



**TOWN OF SUMMERFIELD
2007-2008
FISCAL YEAR OPERATING BUDGET
PRESENTED
MAY 31, 2007**

**Michael M. Brandt, AICP
Town Administrator**

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Finance Officer**

www.townofsummerfield.com

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Town of Summerfield

May 25, 2007

Honorable Mark Brown, Mayor
Members of the Summerfield Town Council
4117 Oak Ridge Road
Summerfield, NC 27358

Dear Mayor and Town Council:

It is my pleasure to formally present to you the Town of Summerfield's proposed operating budget for fiscal year 2007-2008. The document serves as a resource allocation plan that meets the General Statutes of North Carolina by being balanced and prepared under the principles and rules of the Local Government Budget & Fiscal Control Act.

The fiscal plan presented is a continuation of previous years' efforts to bring quality services to the citizens of Summerfield while maintaining a strong fiscal position for the future. The operating budget is \$2,972,289.00. The recommended tax rate is \$0.039 per \$100 of assessed value, a rate unchanged from last year.

The proposed budget has been filed with the Town Clerk for public inspection. In addition, an electronic version is posted on the new Summerfield web site www.townofsummerfield.com.

Economic Outlook

Summerfield is located in the northwest quadrant of Guilford County, NC, within the region known as the Piedmont Triad. Residential growth has significantly increased the population and tax base of the town. The recent years' explosion in residential construction has jumped ahead of the natural absorption rate of housing, evident in the significant reduction in the number of building permits issued in 2007. However, there are still over 350 approved lots available in Summerfield. The Town continues to have potential for significant residential growth due to its natural scenic beauty, rural lifestyle, and proximity to employment centers in downtown and northern Greensboro, PTIA Airport, and Winston-Salem. In addition, Guilford County will soon open two elementary, one middle, and one high school. These new schools will alleviate overcrowding within the school system and generate continued interest in new residential development, especially east of US 220.

There will be continued pressure to develop retail and professional offices to service the expanded residential population. This new commercial development is a very small component of our overall tax base but does show strong growth. Industrial development continues to remain flat overall, but as development of Interstate 73 creeps ever closer, demand for industrial/warehouse/transportation facilities will grow along the northern US 220 corridor in future years.

Growth in the overall tax base continues to be strong, with an anticipated rate of growth of over 9% for 2007.

Revenue Projections

Summerfield collects revenue from a variety of sources including property taxes, sales and use taxes, intergovernmental transfers, investment income, fees and miscellaneous income, donations, grants, and transfers from fund balance. Significant items of note for some of these revenue sources are listed below. More detail is provided in the main body of the budget document.

Property Tax

The proposed budget keeps the property tax rate flat, but due to the strong growth highlighted above, income generated from the property tax is estimated to increase approximately 9.75%.

Sales and Use Tax

Due to reductions in the property tax rate in preceding years and the method of distribution used by Guilford County, sales tax income will decrease significantly. Sales tax is estimated to be approximately 30% of property tax revenue collected in fiscal year 2006-2007.

Fund Balance Transfer

Summerfield currently has an estimated \$8.5 million fund balance, or savings, invested in various money market and interest bearing certificates of deposit (CDs). Revenue generated from these investments is the equivalent to over three cents of property tax. Much like personal or business savings, the purpose of these funds is to provide needed funding for large capital projects such as the Summerfield Community Park and proposed active recreation facilities. Expenditures, both current and proposed as detailed later, will reduce the fund balance to an estimated \$6.5 million during the coming fiscal year.

Fund balance is divided into “designated” and “undesignated” fund balance. The proposed budget provides for a fund balance allocation of \$663,833 of undesignated fund balance, \$19,000 of designated transportation fund balance, and \$400,000 of designated Parks and Recreation fund balance.

Grants

The Town of Summerfield is the recipient of a \$492,000 Parks and Recreation Trust Fund Grant from the State of North Carolina for the construction of Phase II of the Summerfield Community Park. Construction is expected to begin in the winter of 2008 and be substantially complete by summer 2009.

Summerfield is also the beneficiary of a \$250,000 grant spread over 5 years from the Edward M. Armfield Sr. Foundation for the construction of public park facilities. The first installment of \$50,000 is proposed to be allocated to the construction of athletic fields.

Other Revenue

Growth from intergovernmental transfers, i.e. tax receipts collected by the state and distributed to the Town, are expected to show moderate growth. Expected revenues from the Summerfield ABC store were not realized in the 2006-2007 fiscal year, so a more modest revenue expectation is projected in the 2007-2008 fiscal year. The possible opening of a restaurant serving liquor should boost ABC revenues in following years.

Planning and Development fees are expected to be lower than budgeted in 2006-2007. Fees for development are recommended to be reviewed in the 2007-2008 fiscal year with the intent of developing a new fee structure that attempts to better capture the costs associated with development, watershed protection, and code enforcement.

Expenditure Highlights

Governing Body

At the recommendation of the Finance Committee and appropriated herein, it is recommended that the Town Council accept the original stipend recommended in the 2006-2007 budget. The committee recognizes that the stipend is the most appropriate manner to reimburse Council for the many hours, time, and energy spent in carrying out their duties. The recommended stipend is \$250 for Mayor and \$200 for each Councilmember, per month.

Governing Body expenditures include membership in various organizations. Expenditures related to the collection of cable franchise revenue increased from \$600 to over \$3,600. Due to changes in the collection process this service may not be necessary beyond the 2007-2008 fiscal year.

