

FOCUSED ON OUR COMMUNITY'S PERSPECTIVE

Fiscal Year 2026 Operating Budget & CIP



Recommended by Town Manager Brandon Zuidema

Town of Morrisville | 100 Town Hall Drive | morrisvillenc.gov

Adopted Budget/CIP May 27, 2025



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Morrisville

Live connected. Live well.

To Our Readers:

We appreciate your support and interest in the Town of Morrisville's proposed annual operating budget & capital plan for continuing to provide quality core services to the community, as well as leveraging your tax dollars for future investments that improve and enhance your quality of life and safety.

This document serves as a condensed version of the proposed budget report for the purposes of facilitating an efficient presentation, focusing on key budget highlights and discussion topics.

The full version containing other sections such as the organizational chart, elected officials, budget snapshot, fund details, department profiles, policies, budget controls, and glossary of terms, will be published following adoption of the budget.

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Organization

STRATEGIC PLAN

ORGANIZATIONAL CHART

ELECTED & APPOINTED OFFICIALS & STAFF

Fire Administration Mural



Strategic Plan

The Town adopted Connect Morrisville, the first Strategic Plan in its history, in April of 2018. Town Council, residents, community stakeholders and staff embarked on a year-long process of engagement, culminating in the affirmation of the Mission, Vision and Values that serve as the core guiding principles of our work and service to Morrisville. Following feedback and input provided by these key stakeholder groups, elements of the plan (objectives, initiatives, and outcome measures) were updated in 2021.

Mission Statement

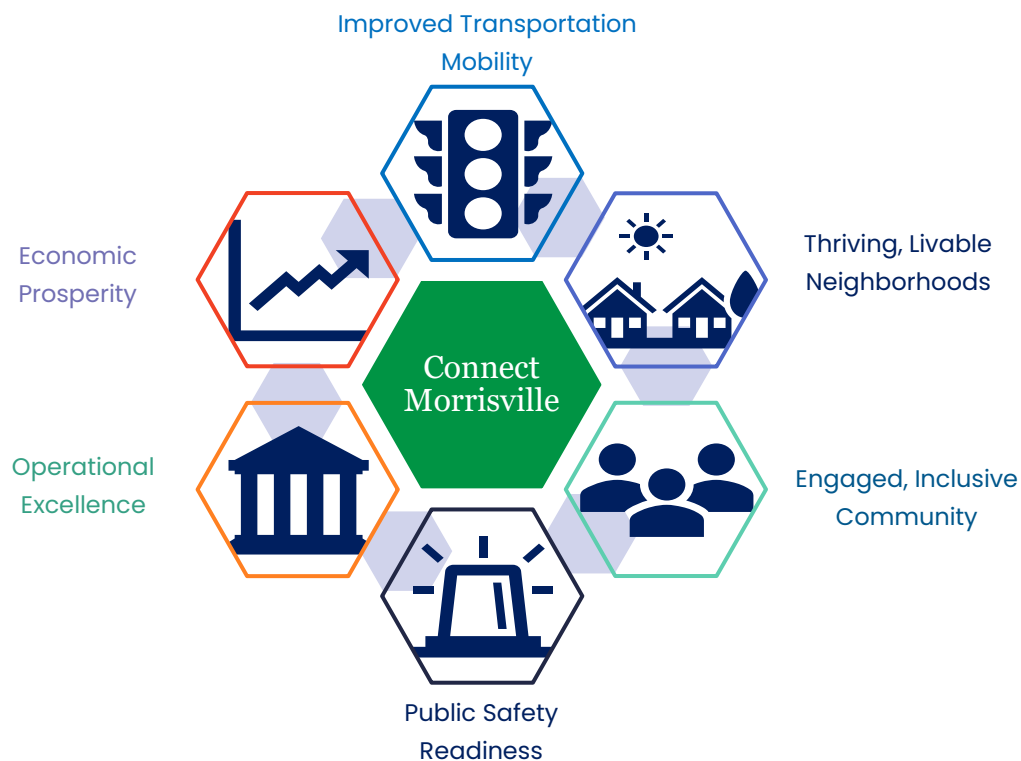
Connecting our diverse community to an enhanced quality of life through innovative programs and services.

Vision Statement

A sustainable and thriving community that celebrates diversity and inclusion while enhancing the well-being of people who live, work, and play in Morrisville.

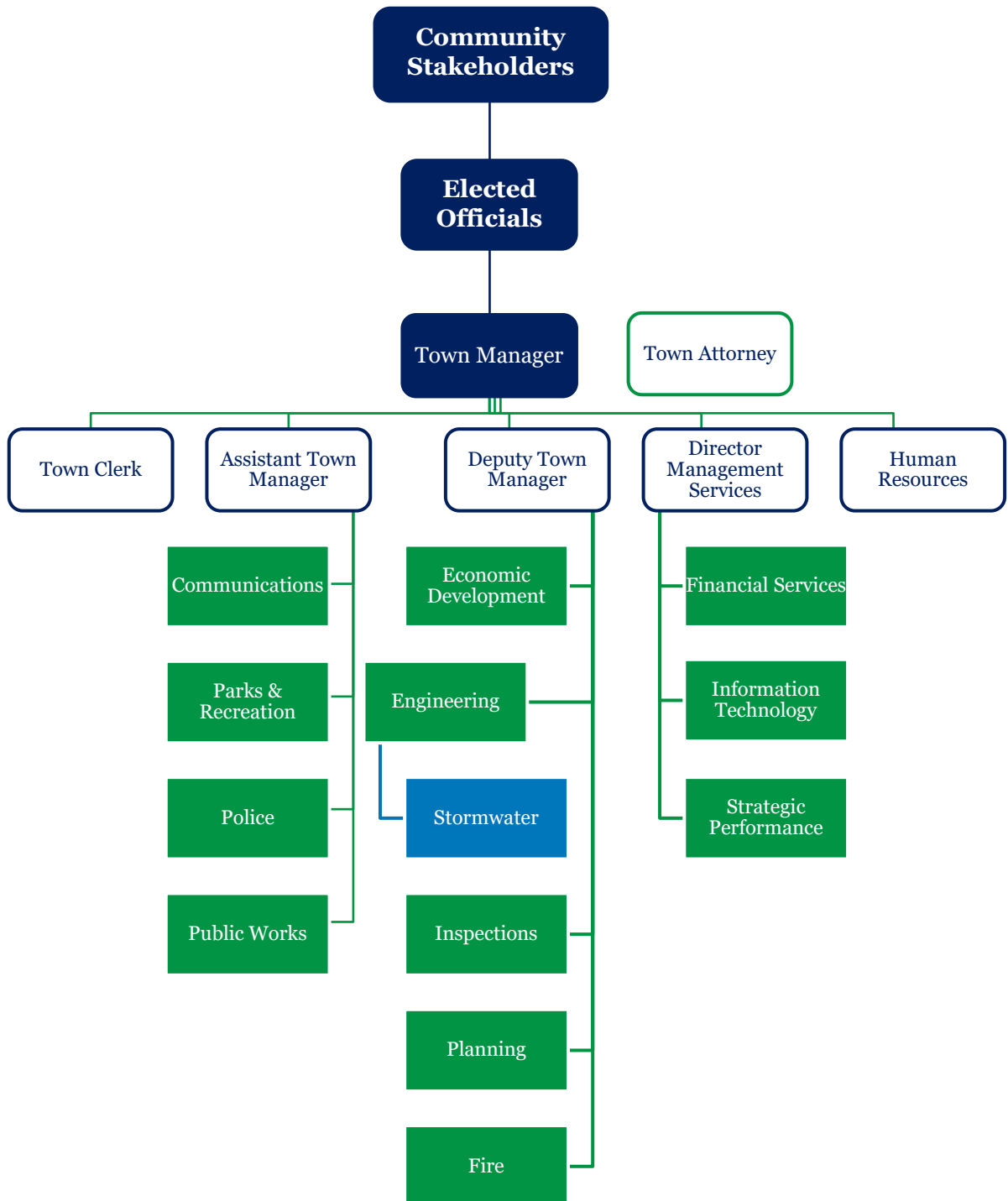
Values

Dedication – Integrity – Courtesy – Innovation



These six goals are the framework of the Connect Morrisville Strategic Plan

Organizational Chart



Elected & Appointed Officials & Staff

MAYOR AND TOWN COUNCIL



Pictured from left to right: Council Member Donna Fender, Council Member Vicki Scroggins-Johnson, Council Member Liz Johnson, Mayor TJ Cawley, Mayor Pro-Tem Satish Garimella, Council Member Steve Rao, & Council Member Anne Robotti

Mayor	TJ Cawley
Mayor Pro-Tem	Satish Garimella
Council Member	Donna Fender
Council Member	Liz Johnson
Council Member	Steve Rao
Council Member	Anne Robotti
Council Member	Vicki Scroggins-Johnson

APPOINTED OFFICIALS AND STAFF

Town Manager	Brandon Zuidema
Town Attorney	Frank Gray
Deputy Town Manager	Giselle Rodriguez-Villanueva
Assistant Town Manager	John Letteney
Director of Management Services	Jeanne Hooks
Chief Financial Officer	Byron Hayes
Chief Information Officer	Rick Ralph
Communications & Outreach Director	Erin Hudson
Economic Development Director	Tiffany McNeill
Fire Chief	Tom Dooley
Human Resources Director	David Hacker
Inspections Director	Shandy Padgett
Planning Director	Michele Stegall
Police Chief	Justin Rosser
Public Works Director/Interim Parks & Recreation Director	Jeffery Brown
Stormwater Engineer Manager	Ben Mills
Strategic Performance Manager	Vacant
Town Clerk	Kayla Bertling
Town Engineer	Mark Spanioli



