



3rd Quarter Financial and Budget Report

April 10, 2025

The following report provides information on the current financial position of Fiscal Year 2025. This report includes the 3rd Quarter Financials that will serve as a useful resource during the development of the FY26 Budget. The report is based on high level information as of March 2025, unless otherwise noted.

REPORT OVERVIEW

3rd Quarter Financials

3rd Quarter Assessment

- Revenues
- Expenditures

3rd QUARTER FINANCIALS

Consolidated General Fund Statement of Revenues & Expenditures (Unaudited) as of March 2025 (9 months). The consolidated statement includes the General Fund, Debt Fund, & Healthcare Premium Fund. The Stormwater Fund is reported separately as a Proprietary Fund.

Fund Summary

	ORIGINAL BUDGET	AMENDED BUDGET	YEAR-TO-DATE ACTUAL	ENCUMBRANCES	BUDGET BALANCE	COLLECTED/ COMMITTED
GENERAL FUND (Only)						
Total Revenues	\$ 58,190,000	\$ 63,268,814	\$ 48,485,096	\$ -	\$ 14,783,718	76.6%
Total Expenditures	\$ 58,190,000	\$ 63,268,814	\$ 43,953,825	\$ 3,779,460	\$ 15,535,529	75.4%
TOTAL STORMWATER FUND						
Total Revenues	\$ 1,340,000	\$ 1,464,319	\$ 1,389,372	\$ -	\$ 74,946	94.9%
Total Expenditures	\$ 1,340,000	\$ 1,464,319	\$ 1,079,922	\$ 59,305	\$ 325,092	77.8%

Fund Details

General Fund Detail	ORIGINAL BUDGET	AMENDED BUDGET	YEAR-TO-DATE ACTUAL	ENCUMBRANCES	BUDGET BALANCE	COLLECTED/ COMMITTED
REVENUES:						
Ad Valorem Taxes	\$ 32,975,937	\$ 32,975,937	\$ 35,207,493	\$ -	\$ (2,231,556)	106.8%
Other Taxes and Licenses	645,000	645,000	434,462	-	210,538	67.4%
Unrestricted Intergovernmental	14,905,490	14,905,490	7,735,724	-	7,169,766	51.9%
Restricted Intergovernmental	1,494,400	2,089,564	1,424,066	-	665,498	68.2%
Permits and Fees	1,611,000	1,611,000	1,351,204	-	259,796	83.9%
Sales and Services	1,610,000	1,610,000	1,311,994	-	298,006	81.5%
Rentals	126,440	126,440	94,258	-	32,182	74.5%
Investment Earnings	850,000	850,000	589,862	-	260,138	69.4%
Miscellaneous	177,033	335,203	336,033	-	(831)	100.2%
Transfer from other funds	2,223,000	2,223,000	2,223,000	-	-	100.0%
Appropriated Fund Balance	1,571,700	5,897,180	-	-	5,897,180	0.0%
TOTAL REVENUES	\$ 58,190,000	\$ 63,268,814	\$ 50,708,096	\$ -	\$ 12,560,718	80.1%
EXPENDITURES:						
Governing Body						
Personnel Cost	\$ 102,609	\$ 102,609	\$ 72,311	\$ -	\$ 30,298	70.5%
Operating Cost	443,591	458,504	287,845	150,008	20,651	95.5%
Transfer to Healthcare Fund	47,800	47,800	47,800	-	-	100.0%
Interfund Transfers	10,315,000	12,883,800	12,883,800	-	-	100.0%
Subtotal	10,909,000	13,492,713	13,291,756	150,008	50,949	99.6%