A small increase in expenditures is recommended to continue the efforts to recognize the many volunteers that do so much for the Town. The apparent success of our "Night at the Ballpark" should be continued next year.

Administration

Based on current usage, increases for copier expenditures are warranted. Additional expenditures related to the new website are also expected as new features are developed.

A request to purchase chairs for the Town Council meetings was made by members of the Council. In order to avoid moving chairs and other equipment between Town Hall and the Community Center, I recommend that the Town rent a room at the Community Center to store town equipment.

The Town Truck expenditures have been reclassified from Public Safety to the Administration department. Since the truck is used by all of the various departments, it is more appropriate for this expenditure to be classified as Administration.

The proposed budget recommends the performance of an appraisal to determine the replacement cost of Town Hall as a historic structure. An additional amount of insurance is budgeted for the historical replacement cost based upon the outcome of this appraisal.

Professional Services

Expenditures for both legal and financial services will increase in the next fiscal year. Provision of the majority of these services is by fee-based hourly rates. The proposed budget provides for these increases.

The Town will hold elections during the 2007-2008 fiscal year, which will require funds to reimburse the Guilford County Elections Board.

Planning Department

Expenditures within the planning department include 1 ¼ Full Time Equivalent (FTE) employees. The Planner position is currently vacant, but it is expected to be filled by September 2007. The Planning Technician position is recommended to have a salary adjustment from \$13.90 to \$14.40 per hour. The Planning Technician position has been temporarily increased to a full time position until such time as the Planner position is filled.

The Comprehensive Plan is expected to begin in June 2007. Approximately 70% of the expenditures related to this effort are included in the proposed budget. Additional expenditures will come in the 2008-2009 fiscal budget.

Due to the increased responsibilities for watershed review and the need to temporarily contract for Code Enforcement duties, increased funds are budgeted for fiscal year 2007-2008 for these services.

Public Property/Buildings

The 2006-2007 budget included funds for the repair of the exterior of the Brittain Building. The proposed budget provides funds for the repair of doors, the painting of the interior of the building, and other small repairs and upgrades to protect the investment of the building as a historic structure.

Parks and Recreation

As in past years, the Parks and Recreation budget includes the largest expenditures in the proposed budget. Two major capital projects are in the works: Summerfield Community Park Phase II and athletic field development. The Town is the recipient of a PARTF grant in the amount of \$492,000 to construct Phase II of the park. Final plan development will be underway within two months with construction expected to begin by winter 2008.

The Town is currently considering three locations for athletic field development. The proposed budget assumes that property will be under contract by June 30, 2007. Therefore, the proposed budget includes \$980,000 for the development of 3-4 baseball/softball fields and an undetermined number of multipurpose athletic fields, along with appropriate lighting, parking, and support facilities.

In March 2007, a new part-time position was created to oversee the maintenance and upkeep of the park. The proposed budget further develops this position into a full time Park Supervisor at an annual salary of \$38,000 plus benefits. The position responsibilities include all park and recreation capital project oversight, facility upkeep and maintenance, and general supervision of volunteers and in-kind donations.

An opportunity has presented itself to purchase a small parcel of property along US 220 near the intersection with Strawberry Road. The property backs up to the existing Summerfield Rail/Trail. Acquisition of this property would provide a safer and larger parking facility for the trail. A joint effort between Summerfield, Guilford County, and the City of Greensboro is proposed to acquire this property. Requested funding of \$75,000 is estimated to be 1/3 of the cost of acquisition and development of the site.

Historical Committee

Town Council requested that the Historical Committee review the situation regarding the Historic Saunder's Inn (intersection of Deboe and NC 150). Preliminary estimates to move the structure are at least \$50,000 plus the cost of finding a new home for the structure. The proposed budget recommends that an architectural specialist investigate the building to determine if the building can be saved, as well as to the effect of moving the structure on its historic nature. If the building can be saved, it is recommended that a fundraising campaign be instituted to raise the funds necessary to move and restore the structure.

The Finance Committee has recommended that none of the proposed projects submitted by the Historical Committee be funded until more detailed information is provided for each of the projects.

Transportation Projects

The budget recommends that Summerfield and NCDOT consider a joint project to correct the current parking and stacking issues that occur along Greenlawn Drive during the school year and when activities are being held at the baseball fields there. A recommendation by NCDOT is to consider extending the pavement along the school property to provide for off-street, parallel parking. The estimated cost is \$28,000. The recommendation is to provide up to 50% of this expenditure after the affected parties along Greenlawn meet to discuss and agree to the proposed plan.

Future Budget Outlook

The Town of Summerfield has seen significant expansion in governmental services and facilities, and this budget continues that trend. If all of the proposed capital projects are completed over the next 1-2 years, the Town will be responsible for maintaining close to 100 acres of property, athletic fields, park facilities, and assorted service facilities.

The proposed staff level recommended in this budget is for 4 ¾ FTEs. Staff will be responsible for overseeing the various contracted services required to maintain and manage the facilities. Additional staff is not projected at this time; however, staffing levels are always reviewed each fiscal year to determine the need to allocate or reallocate employees.

