the same proceeds.
20. Marking to Market - A report of the market value of the portfolio will be generated at least semi-annually by the Finance Director. The Finance Officer will use the reports to review the investment portfolio in terms of value and price volatility, as well as for compliance with GASB Statement #31.
21. Software - The Town recognizes the significance of the size of its investment portfolio and of the requirements contained in this policy. The Town will utilize investment software which enables efficient transaction processing and recording, sufficient portfolio monitoring and the ability to maintain reporting compliance with this policy.
22. Reporting - The Finance Director will prepare a quarterly investment report that will be submitted with the Board's monthly report package.
 - a. The quarterly investment report will include a listing of all investments and will show the investment number, the investment description, the purchase, call and maturity dates, the yields to call and to maturity, the weighted average yields to call and to maturity by investment type and in total, the coupon rate, the par value and the ending amortized value. The report will also include earnings information for the last twelve months with that information compared to the established benchmarks.
 - b. The quarterly investment report will include reporting on the status of diversification compliance.
23. Policy Considerations
 - a. A maturity or diversification violation created by fluctuations in the size of the portfolio does not require corrective action. The violation may be cured through an increase in the portfolio size or the maturity of an investment.

XII. Review and Revision

The Town will formally review this set of financial and budgetary policies at least once every three years.

Introduction to the Budget

Basis of Accounting

This budget is prepared using the modified accrual method of accounting for all funds, the same method used for our accounting practices and for our audited financial statements. This approach to accounting recognizes revenues when they become measurable and expenditures at the time the liability is incurred. All revenues and expenditures must be included in the annual budget ordinance, or the appropriate capital and/or grant project ordinances. Any operational appropriations that are not expended or encumbered at the end of the fiscal year shall lapse.

The accounts of the Town are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The account groups are not funds but are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds. The Town of River Bend maintains three major funds: The General Fund, the Water Fund, and the Sewer Fund. Capital expenditures associated with these major funds are accounted for in three separate Capital Reserve Funds.

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. This fund is established at the inception of a government and exists throughout the government's life.

The Water and Sewer enterprises are operated as businesses by having all revenues and expenses accounted for separately from other functions of the Town and by having rates established that cover all expenses of the enterprise.

The Law Enforcement Officer (LEO) Separation Allowance Fund is a fiduciary fund. Fiduciary funds are used to account for assets held by the Town in a trustee capacity for others and therefore cannot be used to support the Town's own programs. The LEO Separation Allowance fund is used to account for assets held by the Town in an agency capacity for the purpose of supporting the public employee retirement system for qualifying sworn law-enforcement officers.

The Chart of Accounts, the listing of all revenue and expense accounts, is reflected on the budget worksheets the reader will see in this document, and are the basis upon which our financial software package manages information. The worksheets show a level of detail that is far greater than shown in the budget ordinance. The ordinance is the legal

instrument that guides our spending and is adopted by department. The process of amending the budget is described later in this document.

North Carolina Local Government Budget and Fiscal Control Act (the Act)

North Carolina General Statute 159-7(c) states “It is the intent of the General Assembly...to prescribe for local governments and authorities a uniform system of budget adoption and administration and fiscal control.” This Act mandates many of the actions the Town takes to prepare, adopt, and administer the annual budget.

Section 159-8 of the Act requires that the Town adopt an ordinance containing a balanced budget for each of the funds managed by the Town and sets the fiscal year as beginning July 1 and ending June 30. According to the Act, a budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. The budgets for each of our funds, the General Fund, the Water Fund, and the Sewer Fund are balanced in accordance with this law. The budget ordinance also includes, as required by the Act, the property tax levy and rate.

Section 159-9 of the Act dictates that, in towns operating under a Council-Manager form of government, like River Bend, the Manager is to be the Budget Officer. The Budget Officer is mandated to receive budget expense and revenue requests from Town departments by April 30, and to recommend an annual budget to the governing body no later than June 1. The governing body then must adopt the annual budget by June 30.

Once the recommended budget is presented to the Council, several legal provisions apply to Council review and adoption of the budget. These include the timing of public hearings, a requirement to make the budget available to the public and press, and the requirement for a hearing at which any person may comment upon the budget. Our budget process exceeds the requirement of the Act and gives our residents significant opportunity for input.

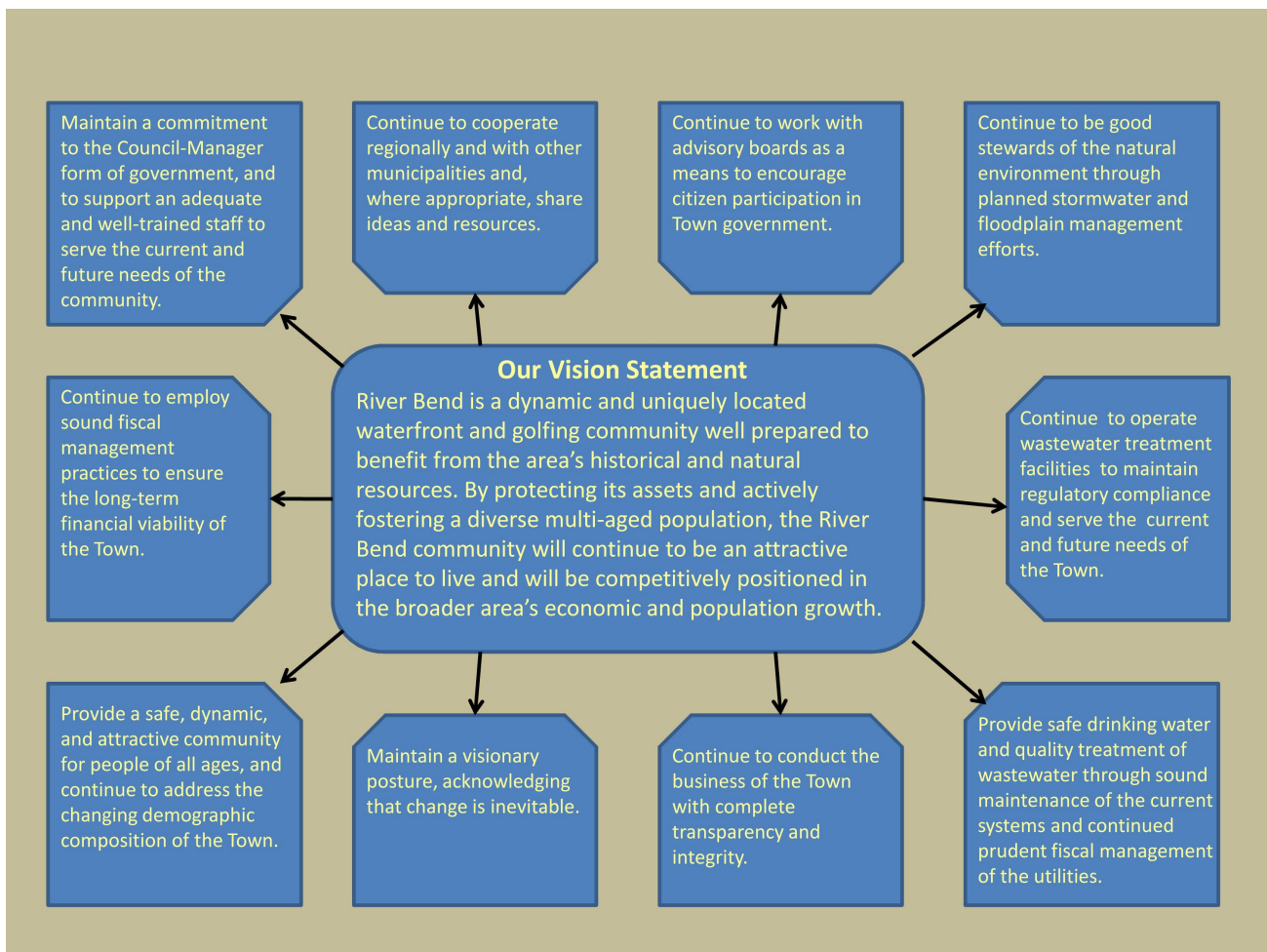
Our Budget Preparation Process

The Town of River Bend employs a progressive and transparent budget development process that allows for significant participation from elected officials, advisory boards, staff, and the public.

The process formally began with a Budget Kick-Off meeting in January when the Council discussed its priorities for the coming fiscal year in terms of how they respond to the Town’s Mission Statement. At this meeting, the Town Manager leads some general discussion about the current fiscal year and trends observed that might impact the budget planning process. This year, due to economic uncertainty related to the COVID-19 pandemic, the Council remains cautious in budgeting. This uncertainty, and the predicted reduced levels of revenue, however, are not expected to affect service levels.


The Council also agreed, at this Kick-Off meeting, to a schedule of budget workshops. The chart below shows how each Council priority, established for Fiscal Year 2021-22, responds to the Town's overall Mission Statement. These priorities were unchanged from last year but remain focused on maintaining infrastructure, services, and the resultant quality of life in a well governed and managed community.

Town Council Priorities for the 2021-2022 Fiscal Year



On January 21, 2021, a detailed list of dates and subject matter for five budget workshops plus one extra workshop, if necessary, was made available to our residents through a brochure that was mailed in water bills and available at Town Hall. All of these dates were also advertised on the town's webpage. The image on the next page is from the Budget Workshop brochure and shows the agenda for each session and the start time of 4:00 p.m. in the Town Hall. However, due to COVID-19 concerns and restrictions, all of the workshops were rescheduled to May. All of the workshops were open to the public. The agenda for each workshop remained the same. The change in dates were advertised on the town's webpage.

Town of River Bend, North Carolina Annual Budget for Fiscal Year 2021-2022

<p style="text-align: center;"><u>APRIL 27, 2021</u></p> <p>EMPLOYEE COMPENSATION AND BENEFITS - Pay Plan Review - Retirement / 401K / LESA - Cost of Living Adjustment (COLA)</p> <p>LABOR ALLOCATIONS AMONG DEPARTMENTS & FUNDS - Staffing Projections - Allocation Table</p> <p>CAPITAL IMPROVEMENT PLANS - General Fund - Vehicle Replacement Plan - Information Technology Replacement Plan</p> <p>ELECTRIC UTILITIES AND FUEL PRICES</p> <p style="text-align: center;"><u>GENERAL FUND DEPARTMENTS</u></p> <p>GOVERNING BODY - Association Dues, Training, Contributions</p> <p>ADMINISTRATION - Property and Liability Insurance, Training, Association Dues</p> <p>FINANCE - Information Technology</p> <p>TAX LISTING - County Provided Services, Collection Projections, Fees</p> <p>LEGAL SERVICES - Attorney</p> <p>ELECTIONS</p> <p>STREET MAINTENANCE - Roadway Improvement Plan</p> <p>STORM WATER MAINTENANCE - Prioritized Drainage Concerns - Scheduled Maintenance</p> <p>PUBLIC WORKS - Capital Outlay - NCORR (temporary grant funded department) continued</p>	<p>PUBLIC BUILDINGS - Mowing and Landscaping Contract - Building Maintenance</p> <p style="text-align: center;"><u>MAY 4, 2021</u></p> <p style="text-align: center;"><u>GENERAL FUND DEPARTMENTS CONTINUED</u></p> <p>POLICE Community Watch, Fuel, LESA, Capital Outlay</p> <p>RECREATION AND SPECIAL EVENTS - July 4th Plans, Recreation Programs</p> <p>PARKS AND CAC - Parks, Community Appearance Commission Projects, Community Organic Garden</p> <p>EMERGENCY SERVICES - Contingency Funding - Community Emergency Response Team (CERT)</p> <p>ANIMAL CONTROL</p> <p>WETLANDS & WATERWAYS - Pond and Canal Maintenance - Environment and Waterways Advisory Board</p> <p>LEAF & LIMB AND SOLID WASTE - Contract Costs</p> <p>PLANNING AND ZONING</p> <p>GENERAL FUND—REVENUE/ EXPENSE</p> <p>GENERAL FUND—FUND BALANCE</p> <p style="text-align: center;"><u>MAY 11, 2021</u></p> <p style="text-align: center;"><u>ENTERPRISE FUND DEPARTMENTS</u></p> <p>WATER AND SEWER FUND CASH LEVELS - Debt Service - Capital Reserve Funds - Capital Improvement Plan/ Water and Sewer continued</p>	<p>WATER FUND DEPARTMENTS - Administration - Water Supply & Treatment - Water Distribution</p> <p>SEWER FUND DEPARTMENTS - Administration - Sewer Collection - Sewer Treatment</p> <p>UTILITY FINANCIAL MODEL - Rate History - Consumption Trends - Revenue & Expense—Cash Balances - Rate Scenarios</p> <p>WATER AND SEWER—REVENUE/EXPENSE</p> <p style="text-align: center;"><u>MAY 13, 2021</u></p> <p>FIVE-YEAR FORECAST— GENERAL FUND</p> <p>TAX RATES, UTILITY RATES AND OTHER FEES - Ad Valorem Tax Rate - Utility Rates and Fees - Schedule of Rates and Fees</p> <p style="text-align: center;"><u>MAY 18, 2021</u></p> <p>MEET IF NECESSARY</p> <p style="text-align: center;"><u>MAY 20, 2021</u></p> <p>OVERVIEW</p> <p>DRAFT-BUDGET MESSAGE, ORDINANCE and SCHEDULE OF FEES</p> <div style="text-align: center; margin-top: 20px;">  </div>
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At these workshops the professional staff presents details of revenue and expenses in each fund. Through direct interaction with the Council in a less formal setting, the staff is able to get the consensus of the elected body in terms of the details contained in the budget. The Council is also able to hear from residents who attend these sessions in an informal setting. Each week, as changes are made, the Council receives updated pages for their budget books. These books, maintained and updated by the Town Clerk, allow the staff to lead the Council in an organized discussion, and allows the members to find information quickly. Following the last of these workshops, the professional staff prepares the Budget Message and the document you are reading as a way to provide detailed information to all interested citizens.

The next step in our process is to advertise and conduct a public hearing to receive comments from interested parties relative to the budget under consideration. This is a formal hearing, affording less opportunity for citizens to have direct input into the formation of the budget than is afforded during the workshops. Typically, this hearing is conducted at the regular Council meeting in May. The final step is the vote to adopt the budget which typically occurs at the regular Town Council meeting in June. Again, due to COVID-19 the usual schedule was modified. The box on the next page contains the calendar of significant events in the preparation of the fiscal year 2021-22 budget.

While it might seem that the process would end with adoption, the budget process is, in fact, a cycle of events with no defined end. Staff begins to prepare for the implementation of the budget before it takes effect, and puts it formally into action on, or shortly after July 1st. Major capital projects are typically contracted early in the fiscal year in order to take advantage of better pricing and to better manage our cash and workflow.

**Town of River Bend
Fiscal Year 2021-22 Budget Calendar**

December 22, 2020	Manager's Memo to Department Heads and Advisory Boards
January 21, 2021	Budget Kick-Off meeting to set priorities
February 12, 2021	Deadline for initial submissions to Manager
May 5 – May 19, 2021	Budget Workshops
May 21, 2021	Budget Message and Summary available for public review
June 10, 2021	Proposed Budget Public Hearing
June 17, 2021	Budget Adoption

Each month following adoption of the budget, professional staff, advisory boards, and Mayor and Council review expenses and revenue relative to the budget as adopted. The financial performance of each of the three major funds is analyzed in order to ensure the programs and projects funded are being carried out in a manner consistent with the intent of the elected body.

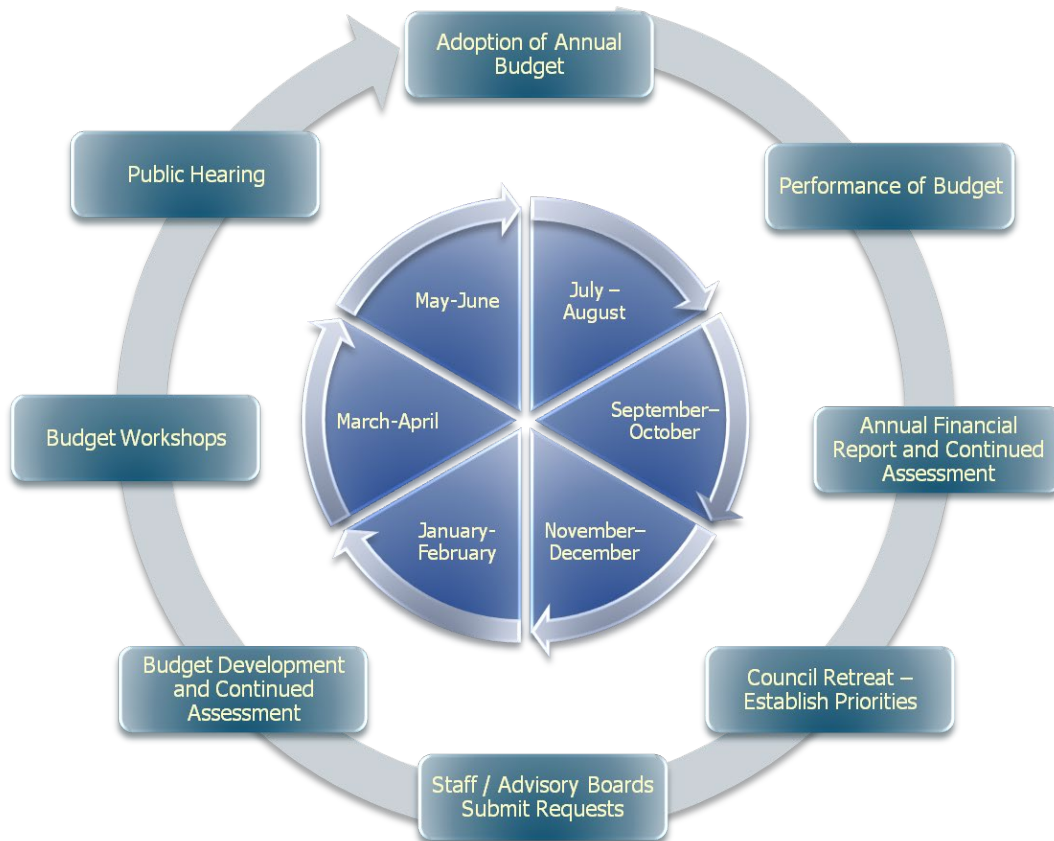
Occasionally, we find that estimates for the costs of certain goods and services increased from the time the budget was prepared to the time they are procured. When this occurs, the professional staff informs the Council of the difference and the Council makes a decision whether to amend the budget ordinance or forego a certain project. Moving budgeted amounts from one line to another within a department requires the approval of the Budget Officer, but moving budgeted amounts from one department to another within the General Fund requires a formal budget amendment vote by the Council. As with all the other business this Town conducts, these changes are made in public meetings and are reported at the regular Council meeting.

This process of monitoring the current budget continues through the close of the fiscal year and up through the process of the preparation of the Annual Comprehensive Financial Report (ACFR) of the Town. This report, containing audited financial statements, is prepared by Town staff and an independent auditor under contract with the Town and is submitted to the North Carolina Local Government Commission for their approval. The results of this audit are presented in written form to the Town Council and in an oral report from the auditor or a member of the audit committee at a public meeting.

Once our portion of the work on the ACFR is complete, attention turns again to discussion of priorities for the budget in the next fiscal year. At the Kick-Off in January, as mentioned above, this process begins anew. Projects that were set aside from previous years are

re-examined in terms of the Council's priorities. Price estimates and the anticipated benefit of these projects are updated and made ready for further consideration, and new projects and programs are considered that respond to the direction the Council has given.

This graphic illustrates the cyclical nature of our budget process, one marked by continued assessment and a commitment to fiscal responsibility. The budget process used in River Bend continues to evolve. We believe it offers significant opportunity for public interaction, both in informal workshops and a formal hearing.



Our goal is to have our budget document achieve continued recognition for excellence by the Government Finance Officers Association. Achieving this goal recognizes that there are likely to be many more improvements we will make in future years, just as this year's document represents an improvement over the last.

Computation of Legal Debt Margin

North Carolina General Statutes impose a limit on the amount of debt River Bend, and any other local government, can incur. This debt ceiling is eight percent of the total assessed value of real and personal property. As of July 1, 2021 our gross debt obligation is \$1,650,000, which is entirely general obligation (G.O.) bonds backed by the full faith, credit, and taxing power of the Town of River Bend. These G.O. bonds were issued for the Water and Sewer Enterprise Funds. North Carolina General Statute 159-55 permits deduction of water bonds from gross debt, in our case, \$759,263, in determining the Town’s legal debt margin.

Assessed Value of Real and Personal Property: \$311,000,000 (estimate from county)

Debt Limit (8% of assessed value): \$ 24,880,000

Debt (net) Applicable to Limit (as of 7/1/2020): \$ 655,737

Legal Debt Margin: \$ 24,224,263

General Fund

The General Fund incurs debt to finance improvements and other large capital purchases. As we enter the fiscal year, there is no outstanding installment debt. The Town does not plan to issue any General Fund debt in Fiscal Year 2021-22.

Enterprise Funds

The Enterprise Funds account for the entire amount of debt that is recorded against our legal debt threshold. Issued to purchase the water and sewer system, this general obligation bond was refinanced in Fiscal Year 2005 in order to take advantage of competitive interest rates. Refer to the table below for more details about these obligations. The Town does not plan to issue any Enterprise Fund debt in Fiscal Year 2021-22.

Fiscal Year 2021-22 Debt Obligations Summary												
Year Issued	Project	Loan Type	Amount Issued	Fiscal Year Retired	Interest Rate	Debt as of 7/1/2021	FY 21-22 Principal	FY 21-22 Interest	Total Payment	Debt as of 6/30/2022		
Water Fund												
2013*	Purchase of Water System	General Obligation Bond	1,588,384	2027	2 -3 % **	759,263	128,788	20,204	148,992	630,475		
Remaining Water Debt at end of Fiscal Year			630,475									
Sewer Fund												
2013*	Purchase of Sewer System	General Obligation Bond	1,371,616	2027	2 -3 % **	655,737	111,212	17,446	128,658	544,525		
						TOTAL	1,415,000					\$1,175,000
Remaining Sewer Debt at end of Fiscal Year			544,525									
					** Rate changes per schedule							
* 1997 and 2000 USDA debt refinanced with bonds in FY2005; savings of \$2.4 million.												
Series 2004 bonds refunded in FY2013 - savings of \$300,000.												

Personnel

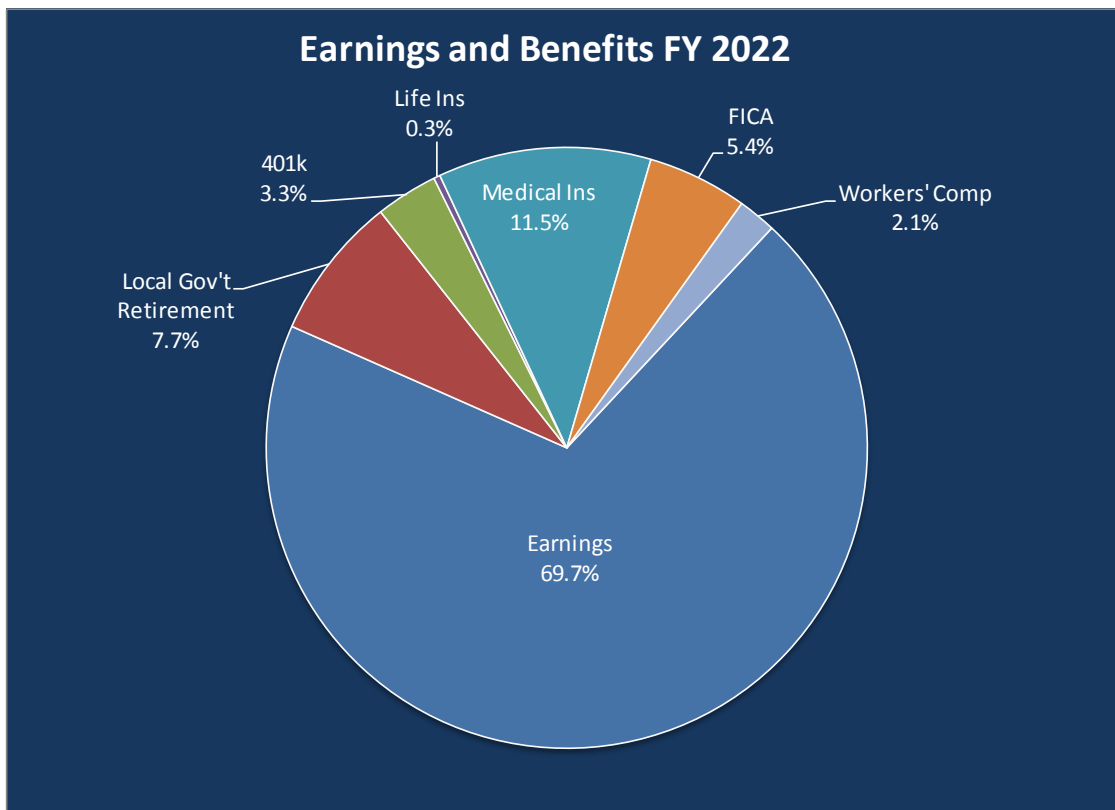
Personnel Costs

The total of all personnel related expenses, including wages and benefits, is budgeted at \$1,424,468. This represents a total of 45% of the total combined operating budget. Due mainly to staffing changes, this budget reflects a total personnel cost decrease of 3% over the FY21 adopted budget. This budget does contain a 1.4% cost of living allowance and a 1% of salary increase for longevity. There is also an additional 2% of salary available for merit bonuses.

The graph below shows how the total personnel cost is broken down. Earnings account for 70% of the total cost of personnel. Medical insurance is the costliest benefit. Our health insurance plan includes a \$3,500 deductible from Blue Cross and Blue Shield of North Carolina. The Town mitigates the financial impact of this high deductible by funding, for each full-time employee, a Healthcare Reimbursement Account (HRA) in the amount of \$1,500.

By way of comparison, according to 2020 data compiled by the North Carolina Local Government Commission, River Bend's per capita expenditure for salaries and wages of \$350 was \$93 less than that of our peer group (2,500-9,999 population, without electric), which was \$443.

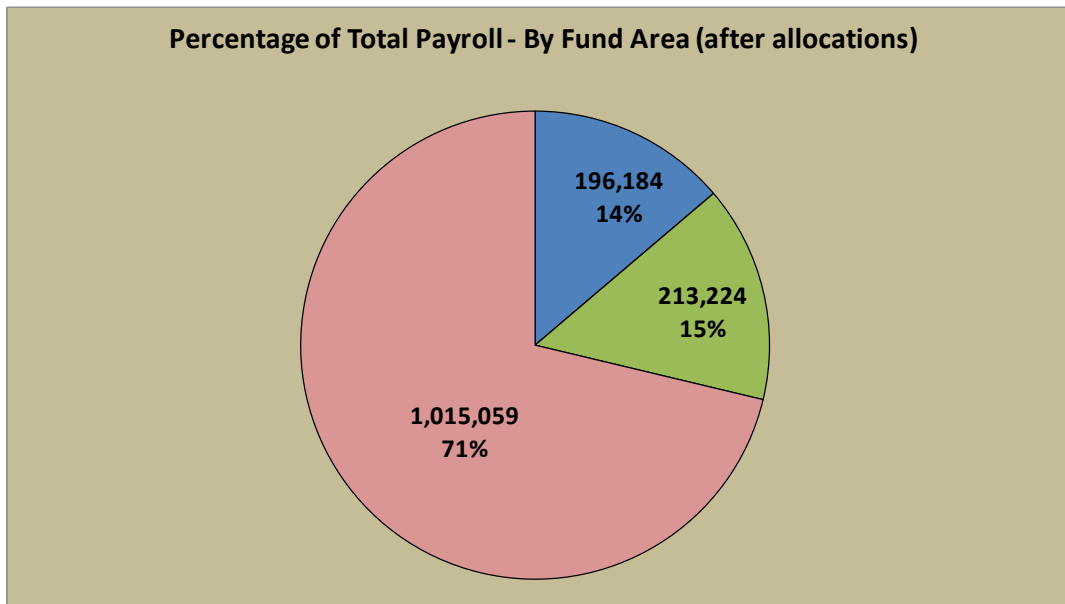
These figures do include grant funding for two temporary positions that were funded by the North Carolina Office of Recovery and Resiliency to aid the town in hurricane recovery following Hurricane Florence. For FY22, the budget includes \$71,247 to fund the personnel costs of those two positions. This is the third year of a three year grant term.



Labor Allocations

Including the 2 temporary, grant-funded positions previously mentioned, the Town of River Bend has a total of 24 positions, 4 of which are part-time. Each year each position is analyzed in order to determine its contribution to the overall operation of the Town, and to determine how to best allocate the expenses related to the position between the three major funds (General, Water, and Sewer).

These allocations are based upon estimates of the number of hours, relative to the full work week, that each position spends working on tasks related to a specific fund. As we examined allocations this year, the management team saw no need to adjust the current allocations. We will continue to examine and revise (if needed) these allocations each year during the process of preparing the budget. Absent a detailed and costly time study, these estimates represent, we believe, a fair and reasonable approximation of the actual time spent in each fund area by the positions listed.



Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Labor allocations are depicted in the table below:

	Water	Sewer	Gen. Fund
	%	%	%
Town Manager	20	20	60
Finance Administrator	25	25	50
Finance Assistant*	32.5	32.5	35
Town Clerk	5	5	90
Deputy Town Clerk	5	5	90
Assistant Zoning Administrator	20	20	60
Police Chief	0.5	0.5	99
Police Sergeant	0.5	0.5	99
Police Patrol Officer	0.5	0.5	99
Police Patrol Officer	0.5	0.5	99
Police Patrol Officer	0.5	0.5	99
Police Patrol Officer	0.5	0.5	99
Police Patrol Officer (Part time)	0.5	0.5	99
Public Works Director *	30	40	30
Water Operator *	40	45	15
Water Operator *	40	45	15
Public Works	10	10	80
Public Works	10	10	80
Public Works	10	10	80
Custodian (part-time)			100

*These four positions are primarily within the water/sewer department, so the General Fund pays the allocated portion of the cost of these employees to the Enterprise Funds.

Other positions that are allocated between the Funds are primarily General Fund positions, so the Enterprise Funds pays the allocated portion of the cost of these employees to the General Fund.

Changes in Staffing Levels and Hours

This budget, as noted earlier, does not contemplate the addition or elimination of any full or part-time positions for the foreseeable future. The chart below does not include the 2 temporary grant-funded positions. FY22 will be the final year of funding for those positions. When grant funding ends, the Council will have to decide whether or not to continue funding those positions.

Full-Time Equivalent Positions (FTE) - All Funds								
Fiscal Year	2020	2021	2022	2023	2024	2025	2026	2027
Administration	3	3	3	3	3	3	3	3
Finance	2	2	2	2	2	2	2	2
Police	6.5	7	7	7	7	7	7	7
Zoning	1	1	1	1	1	1	1	1
Public Works	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Water/Sewer Funds	3	3	3	3	3	3	3	3
TOTAL FTE	19	19.5	19.5	19.5	19.5	19.5	19.5	19.5

1.13

Employee Benefits

Competitive Salary

River Bend maintains a competitive salary structure when compared to other local governments in our peer group. In Fiscal Year 2020 a complete review and revision of the compensation plan for all employees was completed. Each year the Town Manager compares salaries for each position, with the average salary of our peer group for those positions, as published in the NCLM’s annual salary study. That information is used as a guide to help keep our salaries competitive with our peer group.

Insurance

The Town pays the full costs of health and life insurance for all employees. An employee may purchase additional insurance for family coverage. Beginning in FY 2021, the Town increased the individual deductible to \$3,500 in order to realize savings on health insurance premiums. To offset some of the impact on employees, the Town funds, using a Health Reimbursement Account (HRA), the first \$1,500 of each employee’s deductible.

Supplemental insurance for dental, accident, life, long-term care, cancer, and short-term disability, is available for the employee to purchase using payroll deduction.

Social Security

The Town and employees both contribute to the Social Security System.

Retirement

All Town employees are members of the Local Government Employees' Retirement System (LERS), which is run by the State of North Carolina. Both the Town and employees contribute to the retirement system. The employer's contribution rate increased for fiscal year 2011 for the first time in over thirty years and continues to change each year to respond to changes in the financial performance of funds invested for local government retirees. Effective July 1, 2021, the rate increased to 11.35% for non-law enforcement and to 12.10% for law enforcement positions.

401(k)

The Town contributes an amount equal to 5% for sworn police officers into a 401(k) for retirement, per state law, and the Town takes the additional step of providing a 5% contribution to all other full-time staff members' 401(k) plans. Employees can also voluntarily contribute into the account. Each employee chooses how the money is invested from a menu of investment accounts through Prudential.

Holidays

In accordance with our Personnel Policy, full-time employees are provided up twelve paid holidays per year, depending on where Christmas falls in the week.

Vacation

Employees accrue vacation leave time at rates based upon years of service and are limited to 30 days in the total amount they may accrue.

Sick Leave

Employees earn one sick leave day for each month of service. There is no maximum accrual for sick leave and this leave may be converted to service credit according to terms established by the North Carolina Local Government Employees' Retirement System.

Uniforms

Uniforms and safety shoes are provided to certain employees where needed, such as police, public works and water resources.

Tuition Reimbursement

Employees taking courses that will improve their skills for their current job or prepare them for promotional opportunities within the Town, may be eligible for reimbursement of up to \$350 per year for tuition and other related expenses.

Law Enforcement Separation Allowance

The Town also, in conformance with State law, provides for supplemental retirement benefits for law enforcement personnel. We budget a small amount each year in a trust fund to pay for a portion of this benefit when the need arises.

DEPARTMENT: Administration / Finance

PURPOSE: The purpose of this plan is to provide an equitable framework for the compensation and advancement of personnel.

FEATURES:

1. Pay Grades – The plan contains a total of six (6) pay grades.
 - AD 1 - Entry Level – Administrative Support Specialist. Currently unfilled, and not likely to be needed unless staffing in other areas changes, or a need is identified.
 - AD 2 – Basic level of administrative and finance functions. Some post-secondary education required, and some advanced skills and knowledge. This is the level at which we currently employ the Town Clerk.
 - AD 3 – Intermediate level of administrative and finance functions. Post-secondary degree, and/or directly relevant certifications, and/or at least three years of directly relevant experience with the Town or similar entity. This is the level to which we would promote the Clerk upon receipt of Certified Municipal Clerk designation. The Assistant Zoning Administrator is currently in this grade due to having obtained certification as a Certified Floodplain Administrator and CAMA Local Permit Officer.
 - AD 4 – Advanced level of administrative and finance functions. Graduate study/degree required along with at least three years of experience at an intermediate level in a comparable or directly related position. This is the level at which we currently employ our Finance Assistant.
 - AD 5 – Finance Director. Department head level, with supervisory responsibility. Baccalaureate degree required along with two to five years of experience at an advanced level in a comparable or directly related position. Substantial course work in governmental finance required and graduate level study/degree preferred.
 - AD 6 – Town Manager. Graduate degree in a related field and three or more years of directly relevant experience.

2. Longevity Pay – The plan recognizes longevity by increasing each full-time employee one step within their pay grade on July 1st of each year. Employees who end their probationary period on or after January 1st will not advance from the step to which their position is assigned on the subsequent July 1st but will in succeeding years begin advancement as described above.

3. Promotions – The plan encourages promotion from the level of AD 1 to AD 2, and beyond, by offering a pay grade increase for increased levels of formal education. Promotions to the level of Finance Director will be based upon competitive selection as the position become available. The position of Town Manager will be filled in accordance with the procedures established by the Town Council when this position becomes, or is about to become, vacant. Persons hired from outside the department may be granted credit for time in grade by placing them into

- step levels commensurate with the value of their prior experience in the job classification into which they are hired. This step placement will be at the discretion of the Town Manager. Promotions will take effect on the July 1st immediately following the employee meeting all promotion criteria.
4. Cost of Living Increases – The plan will be adjusted annually, with an effective date of July 1st, to reflect the decision of the Town Council regarding the appropriate level of adjustment necessary to respond to changes in cost of living indices.
 5. Other Plan Adjustments – Each year, the Town Manager will review the compensation levels within the plan. Current levels will be compared to those in similar sized jurisdictions in North Carolina, and with other municipal departments in the area based upon data collected by the North Carolina League of Municipalities. During the annual budget process, any recommended changes to the levels of compensation will be discussed with the Town Council, who will decide what, if any, changes are appropriate given the data presented, balanced with other competing needs in the Town.
 6. Maximum Levels of Compensation – If an employee reaches the maximum step available within their pay grade, they will no longer be eligible for longevity increases. Compensation will still be adjusted based upon criteria outlined in numbers 4 and 5 above.
 7. Merit Bonus – Each year the Town Council may, at its discretion, create a pool of funds to be used to reward exceptional performance by employees during the preceding fiscal year, and to reward them for obtaining advance and job appropriate certifications throughout the year. Merit bonuses will be based upon the results of annual performance evaluations at the discretion of the Town Manager in consultation with the appropriate Department Head. The amount of the bonus will be determined by the Town Manager, but will not, unless special circumstances exist, and only with Town Council approval, exceed 2 percent of the employee's base salary.

Town of River Bend, North Carolina
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ADMIN.						
Step	AD 1	AD 2	AD 3	AD 4	AD 5	AD 6
1	31,637	37,432	44,288	52,400	60,522	85,247
2	31,953	37,806	44,731	52,924	61,127	86,099
3	32,273	38,184	45,178	53,453	61,738	86,960
4	32,595	38,566	45,630	53,988	62,355	87,830
5	32,921	38,951	46,086	54,527	62,979	88,708
6	33,251	39,341	46,547	55,073	63,609	89,595
7	33,583	39,734	47,012	55,623	64,245	90,491
8	33,919	40,132	47,483	56,180	64,887	91,396
9	34,258	40,533	47,957	56,742	65,536	92,310
10	34,601	40,938	48,437	57,309	66,192	93,233
11	34,947	41,348	48,921	57,882	66,853	94,165
12	35,296	41,761	49,410	58,461	67,522	95,107
13	35,649	42,179	49,905	59,045	68,197	96,058
14	36,006	42,601	50,404	59,636	68,879	97,019
15	36,366	43,027	50,908	60,232	69,568	97,989
16	36,729	43,457	51,417	60,835	70,264	98,969
17	37,097	43,891	51,931	61,443	70,966	99,958
18	37,468	44,330	52,450	62,057	71,676	100,958
19	37,842	44,774	52,975	62,678	72,393	101,967
20	38,221	45,221	53,504	63,305	73,117	102,987
21	38,603	45,674	54,040	63,938	73,848	104,017
22	38,989	46,130	54,580	64,577	74,586	105,057
23	39,379	46,592	55,126	65,223	75,332	106,108
24	39,773	47,058	55,677	65,875	76,085	107,169
25	40,170	47,528	56,234	66,534	76,846	108,240

Current Classification – By Position (full-time positions only)

Town Manager*	contract
Finance Director	AD5 Step 22
Finance Assistant	AD4 Step 4
Town Clerk	AD2 Step 1
Deputy Town Clerk	AD2 Step 1
Asst. Zoning Administrator	AD3 Step 12

* Position is paid by contract at a salary of \$104,500

DEPARTMENT: Police

PURPOSE: The purpose of this plan is to provide an equitable framework for the compensation and advancement of police personnel.

FEATURES:

1. Pay Grades – The plan contains a total of six (6) pay grades.
 - PO 1 - Entry Level Patrol Officer
 - PO 2 – Patrol Officer with at least three years' time as PO 1 and Intermediate Law Enforcement Certification.
 - PO 3 – Patrol Officer with at least three years' time as PO 2 and Advanced Law Enforcement Certification.
 - PO 4 – Sergeant – patrol officer and first level supervisor.
 - PO 5 – Lieutenant – patrol officer and intermediate level supervisor. Currently unfilled and not likely to be needed until the size of the department expands to the point where this intermediate supervisory level is warranted.
 - PO 6 – Chief of Police
2. Longevity Pay – The plan recognizes longevity by increasing each full-time employee one step within their pay grade on July 1st of each year. Employees who end their probationary period on or after January 1st will not advance from the step to which their position is assigned on the subsequent July 1st but will in succeeding years begin advancement as described above.
3. Promotions – The plan, in the first three grades, encourages promotion from the rank of PO 1, to PO 2, and then PO 3 by offering a pay grade increase and by eliminating longevity increases beyond a tenure deemed reasonable to meet the criteria for promotion. Promotions to the rank of Sergeant, Lieutenant, and Chief will be based upon competitive selection as positions become available. Persons hired from outside the department may be granted credit for time in grade by placing them into step levels commensurate with the value of their prior experience in the job classification into which they are hired. This step placement will be at the discretion of the Town Manager in consultation with the Chief of Police. Promotions will take effect on the July 1st immediately following the employee meeting all promotion criteria.
4. Cost of Living Increases – The plan will be adjusted annually, with an effective date of July 1st, to reflect the decision of the Town Council regarding the appropriate level of adjustment necessary to respond to changes in cost of living indices.

5. Other Plan Adjustments – Each year, the Town Manager and the Chief of Police will review the compensation levels within the plan. Current levels will be compared to departments located in similar sized jurisdictions in North Carolina, and with other municipal departments in the area based upon data collected by the North Carolina League of Municipalities. During the annual budget process, any recommended changes to the levels of compensation will be discussed with the Town Council, who will decide what, if any, changes are appropriate given the data presented balanced with other competing needs in the Town.

6. Maximum Levels of Compensation – If an employee reaches the maximum step available within their pay grade, they will no longer be eligible for longevity increases. Compensation will still be adjusted based upon criteria outlined in numbers 4 and 5 above.

7. Merit Bonus – Each year the Town Council may, at its discretion, create a pool of funds to be used to reward exceptional performance by employees during the preceding fiscal year, and to reward them for obtaining advance and job appropriate certifications throughout the year. Merit bonuses will be based upon the results of annual performance evaluations at the discretion of the Town Manager in consultation with the appropriate Department Head. The amount of the bonus will be determined by the Town Manager, but will not, unless special circumstances exist, and only with Town Council approval, exceed 2 percent of the employee's base salary.

Town of River Bend, North Carolina
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POLICE						
Step	PO 1	PO 2	PO 3	PO 4 (Sgt)	PO 5 (Lt)	PO 6 (Chief)
1	38,534			55,844	64,500	67,781
2	38,919			56,402	65,145	68,459
3	39,308	42,103		56,966	65,796	69,144
4	39,701	42,524		57,536	66,454	69,835
5	40,098	42,949	49,322	58,112	67,119	70,533
6		43,379	49,815	58,693	67,790	71,239
7		43,813	50,313	59,280	68,468	71,951
8		44,251	50,816	59,872	69,152	72,671
9		44,693	51,324	60,471	69,844	73,397
10		45,140	51,838	61,076	70,542	74,131
11		45,592	52,356	61,687	71,248	74,873
12		46,048	52,880	62,303	71,960	75,621
13		46,508	53,408	62,926	72,680	76,377
14		46,973	53,943	63,556	73,407	77,141
15		47,443	54,482	64,191	74,141	77,913
16		47,917	55,027	64,833	74,882	78,692
17		48,396	55,577	65,482	75,631	79,479
18		48,880	56,133	66,136	76,387	80,274
19		49,369	56,694	66,798	77,151	81,076
20		49,863	57,261	67,466	77,923	81,887
21		50,362	57,834	68,140	78,702	82,706
22		50,865	58,412	68,822	79,489	83,533
23		51,374	58,996	69,510	80,284	84,368
24		51,888	59,586	70,205	81,087	85,212
25		52,406	60,182	70,907	81,897	86,064

Current Classification – By Position (full-time positions only)

Police Chief	P06	Step 13
Sergeant	P04	Step 1
Patrol Officer	P03	Step 5
Patrol Officer	P02	Step 8
Patrol Officer	P01	Step 2
Patrol Officer	P01	Step 5

DEPARTMENT: Public Works / Water Resources

PURPOSE: The purpose of this plan is to provide an equitable framework for the compensation and advancement of personnel.

FEATURES:

1. Pay Grades – The plan contains a total of seven (7) pay grades.
 - o PW 1 - Entry Level Public Works Technician
 - o PW 2 – Public Works Technician with at least three years’ time as PW 1 and possession of one or more State issued pesticide or herbicide licenses.
 - o PW 3 – Public Works Technician with at least two years as a PW2 and possession of C-Well, C-Distribution, Collections-I and Wastewater-I. (class being added).
 - o WO 1 – Entry level water/wastewater operator. Must possess, or obtain C-Well, C-Distribution, Collections I and Wastewater I within one year of hire.
 - o WO 2 – Water/Wastewater Operator with at least three years’ time as WO 1 and possession of B-Well, B-Distribution, Collections II, and Wastewater II.
 - o WO 3 – Advanced Water/Wastewater Operator with at least two years’ time as WO 2 and possession of B-Well, B-Distribution, Collections III, and Wastewater III.
 - o WO 4 – Field Operations Supervisor – Field level supervisor with B-Well, B-Distribution, Collections III, Wastewater III and Cross Connection certifications.
 - o WO 5 – Director of Public Works

2. Longevity Pay – The plan recognizes longevity by increasing each full-time employee one step within their pay grade on July 1st of each year. Employees who end their probationary period on or after January 1st will not advance from the step to which their position is assigned on the subsequent July 1st but will in succeeding years begin advancement as described above.