Budget Summary

FY26 BUDGET HIGHLIGHTS / PRIORITIZING FOR MORRISVILLE

BUDGET MESSAGE

BUDGET PRIORITIES SUMMARY

BUDGET ORDINANCES & RESOLUTIONS

Morrisville Carpenter Road
Signal Installation





FY26 Budget Highlights

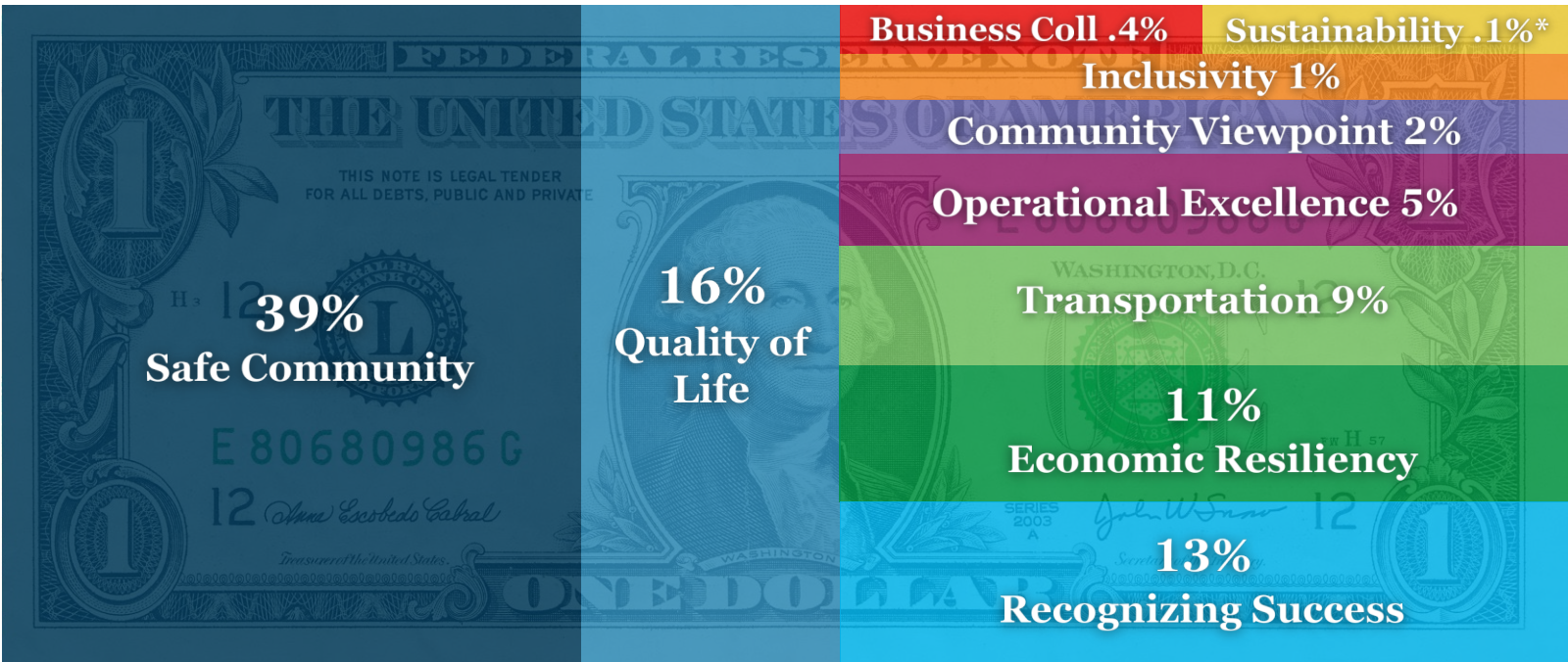
This year’s theme, 'Focused on Our Community’s Perspective', highlights the Town of Morrisville’s commitment to shaping a budget that truly reflects the values, priorities, and input of the people we serve.

The total operating budget, including General and Stormwater Funds, is \$64 million.

NEW COMMUNITY INVESTMENTS

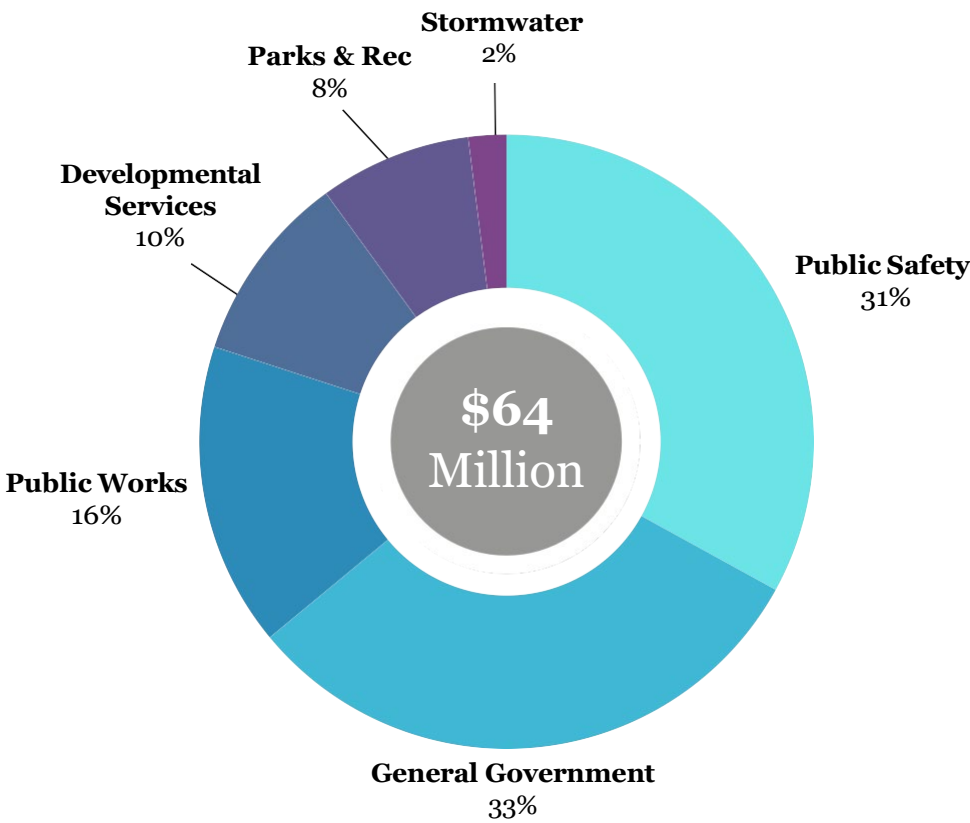


HOW IS YOUR DOLLAR INVESTED?

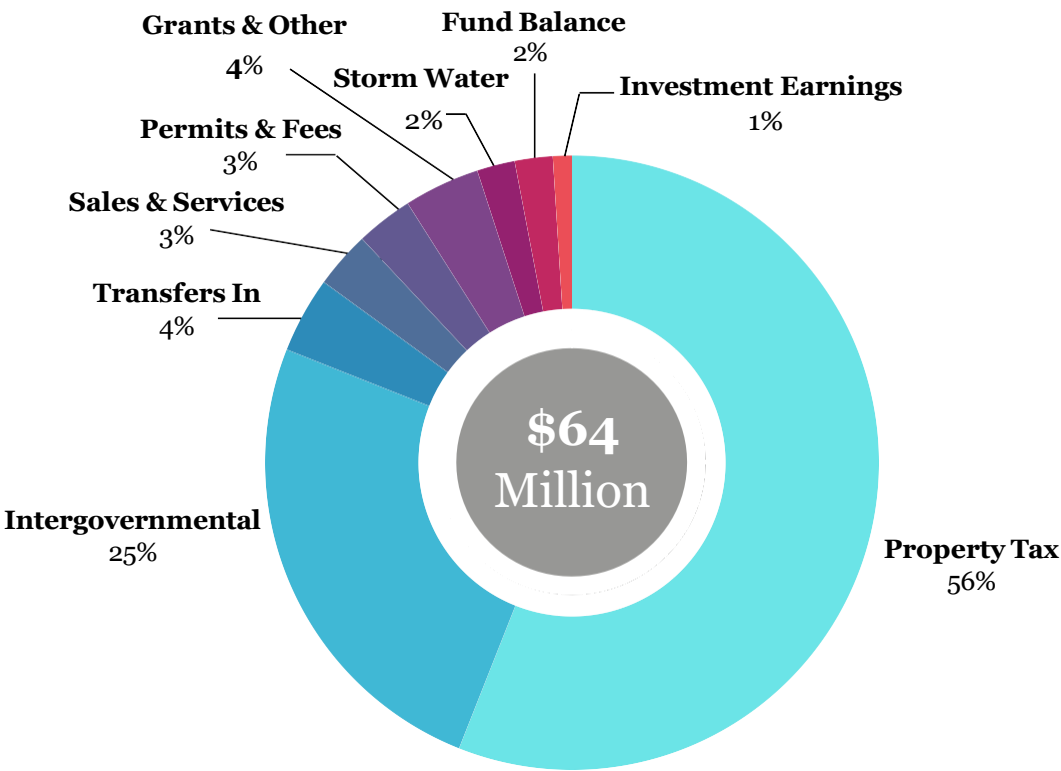


*Does not include \$333,000 in carryover funds from FY25.

EXPENDITURES



REVENUES



1 PENNY ON TAX RATE
\$970,000



PROPERTY TAX RATE
\$0.35 per \$100 Assessed Value



CAPITAL INVESTMENT
\$73.2 Million - Next Five Years

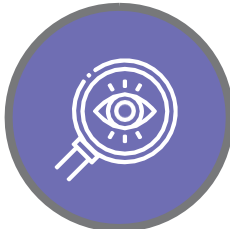


OTHER FEES
Stormwater ERU - \$50 | Vehicle \$30

Prioritizing for Morrisville



- Business Collaboration**
- Tap into corporate partnership resources
 - Use small and micro business partnerships
 - Embrace a renewed Chamber relationship to strengthen initiatives



- Community Viewpoint**
- Embrace resident and business perspectives to improve connections
 - Leverage attendance at events, programs, and committees
 - Use partnerships to create diversity in outreach and feedback
 - Elevate transparency and access



- Economic Resiliency**
- Ensure economic stability by broadening our economic focus
 - Provide start-up incubators and entrepreneurships
 - Seek revenue generating opportunities



- Inclusivity**
- Build on celebrating our cultural diversity
 - Optimize our welcoming appeal and unique qualities
 - Use cultural and business connections to broaden our reach



- Operational Excellence**
- Ensure outstanding reliable services
 - Invest in a skilled staff to bring innovation forward
 - Support succession planning to create tomorrow’s leaders
 - Leverage technology advances



- Quality of Life**
- Exemplify age friendly programs and connections, create housing opportunities
 - Maintain and expand parks and greenways



- Recognizing Successes**
- Recognize and celebrate Morrisville’s attributes
 - Effectively socialize progress and completion of Town projects
 - Embrace teamwork
 - Value staff excellence and professionalism



- Safe Community**
- Preserve Morrisville’s image as a safe place
 - Enhance public and pedestrian safety in the community
 - Value safety present in emotional and psychological support
 - Embrace the safety of inclusion



- Sustainability and Environment**
- Lead and set the example by integrating sustainability throughout our community
 - Use business partnerships to advance renewable energy and recycling



- Transportation**
- Use strong financial position for future investments
 - Accelerate improvements to complete projects, broaden mobility network



Scan here to learn more and complete the budget feedback form.

Budget Message



April 28, 2025

Mayor Cawley, Mayor Pro Tem Garimella, and Council Members Fender, Johnson, Rao, Robotti, and Scroggins-Johnson, Town Staff, and our Community Members:

INTRODUCTION

The recommended FY 2026 operating budget and capital investment program are presented for your consideration. This recommended budget is the result of guidance and feedback provided by Town Council through the annual retreat in January, and subsequent budget work sessions on February 11, March 27, and April 10 and 24 (*upcoming budget meetings are highlighted at the conclusion of this message*) as well as staff and community input.

The Town's budget for the upcoming fiscal year has been meticulously developed to reflect the community's priorities and enhance the quality of life for all community members. Our approach emphasizes service excellence and transparency, ensuring that every decision is made with the community's best interests in mind.

Staff has engaged in extensive community outreach and engagement efforts, including advisory committee meetings, online campaigns, and attendance at public events such as the, Green Day Recycling Event, the Holi Celebration, and Peeps in the Park. These initiatives allowed us to gather valuable input from community members.