	ORIGINAL BUDGET	AMENDED BUDGET	YEAR-TO-DATE ACTUAL	ENCUMBRANCES	BUDGET BALANCE	COLLECTED/ COMMITTED
Administration						
Personnel Cost	1,666,160	1,666,160	1,051,192	-	614,968	63.1%
Operating Cost	1,131,540	1,102,940	1,022,161	-	80,779	92.7%
Transfer to Healthcare Fund	65,700	65,700	65,700	-	-	100.0%
Subtotal	2,863,400	2,834,800	2,139,052	-	695,748	75.5%
Budget & Strategic Management						
Personnel Cost	495,325	515,325	230,462	-	284,863	44.7%
Operating Cost	70,620	86,964	61,249	6,265	19,450	77.6%
Transfer to Healthcare Fund	51,055	51,055	51,055	-	-	100.0%
Subtotal	617,000	653,344	342,766	6,265	304,312	53.4%
Communications						
Personnel Cost	472,700	472,700	356,320	-	116,380	75.4%
Operating Cost	267,100	314,108	131,712	50,595	131,801	58.0%
Transfer to Healthcare Fund	57,100	57,100	57,100	-	-	100.0%
Subtotal	796,900	843,908	545,132	50,595	248,181	70.6%
Finance						
Personnel Cost	705,375	705,375	401,427	-	303,948	56.9%
Operating Cost	423,225	423,225	401,971	20,000	1,254	99.7%
Transfer to Healthcare Fund	68,600	68,600	68,600	-	-	100.0%
Subtotal	1,197,200	1,197,200	871,998	20,000	305,202	74.5%
Information Technology						
Personnel Cost	1,190,050	1,190,050	864,413	-	325,637	72.6%
Operating Cost	1,684,600	1,686,600	1,127,573	189,049	369,978	78.1%
Capital	128,850	128,850	112,571	-	16,279	87.4%
Transfer to Healthcare Fund	91,400	91,400	91,400	-	-	100.0%
Subtotal	3,094,900	3,096,900	2,195,958	189,049	711,894	77.0%
Human Resources						
Personnel Cost	617,510	617,510	372,050	-	245,460	60.2%
Operating Cost	143,390	143,390	92,499	8,400	42,491	70.4%
Transfer to Healthcare Fund	45,700	45,700	45,700	-	-	100.0%
Subtotal	806,600	806,600	510,249	8,400	287,951	64.3%
Planning						
Personnel Cost	1,389,900	1,389,900	718,740	-	671,160	51.7%
Operating Cost	1,516,200	1,831,813	523,611	767,757	540,446	70.5%
Capital Outlay	15,000	15,000	48	-	14,952	0.3%
Transfer to Healthcare Fund	137,200	137,200	137,200	-	-	100.0%
Subtotal	3,058,300	3,373,913	1,379,599	767,757	1,226,558	63.6%
Inspections						
Personnel Cost	1,266,000	1,266,000	661,619	-	604,381	52.3%
Operating Cost	72,400	73,943	47,210	-	26,732	63.8%
Transfer to Healthcare Fund	114,300	114,300	114,300	-	-	100.0%
Subtotal	1,452,700	1,454,243	823,129	-	631,114	56.6%
Engineering						
Personnel Cost	1,222,200	1,222,609	853,776	-	368,833	69.8%
Operating Cost	126,100	134,912	57,553	11,130	66,228	50.9%
Capital Outlay	-	-	-	-	-	0.0%
Transfer to Healthcare Fund	114,100	114,100	114,100	-	-	100.0%
Subtotal	1,462,400	1,471,621	1,025,430	11,130	435,061	70.4%
Police						
Personnel Cost	5,673,945	5,677,893	3,992,779	-	1,685,114	70.3%
Operating Cost	691,015	1,110,361	523,041	406,272	181,047	83.7%
Capital Outlay	-	15,494	15,494	-	-	100.0%
Transfer to Healthcare Fund	574,740	574,740	574,740	-	-	100.0%
Subtotal	6,939,700	7,378,487	5,106,054	406,272	1,866,161	74.7%

	ORIGINAL BUDGET	AMENDED BUDGET	YEAR-TO-DATE ACTUAL	ENCUMBRANCES	BUDGET BALANCE	COLLECTED/ COMMITTED
Fire						
Personnel Cost	7,184,130	7,253,511	5,309,202	-	1,944,309	73.2%
Operating Cost	991,350	1,010,906	836,010	37,681	137,214	86.4%
Capital Outlay	2,223,000	2,223,000	1,405,654	645,524	171,822	92.3%
Transfer to Healthcare Fund	739,320	739,320	739,320	-	-	100.0%
Subtotal	11,137,800	11,226,737	8,290,186	683,205	2,253,346	79.9%
Public Works						
Personnel Cost	2,525,050	2,543,086	1,773,156	-	769,930	69.7%
Operating Cost	5,195,550	5,650,540	3,250,364	937,412	1,462,764	74.1%
Capital Outlay	251,500	555,544	92,706	2,523	460,315	17.1%
Transfer to Healthcare Fund	315,400	315,400	315,400	-	-	100.0%
Subtotal	8,287,500	9,064,571	5,431,627	939,935	2,693,008	70.3%
Fleet						
Operating Cost	288,000	288,000	175,901	-	112,099	61.1%
Capital Outlay	300,000	1,074,777	630,584	411,579	32,614	97.0%
Subtotal	588,000	1,362,777	806,485	411,579	144,712	89.4%
Powell Bill						
Operating Cost	900,000	911,946	11,016	-	900,930	1.2%
Parks and Recreation						
Personnel Cost	2,767,588	2,772,568	2,228,131		544,437	80.4%
Operating Cost	1,048,877	1,064,352	769,667	133,128	161,558	84.8%
Capital Outlay	30,000	30,000	22,255	2,137	5,608	81.3%
Transfer to Healthcare Fund	232,135	232,135	232,135	-	-	100.0%
Subtotal	4,078,600	4,099,055	3,252,188	135,264	711,603	82.6%
TOTAL EXPENDITURES	58,190,000	63,268,814	46,022,625	3,779,460	13,466,729	78.7%