3. Promotions – The plan encourages promotion from the level of PW I to PW II to PW III, and from WO I, to II, to III, by offering a pay grade increase and by eliminating longevity increases beyond a tenure deemed reasonable to meet the criteria for promotion. Promotions to the level of Field Operations Supervisor and Director will be based upon competitive selection as positions become available. Persons hired from outside the department may be granted credit for time in grade by placing them into step levels commensurate with the value of their prior experience in the job classification into which they are hired. This step placement will be at the discretion of the Town Manager in consultation with the Director. Promotions will take effect on the July 1st immediately following the employee meeting all promotion criteria.

4. Cost of Living Increases – The plan will be adjusted annually, with an effective date of July 1st, to reflect the decision of the Town Council regarding the appropriate level of adjustment necessary to respond to changes in cost of living indices.
5. Other Plan Adjustments – Each year, the Town Manager and the Director will review the compensation levels within the plan. Current levels will be compared to those in similar sized jurisdictions in North Carolina, and with other municipal departments in the area based upon data collected by the North Carolina League of Municipalities. During the annual budget process, any recommended changes to the levels of compensation will be discussed with the Town Council, who will decide what, if any, changes are appropriate given the data presented, balanced with other competing needs in the Town.
6. Maximum Levels of Compensation – If an employee reaches the maximum step available within their pay grade, they will no longer be eligible for longevity increases. Compensation will still be adjusted based upon criteria outlined in numbers 4 and 5 above.
7. Merit Bonus – Each year the Town Council may, at its discretion, create a pool of funds to be used to reward exceptional performance by employees during the preceding fiscal year, and to reward them for obtaining advance and job appropriate certifications throughout the year. Merit bonuses will be based upon the results of annual performance evaluations at the discretion of the Town Manager in consultation with the appropriate Department Head. The amount of the bonus will be determined by the Town Manager, but will not, unless special circumstances exist, and only with Town Council approval, exceed 2 percent of the employee's base salary.
8. Stand-by Pay – Stand-by time is defined as that time when an employee must be available for contact via a Town authorized communication device and be within a thirty (30) minute response time to the Town. Non-exempt employees required to be on "stand-by" duty will be paid for nine hours of work for each week of stand-by time they serve. Stand-by compensation for less than one full week shall be determined by the ratio of 0.07 hours of pay per one hour of stand-by time. Hours actually worked while on stand-by are calculated beginning when the employee begins transit, subject to a maximum travel time of one-half hour, to the work site, and ending, subject to a maximum return travel time of one-half hour, when the employee returns to their pre-call back location. These hours are added to the regular total of hours worked for the week. Travel time, subject to the one-hour maximum round trip, is counted toward the two-hour call back minimum. Operators will be reimbursed, at the rate approved by the Town Council, for mileage, round-trip, from their home, or actual location when called back, whichever is closer.

Town of River Bend, North Carolina
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PUBLIC WORKS Step	Public Works			Water Resources				
	PW 1	PW 2	PW 3	WO 1	WO 2	WO 3	WO 4 (FO Sup)	WO 5 (Dir)
1	31,637			40,494			58,685	67,781
2	31,953			40,899			59,272	68,459
3	32,273	34,567		41,308	44,245		59,865	69,144
4	32,595	34,913		41,721	44,688		60,463	69,835
5	32,921	35,262	40,494	42,138	45,135	51,831	61,068	70,533
6		35,615	40,899		45,586	52,349	61,679	71,239
7		35,971	41,308		46,042	52,873	62,296	71,951
8		36,331	41,721		46,502	53,402	62,918	72,671
9		36,694	42,138		46,967	53,936	63,548	73,397
10		37,061	42,560		47,437	54,475	64,183	74,131
11		37,432	42,985		47,911	55,020	64,825	74,873
12		37,806	43,415		48,390	55,570	65,473	75,621
13		38,184	43,849		48,874	56,126	66,128	76,377
14		38,566	44,288		49,363	56,687	66,789	77,141
15		38,951	44,731		49,857	57,254	67,457	77,913
16		39,341	45,178		50,355	57,826	68,132	78,692
17		39,734	45,630		50,859	58,405	68,813	79,479
18		40,132	46,086		51,367	58,989	69,501	80,274
19		40,533	46,547		51,881	59,579	70,196	81,076
20		40,938	47,012		52,400	60,174	70,898	81,887
21		41,348	47,483		52,924	60,776	71,607	82,706
22		41,761	47,957		53,453	61,384	72,323	83,533
23		42,179	48,437		53,988	61,998	73,046	84,368
24		42,601	48,921		54,527	62,618	73,777	85,212
25		43,027	49,410		55,073	63,244	74,515	86,064

Current Classification – By Position (full-time positions only)

Director of Public Works	WO5	Step 9
Water Operator	WO2	Step 4
Water Operator	PW2	Step 20
Public Works Technician	PW2	Step 9
Public Works Technician	PW2	Step 9
Public Works Technician*	PW1	Step 1
Public Works Technician*	PW1	Step 1

* Position paid by temporary grant funding

Vehicle Replacement Plan

Included in the General Fund Capital Improvement Plan (CIP) is a detailed plan for the regular replacement of the vehicles in General Fund departments. The table below shows inventory of these vehicles and their estimated year of replacement. Estimated purchase prices are based upon the current State contract cost for the vehicle type in the current year and assumes a rate of inflation of 3% per year for the cost of the vehicle. Funding into the vehicle replacement plan is inflated at 1.5% per year and rounded to the nearest one thousand dollars. This table shows the budgeted fiscal year (highlighted) and the subsequent six years but the plan extends until FY2031. In FY22, no vehicles are scheduled to be purchased. In FY21, the Police vehicles were changed to a 6-year replacement schedule. It was previously on an 8-year schedule.

Vehicle Replacement Plan							
General Fund	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Reserved	40,000	28,000	28,000	29,000	29,000	37,000	33,000
Life Cycle Current Vehicle							
Police Vehicles							
Veh #1 6 years 2016 Dodge		43,000					
Veh #2 6 years 2019 Dodge					47,000		
Veh #3 6 years 2020 Ford						48,000	
Veh #4 6 years 2020 Ford				45,000			
Veh #5 N/A 2013 Dodge							
Total Police Vehicles	-	43,000	-	45,000	47,000	48,000	-
Public Works Vehicles							
Veh #1 12 years 2016 F-150							
Veh #2 12 years 2014 F-250					36,000		
Total Public Works Vehicles	-	-	-	-	36,000	-	-
Total Expended	0	43,000	0	45,000	83,000	48,000	0
Balance (end of FY)	68,086	53,086	81,086	65,086	11,086	86	33,086
Purchase price inflated by 3% per year beginning with FY 2015 and using the current State contract price as the base price. Contributions increased by 2% per year beginning with FY 2019.							
Vehicle Replacement Plan							
Enterprise Funds	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Reserved	7,000	7,000	7,000	8,000	8,000	8,000	8,000
Life Cycle Current Vehicle							
Veh #1 12 years 2008 Chevy Van							
Veh #2 12 years 2018 F-150							
Veh #3 12 years 2017 F-250							
Total Expended	0	0	0	0	0	0	0
Balance (end of FY)	7,000	14,000	21,000	29,000	37,000	45,000	53,000

Information Technology Replacement Plan

Included in the General Fund Capital Improvement Plan is a detailed plan for keeping our Information Technology equipment up-to-date. In fiscal year 2012 we migrated away from maintaining our IT infrastructure on-site to a model that moved our servers to a remote site, maintained by our IT contractor, VC3, Incorporated. This eliminated many of the more expensive components of our infrastructure, and eliminated the need for many service expenses including disaster recovery. Our analysis of this change in approach was predicated upon the need to be more aggressive in complying with public records laws as they relate to the retention of e-mail. Our former system lacked the sophistication to adequately maintain these records in a way that they could be retrieved efficiently. We looked at options that included acquiring new hardware and software to provide this service, but ultimately decided that the most cost effective approach was to contract for an off-premise based system.

Consequently, our IT hardware inventory was reduced in value by nearly 40%. We will, as shown on the table on the next page, need to continue to replace certain pieces of hardware to keep our system viable. What has been eliminated is servers, workstations, and back-up related hardware. Our estimates of the cost savings show that we will save nearly \$31,000 over the first eight years of using this approach to IT.

We pay a monthly fee of \$175 per desktop unit to VC3, and a per account charge for e-mail retention and retrieval. We were able to reduce the amount of CIP funding for IT from \$10,000 per year to \$6,000 per year in FY 2012. Due to reductions in the costs of our remaining hardware, particularly when it comes to mobile data terminals used by the police, we were able to further reduce CIP funding to \$2,000 in FY 2014. In FY 2022 the level of funding for IT replacement will be \$3,850.

The table below shows the inventory of this equipment and its intended year of replacement. The reader will notice we plan to purchase two laptops during FY22 for the police department. When comparing this year’s chart to previous years, you will notice that budgeting for printer replacement in the plan has been eliminated. Due to relatively low cost of printers and ease of availability, we have decided to run-to-fail with our printers and only replace as needed and to do it outside of a contact with our IT provider. We believe this will result in cost savings.

Hardware Remaining in Plan					
Item - User	Year Purchased	Make/Model	Cost	Est. Fiscal Year Replacement	Est. Repl. Cost
MDT - Police	07/31/19	Dell Latitude Rugged 5420	1,750	2022	1,925
MDT - Police	07/31/19	Dell Latitude Rugged 5420	1,750	2022	1,925
MDT - Police	05/01/21	Dell Latitude Rugged 5414	1,500	2025	1,650
MDT - Police	05/01/21	Dell Latitude Rugged 5414	1,500	2025	1,650
Laptop - Admin/Budget	2007	Dell Precision M4300	462	2024	800
Projector	2013	Dell	664	2024	1804
Network UPS	2008	Emerson	691	2024	900

Other Expenditures Common Across Major Funds

Electric Power Costs

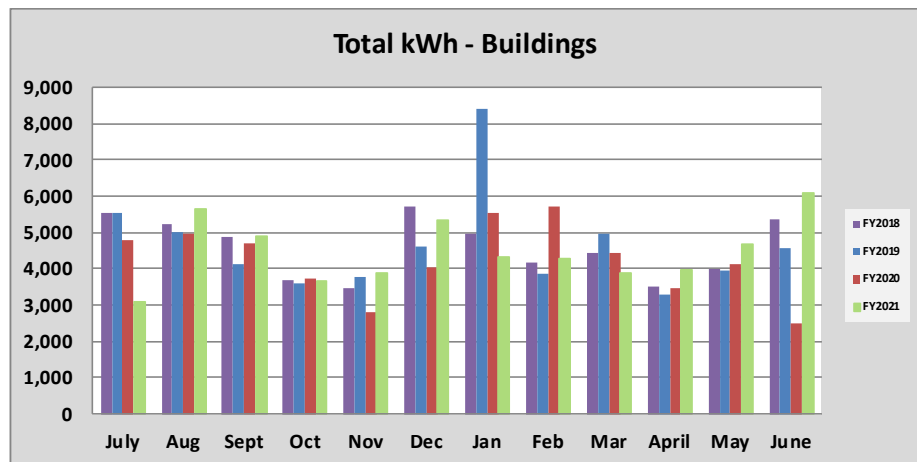
One of the larger expenditures, and one that affects all three major funds, is for electricity. Each year, during the budget process, we review information regarding our historical consumption patterns, and combine that with the outlook provided by our supplier, Duke Energy Progress, to arrive at a reasonable projection for the costs in each of these areas.

Typically, the budget uses an average of the current fiscal year (FY 2021) to date for the first six months of the new year (FY 2022). However, this year we anticipate a rate increase of 3% and have included that increase in the first six months. This should provide us with an adequate cushion within the electric cost budget. Duke Energy makes their fuel cost adjustments on a calendar year basis. Due to the lower cost of energy production attributable to the low cost of natural gas, we expect no fuel factor increase in December of 2021.

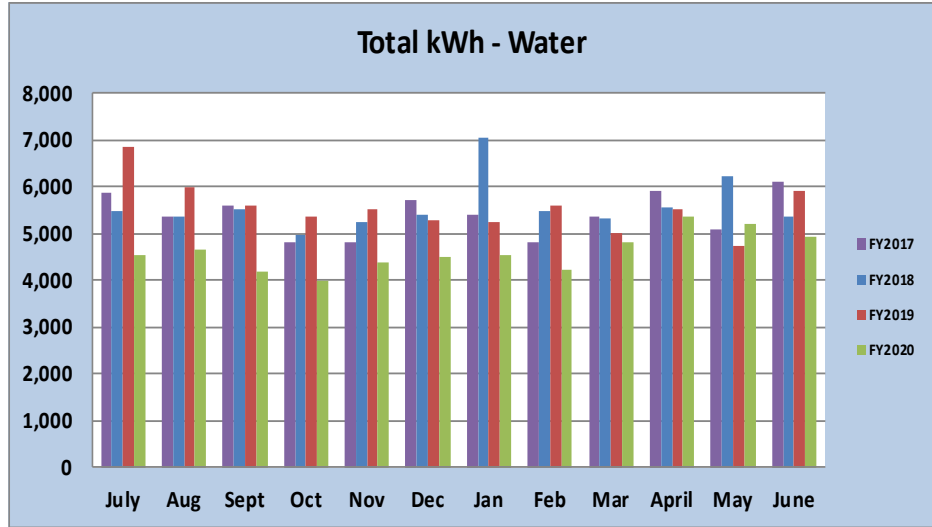
Departments	FY 2021		FY 2022	
	Budget	Projected	Forecast*	Budget
Water Supply	8,600	8,100	8,304	8,600
Sewer Collection	8,000	7,000	7,176	7,500
Sewer Treatment	28,500	26,669	27,340	28,500
Public Buildings**	16,400	15,925	16,326	17,600
Parks	5,200	4,300	4,408	5,200
Street Lights	42,000	43,000	43,645	44,000
TOTAL	108,700	104,994	107,198	111,400
* forecast includes a 3% increase in costs, plus a 1% increase in demand in all accounts except street lights				
** Includes \$1,200 for gas for municipal building				

The chart to the left shows the FY21 budget and year-end projected expenditure in each area where electric costs appear in the budget, and what we budget for FY 22 in each of these areas.

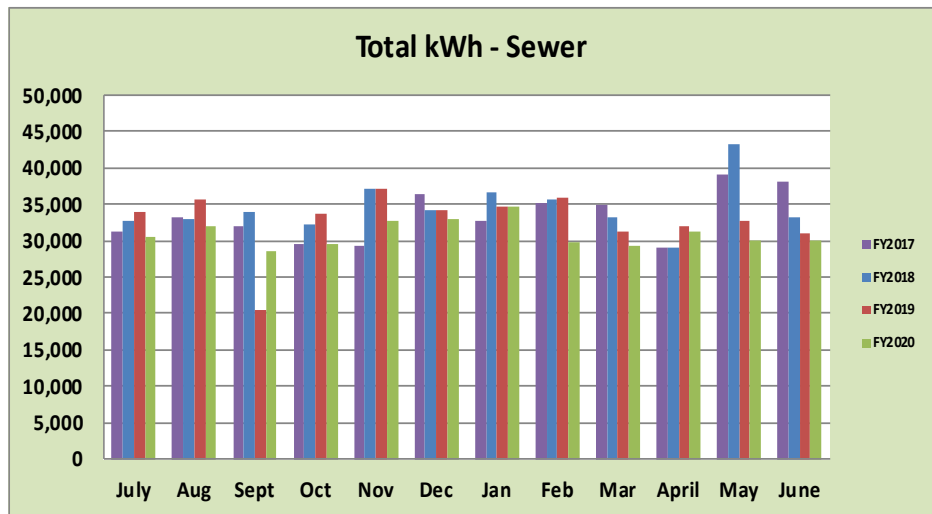
The chart to the right shows the total amount of power we used for our building operations. Overall, in FY 21 we used 19.75% more kWh than we did in FY 20, partially due to the addition of the Municipal Building.



We also track power consumption in our water and sewer operations. Both of these, the reader will notice, are large users of electricity, with the sewer treatment plant being the single largest user in our operations. Power usage in water was up 16.2 % over last year.



Power usage in sewer was down 5.44% over last year. We continue to look for ways to realize savings in these areas.

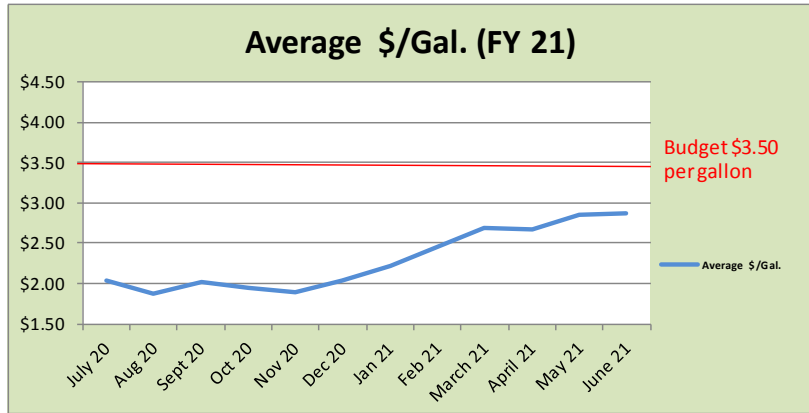


Gasoline Consumption

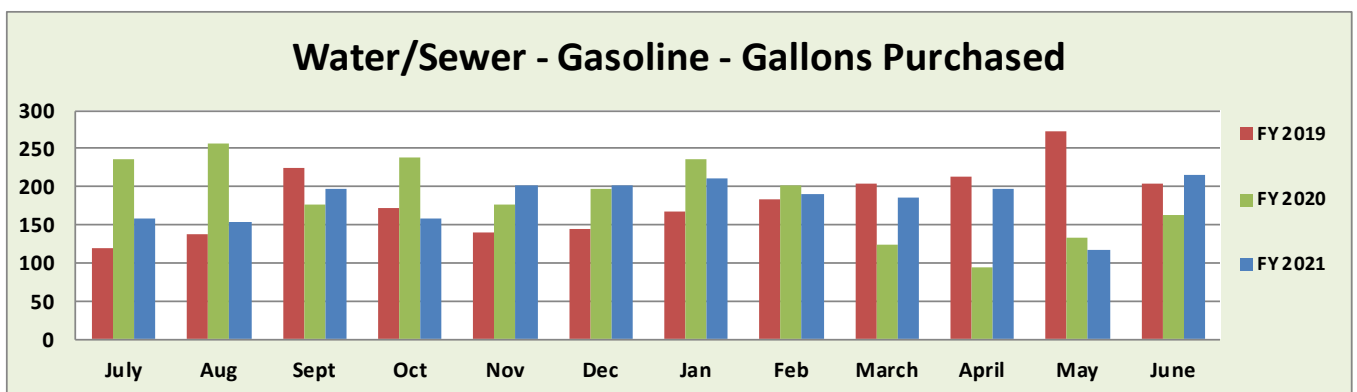
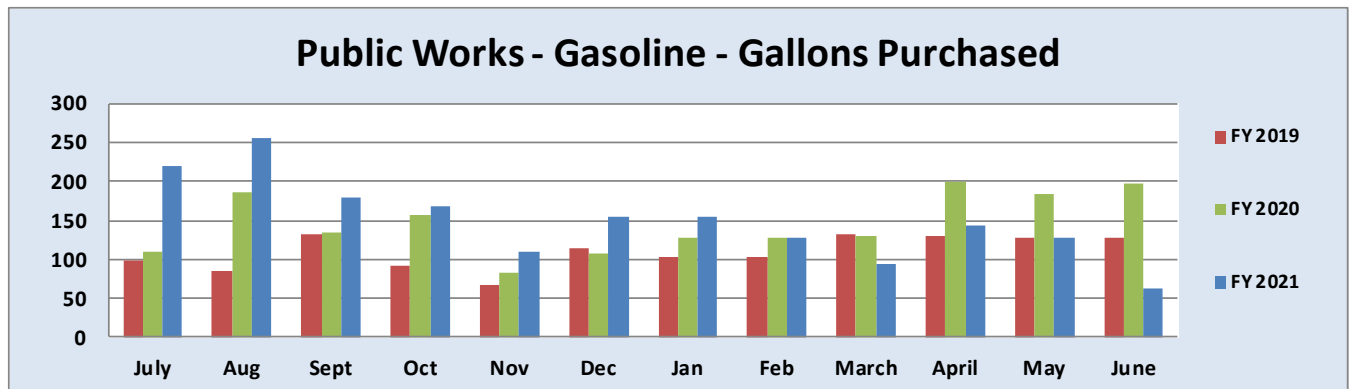
Another expenditure that affects all three funds, and several departments, is for motor fuel for our fleet. During the preparation of the budget, we look at the projections and historical data prepared by the federal Energy Information Administration (EIA) and compare that with our own experience. We then arrive at what we feel is a reasonable retail rate per gallon. For FY19-20, we budgeted \$3.50 per gallon. From this retail rate, we subtract fifty-four cents per gallon to arrive at our budget amount which represents the amount of federal and state tax included in each gallon. We maintain a fuel tax exemption certificate with our supplier who then subtracts the tax before billing us for the fuel we purchase. Due to proposed legislation, the State gasoline tax may be reduced during the fiscal year.

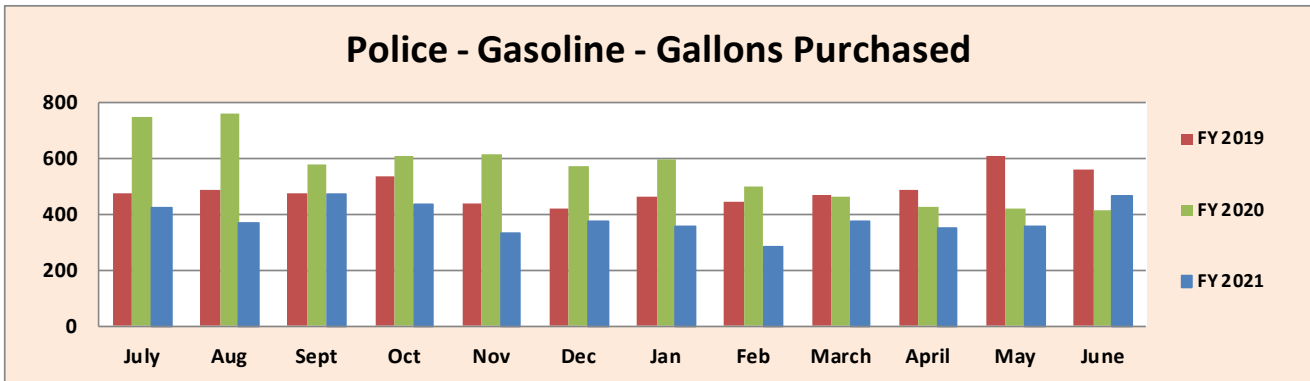
In order to determine the projected consumption, we look at historical records of miles driven in each department. Using an estimated number of miles per gallon based upon the composition of the department's fleet, we can predict, with some accuracy, the total amount we will spend on motor fuel for each department.

The chart to the right shows the retail cost per gallon we paid throughout FY21 and the budgeted price per gallon during that year. On average, we paid \$2.21 per gallon in FY21.



Each month, department heads receive reports showing how their fuel consumption measures up against the number of gallons per month budgeted for their department as well as compared to previous years. The department heads use this information as a management tool to ensure costs are tracking well with the amount budgeted.





The table below shows the detail of how each budgeted amount is arrived at and the change in budgeted expenditure compared to FY 2021.

Obviously, over the past few years, gasoline costs have been unstable, unpredictable and subject to much volatility due to numerous global influences and demands. Each year, during our budget planning process, we look at future fuel cost predictions as determined by the US Energy Information Administration (EIA). In January 2021, EIA predicted an average gasoline price of \$2.40 for the entire year. We chose to budget our gasoline expense at \$3.25 per gallon.

FY21-22	Retail Price / Gallon	\$2.75	\$3.00	\$3.25	\$3.50	\$3.75	\$4.00	\$4.25		
	Less Federal & State Taxes	0.54	0.54	0.54	0.54	0.54	0.54	0.54		
	Budget Price / Gallon	\$2.21	\$2.46	\$2.71	\$2.96	\$3.21	\$3.46	\$3.71		
									\$ Change vs. FY21	
		GALLONS	COST	COST	COST	COST	COST	COST	COST	
Police	5 Vehicles	5000	11,050	12,300	13,550	14,800	16,050	17,300	18,550	-\$3,322
Public Works	2 Vehicles	1650	3,647	4,059	4,472	4,884	5,297	5,709	6,122	\$624
Water / Sewer	3 Vehicles	2200	4,862	5,412	5,962	6,512	7,062	7,612	8,162	\$338
	TOTAL	8850	\$ 19,559	\$ 21,771	\$ 23,984	\$ 26,196	\$ 28,409	\$ 30,621	\$ 32,834	-\$2,361

Understanding the Headings

The sample below shows the heading on each worksheet contains the name of the department, and the department code as shown in our Chart of Accounts. Down the left side of the spreadsheet are the Expenditure Object Codes from our Chart of Accounts. These codes are the same for each department as prescribed by the Department of State Treasurer’s Policies Manual. For instance, Object Code 121 (wages and salaries) is seen in many departments. This coding allows us to combine, in reports, the total amount spent on a given category.

		11-12		12-13		13-14		14-15
		YR End Budget	Actual Expend	YR End Budget	Actual Expend	Current Budget	Projected Year-End	Adopted Budget
Governing Body								
4110								
121	Wages & Salaries							
170	Board Member Expenditures							
181	FICA							
186	Workers' Compensation Ins.							
171	Mayor's Representation							
481	Indirect Cost- Labor							
491	Dues & Subscriptions							
499	Misc- Contributions							
	Printing							
	TOTAL							

The worksheet contains columns for the last two complete fiscal years showing the year-end budget and the actual amount expended in each line. This provides the reader with an historical frame of reference for seeing how particular expenditures have changed. There are two columns for the current fiscal year that show the current budget and what we project will be expended when the fiscal year is over on June 30.

The next column contains the adopted budget for the coming fiscal year. The reader, by now, is familiar with how we prepare our budget, so it should come as no great surprise that we do far more than just look at what was spent in the last couple of years and apply some sort of inflationary factor to arrive at the proposed amount. Each line is carefully analyzed at the department level to ensure the budget will allow for the successful execution of the plans approved by the Town Council.

The notes below the TOTAL line on the worksheets provide some detail about the expenditures and are referenced by the “line” in which they are included in the worksheet. The charts show end-of-year actual expenditures (in dollars) in the past, and projected expenditures for the current fiscal year as compared to the budgeted expenditure for the coming year. These charts give the reader a longer historical perspective on expenditures in a given department.

General Fund Overview

The General Fund, as noted earlier, is the Fund that accounts for all governmental revenues and expenditures not associated with our Enterprises or other special funds.

What follows is a detailed description of the Capital Improvement Plan, expenditures, and revenues associated with the General Fund. Our budget process focuses attention on all these areas beginning with an analysis of planned expenditures to meet the needs of the community. Once expenditures are justified, projected revenues are examined in order to determine if they will be sufficient to fund the budgeted expenditures.

If projected revenues will not fund budgeted expenditures, the Town Council reviews expenditures in order to determine what, if any, projects and services can be eliminated. Once this process is complete, the Council may elect to use a portion of the unassigned Fund Balance or choose to increase revenue through a change in the Ad Valorem tax rate.

We are fortunate, this year, to be able to fund necessary maintenance and purchases without the need to raise the tax rate. For FY22, we appropriated \$244,602 from reserve funds to balance the budget.

General Fund Capital Improvement Plan

The purpose of the Capital Improvement Plan (CIP) is to forecast and match projected revenues and major capital needs over a five-year period. Capital planning is an important management tool that strengthens the linkage between community infrastructure needs and the financial capacity of the Town.

The River Bend General Fund CIP achieves five major objectives as a component of the Town's budget and financial planning process:

1. Helps the Town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high quality services to the citizens of River Bend.
2. Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures.
3. Ensures better coordination, evaluation, and planning of projects to serve the community and its needs.
4. Serves, together with the annual budget and other financial plans, as a guide to decision-making for the Town Council, Town Manager, and staff.
5. Serves as a systematic and comprehensive analysis of capital needs, increasing the probability of making rational budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the Town.

Generally defined, capital expenditures are those of major value that recur irregularly, result in the acquisition (or significant modification) of a fixed asset, and have a useful life greater than one year.

The CIP is updated annually as part of the Town's regular budget process. Projects are reviewed and evaluated based on the Mayor's and Council's priorities, other Town infrastructure needs, the financial capacity of the Town and the impact the projects will create on the Town's operating budget.

Once the projects are evaluated, a recommended CIP is developed that identifies the selection and timing of capital projects into future fiscal years. First-year projects are incorporated into the recommended annual operating budget. The Mayor and Council are also presented the future planning years for their consideration, review, and endorsement so staff can proceed with planning and evaluation of potential capital projects.

The Capital Improvement Plan is simply that – a *plan*. As such, projects are subject to change based on new or shifting service needs, special financing opportunities, emergency needs, or other directives or priorities established by the Mayor and Council. Because priorities can change, projects included in outward planning years are not guaranteed for funding.

The projects funded by expenditures from the Capital Improvement Plan are detailed later in this report within the description of the operational department in which the expenditure is made.

For Fiscal Year 20-21 the Council approved \$60,000 of funding for CIP projects. In FY 21-22 CIP funding totals \$107,000. The tables on the next two pages show both funding and expenditure from the General Fund Capital Improvement Plan. The General Fund Capital Reserve Fund accounts for this financial activity.

There are no significant nonrecurring capital expenditures in the FY22 budget. Likewise, there are no significant savings anticipated in the FY22 budget. The lack of such expenditures or savings allows us to maintain stable revenue and expenditures projections, thus avoiding the need to generate new revenue streams or significantly change the services that we deliver to our residents. The lack of significant capital expenditures or projects also allows us to avoid using fund balance to fund such projects. The long-range effect this has on budgeting is that it brings a level of stability to forecasting future financial impacts because there are few. For FY 20-21 the Town Council decided to change the police vehicle replacement schedule to a 6-year plan from the 8-year plan. In order to keep that CIP stable, \$52,000 was directed to that CIP. For FY22, a \$40,000 allocation is anticipated.

General Fund Capital Improvement Plan - Funding

CAPITAL IMPROVEMENT PLAN														
GENERAL FUND		Fiscal Year												
Adopted Capital Funding	Funding Began	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	TOTALS
<i>Public Bld. & Grounds:</i>														
Storage Facility Maintenance	05-06										5,000			10,000
Facility Replacement	10-11	26,000	78,000	52,000	70,000	0	0	20,000	20,000	20,000	20,000	20,000	20,000	584,000
<i>Public Works:</i>														
Backhoe (\$75,000 total split with W&S)								25,000						25,000
Stormwater Maintenance [1]	05-06	192,000	74,052	34,110	30,000	0	0	15,000	30,000	30,000	30,000	30,000	30,000	795,162
<i>Environmental - Waterways</i>														
Canal Maintenance (Dredging)	03-04	5,000	5,000	5,000	5,000	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	101,500
Front Pond/Ritter Field Silt Clean-out	05-06													3,000
<i>Information Technology</i>														
Hardware replacement	10-11	2,000	2,000	2,000	2,000	0	3,000	2,000	3,000	3,000	3,000	3,000	3,500	54,500
<i>Parks, Rec. & CAC</i>														
Town Commons development	03-04													50,000
<i>Vehicles (ref. veh repl schedule):</i>														
Public Works and Police	04-05	16,000	16,000	21,000	17,000	0	52,000	40,000	28,000	28,000	29,000	29,000	37,000	459,000
TOTAL		241,000	175,052	114,110	124,000	0	60,000	107,000	86,000	86,000	92,000	87,000	95,500	2,082,162

General Fund Capital Improvement Plan - Spending

CAPITAL IMPROVEMENT PLAN														
GENERAL FUND														
CAPITAL RESERVE FUND	Beg. Balance	498,596	453,706	470,644	539,228	432,035	195,087	137,457	179,794	190,002	249,281	259,691	204,834	
Adopted Capital Spending		2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	TOTALS
<i>Public Bld. & Grounds:</i>														
Storage Facility Maintenance														0
Wildwood Replacement				38,700	58,328	265,800								463,968
<i>Public Works:</i>														
Backhoe								25,000						25,000
Stormwater Maintenance		193,000	52,000	20,000	30,000		63,693	15,000	30,000	30,000	30,000	30,000	30,000	803,593
<i>Environmental - Waterways</i>														
Canal Maintenance & Dredging							58,000						5,000	76,500
Front Pond/Ritter Field Clean-out														3,000
<i>Information Technology:</i>														
Hardware replacement		3,553	0	1,993	3,142	5,800	2,970	3,850	3,000	3,504	3,300	3,500	4,000	60,723
<i>Parks, Rec. & CAC</i>														
Grant matching funds														35,000
<i>Vehicles (ref. veh repl schedule):</i>														
Public Works			22,000				0	0	0	0	0	36,000		100,266
Police		24,000	25,000		26,000	29,000	40,000		43,000	0	45,000	83,000	48,000	523,695
TOTAL		220,553	99,000	60,693	117,470	300,600	164,663	43,850	76,000	33,504	78,300	152,500	87,000	2,132,345
CAPITAL RESERVE FUND	Interest Earned:	610	1,828	5,277	10,277	3,652	33	187	208	782	1,710	2,144	3,535	69,237
	Ending Balance:	278,654	356,534	415,228	432,035	135,087	30,457	93,794	104,002	157,281	172,691	109,334	121,369	19,055
		2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	Ending Bal.

General Fund Expenditures

Introduction

The General Fund is broken down into eighteen departments, as shown below, based upon the functions and services the Town of River Bend provides. This year, there is also an additional, temporary department associated with expenditures related to a grant from the North Carolina Department of Recovery and Resiliency. Its entire operation is to fund the employment costs of two temporary positions in the Public Works Department. The cost of that department for FY22 is \$76,475. What follows is a cursory description of each of the other eighteen departments and an overview of the budget for each.

Included on the first page of each department’s narrative is an indication that directs the reader to the Mayor-Council Priorities for the budget year as shown on Page 6 of this document. For instance, if a department’s budget contains funding for a particular project, purchase, or expenditure that is related to financial management, the heading would show that there are expenditures related to Mayor-Council priority number 8. These indications show how the function of each department is directly related to the priorities the Council establishes each year.

Major expenditures and projects are discussed in some detail to provide the reader with a thorough understanding of the rationale supporting these expenditures. Minor or routine expenditures are not described in detail in this document. Also, there is a box containing some highlights from the prior fiscal year to provide the reader with an understanding of some of the work performed within the department that year.

General Fund Departments	
Governing Board	Animal Control
Administration	Street Maintenance
Finance	Public Works
Tax Listing	Solid Waste
Legal Services	Stromwater Management
Elections	Wetlands & Waterways
Public Buildings	Planning & Zoning
Police	Recreation
Emergency Services	Parks

Governing Body

Council Priority (ies): 1, 6, 9, 10

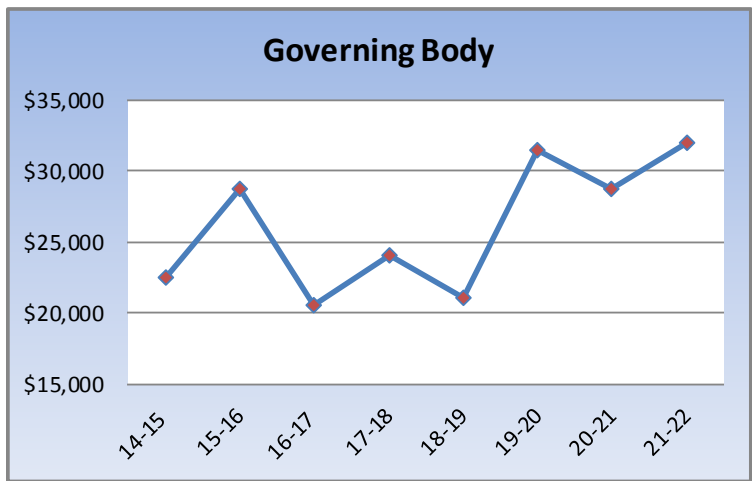
The Governing Body, by State statute, is the entity having primary responsibility to establish the general framework under which the government can meet the needs of the community by creating policies and instituting law. As elected officials within the framework of the Council/Manager form of town government, the Town Council makes decisions and sets policies to ensure the safety, health, attractiveness, and social well-being of the community. The Council is the legislative body of the Town.

Primary Functions:

- Establish annual goals for the organization.
- Review, reinforce, or alter public policies and long-range planning governing municipal operations and functions.
- Establish priorities and funding limits through adoption of an annual budget.
- Grant or deny requests for conditional use permits.
- Respond to and communicate with citizens regarding their concerns, perspectives, and initiatives.
- Serve as Liaison to Advisory Boards and other groups.
- Supervise work and responsibilities of Town Manager and Town Attorney.
- Make appointments to and serve on committees and task forces.
- Participate in county and region-wide planning.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued participation in the Eastern Carolina Council of Governments
- Continued participation in the Highway 17 Association
- Continued involvement in the New Bern Metropolitan Planning Organization
- Contribution to Allies for Cherry Point's Tomorrow



This department accounts for expenditures related to the governing body. The governing body is composed of a Mayor and five Councilmen. Each is elected at-large by the people and serves a 4-year term. Each Councilman is paid \$2,800 per year. The Mayor is paid \$4,300 per year. Members of the governing body do not receive any employment or retirement benefits.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Line 170 reflects the budgeted expenses for the Mayor and three Council members to attend the North Carolina League of Municipalities annual conference. It also includes funding for travel to other meetings and educational seminars for Council members as well as their spouses who accompany them.

Lines 491 and 499 are important reflections of the Town’s interest in staying involved in our League of Municipalities, School of Government, and active in the association lobbying for the widening of U.S. Highway 17 south of River Bend. Since 2013, the Town has participated in the Metropolitan Planning Organization focused on transportation issues in and around the greater New Bern area. These relate to Council priorities and position the Town as being proactive and a cooperating regional partner.

Governing Body	18-19		19-20		20-21			21-22
	YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget	Expend. as of	Projected Year-End	Proposed Budget
4110					02/18/21	01/31/21		
121 Wages & Salaries	18,300	18,300	18,300	18,300	18,300	8,917	18,300	18,300
170 Council & Spouse Expense	5,500	104	8,500	1,046	5,500	350	1,000	8,923
181 FICA	1,400	1,400	1,400	1,400	1,409	682	1,400	1,400
186 Workers' Compensation Ins.	100	68	80	71	71	71	71	74
171 Mayor's Representation	2,000	1,464	2,000	1,365	2,000	237	500	2,000
481 Indirect Cost- Labor	-9,904	-9,904	-9,890	-9,890	-9,890	-5,769	-9,890	-9,887
491 Dues & Subscriptions	7,735	6,611	8,110	5,813	8,310	3,006	5,000	8,190
499 Misc- Contributions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL	28,131	21,043	31,500	21,105	28,700	10,493	19,381	32,000
121 Salaries	Mayor	4,300			Council	2,800		
170 NCLM Conference- Wilmington (April, 2022)		2,000			4 participants at \$500			
		2,000			Lodging for 4 at \$500			
Essential of Municipal Govt.		3,423			Registration for Council and Manager			
Travel, Training, Meals		1,500			For Council members and spouse			
		8,923						
491 Eastern Carolina Council of Governments		400			Total \$1,200 (\$400 each G/W/S)			
Metropolitan Planning Organization		2,902						
Governing		35						
NB Area Chamber of Commerce		300						
NC Coastal Federation		50						
NC League of Municipalities		4,100						
UNC School of Government		403						
		8,190						
499 Approp. to Highway 17 Assoc.		1,500						
Approp. To Allies for Cherry Point		1,500						
		3,000						

Administration

Council Priority (ies): 1, 7, 8, 9, 10

The Administration Department is comprised of the Town Manager, Town Clerk, and Deputy Town Clerk.

Town Manager

Primary duties include enforcement of adopted Town policies and procedures, providing staff support to the Town Council, management of daily Town operations, and annual budget preparation and presentation. The Town Manager serves as primary advisor to, and implements the policies of, the Mayor and Town Council. The Town Manager communicates policies to residents and staff, and effectively organizes and manages Town staff and resources to respond to community needs.

Primary Functions:

- Provide general guidance and support to Town departments in achieving Town-wide goals and objectives.
- Enforce adopted Town policies and procedures.
- Enforce adopted Town Ordinances.
- Serves as Budget Officer and prepares, presents, and administers the annual budget.
- Seek capital improvement strategies to meet the needs of the Town.
- Study, develop, and implement policy and program recommendations at the direction of the Town Council.
- Provide support for the Town Council.
- Serve as the Town's Personnel Officer and administers Pay Plan.
- Conduct and facilitate public communication with the Mayor and Town Council, residents, employees, and other users of Town services.
- Manage the Wildwood Storage facility.

Town Clerk

The Town Clerk prepares Town Council meeting agendas and minutes and makes them available to citizens and Town staff, maintains official Town documents, and prepares and makes available updates to the Town Code and provides support for the Mayor and Town Council. The Clerk serves as custodian of Town records.

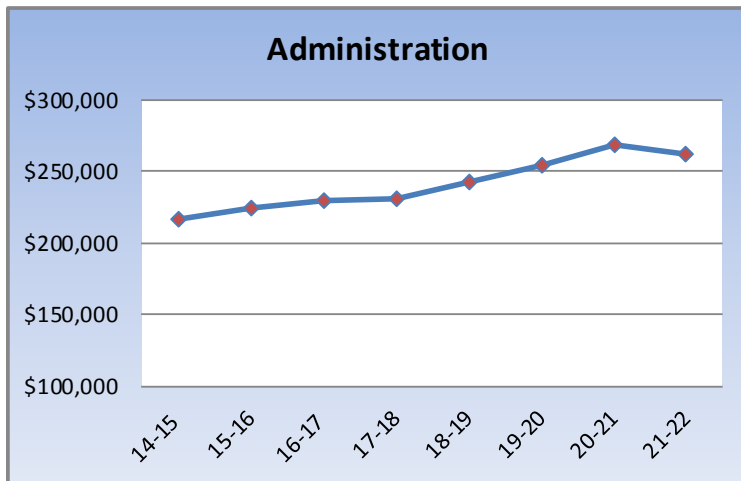
Primary Functions:

- Prepare minutes and agendas of Town Council meetings and makes these documents available electronically through the Town's website.
- Maintain Town records in accordance with applicable laws and internal policies.
- Serve as a point of contact for resident and visitor inquiries.
- Maintain information regarding Town services and officials for public distribution.
- Maintain updated Town Code.

- Prepare and distribute the monthly Calendar of Meetings.
- Prepare monthly meeting agenda items for review by the Town Manager and Mayor.
- Maintain a roster of advisory boards and commissions and facilitate the application and appointment process.
- Research Town records upon request.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Conducted the eleventh annual “Shred Event” where a paper shredding contractor comes to Town for a day to allow residents to shred unneeded documents and to allow the town to dispose of records in accordance with NC Department of Cultural Resources regulations for the maintenance and disposal of such records
- Received the twelfth consecutive “Tree City USA” award



The department of Administration is staffed by the Town Manager, Town Clerk, and Deputy Town Clerk. Besides wages and benefits for these three employees, this department also funds the annual maintenance agreement on the photocopier (line 430), and other supplies and materials. Line 498 is a pass thru of State funds in support of Public Access Television. We receive these funds and pay them to Channel 10, the

local public access channel. In exchange for this pass thru, we are not charged a fee to record and broadcast our meetings.

This is the department of the General Fund from which a portion of our property and liability insurance is paid (line 450). The Enterprise Funds also pay an allocated share of these expenditures based upon the exposure they create. We currently have our insurance placed through a local broker, but continue to look for ways to reduce this expenditure through other sources.

We anticipate no change in staffing levels or hours for this department in FY 2022. The Manager and Town Clerk are 40-hour-per-week positions. The Deputy Clerk is now a 40-hour-per-week position after many years of being a 30-hour position.