We have also provided opportunities for public input and feedback at budget open houses, budget work sessions, public hearings, and conversations at Town facilities. Our commitment to transparency ensures that residents are informed and involved in the decision-making process, fostering trust and accountability. In summary, the Town's budget is a reflection of our community's values and priorities. We are committed to delivering exceptional service and creating a vibrant, inclusive, and resilient community. As you can see in this year's theme, we are ***"Focused on our Community's Perspective."***

Staff has remained focused on aligning community, Council, and staff interests with the Town's Strategic Plan which frames our Town Values and our six goals to achieve outcomes the Council, and particularly our community, have identified as priorities.

Town of Morrisville Values

DEDICATION * INTEGRITY * COURTESY * INNOVATION

Strategic Plan Goals



Council Budget Priorities

Identification of Council's budget priorities guided the budget development process. Following several exercises at the January Council retreat, Council identified the following ten budget priorities for this year:



Community Budget Priorities

The Budget Team and the Communications and Outreach Department have worked collaboratively this budget season to seek out community feedback and perspective on their priorities for the FY2026 budget. To date, that feedback and perspective has highlighted the following priorities (from among the six Strategic Plan goals and Council's identified budget priorities):



CHALLENGES AND OPPORTUNITIES

While every budget has its challenges, this budget development has been unique both in terms of challenges and opportunities for today, tomorrow, and the future in Morrisville.

One focus throughout the development of this recommended budget has been around fiscal constraint and fiscal sustainability, particularly given concerns with the instability and volatility of the local, state and national economies.

The Town is faced with the following **challenges** as we are ***Focused on our Community's Perspective:***

- **Uncertain Economy:** the Budget Team has heard feedback from Council and the community regarding concerns with the instability and, in some cases, the volatility of the current economy. Additionally, the Budget Team has engaged in outreach and research to validate a similar level of concern with our municipal peers and with professional organizations, such as the North Carolina League of Municipalities.

To protect our community, the recommended budget is intentionally more conservative than it has been in prior years to allow us to adapt to this uncertainty. In many cases, this includes reductions in anticipated revenues versus projected FY2025 revenues.

- **Inflationary Impacts:** We are continually faced with inflationary impacts to our base operating budget. For FY2026, that increase is anticipated to be approximately \$590,000, primarily related to contractual and insurance increases.

This increase will absorb approximately 8% of our available revenue capacity. We also continue to see increases in costs related to new capital projects; this is impactful as we bring on new facilities such as the Town's first dog park and the Town Center, and as we consider future project funding (see the CIP section beginning on p.29).

At the same time, I do not anticipate injecting additional revenue into the FY2026 budget beyond that provided by our natural growth. Following the additional revenues resulting from the re-valuation process in January 2024, the Town was able to wisely invest additional funds into operating expenses and capital reserves. Given those additional resources added last year, community feedback, and our recent discussion around a solid waste fee, I am not recommending a tax increase in the FY2026 budget. Morrisville's tax rate for FY2026 is recommended to continue at 35 cents per \$100 of assessed property value.

- **Balancing Continued Growth with Available Resources:** Council and Town staff have identified a number of viable and necessary investments in programming, staff, and projects that are competing for limited revenues and resources. As our community continues to grow, so does the need for additional resources to provide high levels of service and support. This includes additional equipment, facilities, and programs and in some cases the staff necessary to support them.

There are also a number of **opportunities** presented with this year's budget:

- **Recruitment and Retention:** As the market continues to evolve for qualified staff, challenges with recruitment and retention remain a significant concern for most municipalities, including Morrisville. However, we continue to be proactive in identifying opportunities to enhance our recruitment and retention practices and policies.

This year's recommended budget includes the addition of a Human Resources Specialist that will focus primarily on recruitment and retention by centralizing our recruitment efforts and ensuring consistent, proactive efforts to identify high quality candidates for all of our vacancies. This position will also focus on innovative approaches to retention. This benefits the community by ensuring we have a more consistent and highly qualified staff to provide services.

The Town continues to focus on staff compensation and benefits in order to recruit and retain staff. With a recommendation of continuing a market adjustment (COLA) at 2%, merit compensation at an anticipated average of 4.5%, funding pay and classification, and funding longevity, the recommended budget includes approximately \$1,928,700 in investment in our current staff. This represents approximately 27% of our available revenue capacity.

The recommended adjustments to full-time pay grades and individual staff salaries will also continue to ensure every full-time employee with the Town is earning a "Living Wage" of at least \$50,689, the FY2026 Wake County "Living Wage."

- **Grants:** Grant opportunities ease the strain in the budget, freeing up funds for other priorities, promoting creative approaches to completing projects, and increasing recognition for the Town. Our staff continues to proactively identify grants that will, if awarded, provide additional revenues to support programming and projects. Examples include funding for sustainability initiatives, greenway projects, public safety, transportation, recreation facilities, economic development, and the Town Center.
- **Readiness:** Fiscal readiness is as important as our operational readiness. Emphasis continues to be placed on maintaining the Town's strong financial position.
 - This is evidenced by three AAA credit ratings and a robust Capital Investment Program. The Town issued its remaining bonds from the 2022 authorization and received an interest rate of 3.28% (versus the 5% estimated in our debt planning) as well as additional bond premium to further invest in our community.
 - The Town maintains a strong fund balance, most recently estimated at approximately \$16,577,124 (or 37.9% of our FY2025 operating budget).
 - The Town maintains strong cash reserves to provide maximum flexibility in planning for long-term projects while also being able to address more timely opportunities and needs.
 - Morrisville is part of a strong regional economy that consistently performs ahead of other areas in the state and country.

- **Sponsorship:** The Town is in the process of launching a sponsorship campaign that is anticipated to bring significant sponsorship revenue to the Town through work with a consultant as early as FY2026 and well into the future. This approach supplements smaller sponsorship opportunities that have existed for our special events. Revenues from this sponsorship campaign are not accounted for in the budget recommendation.

BUDGET PLANNING AND DEVELOPMENT

Preparation for the FY2026 budget process began in fall 2025 through the discussion of key retreat topics and emerging interests for Town Council and staff and through the Leadership Team preparing their mid-year budget submittals and updates.

Town Council again supported a focus on brainstorming and deliberations, with more attention to “big picture” conversations rather than details of specific budget requests. These discussions were used to establish the budget calendar as well as Town Council retreat and work sessions agendas.



Figure 1 Town Council CIP Retreat Prioritization

During the January 2025 retreat, Council members shared their individual thoughts and ideas and visualized ways to align unique perspectives and opinions into their budget priorities for the FY2026 budget. As noted earlier, those priorities include Business Collaboration, Community Viewpoint, Economic Resiliency, Inclusivity, Operational Excellence, Quality of Life, Recognizing Successes, Safe Community, Sustainability and Environment, and Transportation.

Council also focused on a two-year re-assessment of the Capital Improvement Plan (CIP) and recommended some re-prioritization of items in the funded 5-year CIP. The results of that exercise are described later in this budget document.

Following the retreat, budget preparation continued with all Town departments required to present their progress on implementing their FY2025 budgets, considering their needs for FY2026-FY2028, and aligning their budget requests, including staffing, with those needs.

Listening to the community's perspective during the budget planning process allows the Town to address our residents' most pressing concerns and to develop initiatives that reflect their values and priorities. Therefore, the Town's budget is not just a financial plan but a strategic tool to maintain a resilient, inclusive, and thriving community.

A preliminary budget portal tool opened in January to provide Town Council initial perspectives from the public to consider during budget brainstorming discussions post-retreat.

Additionally, the Communications and Outreach Department focused on innovation, one of the Town's four values, by launching a "Nothing But Net" engagement campaign, encouraging community members to complete a "March Madness" style bracket to share their budget priorities.

This collection of Council, community, and staff feedback has significantly contributed to the development of this recommended budget. Additionally, the budget portal will re-open in May; there are also several community outreach sessions and other opportunities planned in May to build awareness that the Town is ***Focused on our Community's Perspective.*** More information is available on the Town's website [here](#).



Figure 2 Budget Outreach Theme

An early budget outlook was provided to Town Council at the February and March Council work sessions for both capital investment planning and operational influences, as staff evaluated budget submittals. The outlook provided Town Council an early glimpse into budget development and demonstrated how staff was working to align budget submittals to Council's ten priority areas. The results of early budget outreach were also shared with Town Council, including the three highest-ranked community priorities.

A preview of the FY2026 recommended budget was presented at the April Council work sessions. The previews more definitively outlined available resources and available capacity for existing and new requests. Discussion was focused on Council priorities, community perspective, and resource needs.

Additions to the base budget due to changes in programs, services, and personnel are highlighted to demonstrate their current (one-time) and future (recurring) impact on the budget. Once established, programs and services that add to the base budgets will result in future year commitments, unless there is a corresponding program or service reduction. The FY2026 recommended budget recognizes important expansion of recurring expenses to stabilize core service levels while also expanding new programming and support for our existing staff to accomplish that work. At the same time, it takes into account current economic volatility and uncertainty around Town revenues, the majority of which are not in the Town's control.

To ensure financial stability while addressing community needs, the FY2026 budget incorporates a fund balance appropriation strategy similar to past years. This approach allows for operational flexibility by accounting for potential staffing vacancies, cost savings, and increased revenues. By capping the use of fund balance at no greater than 3% of expenditures, the Town responsibly safeguards its overall fiscal position. This year's

recommended use of the fund balance is 2.2% of the operating budget, reflecting a decrease from FY2025. This prudent fiscal strategy enables the Town to meet its commitments without compromising financial health.

BUDGET SNAPSHOT



1 Penny = \$970K

The penny on tax rate grew approximately 2% (as opposed to 38% in FY2025 as a result of the 35-cent tax rate).



Estimated Fund Balance = 37.6%

Use of Unassigned Fund Balance responsibly leverages existing reserves to improve outcomes & is projected at 2.2% or \$1,393,200.



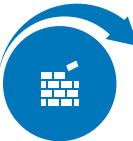
Revenue Growth = 7%

Growth in revenue is largely from Tax Base growth recognizing the rightsizing of tax base components to market conditions putting your tax dollars to work.



Future Investments = \$3.76M

The FY2026 budget is investing the equivalent of one cent (\$970,000) for future Land Acquisition, Parks, and transportation projects. It also includes \$850,000 for the Public Safety Equipment Fund.



Base Budget = \$54.7M

The General Fund base budget for FY2026 will grow by 7% as compared to the adjusted current year base budget of \$51.2M recognizing the costs necessary to maintain the high-quality services our community values. This includes accounting for new investment in FY2025 that is now part of the FY2026 base budget.



Enhancing Services = \$11.5M

Approximately 18% of the total General Fund budget is focused on new programs & enhanced services such as advanced technology innovation, community amenities, economic development and stability, parks & grounds, & public safety.

NEW INVESTMENT

By “***Focusing on our Community’s Perspective***”, the Town is reinforcing its commitment to our community members and other stakeholders by investing in the following key areas:

Community Engagement – the FY2026 recommended budget includes investment in the continuation and expansion of our Language Access Plan, which is allowing us to build language bridges with all of our community members, regardless of their primary language, and broadening our cultural awareness to identify service delivery improvements. Language access is essential for successful community engagement. This budget also funds the continuation of the “Rep’d” video engagement software (www.repd.us/Morrisville) where community members can

post questions and get recorded video responses from staff and Council and staff can proactively share information with our community.

There are additional initiatives described below that expand the Town's efforts to engage with our community members such as the Community Officers, Parks program expansion, and the Senior Center expansion.

