



Fuquay-Varina Board of Commissioners

June 5, 2023

AN ORDINANCE ADOPTED BY THE BOARD OF COMMISSIONERS
OF THE TOWN OF FUQUAY-VARINA, NC
ESTABLISHING THE FISCAL YEAR 2023-2024
OPERATING BUDGET

NOW, THEREFORE BE IT ORDAINED, by the Board of Commissioners of the Town of Fuquay-Varina, North Carolina, the following revenues, and departmental expenses (Sections I - VII), tax rate (Section VIII), fee schedules (Sections IX - XII), and budget and financial policies (Section XIII and XV) are adopted.

SECTION I: GENERAL FUND - FUND 10

Anticipated Revenues:

Ad Valorem Taxes (Current Year)	\$	25,990,378
Ad Valorem Taxes (Prior Years)		50,000
DMV Property Taxes (Current Year)		2,498,994
Tax Penalties and Interest		30,000
Rental Vehicle Taxes		60,000
Auto Licenses		1,001,564
Local Option Sales Tax		11,634,177
Beer and Wine Tax		115,000
Utilities Sales Tax		1,512,393
Cable TV Sales Tax		324,588
ABC Net Revenues		200,000
Powell Bill Revenues		1,050,302
Wake County Fire Tax		2,694,718
Licenses, Permits, and Fees		3,256,969
Refuse Collection Fees		4,033,753
Arts Center Fees		336,000
Parks and Recreation Fees		943,600
Interest on Investments		800,000
Other Revenues		681,428
Transfer From Capital Reserve Fund		0
Powell Bill Fund Balance Appropriated		182,198
General Fund Balance Appropriated		<u>0</u>
Total Revenues	\$	<u>57,396,062</u>

Expenses Authorized by Department

Governing Body	\$	545,233
Administration		1,005,604
Communications		517,745
Finance		1,022,058
Engineering		1,680,136
Public Buildings		730,725
Central Services		3,113,785
Information Technology		1,796,686
Human Resources		796,480
Police		10,635,454
Fire		8,912,827
Inspections		2,547,954
Streets		2,788,159
Powell Bill		1,232,500
Debris Collection		997,301
Sanitation		3,518,728
Planning		1,517,830
Economic Development		337,186
Downtown Development		414,250
Parks, Rec, and CR		5,708,453
Arts Center		1,063,846
Transfers to Capital Reserve		0
Transfers to Capital Projects		220,000
Transfers To Debt Service		4,881,804
Appropriation to Fund Balance - Inspections		0
Appropriation to Fund Balance - General Fund		1,411,318
Total Expenses	\$	<u>57,396,062</u>

SECTION II: DEBT SERVICE FUND - FUND 15

Anticipated Revenues

Transfer from General Fund	\$	4,881,804
Transfer from Enterprise Fund		231,200
Transfer from Capital Reserves		<u>448,771</u>
TOTAL REVENUES	\$	<u>5,561,775</u>

Expenditures Authorized

Principal	\$	3,008,000
Interest		2,258,775
Designated for Fund Balance		<u>295,000</u>
TOTAL EXPENDITURES	\$	<u>5,561,775</u>

SECTION III: CAPITAL RESERVE FUND – FUND 21 (GENERAL FUND ACTIVITIES)

Anticipated Revenues

Recreation Unit Fees - Northwest District	\$	350,042
Recreation Unit Fees - Northeast District		360,023
Recreation Unit Fees - South District		661,621
Appropriated Fund Balance - Recreation Unit Fees - Prior Years		460,000
Appropriated Fund Balance - Recreation Unit Fees - Northwest		521,853
Appropriated Fund Balance - Recreation Unit Fees - South		<u>262,150</u>
TOTAL REVENUES	\$	<u>2,615,689</u>

Expenses Authorized

Transfer to Capital Projects - South District	\$	935,000
Transfer to Capital Projects - Northwest District		871,895
Transfer to Debt Service - Rec Debt (South)		448,771
Appropriation to Fund Balance - Northeast District		<u>360,023</u>
TOTAL EXPENDITURES	\$	<u>2,615,689</u>

SECTION IV: CAPITAL PROJECTS FUND – FUND 40

Anticipated Revenues

Loan Proceeds	\$	13,978,000
Transfer from General Fund		220,000
Transfer from Capital Reserves		<u>1,806,895</u>
TOTAL REVENUES	\$	<u>16,004,895</u>