Training (line 395) and Travel (line 310) cover expenses for the Manager to attend the NCLM annual conference and NCCMA Annual Conference and other training events.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Administration		18-19		19-20		20-21		21-22 Proposed Budget	
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21		Projected Year-End
4120									
121	Wages & Salaries	170,573	167,510	177,081	176,400	188,248	112,028	183,605	179,334
122	Overtime	0	0	0	0	0	0	0	0
134	401(k) Retirement	7,625	8,376	8,587	8,820	9,121	5,602	9,188	8,685
181	FICA	11,666	12,973	13,138	13,672	13,956	8,690	14,245	13,288
182	Loc Govt Emp Retirement	11,819	12,982	16,526	15,788	19,850	11,371	18,642	21,068
183	Group Insurance	31,409	25,780	24,870	19,093	25,620	13,509	26,473	26,512
185	Unemployment Comp.	0	0	0	11	0	29	29	0
186	Workers' Compensation Ins.	1,488	1,448	1,706	1,572	1,379	1,314	1,314	1,418
189	Automobile Allowance	3,600	3,600	3,600	3,600	3,600	2,215	3,600	3,600
310	Travel & Subsistence	1,500	1,293	1,700	336	1,500	0	500	1,500
395	Training	1,750	925	1,950	996	1,750	250	500	2,000
380	Data Processing Services	0	0	0	0	0	0	0	0
393	Temporary Help Services	0	0	0	0	0	0	0	0
399	Contracted services	950	946	960	1,001	960	1,028	1,028	175
498	PEG Channel Support	28,170	26,893	28,170	27,307	28,170	13,559	27,159	28,170
260	Office Supplies	4,400	2,969	4,600	2,427	4,311	2,806	3,500	4,500
320	Telephone & Postage	2,400	1,915	2,600	2,044	2,500	1,275	2,500	2,500
370	Advertising	1,000	2,160	1,000	2,161	1,000	0	200	1,000
391	Legal Advertising	1,500	1,668	1,500	2,491	1,400	1,010	1,400	1,400
340	Printing	500	0	490	0	285	0	0	300
352	Maint & Repair- Equip	0	0	0	0	0	0	0	0
430	Equipment Rental	6,600	6,398	6,600	6,377	6,600	5,118	6,600	6,640
450	Property and Liability Insurance	19,698	17,709	19,917	19,855	21,230	21,457	21,457	23,137
491	Dues & Subscriptions	1,160	290	540	583	615	631	631	685
481	Indirect Cost- Labor	-53,712	-53,712	-61,381	-61,380	-63,854	-37,248	-63,854	-64,278
499	Miscellaneous	500	300	552	118	450	261	450	367
	TOTAL	254,596	242,423	254,706	243,271	268,691	164,905	259,167	262,000
310	Travel and Subsistence	500 NCLM Conference							
		1,000 Other (including NCCMA)							
	TOTAL	1,500							
395	NCLM Conf. in Wilmngton	500							
	Other (including NCCMA)	1,000							
	Clerk/Deputy Clerk Training	500							
	TOTAL	2,000							
399	Shred Event	0							
	GetResponse e-mail service	175							
	TOTAL	175							
		Postage	Copier	Tax	Total				
430	Copier and Postage	940	5,600	100	6,640				
450	Property and Liability Insurance	Gen	Water	Sewer	Flood	Total P&L			
		23,137	14,928	16,727	1,700	54,792			
		1,500	deductible (\$500 auto, \$1000 property for each fund)						
491	Clerks Association	85							
	Managers Association	200							
	Sun Journal	375							
	Arbor Day Foundation	25							
	TOTAL	685							

Finance

Council Priority (ies): 8, 10

The Finance Department is comprised of a Finance Director, who supervises the Department's activities, and a Finance Assistant. This Department administers the financial affairs of the Town under the supervision of the Town Manager and the Finance Officer who is a member of the Town Council.

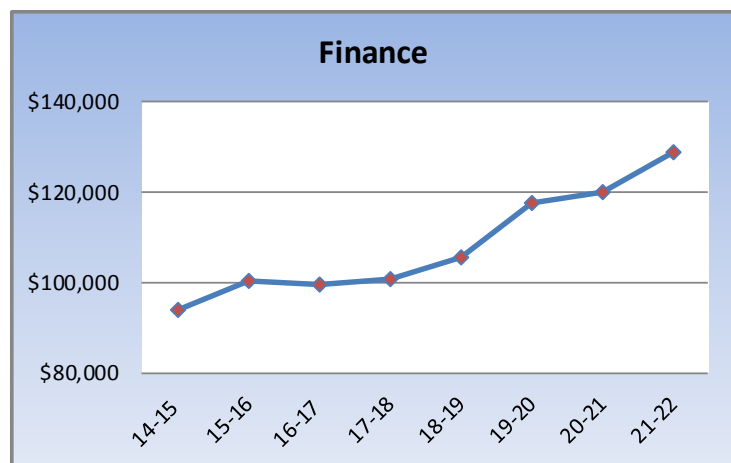
Primary Functions:

- Maintain accounting and financial records.
- Invest all Town funds.
- Bill and collect utility payments and other accounts receivable.
- Maintain an encumbrance system for purchasing and processing accounts payable.
- Maintain the Town's insurance programs.
- Maintain payroll system.
- Work with our contracted independent auditor, prepare the Annual Comprehensive Financial Report (ACFR).

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Received our tenth consecutive Excellence in Financial Reporting Award from GFOA
- Received our eleventh consecutive Distinguished Budget Presentation Award from GFOA

The Finance Department funds the salary and benefits of the Finance Director who has overall responsibility for all the financial operations of the Town. The Finance Assistant is paid by the Enterprise Funds, with a portion of the time allocated back to the General Fund. The statutorily required Finance Officer position is filled by a member of the Town Council. We anticipate no change in staffing levels for this department in FY 2022.



The Finance Department funds our required annual audit and the expenditures related to the banking services the Town uses. The budget for this department also contains expenditures related to the maintenance of our IT system and software. It is this department that also contains the cost of allocated finance labor paid to the Water and Sewer Enterprises (line 482).

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Finance	18-19		19-20		20-21			21-22	
	YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget	
4130									
121	Wages & Salaries	68,888	69,588	72,033	71,695	75,009	45,942	77,061	76,078
134	401(k) Retirement	3,444	3,479	3,530	3,585	3,677	2,297	3,859	3,729
181	FICA	5,270	5,323	5,402	5,490	5,626	3,519	5,906	5,706
182	Loc Govt Emp Retirement	5,339	5,393	6,626	6,416	7,799	4,663	7,831	8,824
183	Group Insurance	10,561	9,460	9,956	7,950	8,605	4,663	8,389	9,076
185	Unemployment Comp.	0	0	0	0	0	7	0	0
186	Workers' Compensation Ins.	248	156	188	173	175	176	176	183
310	Travel & Subsistence	1,200	451	1,200	759	1,150	0	400	1,150
395	Training	1,000	265	1,200	541	1,200	0	400	1,200
191	Professional Svcs- Auditing	4,600	4,600	4,667	4,667	5,567	0	5,567	5,667
382	Banking Services	1,100	996	1,100	615	676	496	850	850
393	Temporary Help Services	0	0	0	0	0	0	0	0
441	Springbrook Service & Maint.	6,339	6,339	6,656	6,655	6,988	6,989	6,989	7,338
482	Indirect Labor Cost	23,656	23,656	25,413	25,413	25,835	15,071	25,835	26,617
481	Labor Allocation	-46,875	-46,875	-48,009	-48,010	-49,542	-28,900	-49,542	-50,873
299	Supplies & Materials	3,642	2,851	6,300	4,226	3,470	283	2,000	4,350
381	Other IT Services	664	1,102	722	2,126	694	3,514	4,465	749
440	VC3 IT Service & Maint.	18,190	17,814	19,386	17,352	22,164	13,216	22,164	25,956
491	Dues & Subscriptions	210	580	260	210	260	0	260	300
499	Miscellaneous	1,000	185	987	805	828	345	600	2,100
520	Capital Outlay- Equip	0	0	0	0	0	0	0	0
760	Install. Purchase - Principal	0	50,154	0	949,846	0	0	0	0
770	Install. Purchase - Interest	0	0	0	0	0	0	0	0
	TOTAL	108,476	155,517	117,617	1,060,513	120,181	72,281	123,210	129,000
191	Auditing Services (\$14,500 and \$2,500 for Single Audit total allocated equally to general/water/sewer funds, \$5,667 each)								
382	Banking Services: Estimated \$3,270 per year. Allocated between water/sewer/general fund								
441	Springbrook software maintenance (Total = \$18,344: 40% general fund, 30% water, 30% sewer)								
482	General Fund pays 35% of Fin. Asst. W/S is charged 50% of Finance Admin								
381	Computer Services: Cable internet, back-up router (Verizon)								
440	VC3 Hosted Desktop & Website Contract: \$64,890 (40% general fund, 30% water, 30% sewer)								
299	Includes \$3,850 for IT replacement schedule items								
499	Miscellaneous, includes submittal fees for GFOA Budget (\$345) and CAFR (\$460) awards, Bond for Finance Officer (\$750)								
491	GFOA	200							
	NCGFOA	100							
		<u>300</u>							

Tax Listing

Council Priority (ies): 8

The Tax Listing Department has no personnel assigned; the functions of this department are carried out by the Craven County Tax Office which, by contract, bills and collects ad valorem tax revenue and liens on behalf of the Town.

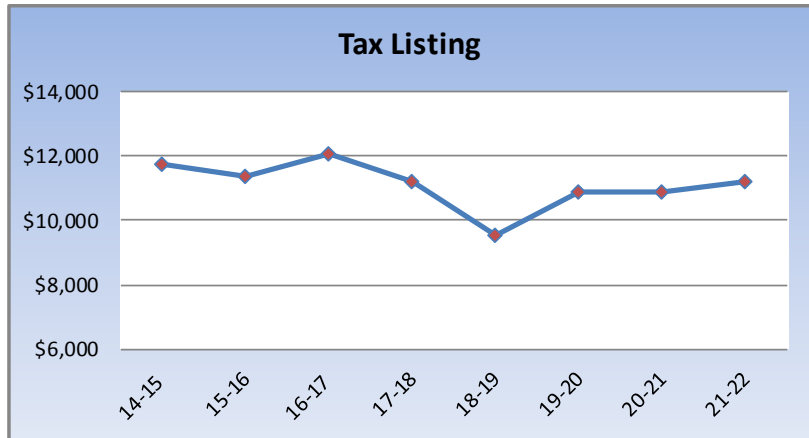
Primary Functions

- Maintain tax assessment records.
- Bill and collect real property, personal property, tax liens, and motor vehicle taxes.
- Remit collections, less contractual fees, to the Town.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Under contract with Craven County, collected over 98% of real property tax

We pay the County a 1% fee to collect real and personal property taxes. We have budgeted a 4.5% fee to collect motor vehicle taxes, which are now collected by the State. In theory the collection rate should be 100% because a vehicle cannot receive a registration without the taxes due on the vehicle being paid in full.



The table below shows the total estimated tax base and the revised tax base upon which we base our revenue budget (as required by State law).

Tax collection	18-19		19-20		20-21		21-22 Proposed Budget	
	YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21		Projected Year-End
4140								
392 RE & Pers Prop Collection Fee	6,680	6,488	6,850	6,591	7,340	6,049	7,340	7,500
394 Motor Veh Collection Fee	3,566	3,030	4,033	3,146	3,540	1,597	3,540	3,700
TOTAL	10,246	9,518	10,883	9,737	10,880	7,646	10,880	11,200

Craven Co. Tax Administrator's Estimate	tax base	tax rate	total levy	collection rate	Budgeted	Collection Cost
Real property/Personal Property/Utility	\$ 278,000,000	0.26	722,800	98.39%	711,163	1.0%
NC Vehicle Tax System	33,000,000	0.26	85,800	100.00%	85,800	4.0%
TOTAL	311,000,000					
1 cent = \$ 30,652 (after collection rates are applied)						

Legal Services

Council Priority (ies): 10

The Legal Services Department has no personnel assigned. The functions of this department are carried out by the law firm of Sumrell, Sugg, Carmichael, Hicks, and Hart, P.A. of New Bern. The Council appoints a firm annually to handle the legal affairs of the Town.

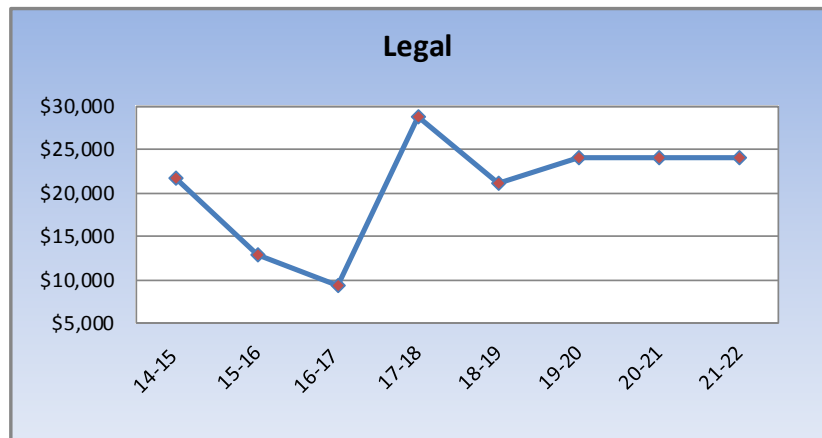
Primary Functions:

- Advise the Mayor, Town Council, Board of Adjustment, and Town Manager on legal matters associated with Town functions.
- Review, as requested, proposed ordinance changes.
- Take legal action on behalf of the Town to enforce ordinances, policies, and procedures.
- Defend the Town against legal actions filed against it or any officer of the Town acting on its behalf.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Provided legal counsel and direction as we pursued enforcement of Town ordinances related to illegal hunting and updates to our zoning ordinance
- No suits or claims were made against the Town during the year

The Town contracts with the law firm of Sumrell, Sugg, Carmichael, Hicks, & Hart, P.A. to provide legal services. This firm specializes in municipal law and is an outstanding resource for the Town. The budgeted amount, as the reader will notice, is divided into four general categories, all with the same "line number." Our chart of accounts does not



distinguish between routine legal fees and those we incur due to lawsuits or other actions filed against the Town. We use this detail to help illustrate the breakdown of these expenditures. Expenditures in this department are driven largely by need. Aside from the routine legal matters mentioned above, if the Town either initiates or needs to defend an action, our legal costs will increase. This is borne out by the pattern of expenditures revealed in the graph shown above.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Legal Services		18-19		19-20		20-21		21-22	
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
4150									
192	Professional Services - General	24,000	21,157	16,000	14,283	24,000	7,850	12,000	24,000
192	Prof Svcs. - FEMA Floodplain								
192	Prof Svcs - Lawsuits								
192	Prof Svcs. - Personnel Policy review								
TOTAL		24,000	21,157	16,000	14,283	24,000	7,850	12,000	24,000

Elections

Council Priority (ies): 10

The Elections Department has no personnel assigned. The functions of this department are carried out by the Craven County Board of Elections.

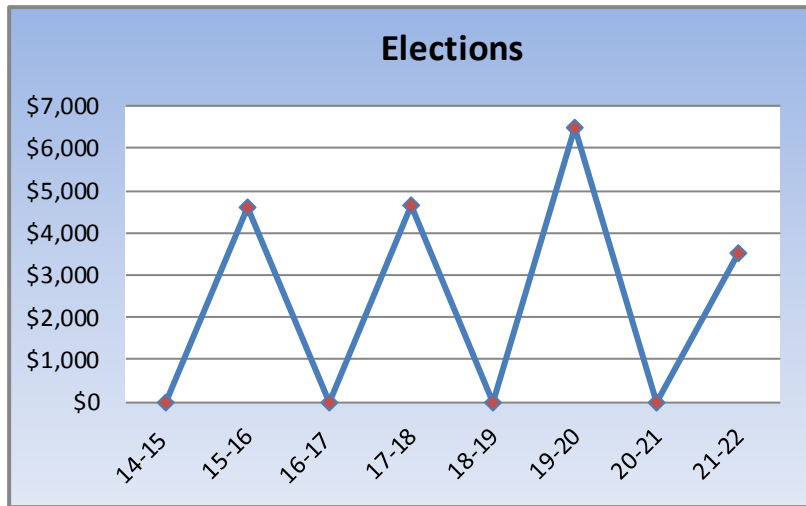
Primary Functions:

- Maintain a list of registered voters.
- Conduct local, state, and federal elections and report their results in accordance with applicable regulations.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Due to changes in Town Charter, no municipal election was held during the year.

The Craven County Board of Elections maintains the voter list and conducts our municipal elections. The amount of actual expenditure is based upon a number of factors including ballot prices, and anticipated turnout, and are charged based upon a contractual agreement between the Town and the County's Board of Elections.



Historically in North Carolina most municipal elections were held in odd-numbered years, which would have resulted in a municipal election in River Bend 2021. In hopes to reduce costs and increase voter turnout, our election will now coincide with State and Federal elections in even-numbered years. The next election for four seats on the Town Council will be held in November, 2022.

Elections		18-19		19-20		20-21		21-22	
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21		Projected Year-End
4170									
200	Supplies and Materials	0	0	0	0	0	0	0	0
399	Contracted services	0	0	2,600	2,571	0	0	0	3,500
TOTAL		0	0	2,600	2,571	0	0	0	3,500

Public Buildings

Council Priority (ies): 1, 9

The Public Buildings Department contains personnel related expenses for our part-time custodian. This department is responsible for the maintenance of Town buildings and grounds. The major portion of grounds maintenance, mowing and landscaping, is accomplished through the use of a contract with a private contractor.

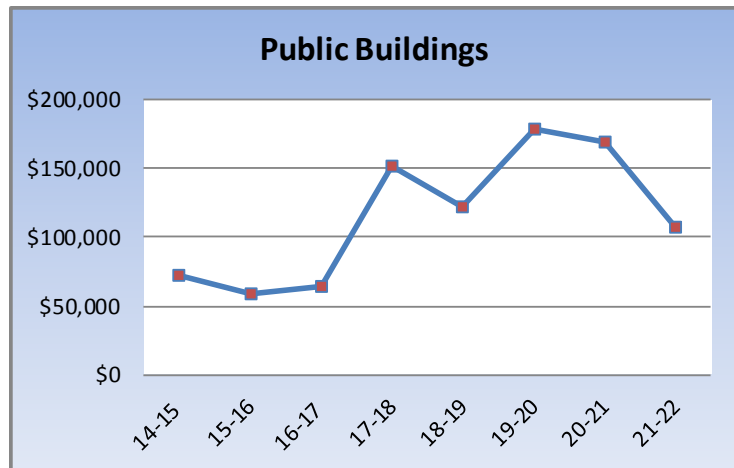
Primary Functions:

- Maintain Town facilities in an attractive, functional, and safe condition.
- Monitor buildings and grounds for needed repairs and effect those repairs in a timely manner.
- Advise the Town Manager regarding needs for significant repairs or improvements to facilities.
- Supervise the lawn and landscape maintenance contracts.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Completed improvements to Town Hall as part of the Building Utilization Strategy (BUS).
- Completed construction of flood prevention project to Public Works Building.

In the Public Buildings Department, we budget expenditures related to the maintenance and operation of the Town's public facilities. These include the Town Hall, Police and Public Works building, Wildwood facility and our buildings. This department also budgets for the mowing and landscaping contracts. These two-year contracts were renewed in 2020 and will expire in 2022. We will continue to monitor the costs/benefits/challenges of performing this work in house to determine the most economically and operationally feasible approach.



We anticipate no change in staffing levels or hours for this department in Fiscal Year 2022. In Fiscal Year 2022, we plan to continue our efforts to be good custodians of our public facilities by making needed repairs.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Public Buildings		18-19		19-20		20-21			21-22																																																																																									
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget																																																																																									
4190																																																																																																		
121	Wages & Salaries	13,552	12,643	13,756	13,384	14,118	7,650	13,898	14,454																																																																																									
181	FICA	1,037	967	1,052	1,024	1,074	585	1,063	1,100																																																																																									
185	Unemployment Comp.	0	0	0	0	0	3	3	0																																																																																									
186	Workers' Compensation Ins.	583	538	608	571	600	599	599	632																																																																																									
193	Engineering/Architectural Svcs	13,984	5,790	2,900	0	2,500	0	0	2,500																																																																																									
354	Grounds & Landscp Contracts	25,280	25,280	25,280	25,280	27,808	12,995	27,808	25,990																																																																																									
355	Wildwood Storage Facility Maint.	3,530	613	3,000	625	2,500	443	1,000	2,500																																																																																									
399	Contracted Services	77,482	48,183	41,723	26,332	6,500	4,957	6,500	7,720																																																																																									
211	Janitorial Supplies	2,000	2,133	2,000	1,367	1,800	1,795	2,000	2,700																																																																																									
299	Supplies & Materials	3,000	2,513	16,004	11,221	12,900	4,438	19,978	6,000																																																																																									
330	Utilities	8,200	7,932	9,100	8,487	16,400	9,291	16,400	19,100																																																																																									
351	Maint & Repair Bldg & Grnds	7,000	7,815	6,000	5,645	5,000	7,754	8,000	8,900																																																																																									
352	Maint & Repairs- Equipment	5,000	642	5,000	615	3,000	1,600	2,000	3,000																																																																																									
580	Capital Outlay- Bld/Structures/Imprvmts	0	0	7,333	8,367	0	0	0	12,403																																																																																									
550	Capital Outlay- Equipment	8,150	7,623	64,800	0	75,008	9,025	75,008																																																																																										
580	Capital Outlay- Grounds/Bldg	0	0	0	0	0	0	0	0																																																																																									
TOTAL		168,798	122,672	198,556	102,918	169,208	61,136	174,257	107,000																																																																																									
399	Pest control (consolidated service for all buildings)		2,120	(Pest = 820, Termite = 1,300)																																																																																														
	Preventative Maintenance Agreement for HVAC		1,100	(8 units)																																																																																														
	Grounds Landscaping		3,500																																																																																															
	Alarm System Line, Monitoring, and Testing		1,000																																																																																															
			<u>7,720</u>																																																																																															
299	Other Supplies & Materials		3,000																																																																																															
354	Grounds Contracts	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Lawn & Landscape Contracts</th> <th colspan="5">Total GF</th> </tr> <tr> <th>FY 2022</th> <th>Lawn Base</th> <th>Water ¹</th> <th>Lawn</th> <th>Landscape</th> </tr> </thead> <tbody> <tr> <td>July</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> <td></td> </tr> <tr> <td>Current Contracts</td> <td>Aug</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>3,905</td> </tr> <tr> <td>Expires June 30, 2022</td> <td>Sept</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>Oct</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>Nov</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>Dec</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>Jan</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>Feb</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>Mar</td> <td>0</td> <td>0</td> <td>0</td> <td>3,905</td> </tr> <tr> <td></td> <td>Apr</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>May</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>June</td> <td>2,525</td> <td>253</td> <td>2,273</td> <td>0</td> </tr> <tr> <td></td> <td>TOTAL</td> <td>20,200</td> <td>2,020</td> <td>18,180</td> <td>7,810</td> </tr> </tbody> </table>								Lawn & Landscape Contracts	Total GF					FY 2022	Lawn Base	Water ¹	Lawn	Landscape	July	2,525	253	2,273	0		Current Contracts	Aug	2,525	253	2,273	3,905	Expires June 30, 2022	Sept	2,525	253	2,273	0		Oct	2,525	253	2,273	0		Nov	2,525	253	2,273	0		Dec	0	0	0	0		Jan	0	0	0	0		Feb	0	0	0	0		Mar	0	0	0	3,905		Apr	2,525	253	2,273	0		May	2,525	253	2,273	0		June	2,525	253	2,273	0		TOTAL	20,200	2,020	18,180	7,810
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	TOTAL	20,200	2,020	18,180	7,810																																																																																													
		¹ Water pays 10% of the water base contract																																																																																																
330	Based upon historical costs/demand																																																																																																	
	Includes water service paid to the Water Fund and natural gas service at municipal building and town hall																																																																																																	
351	Miscellaneous M&R	includes roll up door in municipal building and new cameras at town hall																																																																																																
580	Gas HVAC unit at town hall	12,403																																																																																																

Police

Council Priority (ies): 1, 4, 7

The Police Department maintains public safety and contributes to improving the quality of life through the enforcement of criminal and traffic laws, and local ordinances. The Police Department is staffed by a Chief, one Sergeant, four full-time Patrol Officers, 1.5 part-time Patrol Officer positions and the staff may include unpaid Reserve Police Officers. Police Department personnel utilize and maximize all available resources, technological advances, and educational opportunities in an effort to provide professional police services.

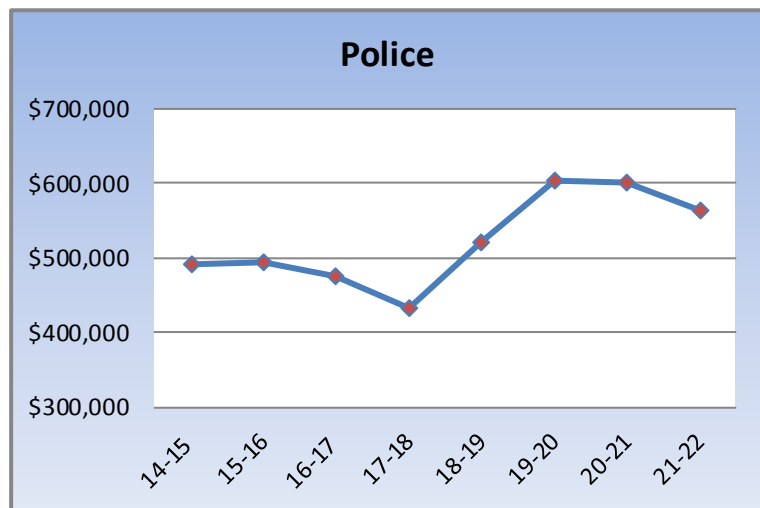
Primary Functions:

- Provide 24-hour proactive service and emergency response.
- Effectively answer and initiate calls for service.
- Conduct criminal investigations and initiate arrests.
- Provide necessary traffic control and enforcement; investigate traffic accidents;
- Provide basic business/residential security checks.
- Partner with the community through Community Watch to enhance proactive crime prevention.
- Partner with the River Bend Community Emergency Response Team to effectively respond in times of disaster.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Refer to Appendix A for statistical information related to service levels
- Hired multiple officers to fill vacated positions
- Continued training for all officers to meet State requirements
- Continued funding for Law Enforcement Separation Allowance
- Chief attended Police Chiefs Association Conference in Cherokee

Our Police Department provides service twenty-four hours a day, seven days a week with a staffing profile much lower than that of other localities offering similar service. This is possible due to a traditionally safe community, and the fact that we have a “working Chief.” The Chief in many localities does not work a patrol shift as ours routinely does when needed. Good scheduling and a flexible workforce give us the advantage of a small force that provides outstanding service.



Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Expenditures for the Police Department include salaries and benefits for six full-time and 1.5 part-time officers, and a limited number of reserve officers, expenditures associated with dispatching, vehicle maintenance, uniforms, fuel, equipment, and Community Watch. Contracted Services (line 399) contains charges related to our Criminal Records System. We collaborate with Craven County for records management. This system allows our officers to produce reports to be submitted to the State for inclusion in State and federal crime statistics. The annual maintenance charge for this is the only recurring software cost. Craven County charges us \$1,200 per year to manage our records.

The Community Policing line (231) reflects the Town's commitment to continue to support the efforts of the Community Watch program. The Supplies and Materials line (299) includes funding to purchase general supplies, ammunition, and three body cameras. There is also continued funding of \$13,500 for LESA.

Maintenance and Repairs (lines 352 and 353) includes tires, oil changes, and other needed repairs to both vehicles and equipment. By having a four-car fleet we are able to spread the miles driven over a larger number of cars. Because tires and oil changes are mostly determined by mileage, having a fourth car does not substantially add to the cost of routine maintenance.

Police		YR End	Actual	YR End	Actual	Current	Expend.	Projected	Proposed
		Budget	Year-End	Budget	Year-End	Budget	as of	Year-End	Budget
4310						02/18/21	01/31/21		
121	Wages & Salaries (FT & PT)	309,050	318,163	316,154	309,823	322,613	195,984	340,738	334,916
122	Overtime	5,000	3,078	5,000	6,929	5,000	2,416	2,416	5,000
133	401(k) Retirement - LEO	13,799	14,886	14,931	15,047	14,804	9,699	16,001	15,346
181	FICA	22,384	24,675	24,135	24,318	24,646	15,133	26,251	25,503
182	Loc Govt Emp Retirement	23,458	25,306	30,401	29,191	32,873	20,968	34,631	38,027
183	Group Insurance	62,646	51,759	59,092	42,823	50,867	24,064	50,254	53,736
185	Unemployment Comp.	0	0	0	5	0	-22	-22	0
186	Workers' Compensation Ins.	10,738	8,931	10,726	11,688	10,415	9,150	9,150	11,104
189	Uniform Maintenance	3,100	3,347	3,100	3,356	3,240	1,620	3,180	3,240
310	Travel & Subsistence	2,860	2,312	3,500	2,347	3,600	119	500	3,400
395	Training	1,700	1,490	2,200	741	2,200	219	500	2,100
399	Contracted Services	3,416	2,534	3,451	3,003	3,033	2,760	3,033	3,000
212	Uniforms	4,250	2,554	7,500	7,234	7,500	750	4,000	7,500
231	Community Policing	650	639	605	605	1,100	504	504	1,000
251	Motor Fuel	12,772	11,794	16,872	12,581	16,872	4,481	9,481	13,550
299	Supplies & Materials	10,154	8,028	19,000	15,020	25,300	8,262	20,000	19,000
320	Telephone & Postage	4,500	6,597	7,100	7,079	7,400	3,645	6,395	7,400
340	Printing	150	0	350	0	320	0	320	319
352	Maint & Repairs- Equip	2,000	363	2,000	370	1,000	250	750	1,200
353	Maint & Repairs- Auto	8,316	6,513	10,000	12,550	10,000	2,616	5,000	10,408
481	Indirect Cost- Labor	-4,195	-4,194	-4,472	-4,472	-4,488	-2,618	-4,488	-4,699
499	Governor's Crime Comm. Grant	0	0	22,653	5,347	17,303	15,063	17,303	0
491	Dues & Subscriptions	300	485	450	450	450	450	450	450
540	Capital Outlay- Motor Vehicles	32,750	31,021	37,000	49,454	40,000	41,368	42,711	0
9800									
988	Transfer to LESA Fund	13,500	13,500	13,500	13,500	6,359	6,359	6,359	13,500
TOTAL		543,298	533,778	605,248	568,989	602,407	363,240	595,417	565,000

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310	Travel and Subsistence		3,400	(Governor's Highway Safety, Property and Evidence, NC Chief's Conference Crisis Negotiations, Justice Academy, Community College, etc.)
399	<u>Contracted Services</u>			
	Records Management - County Charge		1,200	
	Leads on Line, Spartan Camera		1,100	
	Screenings, Spartan Camera		355	
	LESA Actuarial Valuation		345	
			3,000	
212	<u>Uniforms</u>			
	General Uniforms		6,500	
	Ballastic Vest		1,000	
			7,500	
231	Community Watch		1000	
251	Fuel - \$3.25 per gallon estimate		13,550	
299	<u>Supplies</u>			
	3 Cameras(2,100), Thermal Vision(2,400)		4,495	
	General/Miscellaneous		8,040	
	Ammunition, Weapons Maintenance, etc.		4,605	
	Stop Sticks		1,860	
			19,000	
353	<u>Maintenance and Repair - Auto</u>			
	Tires		4,075	
	Alignment		500	
	Oil Changes		1,700	
	Other Maintenance and Repair		4,133	
			10,408	
540	<u>Capital Outlay</u>			

Emergency Services

Council Priority (ies): 1, 4

The Emergency Services Department has no personnel assigned. The functions of this department are carried out by the Town Manager and the River Bend Community Emergency Response Team (CERT) under the supervision of the River Bend Police Department.

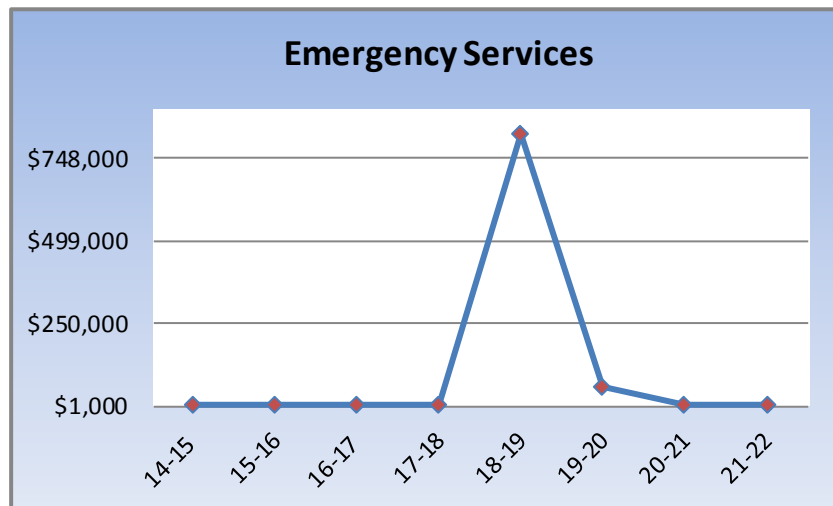
Primary Functions

- Develop and maintain appropriate plans and contracts for emergency response and disaster mitigation.
- Maintain a “Reverse 911” system for emergency notification of residents.
- Provide funding and support for the River Bend CERT.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- The annual Community Emergency Response Team Severe Weather Awareness Fair was cancelled due to COVID-19.
- CERT continues to train for a variety of emergency scenarios and maintains a readiness to respond as needed.

The Emergency Services Department contains the budget for two important services. One is our “Reverse 911” system. We contract with BlackBoard Connect for this service that allows the Town to contact our residents with information about storm events, or other more routine communication.



This department also contains the budget for River Bend’s Community Emergency Response Team (CERT). This group of volunteers is trained to assist in the event of a disaster. The budget amount for CERT is to enhance their training and for other supplies and materials to enhance their ability to respond and assist. Also budgeted is a small amount for insurance for these volunteers. This disability coverage pays \$200 per week for 52 weeks beginning the first day of disability. The annual premium is approximately \$20 per member.

The spike in the chart above represents nearly \$825,000 in Hurricane Florence related expenses that were accounted for in this department during FY 2018-19.

Town of River Bend, North Carolina
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Also included in this department is \$500 to retain the services of our leaf and limb contractor for post disaster clean-up. This retainer requires him to stage his equipment in River Bend in advance of a storm so we are ready to begin clean-up as soon as the storm passes. We also budget a small (\$500) disaster contingency for any unknown small purchases needed in disaster response and recovery.

Our reverse 911 service (line 399) remains unchanged. This service allows us to share emergency information with our residents.

Emergency Services		18-19		19-20		20-21		21-22	
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
4330									
121	Wages & Salaries	22,000	350	0	0	0	0	0	0
122	Overtime	13,000	11,103	0	0	0	0	0	0
133	401(k) Retirement - LEO	0	253	0	0	0	0	0	0
134	401(k) Retirement - other empl	0	306	0	0	0	0		
181	FICA	0	871	0	0	0	0	0	0
182	Loc Govt Emp Retirement	0	905	0	0	0	0	0	0
183	Group Insurance	0	0	0	0	0	0	0	0
185	Unemployment Comp.	0	0	0	0	0	0	0	0
186	Workers' Compensation Ins.	0	0	0	0	0	0	0	0
399	Contracted Services	867,440	762,717	63,082	36,231	2,440	2,544	2,619	2,440
232	CERT	1,400	518	975	0	565	0	565	565
299	Supplies & Materials	100,350	44,123	356	5,871	570	678	700	570
450	Property & Liability Ins.	400	317	410	323	425	317	317	425
	TOTAL	1,004,590	821,465	64,823	42,425	4,000	3,538	4,201	4,000
399	Blackboard Connect "reverse 911", (\$3,877 total, \$970 to be paid by water and \$970 by sewer)							1,940	
	Disaster mobilization							500	
								2,440	
232	CERT	565							
299	Miscellaneous	570							
450	Accident Insurance	425							

Animal Control

Council Priority (ies): 1

The Animal Control Department is staffed through the allocation of labor time of our three Public Works employees. Refer to the Labor Allocation table on Page 64 for more detailed information. This department is responsible for assisting the Police Department in the enforcement of animal control regulations through the capture and detention of stray domestic animals. Animals unclaimed at the end of a business day are transported to the Craven County Animal Shelter. The department also assists residents with emergent wild animal control needs and recommends resources for further assistance.

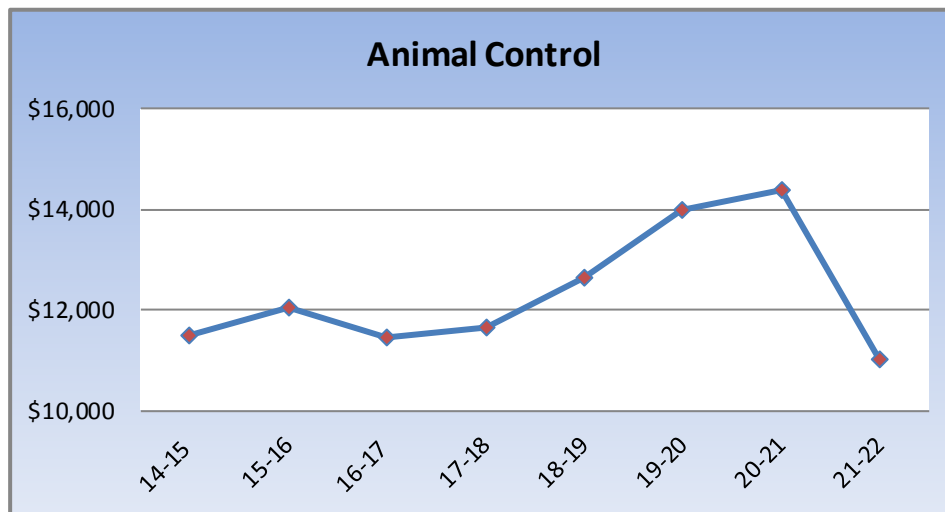
Primary Functions:

- Capture and retain stray domestic animals in a humane and safe manner.
- Transport stray domestic animals, as required, to the Craven County Animal Shelter.
- Maintain animal control equipment and supplies.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued to communicate about the need to license pets
- Greater licensure rates increase the likelihood that lost animals will be re-united with their owners rather than transported to the County animal shelter

We anticipate no change in staffing levels or hours for this department in FY 2022.



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Animal Control		18-19		19-20		20-21			21-22
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
4380									
121	Wages & Salaries	10,467	10,349	11,038	10,075	11,494	6,788	10,030	8,411
122	Overtime	0	0	0	75	75	0	0	75
134	401(k) Retirement	502	517	554	508	577	339	502	428
181	FICA	767	784	847	765	882	511	767	654
182	Loc Govt Emp Retirement	778	804	1,061	909	1,247	689	1,018	1,023
183	Group Insurance	3,115	2,672	2,936	1,910	2,528	1,195	2,120	2,016
185	Unemployment Comp.	0	0	0	10	0	17	17	0
186	Workers' Compensation Ins.	587	554	597	712	631	573	573	462
310	Travel & Subsistence	0	0	0	0	0	0	0	0
395	Training	0	0	0	0	0	0	0	0
299	Supplies & Materials	400	114	358	99	396	114	396	547
481	Indirect Costs- Labor	(3,157)	(3,158)	(3,400)	(3,400)	(3,464)	(2,021)	(3,464)	(2,616)
TOTAL		13,459	12,637	13,991	11,663	14,366	8,206	11,959	11,000

Street Maintenance

Council Priority (ies): 1, 8

The Street Maintenance Department is staffed through the allocation of time of our three Public Works employees. Refer to the labor allocation table on Page 64 for more detailed information. This department is responsible for the maintenance of approximately 16 miles of Town-owned streets and rights-of-way. A contracted engineer develops and updates a Roadway Maintenance Plan to prioritize the upgrade and resurfacing of streets.

Primary Functions:

- Provide general street and right-of-way maintenance services that include street repair, sign installations, pavement markings, mowing, and litter control.
- Responsible for inclement weather street maintenance, i.e. ice and snow removal, hurricane and other types of storm clean-up.
- Contract for street resurfacing and marking in accordance with the Roadway Maintenance Plan as funding allows.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

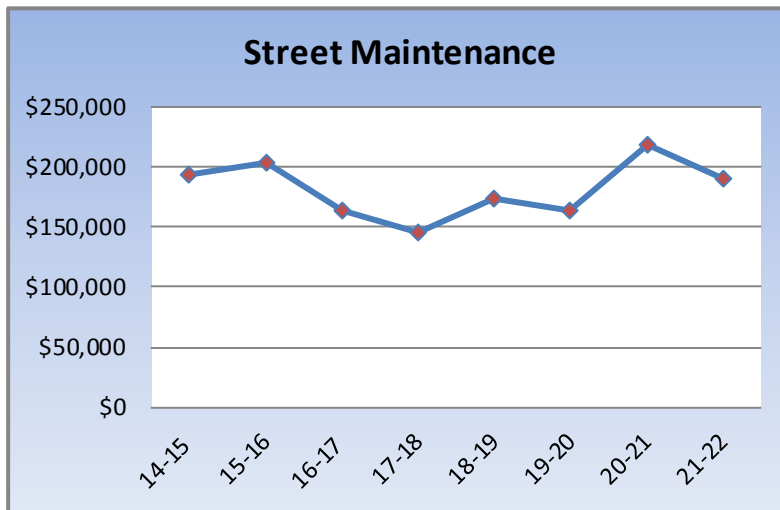
- Patched and paved multiple streets in compliance with the paving plan
- Painted stripes and installed reflectors on multiple streets
- Replaced several worn, faded, or damaged regulatory signs
- Repaired roadway shoulder areas that had become rutted

The Street Maintenance Department contains the budget for all the streets in River Bend. Each year the length of the roadway we pave varies as does the cost of the work. Therefore, the overall expenditure in this department each year is driven by the cost of the work needed under our plan, the cost to contract for the work, and where the current projects fit within the plan. Any funding from the State, under the Powell Bill, not used in a given year is, according to law, placed in a reserve fund and used in subsequent years. While the overall expenditures noted on the graph vary from year to year, this is not an indication of any intent to stray from our plan to maintain our streets. It does reveal good planning as funding and planned work are reconciled and consideration is given to using additional funding from local revenue in order to ensure adequate maintenance of this critical part of our public infrastructure.

The Professional Services line (193) reflects the expenditure of this plan review and the expenditures related to developing bid specifications and documents for the paving project. The engineer also monitors the work of the selected contractor to ensure it is performed properly and in accordance with the specifications.

This year, our engineer identified the need for the paving of Pillory Circle and O'Hara drive and various areas of patching around town. All approved paving and patching costs are reflected in line 591 on the worksheet.

The Supplies and Materials line (299) allows for the purchase of materials for our staff to make small patches, apply sealant to cracks, purchase regulatory and directional signs, and perform work on the shoulders of the roadways. As part of an effort to enhance pedestrian safety, funds are included for reflectors and signs to be installed strategically in areas where vehicles and pedestrians share the roadway. We anticipate no change in staffing levels or hours for this department in FY 2022. Personnel costs are determined due to the allocation of labor in accordance with the table on page 64. This department will fund 1/3 of the cost (\$25,000) of a used backhoe. The remaining \$50,000 will be shared between water and sewer departments.



Town of River Bend, North Carolina
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Street Maintenance		18-19		19-20		20-21			21-22
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
4510									
121	Wages & Salaries	26,168	25,889	27,328	25,196	28,457	16,975	25,079	20,843
122	Overtime	0	0	0	188	0	0	0	0
134	401(k) Retirement	1,255	1,295	1,384	1,269	1,441	849	1,254	1,069
181	FICA	1,920	1,961	2,118	1,912	2,206	1,276	1,919	1,635
182	Loc Govt Emp Retirement	1,944	2,007	2,594	2,272	3,044	1,723	2,546	2,505
183	Group Insurance	7,787	6,680	7,340	4,773	6,321	2,987	5,247	5,040
185	Unemployment Comp.	0	0	0	10	0	43	43	0
186	Workers' Compensation Ins.	1,468	1,386	1,492	1,780	1,577	1,432	1,432	1,175
193	Professional Services - Engineer	7,300	6,300	7,300	11,785	7,300	10,168	10,168	7,273
399	Contracted Services	1,500	18	1,495	2,187	7,500	0	2,000	1,500
299	Supplies & Materials	7,000	495	11,100	6,044	19,500	503	19,500	9,500
481	Indirect Cost- Labor	-7,893	-7,892	-8,499	-8,500	-8,660	-5,052	-8,660	-6,540
550	Capital Outlay - Other Equip	0	0	0	0	0	0	0	25,000
591	Capital Outlay - Rdwy/Pvmt	133,500	134,992	104,500	96,137	150,000	146,817	146,817	122,000
	TOTAL	181,949	173,130	158,152	145,054	218,686	177,721	207,344	191,000
121	25% of PW employees salaries and benefits.								
193	Engineering and Contractor costs for paving (\$6,300) / other (\$973).								
399	Powell Bill Maps, other		1,500						
299	Cold Patch		2,000						
	Sealer		1,000						
	Signs		2,500						
	Gravel for shoulders		2,000						
	Other Supplies and Materials		2,000						
			9,500						
591	Paving:								
	Pillory Circle		37,000						
	O'Hara Drive		55,000						
	Miscellaneous Patching		30,000						
	TOTAL		122,000						
550	Backhoe		25,000	shared with water and sewer					

Public Works

Council Priority (ies): 1, 8

The Public Works Department is comprised of three full-time technicians who operate under the supervision of the Director of Public Works. This department is responsible for maintenance of the Town's vehicles and equipment and through labor allocations to other departments is responsible for street, storm drainage, buildings and grounds maintenance.