Community Benefit: The more effective we are at communicating with and engaging our community members, the better service we can provide. These efforts will increase access to information and services and make our community members feel more comfortable and confident engaging with our staff without a language barrier.

Council Priority Alignment: Community Viewpoint; Inclusivity; Operational Excellence; and Quality of Life.

Strategic Plan Alignment: Engaged, Inclusive Community; Operational Excellence; and Thriving, Livable Neighborhoods.

Economic Development – with our new Economic Development Department now fully staffed, and after several months of work by our new Director, the Economic Development Department is moving forward with a number of proactive efforts.

- This budget includes investment that supports collaboration and outreach as well as recruitment and retention of local, national, and international businesses, and efforts to expand small business support.
- This budget includes funding for a marketing campaign to expand the “Morrisville Means Business” theme across our Economic Development efforts.
- There is investment in this budget to develop a Small Area Plan to evaluate and better understand the challenge of vacant office space across the Town and its impact on our community and our tax base. The first phase of this project will be a “Gap Analysis” to gather data.

Community Benefit: Continuing to expand our economic development efforts will bring additional revenue to our community to further enhance the investments we make annually to support our community's priorities. A more direct impact is that our current and prospective small business owners will have access to enhanced resources to support them staying and growing in Morrisville. As our economic development program expands, it is expected to pay for itself over time.

Council Priority Alignment: Business Collaboration; Economic Resiliency; and Operational Excellence.

Strategic Plan Alignment: Economic Prosperity; and Operational Excellence.

Future Investment – continued investment in the Town's existing reserves for Land Acquisition, Parks, and Transportation with each reserve receiving \$970,000 (the equivalent of one penny on the tax roll) and the Public Safety Equipment Reserve (formerly recognized as the Fire Department Apparatus Reserve) again receiving \$850,000. This represents \$3,760,000 invested in future projects (approximately 6% of the total General Fund budget for FY2026).

Community Benefit: This investment in future reserves provides the Town with the resources necessary to take advantage of opportunities related to land

acquisition, parks, and transportation as they occur. This proactive investment supports the future provision of both services and needed facilities and amenities by having “cash on hand” as opposed to having to pay interest to borrow future dollars.

Council Priority Alignment: Operational Excellence; Quality of Life; Safe Community; Transportation.

Strategic Plan Alignment: Improved Transportation Mobility; Operational Excellence; Quality of Life; and Public Safety Readiness.

Parks and Streets Maintenance – Additional Public Works maintenance equipment to enhance efforts related to maintaining our existing facilities, parks, and greenways and new park assets such as the Church Street Southern Lot and the Town’s first dog park being constructed on Franklin Upchurch Senior Street near Town Hall. These additional resources ensure that our investment in our parks, greenways, and other facilities is protected over time. It also enhances our neighborhoods by having access to quality parks and open space and preserving the quality of life that is so important to our community.

Community Benefit: The most significant benefits here are that our community will have well-maintained parks to play and socialize in and will have streets in better condition to drive on, reducing wear and tear on vehicles. Our community highly values quality of life, and this investment directly supports that priority.

Council Priority Alignment: Community Viewpoint; Operational Excellence; Quality of Life; and Safe Community.

Strategic Plan Alignment: Engaged, Inclusive Community; Operational Excellence; Thriving, Livable Neighborhoods; and Transportation.

Parks Programming – The Parks, Recreation and Cultural Resources Department is receiving additional funding in order to further enhance their services; they are also implementing plans to expand revenue generation to fund a portion of this expansion.

- Athletics – continues to expand programming with additional funding being provided to support part-time staff needed for those programs. This also produces additional revenues for the Town.
- CFCC – staff is bringing a number of programs in-house to better control registration, scheduling, and revenues. They are also planning to expand youth offerings at this facility.
- Events – additional funds are being provided to allow the Department to continue to expand their cultural and special event offerings.
- MAFC – Additional amenities are being provided to support ongoing programming; solar is also planned for the MAFC roof and for areas of the rear parking lot to support Town sustainability efforts.
- Senior Center – staff will be expanding the Senior Center space at the McCrimmon Corners Shopping Center by adding two additional spaces adjacent to the current Senior Center space. This will almost double the space available for our seniors to meet and socialize, take classes, and participate in programming.

Community Benefit: Expanded parks programming provides numerous benefits to our community members. These include offering more recreational opportunities, enhancing social interactions, and promoting physical activity and wellness. Additionally, expansion supports local events and cultural activities, enriching the community's cultural landscape and providing diverse experiences for all age groups.

Council Priority Alignment: Community Viewpoint; Inclusivity; Operational Excellence; and Quality of Life.

Strategic Plan Alignment: Engaged, Inclusive Community; Operational Excellence; and Quality of Life.

Public Safety:

- Two (2) civilian positions are included to allow the Police Department to implement a part-time Community Officers program. This program provides the department with an additional resource to engage with the community and also frees up sworn officer time by handling some minor vehicle crashes and traffic control assignments (including relief assignments as school crossing guards to ensure those positions are staffed). This adds resources to the Police Department without the cost of additional police officers.
- An Assistant Fire Marshal in the Fire Department will replace two existing part-time positions to provide more consistent support for the Fire Marshal's Office. This position will enhance the community risk reduction program by increasing proactive education that improves safety in the community. This position will also increase the efficiency of fire inspections and re-inspections being conducted, which will reduce community risk by ensuring compliance with the Fire Code.
- The Fire Department will be ordering two new Engines; one will take the place of Ladder 21 (a "Quint") at Station 1 and the other will replace one of two reserve engines. This is part of the Department's ongoing apparatus and equipment replacement schedule to ensure that modern and well-equipped apparatus is available to provide service to our community. This marks the beginning of the department's transition from the "Quint" model to the more traditional "Engine-Ladder" deployment model. Previously approved by Council, this model better suits our community needs given our evolving developments, community growth, and our response partnership with Cary and Apex.
- The Fire Department will be implementing their internal Officer Development Program that is focused on succession planning by developing current and future leaders to ensure the department is prepared for future leadership opportunities, particularly related to anticipated retirements in the next five-year period.

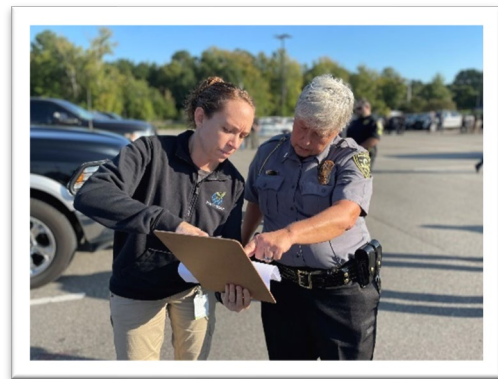


Figure 3 Community Support

- Additional funding is being provided to both the Fire and Police Departments to ensure the continuation of 911 call answering and dispatch services provided by the Town of Cary and their Emergency Communications Center.

Community Benefit: This investment aligns to our community's prioritization of Public Safety Readiness and a Safe Community. The Community Officers in the Police Department will allow our Police Officers to have more time to work with and provide service to our community. The additional resources in the Fire Department will enhance community safety by providing the most modern and reliable equipment, providing additional training to future leaders, and adding a resource to focus more on community risk reduction to improve safety and ensure a high ISO rating that lowers the cost of fire insurance for our community.

Council Priority Alignment: Community Viewpoint; Operational Excellence; Quality of Life; Safe Community.

Strategic Plan Alignment: Engaged, Inclusive Community; Operational Excellence; Public Safety Readiness.

Sustainability:

- Work continues on the ongoing implementation of the Sustainability Master Plan, including installation of solar panels on MAFC and the Connector building on the Town Hall campus. Sustainability has funding to match a \$250,000 grant from Congresswoman Ross' office to support this solar installation.
- Public Works continues its transition of our motor vehicle fleet to hybrid vehicles and will be ordering the Town's first two fully electric vehicles this year.
- Public Works continue to add EV equipment to their inventory in order to emphasize sustainable practices in our community.
- Financial Services and Sustainability staff implemented a sustainable purchasing policy for the Town and our staff are now making decisions in line with our sustainability efforts when purchasing equipment and supplies.
- Staff has been authorized to utilize existing part-time monies to hire an intern to further support the Sustainability Program.

Community Benefit: The Town is continuing its commitment to becoming a more environmentally sustainable community, and our community members have expressed their support and expectation for this work. Focusing on sustainability provides our community with cost savings resulting from solar installation and use of EV equipment, reduced environmental impact from sustainable purchasing, and a healthier environment for our future generations.

Council Priority Alignment: Community Viewpoint; Quality of Life; and Sustainability and Environment.

Strategic Plan Alignment: Operational Excellence; and Thriving, Livable Neighborhoods.

Talent Investment – Our staff continue to be our most valuable asset; all the good work being accomplished in Town would not be possible without their daily **Dedication, Integrity, Courtesy, and Innovation**. We are in a very competitive market and are committed to fairly compensating our staff through compensation and other benefits.

- Merit compensation remains consistent, with an anticipated average increase per employee of 4.5% based on individual performance during the year.
- Market adjustment of 2% for all positions on the Town's pay scale (with employees who fall below the minimum receiving compensation to meet the new minimum).
- Pay and classification adjustments for employees who were evaluated in this year's study (Communications, Inspections, Planning, and Police). These adjustments are made to ensure our staff salaries are competitive within the market.
- Continuation of longevity pay for employees for each five-year increment anniversary (including part-time staff) to recognize employees for their service to the Town.

Community Benefit: Maintaining our current staff at market rates and recognizing their individual and collective successes supports recruitment and retention. This results in a more consistent workforce who better know and understand the Town and the expectations and priorities of our community. This enhances staff's overall institutional knowledge and their ability to provide the high level of service our community expects and deserves.

Council Priority Alignment: Operational Excellence; and Recognizing Successes.

Strategic Plan Alignment: Operational Excellence.

Technology Applications - Our Information Technology Department continues to work with other departments in the Town and our Smart Cities Steering Committee to identify applications that can support Town and department goals and objectives. This budget includes investment in the following:

- Additional security enhancements to safeguard the Town's network and related operations and additional security cameras to safeguard our assets.
- Expansion of the implementation of Smart City sensors to track activity and use of parks and other amenities and facilities.
- Continued expansion of Town-provided Wi-Fi to additional parks.
- Further development of a Town-based generative Artificial Intelligence that will support easier community access to our records and information, increasing our transparency with our community. Additionally, I.T. will be expanding the Town's use of AI for staff to enhance their access to information and to increase time efficiency.

Community Benefit: Enhancements to our use of technology provide additional safety and security to our community members and other facility and amenity users. This also provides a greater level of service for our community by sharing amenity availability remotely and by providing Wi-Fi to our park users. Finally, this enhances our transparency to our community through much more efficient access to public information.

Council Priority Alignment: Community Viewpoint; Inclusivity; and Operational Excellence.

Strategic Plan Alignment: Engaged, Inclusive Community; and Operational Excellence.

Transportation:

- Funding for an additional Sunday shuttle to further enhance service beyond the second Saturday shuttle that was added in FY2025.
- Work continues on the alternative transit study to ensure the Town is providing the best possible transit service for our residents.
- Work also continues on several intersection improvement and sidewalk projects.