Anticipated Project Costs

<u>Capital Projects – Public Buildings</u>		
Community Center HVAC Replacement	\$	45,000
Town Hall Window Replacement		175,000
<u>Capital Projects – Fire (Loan)</u>		
Fire Engine (4) Replacement		3,528,000
<u>Capital Projects – Engineering / Transportation (Bond)</u>		
SE Judd / Angier Road Improvements		2,250,000
Old Honeycutt / Kennebec Road Improvements		1,350,000
Hwy 55 / James Slaughter Road Improvements		2,250,000
Purfoy / Holland Road Improvements		4,600,000
<u>Capital Projects – Parks & Recreation (Rec Fees)</u>		
Willow Lakes Park Field Lights (South)		475,000
Willow Lakes Park Parking Lot (South)		135,000
Falcon Park Field Lights (South)		175,000
Honeycutt Playground Replacement (South)		150,000
Alston Ridge Greenway Trail Construction (Northwest)		<u>871,895</u>
TOTAL EXPENDITURES	\$	<u>16,004,895</u>

SECTION V: WATER AND SEWER ENTERPRISE FUND - FUND 61

Anticipated Revenues

Water Sales and Tap Fees	\$	11,055,557
Sewer Service and Tap Fees		11,154,605
Interest Earnings, Penalties, and Leases		691,800
Transfer from Water and Sewer Fund Reserves		<u>0</u>
TOTAL REVENUES	\$	<u>22,901,962</u>

Expenditures Authorized by Department

W/S Billing and Collections	\$	740,754
Water Operations		7,447,796
Sewer Operations		5,886,205
Debt Service		1,595,440
Transfer to Enterprise Capital Projects		1,403,063
Appropriation to Fund Balance - Future Debt & Projects		<u>5,828,704</u>
TOTAL EXPENDITURES	\$	<u>22,901,962</u>

SECTION VI: ENTERPRISE CAPITAL PROJECTS FUND - FUND 59

Anticipated Revenues

Bond / Grant Revenue	\$	271,201,495
Transfer from W/S Reserves		<u>2,069,130</u>
TOTAL REVENUES	\$	<u>273,270,625</u>

Anticipated Project Costs

Donny Brook Road Waterline (Lake Wheeler Road to Hwy 401)	\$	816,900
Burt Road Waterline (Fleming Road to Starchase Lane)		766,080
Wagstaff Road Waterline (Howard Road to Whetstone Drive)		486,150
Sanford Water Conveyance (Easements & Construction)		69,321,365
Sanford Water Plant Expansion (Design & Construction)		62,235,000
Elevated Water Tank		7,000,000
Terrible Creek WWTP Expansion (Construction)		68,535,130
Northern Harnett WWTP Expansion (Construction)		52,200,000
Southern Oaks Sewer Pump Station		<u>11,910,000</u>
TOTAL EXPENDITURES	\$	<u>273,270,625</u>

SECTION VII: WATER AND SEWER CAPITAL PROJECT FUND - FUND 60

Anticipated Revenues

Transfer from W/S Enterprise Fund	\$ 1,403,063
TOTAL REVENUES	\$ 1,403,063

Anticipated Project Costs

Water Line Replacements	\$ 525,000
Water Line Oversizing	52,500
Water Line Valve Replacements	52,500
Miscellaneous Water Projects	236,250
I & I Rehabilitation	236,250
Sewer Line Oversizing	52,500
Miscellaneous Sewer Projects	<u>248,063</u>
TOTAL EXPENDITURES	\$ 1,403,063

SECTION VIII: WATER AND SEWER DEBT SERVICE FUND - FUND 65

Anticipated Revenues

Transfer From W/S Enterprise Fund	\$ 1,364,240
Transfer From W/S Reserve	<u>4,527,357</u>
TOTAL REVENUES	\$ 5,891,597

Expenditures Authorized

Principal - Bonds (Water)	\$ 567,520
Principal - Bonds (Sewer)	1,580,480
Interest - Bonds (Water)	1,700,925
Interest - Bonds (Sewer)	<u>2,042,672</u>
TOTAL EXPENDITURES	\$ 5,891,597

SECTION IX: WATER AND SEWER CAPITAL RESERVE FUND - FUND 71

Anticipated Revenues

Water Unit Capacity Fees	\$ 4,616,400
Sewer Unit Capacity Fees	4,669,200
Interest Earnings	200,000
Water Reserves Appropriation	0
Sewer Reserves Appropriation	<u>0</u>
TOTAL REVENUES	<u>\$ 9,485,600</u>

Expenditures Authorized

Transfer to Debt Service Fund	\$ 4,527,357
Transfer to W/S Capital Projects	2,069,130
Appropriation to Fund Balance (Water)	1,011,525
Appropriation to Fund Balance (Sewer)	<u>1,877,588</u>
TOTAL EXPENDITURES	<u>\$ 9,485,600</u>

SECTION X: TAX RATE ESTABLISHED

An ad valorem tax rate of \$0.455 per \$100 at full valuation is hereby established as the official tax rate for the Town of Fuquay-Varina for the fiscal year 2023-2024. The projected current year revenue from property and vehicle taxes of \$28,489,372 is based on a total projected valuation of \$6,316,6174,647 and a projected collection rate of 99.82%.