Primary Functions:

- Maintain vehicles and equipment to support Town maintenance operations.
- Other functions of the personnel in this department are described in the departments to which their time is allocated.

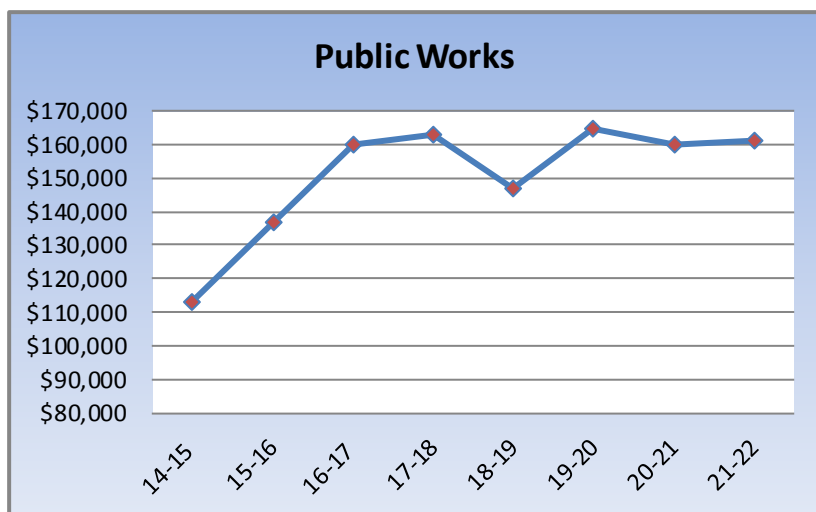
Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued to make improvements in the storm drainage system
- Continued a proactive program of trimming limbs around streetlights
- Maintained a regular schedule of mowing of rights-of-way

The Public Works Department contains the budget for the three full-time staff members mentioned above whose labor is allocated across other departments. This department also contains the budget for the allocation of the personnel costs of the Public Works Director and two Water Operators (line 382). Refer to the labor allocation table on Page 64 for more details.

This department budgets for the maintenance and operation of two vehicles, both of which are included in our vehicle replacement plan (see Page 76). No vehicles will be replaced in FY 2022.

Public Works staff members perform a variety of duties including daily litter pick-ups, emptying trash and dog waste cans, making minor repairs to buildings, streets, and other facilities, performing small carpentry projects, some minor electrical work, maintaining our ponds and fountains, maintaining our stormwater infrastructure, and mowing and trimming along our rights-of-way. This is just a partial list of the duties these three members of the staff perform in addition to their duties in animal control and assisting, as needed, our water resources operators.



Leaf & Limb and Solid Waste

Council Priority (ies): 1, 9

This Department has no personnel assigned. The Town, through an independent contractor, picks up limbs and bagged leaves on a published bi-monthly schedule. The Town also offers recycling of waste oil and used oil filters to its residents. The functions of this department fall under the supervision of the Director of Public Works.

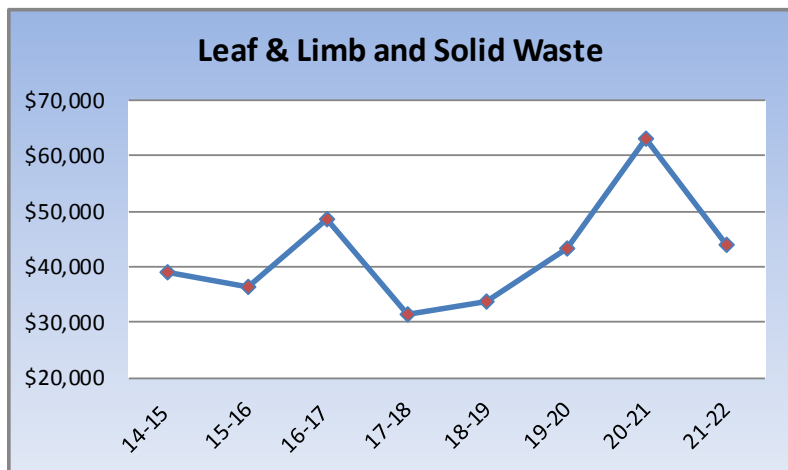
Primary Functions:

- Monitor and administer the Leaf and Limb contract.
- Administer the waste oil and filter recycling program.
- Maintain outdoor waste and recycling containers at Town facilities.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued to provide used motor oil and oil filter recycling programs.
- The Town’s contractor removed 342 tons of vegetative debris as part of our regular bi-monthly leaf and limb pick-up service.

This department contains the budget for the bi-monthly leaf and limb pick-up service provided by the Town (line 396). We continue to offer to our residents the ability to bring their used oil filters to a containment area, and we continue to contract for their recycling. A State law prohibits the disposal of these filters in any landfill in the State. We also allow residents to dispose of a reasonable amount of waste oil in a waste oil dumping station we own.



For our leaf and limb contract, this budget reflects 55 tons per pick-up, which is as we budgeted in FY 22. The chart below shows the average amount of waste we collected per bi-monthly period in each of the last five full fiscal years. Our price for collection is \$105 per ton. In addition to this fee, we also pay the landfill tipping fee of \$15 per ton.

This chart shows the average amount of waste we collected per bi-monthly period during the last five fiscal years.

Stormwater Management

Council Priority (ies): 1, 4, 5, 9

The Stormwater Management Department is staffed through the allocation of time of our three public works employees. Refer to the labor allocation table on Page 64 for more detailed information. This department is responsible for the maintenance of Town-owned swales and pipes, and for prioritizing and implementing improvements in stormwater infrastructure.

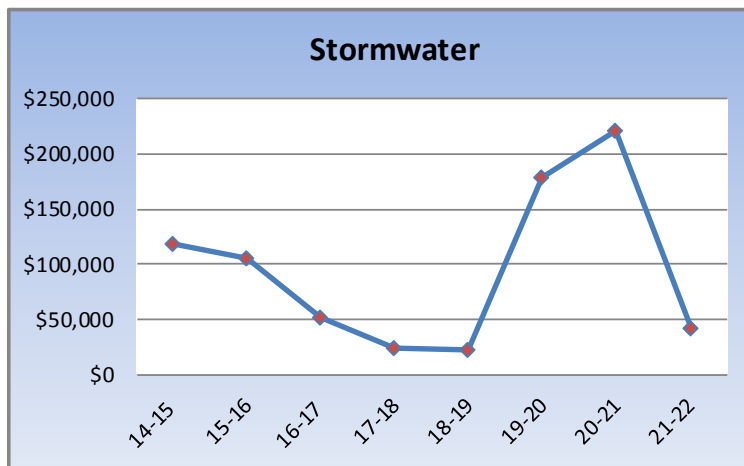
Primary Functions

- Provide routine maintenance of stormwater swales and pipes.
- Work to improve the quality of stormwater entering receiving streams through management of Town-owned wetlands.
- Identify needs for improvements in stormwater infrastructure.
- Using our consulting engineer, design improvements and monitor construction contracts, if necessary.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Using in-house talent, repaired several minor stormwater infrastructure issues
- Continued proactive and reactive maintenance of issues related to the flow of stormwater
- Completed Phase I of Channel Run drainage project

The Town Council renewed its commitment to continue to improve stormwater management in this community. We continue to fund our stormwater management efforts through Ad Valorem taxes rather than, as other localities have, establishing a separate stormwater utility funded by user fees. The concept of a separate utility was examined several years ago and the Public Works Advisory Board deemed, with input from our Finance Officer (Councilman Van Slyke) the current approach to be the most appropriate at this time.



This year, we have no specific drainage projects budgeted. We have budgeted \$9,000 for bulkhead replacements if needed.

Stormwater management continues to be a concern of the Council. Each year since 2007, the Town has set aside at least \$30,000 per year in the stormwater CIP. However, as mentioned earlier, due to hurricane expenses and a reduction in tax base, we did not make a contribution to the CIP's in FY 2020. We anticipated this would be a one-time skip in funding. However, due to receiving nearly \$122,000 in FEMA funding for drainage improvements, again in FY 2021, there was no CIP allocation for drainage projects. The FEMA funded project for the Channel Run area served as our major drainage project in FY21. In FY 22 there is a \$15,000 CIP allocation for drainage.

Typically, the Town will address and seek to improve larger projects. Over the last two decades the Town has made many improvements to the stormwater system by replacing pipes with larger pipes thus increasing the flow capacity of the system. However, due to our location in a floodplain, our proximity to the Trent River and our topographic features, there is only so much that the Town can do to prevent flooding. In fact, we cannot prevent it, we can only take steps to reduce the likelihood of flooding by funding practical, affordable and well-designed projects. Another factor that can have an impact on our stormwater system is our geography. We are located on the southeastern coast of the United States, which is an area that is prone to hurricanes.

Recently, the Council has discussed the need to possibly make improvements to individual driveway structures within the town. Individually, a private driveway pipe may not have much impact on the stormwater system. However, collectively, they can have quite an impact, especially during heavy rainfall or tropical weather events. Currently, the Town Ordinance requires individual property owners to maintain their own driveway pipes and swales adjacent to their property in a manner that will not obstruct the flow of water by their property and through their pipes. In 2017, the Town Council amended the Town's stormwater ordinance but kept in place the individual maintenance responsibility.

Using our personnel, we will continue to perform routine maintenance on the structures and swales we have in place. All the work we do relative to managing stormwater is aimed at not only providing relief for emergent drainage problems but also at being conscious of the environmental impact stormwater can have on receiving streams. This Town, in many ways, serves as a model for good stormwater practices, using grassy swales rather than the traditional urban model of curbs and gutters.

Wetlands and Waterways

Council Priority (ies): 1, 4, 5, 9

The Wetlands and Waterways Department has no personnel assigned. This department is responsible for the effective management of Town-owned wetlands and waterways, such as the front entrance pond, Ritter Field Wetland, Town Hall Pond, Island Lake and the Plantation Canal.

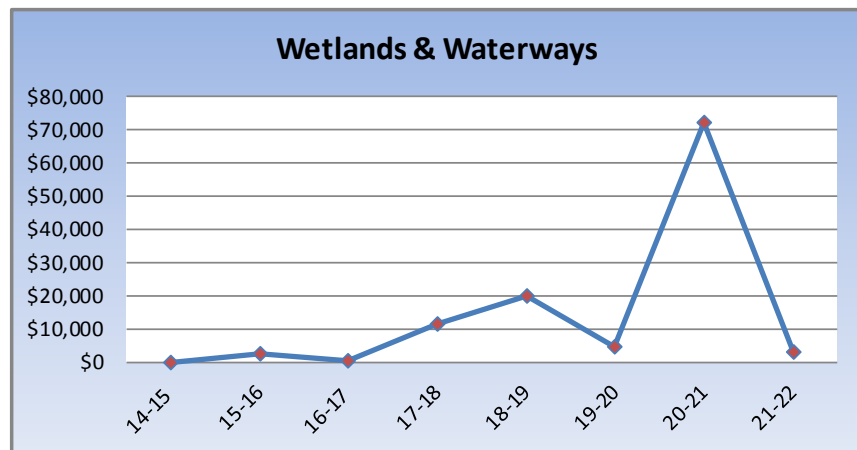
Primary Functions:

- Using properly licensed Public Works staff, treat, as needed, ponds and waterways with approved herbicides and algaecides to improve their function and appearance.
- Remove obstacles from navigable waterways.
- Clean up litter from wetlands and waterways.
- Through the Environment and Waterways Advisory Board, produce educational materials for Town residents regarding related issues.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Remained proactive in treating ponds and other areas for invasive weeds and algae
- Using in-house forces and a volunteered boat, replaced faded and missing navigation signs in canal
- Completed a \$66,200 dredging project in channel entrance from Trent River to Island Lake

The Town and several property owners (individually and as members of homeowners associations) maintain a series of stormwater containment ponds from the Town's front entrance to the point where the water enters the Plantation Canal near Town Hall.



This department contains the budget to perform routine weed and algae control in the waterways we maintain and to maintain the pumps that feed the fountains. We have members of our staff who are licensed to apply chemical weed control in waterways, and we only use controls approved and appropriate for such an application. The spike in FY20-21 was due to a canal dredging project funded through this department.

This department also contains funding for training members of our Environment and Waterways Advisory Board (EWAB).

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Historically, line 399 is used to fund routine maintenance of the trees along the side of Plantation Canal. Typically, we do this work every three years, funded by the CIP, in order to keep the boating channel clear of overgrown or downed trees. Once again this year, the Environment and Waterways Advisory Board did not recommend any tree removal. However, Craven County recently completed a snagging operation, funded by a grant. The canal in River Bend was included in the program. The program removed many downed trees in and along the canal, thus reducing the need for town funding for that work.

Wetlands and Waterways		18-19		19-20		20-21			21-22
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
4760									
399	Contracted Services	3,800	4,550	0	0	0	2,295	2,295	0
310	Travel & Subsistence	500	0	250	0	250	0	0	250
395	Training	500	0	250	0	250	0	0	250
299	Supplies & Materials	1,500	237	1,000	733	1,000	86	100	1,000
359	Maintenance & Repairs	1,200	750	3,000	0	5,500	3,565	3,565	1,500
590	Capital O/L- Other Structures	15,000	14,540	0	0	65,000	65,000	65,000	0
	TOTAL	22,500	20,077	4,500	733	72,000	70,946	70,960	3,000
310/395	Travel and Training for EWAB Members		500						
299	EWAB Publications & Programs		1,000						
359	Navigation Signs /Maintenance		1,500						
399	Canal Clearing		0						

Planning and Zoning

Council Priority (ies): 1, 5, 6, 9

The Planning and Zoning Department is comprised of an Assistant Zoning Administrator and Floodplain Manager working under the direction of the Town Manager who is the Zoning Administrator. This department is responsible for the review of applications for zoning permits, floodplain development permits, and timber harvesting permits. It is also responsible for administering the Town's Floodplain Management Ordinance and enforcement of the Town's Land Use and Subdivision ordinances.

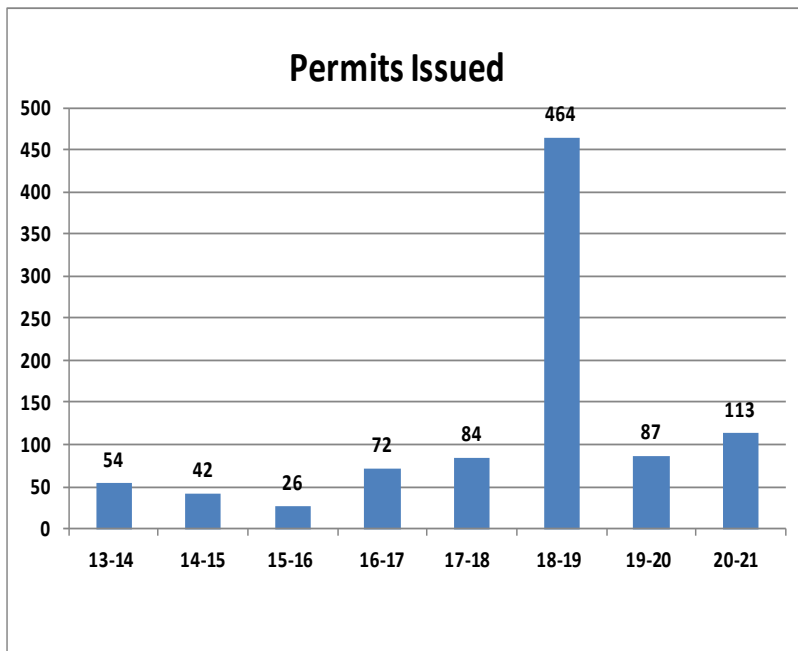
Primary Functions:

- Review applications for and issue zoning and floodplain development permits.
- Serve as a CAMA local permit officer.
- Proactively enforce Town land use regulations.
- Support the work of the Town Planning Board.
- Present cases, as required, to the Board of Adjustment.
- Work to educate residents about flood damage prevention measures.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued compliance with requirements of the Community Rating System
- Continued to maintain status as a CAMA Local Permit Officer
- Enforced local ordinances including nuisance abatement
- Assistant Zoning Administrator attended Certified Floodplain Manager training

The Town enforces our own Planning and Zoning and Floodplain Management ordinances and engages, in a cooperative manner, in regional planning efforts. This position is funded for 40 hours per week, with some hours allocated to the enterprise funds as this person fulfills customer service duties at the service window in Town Hall that are related to general and enterprise fund activities. The allocation for the position is shown in the labor allocation table on page 64.



Recreation and Special Events

Council Priority (ies): 1, 4

The Recreation and Special Events Department has no personnel assigned. This department, through the work of the Parks and Recreation Advisory Board, is responsible for developing and maintaining a limited schedule of recreational and craft activities for people of various ages. One of the Town's signature events, its 4th of July celebration, is organized and managed by the Parks and Recreation Board. However, due to COVID, this event was cancelled in 2020.

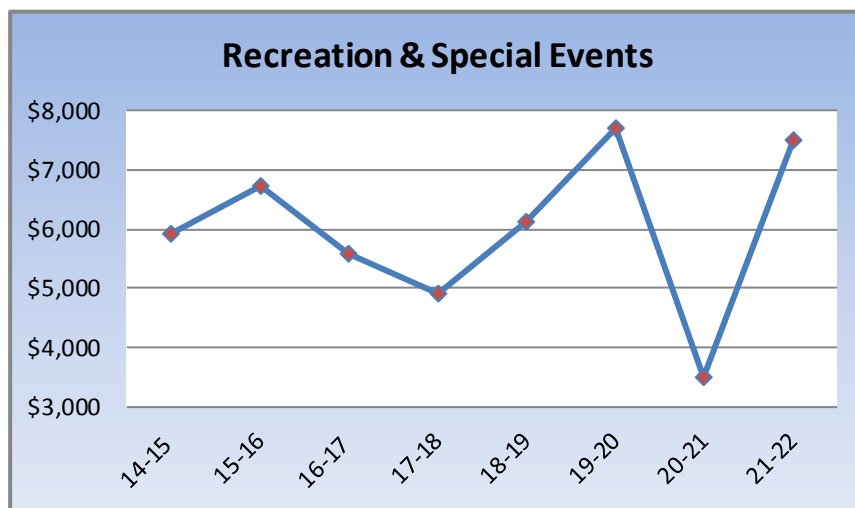
Primary Functions:

- Provides creative and diverse recreation and craft event opportunities.
- Provides special & community events.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Conducted multiple craft and game events
- Conducted multiple workshops on various topics
- Several events were cancelled due to COVID-19

This budget includes continued funding for our recreation programs and special events as shown on the list at the bottom of the worksheet below. The largest of these events, our annual 4th of July celebration, is a great example of community pride and a wonderful time for neighbors to come together and enjoy their community. Through the Parks and Recreation program, the Town offers, at a charge to participants, multiple yoga classes.



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Recreation & Special Events		18-19		19-20		20-21			21-22
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
6120									
399	Contracted Services	5,720	5,046	5,800	538	1,600	0	1,600	5,600
299	Supplies & Materials	1,775	1,079	1,900	1,459	1,900	154	1,000	1,900
TOTAL		7,495	6,125	7,700	1,998	3,500	154	2,600	7,500
399	July 4th expenses	4,100							
	Volunteer Day expenses	1,500							
		5,600							
299	Events	1,900							
Detail of Activities and Expenses Per Event									
	Date	Activity				Item	Cost		
	July	4th of July				Rentals, Food & Supp	4,100		
	Sept	Event				Refreshments	50		
	Oct	Workshop-adult				Supplies	75		
	Oct	Trunk or Treat				Supplies	150		
	Nov	Workshop-adult				Supplies	75		
	Nov	Workshop-kids				Supplies	50		
	Nov	Thanksgiving game				Supplies	75		
	Dec	Tree Lighting Ceremony				Refreshments	100		
	Dec	Fairfield Harbor Chorus				Refreshments	100		
	Jan	Social-game				Refreshments	25		
	Jan	Workshop-adult				Supplies	100		
	Feb	Workshop-kids				Supplies	25		
	Feb	Social-game				Refreshments	25		
	Feb	Workshop-adult				Supplies	50		
	Mar	Social-game				Supplies	25		
	April	Social-game				Supplies	25		
	April	Easter Egg Hunt				Supplies	400		
	April	Volunteer Day				Rentals, Food & Supp	1,500		
	May	Fairfield Harbor Chorus				Refreshments	100		
	May	Sunday concert				Refreshments, fee	450		
						TOTAL	7,500		

The two highlighted events are conducted at the direction of the Town but are budgeted Within this department. They account for nearly 80% of the annual activity budget.

Parks and Community Appearance Commission (CAC) Council Priority (ies): 1, 4

The Parks and CAC Department is staffed through the allocation of time by two Public Works employees. Refer to the labor allocation table on Page 64 for more detailed information. Its purpose is to enrich the leisure needs and quality of life for citizens by providing accessible facilities and a safe public park system and maintaining and improving the visual appeal of the Town.

Primary Functions:

- Support the work of the Community Appearance Commission.
- Maintain a system of parks including, Town Hall Park, Ritter Field, Town Commons, Springdale and Channel Run.
- Maintain the walking trails on Town Commons and Ritter Field.

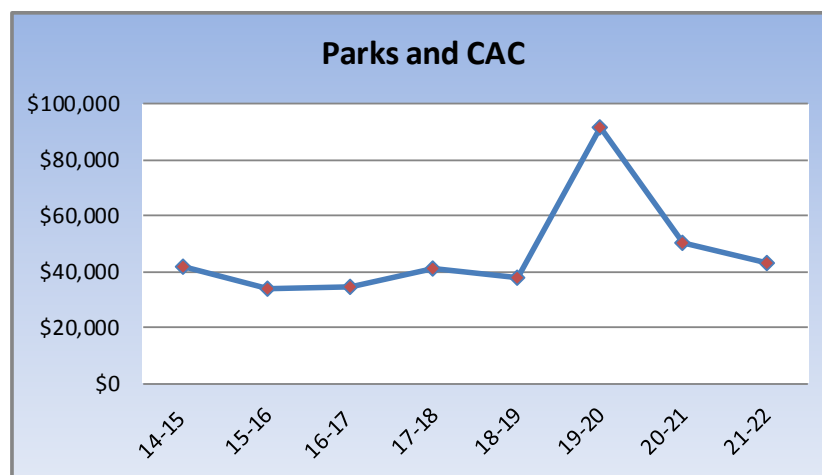
Fiscal Year 2020-21 Highlights including Special Projects and Purchases

- Continued to provide land and logistical support for the River Bend Community Organic Garden – a volunteer effort
- Continued improvements to dog park in Ritter Field
- Installed some new plantings around Town Hall
- Maintained compliance with the Tree City USA program

Personnel costs reflect an allocated portion of the Public Works staff time. The utility budget (line 330) is for the electricity for all the park areas in Town.

Also included in this budget area is funding for CAC projects (line 358). This volunteer board takes on many projects aimed at improving the appearance of the community including Christmas decorations and planting projects.

The Department is also sponsoring, through volunteer contributions and labor, a Community Garden. Line 399 contains funding for a porta-potty used for nine months a year at our kayak launch on Gull Pointe.

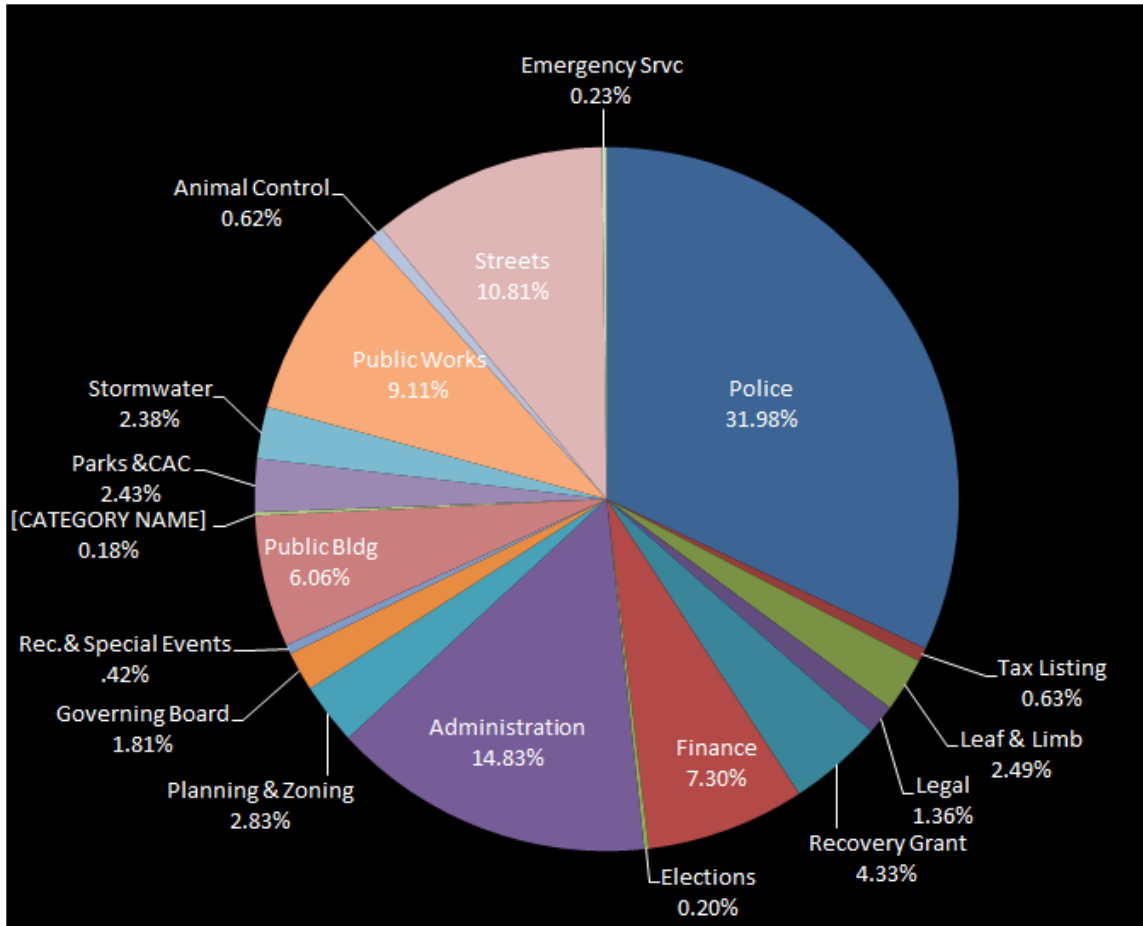


General Fund Expenditure Summary

The total budgeted expenditures for the General Fund, including transfers, is \$1,891,341 which represents an 18.9 % or \$440,869 decrease over budgeted expenditures in the 2020-21 fiscal year. However, the town's budget was amended during the fiscal year to account for additional expenses. When those expenses are removed, the budget represents a 0.07% or \$1,341 increase compared to the originally adopted FY 2020-21 budget. The table below shows the total for each department and the change compared to the budget for 2020-21. Note the departments that experienced amendments during the fiscal year.

General Fund Expenditure Summary					Change v. prior year		
		18-19	19-20	20-21	21-22	%	\$
Dept #	Department Name	Actual	Actual	Current Budget	Proposed		
4110	Governing Body	21,043	21,105	28,700	32,000	11.50%	3,300
4120	Administration	242,423	243,271	268,691	262,000	-2.49%	-6,691
4130	Finance	155,517	1,060,513	120,181	129,000	7.34%	8,819
4140	Tax Listing	9,518	9,737	10,880	11,200	2.94%	320
4150	Legal Services	21,157	14,283	24,000	24,000	0.00%	0
4170	Elections	-	2,571	-	3,500		3,500
4310	Police*	533,778	568,989	602,407	565,000	-6.21%	-37,407
4190	Public Buildings*	122,672	102,918	169,208	107,000	-36.76%	-62,208
4330	Emergency Services	821,465	42,425	4,000	4,000	0.00%	0
4380	Animal Control	12,637	11,663	14,366	11,000	-23.43%	-3,366
4510	Street Maintenance*	173,130	145,054	218,686	191,000	-12.66%	-27,686
4560	Public Works*	146,665	155,071	160,240	161,000	0.47%	760
4710	Leaf & Limb and Solid Waste*	33,854	33,163	62,999	44,000	-30.16%	-18,999
4730	Stormwater Management*	21,740	29,924	221,371	42,000	-81.03%	-179,371
4760	Wetlands & Waterways*	20,077	733	72,000	3,000	-95.83%	-69,000
4910	Planning & Zoning	41,534	51,740	48,363	50,000	3.38%	1,637
6120	Recreation & Special Events*	6,125	1,998	3,500	7,500	114.29%	4,000
6130	Parks & CAC	37,614	77,712	50,370	43,000	-14.63%	-7,370
4915	NCORR Recovery Grant	42,637	86,601	100,780	76,475	-24.12%	-24,305
Department Expenditure Total		2,463,585	2,659,472	2,180,742	1,766,674	-18.99%	-414,068
	Contingency *(1% per policy)	16,639	11,509	17,968	17,667	-1.68%	-301
	Transfer to Capital Reserve	124,000	-	60,000	107,000	78.33%	47,000
	Transfer to BUS Capital Project Fund*	-	1,040,100	73,500			
* department amended since adoption as of 4-15-2021							
TOTAL		2,604,224	3,711,081	2,332,210	1,891,341	-18.90%	-440,869

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022



The chart above shows the percentage each department receives of the total budget, excluding contingencies and transfer. The table to the right shows how much of the proposed tax rate goes to fund each department in the General Fund.

Department	Cents per Hundred
Governing Body	0.440
Administration	3.602
Finance	1.773
Tax Listing	0.154
Legal	0.330
Elections	0.048
Police	7.767
Public Buildings	1.471
Emergency Services	0.055
Animal Control	0.151
Street Maintenance	2.626
Public Works	2.213
Leaf and Limb/Solid Waste	0.605
Stormwater Management	0.577
Wetlands and Waterways	0.041
Planning and Zoning	0.687
Recovery Grant	1.051
Recreation and Special Events	0.103
Parks and CAC	0.591
Contingency	0.243
Transfer to Cap. Res.	1.471
Tax Rate	0.26

General Fund Revenue Introduction

Each year the North Carolina League of Municipalities (NCLM) produces a well-researched report to give local governments some guidance in predicting State revenue. This chapter outlines the basis for the budget numbers we use in the General Fund revenue budget. Each tax is explained below to give some background on the source of the revenue, and to give the reader an indication of the stability of the sources. We then propose an estimate of the growth or reduction for each of the revenues based upon the NCLM report and/or our history with a given revenue. These estimates are then reflected on the Revenue budget worksheet. No new revenue sources are expected in FY22.

Revenue Sources

(In the order they appear on the budget worksheet)

Property Tax:

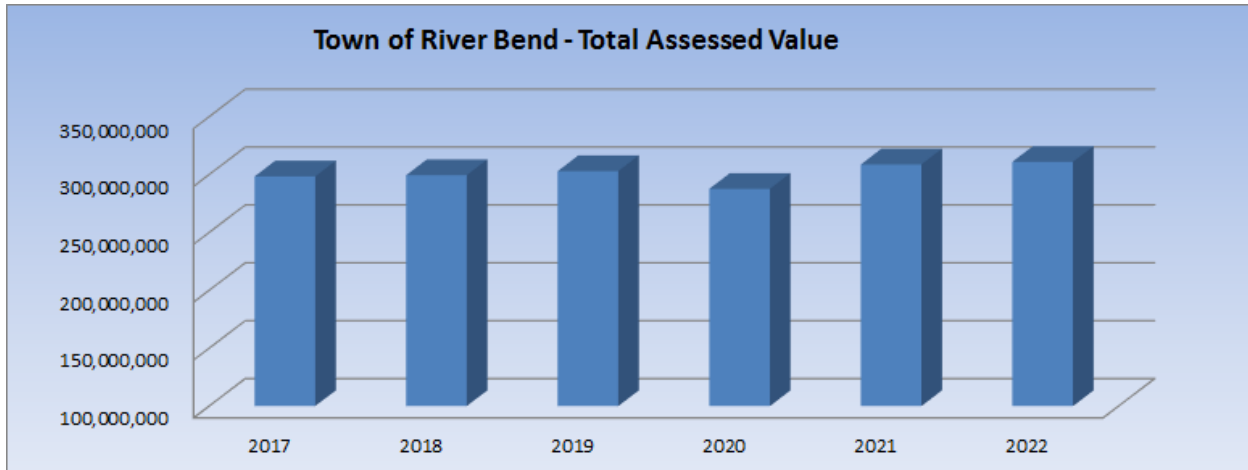
The property tax is levied against the real and personal property and motor vehicle tax bases. The tax base consists of real property (land, buildings, and other improvements to the land); personal property (boats, business equipment, etc.); and the property of public service companies (electric, telephone, railroads, etc.) and automobiles. State law requires that the tax rate be uniform unless the legislature grants the locality permission to establish a special service district. State law also limits the rate a locality may charge to a maximum of \$1.50 per \$100 of assessed valuation. Our proposed rate is \$0.26 per \$100.

Our tax base is determined by assessments performed by the County assessor's office and taxes are collected with County taxes and remitted to us. We pay the County a 1% fee to collect Real and Personal Property Taxes. We budgeted 4.5% for the NC Vehicle Tax System fee, whereby the State collects the vehicle tax at the time the vehicle registration is processed. The budgeted amount for these revenues, according to State law, must be based upon the total levy from the current tax base as modified by our actual rate of tax collection in the previous year.

Our tax base, as shown in the table and chart, increased slightly by just over \$2,000,000 or 0.73%. This follows a 7.31% increase last year. Following Hurricane Florence, property values fell due to damages. As expected,

Fiscal Year	Total Property Value	% Change	\$ Change
2018	\$ 299,506,635	0.37%	\$ 1,099,054
2019	\$ 303,025,742	1.17%	\$ 3,519,107
2020	\$ 287,697,954	-5.06%	\$ (15,327,788)
2021	\$ 308,741,623	7.31%	\$ 21,043,669
2022	\$ 311,000,000	0.73%	\$ 2,258,377

following repairs, the values have returned to higher than pre-storm value. The State mandates revaluation at least every eight years. Craven County plans to conduct future revaluations on a four-year cycle. The next revaluation is scheduled for 2022. The following chart provides a graphic depiction of changes since 2017.



Animal Licenses:

This source has been fairly consistent over the past few years. The license fee of \$10 has remained unchanged since FY12. The budgeted amount will remain unchanged for FY 2022 at \$2,400. This is the amount shown in the budget worksheet.

Sales/Use Tax:

Essentially two tax types: The Sales Tax on the retail sale or lease of tangible personal property and on the rental of hotel and motel rooms, and the Use Tax, an excise tax on the right to use or consume property in North Carolina or elsewhere.

All local sales taxes are collected by the State along with their 4.25% sales tax, and the local portion is distributed (after the State subtracts collection costs) to the 100 Counties as explained below. This method of distribution is currently being considered for change by the State.

The two types are currently collected in the form of four separate taxes referenced here by the enabling portion of the State tax code:

Article 39: 1% tax – returned directly to the county in which the goods were delivered.

Article 40: ½% tax – placed in a statewide pool and allocated among the counties on a per capita basis.

Article 42: ½% tax – originally placed in a statewide pool and allocated among the counties on a per capita basis, this tax, effective in October of 2008, is now distributed on a point of delivery basis in a manner similar to Article 39.

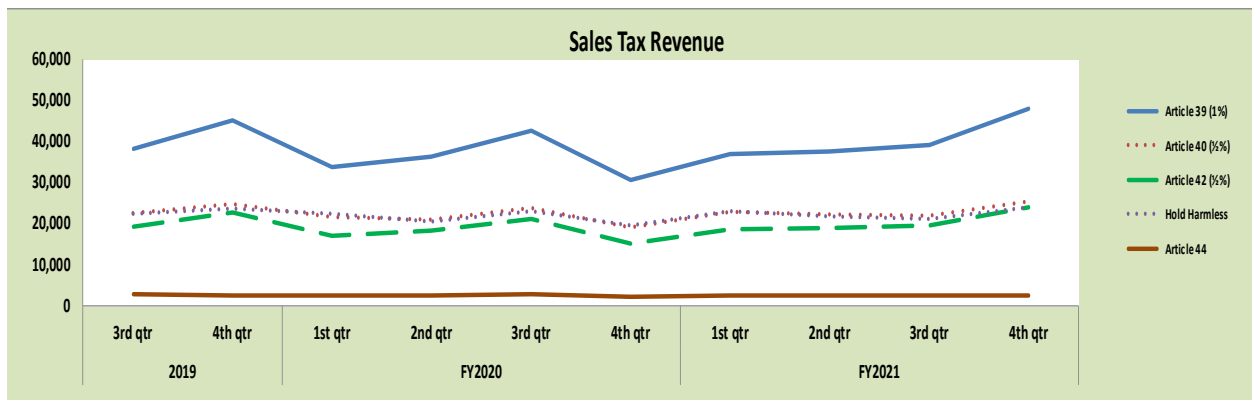
Article 44: As of October 1, 2008 the Article 44 tax was reduced to a ¼% tax (we account for this particular tax in the “Local Option Sales Tax” line in the

budget), with the proceeds all being returned to the County of origin. Beginning in FY17 there was a new tax levied for 79 Counties, Craven being one. Under NCGS 105-524, we receive a portion of that distribution.

Hold Harmless: This reflects the “hold harmless” payments that the State Department of Revenue will make to us on behalf of the County as described above.

Once the County receives the proceeds, it distributes them to the localities within that County by one of two methods; per capita or Ad Valorem. The method is determined by the County Board. Craven County uses the Ad Valorem method whereby our share is determined by the proportion our tax levy bears to the total levy of all local government units in the County. The County, at its discretion, may change the distribution method during the month of April each year.

We track each of these components and attempt to be alert to significant trends as they occur. We also attend economic briefings that allow us to maintain a state and national perspective on the factors that might impact our local economy, and thus our revenue. There was significant change in FY21 in these revenues due to COVID. We expect a little change for FY22. Our distribution of these revenues is subject to change each year based on the tax rate of all jurisdictions in the County. In FY21 our share of the County distribution was 0.966%. Over the past few years, this rate has had a slightly decreasing trend. In FY22 we budgeted at a rate of .948%.



To maintain our conservative posture, for FY22 we have budgeted a 2.5% increase in all but the Hold Harmless distribution. This equals very modest increase of \$7,854 over what we received in FY21.

Article 40, because it reflects statewide trends and is distributed based upon population, has, in the past, lagged somewhat behind the local trends that were showing improvement. Our year-end projection for FY21 is \$85,032 which is \$3,602 more than the budgeted amount for FY21. Expecting continued modest growth, we project to receive a slightly higher amount in FY22 of \$87,158.

We will end fiscal year 2021 with overall increased sales tax revenues, but there are many factors that could reignite the slowing economy, and accordingly increase the revenues we receive in FY22. We remain confident that conservative budgeting in this area, particularly due to the uncertainties related to COVID, is prudent.

Solid Waste Tax:

The Solid Waste Disposal Tax is a \$2 per ton tax charged to haulers to dispose of waste in landfills within the State or delivered to a transfer station for out-of-state disposal. This tax applies to municipal solid waste and construction and demolition debris. 50% of the tax proceeds go to the Inactive Hazardous Sites Cleanup Fund. 12.5% of the proceeds are deposited in the State Solid Waste Management Trust Fund for grants to State agencies and local governments. 18.75% of the proceeds go to counties and 18.75% go to cities, each on a per capita basis for solid waste management programs and services. The pool of money available for distribution is projected to remain unchanged, so we are budgeting to receive essentially the same in FY22 as we are projecting for FY21, which is \$2,200. These funds are restricted in their use to fund solid waste programs within a locality. Our current programs will use more than the projected amount of revenue from this source.

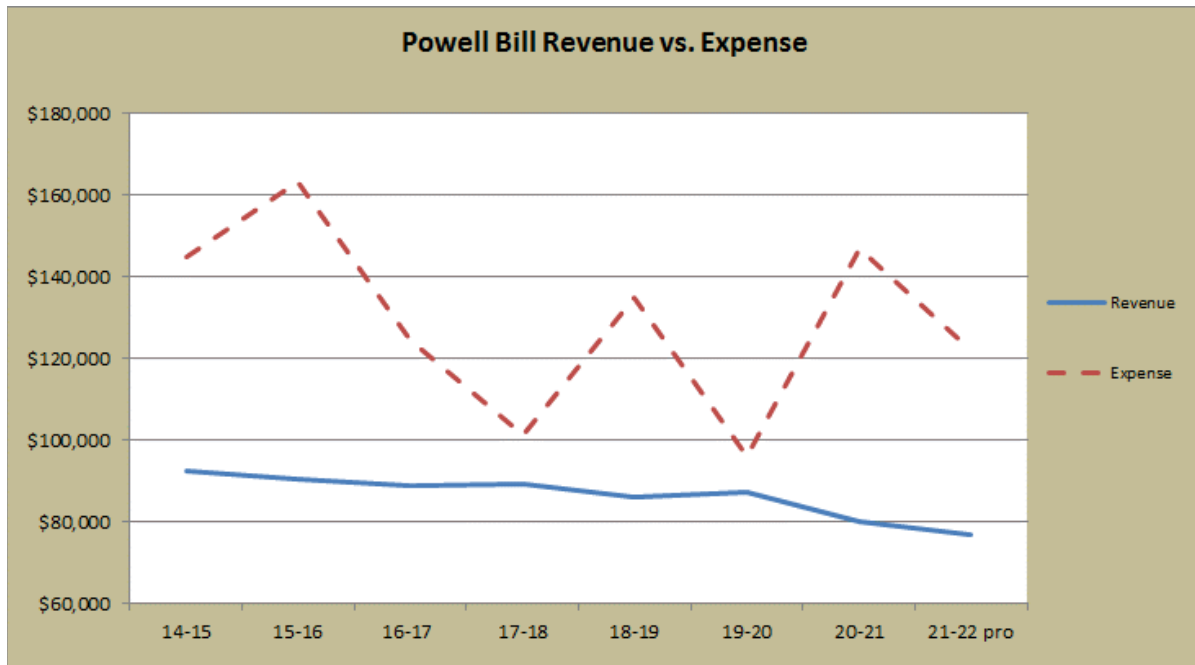
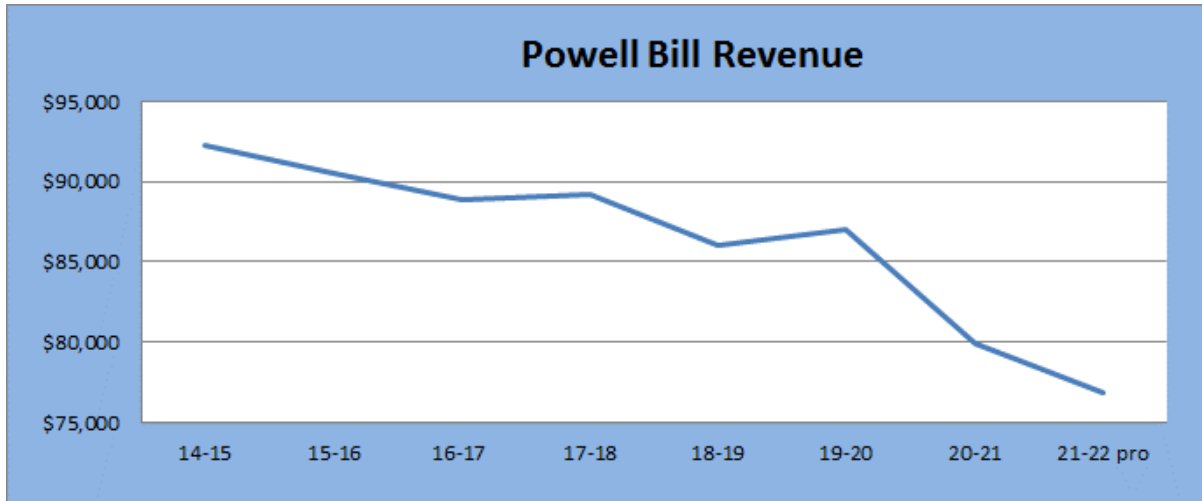
Powell Bill:

These State funds were formerly linked to tax on motor fuels. Due to recent Legislative changes, they are now subject to a direct allocation from the State Legislature. Named for the legislator who sponsored the bill to create this distribution, funds are remitted to the localities based upon a two-part formula. Three quarters of the local proceeds are distributed on a per-capita basis, and one quarter based upon the number of miles of non-State streets within the locality. River Bend has no State streets, so all our miles (16.87 total) of road enter into this part of the formula.

The funds, unlike property tax and sales tax, are restricted in their use. We may use this revenue only for maintaining, repairing, and constructing streets (and appurtenances such as sidewalks, drainage structures, etc.). The Council's recent philosophy has been to use these funds strictly for paving, and fund other road related expenses using other general fund revenue.

In FY 21, the population based portion of this revenue was \$18.77 per capita, which was down from \$19.35 the previous year. Similarly, the mileage-based portion of the formula was \$1,418.98 per mile, which was down from \$1,590.84 the previous year. While usually

steady, each of these components is subject to changes each year. In a desire to remain conservative in our estimates, we are budgeting changes in both the population and mileage rates. This results in revenue of \$51,828 and \$24,975 respectively and allows us to round to budget a total of \$76,800 for this revenue source in FY22, which is a decrease of \$7,700 from the previous year. The chart below shows revenue for the past eight years. The chart below shows we have historically spent more on resurfacing streets than we have received from Powell Bill revenues. This means that our General Fund has augmented our street paving projects.