Community Benefit: Traffic congestion continues to be a concern voiced by our community. Expanding Smart Shuttle availability helps to reduce congestion while also providing additional service to our community members who don't have regular access to their own transportation. Creating more efficient transportation and walkability supports our community's ability to safely and efficiently move around the Town.

Council Priority Alignment: Infrastructure; Pedestrian Safety; Transit Mobility.

Strategic Plan Alignment: Improved Transportation Mobility.

BUDGET OVERVIEW

The recommended tax rate for FY2026 is maintained at \$0.35 per \$100 of property valuation. Of this amount, the equivalent value of the three cents originally dedicated remains intact for the bond projects approved by voters in November 2021 for public safety, parks and recreation, streets, sidewalks, and connectivity projects.

The total recommended operating budget for FY2026 is \$64,001,137 for the following annually adopted funds:

General Fund	\$ 62,639,300
Stormwater Fund	\$ 1,361,837

The recommended FY 2026 General Fund Budget appropriations (less transfers in and fund balance appropriations) are \$58,572,100. For FY2026, the available capacity between base revenues and base budget expenditures for the combined operating funds is approximately \$7.1 million. Growth in expenditures this year can be observed primarily in base budget inflationary increases, some expansion of programs, personnel costs for current and additional positions, resources necessary to provide services, and the investments needed to support current and future capital projects and public safety investment. More details are outlined in the FY2026 Budget Highlights section of this budget message.

PERSONNEL

Our staff remains at the core of all that we do for our community. We are very fortunate to have such dedicated, hard-working, and knowledgeable staff that consistently demonstrate the Town's core values of ***Dedication, Integrity, Courtesy, and Innovation.***

Employee Compensation/Merit Pay

Town Council has once again affirmed its commitment to our employees as our most valued asset, which aligns with my commitment to supporting our staff given we could not do this work without them.

Given the competitive marketplace that we work in as a municipality, it is critical that we remain committed to supporting our staff. At the same time, we must ensure that our compensation approach is sustainable over time.

Commitment to competitive pay and related benefits, such as flexibility and trust in the workplace, professional development, and recognition of service help Morrisville attract and retain employees. Total funds requested to support the annual merit and market pay adjustments, adjustments to the minimum pay grades, longevity pay, and related job classification adjustments are estimated to be approximately \$1,928,700 in total compensation (both pay and benefits) (\$2,500 less than the increase in FY2025).

The FY2026 recommended budget maintains the same merit pay schedule as used in the past three fiscal years for employees classified as full-time, part-time, and regular 30-hour. Job Classification pay grade adjustments are recommended for a number of staff positions that were studied this year to ensure we are staying at market rate for those positions. The recommended budget also incorporates the additional state-required Local Government Employees Retirement System (LGERS) employer funding contribution increase.

Recommended merit awards for FY2026 performance evaluation ratings are based on the following rating system that was adopted several years ago:



Staff who are rated as “Needs Improvement” or “Does Not Meet Expectations” are not eligible for a merit increase. Merit pay will be approximately \$1,191,950 for FY2026.

In addition to merit pay, a 2% market condition pay adjustment (aka “Cost of Living Adjustment” or “COLA”) is recommended for all full-time, part-time, and regular 30-hour employees to account for inflationary changes in the economy and to maintain market competitiveness within the regional employee market. Market adjustment pay accounts for approximately \$529,750 of the increase in personnel costs.

Communications, Inspections, Planning, and Police position classifications were reviewed in this year’s job classification study. The Fire Department was also evaluated against market starting pay for firefighters (done along with Police on an annual basis). Market and pay grade classification adjustments for most of these positions are necessary to reflect current economic conditions and recruitment competitiveness. Given our recent efforts, there is not any additional adjustment recommended for Fire positions beyond that recommended for all other staff. For reference, job classification analysis for Town departments has traditionally been conducted once every three years. Staff is

currently assessing whether a two-year cycle would better balance potential market increases over time.

These recommended changes and associated salary adjustments have been incorporated into the recommended budget and the updated Pay Grade Classification Schedule. Estimated costs of position classification adjustments are approximately \$130,000 (pay and related benefit costs).

In addition to the pay grade classification changes described above, a 2% adjustment to all pay plan ranges is recommended to reflect rate adjustments to starting salary levels. Salaries for employees that fall below the new minimum pay for any pay grade will be automatically adjusted to the minimum prior to adjustments for pay grade classification changes and merit pay awards.

Other Employee Benefits

The LGERS employer contribution rate for FY2026 is 14.35% for non-Law Enforcement Officer (LEO) employees and 15.94% for LEO employees. This is an increase of approximately 1% for both categories of employees.

Health Care Costs

The Town of Morrisville was one of the founding members of the North Carolina Health Insurance Pool (NChip) almost ten years ago. NChip allows for the sharing (pooling) of medical claim costs and minimizes the fluctuations in plan renewal given our relatively small number of covered lives and large claims that sometimes occur. Our participation has allowed the Town to stabilize health care costs and manage budget impact. The pool has grown from seven original members to 29 members, with an additional six members expected to join July 1. The pool has grown from 3,000 to over 20,000 covered lives.

For FY2026, health care costs are projected to increase 2.5%, the lowest increase that we have experienced since joining NChip (and further justifying our participation). Additionally, the stability of the Town's claims within NChip and our previous contributions have allowed us to solidify our NChip reserve, so no additional funding is necessary this year (whereas we have contributed an additional 2% the past several years to build the reserve). The 2.5% increase of \$53,900 (less than half of last year's contribution) will be fully funded through the Town's internal Health Care Reserve Fund that was established in FY2022.

The Town's basic dental care plan is being transferred from the North Carolina League of Municipalities (NCLM) (who utilized Delta Dental) to Mutual of Omaha as our provider as the result of NCLM no longer offering this coverage. This change will provide the same services, will increase the number of providers, and will save the Town approximately \$23,000. The Town's vision care will again be provided through EyeMed. Employees will maintain the same coverage level and there will still be an opportunity for a higher level of coverage (similar to our Health Care Plan) at a cost to employees.

Positions

The recommended budget includes a focus on our existing staff and ensuring they are fairly compensated and supported as Town employees. We remain in an extremely competitive market that requires attention to ensure effective recruitment and retention of staff, and a continued focus on benefits beyond compensation.

The recommended budget adds four new full-time positions, converts one ¾ time position to full-time, and adds two part-time positions for FY2026 to support the following priorities:

Communications Department:

- A full-time Communications Specialist to focus primarily on the continuous implementation of language access initiatives, ongoing internal training for our staff to enhance our ability to effectively communicate with our residents and businesses and providing enhancements to our external communications for our diverse community. This position also ensures that we remain in compliance with Presidential Executive Order 13166, which mandates that federal agencies and those receiving federal funding provide meaningful access to services for people with Limited English Proficiency (LEP).

The Town was fortunate to be selected to host a Lead for North Carolina Fellow in support of the implementation of our Language Access Plan (LAP) in FY2025. The Fellow was an alternative funding strategy that allowed us to reduce the gap in funding; this position is a need that was identified by the plan and the policy adopted by Council in RES 2024-52-0. This position has been invaluable in terms of providing enhanced training for our staff and our ability to reach those in the community who may not otherwise attempt to communicate with us. This position particularly supports the Council budget priorities of Inclusivity and Quality of Life in our community.

Financial Services:

- A full-time Accounting Generalist to provide support to the recently combined Financial Services Department. As discussed during the approval of the consolidation of the Budget and Finance Departments, there has been a long-standing need for an additional position to support the work of the Finance Department; that need continues to exist in the combined Department. This position will ensure that the department provides timely service, both internally and externally, related to accounting, budget, payroll, and purchasing and contracts. The cost of this position is offset by savings from the creation of the new Department; \$10,000 is all that is needed to fund this position. This position validates our commitment to operational excellence.

Fire Department Prevention and Risk Reduction:

- A full-time Assistant Fire Marshall to replace the use of two part-time staff to gain efficiency in the fire inspection process and to add resources toward Community Risk Reduction. The cost of this position is offset by \$54,000 from existing part-time funding and anticipated revenue increase of approximately \$25,000 from inspections fees. This position supports a safe community and public safety readiness.



Figure 4 Fire Safety Day

Human Resources:

- A Human Resources Analyst to support Recruitment and Retention, a critical focus area for the Town. This analyst will allow us to centralize recruitment and retention efforts in the Human Resources (HR) Department to provide consistent, coordinated, and timely support for all departments.
- Additionally, the Town was fortunate to again be selected to host a Lead for North Carolina Fellow, this year the Fellow will be providing support to the HR Department to formally kick off the development of the Town's Leadership Academy. The HR Fellow will join the Town in August following critical local government training and be with us through June of 2026.

Police Department Community Officers:

By thinking “outside the box”, the Department has asked for two part-time positions to serve as Civilian Community Officers working primarily with the Traffic Safety Unit to handle minor vehicle crashes, traffic control, and to serve as relief for crossing guards at our elementary schools. They will also be available to support community outreach at Town events and other community events. The utilization of Community Officers considerably reduces the cost for additional resources for the Police Department as opposed to adding additional sworn staff and also frees up sworn staff to focus on work requiring a sworn officer and to engage more in the community.



Figure 5 Community Engagement

This budget also accounts for the reclassification of an existing position to enhance operations and to better support growing technological needs and expectations:

- The ¾ time I.T. Support Tech is reclassified to a full-time I.T. Support Tech to provide additional hours to support our expanding workforce and our continued use of new technologies across the Town and in our community.

The addition of these new and reclassified positions will support continuing operations and programming and will ensure we continue to provide quality service to our community.

OTHER PRIORITIES

Beyond the increase in recurring routine expenditures, the FY2026 budget proposes an additional \$7,901,700 (as opposed to \$7,920,600 in FY2025) in onetime investment from combined funds to support targeted capital projects, programs and initiatives. This further supports achieving the goals in the strategic plan as well as Council and community priorities. These initiatives allow maintenance of Town infrastructure, and addresses priorities such as Economic Development marketing, Information Technology advancements, Public Safety equipment, and additional equipment and tools to support Public Works Department. This ultimately results in a higher and more efficient level of service to our community.

Capital Reserve allocations of \$3,760,000 support future investment in key areas including:

- A one cent equivalent for each of the Town's three reserve funds: land acquisition, parks and recreation improvements, and roadway and transportation improvements (\$970,000 each) totaling \$2,910,000; and
- \$850,000 committed to the Public Safety Equipment Reserve for future apparatus replacements and other equipment needed for the effectiveness of our Public Safety Departments.

There will be new debt service anticipated in FY2026. The Town will seek debt financing (currently estimated at \$20,500,000) to support the purchase and renovation of the new Public Works Facility at 125 International Drive. The debt payment that will be associated with this investment is accounted for in the one-cent debt reserve added to the FY2025 budget.

Recurring/routine and non-routine items are more fully described in the *Budget Priorities Summary*. Many of these items relate to essential needs: personnel cost adjustments, recurring cost and program increases to maintain current levels of service, and to replace, repair and maintain existing assets and equipment necessary for programs and services. There are also items included to expand and enhance services, particularly in Communications, Economic Development, Human Resources, and Public Safety.