Athletic facilities have the potential to provide funds for much, if not all, of their upkeep through rental of the facilities for recreational leagues, tournaments, etc. In order to ensure that Summerfield is represented adequately in any negotiation regarding fees and usage, it is recommended that a committee of experienced business and recreation specialists be created. The purpose of the committee is to provide expert advice to the Council and staff regarding negotiations and fee structures for various activities. The Parks and Recreation Committee does not have the direct experience necessary to fulfill this need.

The Town is in an enviable fiscal position in that even after capital project expenditures projected herein, significant funds will be available to act as an "endowment" that will provide funding for future operating expenditures of the Town.

Conclusion

Clearly, the proposed budget is one of the largest ever proposed for the Town. However, continued diligent investment policies and continued review of local and state economic outlooks will allow the tax rate to remain stable at \$0.039 cents, or \$78 a year for a \$200,000 home.

The proposed budget, if fully implemented, will add significant recreational activities for the citizens of Summerfield and will provide a strong foundation to continue the high quality of life that residents have come to expect by living in Summerfield. In addition, the budget provides staff and services to continue the autonomy originally sought by the founders of the Town of Summerfield.

As always, I would like to take this opportunity to thank the volunteers on all of the committees for their continued hard work and dedication to the Town and citizens. I would like to especially thank the dedicated employees of the Town who ensure that the services provided by the Town are professional and customer oriented. A special thank you to Dana Luther for continuing to provide sound fiscal advice and professional and technical support.

I stand ready to address any and all items of this budget.

Respectfully Submitted,

Michael M. Brandt, AICP
Town Administrator

REVENUE

Revenue to operate the town is generated through taxes, intergovernmental transfers, fees, interest income, grants, and fund balance transfers. Revenue forecasts are always subject to factors beyond the control of the Town of Summerfield. For this reason, it is incumbent upon the budget officer to be conservative in making revenue estimations.

Property Tax:

The proposed budget includes an ad valorem property tax collection of \$471,972.00. This revenue estimate is based on very strong growth in the value of real and personal property of over 9%. The reason for this high rate of growth is due mainly to the continued growth in the residential housing market of which much is in the very high-end portion of the market (+\$400,000). In addition, new commercial development such as Summerfield Village and Hillsdale Village is beginning to have an impact on commercial property value.

Property tax revenue of \$471,972.00 is approximately 15.9% of the proposed budget. This represents an increase of 14% from prior year budget.

Assessed Real and Personal Property 2004, 2005, 2006, est. 2007							
Estimated increase is average of 2004-2005 and 2005-2006 growth rates							
(2004, 2005, 2006 Data from Summerfield TR-2 Report provided by Guilford County Tax Department)							
	2004	2005	2006	% increase (decrease) From '04 to '05	% increase (decrease) From '05 to '06	2007 Estimated	Estimate of increase (decrease)
Assessed value of residential real property (after exclusions)	671,287,830	755,453,734	825,957,206	12.54%	9.33%	916,278,002	10.94%
Assessed value of commercial real property	16,514,400	17,184,100	22,447,500	4.06%	30.63%	26,340,427	17.34%
Assessed value of industrial real property	4,112,000	4,375,100	4,375,100	6.40%	0.00%	4,375,100	0.00%
Assessed value other real property not included above	116,074,700	114,191,900	115,101,500	-1.62%	0.80%	115,101,500	0.00%
Assessed value Personal Property (other than vehicles)	10,707,445	11,267,287	13,093,968	5.23%	16.21%	14,497,693	10.72%
Assessed Value of public service companies	39,616	741,113	7,280,958	1770.74%	882.44%	7,280,958	0.00%
Total assessed real property	818,735,991	903,213,234	988,256,232	10.32%	9.42%	1,083,873,679	9.68%
Motor Vehicles taxed at last yr. rate*	63,028,915	68,951,881	74,877,413	9.40%	8.59%	81,612,989	9.00%
Motor Vehicles taxed at this year rate	30,428,684	33,042,769	39,227,579	8.59%	18.72%	44,583,800	13.65%
Total real/personal property value	912,193,590	1,005,207,884	1,102,361,224	10.20%	9.66%	1,210,070,468	9.77%

Note: * As a result of no property tax being assessed in 2003, there is no assigned value for "Motor Vehicles taxed at last year's rate". The estimated value is based on the percentage increase in the "Motor Vehicles taxed at this year's rate" from the 2004 to 2005 calendar years which is an 8.59% increase.

REVENUE

Sales Tax:

Currently, Guilford County distributes its portion of local option sales and use taxes (\$0.025) using the ad valorem method. All local governments and all fire districts that have a local property tax receive a portion of the sales tax. Summerfield receives a very small portion (less than 1%) of all revenue generated through this tax. The revenue produced by this tax is directly affected by the strength of the local, state, and national economy. The local economy has had slow, but steady, growth that should ensure some increase in revenue proceeds. However, this growth is offset by two important factors. Summerfield has decreased its tax rate in both of the last two years, while other local governments including Guilford County and Greensboro have increased their property tax rates. The net effect of is that Summerfield's portion of the overall ad valorem taxes is smaller than in previous years.

Sales tax revenue of \$129,000 is approximately 4.3% of revenues in the proposed budget. This represents a decrease of 21% from the prior year budget.

Intergovernmental Transfers:

Revenue from this category includes state franchise fees for telecommunications, electricity, natural gas, and beer and wine sales. Steady growth of between three and four percent (3-4%) is estimated for these categories. The State now collects the Town's portion of the cable franchise tax and distributes funds based on the amounts paid to the Town in the last two quarters of 2006. Significant growth is not expected in cable franchise tax. The Summerfield ABC store has not made a profit to date; therefore, a very conservative revenue figure of \$10,000 is budgeted.

