



ANNUAL BUDGET REVIEW

PROPOSAL FOR FISCAL YEAR 2024

MAYFIELD TOWN | mayfieldtownutah@gmail.com

Photo Credit: Mayor Anderson



SUMMARY

It is a pleasure to provide you with this year's annual budget review. I hope you find the information you are looking for, however, if you do not, please don't hesitate to ask questions.

Mayfield Town's financial situation is a good one. We currently have three funds that we maintain, the General Fund, Public Utility Fund, and a Perpetual Care Fund. As of this date we have been able to bring in 123% of our anticipated revenue for the General Fund with 117% total expenditures. Our Public Utility fund is at 74% of our income from operations with 112% on our operating expenses. In the Perpetual Care Fund, we have brought in \$11,100 this year. Enclosed you will find detailed information about these funds.

Photo Credit: Pat Wichaal (Owls @ Mayfield Park)



INTRODUCTION

GENERAL FUND

As indicated last year the Town needed a tax increase. We started our FY23 with beginning funds to be appropriated at \$34,824 It had been over 10 years since there was an increase on property tax revenues. We were able to bring in a much needed \$50,965 on property taxes. The Town committed to doing a truth in taxation on a regular basis to evaluate tax rates. Therefore, it is recommended that a proposed budget is adopted currently, awaiting our Truth in Taxation hearing.

Our revenue from sales tax, highway transit tax, franchise tax, ZAP tax and Fee in lieu of tax brought us to a total of \$161,029 for tax income. Business & Dog licenses increased by \$200. Class C allotment from the State of Utah for Roads was \$49,175, with an expenditure of \$18,195.

Charges for services i.e., zoning fees, fire revenue, cemetery open/close, park rentals, and court fines brought in \$29,449. Interest income was up substantially to \$5,784 due to our PTIF accounts. We received our 2nd tranche of ARPA funds, which were \$32,665 and our total revenue in the General Fund was \$237,724.00.

The MBA fund is part of the general fund accounting, it had a deficit due to not budgeting for this in FY22, so \$12,000 from the General fund was transferred to clear that up.

CLASS C FUND (ROADS)

Beginning Balance	\$ 14,603.00
Class C. Revenue	\$ 49,175.44
Class C. Expense	\$(19,001.50)
Total 2023	<u>\$ 44,776.94</u> (Reserved)

MAYFIELD TOWN CABIN

Beginning Balance	\$5,850.00
Income	\$2,927.49
Expense	\$(5,777.66)
Wages	\$(1890.46)
Benefits	\$(485.89)
Tax	\$(124.40)
Balance	<u>\$499.08</u> (Reserved)

Some of our expenses in the General Fund were Pickleball Courts \$66,141 (\$64,841 in donations), ARPA expenses \$37,366 (\$8,700 to pickleball courts, \$13,500 to water master plan update, \$15,000 toward irrigation shares), Fire assessments \$19,034 this is the annual fire assessment of \$1.30/per household and the annual fire station fee along with the monthly fee to the fire district. In addition, the administrative expenses were \$71,786. Our general fund expenditures are at 116.67% requiring us to open the FY23 budget and amend our Parks, recreation, and public property, the General Government, and adding an interfund transfer to the MBA to resolve the deficit there.

UTILITY FUND

Water sales this year were down \$11,238 from the previous year and the garbage revenue was down \$2,741. Late fees increased by \$2645, connection fees up \$3,950. Impact fee revenues have increased to \$12,000 this year. With the Grant funds deposited of \$500,000 for the Lower 12 Mile Project, we have seen an influx of interest income of \$12,888. Utility wages have increased as well as the benefits, which we planned for with the hire of a full-time employee. Utility power is up \$4,725. In general, our total income from operations is \$20,701.

Non-operating Items

Impact fees- Water is at \$12,000 up from \$8,800 the prior year. The CIB Grant funds of \$500,000 were received for the Lower 12 Mile Project- which brought in interest income of \$12,888.

A couple long term debt obligations the Town has are the water revenue bond and the irrigation share purchase. There are 16 years left on our 2010 Water Revenue Bond, the annual payment for that is \$40,000. The purchase of Mayfield Irrigation Stock is a \$10,000 annual payment for the next 8 years. Beginning in FY24 February we will have our \$6,000 annual payment to the 2021 Water System improvements project for the next 30 years. (\$170,000 loan portion)

It is recommended that the Town approve a Cost-of-Living Adjustment (COLA) for FY24 of 8.7% (Federal COLA rate for 2023) to the 3 permanent employees. This has been calculated in the expense figures outlined here. There has not been a COLA for 4 years.

THE TOWN'S TOTAL ESTIMATED REVENUES

Revenues	FY24	FY23
General Fund	269,139	197,147
Utility Fund	210,000	199,700
Total	479,139	396,847
Estimated Increase	\$82,292	

THE TOWN'S TOTAL ESTIMATED EXPENDITURES

Expenses	FY24	FY23
General Fund	269,139	253,524
Utility Fund	205,071	180,996
Total	474,210	434,520
Estimated Increase		\$39,690

PERPETUAL CARE FUND

The income into perpetual care this year was \$11,100. 30 graves were sold, 3 non-resident and 27 to residents. This is down (12 graves from the prior year) by \$7,800. There was a \$5,000.00 expenditure for sprinkler system maintenance. Perpetual care funds are reserved for the care, maintenance and growth at our cemetery. This coming year we plan to transfer \$15,000 to the General Fund to upgrade the road at the west end of the cemetery and replace the fencing. The balance in this fund today is \$136,164.59.