STRATEGIC APPROACHES

With there being some concern regarding economic stability in FY2026, particularly regarding sales tax revenues, the approach to this budget is different from past years. This year, the recommended budget includes approximately \$800,000 of investment that will be appropriated but not authorized to be invested until after April 1, 2026. The Town normally receives sales tax revenue data with a three-month delay (i.e. staff receives 1st quarter data in January rather than in October when the quarter has closed). By delaying investment until April, staff will be able to review the first six months of sales tax revenue to understand what, if any, impact the state of the economy has had on spending in Wake County (Morrisville receives a share of all Wake County sales tax revenue based on population).

The budget items selected to be delayed until April 2026 generally include one-time purchases of equipment in the Police and Public Works Departments, facility updates, and \$100,000 from each of the Town's three reserve accounts funded with the equivalent of 1 cent each (\$970,000).

In addition, there are approximately \$3,000,000 in requests for new items and personnel to better support our community that are not funded in this year's recommended budget. Because this recommended budget has taken a very conservative approach to revenues, there may be more revenues received in FY2026 than are currently anticipated if the economy stabilizes. In the event that occurs, staff has identified approximately \$600,000 in additional investment that Council could consider after April 1, 2026.

This list includes additional equipment to support maintenance of our parks and greenways, software to create greater efficiency in Financial Services, a Public Art Master Plan, a Streets and Landscaping Master Plan, and a data position to provide support to work across multiple departments.

FY2025 RECAP

FY2025 has been another year of great accomplishment in advancing and completing major projects and laying groundwork for many others. I'm appreciative of the leadership demonstrated by all of our department heads and particularly our Capital Projects Management team. Examples of significant projects advanced or completed in FY 2025 include:

- *Church Street Park Southern Lot* – The amenities for the Southern Lot were completed in late 2024 and a grand opening was held in January 2025. The Southern Lot provides our community access to basketball courts, cricket practice pitches, multi-sport courts, sand volleyball, and a shelter building.

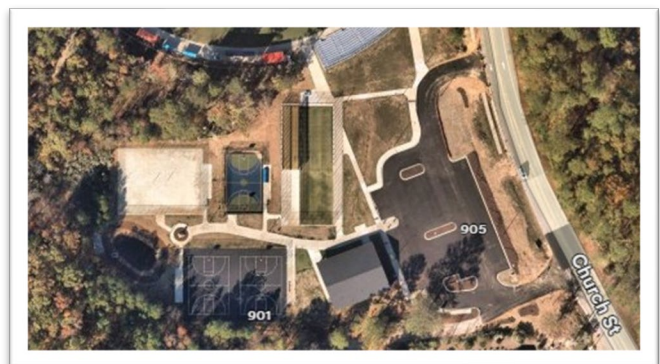


Figure 6 Church Street Park Southern Lot Complete

In April 2025, the sport lighting was installed completing this project and fully activating the Southern Lot.

- Morrisville Carpenter Road – Although the majority of the road improvements were completed in 2023, this project remained active pending the installation of the fully-functional traffic signal at the intersection of Old Savannah Drive and the “Hawk” device for pedestrian safety at the intersection of Ranglin Street.

Although the construction project is being closed out, there is still a plan for median landscaping improvements on Morrisville Carpenter Road. However, that project is currently on hold given the bid received far exceeded available funding.

- Morrisville Dog Park - The Town’s first dog park is currently under construction on Franklin Upchurch Senior Street directly across from Town Hall. The project is anticipated to be completed and open to the public in the summer of 2025.

This is anticipated to be the first Town project to receive a sponsorship to support construction and ongoing operational costs.



Figure 7 Dog Park Design

- Personnel – The FY2025 budget added 11 positions to the Town. The impact of these positions in our community is as follows:
 - Economic Development / Fiscal Prosperity – the creation of the Economic Development Department added two positions: an Economic Development Director and a Small Business Specialist.

Economic Development Director

The Town’s strategic investment in establishing the Economic Development Department is already delivering measurable results.

- ✓ Significantly increased Morrisville’s visibility & economic competitiveness through proactive engagement with key partners and other stakeholders in the region.
- ✓ In 2025 alone, the department reviewed 48 Requests for Information (RFIs), responded to 16—with potential outcomes of 7,197 new jobs and \$30 billion in capital investment—and hosted five prospect visits.
- ✓ The Director also played a key role in aligning the Unified Development Ordinance with the Town’s economic development priorities, creating a more supportive regulatory environment for strategic growth.
- ✓ Additionally, the Town secured a \$15,000 grant from the National League of Cities’ Southern Cities Economic Inclusion Initiative to support the development of an inclusive small business program.

These efforts have laid a strong foundation for long-term economic success.

Small Business Specialist

Since joining the Town in late March 2025, the Small Business Specialist has made meaningful progress in building connections and expanding resources for Morrisville's small business community.

- ✓ Within the first 30 days, the Specialist participated in multiple business visits, engaged with over 20 external stakeholders, established 10 new business relationships, and attended Town-Chamber initiatives and targeted business workshops.
- ✓ Early accomplishments include co-coordinating a sustainable business workshop, developing a Small Business Newsletter to share key information and opportunities, and contributing to the creation of a "Buy Local" policy.
- ✓ This focused outreach is strengthening local networks and helping to cultivate a thriving and resilient small business ecosystem.

Capital Projects Budget Analyst

The FY2025 budget included a second budget analyst in the Financial Services Department to focus on capital projects.

- ✓ The Financial Services Budget Analyst for Capital Projects has proven to be a valuable addition to internal support team, enhancing communication and accountability in fund allocation and usage.
 - ✓ By streamlining processes and strengthening internal services, the position has assisted the organization to work more efficiently and effectively in planning for, tracking, seeking, and attaining alternative funding sources, and completing strategic projects that address community needs.
 - ✓ The analyst position has led to stronger collaboration between departments in support of achieving desired outcomes for the benefit of the community, serving as a foundation for efficient and responsive financial management.
- Fire Department – The addition of a Battalion Chief for Planning and three additional firefighters to staff our apparatus.

Battalion Chief of Planning

- ✓ The Planning Chief is evaluating all Fire Department processes and record management systems for data collection and accuracy. They are developing strategies for providing both new and existing data point requests from the community and the council.
- ✓ The Planning Chief will contribute to the ongoing evolution of the department's strategic plan. The Planning Chief will also be establishing collaborative teams with our CAM partners. The value added to the Department will be the production of outcome-based measures that can significantly enhance the delivery of services to the community.
- ✓ This added capacity allows other Fire Department staff to more fully focus on their primary work. This will directly improve service delivery to the community.

Three Firefighters

- ✓ Adding three additional firefighters has increased the Department's capacity for service delivery. Each shift is staffed with 19 personnel, bringing us closer to NFPA 1710 standards of 4 personnel per apparatus.
 - ✓ The additional personnel allow units to respond more efficiently to emergencies and meet critical tasking needs.
 - ✓ In addition, staff can better meet the community's needs for special events, fire safety education, and service requests.
 - ✓ These positions will also enable the Department to prepare for the future growth of an additional unit at Station 2.
- Police Department / IMPACT Unit – The addition of one sworn and one civilian position to allow for the creation of an Impact Unit.
 - ✓ In its early stages, the IMPACT Unit focused heavily on specialized training. Efforts were also made to establish strong partnerships with similar units in other jurisdictions and to build working relationships with state and federal agencies, including the State Bureau of Investigation (SBI) and Alcohol Law Enforcement (ALE).
 - ✓ Using internal crime data and intelligence shared by partner agencies, IMPACT is able to address targeted criminal activity and dedicate time and resources to investigations that would otherwise be limited by the demands of Patrol and CID personnel. Their availability enhances the timeliness of response and provides a greater ability to follow-up with the community to address areas of concern.
 - ✓ IMPACT has been active in addressing crimes related to illegal narcotics and stolen firearms. The unit has seized over 470 grams of marijuana, 29 grams of cocaine, and multiple firearms, with some confirmed as stolen. Additionally, the team supported an organized prostitution investigation at a local hotel and responded to a citizen complaint in a residential neighborhood, leading to the seizure of 119 grams of marijuana, 27 grams of cocaine, \$5,000 worth of cigarettes, a firearm and over \$9,000 in U.S. currency.
 - ✓ The efforts of the IMPACT Unit are allowing the Police Department to better address community concerns while supporting a focus on public safety and quality of life in Morrisville.
 - Public Works / Grounds Maintenance – The addition of two positions to better support our upkeep and maintenance of park facilities and amenities.
 - ✓ The addition of the Tech III position has allowed the Department to create succession planning in the Grounds Maintenance Division. This position has a higher level of responsibility and ability and can lead the Grounds Maintenance Division in the absence of the Supervisor as well as prepare them to take on the role as supervisor in the future.
 - ✓ The addition of these two positions allows the Department to continue the same high level of service we have routinely provided for new amenities that

have come online and are in the process of coming online. Grounds maintenance has expanded with the addition of the Southern Lot at CSP, enhancements at Shiloh Park, and the soon-to-be-completed Dog Park. The additional staffing supports maintaining all of the Town's facilities in a manner that ensures safe use of a quality facility by our community.

- ✓ The addition of these two positions has allowed the following enhancements to be completed during FY2025:
 - Enhancements/renovations to the Sarah Woody Park located off of Chapel Hill Road
 - Enhancements around the restroom facility at MCP (grading, new native landscaping, rock walking trail, etc.)
 - Weekly property maintenance standards have improved, and employees are now able to maintain new facilities without seeing maintenance levels decrease at other facilities.
 - The extra time provided with the addition of these positions has allowed for previous quarterly park/greenway inspections to be changed to monthly inspections, providing more direct oversight of town grounds.
- Public Works Facility – The Town has been working for a number of years to design and construct a modern and efficient Public Works Facility to replace the current facility. Most recently, the Town has been collaborating with Wake County to construct the new Public Works Facility and an expanded Wake County Convenience Center on Town and County property on Aviation Parkway (on and adjacent to the current facility).

As design plans moved closer to completion during FY2025, it became apparent to staff that the cost escalation (primarily due to site requirements) was making the project unaffordable on the current site. Staff from our Engineering Department then identified an alternative site on International Drive, less than ½ mile from the current location, to ensure we could still provide the needed facility for Public Works. With Council support, staff moved quickly to make an offer on the building which has been accepted.

Staff is currently undergoing due diligence on the building and property and anticipates closing in July 2025. Full design will begin soon after with renovation construction anticipated to begin in CY2026. This change will potentially save the Town more than \$7,000,000 from the project on Aviation Parkway.

- Sawmill Creek Stream Restoration / Greenway - The Stormwater Division of the Engineering Department has been working diligently on this project during FY2025. This project is located in the Sawmill Creek that runs parallel to Church Street, between Church Street and the railroad tracks. Through their proactive efforts, staff have (in collaboration with the Town's grants team) been successful in receiving more than \$550,000 in grant funding to support this project and is waiting on the potential award of another \$500,000 grant to support the project.

The design work for this project has been completed and it is currently in plan review with the necessary approval agencies. Once plan review is completed and funding for the project is confirmed, it will move to construction.