Intergovernmental transfer revenue of \$352,529 is approximately 11.9% of revenues in the proposed budget. This represents an increase of 3% from the prior year budget.

Investment Income:

Revenue from interest is based upon the total amount of invested funds and the interest rates that are available for government fund investing. Over the past year, CD rates have flattened to a market rate of just over 5%. However, the soft national home market and concerns of Federal Reserve rate cuts have lowered CD rates considerably. An annualized return of 5% is recommended on an investment portfolio of approximately \$7 million (annualized). Due to the nature of interest rates and the fact that Summerfield is limited in its ability to affect the rates, this is a conservative revenue projection.

Investment revenue of \$350,000 is approximately 11.8% of revenues in the proposed budget. This represents a decrease of 16% from the prior year budget.

REVENUE

Fees and other Miscellaneous Revenues:

Fees are charged for various Planning and Development purposes. Revenue from rezoning, subdivision, and site plan review are highly susceptible to market conditions and are therefore difficult to predict. The number of rezoning and other development cases is expected to decrease over the next year; however, it is recommended that the Town review its fee structure and establish new fees in January of 2008.

Fees and Miscellaneous revenue of \$34,000 is approximately 1.1% of revenues in the proposed budget. This represents a decrease of 17% from prior year budget.

Donations:

In previous years, donations were budgeted as Miscellaneous Revenue. Due to active solicitation by Community Relations and P&R Committees donations have been re-classified within the budget to their own budget line item. Revenue from donations is expected to increase due to the success of both Founders' Day and park donations for specific projects and programs.

An estimated revenue of \$10,000 is approximately 0.3% of revenues in the proposed budget. This represents an increase of 59% increase from prior year budget.

Grants:

Summerfield is the recipient of a \$492,000 PARTF grant and an additional \$50,000 from the Edward M. Armfield Sr. Foundation. These funds are designated for the construction of Summerfield Community Park and athletic field development.

An estimated revenue of \$542,000 is approximately 18.2% of the revenues in the proposed budget. No grants were awarded in 2006-2007 budget.

Undesignated/Designated Fund Balance Transfer:

The Town of Summerfield's fund balance consists of funds that are left at the end of one fiscal year that may be appropriated to finance expenditures in the next year's budget. "It is the sum of cash and investments minus 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." (G.S. 159-8 (a)) Undesignated fund balance will be approaching \$8.5 million for the end of fiscal year 2006-2007. Expected expenditures for the purchase and development of land for athletic fields and construction of Summerfield Community Park will decrease fund balance to approximately \$6.5 million.

An estimated revenue of \$1,082,833 is approximately 36.4% of the revenues in the proposed budget. This represents an increase of 85% from prior year budget.

EXPENDITURES

Governing Body

The Mayor-Council form of government governs the Town of Summerfield. A voter-approved referendum in 2005 changed the election of the Mayor to a direct election by the citizenry for a two-year term. There are five council members serving four-year staggered terms. The current Mayor and Council are as follows: Mayor Mark Brown (2007), Mayor Pro-Tem Dena Barnes (2007), Ms. Carolyn Collins (2007), Mr. Robert “Bob” Williams (2007), Ms. Becky Strickland (2009) and Mr. John Wray, recently appointed until the 2007 special election to fill a vacant seat.

Budget Highlights:

- Recommend compensation for elected body at the following rates:
 - Mayor; \$250 per month
 - Town Council; \$200 per month
- Increase Volunteer Appreciation funding.
- Reclassify public officials liability insurance to Governing Body from Administration.
- Increase expenditures for cable franchise collections.

Personnel: Expenditures include recommended compensation plan, workers’ compensation, bonding/insurance, and membership dues and subscriptions.

Operating Expenses: Expenditures include fees for governing body retreat.

Services: The Town encourages training for Town Council members by providing education and per diem travel expenditures to attend seminars, conferences, and other educational opportunities.

Capital Outlay: Does not apply to this budget category.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Governing Body Personnel	14,725	21,700	34,556	34,556	59.24%
Governing Body Oper. Expenses	4,096	400	400	400	0.00%
Governing Body Services	2,989	6,000	7,000	7,000	16.67%
Grand Total	21,810	28,100	41,956	41,956	49.31%

EXPENDITURES

Administration

Administration includes the position of Town Administrator and Town Clerk. The Town Administrator is responsible for the Town's day-to-day operations, management of the Town's monetary reserves, budgeting, and acting as a liaison with the various volunteer committees, adjoining governing bodies, and other local, state and federal government agencies. The Town Clerk is responsible for all statutory requirements as the official record keeper of the Town, in addition to providing administrative support to the Town Administrator.