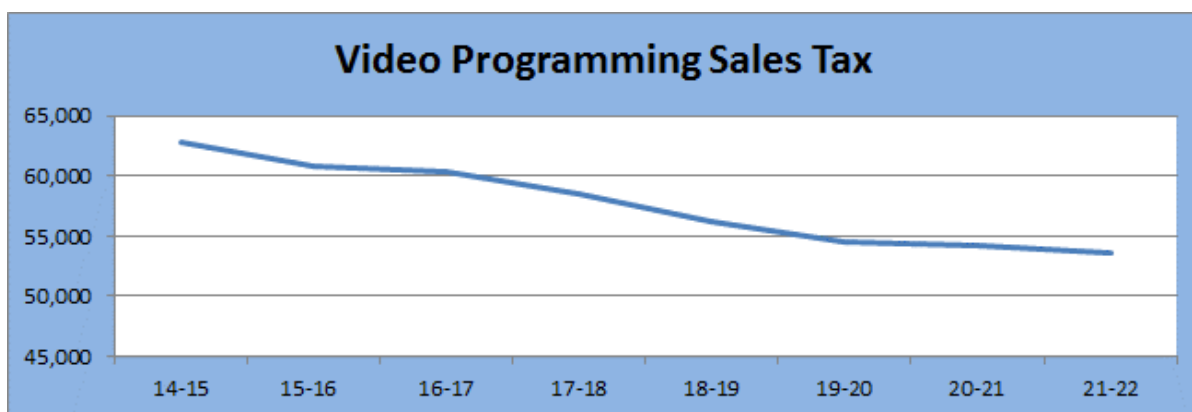
The blue line represents the Powell Bill Revenue. The red line represents the amount spent each year on street paving/maintenance project. Street paving projects are based on our engineer's recommendation.

Beer and Wine Tax:

The State levies license and excise taxes on liquor and excise taxes on beer and wine. 23.75% of the excise tax on beer, 62% of the excise tax on unfortified wine, and 22% of the excise tax on fortified wine is shared by all cities and counties who permit the sale of these beverages within their limits. Based upon recent trends, we are predicting essentially no change from the amount we received in FY21, and are budgeting \$13,225.

Video Programming Tax:

As of January 1, 2007, the local cable franchise system was replaced with a statewide video service franchising process. This effectively removed our ability to charge/collect franchise fees directly from the providers. The “pool” of money we share is made up of 7.7% of the net proceeds of tax collections on telecommunication services, 23.6% of the net proceeds of tax collections on video programming services, and 37.1% of the net proceeds of tax collections on direct-to-home satellite services.

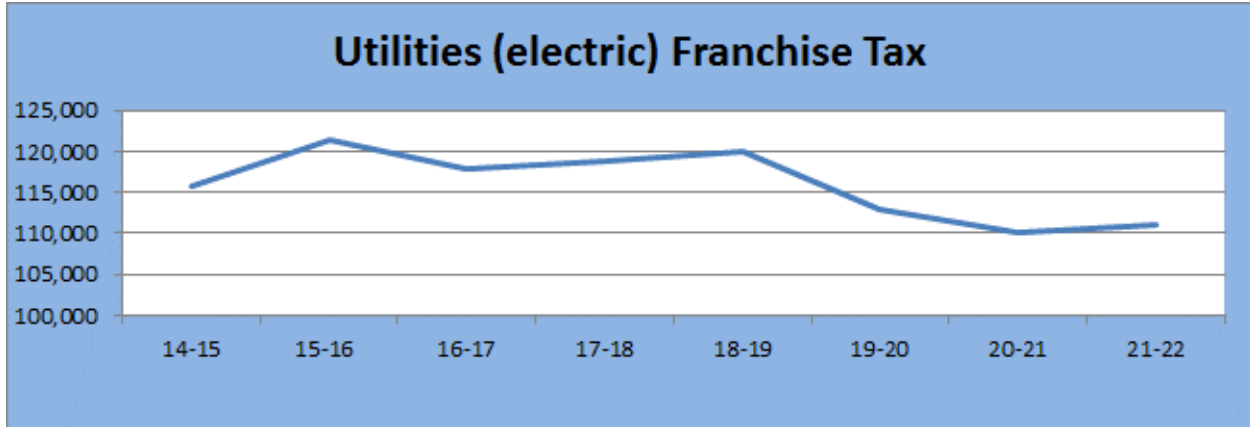


After the first \$2 million of this pool is distributed to localities to support PEG services, the remainder is divided, in our case, based upon the “base rate” established in a filing we made in March of 2007 to the Secretary of State. This base amount is the proportionate share our franchise fee (from the first half of FY 06-07) represents in the overall “pool” of money from localities throughout the State. Our share is 0.05037% of this pool. Each year this percentage is reviewed and modified based upon changes in population as certified by the State Budget Officer. This “pool” was enhanced by receiving new money from carriers who were not charged franchise fees in some localities. This is part of the reason we saw more money come in when this tax was enacted. In our case, and in many other localities, no franchise fees were collected from satellite providers. This too provided some “new” money for this pool.

Based on FY21 projections, we have budgeted \$25,430 in FY22. In addition to the tax revenue, we receive “pass-through” funds from the State that we remit to C-TV Channel 10. This is how the television station receives its State funding. In the past, they received this pass-through from the City of New Bern. Now that New Bern has their own channel, we handle the pass-through, and in exchange, Channel 10 broadcasts our Council meetings at no cost to the Town.

Utilities Franchise Tax:

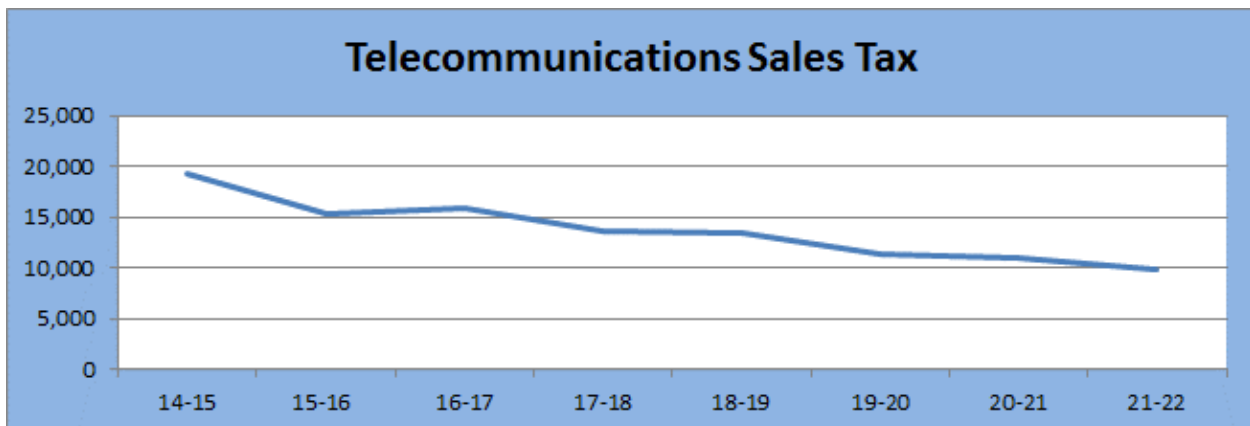
FY15 marked the first year of a new distribution method for this revenue. As of FY16, the general sales tax rate was applied to both electricity and natural gas and a percentage of the proceeds were to be returned to municipalities. In the case of electricity, that percentage is 44%. That number was chosen with the intention that every municipality could receive at least the same amount of revenue they received in FY13. In the event of excess statewide revenues, those revenues would be distributed on a statewide Ad Valorem basis.



We receive this money quarterly. In the proposed budget, remaining conservative, we are budgeting \$111,000 in this line. This position is taken using our projection for the end of FY21 as the budgeted amount for FY22.

Telecommunications Tax:

The Telecommunications Tax is from a pool created by 18.03% of the telecommunications sales tax imposed by all 100 counties (after the first \$2.6 million is deducted) and is also shared by all cities. Our share is determined by the proportion our old franchise fee contributed to the pool when it was created in 2001. Therefore, our share of the pool remains constant, but the pool can fluctuate based upon taxes collected. Based upon trends in the revenue we receive for this tax, we are predicting to collect 80% of budgeted revenue in the current fiscal year. However, to be conservative, we project a 10% decrease in FY22. Projected revenue in FY22 is \$9,900.



Court Refunds:

State law provides for a \$5 per “arrest” fee and other incidental costs to be paid to the locality whose officer makes an arrest. The relative unpredictability of the number of arrests that will be needed and made in a given year makes this a difficult source of revenue to forecast. However, based upon current data, we are budgeting only \$500 for this revenue line.

Zoning Permits:

This line is driven by the level of construction activity in Town. For the past few years, there was a statewide trend toward lower rates of construction but we anticipate a change in that trend. The number of permits issued for FY21 was 23% higher than issued in FY20. We are budgeting \$5,000 in FY22.

Federal and State Grants:

We do anticipate applying for numerous state grants for General Fund activities this year.

Miscellaneous:

Much of the revenue shown in this line in FY19 is from recreation program fees. We opted to budget no increase for this revenue over our FY19 projection. That is in keeping with our effort to remain conservative, as they are subject to the effects of reduced enrollment and/or cancellation of the programs. It is likely, however, that we will continue to offer these programs and may realize revenue that we have not budgeted. For FY22, we have budgeted \$8,000.

Interest:

These two lines reflect the estimated revenue from interest in these two areas. We are required to show the revenue from interest from our Powell Bill funds on a separate line as this income is restricted in its use in a manner similar the allocation we receive under this Act. These estimates are based upon a conservative .35% interest rate and, reflect the amount of money we have invested. Currently, our funds in BB&T and those with the North Carolina Capital Management Trust are returning around 1%. Our combined interest income for FY22 is budgeted at \$580.

Rents and Concessions:

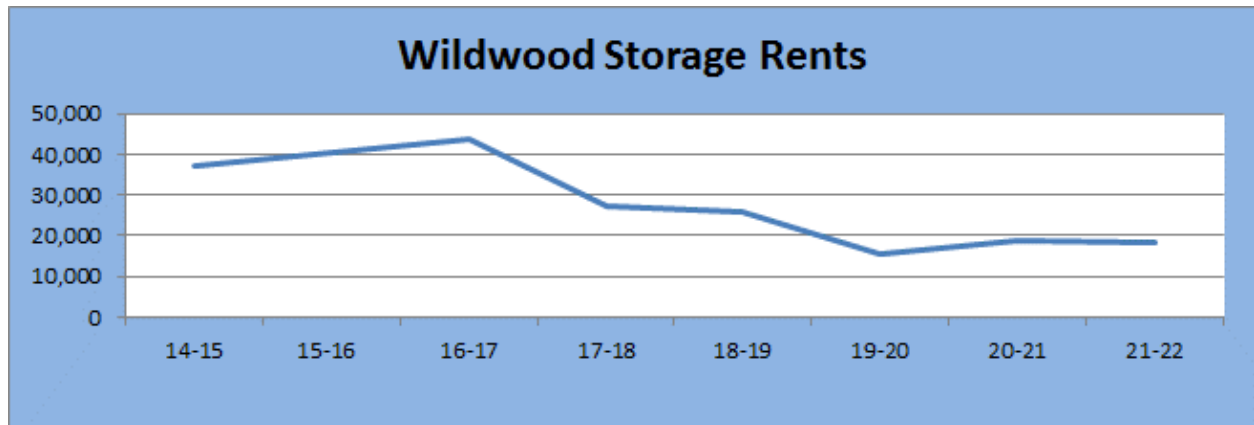
This line reflects revenue from our enterprise funds for rental of office space and charges for reserving the park or Town Hall meeting room. Based on our projections for FY21, it is budgeted at \$18,000 in FY22.

Wildwood Storage Rentals:

The line reflects our revenue from the rental of the units in Wildwood, the town's storage facility. The budgeted amount for FY22 is based upon our current rental rates, which appear competitive in the local market, and uses a 95% occupancy rate. The actual occupancy rate has been 100% for nearly a year.

In FY22 we have budgeted \$18,144 as total revenue from this source. This includes indoor and outdoor units.

WILDWOOD STORAGE		Monthly Revenue as of 4-8-21
Enclosed Units	20	\$1,260
Open Spaces	38	\$950
Total Units on Property	58	\$2,210
Less Town Occupied Units	9	\$635
Net Units Available for Rental	49	\$1,575
Vacant Available for Rent	0	\$0
Units Past Due or Over-locked	3	\$75
Total Loss/mth	3	\$75
Total Occupied and Paid	46	\$1,500
Rate of Paid Occupancy (units)	93.88%	
Rate of Paid Occupancy (dollars)	95.24%	
Projected Rate of Occupancy	96.00%	
Budgeted Revenue		\$18,144



General Fund Revenue Summary

Due to the uncertain economic times caused by COVID, we have continued to be conservative in our estimates of revenue. Conservative revenue estimates are not new to the budget process. They are more the rule than the exception. Revenue, as required by law, is balanced with the expenditure portion of the budget. This budget of \$1,891,341 represents a 0.07% or a \$1,341 decrease, from the previous fiscal year budget. However, the previous year's budget had a substantial fund balance appropriation of \$446,048, which included FEMA reimbursement and other carry-over projects. For a fair comparison, we do not include those transfers in overall comparison stated above. They are reflected in the chart of the next page and when included, represents an 18.90% overall reduction.

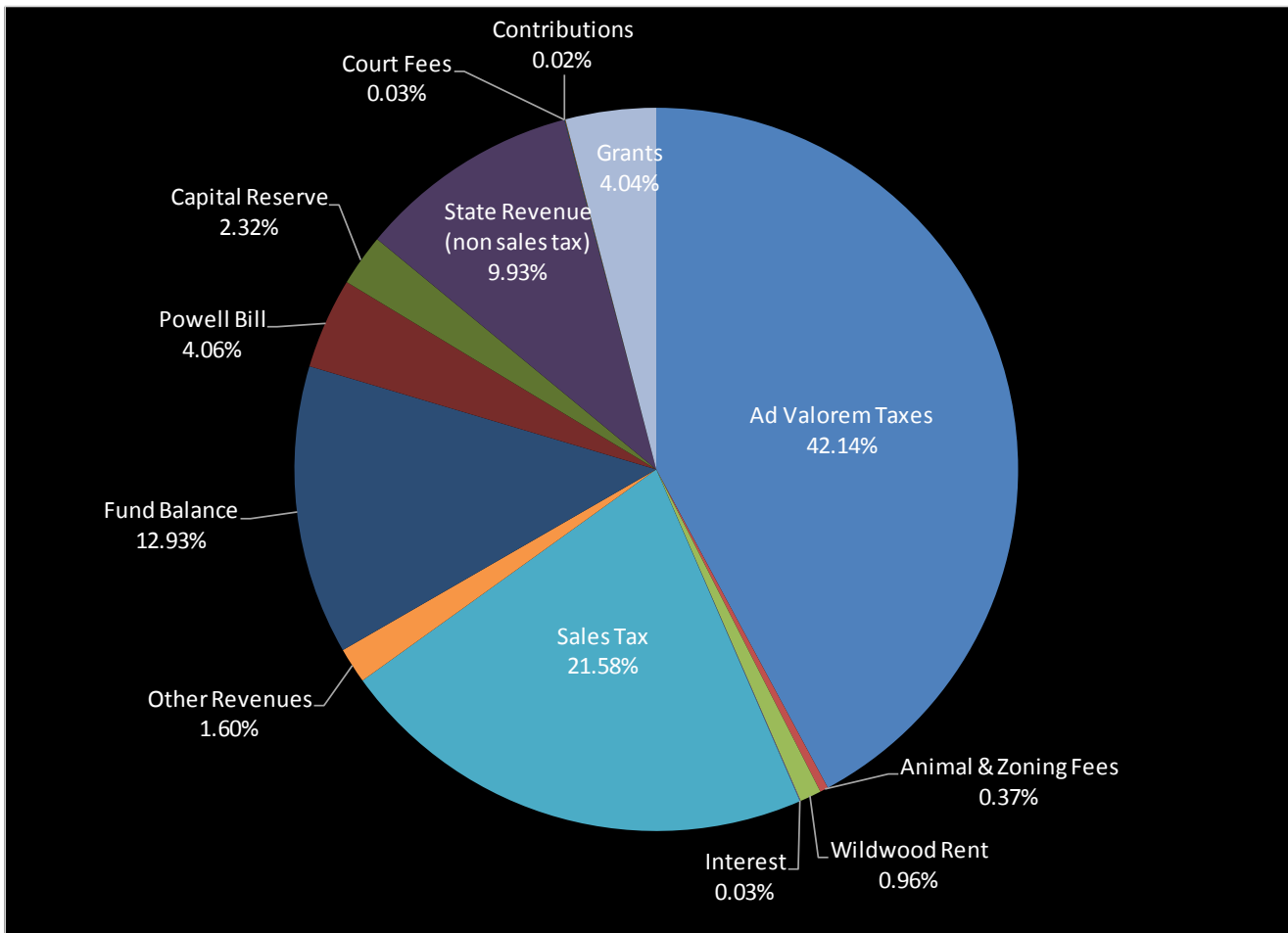
As discussed earlier, the impacts of COVID greatly affected this year's budget development. In order to offset lower revenues attributed to the slowdown in business activity due to the pandemic, the Town Council approved a \$244,602 appropriation of fund balance. Next, the tax rate remained the same at 26¢ even though much of the loss in property value from Hurricane Florence related damages have been recouped. There are no other substantive changes to the external revenue projects for FY22. The State-collected revenue in our projections are only slightly higher in FY 22 than are projected in FY21, as previously discussed on page 131.

The proposed tax rate and its corresponding revenue, along with the other revenues mentioned above, will allow us to maintain our infrastructure and maintain the current levels of service while looking at the future needs of the community. Even with the appropriation from fund balance, we are able to maintain a level of fund balance that allows us to maintain a solid financial foundation, which has a direct impact upon our bond rating and overall creditworthiness. We remain aware of and seek any other sources of revenue whether through grants or other taxes as deemed appropriate. It is important to note that historically only about half of our general fund revenue comes from the Ad Valorem tax, also known as local property tax. In FY22, we anticipate that only 42.14% of revenue will derive from the levy of property tax. The amount and percentage of each source is depicted in the table and graph on the next page.

The next two pages provide more detail of the General Fund Revenue sources, along with charts and graphs. The pie chart shows the portion of the total revenue we receive from each source type.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

General Fund Revenue Summary					Change v. prior year	
	18-19	19-20	20-21	21-22	%	\$
	Actual	Actual	Current Budget	Proposed		
Ad Valorem Taxes	728,213	740,181	796,447	796,963	0.06%	516
Animal Licenses & Zoning Permits	16,079	7,984	7,400	7,000	-5.41%	-400
Interest	39,340	24,186	11,017	580	-94.73%	-10,437
Wildwood Rents	26,020	15,374	18,120	18,144	0.13%	24
Other Revenue & Rents	66,173	42,375	34,000	30,200	-11.18%	-3,800
Contributions	879	835	421	421	0.00%	0
Powell Bill (includes appropriation)	86,045	87,033	84,500	76,800	-9.11%	-7,700
State Revenue (other than sales tax)	202,530	191,618	191,771	187,725	-2.11%	-4,046
Sales Tax Revenue	454,923	375,874	385,953	408,111	5.74%	22,158
NCORR Loan/Grant Proceeds	1,040,924	89,022	0			
Government Grants (Fed, State & Count)	56,984	1,042,743	191,370	76,445	-60.05%	-114,925
Fees (court refund)	311	383	500	500	0.00%	0
Charges to Other Funds	0	0	0	0	0.00%	0
Transfer from Capital Reserve	117,470	34,800	164,663	43,850	-73.37%	-120,813
Transfer from LESA Fund	0	0	0	0		0
Appropriated Fund Balance	0	0	446,048	244,602	-45.16%	-201,446
TOTAL	2,835,890	2,652,407	2,332,210	1,891,341	-18.90%	-440,869



Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Revenue		18-19		19-20		Current Budget 02/18/21	20-21		21-22 Proposed Budget
		YR End Budget	Actual Year-End	YR End Budget	Actual Year-End		Revenue as of 01/31/21	Projected Year-End	
3100-108	AD VALOREM Taxes	643,056	648,230	638,087	659,141	713,247	604,956	713,247	711,163
3100-180	Tax Penalties	0	0	0	0	0	0	0	0
3110-108	AD VALOREM Tax-Motor Veh.	73,680	79,983	83,200	81,040	83,200	44,245	83,200	85,800
3210-851	Animal Licenses	2,400	2,761	2,400	2,097	2,400	580	1,500	2,000
3231-010	Sales Tax - Art. 39 1%	151,200	167,035	158,760	137,376	136,448	86,404	146,067	149,718
3231-020	Sales Tax - Art. 40 1/2%	93,800	97,206	96,614	80,759	81,430	50,261	86,726	87,158
3231-030	Sales Tax - Art. 42 1/2%	75,700	83,796	79,485	68,900	68,324	43,286	75,076	74,932
3231-040	Sales Tax (Local Opt)- Art. 44 1/2%	11,300	11,199	11,300	9,723	9,549	5,852	10,051	10,235
3329-200	Hold Harmless Tax Distribution	93,400	95,687	97,136	79,116	90,202	48,931	85,784	86,068
3261-100	Cable TV Franchise	0	0	0	0	0	0	0	0
3278-300	Solid Waste Disposal Tax	2,100	2,119	3,000	2,287	2,500	1,080	2,160	2,200
3316-099	Powell Bill Appropriation	0	0	0	0	0	0	0	0
3316-370	Powell Bill Allocation	88,000	86,045	86,000	87,033	84,500	79,957	79,957	76,800
3319-200	Piped Natural Gas Tax	0	52	0	0	0	0	0	0
3322-200	Beer and Wine Tax	13,500	13,045	13,500	12,903	13,500	0	13,225	13,225
3323-200	Video Programming Sales Tax	60,100	56,187	56,500	54,578	53,680	27,115	54,230	53,600
3324-200	Utilities Franchise Sales Tax	119,000	119,954	119,000	112,862	114,261	50,578	110,000	111,000
3332-200	Telecomm Sales Tax	15,200	13,345	14,440	11,275	10,330	5,588	11,000	9,900
3340-853	Court Refunds	500	311	500	383	500	162	262	500
3343-850	Zoning Permits	3,000	13,319	5,000	5,887	5,000	4,555	5,921	5,000
3430-310	Federal Grant- BVP Program	0	1,818	0	0	0	0	0	0
3430-320	NCORR Loan/Grant Proceeds	0	1,000,000	0	0	0	0	0	0
3433-315	Federal Disaster Assistance	0	37,616	705,119	713,695	14,624	0	14,624	0
3433-320	State Disaster Assistance	0	12,538	257,692	237,898	4,875	0	4,875	0
3433-321	CARES Act CRF Assistance	0	0	0	0	49,650	49,650	49,650	0
3433-321	NCORR-FDLG-042 Grant			91,150	91,150	0	0	0	0
3433-325	County Grant Emergency Svcs.	5,012	5,012	0	0	0	0	0	0
3490-400	Interlocal Service Agreements	0	0	0	0	0	0	0	0
3494-320	NCORR Recovery Grant 2019-2022	52,500	40,871	89,022	89,022	99,568	99,568	99,568	76,445
3613-360	County Government Grants	0	0	0	0	0	0	0	0
3430-355	State Government Grants	0	0	0	0	22,653	20,410	22,653	0
3830-800	Miscellaneous	8,000	8,526	8,000	8,351	13,500	10,278	11,303	10,000
3830-850	Insurance Settlements	33,870	34,340	0	1,090	0	0	0	0
3831-320	Interest- NCORR Recovery Grant 19-22	0	1,765	4,678	3,169	1,212	24	30	30
3831-370	Interest- Powell Bill	5	124	50	135	50	0	0	50
3831-810	Interest- General Fund	35,000	37,450	18,100	20,882	9,755	196	252	500
3832-605	Recreation Land Fees	0	0	0	0	0	0	0	0
3833-820	Contributions	1,200	879	1,200	835	421	0	421	421
3834-852	Wildwood Storage Rentals	20,248	26,020	18,120	15,374	18,120	11,445	18,845	18,144
3834-860	Rents & Concessions	18,000	18,000	18,000	18,025	18,000	10,500	18,000	18,000
3835-865	Sale of Fixed Assets	3,700	3,150	0	5,050	0	0		0
3839-351	Sales Tax Refund Revenue	0	38	0	7,572	0	0		0
3920-892	Proceeds from Debt	0	0	0	0	0	0		0
3980-982	Transfer - Capital Res Fund	117,470	117,470	34,800	34,800	164,663	164,663	164,663	43,850
3980-983	Transfer from Parks Fund	0	0	0	0	0	0		0
3980-984	Transfer from Water Fund	0	0	0	0	0	0		0
3980-985	Transfer from Sewer Fund	0	0	0	0	0	0		0
3980-988	Transfer from LESA Fund	0	0	0	0		0		0
3991-991	Appropriated Fund Balance (NCORR)								0
3991-991	Appropriated Fund Balance	1,179,243	0	443,583	0	446,048	0		244,602
	TOTAL REVENUES	2,920,184	2,835,890	3,154,436	2,652,407	2,332,210	1,420,284	1,883,289	1,891,341

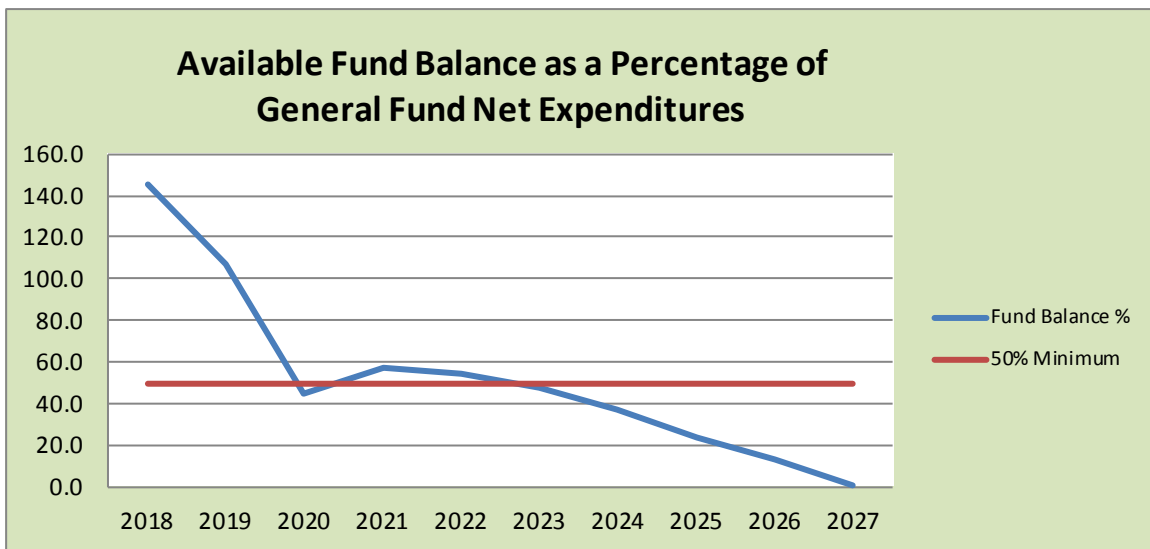
General Fund Balance

Fund Balance is, simply explained, the amount of assets in excess of liabilities in a given fund. The North Carolina Local Government Commission (LGC) monitors the level of unreserved Fund Balance each locality maintains as a sign of their relative financial strength. The benchmark the LGC uses is 8% of total expenditures, below which they express concern to the locality and direct action to increase the balance. The target set by the Town Council is to maintain an unrestricted Fund Balance of no less than 50%. Having such a balance enables us to meet our financial obligations without interruptions due to cash flow, generates investment income, eliminates the need for short-term borrowing, and provides a reserve of funds to respond to emergencies or opportunities.

In FY19-20, Hurricane Florence had a tremendous negative impact on the Town’s fund balance. As expected, full FEMA reimbursement was received and our fund balance recovered to a near normal level. Over FY’s 19-20 and 20-21, the town used \$1,300,000 of fund balance to build a new Municipal Building and an addition to Town Hall.

According to our projections, Fund Balance remains above or nearly at 50% through the end of Fiscal Year 2023 with no additional tax rate increase or other major change. See the following section for more details regarding our five-year financial forecast. The table below shows the amount of Fund Balance at the end of each fiscal year and the corresponding percentage of General Fund expenditures. The chart depicts the Fund Balance percentage at the end of the fiscal year. The red line represents the 50% Council minimum target.

Proforma Of General Fund Balance (less Capital Reserve)										
	.29 tax rate	.24 tax rate	.26 tax rate	.26 tax rate						
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Available										
Fund Balance \$	2,294,498	2,787,506	1,649,910	1,280,926	1,036,324	883,864	691,109	469,784	262,446	6,273
(annual financial report data)	ACTUAL			Projected	Proposed	FORECAST				
Available	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Fund Balance %	145.3	107.0	44.5	57.4	54.8	47.4	36.9	23.8	12.8	0.3



Five-Year Financial Forecast

A financial forecast assists the Town in planning for future expenditures and revenues and estimating the financial resources required to maintain adequate services and reserves. By capturing known or planned expenditures and predicting, based on historical data, future expenditures we are able to develop a reasonable estimate of trends over the next five years. The forecast is based upon a set of assumptions that are, following the philosophy of the elected body, quite conservative in estimating revenue and realistic in predicting expenditures.

These projections are reviewed annually to see how they correlate to actual expenditures and to determine if changes in the economic climate warrant changes in the underlying assumptions. These are reviewed and updated every year.

What follows is a list of some of the assumptions that underlie the forecast for FY23-FY27:

Expenditures

- 2.0% COLA for FY23 and each year thereafter.
- Other compensation changes per the approved Pay Plan.
- No change in staffing level from FY22 levels.
- Local Government Employees Retirement System *Employer Contribution Rate as provided by LGC* is used.
- 5% per year increase in medical insurance premiums.
- 1% per year increase in workers' compensation insurance.
- 4% increase per year in property and liability insurance.
- 2% increase per year in electric expenditures.
- 2% per year in telephone and postage expenditures.
- 2% per year increase in motor fuel expenditures.
- 3% increase per year in many other routine expenditures.
- Includes all vehicle and IT replacement per plans.
- \$30,000 expenditure for stormwater in FY23, \$30,000 per year through FY27.
- LESA funding at \$13,500 per year.
- \$20,000 per year contribution in Facility Replacement CIP.
- 5% annual increase for Springbrook financial software maintenance
- 3% annual increase for VC3 IT contract

Revenue

Real Property:	10% per increase in FY23 (revaluation), then 1% increase thereafter. 99.5% collection rate. Tax rate of \$.26 per hundred dollars of valuation.
Motor Vehicle:	1% per year increase in tax base. 100% collection rate this year and 100% thereafter. Tax rate of \$.26 per hundred dollars of valuation.
Sales Taxes:	5.0% increase in FY23 from FY22 and 2% growth per year thereafter.
Powell Bill:	Level funding per year in the amount of \$80,000.
Beer and Wine Tax:	1% increase in FY23 from FY22 and 1% increase per year thereafter.
Video Programming Sales Tax:	No change from FY22 year-end level through FY27.
Utilities Franchise Tax:	2% increase in FY23 from FY22 and 1% thereafter.
Telecommunication Sales Tax:	No change in FY22 year-end level through FY27.
Sale of Fixed Assets:	Tracks with the years that new vehicles are purchased.
Wildwood Storage Rental	96% Occupancy Rate through FY27

Both the expenditure and revenue projects assume 100% collection and expense of the budgeted amounts. Also, the next property revaluation is scheduled for January 2022, which will become effective with the FY23 budget.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

This worksheet shows the General Fund expenditure summary by department. This worksheet shows historical data from FY20 and projected expenditures for FY21 and proposed amounts for FY22. The forecast amounts for FY23 through FY27 are based upon the assumptions noted previously.

General Fund Expenditure									
Summary		19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
		Actual	Proj	Prop	Proj	Proj	Proj	Proj	Proj
4110	Governing Body	21,105	19,381	32,000	32,777	33,598	34,461	35,367	36,319
4120	Administration	243,271	259,167	262,000	270,258	278,003	286,028	294,328	272,935
4130	Finance	1,060,513	123,210	129,000	131,337	136,289	140,709	145,166	150,081
4140	Tax Listing	9,737	10,880	11,200	12,311	12,429	12,548	-	-
4150	Legal Services	14,283	12,000	24,000	24,720	25,462	26,225	27,012	27,823
4170	Elections	2,571	-	3,500	-	3,675	-	3,859	-
4310	Police	568,988	595,417	565,000	619,134	593,400	656,256	712,046	694,777
4190	Public Buildings	102,918	174,257	107,000	98,832	100,587	105,246	107,086	111,770
4330	Emergency Services	42,425	4,201	4,000	4,124	4,252	4,385	4,521	4,661
4380	Animal Control	11,664	11,959	11,000	11,558	11,959	12,376	12,803	13,242
4510	Street Maintenance	145,054	207,344	191,000	171,631	176,916	182,367	187,977	193,754
4560	Public Works	155,071	150,381	161,000	166,419	171,265	176,267	181,392	186,668
4710	Leaf & Limb and Solid Waste	33,163	50,503	44,000	45,320	46,680	48,080	49,522	51,008
4730	Stormwater Management	29,925	212,729	42,000	64,247	65,356	66,503	67,681	68,894
4760	Wetlands & Waterways	733	70,960	3,000	3,090	3,183	3,278	3,377	8,478
4910	Planning & Zoning	51,740	47,265	50,000	51,606	53,269	54,992	56,767	58,607
6120	Recreation & Special Events	1,998	2,600	7,500	7,725	7,957	8,195	8,441	8,695
6130	Parks & CAC	77,712	34,409	43,000	46,310	47,449	48,626	49,831	51,071
4915	NCORR Recovery Grant	86,601	98,900	76,475					
	Contingency (=1% expend)	11,509	12,000	17,667	17,614	17,717	18,665	19,472	19,388
	Transfer to Capital Reserve	-	60,000	107,000	86,000	86,000	92,000	87,000	95,500
	Transfer to BUS Capital Project Fund	1,040,100	73,500						
	TOTAL	3,711,081	2,231,065	1,891,340	1,865,012	1,875,446	1,977,207	2,053,647	2,053,668
	<i>Change from previous year</i>	42.50%	-39.88%	-15.23%	-1.39%	0.56%	5.43%	3.87%	0.00%

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

As with expenditures stated on the previous page, this worksheet shows the General Fund revenue summary, by major source for the same years as expenditures and based upon the assumptions noted previously. The appropriated fund balance amounts, as mentioned earlier, are highlighted in yellow. Based on the current revenue assumptions, detailed on page 143, which includes a tax rate of \$0.26 throughout the five-year forecast, these fund balance appropriations will be necessary to balance the budget.

General Fund Revenue Summary								
	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
	Actual	Proj	Prop	Proj	Proj	Proj	Proj	Proj
Ad Valorem Taxes	740,181	796,447	796,963	877,763	886,540	895,406	904,360	913,403
Animal Licenses & Zoning Permits	7,984	7,421	7,000	7,400	7,400	7,400	7,400	7,400
Interest	24,186	282	580	2,078	1,773	3,461	4,703	2,629
Wildwood Rents & Cable Franchise	15,374	18,845	18,144	18,522	18,522	18,522	18,522	18,522
Other Revenue & Rents	42,375	31,463	30,200	35,500	30,500	39,000	35,500	35,500
Contributions	835	421	421	500	500	500	500	500
Powell Bill (includes appropriation)	87,033	79,957	76,800	80,000	80,000	80,000	80,000	80,000
State Revenue (other than sales tax)	191,618	188,455	187,725	190,077	192,475	194,920	197,412	199,953
Sales Tax Revenue	375,874	400,257	408,111	424,214	430,976	437,875	444,912	452,089
Government Grants	1,131,765	191,370	76,445	0	0	0	0	0
Fees (court refund)	383	262	500	500	500	500	500	500
Transfer from Capital Reserve	34,800	164,663	43,850	76,000	33,504	78,300	152,500	87,000
Transfer from LESA Fund								
Transfer from Fund Balance	1,119,379	351,223	244,601	152,459	192,756	221,325	207,339	256,172
TOTAL	3,771,786	2,231,065	1,891,340	1,865,012	1,875,446	1,977,207	2,053,647	2,053,668
<i>Change from previous year</i>	30.38%	-40.85%	-15.23%	-1.39%	0.56%	5.43%	3.87%	0.00%

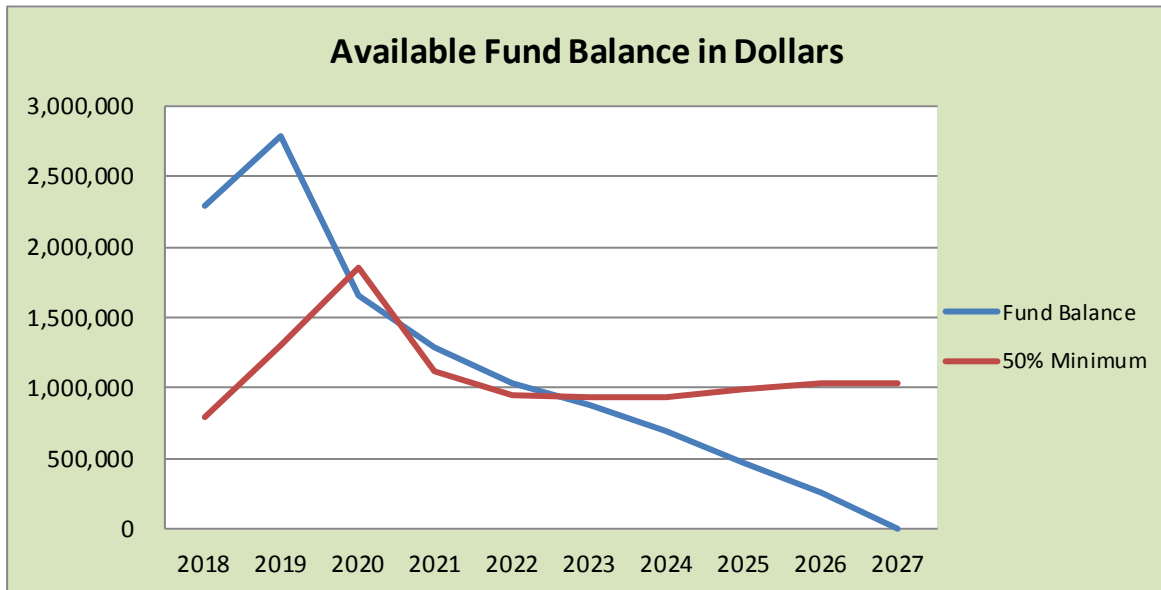
The chart below provides a summary of the five-year forecast in regards to revenues versus expenditures. The projections indicate a deficit for every year beginning in FY21. All of those projections could be balanced with a fund balance appropriation equal to the deficits shown.

	Actual	Proj	If tax rate remains at 26.0¢					
General Fund	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
Total Revenue (without fund balance)	3,771,786	1,879,842	1,646,739	1,712,553	1,682,690	1,755,883	1,846,308	1,797,496
Total Expenditure	3,711,081	2,231,065	1,891,340	1,865,012	1,875,446	1,977,207	2,053,647	2,053,668
Revenue - Expenditures =	60,705	-351,223	-244,601	-152,459	-192,756	-221,325	-207,339	-256,172

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

The worksheet and chart shown below summarize the projected fund balance with no change the tax rate of 26¢. Absent increases in revenue or substantial decreases in spending and no modification to services provided, a structural deficit, as illustrated below, will begin in FY21. While a deficit is forecast in revenue vs. expenditures, we remain above the 50% Fund Balance level until 2022 and are very close to it through 2023. The red line represents the 50% minimum fund balance threshold as established by the Council.

Proforma Of General Fund Balance (less Capital Reserve)										
	.29 tax rate	.24 tax rate	.26 tax rate	.26 tax rate						
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Available Fund Balance \$	2,294,498	2,787,506	1,649,910	1,280,926	1,036,324	883,864	691,109	469,784	262,446	6,273
(annual financial report data)	ACTUAL			Projected	Proposed	FORECAST				
Available Fund Balance %	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	145.3	107.0	44.5	57.4	54.8	47.4	36.9	23.8	12.8	0.3
GF Expenditures	1,579,598	2,604,223	3,711,081	2,231,065	1,891,341	1,865,012	1,875,446	1,977,207	2,053,647	2,053,668
50% of Expense	789,799	1,302,112	1,855,541	1,115,532	945,671	932,506	937,723	988,604	1,026,823	1,026,834
% Fund Balance Goal	50	50	50	50	50	50	50	50	50	50
Ad Valorem Revenue	870,529	728,213	740,181	796,447	796,963	877,763	886,540	895,406	904,360	913,403
All Other Revenue	895,156	2,164,608	1,823,204	1,083,395	849,776	834,790	796,150	860,477	941,949	884,093
Revenue	1,765,685	2,892,821	2,563,385	1,879,842	1,646,739	1,712,553	1,682,690	1,755,883	1,846,308	1,797,496
Revenue-Expense	186,087	288,598	-1,147,696	-351,222	-244,602	-152,459	-192,756	-221,325	-207,339	-256,172

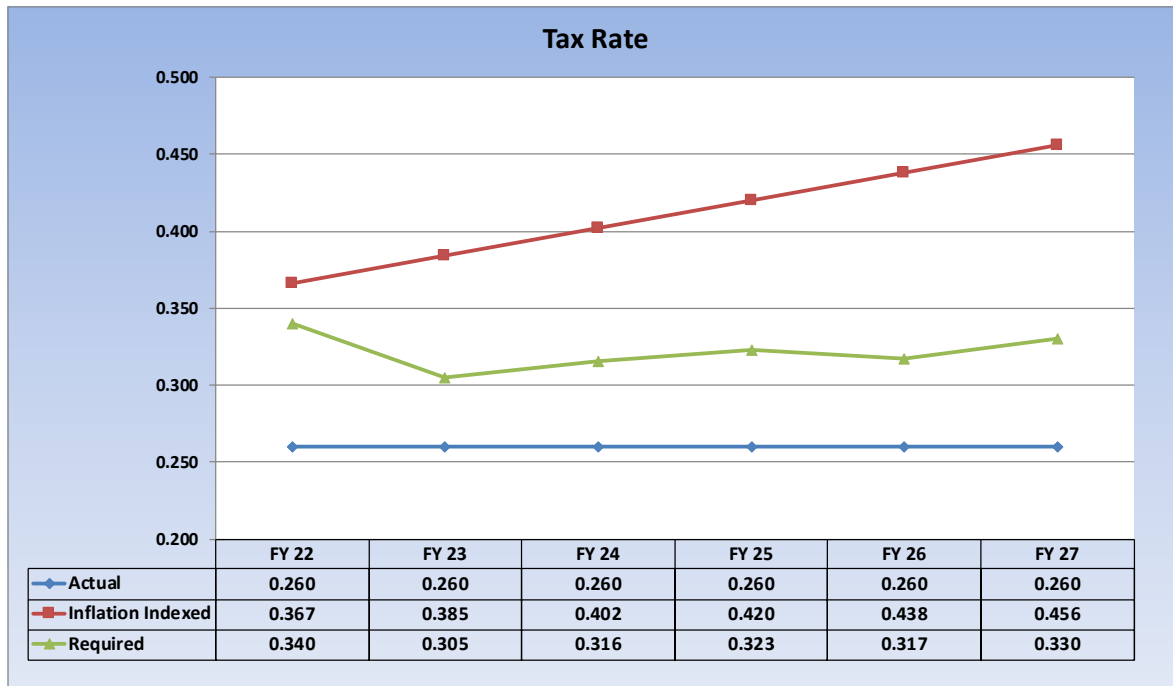


Our options to ameliorate a structural deficit are rather limited. We have, effectively, one local revenue that we can adjust to increase revenue, and a wider variety of ways to reduce expenditures. Spending reductions, in order to make a substantial change in the structural deficit, would need to come from the areas in which our expenses are highest; personnel costs, capital reserve funding, and infrastructure maintenance. Reducing any of which comes with its own set of consequences that need to be evaluated as they are considered.

Increasing revenue through an increase in the tax rate also has consequences that must be evaluated. The latest LGC data (2020) shows the average tax rate in our peer group was 35.37¢ or 9.37 cents higher than our rate that year. There are, however, many differences in communities, the services they offer, the level of their tax base, and a host of other factors, that make comparisons to other communities imprecise.

Based upon the assumptions shown earlier, revenue without a Fund Balance appropriation, does not cover expenditures in Fiscal Year 2022. Assuming that all projections are realized, and there is no modification to services or personnel, the chart below shows the tax rates required (green line) to maintain a balance of revenues and expenditures through FY27. After a full recovery from COVID, completion of the BUS project and the next property revaluation, the Town Council will reevaluate our tax rate and fund balance position.

