



VILLAGE OF MISENHEIMER
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June, 2025

PROPOSED

FY 2025/2026 BUDGET MEMORANDUM

PROPOSED BUDGETED REVENUE RECAP:

Ad Valorem Taxes	\$ 57,500
Unrestricted Intergovernmental Revenues	275,000
Restricted Intergovernmental Revenues	16,000
Sales and Services	270,120
Investment Earnings	14,200
Miscellaneous	4,880
Unappropriated Fund Balance	<u>152,300</u>

GRAND TOTAL **\$ 790,000**

PROPOSED BUDGETED EXPENDITURES RECAP:

General Government	\$ 179,725
Public Safety/Law Enforcement	556,900
Zoning	3,000
Solid Waste & Recycling	27,625
Cultural & Recreational	2,750
Transportation: Restricted	20,000
	<u>0</u>

GRAND TOTAL **\$ 790,000**

2025 Stanly County Property Revaluation-Revenue-Neutral Tax Rate:

The general reappraisal of real property for the Village of Misenheimer and Stanly County became effective January 1, 2025. State law requires that units of local government, including public authorities, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide citizens with comparative information. The FY 25/26 operating budget follows the general reappraisal of real property for the Village of Misenheimer. The revenue-neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the current year if no reappraisal had occurred. The rate is adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general appraisal performed in 2021. The reappraisal produced a tax base of \$22,000,000 for the Village of Misenheimer. The tax levy for the current fiscal year is \$ 37,400 and the growth factor since the last general reappraisal is 4.76 percent. Using the formula mandated by state law, the revenue-neutral tax rate for the Village of Misenheimer is 17 cents.

The following Revenue related items are included in the Proposed FY 25/26 Budget:

- The property tax rate will increase 5 cents to .27 per \$100 of real property for FY 25/26.
- The rate to apportion to the Richfield-Misenheimer Fire Department (RMFD) for fire and rescue is .10 of the .27 property tax rate proposed for FY 25/26.
- The Village is eligible to receive NCDOT Powell Bill funds during FY 25/26 for the .15 mile of Colony Apartment Road.
- Pfeiffer University signed a 3-year police services contract with an expected revenue of \$270,120 with 5% compounded increases in the following two years.
- Unappropriated Fund Balance of \$152,300 is budgeted.

The following Personnel related items are included in the Proposed FY 25/26 Budget:

- In FY 24/25, additional salary increases were implemented in August, 2024 to align police compensation with that of peer communities and to support recruitment efforts following the resignation of the police chief and an officer. As a result, no COLA increases are proposed for this year.
- Non-exempt employees, specifically the four full-time officers, may earn one-time incentive pay of up to \$1,000 each. These incentives will not carry over into the following year.
- Longevity pay is provided to support employee retention, in addition to twelve paid holidays.
- The 401(k) plan employer contribution will remain at 5% for employees eligible to participate in the 401(k) plan.
- Health, Dental, Life, & Accidental Death & Dismemberment (AD&D) insurance renews December 1, 2025. The FY 25/26 Budget assumes a 20% increase in health insurance premiums and a 9% increase in dental insurance
- The NC Local Government Employee Retirement System (LGERS) employer contributions will increase for FY 25/26. LOCG will be 14.53% which includes a death benefit of .18%, Local LEO will be 16.08% which includes a .16% death benefit.

The following Capital Expenditure is included in the Proposed FY 25/26 Budget: A police vehicle, a radio for the Chief's truck and 4 patrol rifles are budgeted in Public Safety. The addition of CAD has increased the police budget as well.

The following Powell Bill Fund Expenditure is Proposed for the FY 25/26 Budget: A 20% match of \$20,000 is included for a proposed sidewalk at the southern end of the Village to connect existing sidewalks along highway 52 at Pfeiffer University.

A Public Hearing will be held on Monday, June 9, 2025 at 6 PM to review, discuss and approve the FY 25/26 Budget.