

Budget Message information

We work passionately to review currents and directions, always with the best interest of our citizens as our guide. When discussing revenues the following informs our decisions:

1. Maintain tax collection rate of 96%-This is an outstanding collection rate and the 4% uncollected often is collected in the next fiscal period.
2. We continue to anticipate our roadway infrastructure changes will encourage commercial business. Thriving, bustling opportunities for employment, dining, socialization and recreation; we are building towards this future. We are always looking for opportunities to partner with private enterprises to advance the condition of Ruth, its citizens, and the surrounding community.
3. Increase of Sales & Use, Franchise Utility, & Solid Waste tax distributions-also considered “elastic” or “flex” revenues. Although this is speculative, we feel it judicious to maintain based on the previous year’s performance trends.
4. Increases in interest in investments continue to creep upward. We have chosen to maintain anticipating increased profitability.
5. While on revenue topics, we want to again highlight the utilization of our federal replacement revenue to maintain fire protection services for several years without increasing our tax rate. While this helped to buffer ourselves during difficult COVID times, we no longer have the luxury of revenue replacement; we must generate the revenue to support our limited services. We continue to plan for our future and for these ever-expanding deficits. Currently, the recommendation is to hold our tax rate at \$.33 per \$100.00 valuation. This will allow us to continue to do several things for our constituents without interruption. We will be able to continue protecting our citizens through our contracted fire-related services, as well as help support the current deficit and ongoing fees for our sanitation services.

In preparing and planning for expenditures in this proposed budget, the following are conditions included in calculations:

6. Fire protection- Our rate has gone from \$0.11 to \$0.14 per \$100 valuation. This is an increase of \$16,373.41.
7. Sanitation services- Our CPI increase from Republic is 4.7%; this computes to \$23,543.52. Landfill fees are not indicated to change; estimated at \$12,300.00. This totals \$35,843.52. Therefore, I’m recommending a rate increase of \$13.00 per can. Taking us from \$220 per to \$233 per. This is an annual fee, if computed monthly it remains competitive at under \$20 a month.
8. Dues and Subscriptions- This account reflects so many of our recurring dues and subscriptions. The largest, most noteworthy conversation is regarding our website. I have attached documentation for recommended upgrades and the costs associated. Based on the board’s decisions, this could increase our dependency on this line item, increasing the expense \$10,000.00. Details will be discussed.
9. Streets- Roads and right of ways are an area the board is taking aim to improve. This will be our costly endeavor to date. We are recommending an increase in this line item as we move through the process of assessing our roadways and planning to improve them on a need and funding basis.

Given all the information at our disposal at this time, based largely on the current year’s activity/history, feedback/interaction with the board, proposed increases, tax value changes, change in management of duties, or submitted requests, the following budget values are recommended:

Administration	\$ 149,164.64
Capital Outlay	\$ 14,132.11
Fire Department	\$ 77,409.25
Street Department	\$ 65,590.00
Sanitation Department	\$ 35,843.52
Total Appropriations	\$ 342,139.52
Current year's real property taxes	\$166,548.51
Current year's motor vehicle taxes	\$ 13,559.01
Powell Bill funds	\$ 15,200.00
Franchise taxes	\$ 21,000.00
Interest on investments	\$ 6,000.00
Solid Waste Disposal Tax	\$ 300.00
Sales & Use Tax	\$ 83,500.00
Landfill Taxes	\$ 35,882.00
Appropriated Fund Balance	\$ 0.00
Total estimated revenues	\$342,139.52

No new budget requests submitted.

Our fiscal policy continues to seek revenue streams, cultivate a community environment for the Town, encourage efforts to promote the Town's vitality. The board's approach remains constant, they wish to be resourceful, open-minded, and creative in alternative revenue pursuits. Financially the board wishes to continue its conservative perspective and guard expenditures closely.

While the new highway is a painful process, it continues to hold opportunity for us. We believe it will function as a catalyst to spur growth, positively affecting the economy and our upcoming budgets in a bright way. We continue to look for assistance from those who can support us in capitalizing on this event, working it to our favor. We believe Public Private Partnerships are the best path forward and are seeking to bolster these opportunities. Our board cares about the Town and everyone in it. They work hard to champion and shepherd projects and goals to improve conditions for all.

TOWN OF RUTH PROPOSED BUDGET 2026-2027

REVENUE:

1030100 CURRENT TAXES	\$166,548.51
1032900 INTEREST ON INVESTMENTS	\$6,000.00
1032901 INTEREST ON POWELL BILL	\$150.00
1033600 PERSONAL AUTO TAX	\$13,559.01
1034300 POWELL BILL ALLOCATION/** <u>RESTRICTED</u>	\$15,200.00
1036702 SALES & USE TAX	\$83,500.00
1036703 NC FRANCHISE TAX	\$21,000.00
1036704 SOLID WASTE DISPOSAL TAX	\$300.00
1039900 APPROPRIATED FUND BALANCE/** <u>RESERVES</u>	\$0.00
1039901 LANDFILL FEE/** <u>RESTRICTED</u>	\$35,882.00

Total Revenue **\$342,139.52**

EXPENSE:

ADMINISTRATION:

1040900 NC SALES TAX	\$3,600.00
1040901 SALES TAX OTHER	\$100.00
1040902 SHIPPING AND HANDLING	\$400.00
1041000 SALARY OF MAYOR	\$387.60
1041001 COMMISSIONERS	\$646.00
1041002 TAX COLLECTION & CLERK EXPENSE	\$23,600.04
1041003 LEGAL SERVICES	\$5,000.00
1041004 PROFESSIONAL SERVICES	\$15,000.00
1041006 FICA EXPENSE	\$2,000.00
1041010 ELECTION EXPENSE	\$0.00
1041011 TOWN EDUCATION EXPENSE	\$1,000.00
1041013 UTILITIES/ CITY HALL – MALL	\$4,000.00
1041015 MAINTENANCE & REPAIR BUILDING & GROUNDS	\$15,000.00
1041016 MAINTENANCE & REPAIR EQUIPMENT	\$1,000.00
1041026 ADVERTISING	\$300.00
1041033 DEPARTMENTAL SUPPLIES & EXPENSE	\$5,000.00
1041053 DUES & SUBSCRIPTIONS	\$36,000.00
1041054 INSURANCE & BONDS	\$7,631.00
1041058 CHRISTMAS LIGHT EXPENSE	\$25,000.00
1041059 DOWNTOWN BEAUTIFICATION	\$1,000.00
1041060 TOWN HALL FURNISHINGS	\$500.00
1041070 TOWN GROUNDS	\$2,000.00
	\$149,164.64

CAPITAL OUTLAY:

1051071 CAPITAL OUTLAY LAND	\$0.00
1051072 CAPITAL OUTLAY BUILDING	\$0.00
1051073 CAPITAL OUTLAY OTHER IMPROVEMENTS/SIGNAGE	\$9,132.11
1051074 CAPITAL OUTLAY OTHER EQUIPMENT	\$0.00
1051076 CAPITAL OUTLAY TECHNOLOGY	\$5,000.00
	\$14,132.11

FIRE DEPARTMENT:

1053045 CONTRACTED SERVICES	\$76,409.25
1053046 TREE REMOVAL	\$1,000.00
	\$77,409.25

STREET DEPARTMENT:

1056013 UTILITIES-STREET LIGHT	\$11,000.00
1056014 UTILITIES-SIGNAL LIGHT	\$50.00
1056015 MAINTENANCE – EXISTING STREETS	\$50,000.00
1056016 SNOW & ICE REMOVAL	\$2,000.00
1056018 DRAINAGE AND STORM SEWER	\$0.00
1056019 CURB AND GUTTER	\$0.00
1056020 BIKEWAYS	\$1,500.00
1056021 SIDEWALKS	\$0.00
1056022 GREENWAYS	\$500.00
1056025 TOWN HALL MOWING AND BEAUTIFICATION	\$540.00
	\$65,590.00

SANITATION DEPARTMENT:

1058045 GARBAGE CONTRACTED SERVICES	\$23,543.52
1058046 LANDFILL FEES	\$12,300.00
	\$35,843.52

Total Expense **\$342,139.52**

Budget Ordinance for the Town of Ruth 2026-2027

BE IT ORDAINED by the Governing Board of the Town of Ruth, North Carolina:

Section 1: The following amounts are hereby appropriated in the General Fund for the operation of the town government and its activities for the fiscal year beginning July 1, 2026, and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this Town:

Administration	\$ 149,164.64
Capital Outlay	\$ 14,132.11
Fire Department	\$ 77,409.25
Street Department	\$ 65,590.00
Sanitation Department	\$ 35,843.52
Total Appropriations	\$ 342,139.52

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

Current year's real property taxes	\$166,548.51
Current year's motor vehicle taxes	\$ 13,559.01
Powell Bill funds	\$ 15,200.00
Franchise taxes	\$ 21,000.00
Interest on investments	\$ 6,000.00
Solid Waste Disposal Tax	\$ 300.00
Sales & Use Tax	\$ 83,500.00
Landfill Taxes	\$ 35,882.00
Appropriated Fund Balance	\$ 0.00
Total estimated revenues	\$342,139.52

Section 3: There is hereby no change in our levy. A tax at the rate of thirty-three cents (\$0.33) per one hundred dollars (\$100) valuation of property (54,578,038) as listed for taxes as of April 28th, 2026, for the purpose of supporting the revenue listed "Current Year's Property Taxes" in the General Fund in Section 2 of this ordinance.

This rate is based on a total valuation of property for the purposes of taxation of \$54,578,038 and an estimated rate of collection of 96.0%.

Section 4: The City Mayor or a designee is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. Transfers between line-item expenditures within a department without limitation and without a report being required. These changes must not result in increases in recurring obligations such as salaries.
- b. Transfers up to \$1,000 between departments, including contingency appropriations, within the same fund. The budget officer must make an official report on such transfers at the next regular meeting of the Governing Board.

c. All transfer between funds requires prior approval by the Governing Board in an amendment to the Budget Ordinance.

Section 5: The City Mayor or a designate may make cash advances between funds for periods not to exceed 60 days without reporting to the Governing Board. Any advances that extend beyond 60 days must be approved by the Board. All advances that will be outstanding at the end of the fiscal year must be approved by the Board.

Section 6: Copies of this Budget Ordinance shall be furnished to the Clerk to the Governing Board and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 30th day of June 2026.