The Inflation Adjusted tax rate is calculated using our previous tax rate of \$0.26 as the base and increasing it by the rate of inflation in each of the years since its last increase. From FY22 forward, the rate is increased by an inflation factor equal to the average rate of inflation over the past five years (0.01793%). Beginning in FY22 and continuing through FY27, the required rate would be higher than the actual and current rate.



Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

While we are not advocating a change in the tax rate in future years, we show you this information to demonstrate how the tax rate would need to be increased in order to maintain pace with projected inflation. As noted earlier, an increase in the tax rate affects our property owners. The table below shows the effect of changing the tax rate to the inflation indexed rate. The first column shows what last year's tax bill was at various assessed values. Next, it shows what the difference in FY22 will be compared to last year. The future columns shows what the tax bill would be if the tax rate is levied at the inflation indexed rate. Note, in the chart on page 147, the 26¢ tax rate is used for all "actual" years in the projections. In all of those years, as indicated in the yellow highlighted areas below, the inflation indexed rate is higher than the actual rate. Thus, our proposed rate of 26¢ does not keep pace with the forecast inflation rate. While the costs of other things are increasing at an inflationary rate, the projections maintain a tax rate that is less than the inflation rate. There is no guarantee that the tax rate will not be changed in any of the years in the five-year forecast. There are many variables that may affect that decision in the future. However, based on the assumptions noted at the beginning of this forecast, a tax rate increase will likely be necessary in 2024 to keep our Fund Balance above the 50% goal.

Assessed Value	FY21 Bill	FY 22-proposed rate		FY 22		FY 23	
	0.260	0.260	Change vs. Current	0.367	Change vs. Current	0.385	Change vs. Current
95,000	247	247	0	348	101	365	118
100,000	260	260	0	367	107	385	125
150,000	390	390	0	550	160	577	187
190,000	494	494	0	697	203	731	237
200,000	520	520	0	733	213	769	249
250,000	650	650	0	916	266	961	311
300,000	780	780	0	1,100	320	1,154	374
350,000	910	910	0	1,283	373	1,346	436
400,000	1,040	1,040	0	1,466	426	1,538	498
500,000	1,300	1,300	0	1,833	533	1,923	623
600,000	1,560	1,560	0	2,199	639	2,307	747

Current Rate
 Inflation Indexed Rate

FY 24		FY 25		FY 26		FY 27	
0.402	Change vs. Current	0.420	Change vs. Current	0.438	Change vs. Current	0.456	Change vs. Current
382	135	399	152	416	169	433	186
402	142	420	160	438	178	456	196
604	214	631	241	657	267	684	294
765	271	799	305	833	339	867	373
805	285	841	321	877	357	912	392
1,006	356	1,051	401	1,096	446	1,141	491
1,207	427	1,261	481	1,315	535	1,369	589
1,409	499	1,471	561	1,534	624	1,597	687
1,610	570	1,682	642	1,753	713	1,825	785
2,012	712	2,102	802	2,192	892	2,281	981
2,415	855	2,522	962	2,630	1,070	2,737	1,177

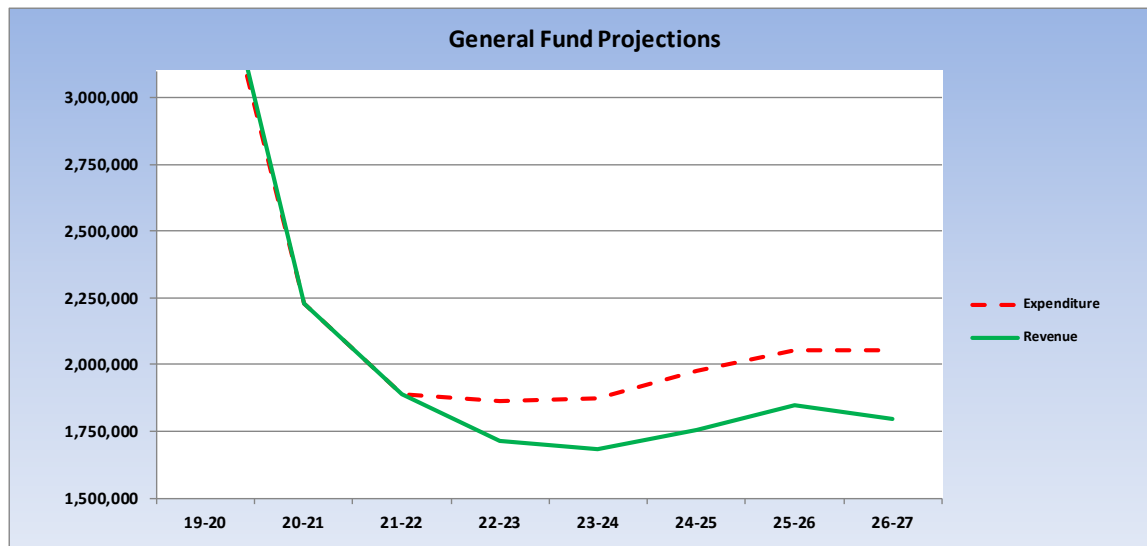
Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

The table below shows the anticipated revenue from both real and motor vehicle taxes for the current year and five years thereafter. The current year is highlighted. The current year “base” figures are estimated values and subject to change. After FY20, the real property value and motor vehicle value are estimated to increase by 1% per year. Note that the tax rate for this forecast period, which is highlighted, is estimated to remain unchanged, as noted previously.

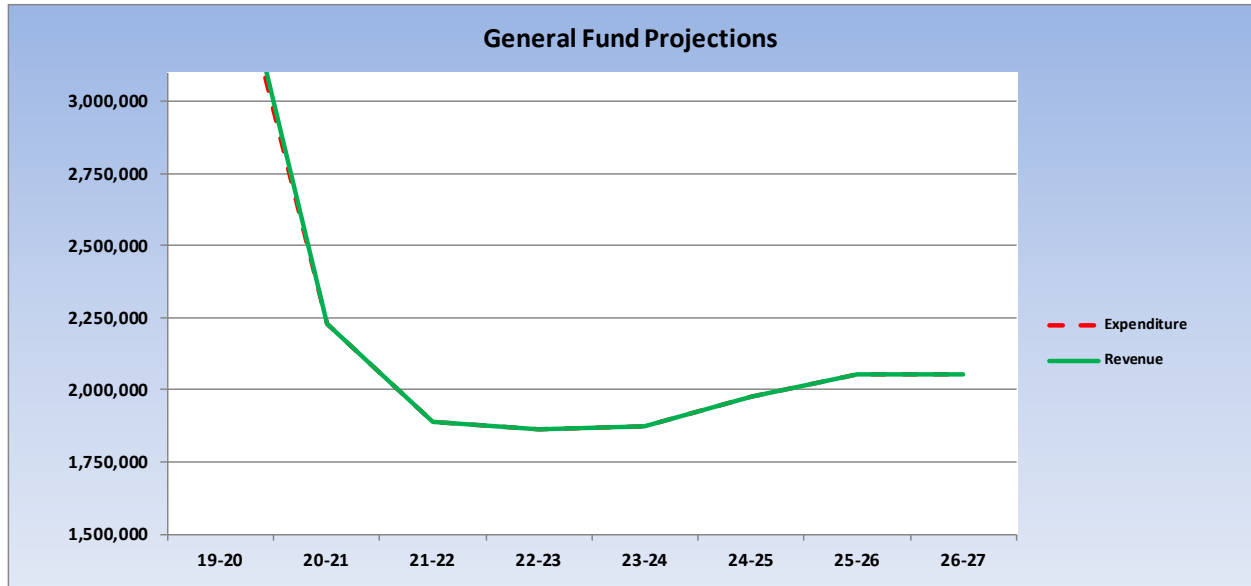
FY	Real Property				Motor Vehicle			
	Base	Rev Base	Rate	Revenue	Base	Rev Base	Rate	Revenue
2017	257,500,000	257,216,750	0.2900	745,929	28,500,000	28,491,450	0.2900	82,625
2018	268,500,000	267,828,750	0.2900	776,703	30,000,000	30,000,000	0.2900	87,000
2019	268,800,000	267,456,000	0.2400	641,894	30,700,000	30,700,000	0.2400	73,680
2020	246,800,000	245,417,920	0.2600	638,087	32,000,000	32,000,000	0.2600	83,200
2021	275,400,000	274,325,940	0.2600	713,247	32,000,000	32,000,000	0.2600	83,200
2022	278,000,000	273,524,200	0.260	711,163	33,000,000	33,000,000	0.260	85,800
2023	305,800,000	304,271,000	0.260	791,105	33,330,000	33,330,000	0.260	86,658
2024	308,858,000	307,313,710	0.260	799,016	33,663,300	33,663,300	0.260	87,525
2025	311,946,580	310,386,847	0.260	807,006	33,999,933	33,999,933	0.260	88,400
2026	315,066,046	313,490,716	0.260	815,076	34,339,932	34,339,932	0.260	89,284
2027	318,216,706	316,625,623	0.260	823,227	34,683,332	34,683,332	0.260	90,177
Increase 1% / year				Increase 1% / year				
Assumes 99.5% collection rate				Assumes 100% collection rate				

The charts that follow show the historical trend and forecast for future revenues and expenditures in the General Fund based upon current and modified tax rates.

This graph shows revenue and expense for the next five years with no increase in the tax rate and no appropriated fund balance after FY22.



This chart shows revenue and expenses for the next five years with no changes in the tax rate but a fund balance appropriation each year to maintain a balanced budget.



The reader will notice that the lines overlap and indicate a balance of revenue and expenditures is achieved by a fund balance appropriation. One of the difficulties with the foregoing analysis is the ability to accurately project future revenue and expenditures. We believe that the assumptions, as noted earlier, follow the philosophy of the elected body, in that they are quite conservative in estimating revenue and realistic in predicting expenditures. This analysis will be updated annually in order to give the elected leaders a basis of understanding the future impact of current policies.

Law Enforcement Officer Separation Allowance (LESA) Fund

Since Fiscal Year 2008, the Town has been placing a small amount of money in a separate account with the NC Capital Management Trust for LESA. This fund is reserved for the sole purpose of funding the LESA benefit for qualifying law enforcement officers. Historically, we have set aside \$13,500 for LESA annually. In some years we have made additional contributions. The FY22 contribution to this plan is budgeted at \$13,500.

The recent interest additions are considerably lower than in previous years. This is due to the overall performance of the investment portfolio, which is tied to the performance of the stock market. The table below shows the contributions made and the balances in this Fund. Similarly, we expect to receive very little interest income in FY22.

The benefit provided by this fund is available to all full-time law enforcement officers who have reached age 55 and have more than 5 years of creditable service. The amount of the benefit is calculated by multiplying the officer's salary by 0.0085 and multiplying that number by the total number of years of creditable service. The retiree may collect this annual amount for up to seven years (until they turn 62). As noted in the table below, there are/is officer(s) who are collecting this benefit. In FY22, we expect to pay \$1,517 in LESA benefits. In FY 2012 we began using this fund to cover the retirement benefits paid to eligible officers.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Actual	Actual	Actual	Actual	Adopted
Additions							
General Fund Contributions	10,000	20,000	25,000	13,500	13,500	6,359	13,500
Interest	127	252	490	556	267	4	45
Total Additions	10,127	20,252	25,490	14,056	13,767	6,363	13,545
Deductions							
Retirement Benefits Payable	29,999	30,916	33,973	28,431	15,176	8,191	1,517
Total Deductions	29,999	30,916	33,973	28,431	15,176	8,191	1,517
Change in Net Assets	-19,872	-10,664	-8,483	-14,375	-1,409	-1,828	12,028
Net Assets - Beginning of Year	66,601	46,729	36,066	27,583	13,208	11,799	9,971
Net Assets - End of Year	46,729	36,066	27,583	13,208	11,799	9,971	21,999

Each year, our Annual Comprehensive Financial Report (ACFR) shows the latest actuarial information on this fund. Prior to the Town's beginning to save money to fund this liability, as mentioned above, we continued to accrue a significant liability to be paid once one (or more) of our officers retire. Additional information regarding the details of the actuarial valuation is available in our ACFR, which is available on our website at www.riverbendnc.org/finance.

In accordance with Governmental Accounting Standards Board (GASB) Statement 73, the Town reclassified the Law Enforcement Officer's Separation Allowance Trust Fund to the General Fund. It is now reported as Assigned Fund Balance in the General Fund. As of June 30, 2021 that balance was \$9,971. Based on current projections, with a \$13,500 contribution in FY 22, the FY22 year-end balance will be \$21,999.

Enterprise Funds Overview

The Town of River Bend operates two enterprises: the water system and the sewer system. River Bend purchased these two businesses from a private company, Carolina Water Service, in 1995. These enterprises are operated as businesses by having all revenues and expenditures accounted for separately from other functions of the Town and by having rates established that cover all expenditures of the enterprise.

The following pages will provide an overview of the process used to establish utility rates, what the proposed rates are, and specific information regarding the operations, expenditures, and revenues of each utility.

These utilities are operated under the supervision of the Public Works Director. In addition to the Director, there are two licensed water and wastewater operators who have extensive training and experience. We have a member of the staff on duty seven days a week in order to monitor these important operations and ensure that we are providing clean, safe drinking water and discharging only properly treated effluent from our wastewater plant. These operations require technical expertise and attention to detail. We are very fortunate to have quality operators who focus on these aspects, and have a mind for serving our customers quickly, efficiently, and equitably.

Billing for the utilities is handled by our Finance Assistant who works under the supervision of the Finance Director. The Finance Assistant is responsible for all aspects of billing and customer service for the utilities and is charged with applying policies and procedures adopted by the Council and Manager equitably to all customers.

Fiscal Year 2020-21 Highlights including Special Projects and Purchases- Water

- Received \$602,500 grant for water meter replacement project
- Under contract, had both water towers inspected and provided routine maintenance
- Funded ½ cost (\$11,000) of new vehicle
- Funded corrosion prevention (\$12,000) at well house

Fiscal Year 2020-21 Highlights including Special Projects and Purchases - Sewer

- Funded ½ cost (\$11,000) of new vehicle
- Continued sludge removal at wastewater treatment plant
- Under contract, continued to provide off-site disposal of sludge from wastewater treatment operations

Enterprise Funds Capital Improvement Plan

The purpose of the Capital Improvement Plan (CIP) is to forecast and match projected revenues and major capital needs over a five-year period. Capital planning is an important management tool that strengthens the linkage between enterprise fund infrastructure needs and the financial capacity of the utility.

Generally defined, capital expenditures are those of major value that recur irregularly, result in the acquisition (or significant modification) of a fixed asset, and have a useful life greater than one year.

The CIP is updated annually as part of the Town's regular budget process. Projects are reviewed and evaluated based on the Mayor's and Town Council's priorities, other infrastructure needs, the financial capacity of the utility and the impact the projects will create on the utilities' operating budgets.

Once the projects are evaluated, a recommended CIP is developed that identifies the selection and timing of capital projects into future fiscal years. First-year projects are incorporated into the recommended annual operating budget. The Mayor and Town Council are also presented the future planning years for their consideration, review, and endorsement so staff can proceed with planning and evaluation of potential capital projects.

The Capital Improvement Plan is simply that – a *plan*. As such, projects are subject to change based on new or shifting service needs, special financing opportunities, emergency needs, or other directives or priorities established by the Mayor and Town Council. Because priorities can change, projects included in outward planning years are not guaranteed for funding. The River Bend Enterprise Fund CIPs achieve five major objectives as a component of the utilities' budget and financial planning process:

1. Helps the Town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high quality services to the customers of the utilities.
2. Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures.
3. Ensures better coordination, evaluation, and planning of projects to serve the utilities and their needs.
4. The CIP, together with the annual budget and other financial plans, serves as a guide to decision making for the Town Council, Town Manager, and staff.
5. The systematic and comprehensive analysis of capital needs increases the probability of making rational budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the utilities.

The projects funded by expenditures from the Capital Improvement Plan are detailed later in this report within the description of the operational department in which the expenditure is made. As noted earlier, these projects were reviewed in light of their impact upon the operating budgets. Due to adequate planning for such capital projects, there is no adverse effect upon the operating budgets due to their inclusion in the budgets.

The Enterprise Fund CIP projects for FY22, while modest in scope, all help to preserve our infrastructure and continue to provide reliable service. In the water fund, we plan to purchase a gas chlorinator and fund 1/3 cost (\$25,000) of a used backhoe. In the sewer fund we plan to fund 1/3 cost (\$25,000) of a used backhoe and upgrade a lift station (\$30,000). The lift station repair is due to normal wear and tear.

Three years ago, the Town completed a significant project in the sewer enterprise for the design and permitting for renovation and upgrades to the wastewater treatment plant to continue to serve those who are currently served by the collection and treatment systems. The town received environmental permits from the State of North Carolina and the Army Corps of Engineers. There were discussions by the Council to fund a component of the project while the Town has the permits, even if construction does not immediately follow. That component would be to “fill” wetlands around the existing facility in order to accommodate future new construction if such construction is approved in the future. That component would include clearing of wooded areas and hauling in dirt from off site. When complete, the land around the existing facility would be ready for new construction. One possible advantage of this process would be in cost saving due to tighter regulatory guidelines in the future. However, the Council has decided not to pursue this project at this time. The Council discussed waiting to see if mandates are issued to make improvements to the wastewater treatment plant. The Council also discussed that if the fill component of the project is completed in advance it will most likely result in an easier environmental permitting process and reduced construction costs in subsequent years. In 2018, our application for renewal has been approved and our permit parameters were not changed significantly. The Council has decided not to take any action at the current time.

Recently, there has been some discussion about development of a 100 acre tract of land in the Northwest Quadrant of town. If that area is developed for large-scale residential uses, the wastewater treatment improvements topic may need to be revisited.

The tables on the next pages shows both funding and expenditures from the Enterprise Funds Capital Improvement Plan and the Vehicle Replacement Plan (refer to page 76 in the General Fund section of this document for a description of the Vehicle Replacement Plan).

Water Fund Capital Improvement Plan

CAPITAL IMPROVEMENT PLAN									
Water Fund									
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2030
Appropriation: Annual		0	0	602,500	15,000	20,000	40,000		100,000
Appropriation: Well pump		0	0	0	0	0			
Appropriation: Vehicles (50/50 W/S)		3,500	3,500	3,500	3,500	3,500	3,500	3,500	17,500
FY Appropriation:		\$ 3,500	\$ 3,500	606,000	\$ 18,500	\$ 23,500	\$ 43,500	\$ 3,500	\$117,500
Capital Projects									
Project Completed									
<i>Administration:</i>									
Vehicle Replacement (split Water/Sewer)		Per schedule			11,000				15,000
Equipment-backhoe (split with water and general)				25,000					
<i>Treatment</i>									
Well #1 Filter Media Rehab		09-10			13000				17,000
Well #2 Filter Media Rehab							15000		
Treatment House interior filter painting			12,000						
Well #3 Filter Media Rehab		10-11							17,000
Well #1 Pump Replacement		13-14				23000			20,000
AMR/AMI Meter Replacement				602,500					
<i>Distribution</i>									
Line Replacement		12-13							25,000
Industrial Meter Replacement					5000				
Lines & Tanks									
FY Expenditures:		0	23,000	627,500	18,000	23,000	15,000	0	134,000
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2030
Net Capital Cash:		\$ 3,500	\$ (19,500)	\$ (21,500)	\$ 500	\$ 500	\$ 28,500	\$ 3,500	\$ (16,500)

Sewer Fund Capital Improvement Plan

CAPITAL IMPROVEMENT PLAN									
Sewer Fund									
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Appropriation: Annual		59,500	59,500	0	59,500	59,500	59,500	59,500	59,500
Appropriation: Vehicles (50/50 W/S)		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
FY Appropriations:		\$ 63,000	\$ 63,000	\$ 3,500	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000
Capital Projects		Project Completed							
<i>Administration:</i>									
Vehicle Replacement (split Water/Sewer)	Per schedule		11,000						
Equipment-Backhoe(split with water and general)				25,000					
<i>Collection:</i>									
Upgrade Main Lift Station	13-14							20000	
Upgrade Lift Station/Manholes/Pumps				30,000					
Backup Generator		24,262							
<i>Treatment:</i>									
Unit #1 Clarifier Skimmer Replacement					20,000				
Diverter Boxes									
Unit #2 Clarifier Repair							20000		
Soft start for WWTP blowers/blower motor									
WWTP Lift Station repair									
Surge Tank rehab									85000
Upgrade Digesters-coating		5,000				75,000			
FY Expenditures:		29,262	38,600	55,000	20,000	75,000	20,000		
		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Net Capital Cash:		\$ 33,738	\$ 24,400	\$ (51,500)	\$ 43,000	\$ (12,000)	\$ 43,000	\$ 63,000	\$ 63,000

Enterprise Funds Vehicle Replacement Plan

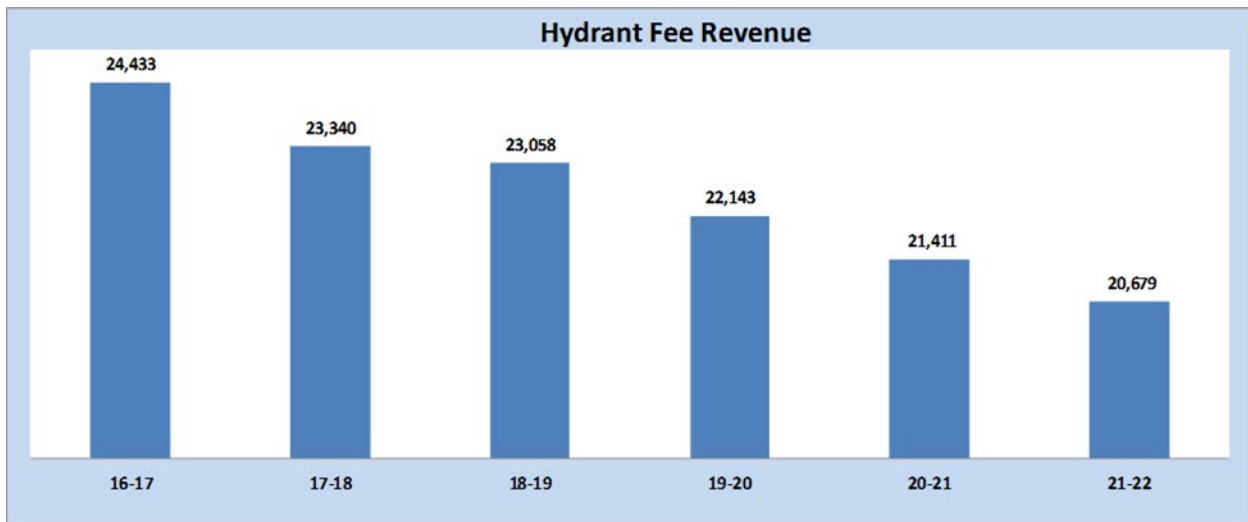
Vehicle Replacement Plan											
Enterprise Funds		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Reserved		7,000	7,000	7,000	8,000	8,000	8,000	8,000	8,000	8,000	9,000
	Life Cycle										
	Current Vehicle										
Veh #1	12 years 2008 Chevy Van										
Veh #2	12 years 2018 F-150									33,000	
Veh #3	12 years 2017 F-250								37,000		
Total Expended		0	0	0	0	0	0	0	37,000	33,000	0
Balance (end of FY)		7,000	14,000	21,000	29,000	37,000	45,000	53,000	24,000	-1,000	8,000
Purchase price inflated by 3% per year beginning with FY 2015 and using the current State contract price as the base. Contributions increased by 2.0% per year beginning with FY 2019.											

Water and Sewer Capital Reserve Funds

Each Enterprise Fund (water and sewer) has an associated Capital Reserve Fund. Historically, revenue for these funds came from the payment of a Capital Investment Fee (CIF) for each new connection to the systems. Due to changes in the State law, we currently do not assess a CIF. That may change in the future. Additionally, the Water Capital Reserve Fund receives revenue from the annual Hydrant Fee charged to the owner of each developed lot that is not connected to the water system. This fee, currently \$183 per year, pays for the availability of water for each of these properties, and entitles the owner to connect to the system without paying the CIF. Capital Investment Fees and Hydrant Fees are reviewed and updated, in accordance with our Utility Rate Model, every year. The hydrant fee will remain at \$183 during FY22.

By resolution of the Town Council, money from these Funds may be spent only for expenditures related to system expansion, or early retirement of debt. For example, in Fiscal Year 2011, a planned budget amendment of \$18,000 allowed us to begin the engineering and permitting process for a project that included the purchase and connection of water systems currently serving the River Bend subdivisions of Springdale and Piner Estates. Residents in these two subdivisions had been served by the City of New Bern. In Fiscal year 2012 we completed the acquisition and connection using money from this fund.

When a non-water customer becomes a water customer, they no longer pay the hydrant fee. Thus, the decline in revenue from this fee. Ideally, all hydrant customers would connect to the town's water system and eliminate the need for a hydrant fee. Currently, there are only 113 hydrant fee customers. The chart below shows historical and anticipated hydrant fee revenue.



Utility Rates and Consumption Data

Utility Rate Model

We are fortunate to have a professionally designed rate model for each utility so the impact of proposed expenditures can be compared to revenue at various rate levels. This model allows the professional staff to adjust assumptions based upon historical data in order to obtain better projections of future costs and revenue. The model helps project expenditures and revenues for five years into the future, allowing the Town Council to see the effect rate changes, or the lack thereof, have on operational funding and the level of cash reserves.

Utility rates are made up of three components: the “customer” charge, the “demand” charge, and the “use” charge. The “customer” and “demand” components are combined and billed as the monthly base charge. This is a fixed monthly charge. The third component, the “use” charge is stated as a rate per 1,000 gallons of water that flows through the water meter.

These three components pay for different expenditures involved in operating the utilities:

Customer: Under this structure, the customer component of the charges covers the indirect costs to each utility.

Demand: This represents 75% of the debt service and capital costs for each utility.

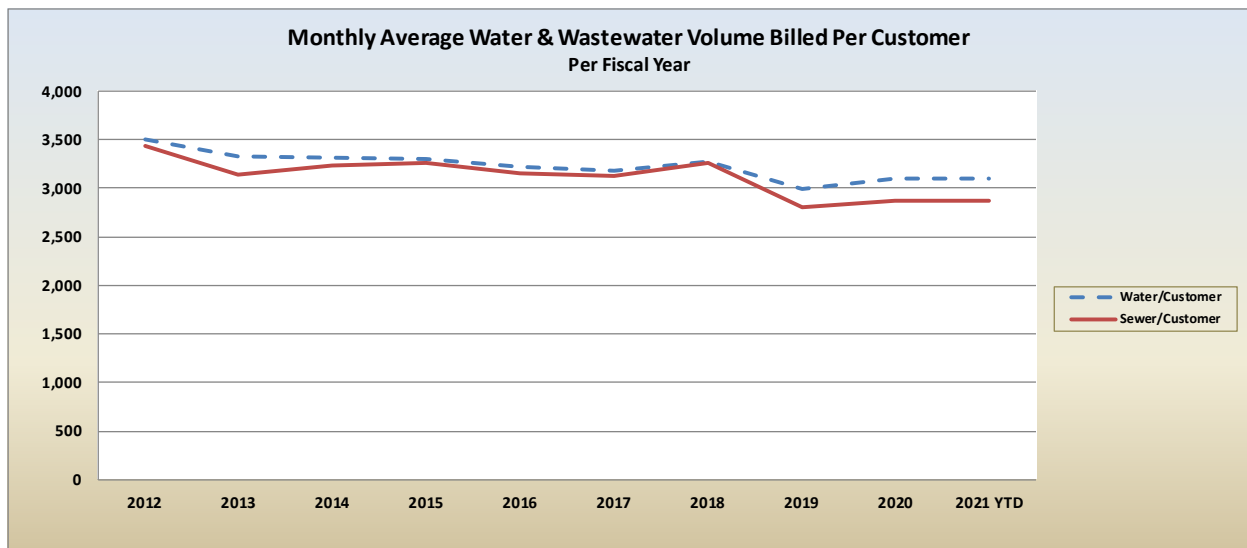
Usage: This component should be used to pay the remaining 25% of the debt service and capital costs and all direct operating costs.

Historical expenditures and revenues, taken from our audited annual financial report, are entered into this rate model, as are our proposed budgeted expenditures for the coming fiscal year. This model, designed by an engineer and economist, projects future expenditures based upon historical data and user supplied assumptions. We have more than 10 years’ worth of historical data working in this model and find that it provides an accurate representation of the trends each utility will experience.

During each annual budget process, the Town Council reviews detailed pro forma of financial operations generated for each utility by this rate model. These financial analyses allow the Council to make rational decisions regarding rates and how the revenue they generate contributes to the financial health of the utility.

Customer Water Consumption

One of the elements that feeds into our rate model is the amount of water (and wastewater removal) we assume we will sell to our customers. From 2008 through 2013, there was a decline in the average amount each of our customers used. This downward trend leveled off after 2013 and appears to have stabilized. In FY 2018 our average consumption per customer increased by 2.86% and in FY 2019 it decreased by 9.77%. We attribute the significant decrease in FY19 to the hundreds of homes that were damaged and vacated following Hurricane Florence. When the homes were repaired and reoccupied, usage increased 3.82%. Through three billings in FY21 we are seeing a decrease of less than 1% in average consumption. The chart below shows the trend since 2012.



	Average Monthly	
	Water Billed	Sewer Billed
2012	4,833,833	3,227,667
2013	4,716,000	2,974,833
2014	4,716,167	3,116,917
2015	4,726,083	3,138,000
2016	4,612,917	3,037,667
2017	4,593,000	3,014,167
2018	4,747,750	3,152,833
2019	4,331,000	2,712,000
2020	4,512,500	2,770,083
2021 YTD	4,530,425	2,770,183

This chart shows the average amount of water and wastewater we bill each month.

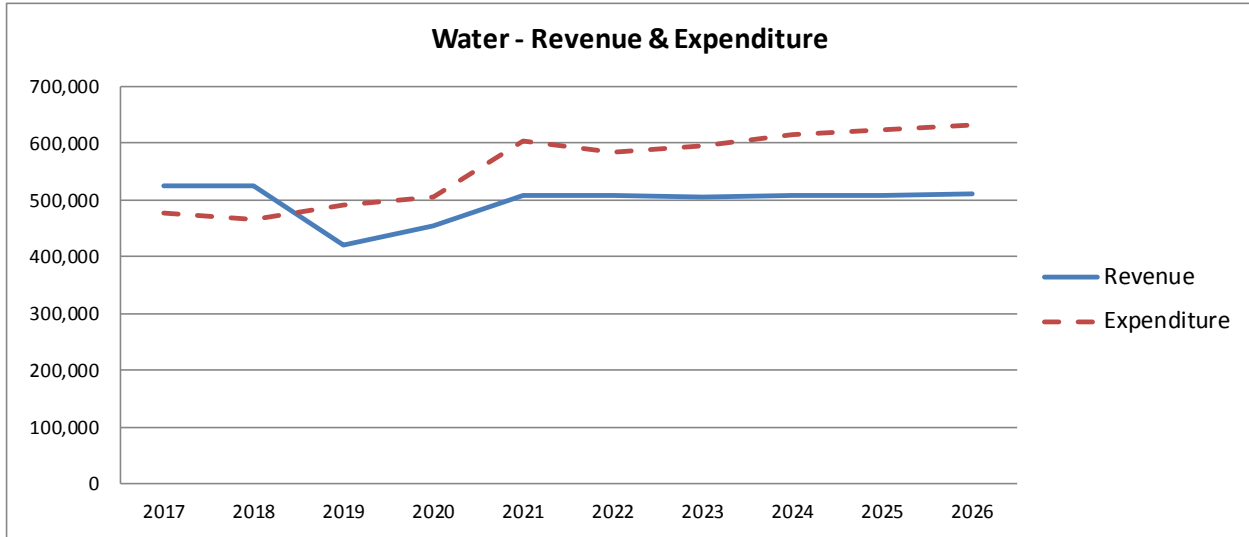
Approved Rates

Based upon the proposed expenditures and the revenue projected, we recommended no change in fees for the water utility. The cash balance in this utility is sufficient to respond to unknown conditions and there are no identified long-term capital needs that require the continued building of cash reserves. In FY19, the Council lowered the base rate for water by \$5.00 per month to \$10.24 per month. In April, 2020 the Council increased the base rate to \$13.24 per month. The increase in April was prior to adoption of the FY21 budget. For FY22, the rate of \$13.24 will remain unchanged.

The sewer fund is not as fiscally strong as the water fund. However, we also recommend no change to the fees for the sewer utility. The Council kept this rate unchanged for FY22. In FY23 the Council may need to consider a rate adjustment if current consumption, revenue and expense trends continue. According to the Bureau of Labor Statistics, the consumer price index has increased 1.4% over last year.

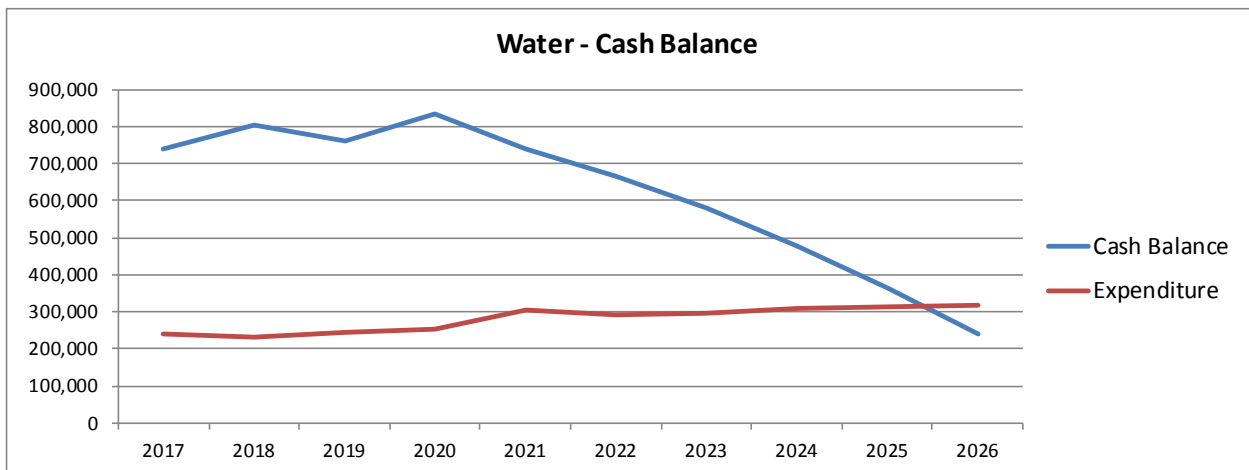
This table shows each of the components of the rate structure as described on page 160.

Proposed Rate	
Water	
Customer	4.80
Demand	8.44
Use	4.02
Sewer	
Customer	7.35
Demand	16.83
Use	9.08



Cash Balance – Water Fund (operating fund only)

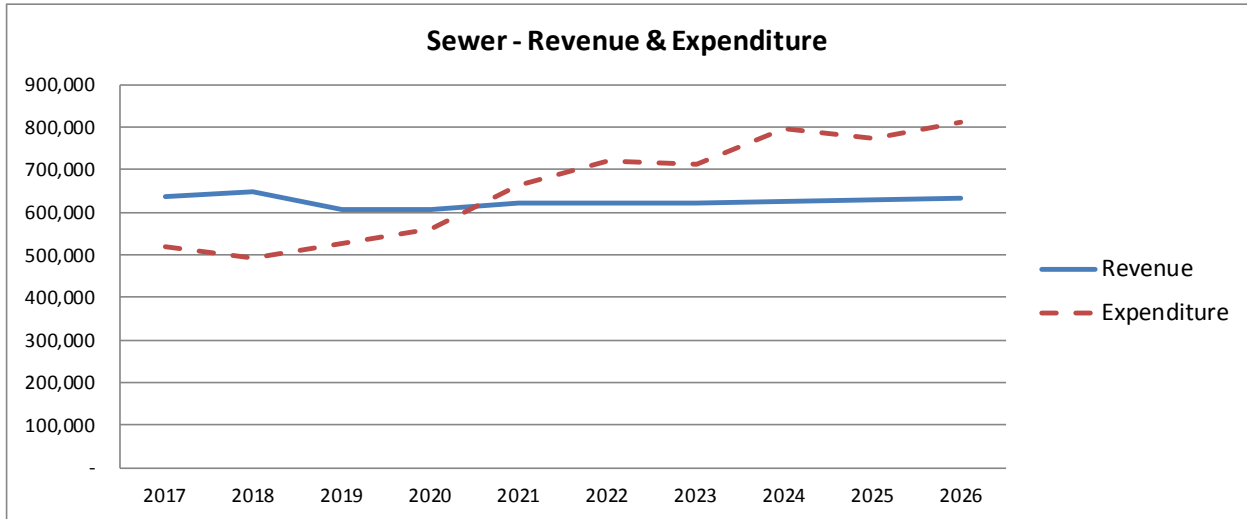
The amount of cash balance maintained by the Enterprise Funds is an important measure of their financial health. The charts below show the cash balance for the Water Fund. Having a healthy balance enables us to meet our financial obligations without interruptions due to cash flow, generates investment income, eliminates the need for short-term borrowing, and provides a reserve of funds to respond to emergencies or opportunities. The red line represents the Council’s goal of 50% cash balance.



If all projections hold true, we anticipate a deficit scenario at the end of FY 2022 and in subsequent years. Currently, those deficits are able to be offset with appropriation from cash reserves but will begin to have a significant impact on our cash balance. Without change, we will be near the 50% minimum threshold at the end on FY202. The Council will continue to review rates and their long-term effect annually.

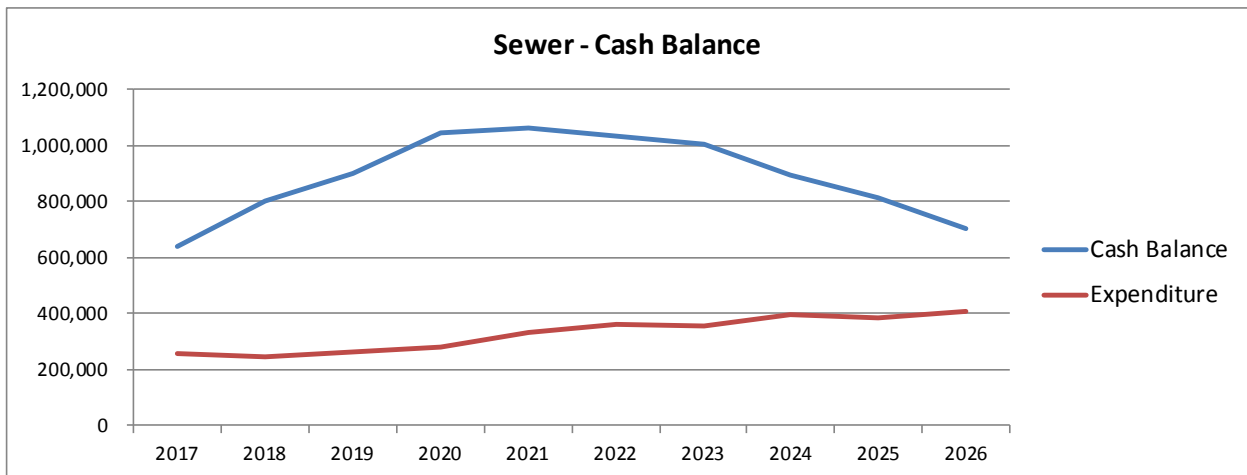
Over 15 years ago, the town installed a radio read water meter system. This allowed us to gather meter readings for our utility customers automatically and it greatly reduced the manpower needed to conduct manual readings. Over the years, that system has become problematic and many of the radio failed, thus creating a need for manual readings. This was labor intensive.

Discussions had begun about the inevitable need to replace the system, which would be a large expense for the town. Luckily in FY20, the town applied for and was awarded a principle-free loan from the State of North Carolina in the amount of \$602,500 for the replacement of all water meters. This principle-free loan equates to a grant. This grant will allow the town to fund that major project without the need to dip into reserves in the water fund or a rate increase.



Cash Balance – Sewer Fund (operating fund only)

The amount of cash balance maintained by the Enterprise Funds is an important measure of their financial health. The chart and table below show the cash balance for the Sewer Fund. Having such a balance enables us to meet our financial obligations without interruptions due to cash flow, generates investment income, eliminates the need for short-term borrowing, and provides a reserve of funds to respond to emergencies or opportunities.



During the preparation of the FY 2010 budget, the Town Council made a conscious and appropriate decision to use cash balance to offset rate increases with the knowledge that in FY 2011 a rate increase would be necessary and cash balance would need to be restored. The strategy worked and our cash balance was restored to an appropriate level. During the FY 2021 budget preparation process the long-range outlook and projected deficits were thoroughly discussed by the Council. If all projections hold true, we anticipate a deficit at the end of FY22 and in subsequent years. As noted earlier, cash balance is projected to remain well above the 50% threshold through the end of FY 2026. In FY25, it is projected to be just above the 100% level. Cash balance needs to be examined annually, in order to ensure that current rates are adequate to protect the future of the utility.

Planned improvements or unexpected repairs can be very expensive at a wastewater treatment plant. It would not be difficult to spend \$500,000 on a project.

While our cash reserves are projected to hover around \$1,000,000 until 2024, that amount could easily be depleted by the need to fund a project. Wastewater treatment plants operate in a very corrosive and harsh environment. Many of the components operate 24 hours per day. Our plant is aging and no major upgrades or improvements have occurred in many years. Like everything else, these facilities have a life expectancy. It would not be misguided to expect substantial system improvements over next 5-10 years. For that reason, I believe it is prudent to continue to build cash reserves in the Sewer Fund.

In September, 2019 River Bend was heavily damaged by Hurricane Florence. Over 500 homes were damaged, many of them severely. Many of them were vacant for several months while repairs were planned and executed. Those vacancies had an impact on our revenues and subsequently our cash balances. The Town Council discussed this situation in detail during the budget process. Recovery has been substantial, it is not 100% complete. We expect a full recovery in subsequent years. The Council decided to leave the rates unchanged in an attempt to not burden our utility customers with increased rates while they are trying to recover from the previous hurricane combined with the negative impacts of COVID.

Impact of Rates

The table below shows the approved water and sewer rates and their effect upon a residential customer using 3,000 gallons per month.

Charges for 3,000 gallons per month			
		Current	Proposed
Water	Base	13.24	13.24
	Use	12.06	12.06
Sewer	Base	24.18	24.18
	Use	27.24	27.24
Monthly		76.72	76.72
Per-Bill		153.44	153.44
Monthly Difference			0.00
Per Bill Difference			0.00
			0.00%

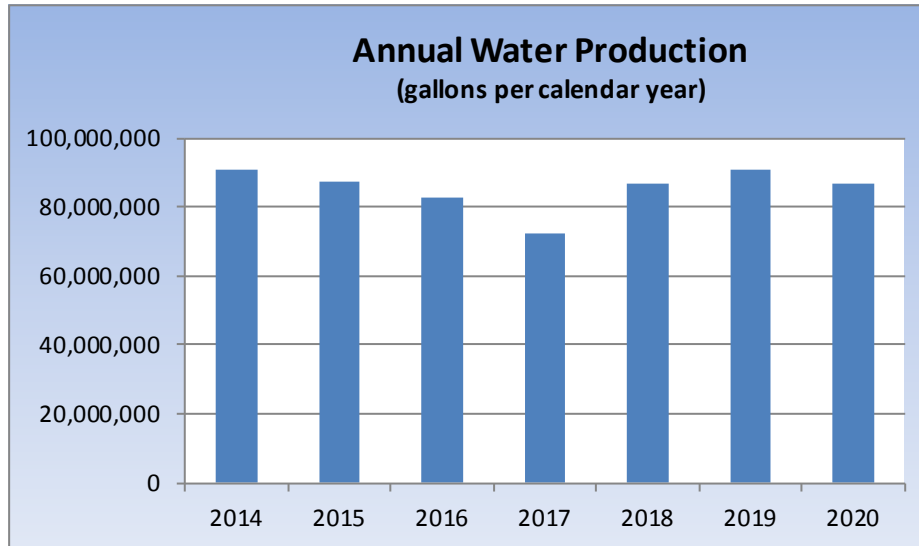
The table below shows the charges for a customer using water only.

Charges for 3,000 gallons per month			
		Current	Approved
Water	Base	13.24	13.24
	Use	12.06	12.06
Monthly		25.30	25.30
Per-Bill		50.60	50.60
Monthly Increase			0.00
Per Bill Increase			0.00
			0.00%

(Business, commercial, and industrial base rates are determined by Equivalent Residential Units and are adjusted proportionally.)

Our Water Utility

Our water system withdraws from the Castle Hayne aquifer through three wells with a combined capacity of 925,000 gallons per day. Two elevated storage tanks with a total rated capacity of 400,000 gallons ensure a consistent supply and adequate pressure throughout the system. In 2020 (calendar year), we treated 86,685,000 gallons with a daily average of 236,670 gallons. The chart below depicts water production in gallons per year over the past nine years.



The water in the Castle Hayne aquifer, while plentiful, requires treatment to remove iron and manganese. Using pH adjustment, pressure filters and adding chlorine, our operators ensure that clean water is ready for our customers to use.