Budget Highlights:

- Town Council requested review of the current Health Insurance benefits to determine potential increase in benefits for staff. The Finance Committee recommended increasing Health Insurance coverage to "Health Plus" at an estimated increase of \$4,300 annually.
 - The Town Planner and Planning Technician position have been reclassified to the Planning Department.
 - The Parks Supervisor has been reclassified to Parks and Recreation.
 - 2006-2007 fiscal budget included purchase of audio equipment for the hearing impaired. Since the purchase was not completed, the recommended budget includes funds to purchase upgraded equipment.
 - Council requested the purchase of office chairs for Town Council meetings.
 - The budget includes funding of the NW Merchants map of NW Guilford County that was approved and paid during fiscal year 2006-2007 but will not be received until fiscal year 2007-2008.
 - Maintenance on the Town Truck has been reclassified from the Public Safety budget.
- *Personnel:* All costs associated with Town Administrator and Town Clerk salaries and benefits are allocated to this line item.
- *Operating Expenses:* The administrative budget includes all non-fixed assets needed for a municipal office. This includes office supplies, postage, furniture and storage cabinets, computer system maintenance, software, phone and internet services, etc. Additional operating expenditures include advertising, insurance, records storage, and vehicle maintenance.
- *Services:* The Town encourages training for staff by providing education and per diem travel expenditures to staff to attend seminars, conferences, and other educational opportunities. Expenditures also include the NW map as well as town newsletter communications.
- *Capital Outlay:* Audio Visual equipment purchases are included in this line item.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Administration Personnel	205,487	214,500	143,568	143,568	-33.07%
Administration Oper. Expenses	23,231	40,600	45,809	45,809	12.83%
Administration Services	11,649	12,000	16,500	16,500	37.50%
Administration Capital Outlay	1,432	31,650	25,700	25,700	-18.80%
Grand Total	241,799	298,750	231,577	231,577	-22.48%

EXPENDITURES

Professional Services

Summerfield contracts for a variety of professional services: *Accounting* Dana M. Luther, CPA; *Audit* Rouse, Rouse, Penn & Rouse LLP; *Legal Services* Frazier Franklin Hill and Fury, RLLP; *Elections* Guilford County Elections Department; *Tax Collection* Guilford County Tax Department; *Inspections* Guilford County Community Development.

Budget Highlights:

- Finance services include auditor, accounting services, miscellaneous financial fees, and tax collection expenditures. Audit and Tax Collection expenditures are scheduled to increase this year.
- A Town Council election is scheduled for November 2007.

- *Personnel*: Does not apply to this budget category.
- *Operating Expenses*: Does not apply to this budget category.
- *Services*: The Town contracts for accounting, legal, election, and tax collection services. Education is important for Finance Committee members; therefore, effort is being made to provide opportunities for the committee to become more familiar with governmental budgeting and accounting.
- *Capital Outlay*: Does not apply to this budget category.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Finance-Services	31,681	44,000	46,269	46,269	5.16%
Legal-Services	38,381	50,000	60,000	60,000	20.00%
Election Services	5,755	-	6,500	6,500	100.00%
Grand Total	75,817	94,000	112,769	112,769	19.97%

EXPENDITURES

Planning Services

Summerfield provides Planning Services including Zoning, Subdivision, Code Enforcement, and Watershed Review. The position of Town Planner is currently vacant. The Planning Technician is temporarily working a full-time schedule but will return to a ¾ FTE position after the Planner is hired.

Budget Highlights:

- Proposed budget includes payment of 70% of the expenses for the Comprehensive Plan currently underway.
- The Town is temporarily contracting for Code Enforcement services with CMR/Benchmark Inc.
- The Watershed Engineer contract now includes review of watershed devices as required by local and state ordinance.

- *Personnel*: All salary and benefit expenditures for the Town Planner and Planning Technician.
- *Operating Expenses*: Expenditures for software maintenance and other office supplies.
- *Services*: Education, Watershed, Code Enforcement, and the Comprehensive Plan effort are included herein.
- *Capital Outlay*: No planned expenditures for fiscal year 2007-2008.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Planning Services-Personnel	215	1,000	98,760	98,760	9776%
Planning Services-Operating Exp	2,644	4,000	4,000	4,000	0%
Planning Services-Services	543,650	67,000	131,150	131,150	96%
Planning Services-Cap. Outlay	3,892	250	-	-	-100%
Grand Total	550,401	72,250	233,910	233,910	224%

EXPENDITURES

Public Property/Buildings

The Town currently owns three properties, Town Hall (Brittain Building), a small municipal parking lot located across from Town Hall, and a 1.3 acre property at 7300 Summerfield Road (purchased April 2004) which was intended for a sheriff's sub-station and municipal office building. Summerfield is leasing approximately 50 acres from the Summerfield Community Center and Guilford County for the development of a public park. The Park expenditures are included in the Parks and Recreation budget category.

Budget Highlights:

- Continued repair of the Brittain Building is proposed.
- The budget proposes rental of a room at the Community Center to store various town equipment.

Personnel: Does not apply to this budget category.

Operating Expenses: Operating expenditures for Public Property/Buildings include maintenance of both the interior and exterior of the building, landscaping (excluding SCP), utilities, and the rental of the Summerfield Community Center for Town meetings. Budgeted repairs include interior painting, window protective covering replacements, window coverings, door repairs, and electrical repairs.

Services: Does not apply to this budget category.

Capital Outlay: Expenditures include a proposed exterior awning system.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Public Prop/Build-Oper. Expense	18,986	30,275	39,600	39,600	30.80%
Public Prop/Build-Cap Outlay	5,395	20,000	5,000	5,000	-75.00%
Grand Total	24,380	50,275	44,600	44,600	-11.29%

SUMMERFIELD TOWN COMMITTEES, BOARDS, AND SERVICES

Since its incorporation in 1996, Summerfield has enjoyed a significant amount of civic involvement through the establishment of volunteer citizen committees. These committees have undertaken significant projects such as restoration of the Brittain Building for use as the Summerfield Town Hall and efforts to develop a public park. Citizens interested in a particular aspect of the Town created many of the committees. Through these dedicated citizens, Summerfield has managed to build a community that is one of the most sought after addresses in Guilford County and ensured the fiscal well-being of the Town through strong investment portfolios and budgetary restraint.