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Figure 8 Overview of Town Center Phase 1a

Figure 9 Designated Area for Town Center District

- *Affordable Housing* – There have been challenges with the ability to implement Council’s vision for Affordable Housing in Morrisville. Staff has continued to move forward with Council’s direction to implement rental assistance to make housing more affordable, particularly for Town employees. Staff has not yet been able to identify a financial model where working with Habitat for Humanity to evaluate land donation on Church Street for affordable housing units can be realized. Collaborative efforts are continuing with Habitat for Humanity, Wake County, and other potential partners.



- *Cultural & Special Events* – The Parks, Recreation and Cultural Resources Department (PRCR) has worked through their first full year as the primary coordinator for all Town events. Parks staff have been successful in reimagining many of our long-standing events to offer new and different experiences in response to feedback received from our community. They have also continued to add new opportunities for our community to learn more about our cultural diversity.

Figure 10 International Festival Performer

- *Economic Development* – With only six months of existence, our new Economic Development Department is already operating at a high level. Our Director has brought fresh energy, has been proactive in strengthening the Town's relationship with the Chamber of Commerce, has established working relationships with many of our existing businesses, and is working closely with local, national, and international partners. Staff anticipates that these proactive efforts will begin to create new investment in our community during FY2026.



Town staff successfully implemented the third (and final) phase of the Small Business Program during FY2025. Our new Small Business Specialist (added in FY2025) will now be continuing our efforts to support and grow our small business community and will also be working closely with the Chamber of Commerce.

- *Information Technology* – The I.T. Department continued a number of technology and security upgrades for the Town's network and various facilities. Upgrades to our network and security infrastructure improved our cybersecurity posture; final cloud migration was completed to reduce our on-premises footprint and to better secure our data. I.T. supported public safety communications upgrades to provide a faster and more reliable connection while also completing circuit upgrades at all non-campus facilities to increase Internet speeds available to staff and visitors.

In continuing their commitment to being community partners, I.T. served as a mentor department to the Wake Tech SENTINEL program and announced a new partnership with a local non-profit to bring a smart city-focused youth leadership academy to Morrisville. As a result of all of their ongoing good work, I.T. was awarded the CIO100 award and was selected to present the annual symposium.

- *Morrisville Community Park Playground Replacement* – Our Engineering, Parks, and Public Works Departments all collaborated to successfully replace the aging playground at Morrisville Community Park. The new playground includes a

number of new amenities and is in high demand by the youth (and parents) in our community.

- *Morrisville Parkway Access Management Study* – Through a partnership with the Capital Area Metropolitan Planning Organization (CAMPO), this study of intersection improvements and other traffic concerns on Morrisville Parkway from NC54 to Davis Drive has been completed. Town staff is now leading design work for planned improvements with the intent of applying for Locally Administered Projects Program (LAPP) funding in fall 2025.
- *Smart Shuttle* – The shuttle celebrated its third anniversary in October 2024 and ridership continues to grow. The Town has added an additional node on Church Street between Church Street Park and Shiloh Park. The Town has also added a second shuttle on Saturday to address user demand and is planning to add a second shuttle on Sunday later in 2025. Staff has also partnered with CAMPO to fund an Alternative Transit Study to evaluate the future of Town-provided transportation; that study is anticipated to be completed by the end of CY2025.
- *Sponsorship and Naming Rights Policies* – Council adopted a Sponsorship policy and a Naming Rights policy that will encourage sponsorship and naming of Town amenities and facilities as a revenue-generating option not previously pursued. Staff anticipates executing an agreement with a consultant to kick-off the Town's sponsorship program aimed at assessing our amenities in phase 1 of the agreement. If successful, phase 2 would involve partnering with area businesses and individuals for sponsorships to support our efforts to provide outstanding parks and other amenities.
- *Sustainability Efforts* – As a result of the ongoing Town efforts with embracing sustainability, a sustainability culture has been infused in our operations to normalize sustainable actions instead of it being an afterthought.
 - Sustainability staff lead a town-wide sustainability team that continues to identify and pursue opportunities to make the Town more sustainable in our operations.
 - Staff continues to implement the Sustainability Master Plan, with solar installation occurring on Town Hall. Plans for solar on MAFC and the Connector building on the Town Hall campus have been delayed to FY2026 due to grant funding delays.
 - The Town adopted a Sustainable Purchasing Policy, purchased additional EV equipment in Public Works, reduced printing by Town staff, transitioned to use of compostable plates, limited use of water bottles by staff, introduced a water bottle filler at larger Town events, and added composting bins at several parks.
 - The Town hosted events celebrating Earth Day and Green Day to educate our community and hold recycling events, and the Town maintains its status as a "Bee City" based on our apiary at Fire Station 3 on Harris Mill Road.



Figure 11 Morrisville Smart Shuttle

The Town has also been an effective partner in navigating several key projects that will impact future commitments and opportunities for the Town:

- The Town is continuing to work through our partnership with Wake Technical Community College and Wake County Public School System (WCPSS) to bring the first middle school and high school to Morrisville. This project had a significant change during FY2025, with the high school being moved to the Little Drive location and the middle school now being planned for the Wake Tech RTP Campus. This project will also include additional athletic amenities at Cedar Fork Community Center.
- Staff continue to make efforts to collaborate with the North Carolina Department of Transportation (NCDOT) has continued throughout the year on existing projects, such as the installation of additional traffic control devices on Morrisville Carpenter Road and on betterments for future projects including the Airport Blvd extension, Chapel Hill Road widening, and the McCrimmon Parkway flyover.
- Staff and Council have made concerted efforts to avoid the Aviation Parkway widening project being further delayed by NCDOT. Staff and Council have partnered with the Capital Area Metropolitan Planning Organization (CAMPO), the Town of Cary, and the Regional Transportation Alliance (RTA) to bring attention to this delay. Staff have met on multiple occasions with NCDOT staff, including the NCDOT Secretary, to seek alternatives to a delay on this project given its importance to the Town for traffic congestion and for pedestrian safety.
- The Town's Grants Team, in collaboration with our departments, have continued to expand our applications to maximize Town dollars and overall investment in our community. Staff has seen considerable value from our partnership with the Central Pines Regional Council of Governments that supports our grant applications. The following is a summary of our grant activity for FY2025:

Grant	Community Outcome	Amount	Town Match	Department
AWARDED		709,799	531,999	
NC Forest Service-Dept of Agriculture	Forestry	31,999	31,999	Public Works
NC Dept. of Environmental Quality	Stormwater	500,000	500,000	Stormwater
Forge Nano	Smart Shuttle	100,000	-	Planning
NC Amateur Sports	Parks	6,000	-	Parks
Our Rescue	Forensics	6,800		Police
NLC-South. Citites Economic Initiative	Economic Growth	15,000		Econ. Devel.
NC Agric. -Comm. Conserv. Assist.	Sawmill Crk Stream Rest.	50,000		Stormwater
SUBMITTED		1,899,361	594,500	
Great Trails State Program	Parks/Greenways	500,000	500,000	Stormwater
NC Dept. of Public Safety	Cybersecurity	250,000	75,000	IT
Community Project Funding-Foushee	Town Center	1,000,000	-	Engineering
Governor's Crime Commission	Accreditation	64,000	-	Police
Governor's Highway Safety Program	TSU Overtime	26,000	-	Police
NCSU-Clean Energy (CFAT)	EV Stations/vehicles	59,361	19,500.00	Public Works
IN APPLICATION PROCESS		500,000	500,000	
PARTF	Town Green	500,000	500,000	Engineering
UNDER CONSIDERATION		100,000	25,000	
Recreational Trails Program Grant	Town Green	100,000	25,000	Engineering
Totals		3,209,160	1,651,499	

- Relationships with valued community partners such as Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha (BAPS), the Girl Scouts, the Hindu Society of North Carolina (HSNC), the Morrisville Community Garden, the Morrisville Education Garden, the Morrisville Chamber of Commerce, the Morrisville Community Library, the Morrisville Rotary Club, Shiloh Baptist Church, Wake County, and the Western Wake Farmers Market continue to provide greater opportunities for our community members.

These accomplishments are representative of the vision of Town Council, our community's perspective, our collaborative efforts with stakeholders, and the commitment and dedication of Town staff to ensure that Morrisville continues to be a community that celebrates its continued growth while maintaining its small-town appeal.

FY2026 BUDGET HIGHLIGHTS

The FY2026 annual operating budget maintains our FY2025 commitments and priorities and provides additional support to community-based programs and services while maintaining a conservative approach, given concerns with economic instability. Commitments to fund future reserves and to maintain appropriate compensation and benefits also highlight the priorities in this budget.

GENERAL FUND OVERVIEW - REVENUES

Ad Valorem Taxes (Property Tax/Motor Vehicle Tax)

The General Fund Ad Valorem revenue for FY2026 is estimated at \$36,087,370, a modest 2% increase from FY2025; this represents 57% of the total budget (consistent with FY2025). This estimate is based on a 99.9% collection rate as reported in the FY2024 Annual Comprehensive Financial Report. The tax rate is proposed to remain at \$0.35 per \$100 valuation (no change from FY2025).

Real revenue growth (from sources other than transfers and carryover items) is estimated at approximately 7% as compared to 10% last year. This is primarily a result of the regression of property tax growth after revaluation, along with anticipated sales tax stagnation in the coming year. Although the Town continues to support some new budget requests through steady growth in real property revenues, slower growth in other revenue sources may lead to funding challenges in the coming years.

Commercial property development in the McCrimmon Parkway Extension corridor continues to be an opportunity for the Town, as expansion into the Business Activity Center (BAC) zoning with the Gateway Overlay (GO) District is anticipated to continue in FY2026. Recent efforts to work with Council and our stakeholders to provide some zoning adaptability in this area will allow not only life sciences and bio-manufacturing as originally intended but will also allow light manufacturing. This is a growing niche that has drawn strong interest from potential tenants in the BAC zoning in Town. However, the office sector continues to experience challenges in return to work, and now with additional expiring leases, the long-term impacts of the pandemic remain unknown. Staff have proposed a small area plan for our Office and Institutional (O&I) zoning districts that will help us to better understand the challenges and identify potential opportunities.

The Town of Morrisville's recommended property tax rate is anticipated to remain one of the lowest municipal tax rates in Wake County. Additionally, Morrisville is anticipated to continue to have one of the lowest costs for service in Wake County. Morrisville remains one of two municipalities in Wake County that provides solid waste services funded through the tax rate.

Each cent of the tax rate is projected to generate approximately \$970,000 of revenue for the Town in FY2026 (as compared to \$950,000 in FY2025). Growth in the value of the tax increment will continue to be influenced in the future by changes in development activity and future revaluations. This is particularly true given the announcement by the Wake County Commissioner of Revenue that Wake County will move to a two-year revaluation cycle moving forward. There will be a three-year revaluation conducted in January 2027 (impacting FY2028) and then a two-year revaluation beginning in FY2030. It is not fully known what the impact of this change will be on the Town's ad valorem (property tax) revenues in the future.

In FY2026, staff estimates that 54% of the taxes paid in Morrisville will come from commercial properties and businesses (down from 56% in FY2025). While this has traditionally been a positive for the Town, concerns with vacant office space are balancing optimism with some level of concern. Staff expects this percentage to grow again as

development activity continues in the McCrimmon Parkway Extension Corridor. The importance of strong relationships and dialogue with the business community will continue to be a vital part of future revenue forecasting.