Water is transmitted to approximately 1,450 households through 19 miles of pipe ranging in size from two to eight inches in diameter. In addition to providing water for consumption, our system also stands ready in the event of fire. There are 108 hydrants located throughout the system in order to give the fire department ample access to water for their work.

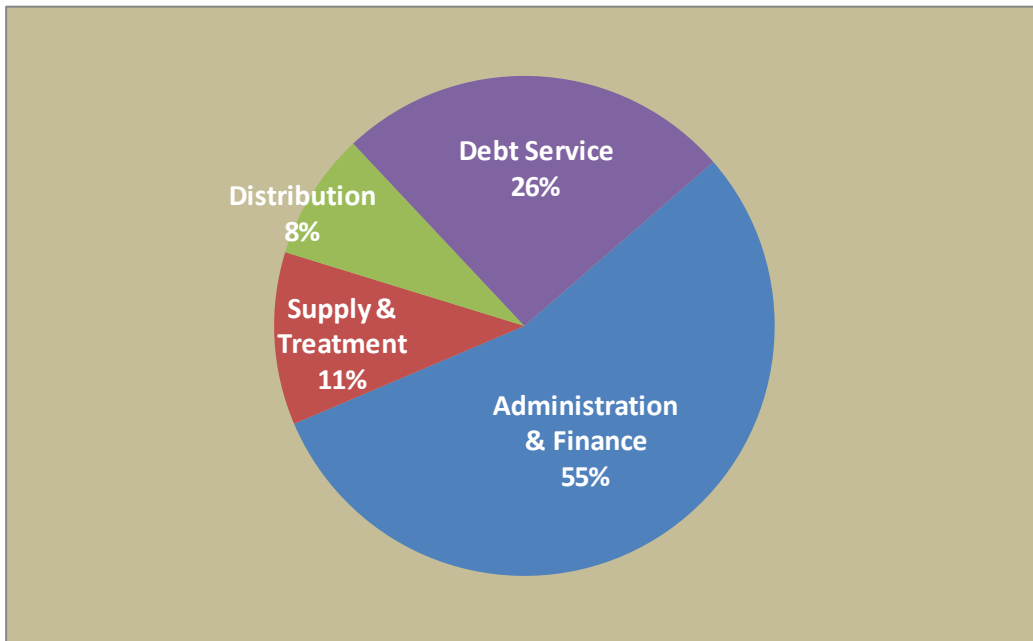
Our water system is monitored and regulated by the State of North Carolina which grants us a permit to operate. In accordance with State standards, water samples are tested at an independent laboratory for bacteria and other harmful contaminants. Each customer receives a copy of our annual report showing the results of our testing.

Water Enterprise Expenditures

The total budgeted expenditure, excluding transfers, for the water enterprise in Fiscal Year 2022 is \$582,000 a \$28,134 decrease from the current fiscal year.

Expenditures in the Water Fund are divided according to function. There are costs specifically associated with supply and treatment, (taking the water from the ground and treating it to make it safe to drink), and costs associated with distributing it to the customer. Other costs, in the administration and finance area, include personnel, vehicles, office rent, utilities, and installment debt.

The chart below shows the percentage of the total expenditure for this enterprise fund attributable to the three budgeted departments within the enterprise. Debt service is a large expenditure for this enterprise and is divided from the Administration and Finance Department in the chart to illustrate its proportion to overall expenditures.



Water Administration and Finance

This department contains the budget for all personnel related costs including expenditures related to allocation of General Fund employees' time to the utility (line 482). Refer to the Personnel section of this document for more detail about labor allocations. Also in this department is the rent this utility pays the General Fund for use of office and shop space (line 430). As noted earlier in this document, the budget contains provisions for salary level increases totaling 2.4%. There is a 1.4% increase for a Cost of Living Adjustment and the other 1.0% is for longevity, if applicable, in accordance with the adopted compensation plan.

The Administration and Finance Department budget also contains funding for the share of the expenditures related to the acquisition and maintenance of our information technology system attributable to this enterprise (lines 381, 440, 441, 760, and 770). Other shared, and thus allocated, expenditures are for our annual financial audit (line 191), banking services (line 382) and for our reverse 911 system (line 399).

Contained in line 399 is funding for reverse 911, utility billing system support, work order software, and 10% of the mowing contract. Debt service is a large expenditure for this enterprise. In fact, 26% of the total expenditure for the water enterprise is for the debt incurred to purchase the system. Lines 710 and 720 show the amount budgeted for principle and interest payments on this debt. This department will also fund 1/3 of the purchase price of a used backhoe this year. Another 1/3 will be funded in sewer administration and finance. The total cost is budgeted at \$75,000. The remaining 1/3 of \$25,000 will come from the general fund.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Water Admin & Finance		18-19		19-20		20-21			21-22
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
60-7125									
121	Wages & Salaries	98,399	101,682	101,487	100,579	106,687	66,355	110,740	106,410
122	Overtime	1,000	500	1,000	248	1,001	205	1,000	1,000
134	401(k) Retirement	4,678	4,939	4,944	5,099	5,195	3,326	5,587	5,184
181	FICA	7,156	7,490	7,565	7,722	7,948	5,040	8,548	7,932
182	Loc Govt Emp Retirement	7,255	7,655	9,263	9,127	11,006	6,753	11,342	12,252
183	Group Insurance	19,872	17,370	18,736	13,578	16,164	8,370	16,440	17,051
185	Unemployment Comp.	0	0	0	5	0	9	9	0
186	Workers' Compensation Ins.	3,201	2,949	3,140	3,365	3,315	3,106	3,106	3,412
310	Travel & Subsistence	850	223	850	46	500	1	500	500
395	Training	1,000	308	1,000	155	647	0	647	600
191	Auditing Service	4,600	4,600	4,667	4,667	5,567	0	5,567	5,667
192	Professional Service - Legal	1,000	1,880	1,000	1,897	1,000	1,307	1,307	1,000
193	Engineering Services	1,000	0	1,000	0	500	0	500	4,494
381	Other IT Services	500	725	500	1,429	920	2,571	2,806	562
382	Banking Services	1,600	1,453	1,610	874	988	723	1,173	1,243
393	Temporary Help Services	0	0	0	0	0	0	0	0
399	Contracted Services	7,238	7,116	7,315	6,808	8,251	6,016	7,475	8,062
440	VC3 IT Service & Maint.	13,642	13,361	14,539	13,014	16,623	9,912	17,277	19,467
441	Springbrook Service & Maint.	4,754	4,754	4,992	4,991	5,241	5,242	5,242	5,503
482	Indirect Cost- Labor	84,520	84,521	92,422	92,424	94,951	55,388	94,951	92,200
481	Labor Allocation	-34,902	-34,902	-36,608	-36,608	-38,025	-22,181	-38,025	-38,869
212	Uniforms	2,846	2,755	2,974	2,819	3,179	1,656	2,931	3,179
251	Motor Fuel	2,812	2,072	2,812	1,916	2,812	854	1,829	2,981
260	Office Supplies	2,500	2,156	2,500	2,482	2,300	1,944	2,300	2,300
320	Telephone & Postage	6,600	6,112	6,600	6,189	6,600	3,562	6,600	6,600
340	Printing	0	0	0	0	0	0	0	0
353	Vehicle Maint. & Repair	1,500	784	1,500	809	500	604	604	600
370	Advertising	0	0	0	0	0	0	0	0
391	Legal Advertising	0	0	0	0	0	0	0	0
430	Bldg & Equip Rental	9,000	9,000	9,000	9,000	9,000	5,250	9,000	9,000
450	Insurance: Prop/Liab	12,260	10,428	12,345	11,547	13,583	13,082	13,582	14,928
491	Dues & Subscriptions	1,400	1,420	1,400	1,454	1,450	1,450	1,450	1,500
520	Capital Outlay - Comp. Eq.	0	0	0	0	0	0	0	0
540	Capital Outlay - Mot Veh	0	0	0	0	11,000	11,680	11,680	0
550	Capital Outlay- Equipment	0	0	0	0	0	0	0	25,000
580	Capital Outlay- Buildings	0	0	0	0	0	0	0	0
710	Bond Principal Payment	118,056	118,056	120,739	120,739	126,105	0	126,105	128,788
720	Bond Interest Payment	27,502	27,502	25,140	25,140	22,726	11,363	22,726	20,204
499	Miscellaneous	0	0	0	0	0	0	0	250
	TOTAL	411,839	406,910	424,432	411,512	447,734	203,586	454,997	469,000

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

121	Wages & Salaries: 40% Utility Operators, 50% Finance Asst. & PW Director		
310/395	Training/Travel & Subsistence - professional development and higher levels of licensure (including Finance Asst.)		
191	Auditing Services (\$14,500 and \$2500 for Single Audit, if required, total allocated equally to general/water/sewer funds, \$5,667 each)		
193	Engineering - general engineering services as needed, includes \$3,750 for half of AIA grant application		
399	Contracted Services:	Share	Total
	Reverse 911	\$ 969	\$ 3,877 total split with sewer and general 50-25-25%
	Locate Plus (SSN)	500	1000 total split with sewer 50-50%
	Mowing Contract	2,020	10% of base lawn bid - refer to General Fund Public Buildings Dept.
	Elster Support	1,950	3000 total split with sewer 65-35%
	Work Order Software	1,200	3000 total split with sewer and general 40-40-20%
	FORMAX Stuff/sealer	423	650 total split with sewer 65-35%
	Misc Services	1,000	1000
		8,062	
381	Computer Services: cable internet service, web site, etc.		
440	VC3 IT Services Contract: \$64,890 (40% general fund, 30% water, 30% sewer)		
441	Springbrook software maintenance (Total = \$18,344: 40% general fund, 30% water, 30% sewer)		
491	Includes \$400 for ECC (Total \$1,200 split 1/3 each with General/ Water/Sewer Funds)		
481/482	Labor allocation between General Fund and Enterprise Funds		
251	Fuel - \$3.25 per gallon		
430	Bld & Equip Rental - Town Hall & Annex building & equipment use, \$750/mth. (beg. FY07)		
550	1/3 cost of used backhoe shared equally with sewer and general		

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Water Distribution

This department contains the budget for expenditures related to the operation of the distribution system from the water towers to the customer's water meter. Our water levels are automatically regulated using a telemetry system to turn well pumps on and off based upon the level of water in the towers (line 399). Our two water towers are maintained by Utility Services Corporation (line 442). This company performs annual inspections, frequent interior cleaning, and periodic exterior painting. This type of maintenance prolongs the effective life of these assets and ensures, through professional inspection, that they are safe and functional. Recently, the town was awarded a \$602,500 grant to replace all of our water meters. Upon completion of the grant agreement, that project will be administered through this department. That project may span two fiscal years.

Water Distribution		18-19		19-20		20-21		21-22 Proposed Budget
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	
60-7134								
397	Meter Reading System	0	0	0	0	41,400	0	41,400
399	Contracted Services	6,575	1,347	22,410	674	7,350	730	7,350
442	Water Tower Service Contract	28,434	28,433	28,434	28,433	28,434	28,433	28,434
299	Supplies & Materials	8,400	10,197	6,400	7,512	6,216	3,694	6,216
352	Maint & Repair- Equip	2,000	0	2,000	0	2,000	0	500
430	Bldg & Equip Rental	2,000	162	2,000	70	2,000	337	1,000
550	Capital Outlay- Equipment	0	0	0	0	0	0	0
596	Capital Outlay- Lines/Tanks	0	0	0	0	0	0	0
	TOTAL	47,409	40,139	61,244	36,689	87,400	33,193	84,900
Lines and meters for distribution, maintenance and repair of infrastructure								
399	NC One Call		1,000					
	Alarm system for monitoring well		350					
	Emergency Leak Repairs		6,000					
			7,350					
442	Water Tower Maintenance Contracts		28,404		(Plantation tower \$15,762, Shoreline tower \$12,642)			
299	Pipe and Fittings		3,816					
	Other Small Equipment		1,000					
	3 inch Diaphragm Pump		1,250		(\$2,500 split with sewer treatment)			
	Various Supplies		780					
	Water Meters		1,400					
			8,246					
550/596								

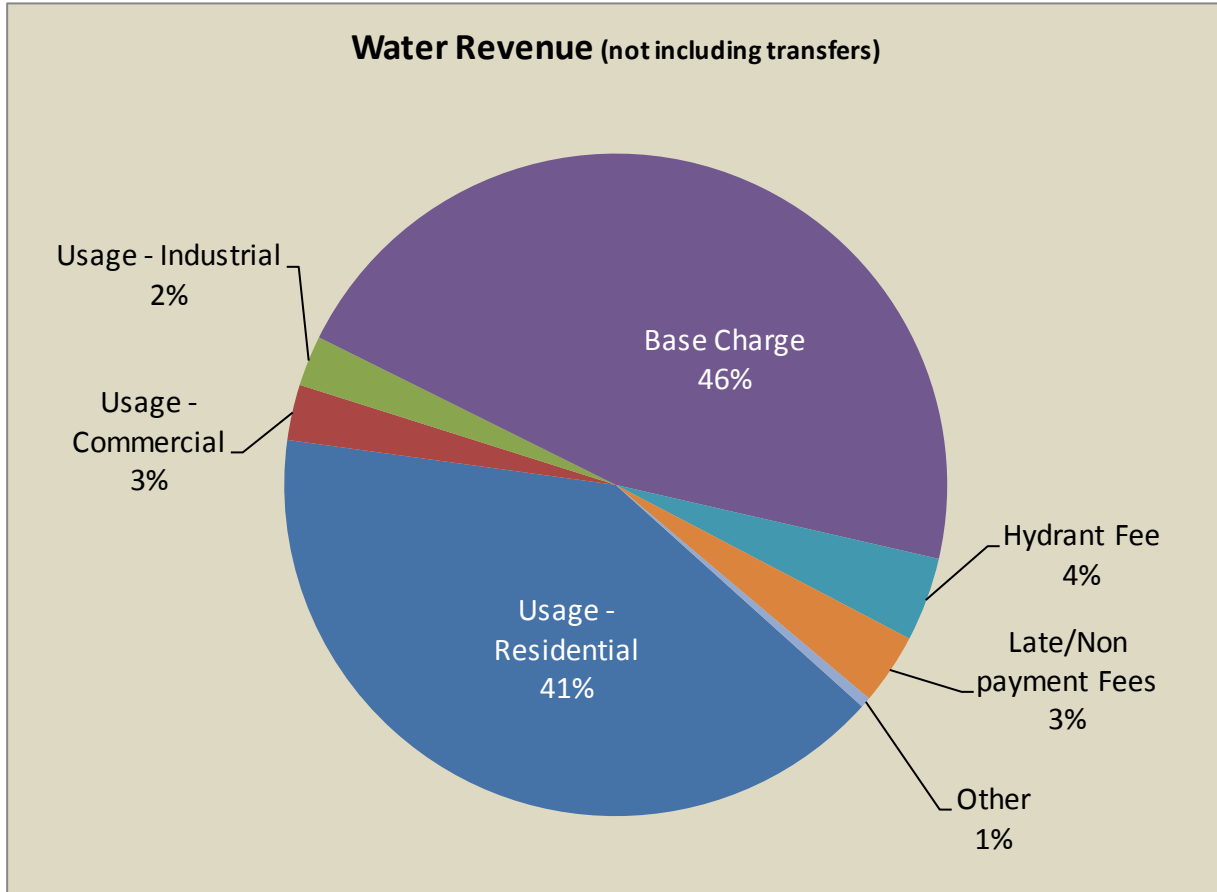
Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Water Fund Revenue

The worksheet below shows the detail of water revenues. Classes 1 & 2 are our residential customers, Classes 3 & 4 our commercial customers, Class 5 our industrial customers, and Class 8 our customers using a one-inch water supply line.

Revenue - Water		18-19		19-20		20-21			21-22
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Revenue as of 01/31/21	Projected Year-End	Proposed Budget
Fund 60									
3433-321	NCORR-FDLG-042 Grant	-	-	145,879	145,879	-	0		
3710-501	Utility Usage Chg- Class 1 & 2	193,058	176,442	176,731	192,815	188,595	134,860	200,839	202,722
3710-503	Utility Usage Chg- Class 3 & 4	12,840	11,252	11,413	8,591	8,534	4,587	9,889	9,889
3710-505	Utility Usage Chg- Class 5	13,624	13,708	14,171	13,166	13,226	8,233	12,341	12,341
3710-508	Utility Usage Chg- Class 8	4,088	3,268	3,586	3,369	2,971	2,352	3,686	3,686
3710-510	Utility Customer Base Charge	182,304	180,742	181,750	190,297	234,862	157,224	228,009	231,446
3710-514	Fire Hydrant Availability Fee	23,058	22,384	21,960	21,634	21,411	20,930	20,930	20,496
3713-322	State Grants	0	0	0	0	0	0	0	0
3715-515	Unbilled Receivables	0	0	0	0	0	0	0	0
3720-520	Tap Connection Fees	1,250	2,800	1,250	1,850	1,250	4,350	1,250	1,250
3730/31-500	Utility Billing Nonpayment Fees	9,660	11,830	10,500	7,420	10,500	7,350	12,740	10,500
3732-500	Utility Billing Late Payment Fees	6,086	5,974	5,302	4,429	6,723	4,219	8,628	6,901
3830-800	Miscellaneous	0	0	0	60	0	0	0	0
3831-810	Interest	15,300	15,881	13,934	9,689	6,794	145	1,455	1,293
3830-850	Insurance Settlements	0	7,640	0	0	0	153		0
3835-865	Sale of Capital Asset	0	0	0	0	1,501	819	1500	-
3991-991	Appropriated Fund Balance	95,345	0	-	0	117,267	0	100,729	89,214
	TOTALS	556,613	451,921	586,476	599,652	613,634	345,222	601,997	589,740

The chart below is a graphic depiction of the sources of revenue for the water utility. The base charge accounts for the largest portion of this revenue. This chart does not include the \$89,214 appropriation from Fund Balance as noted on the previous page.



Our Sewer Utility

The Town of River Bend owns and operates a wastewater treatment and collection system that currently serves 966 households and businesses. Wastewater is collected from our customers and transmitted via approximately 11 miles of gravity and force main pipes. Eight town owned lift stations pressurize portions of the system so the waste is efficiently moved to our treatment facility on Gull Pointe. Six of these lift stations, and the treatment plant itself, have backup power supplied by fixed location generators. The other two lift stations can be powered by one of our mobile generators.

In calendar year 2020, we treated 39.1 million gallons of wastewater compared to 40.4 million gallons in 2019. The daily average treatment rate was 107,043 gallons in 2020 and 111,048 gallons in 2019. The State standard for waste treatment capacity is 330 gallons per day per household, which in our case translates to 318,780 gallons per day. This standard shows that we should be using 96.6% of our permitted capacity. On average, in 2020 we used 32.4 % of our permitted capacity.



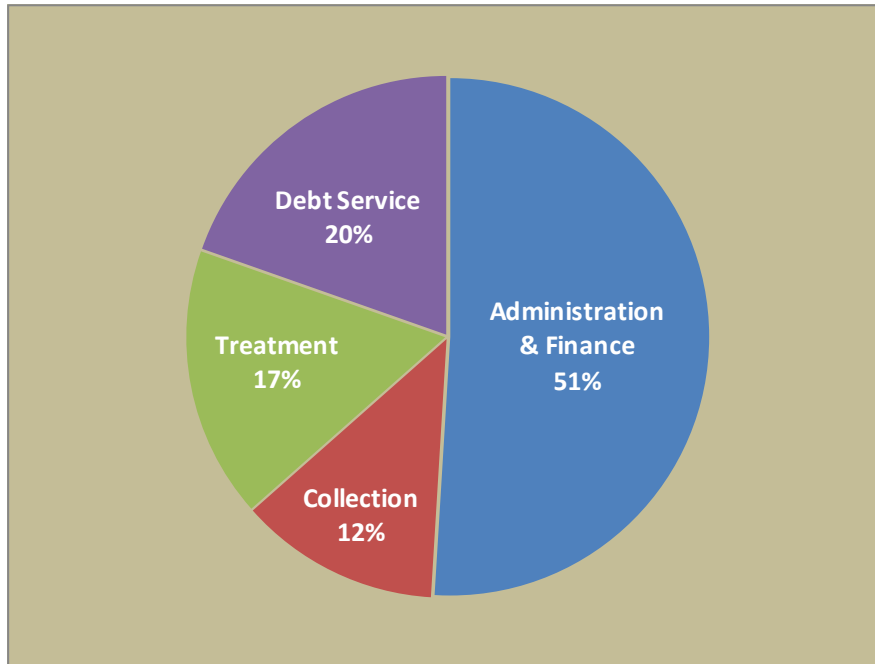
The North Carolina Department of Water Quality (DWQ) administers Federal and State regulations designed to protect the quality of the receiving waters. Part of this administration is the issuance of permits for treatment facilities like the one we have here in River Bend. Our treatment plant has a permitted capacity of 330,000 gallons per day and discharges treated effluent to the Trent River. We take weekly samples of our effluent to test for chemical and nutrient content to ensure our plant is operating effectively and we are within the limits established by DWQ. In the summer months, we also sample river water up and downstream from our discharge point to determine what, if any, impact we are having upon the Trent River.

The Town holds three discharge permits, one for the main wastewater plant, and the other two to allow us to discharge backwash from our water treatment filters. These backwash discharge permits allow us to discharge up to 7,000 gallons per day at each site.

Sewer Enterprise Expenditures

The total budgeted expenditure, excluding transfers, for the sewer enterprise in fiscal year 2022 is \$656,000, an increase of \$9,516 from the current fiscal year.

Expenditures in the Sewer Fund are divided according to function. Costs specifically associated with collection, such as pipes and lift stations, are separated from those associated with operating the wastewater treatment plant. Other costs, in the administration and finance area, include personnel, vehicles, office rent, utilities, and installment debt.



Similar to water expenditures, those for the Sewer Enterprise are also divided according to function. Costs specifically associated with collection (pipes and lift stations) are separated from those associated with operating the wastewater treatment plant. Other costs, in the administration and finance area, include personnel, vehicles, office rent, utilities, and bond debt. As noted earlier, debt service is a large expenditure for this enterprise and is divided from the Administration and Finance Department in the chart to illustrate its proportion to overall expenditures.

Sewer - Administration and Finance

This department contains the budget for all personnel related costs including expenditures related to allocation of General Fund employees' time to the utility (line 482). Refer to the Personnel section of this document for more detail about labor allocations. Also in this department is the rent this utility pays the General Fund for use of office and shop space (line 430). As noted earlier in this document, the budget contains provisions for salary level increases totaling 2.4%. This includes a Cost of Living Adjustment of 1.4% and 1% for longevity, if applicable, in accordance with the adopted compensation plan.

The Administration and Finance Department budget also contains funding for the share of the expenditures related to the acquisition and maintenance of our information technology system attributable to this enterprise (lines 381, 440, 441, 760, and 770). Other shared, and thus allocated, expenditures are for our annual financial audit (line 191), banking services (line 382) and for our reverse 911 system (line 399).

Contained in line 399 is funding for maintenance of software systems: work orders, reverse 911 and radio meter reading. We also budget for equipment maintenance contracts and people search software for aiding in collections. Debt service is a large expenditure for this enterprise. In fact, 21% of the total expenditure for the sewer enterprise is for the debt incurred to purchase the system. Lines 710 and 720 show the amount budgeted for principal and interest payments on this debt. As noted earlier, this department will fund 1/3 the cost of a used backhoe.

Town of River Bend, North Carolina
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Sewer Admin & Finance 61-7125		18-19		19-20		20-21		21-22 Proposed Budget	
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21		Projected Year-End
121	Wages & Salaries	113,833	112,786	112,942	111,851	118,899	73,785	122,988	118,653
122	Overtime	1,000	822	1,000	443	1,000	422	500	1,000
134	401(k) Retirement	5,208	5,503	5,497	5,673	5,785	3,712	6,174	5,776
181	FICA	7,969	8,352	8,409	8,595	8,852	5,621	9,447	8,837
182	Loc Govt Emp Retirement	8,072	8,531	10,300	10,155	12,256	7,535	12,534	13,650
183	Group Insurance	21,968	19,151	20,712	14,948	17,870	9,254	18,204	18,851
185	Unemployment Comp.	0	0	0	5	0	9	9	0
186	Workers' Compensation Ins.	3,725	3,434	3,651	3,912	3,863	3,627	3,627	3,982
310	Travel & Subsistence	750	259	750	68	750	81	250	750
395	Training	1,000	308	1,000	155	973	0	250	983
191	Auditing Service	4,600	4,600	4,600	4,667	5,567	0	5,567	5,667
192	Professional Service - Legal	1,000	1,880	1,000	1,897	1,000	1,307	1,307	1,000
193	Engineering Services	2,000	0	2,000	0	2,000	0	500	4,494
381	Other IT Services	500	725	550	1,428	520	2,571	2,806	660
382	Banking Services	1,525	1,376	1,525	851	936	687	1,142	1,177
393	Temporary Help Services	0	0	0	0	0	0	0	0
399	Contracted Services	3,823	3,211	3,823	3,248	3,980	3,436	3,981	4,097
440	VC3 IT Service & Maint.	13,642	13,361	14,539	13,014	16,623	9,912	17,282	19,467
441	Springbrook Service & Maint.	4,754	4,754	4,992	4,991	5,241	5,242	5,242	5,503
482	Indirect Costs- Labor	84,520	84,521	92,422	92,424	94,951	55,388	94,951	92,200
481	Labor Allocation	-34,902	-34,902	-36,608	-36,608	-38,025	-22,181	-38,025	-38,869
212	Uniforms	2,846	2,755	2,974	2,819	3,179	1,656	2,931	3,179
251	Motor Fuel	2,812	2,072	2,812	1,916	2,812	854	1,729	2,981
260	Office Supplies	2,425	2,184	2,425	2,422	2,425	1,944	2,425	2,425
320	Telephone & Postage	5,500	4,831	5,500	4,966	5,500	2,673	5,500	5,500
340	Printing	0	0	0	0	0	0	0	0
353	Vehicle Maint. & Repair	750	784	750	809	750	604	750	750
370	Advertising	0	0	0	0	0	0	0	0
430	Bldg & Equip Rental	9,000	9,000	9,000	9,000	9,000	5,250	9,000	9,000
450	Insurance: Prop/Liab	14,893	13,114	15,139	13,790	15,758	15,464	15,964	16,727
491	Dues & Subscriptions	900	920	900	943	900	898	900	900
520	Capital Outlay - Comp. Eq.	0	0	0	0	0	0	0	0
540	Capital Outlay - Mot Veh	0	0	0	0	11,000	11,680	11,680	0
550	Capital Outlay- Equipment	0	0	0	0	0	0	0	25,000
580	Capital Outlay- Buildings	0	0	0	0	0	0	0	0
710	Bond Principal Payment	101,944	101,944	104,261	104,261	108,895	0	108,895	111,212
720	Bond Interest Payment	23,748	23,748	21,710	21,710	19,624	9,812	19,624	17,446
760	Interfund Loan - Principal	0	0	0	0	0	0	0	
770	Interfund Loan - Interest	0	0	0	0	0	0	0	
499	Miscellaneous	0	0	0	0	0	0	0	0
	TOTAL	409,805	400,025	418,575	404,352	442,884	211,241	448,133	463,000

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

121	Wages & Salaries: 60% Utility Operators, 50% Finance Asst. & PW Director		
310/395	Training/Travel & Subsistence - professional development and higher levels of licensure (\$750 for Finance Asst.)		
191	Auditing Services (\$14,200 and \$2500 for Single Audit, if required, total allocated equally to general/water/sewer funds, \$5,667 each)		
193	Engineering - general engineering services as needed, includes \$3,750 for hal of AIA grant application		
399	Contracted Services:		
	Reverse 911	969	\$3,877 total split with water and general 50-25-25%
	Locate Plus	500	\$1,000 total split with water 50-50%
	Elster Support	1,050	\$3,000 total split with water 65-35%
	Work Order Software	600	\$3,000 total split with water and general 40-40-20%
	FORMAX Stuff/sealer	228	\$650 total split with water 65-35%
	Misc Services	750	Debt collection commission, etc.
		4,097	
381	Computer Services: cable internet service, web site, etc.		
440	VC3 Hosted Desktop Contract: \$64,890 (40% general fund, 30% water, 30% sewer)		
441	Springbrook software maintenance (Total = \$18,344: 40% general fund, 30% water, 30% sewer)		
491	Includes \$400 for ECC (Total \$1,200 split 1/3 each with General/ Water/Sewer Funds)		
251	Fuel - \$3.25 per gallon		
430	Bld & Equip Rental - Town Hall & Annex building & equipment use, \$750 (beg. FY07)		
550	1/3 cost of used backhoe shared equally with water and general		

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Sewer Collection

The sewer collection department contains budget funding for the alarm systems to alert our operators to problems with the eight lift stations we operate (portion of line 399) and for the electricity to operate the pumps in these stations (line 330). Also included in line 399 is funding for emergent repairs to the collection system.

Sewer Collection		18-19		19-20		20-21			21-22
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21	Projected Year-End	Proposed Budget
61-7142									
397	Meter Reading System	0	0	0	0	27,600	0	27,600	
399	Contracted Services	24,950	18,829	41,496	5,133	24,350	3,509	9,000	24,350
299	Supplies & Materials	7,800	5,657	7,800	7,988	7,800	2,201	4,000	7,800
330	Utilities	7,800	7,547	7,800	6,775	8,000	4,040	7,500	7,500
352	Maint & Repair- Equip	11,000	4,364	7,500	6,453	10,000	745	3,000	9,500
430	Equip Rental	1,870	562	1,870	185	2,040	0	1,000	2,040
498	Permit Fees	810	810	810	810	810	810	810	810
550	Capital Outlay - Equipment	0	0	31,833	32,629	11,000	0	5,000	0
580	Capital Outlay - Buildings	0	0	0	0	0	0	0	0
597	Capital Outlay - Collection Lines	0	0	0	0	0	0	0	0
598	Capital Outlay - Pump/Lift Sta.	4,500	0	0	0	0	0	0	30,000
	TOTAL	58,730	37,769	99,109	59,973	91,600	11,305	57,910	82,000
399	Contracted Services:								
	Alarm system for 9 Lift Stations		3,150						
	Grease Removal		2,200						
	Emergency Repairs		19,000						
			<u>24,350</u>						
299	Generator Fuel		1,800						
	Pipe, fittings, tools, safety equipment		3,500						
	Lift Station Supplies (deodorizer, degreaser, etc.)		2,500						
			<u>7,800</u>						
330	Based upon historical costs/demand								
352	Maintenance and repair of lift station pumps and equipment								
550	Upgrade Lift Station/Manholes/Pumps		30,000						

Sewer Treatment

The treatment department contains the budget for the operation of the treatment plant including required testing of sludge and effluent (line 398) and the chemicals used in the treatment process (line 298). We also budgeted funds for the hauling of sludge from the plant for application on agricultural land (line 399). One of the largest recurring expenditures is the cost of electricity (line 330). The plant relies upon electric motors to move water through the treatment process and to provide air via compressors to aid in the process.

Line 352 contains funding for our on-going maintenance agreement that covers the three large air blowers at the treatment plant. This agreement involves an annual two-day visit from a technician who tests, monitors, and performs complete service on each of these machines. Once the service is complete, they are then covered under a full warranty.

In Fiscal Year 2022 we have one small capital project planned, which will consist of upgrading a lift station at a cost of \$30,000.

Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Sewage Treatment 61-7144		18-19		19-20		20-21		21-22 Proposed Budget	
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Expend. as of 01/31/21		Projected Year-End
398	Testing	15,000	11,209	15,000	12,746	14,790	7,488	14,790	14,790
399	Contracted Services	32,335	27,562	33,315	23,553	33,350	9,943	28,000	32,974
298	Chemicals	15,000	11,181	15,000	10,568	15,000	5,550	10,000	14,376
299	Supplies & Materials	5,500	1,327	5,500	4,107	5,500	889	2,700	6,500
330	Utilities	27,000	27,810	27,000	26,890	28,500	15,619	26,669	28,500
351	Maint & Repair- Bldg	1,000	71	1,000	763	1,000	48	500	1,000
352	Maint & Repair- Equip	11,264	3,859	18,764	16,967	13,000	8,308	12,000	12,000
430	Equip Rental	0	0	0	0	0	0	0	0
496	Permit Fees	860	860	860	0	860	860	860	860
550	Capital Outlay- Equipment	0	5602.97	0	0	0	0	0	0
594	Capital Outlay- Treatment Plant	16,500	0	5,000	0	0	0	0	0
	TOTAL	124,459	89,481	121,439	95,595	112,000	48,704	95,519	111,000
399	Sludge Hauling		27,000						
	Calibrate meters		850						
	Pump grit chambers		1,800						
	Dumpster Service		2,124						
	Hach Spectrometer		500 (\$1000 total split with water)						
	Lift station alarms		700						
			<u>32,974</u>						
330	Based upon historical costs/demand								
299	Supplies and Materials (generator fuel, tools, paint, etc.) Includes \$2,800 for Flow Meter and \$1,250 for 3' pump								
351	Routine Maintenance								
352	Blower Maintenance Contract		8,700						
	Other Maintenance		4,900						
			<u>13,600</u>						

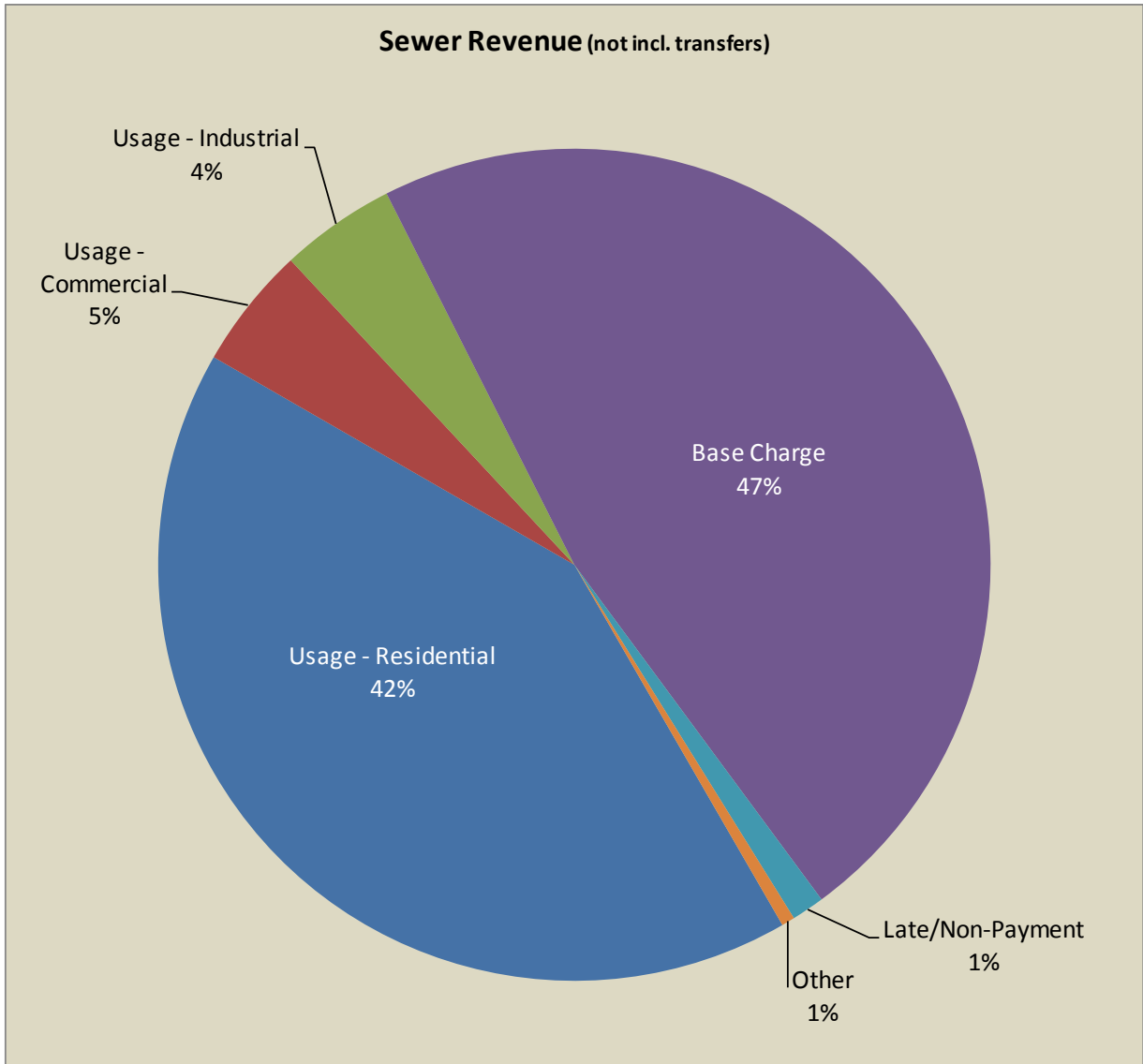
Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Sewer Fund Revenue

The worksheet below shows the detail of sewer revenues. Classes 1 & 2 are our residential customers; Classes 3 & 4, our commercial customers, Class 5, our industrial customers, and Class 8, our customers using a one-inch water supply line.

Revenue - Sewer		18-19		19-20		20-21		21-22 Proposed Budget	
		Current Budget	Actual Year-End	Current Budget	Actual Year-End	Current Budget 02/18/21	Revenue as of 01/31/21		Projected Year-End
Fund 61									
3433-321	NCORR-FDLG-042 Grant	0	0	125,971	125,971	0	0	0	
3710-501	Utility Usage Chg- Class 1 & 2	263,820	225,463	227,581	245,016	249,338	169,902	256,281	259,132
3710-503	Utility Usage Chg- Class 3 & 4	31,916	25,415	25,778	17,815	17,688	10,360	22,337	22,337
3710-505	Utility Usage Chg- Class 5	33,369	30,963	32,007	29,737	29,873	18,596	27,876	27,876
3710-508	Utility Usage Chg- Class 8	9,470	7,110	8,236	6,208	6,202	4,713	7,228	7,228
3710-510	Utility Customer Base Charge	293,514	291,494	291,868	290,923	292,304	196,022	294,182	294,458
3715-515	Unbilled Receivables	0	0	0	0	0	0	0	0
3720-520	Tap Connection Fees	1,400	1,250	1,250	0	1,250	0	1,250	1,250
3732-500	Utility Billing Late Payment Fees	7,585	7,411	6,906	5,750	7,740	4,425	9,943	7,943
3735-500	Capital Investment Fees	0	0	0	0	0	0	0	0
3737-981	Chgs to General Fund	0	0	0	0	0	0	0	0
3830-800	Miscellaneous	0	0	0	0	0	0	0	0
3830-850	Insurance Settlements	0	17,578	0	0	0	153		0
3831-810	Interest	14,920	16,687	16,469	11,257	9,372	169	1,998	1,931
3835-865	Sale of Fixed Asset	0	0	0	0	1,500	819	1,500	0
3839-351	Sales Tax Refund Revenue	0	0	0	0	0	0	0	0
3920-892	Proceeds from Debt	0	0	0	0	0	0	0	0
3920-895	Bond Refunding Proceeds	0	0	0	0	0	0	0	0
3980-981	Loan from General Fund	0	0	0	0	0	0	0	0
3980-985	Transfer from Water Fund	0	0	0	0	0	0	0	0
3980-986	Transfer from Sewer Cap. Reserve	0	0	0	0	0	0	0	0
3991-991	Appropriated Fund Balance	0	0	0	0	94,217	0		40,544
	Totals	655,994	623,370	736,066	732,677	709,484	405,158	622,595	662,699

The chart below is a graphic depiction of the sources of revenue for the sewer utility. The base charge accounts for the largest portion of this revenue. This chart does not include the \$40,544 appropriation from Fund Balance as noted on the previous page.



Ratings and Independent Data

Bond Ratings

One of the steps in the process to refund our bond debt, as described earlier in this document, was to obtain updated ratings from the agencies and analyze and rate our debt. We made application to Standard and Poor's and Moody's. The following summarizes their findings:

Standard and Poor's

Following their review in 2013, we received an upgrade from A+ to AA-. In November of 2013, Standard and Poor's performed a routine evaluation of many of their ratings. As a result of this evaluation, the Town of River Bend received a rating of AA+. In December, 2021 Standard and Poor's reviewed our credit rating and mandated it at AA+ and maintained our "Stable" Creditwatch/Outlook.

Here is an excerpt from their rating rationale: *"The upgrade reflects our assessment of, what we consider, the town's historically strong financial performance due, in part, to, what we regard as, conservative budgeting practices that have helped the town historically maintain, in our view, extremely strong available general fund reserves."*

Moody's

Following their review in January, 2020 we received an affirmation of their A1 rating.

Here is an excerpt from their rating rationale: *"The A1 rating reflects the town's stable, but very small tax base and limited geographic size. The town's financial position has strengthened in recent years, but a significant use of reserves is planned in 2020 that will materially lower fund balance and liquidity."*

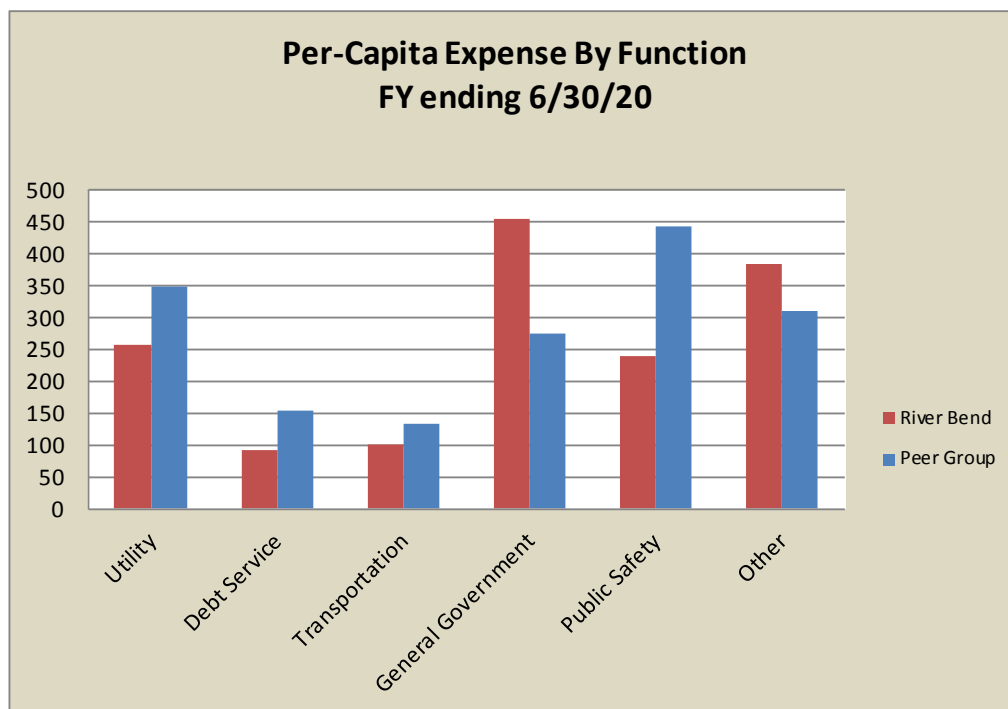
These favorable reviews, especially in the current economy, are a testimony to the financial strength of this Town. Through good planning and making difficult decisions, River Bend will remain viable and strong for many years to come.

**North Carolina Local Government Commission –
Expenditure and Revenue Per Capita Data**

The North Carolina Local Government Commission (LGC) compiles data based upon a required independent audit and other reports submitted to them for review and approval. This data is collected from all counties, cities, and towns in the State and is reported by locality, and offers comparisons for per capita expenditures and revenue with other similar localities. The charts reflect the latest LGC data, which is as of June 30, 2019.

To make the comparisons fair, the LGC divides all towns into groups by population and they further divide them into groups that do and do not operate their own electric system. The population groups are: 499 and below, 500-999, 1,000-2,499, 2,500-9,999, 10,000-49,999 and 50,000+. There are 552 municipalities in North Carolina. There are 482 units that do not operate electric systems and 70 that do operate electric systems.