In an effort to more clearly define the activities of the various volunteer committees, the budget divides the committees into functional categories. Each committee has a separate division within the larger Budget Category to which they have been assigned.

Over the next year, all committees will continue the process initiated in fiscal year 2006-2007 to more clearly define, develop, and act with new policies and procedures developed by the committees and approved by the Town Council.

Community Resources includes *Parks and Recreation* and *Historical Committee*.

Community Services includes *Public Safety* and *Community Relations*.

Community Planning includes *Zoning Board*, *Board of Adjustment*, and *Thoroughfare Committee*.

COMMUNITY RESOURCES

Parks and Recreation Committee

Parks and Recreation Committee: The mission of the Summerfield Parks and Recreation Committee is to enlighten and enrich life and to work toward the preservation of the environment by providing quality parks, facilities, and services designed for people of all ages and abilities. The Conservation Council has re-organized as a sub-committee of the Parks and Recreation Committee.

Budget Highlights:

- It is recommended a full-time Parks and Recreation Supervisor to oversee the development and management of Town park facilities.
- Construction of Phase II of the Summerfield Community Park begins in winter 2008.
- Purchase and development of property for active recreation and facilities.
- Expenditures for maintenance of Summerfield Community Park facilities included in Operating Expenses budget.
- Construct storage facility in SCP.
- It is recommended to jointly purchase property along with Guilford County and Greensboro for parking at Summerfield rail/trail near Strawberry Road.

Personnel: Salary and benefit expenditures for the Parks and Recreation Supervisor and an intern.

Operating Expenses: Expenditures include activities at Founders' Day celebration, maintenance of current and future park facilities, and communications with the community.

Services: Expenditures include the programming for special events at SCP and potential grant writing.

Capital Outlay: Capital outlay includes expenditures for both Phase II, the storage facility, and active recreation facilities.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Parks and Rec Committee-Personnel	-	-	68,801	68,801	100.00%
Parks and Rec Committee-Operating	4,261	38,000	54,500	52,500	38.16%
Parks and Rec Committee-Services	15,904	41,925	7,450	7,450	-82.23%
Parks and Rec Committee-Capital Outlay	500,492	1,199,525	1,808,000	2,089,500	74.19%
Grand Total	520,658	1,279,450	1,938,751	2,218,251	73.38%

COMMUNITY RESOURCES

Historical Committee

The Historical Committee's mission is to seek, identify, locate, list, and record, with photographs and written descriptions, historical structures in Summerfield. The goal of the committee is to share information with other interested organizations and provide educational resources for citizens. The vision is to promote the restoration and preservation of the historical structure of Summerfield.

Budget Highlights:

- Funding for Town History Project.
- Finance Committee recommends that funding for major projects be held until the Historical Committee provides more detailed supporting information for projects.
- Recommendation to have a historic preservation architect to determine if Saunder's Inn can be moved and restored.

Personnel: Membership and dues to organizations involved in Historic Preservation are the only personnel budget items.

Operating Expenses: Expenditures include communication with the citizens.

Services: Services include revolving exhibits for Town Hall, education efforts, and the Saunder's Inn evaluation.

Capital Outlay: The Committee is interested in providing signage for the historic district.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Historical Committee-Personnel	-	200	-	120	-40.00%
Historical Committee-Operating Exp	-	1,000	250	250	-75.00%
Historical Committee-Services	-	1,850	2,850	4,900	164.86%
Historical Committee-Capital Outlay	-	9,000	15,535	6,000	-33.33%
Grand Total	-	12,050	18,635	11,270	-6.47%

COMMUNITY SERVICES

Public Safety Committee

The Public Safety Committee addresses and investigates any issues concerning public safety that may affect the citizens of Summerfield and reports their findings to the Town Council. The Committee acts as a liaison between the Town and the Guilford County Sheriff's Department, Guilford County Emergency Services, and the Summerfield Fire Department (an independent unit of government). The Public Safety Committee is also the liaison for the Senior Resources Program administered by Senior Resources of Guilford County.

Budget Highlights:

- Increased funds requested by Senior Resources of Guilford County to fund local activities.

Personnel: Does not apply to this budget category.

Operating Expenses: Expenditures include funds for Operation Safe County and communications with citizens.

Services: Services include the Senior Resources Program, responsibility for the Town emergency generator, emergency preparedness supplies, educational opportunities for citizens, and Fire Inspections by the Fire Marshal.

Capital Outlay: None requested this fiscal year.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Public Safety Committee-Operating Exp	1,800	4,300	3,100	3,100	-27.91%
Public Safety Committee-Services	7,884	20,600	22,512	22,312	8.31%
Public Safety Committee-Capital Outlay	-	20,200	-	-	-100.00%
Grand Total	9,684	45,100	25,612	25,412	-43.65%

COMMUNITY SERVICES

Community Relations Committee

The Community Relations Committee is primarily in charge of organizing the Founders' Day Celebration and the Holiday Tree Lighting events. Founders' Day is celebrated in mid-May with a parade of cars and floats, rides, children's activities, craft booths, and food vendors. The Holiday Tree Lighting takes place in late November, and the Summerfield Youth Council provides logistical support.