STORMWATER FUND DETAIL

REVENUES:

Permits and Fees	\$ 35,000	\$ 35,000	\$ 14,928	-	\$ 20,072	42.7%
Sales and Services	1,215,000	1,219,850	1,307,591	-	(87,741)	107.2%
Investment Earnings	90,000	90,000	66,853		23,147	74.3%
Transfer from the General Fund		89,469			89,469	0.0%
Appropriated Fund Balance		30,000			30,000	
TOTAL REVENUES	\$ 1,340,000	\$ 1,464,319	\$ 1,389,372	\$ -	\$ 74,946	94.9%

EXPENDITURES:

Personnel Cost	\$ 489,906	\$ 579,375	\$ 327,458		\$ 251,917	56.5%
Operating Cost	239,494	274,344	206,532	59,305	8,507	96.9%
Capital Outlay	65,000	65,000	323		64,668	.01%
Transfer to Healthcare Fund	45,600	45,600	45,600			100.0%
Transfer to Capital Project	500,000	500,000	500,000		-	100.0%
TOTAL EXPENDITURES	\$ 1,340,000	\$ 1,464,319	\$ 1,079,922	\$ 59,305	\$ 325,092	77.8%

3rd QUARTER ASSESSMENT

Revenue Highlights:

- Revenues for FY 2025 are largely trending as anticipated. The town's projections were based on conservative forecasting to ensure fiscal responsibility.
- Ad Valorem Taxes (the town's largest revenue source) is trending ahead of the expected revenue target. It is important to note that revenues are primarily received during the 2nd and 3rd quarters. This year, we received almost the entirety

before the 2nd quarter. The revenue was higher than budgeted due to conservative approach to estimating ad valorem taxes in addition to the change and timing of receipts in the current fiscal year. At this stage, there is little additional ad valorem tax revenue anticipated to be received before the end of the fiscal year.

- Unrestricted Intergovernmental Revenues (including sales tax distribution and franchise fees) are performing as anticipated. Sales tax revenue distributions lag by two months from actual sales receipts, which impacts what is recorded (e.g., June sales tax is not received until September). These types of revenues are sensitive to broader economic conditions and have slowed compared to previous years. This trend is expected to continue and will be reflected in the town's conservative approach in the upcoming fiscal year budget.
- Development fees are tracking as anticipated. These fees are primarily based on growing interest in development. This results in an unpredictable pattern for trend forecasting.
- Sales and service revenues are performing as anticipated for this fiscal year.
- Investment earnings are on pace to meet the projected revenue forecast. Due to potential variability in the market and the potential for interest rate decreases, staff is continuing to monitor interest income to accurately project for year end.

Expenditure Highlights:

Overall, the town's spending over the first three quarters of the fiscal year is on target. Staff continues to work with departments and monitor remaining initiatives for the current fiscal year to help determine potential expenses for the 4th quarter. Additional detail for departments whose expenses currently exceed 75% of department budget has been noted below.

- Governing Body is currently at 99% of budget. This is due to the timing of transfers, with the town making 100% of the budgeted transfers prior to the end of the fiscal year. The department is expected remain on budget.
- Information Technology is currently trending on budget for the current fiscal year. The slight overage in department spending is due to the timing of IT infrastructure purchased.
- Fire is currently at roughly 80% of budget due to fire staff assisting with efforts to support Western NC Hurricane Helene disaster recovery. Staff has submitted for disaster response reimbursement, which is expected to be received before the end of the year.
- Fleet expenses for the current fiscal year are higher than anticipated due to timing of receipt of vehicles purchases this fiscal year. Powell Bill resurfacing contract is expected to be encumbered within the next month.

- Parks and Recreation spending tends to be seasonal in alignment with programming. The department is currently at 83% of budget due to the timing of programming expenses in the current fiscal year. The department is expected to be within budget.
- The Stormwater Fund is currently showing expenditures, including encumbrances, ahead of revenues by \$250,146. This is primarily due to the timing of transfers for Stormwater related capital projects funded this year. Projections anticipate revenues to be slightly higher than expenditures at year-end.