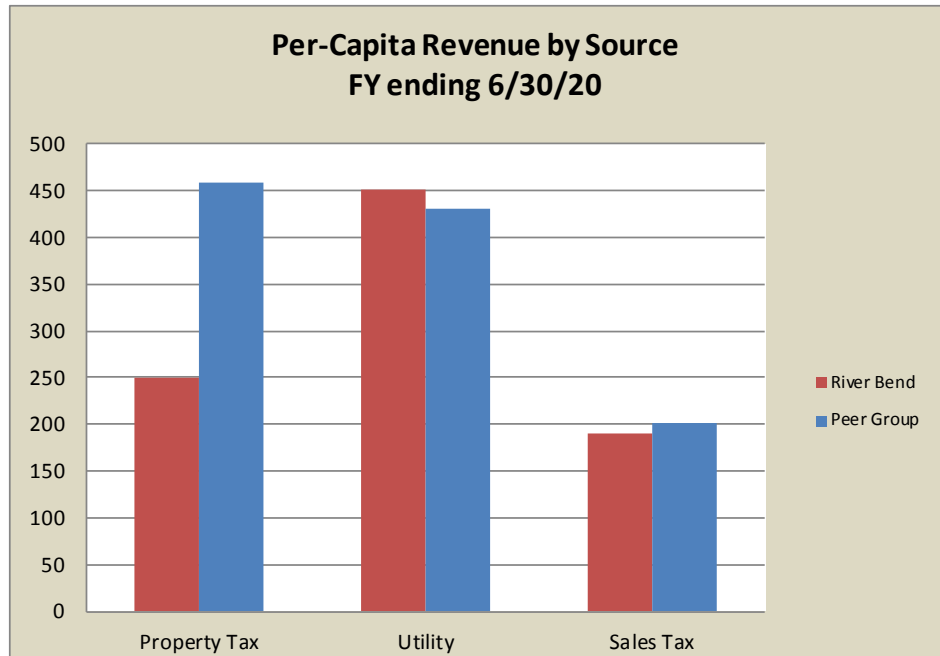
Our peer group is localities with a population between 2,500 and 9,999 residents that do not operate an electric utility. In the fiscal year ending June 30, 2020, there were 112 localities in our peer group.



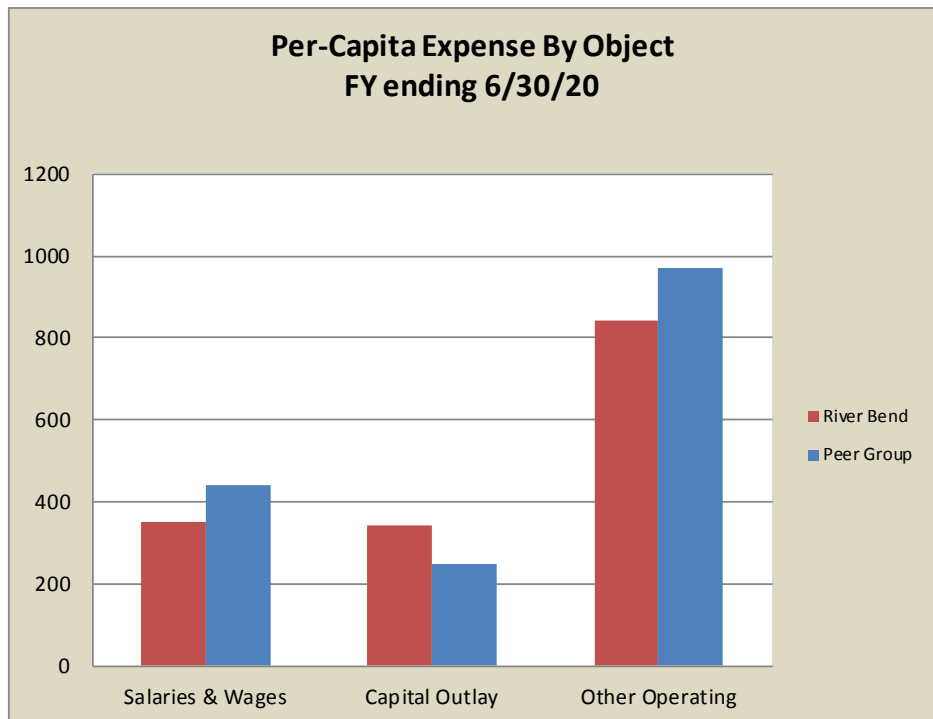
Data from the LGC shows that River Bend’s per-capita expenditures in 2020 were \$1,532 (up \$372 from the previous year) compared to \$1,665 (up \$374 from the previous year) for localities in our peer group. The chart above shows some of the significant expenditures by function and how our expenditures compared with those of our peers. The reader will note that River Bend spends less per capita in most categories compared to our peer group.

Data from the LGC also indicates how we compared with our peer group in fiscal year 2020 in terms of per-capita revenue. The data shows that our total per-capita revenue in these sources was \$1308 compared to \$1,755 for our peers.

This chart shows three major revenue categories and how we compare with our peers. The reader will note that in all three categories our revenue is lower than that of our peers. Our property tax amount is \$209 less per capita than our peer group.



This chart shows three major expense categories and how we compare with our peers. The reader will note that we spend less per capita in two of three categories compared to our peer group. Typically we spend less in all three. However, the BUS capital project costs are included in this year's figures. In the "other" category, we spend \$128 less per capita than our peer group.



John Locke Foundation

One of the factors that is a credit to this community is the comparatively low tax burden we place upon our residents. Through 2013, the John Locke Foundation – Center for Local Innovation published a yearly report entitled “By the Numbers: What Government Costs in North Carolina Cities and Counties.” This report considered “total local government collection of all taxes and fees for counties and municipalities” (the report provided no definition for the fees component of their data) and reported this as the amount of tax revenue received, per capita, from all sources. It also reported the amount, per capita, each locality’s residents pay for property tax and sales tax. Their rankings reflect an aggregate of the County and Town tax, so our ranking takes into consideration the entire tax burden borne by a resident of River Bend compared to that of residents of other incorporated municipalities throughout the State. Unfortunately, the Foundation has stopped publication of this report. We were informed that they will provide another report with information about cities and counties in North Carolina in the future. As of the publication of this document, that has not occurred. The information that follows is the data contained in their most recent and final report (2013).

They divided their findings into quartiles and report these as follows:

- “High Burden” – Upper Quartile
- “Average Burden” – Second and Third Quartile
- “Low Burden” – Lower Quartile

In 2013, 176 communities ranked in our population band (1,000- 4,999). We rank as follows:

Local Revenue Per Capita:	Low Burden	148 th
Property Tax Burden Per Capita:	Low Burden	141 st
Sales Tax Burden Per Capita:	Low Burden	127 th

The reader will note that a higher ranking equals a lower burden. For example, our 141st ranking in the tax burden category means that 140 communities in our population group levy a higher per capita tax burden than River Bend does. It also means that only 35 communities levy a lower per capita tax burden than River Bend does.

Through sound fiscal practices and good planning, we should be able to maintain this type of rating while continuing to provide quality services, facilities, and infrastructure to benefit all our residents.

Glossary

Account – A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

Accounts Payable – A short term liability account reflecting amounts owed to private persons or organizations for goods and services received by the Town.

Accounts Receivable – An asset account reflecting amounts due from private persons or organizations for goods and services furnished by the Town.

Accrual Basis – The recording of the financial effects on an entity of cash transactions in the periods in which they occur rather than the periods in which the cash is received or expended.

ACFR – Annual Comprehensive Financial Report. The official annual report of a government unit.

Ad Valorem Taxes – Commonly referred to as property taxes, are levied on the value of real, certain personal, and public utility property according to the property's valuation and tax rate.

Adopted Budget – The budget approved by the Town Council and enacted through a budget ordinance adopted on or before June 30 of each year.

Appropriated Fund Balance - The amount of fund balance budgeted as revenue to offset expenditures that exceed current revenue.

Appropriation – This is the legal authorization granted by the Town Council to expend or obligate funds for specific purposes. An appropriation usually is limited in the amount and time that it may be expended. The Board appropriates annually, at the beginning of each fiscal year, by department, based upon the adopted Budget. Additional appropriations may be approved by the Board during the fiscal year by amending the Budget and appropriating the funds for expenditure.

Assessed Value – The value of real estate or personal property as determined by the Craven County Tax Assessor as a basis for levying property taxes.

Asset – A probable future economic benefit obtained or controlled by the Town as a result of past transactions or events.

Audit – An examination, usually by an official or private accounting firm retained by the Council that reports on the accuracy of the annual financial report.

Authorized Positions - Employee positions that are authorized in the adopted budget to be filled during the fiscal year.

Balanced Budget – Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the Town Council be balanced.

Basis of Accounting & Basis of Budgeting – The system under which revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in accounts and reported in financial statements. It specifically relates to the timing of the measurements made.

Bond – a written promise to pay a designated sum of money (the principal) at a specific date in the future, along with periodic interest at a specified rate. The payment on bonds is identified as Debt Service. Bonds are generally used to obtain long-term financing for capital improvements.

Bond Rating – A grade indicating a governmental unit's investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing of capital projects funded by bonds. A high rating is indicative of the government's strong financial position.

Bond Referendum – An election in which registered voters vote on whether the Town will be allowed to issue debt in the form of interest-bearing bonds.

Budget – A financial plan containing estimated expenditures and resources covering a fiscal year.

Budget Adjustment Transfer – the transfer of funds between line accounts within a function or across functional areas in accordance with policy. Authority is granted by the Town Council to Budget Officer/Designee.

Budget Amendment – A revision of the adopted budget that, when approved by the Town Council, replaces the original provision. Budget amendments occur throughout the fiscal year as spending priorities shift.

Budget Calendar – The schedule of key dates which the Town follows in the preparation and adoption of the budget.

Budget Document – The official written statement prepared by the Town's staff and presented to the Town Council containing the proposed financial plan for the fiscal year.

Budget Message – A written summary of the proposed budget to the Town Council which discusses major budget issues and recommendations.

Budget Ordinance – The official enactment by the Board establishing the legal authority for staff to obligate and expend funds.

Capital Improvement Plan (CIP) – A plan of proposed capital outlay to be incurred each year over a fixed number of years to meet capital needs.

Capital Outlay – Outlays which result in the acquisition (either new or replacement) or additions to fixed assets having a significant value (\$5,000 or more) and possessing a useful life of more than one year.

Capital Project – Major construction, acquisition, or renovation activities which add value to physical assets or significantly increase their useful life.

Capital Project Fund – A fund used to account for financial resources accumulated for the acquisition or construction of major capital facilities.

Capital Reserve Fund - A type of account on a municipality's balance sheet that is reserved for long-term capital investment projects or any other large and anticipated expenditure(s) that will be incurred in the future. This type of reserve fund is set aside to ensure that the company or municipality has adequate funding to at least partially finance the project.

Chart of Accounts – A chart that assigns a unique number and classification to each type of transaction and to each budgetary unit in the organization.

COLA – A Cost-of-Living Adjustment is an increase in salaries to offset the adverse effect of inflation on compensation.

Committed Fund Balance – Monies over the years that remain unspent after all budgeted expenditures have been made, but which are committed by a majority vote of the Town Council for specific purposes and are unavailable for appropriation.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (economic inflation).

Contingency Account – Account in which funds are set aside for emergency and exceptional expenditures that may become necessary during the year and which have not otherwise been provided for in the context of the annual operating budget.

Debt Service – Payment of interest and repayment of principal on Town debt.

Deficit – The amount by which expenditures exceed revenues during an accounting period.

Department – An organizational unit within the Town which is functionally unique in its delivery of services or activities.

Depreciation – Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. The portion of the cost of a fixed asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an

asset, and each period is charged with a portion of the cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

EIA - Energy Information Administration

Encumbrance – The commitment of appropriated funds to purchase an item or service.

Enterprise Fund – A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. Operations are financed from charges to users for services provided.

Expenditure – The cost of goods or services whether payment has been made or not.

Fees – A general term used for any charge levied by the Town associated with providing a service or permitting an activity.

Fiduciary Fund – A special classification fund used to account for assets held by the Town in a trustee capacity on behalf of outside parties, including other governments.

Fiscal Year (FY) – A twelve-month period which determines the time frame for financial reporting, budgeting, and accounting.

Fixed Assets – Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances.

Fund – A fiscal entity with revenues and expenses that are segregated for the purpose of accounting for an activity(s) with common objectives.

Fund Balance – The excess of the assets of a fund over its liabilities.

GAAP – Generally accepted accounting principles. A uniform minimum standard used by state and local governments for financial recording and reporting; established by the accounting profession through the Governmental Accounting Standards Board.

General Fund – A fund that accounts for most of the basic government services such as public safety, streets and highways, sanitation, parks and recreation, and general government services.

General Obligation Bonds – Bonds issued by a government entity which are backed by its full faith, credit and unlimited taxing authority.

Goal – A statement of Council direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

Grants – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity or facility.

Interest – Compensation for the use of borrowed money, generally expressed as an annual percentage of the principal amount.

Interfund Transfers – The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue – Revenue received from another government for general purposes or special intent.

Law Enforcement Officer's (LEO) Special Separation Allowance – A single-employer defined benefit plan that provides retirement benefits to the Town's qualified sworn law enforcement officers.

Lease – A contract for temporary use of equipment or facilities at a negotiated price.

Levy – To impose taxes for the support of government services and activities.

LGC - Local Government Commission

Liabilities – Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Local Government Budget and Fiscal Control Act – General Statute of the State of North Carolina governing budgetary and fiscal affairs of local governments.

Modified Accrual Basis – A method for accounting for the receipt and expenditure of funds whereby revenues are recorded when they become measurable and available and expenditures are recorded when the liability is incurred.

Net Bonded Debt – The amount calculated as gross bonded debt less debt service monies available at year-end less debt payable from Enterprise Revenues, which ultimately equates to amounts to be repaid through property taxes.

NCLM - North Carolina League of Municipalities

Objective – A statement of specific direction, purpose or intent to be accomplished by staff within a program.

Operating Budget – Includes all funds except those accounted for in the capital budget. The Operating Budget is adopted by the Town Council by budget ordinance amendment on a fiscal year basis.

Operating Expenses – The cost of contractual services, materials, supplies and other expenses not related to personnel expenses and capital projects.

Per Capita Debt – The amount of the Town’s debt divided by the population. It is used as an indication of credit position by reference to the proportionate debt borne per resident.

Personnel Expenses – Cost of salaries, wages, and fringe benefits such as employer’s share of social security contributions, retirement expenses, and health and life insurance payments.

Powell Bill Funds – Revenue from State-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Resources – Assets that can be used to fund expenditures such as property taxes, charges for services, beginning fund balances, or working capital.

Revenue – A term used to represent actual or expected income to a specific fund.

Special Revenue Fund – Funds that are set aside to pay for large expenditure items. The fund provides a means to provide consistent funding from General Fund without competition with other community investment projects or increasing debt.

Standard & Poor’s Corporation – A recognized bond rating agency.

Surplus – The amount by which revenues exceed expenditures.

Tax Base – The total assessed valuation of real property within the Town.

Tax Levy – The product when the tax rate is multiplied by assessed values.

Tax Rate – The amount per \$100 of property valuation that is levied for the support of government services or activities.

Transfer – An appropriation to or from another fund. A transfer is the movement of money from one fund to another to wholly or partially support the functions of the receiving fund.

Unencumbered Balance – The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future expenditures.

Unassigned Fund Balance – That portion of resources, which at year’s end, exceeded requirements and has not been committed or assigned for some future time for a specific project or use. Money in the unassigned fund balance is not in the Budget and therefore has not been appropriated for expenditure. However, those funds are available for use if the need arises.

Appendix A



TOWN OF RIVER BEND

45 Shoreline Drive
River Bend, NC 28562

T 252.638.3870
F 252.638.2580

www.riverbendnc.org

February 12, 2021

To: Mayor Kirkland and Members of Town Council

From: Sean Christian Joll, Chief of Police

Re: Police Department Budget for FY 2021-22

The purpose of this document is to provide you some background information and a deeper understanding of the progress your police department is making. It will also provide some details relative to our budget proposal for the coming year. The good news is the department is working on becoming up to speed in modernizing our equipment. I apologize for the length of this document, but I wanted to be sure to provide you as many details as possible in advance of your meeting to allow you time to give consideration to the proposals being made. I realize that this is a lot of information to digest. Most of this will be covered, in summary form, during your budget meeting. If you have any questions about the content of this document. I will be able to provide answers when we meet next.

To begin, I want to reiterate the focus of your police department. These are in no particular order, but are how we approach our work; balancing the competing demands of traditional policing with those of community policing and quality of life issues.

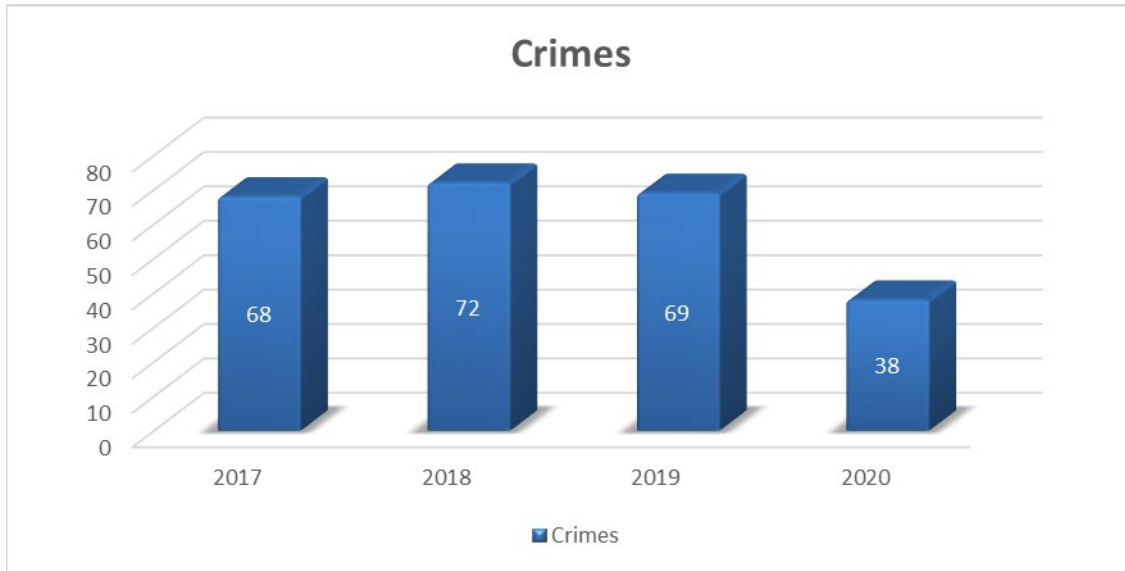
- Proactive crime reduction
- Teamwork with the residents and volunteer groups for a safer community
- Complete investigations
- Comprehensive continuing training
- Partnership with surrounding agencies
- Continuing to improve the quality of life through equitable enforcement of local ordinances

What have we accomplished in the past year

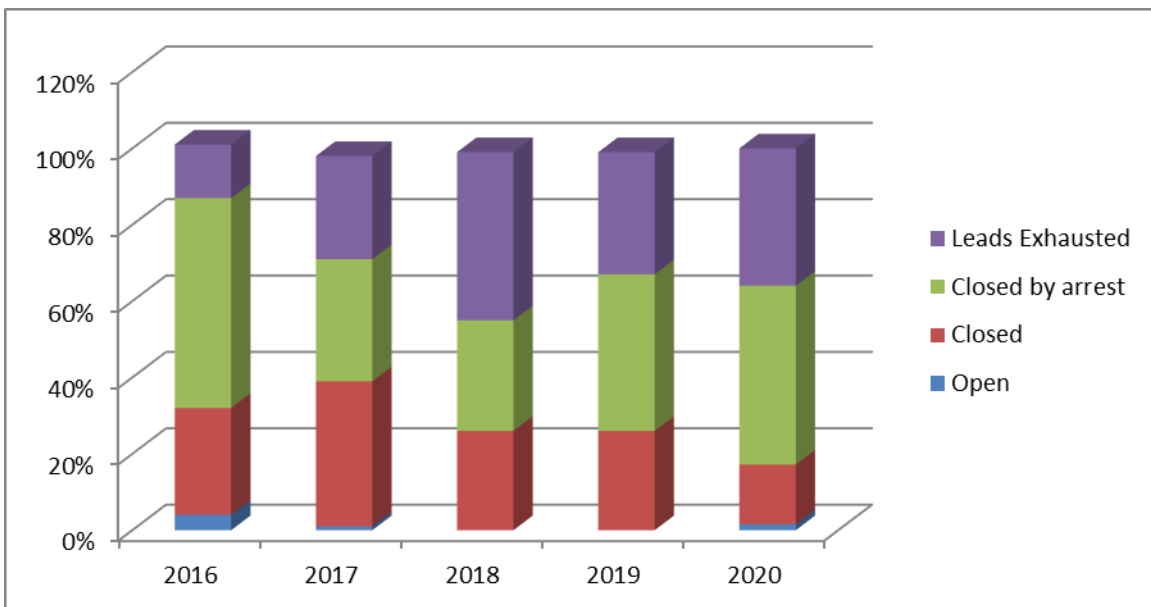
- Overall, Department members acquired a total of 534 hours of training in the past year.
- Over 80% of the Department's officers have completed Crisis Intervention Training (C.I.T.) and this will continue to be a training priority for all officers.
- Policy and a handbook were put in place for the creation of the River Bend Police Volunteer Program. Two (2) Volunteer Coordinators were selected with a current membership of five (5).
- The Department is continuing to improve its practice of Community Oriented Policing and Problem Oriented Policing through training and certification programs.
- The Department now has two (2) in house state certified General Instructors along with one (1), Taser, Rapid Deployment and Firearm instructor for training purposes.
- The Department has five (5) in house state certified Field Training Officers and a state certified Traffic Crash Reconstructionist.
- Two (2) of our three (3) part-timers are trained Criminal Investigators.
- Officers have continued working drug locations in River Bend, in an effort to eradicate them from the area or change the behavior of those persons.
- Actively participating with all Craven County Law Enforcement in the Governor's Highway Safety Program County Task Force.
- Continued partnership with joint taskforces to include Coastal Narcotic Enforcement Team, the Craven County Regional Gang Taskforce and a multiagency traffic task force.
- New equipment in the sum of approximately \$21,000 has been purchased, trained on and deployed with no cost to the town. (Governor's Crime Commission grant for Active Shooter Training and Response Capability Enhancement).
- We have continued to integrate monthly firearms training in to each officer's schedule with one-on-one training from a certified Firearm instructor. As a result, we have seen an improvement in firearms proficiency and decision making skills on scenario based "Shoot / Don't Shoot" training.
- Sustained a 100% coverage rate of the town throughout the year during the transition of officers leaving the agency.
- Retention of officers has improved with officers now living within town limits and others currently seeking residence in the town.
- We have submitted and are awaiting approval of an additional grant through the Governor's Crime Commission in the sum of approximately \$21,500 that would assist the department in meeting the demands of today's policing. This is a "No Local Match Required" grant.
- The River Bend Police Department was recognized and found to be in compliance with the United States Department of Justice Safe Policing for Safe Communities by the North Carolina Law Enforcement Accreditation Program. See attached letter.

How busy are we?

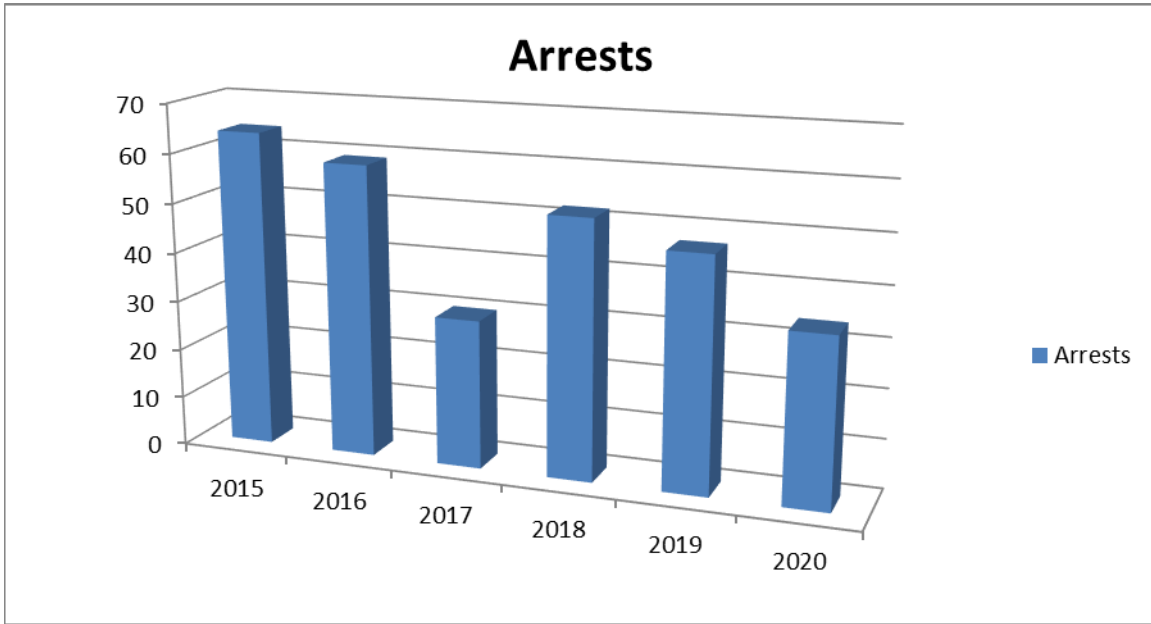
- Officers logged or responded to 19,048 incidents in 2020.
- Your officers conducted 11,299 Business Security Checks in 2020.
- In addition, officers conducted 5,663 Community Watch Checks (direct patrols) in 2020.



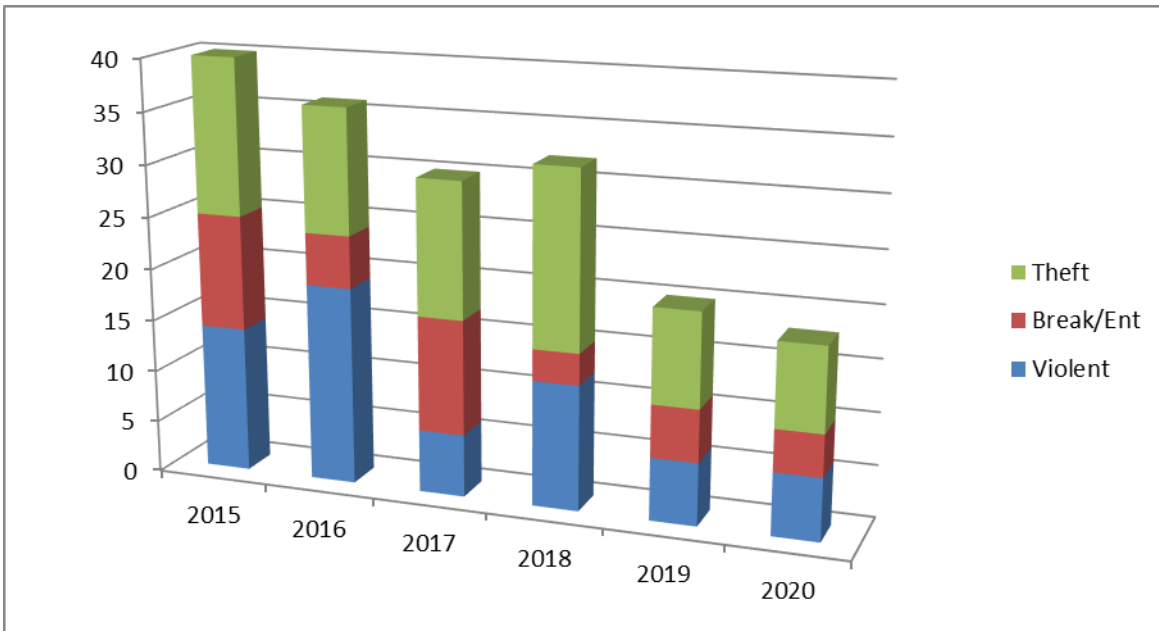
- The chart shows that during the years 2017, 2018, and 2019 there was a consistent average of 69.6 crimes that occurred. In 2018, we had a slight increase to 72 crimes. We have now reduced that to 38 crimes for 2020.



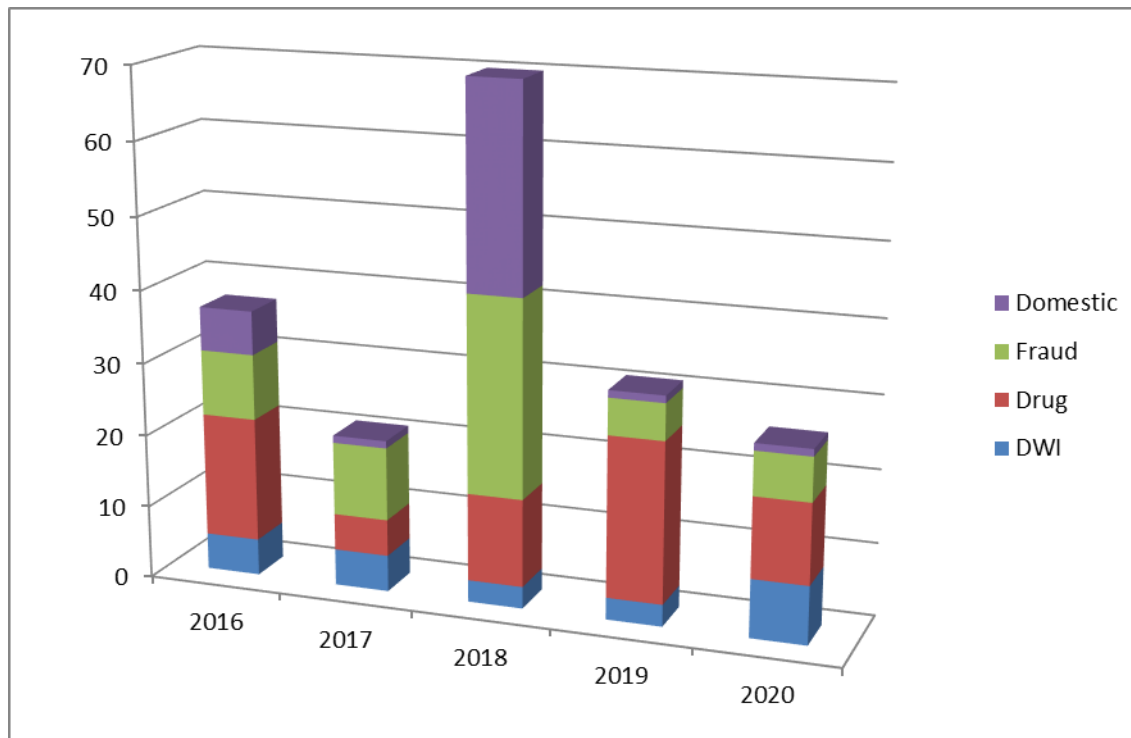
- For the last two years, we have been able to maintain an “Open Cases” percentage of 0%. This year we have one (1) “Open Case”. The suspect currently has warrants out and we are waiting for LEO to locate him.



- The 2020 number (34) is 27% less than the 2019 number of 47. This decrease is due to a decrease in crimes and the type of crimes that are taking place.



- As you can see there has been a steady decrease over the years in crime. In 2018 a 6% increase took place. This increase was related to Hurricane Florence. Since 2018, the town has enjoyed an overall decrease in the major categories of crime.
- Violent Crime is categorized as: Domestic, Assault, Sexual Assault, Communication of Threats.



New Trends noticed in River Bend

2019 national crime statics national average by the FBI.

Nationally, in 2019, 45.5% of violent crimes and 17.2% of property crimes were cleared by arrest or exceptional means.

Among national statistics of property crimes:
 18.4% of larceny / theft offenses were cleared
 14.1% of motor vehicle theft offenses were cleared
 13.8% of burglary offenses were cleared.

In Burglary - We cleared 33.3% of cases, which is 2.4 times ABOVE the national average.

In Larceny / theft - We cleared 66.6% of cases, which is 3.6 times ABOVE the national average.

What changes/improvements would we recommend for Fiscal Year 2020-21?

1. Continuing pro-active policing on criminal activity that is linked to outside persons who either frequent River Bend for theft reasons or to meet with fellow criminals or substance abusers in the town.
2. Expansion of the Police Department's motor vehicle fleet to a total of six (6) Eco / Hybrid style patrol vehicles. This would allow each full-time officer to have their own vehicle which would significantly reduce the overall wear and tear of each vehicle. Furthermore, it would reduce motor vehicle maintenance and gas cost.
3. The purchase of advanced technology such as a thermal imager. A thermal imager can assist officers at any emergency incident in which normal visibility is reduced, impaired or ineffective. Whether it is a lost child or a disoriented elderly adult suffering from Alzheimer's or dementia, a victim can be located more quickly and at less risk with the assistance of a thermal imager. In addition, this tool can be used in the detection, tracking and apprehension of a suspect during low to no light situations.
4. The continued expansion of our body worn camera (BWC) inventory through the purchase of three (3) additional BWCs. This would provide each full-time officer with a BWC to better record their interactions with the public during calls for service and will assist them in the prosecution of criminals in court.
5. The continued support and movement forward of updating the Police Department's image and replacement of older equipment.
6. To further train your officers to be the most professional and proficient officers by:
 - A. Continued advanced training through the NC Justice Academy for a higher level of trained personnel.
 - B. Continued training for officers that have an assigned specialized area of expertise through conferences in their assigned area.
 - C. Further utilizing department resources to conduct more regularly scheduled monthly training with no travel or per diem.

Appendix B

Public Works and Water Resources Work Orders

Our Public Works and Water Resources field operations staff performs a variety of routine maintenance work on our buildings, parks, streets, stormwater system, water system, and wastewater system. In order to capture the non-routine work they do, and some of the higher volume routine work, we developed a system to record and report this activity for the benefit of the Town Council.

A monthly report using tabular and graphical formats is provided to the Council in their monthly meeting agenda books. Tracking this data year-to-year allows us to determine if there is a sustained increase in activity that might indicate the need for additional personnel resources.

What follows is a brief description of the categories of work orders we track and report:

Building Maintenance	Interior and exterior repairs including plumbing and electrical.
Painting	Miscellaneous painting including bridge railings, buildings, etc.
Park/Playground	Maintenance of grounds and fixtures
Roadway Maintenance	Pothole and shoulder repair, regulatory and street sign replacement, and street crack sealing.
Stormwater Maintenance	Investigation and repair of problems with drainage structures and swales
Trash/Litter	Non-routine litter pick-up
Tree Maintenance	Trimming, removal, and replacement of trees on public land
Wetlands / Ponds	Weed and algae abatement, aeration equipment maintenance, shoreline trimming
Other	Tasks not included above
Sewer Collection	Non-routine inspection or maintenance of collection system
Sewer Treatment	Non-routine maintenance or repairs at the wastewater treatment plant
Water Distribution	Non-routine maintenance, repair, or improvement of the water distribution system
Water Treatment	Non-routine maintenance, repair, or improvement of the water treatment system
Service Orders	Customer initiated requests taken by the Finance Assistant. See the breakdown of the type of requests in the chart on page 199
Utility Locates	Requests, from NC One-Call, for us to locate our utility lines before a contractor begins excavation

Monthly Work Order Summary Report for FY 21

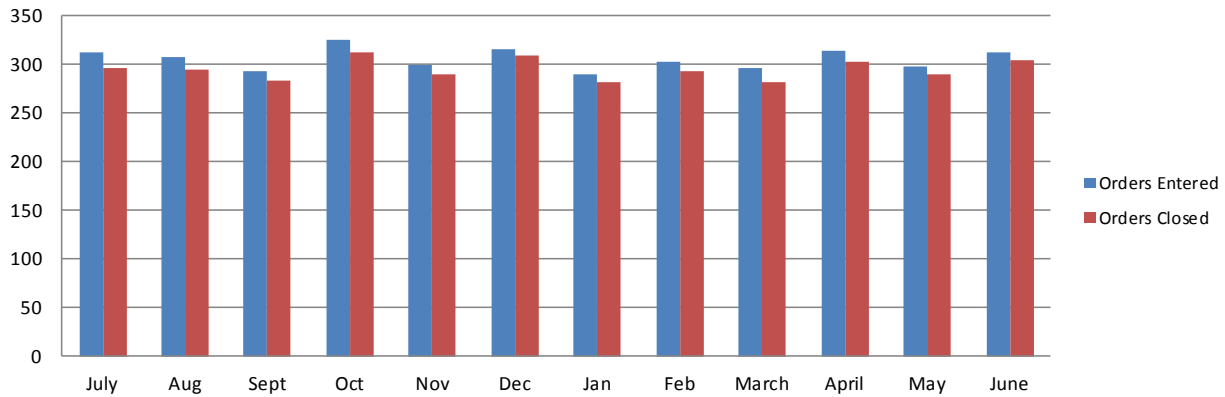
The chart below and the graphs on the next page indicate the number of work orders that were received and responded to in different areas throughout the year.

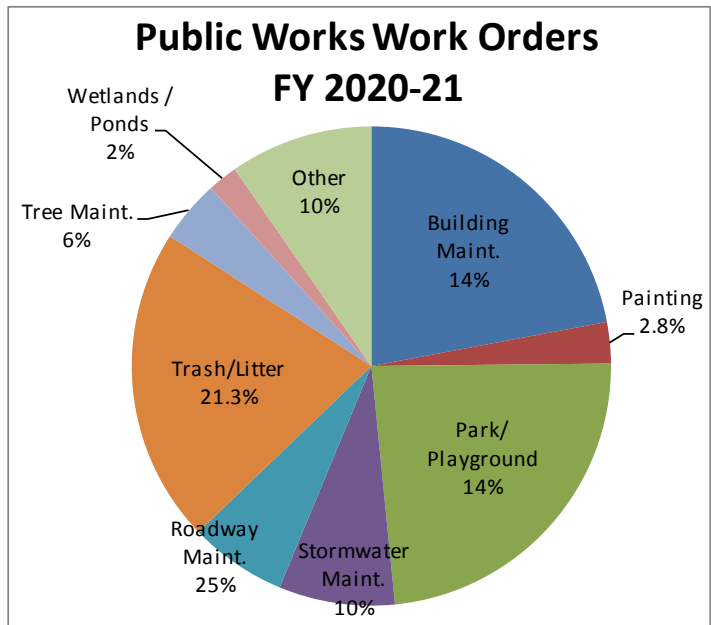
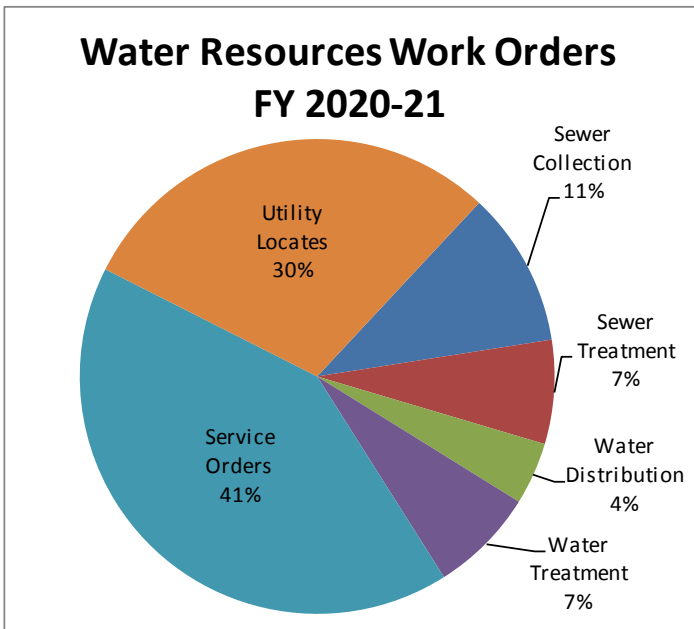
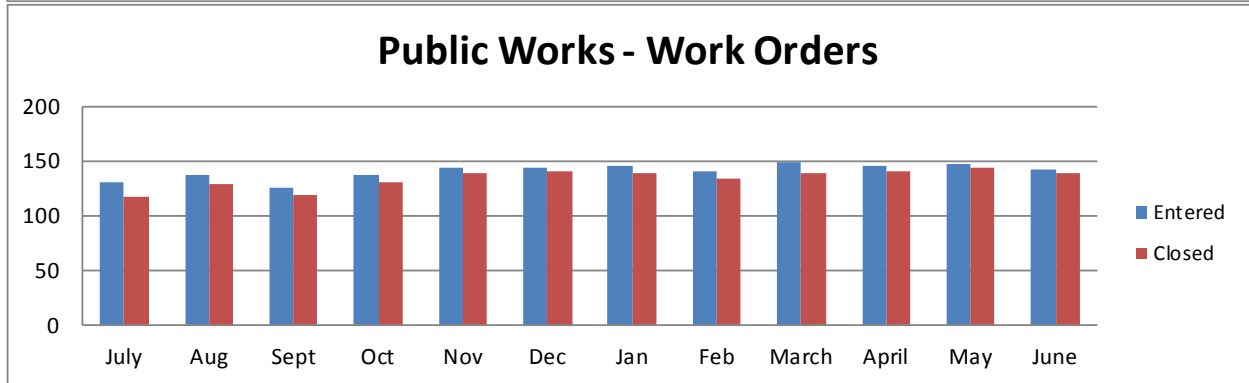
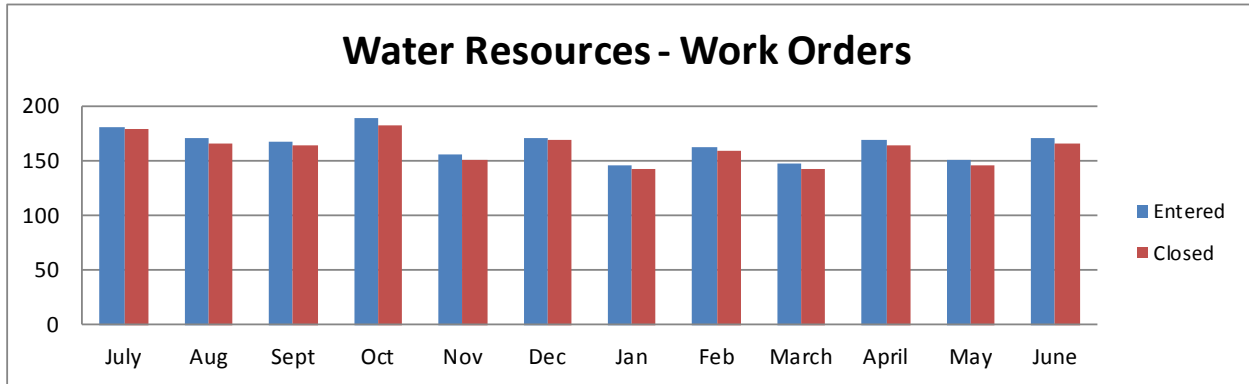
Public Works													YTD
Orders Entered	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	
Building Maintenance	30	29	30	30	28	32	31	33	35	33	31	30	372
Painting	3	2	0	2	5	4	6	4	6	5	6	4	47
Park/Playground	29	32	33	35	34	33	32	34	37	33	32	34	398
Roadway Maintenance	14	12	10	12	11	8	10	12	9	11	13	10	132
Stormwater Maintenance	8	10	6	8	9	7	9	10	12	10	12	10	111
Trash/Litter	30	30	29	30	31	30	30	28	31	30	30	30	359
Tree Maintenance	4	6	5	7	9	8	7	6	2	3	6	8	71
Wetlands / Ponds	4	5	3	2	3	4	3	2	3	2	1	2	34
Other	9	11	9	11	14	18	17	12	14	18	16	14	163
TOTAL	131	137	125	137	144	144	145	141	149	145	147	142	1687
Orders Closed	118	128	119	130	138	141	139	133	139	140	143	138	1606

Water Resources													YTD
Orders Entered	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	
Sewer Collection	13	11	16	14	18	17	19	21	18	20	22	20	209
Sewer Treatment	14	12	10	12	9	10	12	11	13	11	14	12	140
Water Distribution	6	5	3	6	8	6	10	8	9	8	7	8	84
Water Treatment	10	11	9	12	14	13	13	12	11	13	11	13	142
Service Orders	70	72	84	94	60	75	46	66	56	66	53	77	819
Utility Locates	68	60	45	50	47	50	45	44	40	50	44	40	583
TOTAL	181	171	167	188	156	171	145	162	147	168	151	170	1977
Orders Closed	178	166	164	182	151	168	142	159	142	163	146	166	1927

TOTAL	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	YTD
Orders Entered	312	308	292	325	300	315	290	303	296	313	298	312	3664
Orders Closed	296	294	283	312	289	309	281	292	281	303	289	304	3533

Total Work Orders - FY 2020-21





Town of River Bend, North Carolina
Annual Budget for Fiscal Year 2021-2022

Appendix C

TOWN OF RIVER BEND BUDGET REQUEST FORM FISCAL YEAR 2021-2022							
Project or Item:		Sludge Hauling					
Description:							
Removal of the town's excess sludge at the WWTP							
Operating Budget Impact (narrative):							
This removal of sludge will keep us in compliance with our NPDES permit							
Anticipated effect if the project or item is not funded:							
If removal is not budgeted we will be in non-compliance of our NPDES permitt							
Request for Appropriation:							
		FY	FY	FY	FY	FY	
		2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	TOTAL
Expenditures:							
Cost		\$28,000					
Recurring Costs							\$0
TOTAL		\$28,000	\$0	\$0	\$0	\$0	\$28,000
		FY	FY	FY	FY	FY	
		2022-2022	2022-2023	2023-2024	2024-2025	2025-2026	TOTAL
Revenue Sources:							
Local Revenue							\$0
Fees							\$0
Federal Grant							\$0
State Grant							\$0
Local Grant							\$0
Other							\$0
TOTAL		\$0	\$0	\$0	\$0	\$0	\$0
Expend-Revenues		\$28,000	\$0	\$0	\$0	\$0	\$28,000
Attachments: NO/ YES (formal proposals or quotes)							
		Submitted By: Brandon Mills					
		Date: Feb 8 2021					
TRB Form #57 (12/07)							