Budget Highlights:

- Increase in expenditures for Founders' Day Celebration.

Personnel: Does not apply to this budget category.

Operating Expenses: Expenditures include funding for a community project.

Services: Services include Founders' Day Celebration and Tree Lighting expenditures.

Capital Outlay: Does not apply to this budget category

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Community Relations Committee- Operating Exp	-	500	500	500	0.00%
Community Relations Committee- Services	19,023	18,500	25,750	25,750	39.19%
Grand Total	19,023	19,000	26,250	26,250	38.16%

COMMUNITY PLANNING

Zoning Board

The Zoning Board is responsible for reviewing all development requests for rezoning, subdivision, and site plans. Their responsibility is to enforce and interpret the Summerfield Unified Development Ordinance, Summerfield Land Use Plan, Thoroughfare Plan, and the Commercial Needs Assessment during their deliberations. The Zoning Board is a recommending body for all rezoning requests and major subdivisions and has approval authority for minor subdivisions and site plans. The Board consists of five sitting members plus alternates.

Budget Highlights:

- Education is emphasized for all Zoning Board members.

Personnel: Zoning Board members hold memberships with various planning related organizations.

Operating Expenses: Does not apply to this budget category.

Services: Education is a critical element of responsibility; therefore, effort is made to continually provide educational opportunities.

Capital Outlay: Does not apply to this budget category

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Zoning Board-Personnel	155	1000	744	744	-25.60%
Zoning Board-Services	1,542	4050	4,050	4050	0.00%
Grand Total	1,697	5050	4,794	4794	-5.07%

COMMUNITY PLANNING

Board of Adjustment

The Board of Adjustment is responsible to hear and decide appeals from and review any order, requirement, decision, determination, or interpretation made by an administrative official charged with enforcing this Ordinance. The BoA is also tasked with hearing all quasi-judicial Special Use Permits.

Budget Highlights:

- Education is emphasized for all BoA Members.

Personnel: BoA members hold memberships with various planning related organizations

Operating Expenses: Does not apply to this budget category.

Services: Education is a critical element of responsibility; therefore, effort is made to continually provide educational opportunities.

Capital Outlay: Does not apply to this budget category

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Board of Adjustment-Personnel	-	600	300	300	-50.00%
Board of Adjustment-Services	233	1,100	1,100	1,100	0.00%
Grand Total	233	1,700	1,400	1,400	-17.65%

COMMUNITY PLANNING

Thoroughfare Committee

The Thoroughfare Committee is no longer an active committee; however, any budget allocation for transportation projects is budgeted to this category.
 In 2005-2006, the Town approved a re-alignment study of NC 150.

Budget Highlights:

- Capital Outlay includes the NC 150 re-alignment study currently being developed as a joint effort between Summerfield and Greensboro MPO.
- Proposed budget includes funds for upgrades to Greenlawn Drive for parking and stacking.

Personnel: Does not apply to this budget category.

Operating Expenses: Does not apply to this budget category.

Services: Services include the NC 150 Re-alignment Study and Greenlawn upgrades.

Capital Outlay: Does not apply to this budget category.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Thoroughfare Committee-Services	31	6,100	20,100	20,100	229.51%
Thoroughfare Committee-Capital Outlay	87,870	-	-	-	100.00%
Grand Total	87,901	6,100	20,100	20,100	229.51%

CAPITAL ALLOCATION

A capital allocation is used to establish a “savings account” that is for a specific purpose. By designating revenue to a capital allocation, it is a clear indication by the Council to specify projects or needed facilities that are important to the community. Capital allocations typically are used to fund projects that take more than a year to plan and build, and that the Council wants to save for over a period of years. In addition, capital projects are typically projects that create a facility that will last for many years and that are a fiscal asset to the community.

Due to the large expenditures and transfers from fund balance proposed in the 2007-2008 fiscal budget no capital allocation is requested.

Acct Sub-Category	Jul'05-Jun'06 Actuals	Jul '06-Jun '07 Budget	Requested by Committee	Jul '07- Jun '08 Budget	Percent Change
Parks and Recreation Fund	400,000	100,000	-	-	-100.00%
Transportation Improvement Fund	50,000	25,000	-	-	-100.00%
Grand Total	450,000	125,000	-	-	-100.00%

2007-2008 TOWN OF SUMMERFIELD Budget Ordinance

BE IT ORDAINED, by the Town Council for the Town of Summerfield, North Carolina:

The following anticipated fund revenues, departmental expenditures and capital reserve are hereby approved and appropriated for the operation of the Town of Summerfield and its activities for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

Section 1 - General Fund

General Fund Revenues:

Revenue Type	Jul '07- Jun '08 Budget
Property Taxes - 2007	471,927.00
1% Local Gov't Sales Tax(39)	51,600.00
1/2% Add'l Local Sales Tax(42)	25,800.00
1/2% Local Option Sales Tax(44)	25,800.00
1/2% Suppl Local Sales Tax(40)	25,800.00
ABC Distribution	10,000.00
Beer and Wine Tax	33,782.00
Cable Franchise	70,646.00
Excise Tax on Piped Natural Gas	6,439.00
Franchise Tax on Electric Power	207,364.00
Sales Tax on Telecommunication	24,298.00
Invest. Earnings	350,000.00
Planning Fees	32,000.00
Misc. Revenue	2,000.00
PARTF Grant	492,000.00
Miscellaneous Grants	50,000.00
Donations - Founder's Day	5,000.00
Donations - Parks and Rec	5,000.00
Transfer from Undes Fund Bal	663,833.00
Transfer-Transportation Fund	19,000.00
Trans from FB Res for Parks	400,000.00
Grand Total	2,972,289.00