SECTION XI: WATER AND SEWER RATES ESTABLISHED

The following monthly rate schedules for water and sewer service shall be in effect.

Base Rates

<u>Meter Size</u>	<u>Water Base Rate</u>	<u>Sewer Base Rate</u>
3/4"meter	13.49	18.73
1" meter	22.52	31.28
1.5 " meter	44.92	62.38
2" meter	71.89	99.84
3" meter	134.88	187.32
4" meter	224.84	312.26
6" meter	449.56	624.34
8" meter	719.12	998.87

Water Consumption Rate

In-Town \$6.82/1,000 gallons
Out-of-Town \$13.64/1,000 gallons

Sewer Consumption Rate

(Except For Irrigation Meters)

In-Town \$8.02/1,000 gallons
Out-of-Town \$16.04/1,000 gallons

All rates for service provided to customers that are not located within the corporate limits of the Town of Fuquay-Varina shall be double the rates listed above for In-Town rates. No new Out-of-Town services may be provided prior to the approval of the Town of Fuquay-Varina Governing Board.

SECTION XII: FEE SCHEDULE FOR FY 2023-2024

The fee schedule (with attachments) is incorporated into this budget ordinance by reference.

SECTION XIII: PAY INCREASES FOR EMPLOYEES

Beginning on July 3, 2023 all regular, full-time employees, shall receive a Cost-of-Living Adjustment (COLA) of 4.0%. All regular, full-time employees that are not under probation and have completed 12 months of employment shall be eligible for a merit salary increase of up to 3% at a time determined by management, consistent with the FY 2023-2024 budget ordinance.

SECTION XIV: SPECIAL AUTHORIZATION - BUDGET OFFICER

- A. The Budget Officer shall be authorized to reallocate departmental appropriations among the various objects of expenditures as deemed necessary.
- B. The Budget Officer shall be authorized to effect interdepartmental transfers, in the same fund, not to exceed 10% of the appropriated funds for the department whose allocation is reduced. A notation of such a transfer shall be reported to the Town Board at the next earliest convenient Board meeting.
- C. Interfund transfers, established in the Budget Officer's Recommended Budget to the Town Board (the entire document of which is a part of this Budget Ordinance by reference) may be accomplished without a separate report to the Town Board.
- D. The purchase of all capital equipment (equipment having a value of over \$5,000) listed in the Budget Officer's Recommended Budget to the Town Board (the entire document of which is a part of the Budget Ordinance by reference) is authorized.
- E. Operating funds encumbered on the financial records as of June 30, 2023, are hereby reappropriated to this budget as necessary to fulfill all obligations outstanding on June 30, 2023.

SECTION XV: RESTRICTIONS - BUDGET OFFICER

- A. No interfund transfers, except as noted in SECTION XIV (C) are authorized without prior approval of the Town Board.
- B. No contingency appropriation may be utilized without prior approval of the Town Board.
- C. No single expenditure over \$500 is authorized without a pre-audit certification from the Finance Director or authorized designee (purchase order minimum limit).

SECTION XVI: UTILIZATION OF BUDGET AND BUDGET ORDINANCE

This Budget Ordinance and reference budget documents shall be the basis of a financial work plan for the Town of Fuquay-Varina for the fiscal year of 2023-2024. The Budget Officer shall administer the budget, and the Budget Officer shall ensure that the department heads are provided guidance to implement the work elements described in the budget documents. The Finance Officer shall establish such records that are in consonance with this Budget Ordinance, the reference budget documents, and appropriate General Statutes of the State of North Carolina.

BE IT FURTHER ORDAINED, by the Board of Commissioners of the Town of Fuquay-Varina that this ordinance shall take effect immediately upon its adoption.

This Ordinance of the Town of Fuquay-Varina Board of Commissioners is hereby adopted this 5th day of June in the year 2023 in Fuquay-Varina, North Carolina.

FUQUAY-VARINA, NORTH CAROLINA

J. Blake Massengill, Mayor

ATTEST

(TOWN SEAL)

Rose H. Rich, Town Clerk



CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting Town Clerk of the Town of Fuquay-Varina does hereby certify:
That the above/attached ordinance is a true and correct copy of the ordinance authorizing the FY 2022-2023 Budget, as regularly adopted at a legally convened meeting of the Town Board of Commissioners duly held on the 6th day of June, 2022; and, further, that such ordinance has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

(Signature of Recording Officer)

(Title of Recording Officer)