GOALS FOR FY24

BUSINESS

PRIORITIES

- Increase Cemetery Open/Close Fee
- Increase Rental Fees for Park, Town Hall, and Cabin
- Establishing a separate cost for a 1 in. water connection, (Mayfield Estates are all 1 in.)



ADDED

PRIORITIES

- Finish ARPA expenditures prior to June 2024



EMPLOYEE

OPPORTUNITIES

- Set hours for Treasurer to 20/hrs. a week.

ADJUSTING FEE SCHEDULE

Recommend increase of Open/Close fees as listed below to at least cover our costs.

	Weekday	Weekend
Resident	\$250	\$300
Non-Resident	\$400	\$500

Rental fees for the Town facilities have not increased for over 5 years. Consider a monthly rate for Clubs, and Weddings, ½ day rentals.

+ \$200 Deposit	Town Hall	Park	Cabin
Resident	\$75/day \$35/ ½ day (10-3 or 4-9)	\$75/day \$35/ ½ day (10-3 or 4-9)	\$100 + tax
Non-Resident	\$150	\$100	\$150 + tax
Clubs	\$35/mo. 1x/mo.	\$35/mo. 1x/mo.	n/a

Create a connection cost for 1 inch water connections. All the subdivision connections are 1 in. Right now, we only have one fee schedule for ¾ inch set at \$4,000.

1 in. connection	\$5,000
¾ in. connection	\$4,000

PLAN FOR ADDITIONAL ARPA EXPENDITURES

The deadline to expend these funds is coming up at FY24 end. We have a remaining balance of \$27,964 to use towards the qualifying expenses. It is anticipated that lighting at the pickleball courts and sidewalk will be part of these expenses.

ADD SERVICES BY INCREASING TREASURER'S WORK HOURS

The State of Utah has made requirements for separation of duties. Mayfield has complied by employing a Treasurer at 15 hrs./week. There are duties done by the Clerk/Recorder that should be Treasurer duties. i.e., accounts payable/invoicing, financial & budget reports, and budget planning. If we want to be in full compliance with State Law, and have better quality service for our residents, we need to allow 20/hrs. week for the Treasurer.



WHAT'S NEXT

The property tax rate could be evaluated, it's possible that the Town may need to seek a 0.001573 % tax rate to cover the anticipated increase in expenses. This would provide additional property tax revenue of \$22,000.

Current rate	0.001244 %
Proposed rate	0.001573 %
Difference	0.000329 %

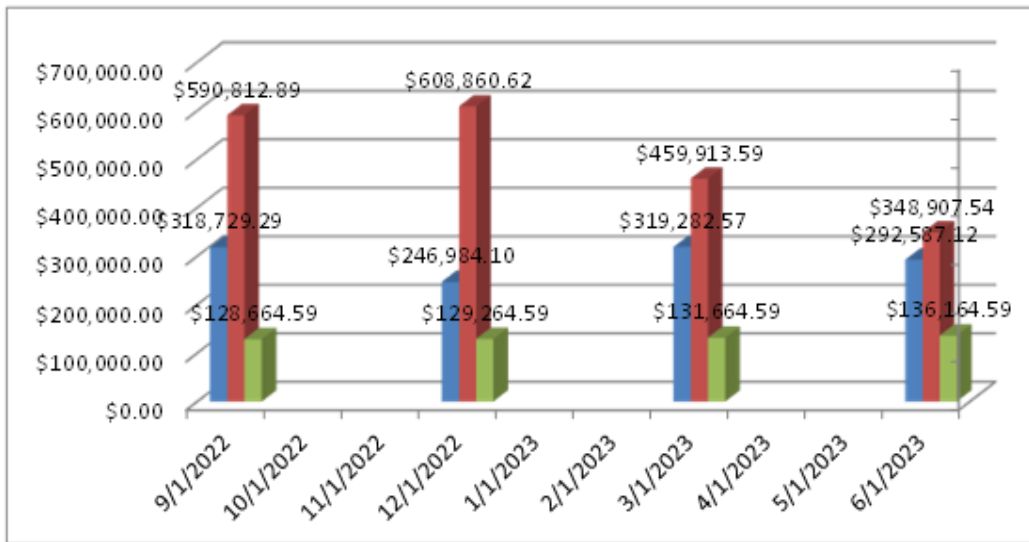


FINANCIAL STATEMENT

6/13/2023

Balance of all Funds: \$777,659.25

	9/30/2022	12/31/2022	3/31/2023	6/13/2023
General Fund	\$318,729.29	\$246,984.10	\$319,282.57	\$292,587.12
Utility Fund	\$590,812.89	\$608,860.62	\$459,913.59	\$348,907.54
Perpetual Care Fund- Reserve	\$128,664.59	\$129,264.59	\$131,664.59	\$136,164.59
Total Funds	\$1,038,206.77	\$985,109.31	\$910,860.75	\$777,659.25



Thank you for your time,

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