2007-2008 TOWN OF SUMMERFIELD Budget Ordinance

General Fund Expenditures

Governing Body	
Governing Body Personnel	34,556.00
Governing Body Oper. Expenses	400.00
Governing Body Services	7,000.00
<i>Governing Body Total</i>	41,956.00
Adminstration	
Administration Personnel	143,568.00
Administration Oper. Expenses	45,809.00
Administration Services	16,500.00
Administration Capital Outlay	25,700.00
<i>Administration Total</i>	231,577.00
Professional Services	
Finance-Services	46,269.00
Legal-Services	60,000.00
Election Services	6,500.00
<i>Professional Services Total</i>	112,769.00
Planning Services	
Planning Services-Personnel	98,760.00
Planning Services-Operating Exp	4,000.00
Planning Services-Services	131,150.00
Planning Services-Cap. Outlay	-
<i>Planning Services Total</i>	233,910.00
Public Property/Buildings	
Public Prop/Build-Oper. Expense	39,600.00
Public Prop/Build-Cap Outlay	5,000.00
<i>Public Property/Buildings Total</i>	44,600.00
Community Resources	
Parks and Rec Committee-Personnel	68,801.00
Parks and Rec Committee-Operating	52,500.00
Parks and Rec Committee-Services	7,450.00
Parks and Rec Committee-Capital Outlay	2,089,500.00
<i>Parks and Rec Committee Total</i>	2,218,251.00
Historical Committee-Personnel	120.00
Historical Committee-Operating Exp	250.00
Historical Committee-Services	4,900.00
Historical Committee-Capital Outlay	6,000.00
<i>Historical Committee Total</i>	11,270.00
 Community Resources Total	 2,229,521.00

2007-2008
TOWN OF SUMMERFIELD
Budget Ordinance

General Fund Expenditures-Continued

Community Services	
Public Safety Committee-Operating Exp	3,100.00
Public Safety Committee-Services	22,312.00
Public Safety Committee-Capital Outlay	-
<i>Public Safety Committee Total</i>	<u>25,412.00</u>
Community Relations Committee-Operatin	500.00
Community Relations Committee-Services	25,750.00
<i>Community Relations Committee Total</i>	<u>26,250.00</u>
Community Services Total	51,662.00
Community Planning	
Zoning Board-Personnel	744.00
Zoning Board-Services	4,050.00
<i>Zoning Board Total</i>	<u>4,794.00</u>
Board of Adjustment-Personnel	300.00
Board of Adjustment-Services	1,100.00
<i>Board of Adjustment Total</i>	<u>1,400.00</u>
Thoroughfare Committee-Services	20,100.00
Thoroughfare Committee-Capital Outlay	-
<i>Thoroughfare Committee Total</i>	<u>20,100.00</u>
Community Planning Total	26,294.00
Capital Fund Allocation	
Parks and Recreation Fund	-
Transportation Improvement Fund	-
<i>Capital Fund Allocation Total</i>	<u>-</u>
Grand Total	<u>2,972,289.00</u>

SECTION 2 – Taxes

An Ad Valorem tax rate of \$0.039 (three and nine-tenths cents) per hundred (\$100) valuation of taxable property, as listed for taxes as of January 2007, is hereby levied and established as the official tax rate for the Town of Summerfield for Fiscal Year 2007-2008. The rate is based upon a total projected valuation of \$1,210,070,468. The purpose of the ad valorem tax levy is to raise sufficient revenue to assist in financing necessary municipal government operations in Summerfield.

SECTION 3 – Special Authorizations and Restrictions

A. The Finance Officer may not transfer any amounts between line items above, except as approved by the Town Council in the Budget Ordinance as amended.

B. The Finance Officer may transfer amounts within line items above to meet the operational needs of the Town. Finance Officer transfers must be reported at the next Town Council meeting.

C. The Finance Officer may not make any change to salaries without approval by the Town Council.

SECTION 4- Adoption of Fee Schedules

The fee schedule of July 1, 2006 remains in effect until modified by council action.

SECTION 5 – Budget Amendments

The North Carolina Local Government Budget and Fiscal Control Act allows the Town Council to amend the Budget Ordinance any time during the fiscal year, so long as it complies with the North Carolina General Statutes (159.8 and 159.13). The Town Council must approve all budget amendments.

SECTION 6 – Utilization of Budget and Budget Ordinance

This ordinance and the budget documents shall be the basis for the financial plan of the Town of Summerfield during the Fiscal-Year 2007-2008. The Budget Officer shall administer the budget. The accounting system shall establish records that are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina (GS 159.26).

SECTION 7 – Documentation

Copies of this ordinance shall be kept on file at the Town Hall and shall be furnished to the Town Staff and the Town Council to provide direction in the collection of revenues and disbursement of funds for the Town of Summerfield.

Adopted this _____ day of _____, 2007

Mark Brown, Mayor

Attest:

Valarie Halvorsen, Town Clerk

ORGANIZATIONAL CHART

Town of Summerfield

May 2007