The motor vehicle tax fee of \$30 per vehicle approved in FY2019 is the maximum levy authorized by the state and remains at that level for FY2026; \$20 of that fee will be used toward public street maintenance and improvement as required by state statute. Of the remaining \$10, \$5 may be used for any lawful purpose (the Town uses this for street maintenance) and \$5 will be used to support public transportation system costs.

Sales and Use Tax

Although sales tax revenues have been robust of late, this year's projection, given concerns with the economy, are conservatively forecast at \$10,755,450, a .5% decrease as compared to FY2025's anticipated income. Sales tax revenues are 19% of the General Fund base revenues and the second largest revenue source for the Town. Staff intends to delay approximately \$800,000 of recommended investments in FY2026 as a safeguard against unanticipated decreases in sales tax revenue (see p.19).

Other Major Revenues

Other major revenue sources for the Town include the following:

- **Development Services Permits and Fees** including Building Inspections, Engineering, Fire, and Planning Fees are forecast at \$1,848,000 in FY25; projection methods were adjusted based on trends resulting from a recent slowdown in permitting activity in commercial development.

Overall, the combined resources are anticipated to be reduced by 5.7% to approximately \$1,750,100 in FY2026. Residential permitting has slowed and, as a result, budget projection strategies here are intentionally more conservative than with other revenues to safeguard against the unpredictability of construction activity. The remaining \$46,000 in permits and fees revenue are related to fees within the Police Department, bringing the total FY26 budget for permits and fees revenue to \$1,796,100

- **Parks and Recreation Programs and Facility Revenues** are forecasted to increase in FY2026 to \$1,726,000. This assumes some growth in rentals, increased participation in current and new programming, and fee structure updates. Additionally, some decreases are anticipated due to adjustments in anticipated revenues related to the Department's cost analysis pyramid of programming and anticipated cost recovery. Staff is currently evaluating programming fees using the recently adopted cost analysis methodology. Upon the conclusion of the evaluation, necessary updates will be made to the fee schedule, and the community will be provided updates with the Parks Fall Program Guide in July 2025.
- **Utility Sales Tax** is projected to generate \$2,150,000, which reflects an 18% decrease from estimated FY2025 revenues and is 3.7% of total General Fund base revenues. Utility Sales, which have grown consistently in the past five years, are being conservatively estimated for FY2026 given the unknown impact related to

potential economic instability. Typically, underlying factors such as weather, energy prices, population expansion and technology changes primarily contribute to shifts in utility consumption.

- Wake County Fire Tax projected revenues of \$1,248,000 represent the Town of Morrisville's cost share allocation from Wake County for the provision of fire protection and mutual aid provided in unincorporated areas of the County. This also includes proceeds from an equipment reimbursement agreement with the County. This allocation increased with the opening of Fire Station Three and is increasing by almost 25% for FY2026. Staff proactively engages in discussions with Wake County staff to negotiate the basis of the annual cost share.

User Fees

The Town assesses a variety of User Fees for Town services including administrative fees, fire department services, inspection permits, police alarm fees, and permit fees. Recommended changes in these fees for service have been recommended for FY2026 and are illustrated in the User Fee Schedule included in the budget document.

GENERAL FUND OVERVIEW - EXPENDITURES

Debt

Debt service costs are managed through the Debt Reserve Fund. The Debt Reserve Fund continues to plan for future debt issuances, including in FY2026, based on the anticipated timing of the debt financing for the Public Works facility on International Drive. Debt service represents 10% of the total General Fund budget dedicated to current and future capital interest. FY2025 debt service obligations total \$6,011,300, with an increase anticipated in FY2026 to approximately \$6,200,000 as a result of the sale of the final \$13.9M from the FY2022 bond referendum, with the remaining balance of annual appropriations to continue to build reserves to be used for future planned debt.

The Town continues to work with its financial advisors to assess debt affordability and capacity to pay for projects proposed in the Capital Investment Program (CIP). The proactive efforts of staff related to the new location for the Public Works facility has provided some additional flexibility to the CIP.

Fund Balance

The recommended budget includes total General Fund balance appropriations of \$1,393,200, a reduction of 11% from the FY2025 appropriation. This represents approximately 2.2% of total expenditures, representing a more conservative approach given concerns with the potential for negative revenue impacts resulting from economic instability. Fund balance appropriations support requested non-recurring or one-time expenses. The unassigned fund balance is projected to be approximately \$18.8 million, or 37.6% of General Fund expenditures as of June 30, 2024 (this will be updated once the FY2025 budget is closed out this fall).

American Rescue Plan Act (ARPA)

The Town received a total of \$9.2 million in funds through the American Rescue Plan Act (ARPA). One-half of those funds were received in July 2021; the second distribution was received in summer 2022. ARPA funds have been used in the FY2022 through FY2025 budgets to offset reduced revenues and activate one-time projects and initiatives. All ARPA funds have been appropriated to projects and key initiatives and have been encumbered as of December 31, 2024, as required by ARPA rules. Staff filed our final reports at the end of April 2025 as required. These funds will be invested by the end of CY2026 as required by ARPA rules.

Other Reserves

There are no proposed appropriations from Parkland Payment-in-Lieu (PPIL) or Streets Payment-in-Lieu (SPIL) through the recommended operating budget. Utilization of these restricted reserves are incorporated into the CIP to maximize funds available for completion of prioritized projects. The PPIL reserve balance as of June 30, 2025, is projected to be \$1,200,000, based on roughly \$2 million being allocated to fund the Town Center Phase I project.

CAPITAL INVESTMENT PROGRAM (CIP)/CAPITAL OUTLAY

Following a refresh of the Capital Investment Program (CIP) adopted during FY2024, the FY2026-FY2030 CIP continues to emphasize commitment to Town Council's 10 priorities in the 5-year CIP window. Staff continues to work towards bringing these critical investments envisioned by the CIP to design and construction. The FY2026 investment strategy includes \$20.5 million in installment financing and approximately \$4 million from cash and reserves. The CIP is a long-range planning tool which remains flexible while providing an essential roadmap for the development and delivery of projects desired and expected by the community.

Highlighted Projects / Studies in Progress:

- *Comprehensive Transportation Plan (CTP) Update* - The CTP will be undertaken to ensure that the plan remains current and is in line with Council's vision for the future of infrastructure development in Morrisville.
- *Dog Park* – The Town's first dog park, located on Franklin Upchurch Senior Street across from Town Hall, started construction in January 2025 and is anticipated to be completed by summer 2025. Appropriations are included in the capital budget.
- *Intersection Improvements Phase 2* – The two current projects being addressed in this phase include new signalized intersections at NC54 (Chapel Hill Road) at Keybridge Drive and Sorrel Grove Church Road at Slater Road. Staff is working with NCDOT to receive the necessary authorization to proceed with both of these projects. Appropriations are included in the capital budget.
- *Public Works Facility* – This project is to provide a new Public Works facility to replace the aging facility currently located on Aviation Parkway near the intersection of International Drive. This project originally started as a joint project with the construction of a new Wake County solid waste convenience center on

Aviation Parkway. However, the cost of the site work and other cost increases made this site unrealistic to continue the project at the original location.

In early 2025, staff identified an alternative site on International Drive that would instead be a renovation project to accommodate the needs of the Public Works Department, while reducing the overall cost of the project. The Town executed a contract to purchase the building and anticipate closing in early July, once initial due diligence work confirms the building and site are suitable for the needs of this project. Design work will then commence with renovation work anticipated to begin in CY2026. Appropriations are included in the capital budget.

- *Town Center Phase I* – In the fall of 2024 the Town’s partner, Singh Development LLC, worked with Bobbitt Construction to provide a cost estimate for the construction of Phase I of the Town Center. Town Council worked with staff and Singh to consider alternatives and subsequently made the commitment to invest approximately \$19,000,000 for the public amenities in this phase of the project. This includes the Town Green (including public art with water misters and the stage pavilion), the Pockets (children’s play area), the Grove (including hosting the Western Wake Farmer’s Market), and the Education Garden and other supporting amenities. Design work and permitting is close to conclusion, and a ground-breaking ceremony is planned for the second half of CY2025. Appropriations are included in the capital budget.

Highlighted Future Projects in the CIP:

- *Airport Boulevard Extension – Phase I* – This project consists of the design and construction of a new roadway segment from Garden Square Lane to Church Street (0.44 miles) which includes a 4-lane divided roadway with median, streetlights, sidewalks, pedestrian crossings, and new traffic signals. This project will improve east-west connectivity through Town and is an essential precursor to future upgrades to the Airport Boulevard/NC 54 intersection. Appropriations will occur as the project moves to construction. As of the time of this message, the project is scheduled by NCDOT to have design completed in CY2025. A construction start date is pending.
- *Cedar Fork Community Center (CFCC) Athletic Fields* - The Town has partnered with the Wake County Public School System to bring the first middle school and high school to Morrisville. This will result in additional tennis courts and a multi-purpose field being added at CFCC.
- *Future Parkland* – This project anticipates land acquisition for future parkland as outlined by the Parks Master Plan. Land acquisition on Marcom Drive continues, and resources are included in the capital budget. The timing on additional acquisition is dependent upon negotiations with the property owners.
- *Gables Neighborhood Street Reconstruction and Paving* – As part of the Municipal Service District projects, the Gables Neighborhood includes the design and reconstruction of the streets, curb & gutter, and associated right of way work to bring the roadway system to Town standards. The current road network is in poor condition and with poor pavement condition rating. The project design has been funded and will continue through CY25 with construction anticipated in CY26.

- McCrimmon Parkway Flyover (NCDOT Project) – NCDOT is widening McCrimmon Pkwy from two to four lanes from west of Davis Dr to Perimeter Park Dr. The project includes a flyover of the railroad tracks and NC 54, displaced left-hand turn lane design at Davis Dr, additional improvements at intersections along the roadway segment, streetlights, on-street bike lanes, and a wider sidewalk on the north side of the roadway. Construction is planned to commence in the summer of 2026. It will be managed and funded by NCDOT (current estimated construction cost is \$67,992,000) with the Town responsible for any betterments once the project is completed.
- NC54 (Chapel Hill Road) Widening (NCDOT Project) - NCDOT is widening NC 54 from two lanes to four lanes from Shiloh Glenn Drive to Perimeter Park Drive, with additional lanes around the NC 540 interchange. The project includes access management changes along the corridor, streetlights, ten-foot multi-use path, and project integration with the McCrimmon Pkwy widening and flyover project. Construction is planned to commence in the summer of 2026. The project will be managed and funded by NCDOT (current estimated construction cost is \$31,690,000) with the Town responsible for any betterments once the project is completed.
- Sidewalk Projects – Church Street sidewalk improvements from Morrisville Carpenter Road to the Wake/Durham County line are current in the preliminary design phase. This project, a partnership with NCDOT, is currently planned for CY2026 completion.

Louis Stephens Road sidewalks are in the final design phase and will be moving to right-of-way acquisition in summer of 2025. A project completion date is pending for the progress of the current work.

Capital project costs have increased dramatically and have been impacted by contractor/workforce availability, the amount of capital project work in the pipeline, and supply chain issues, but also by the need for more defined and specific cost estimating for consideration as a part of the CIP and financial planning. The FY2026 recommended budget includes additional resources to continue to obtain better cost estimates and help advance prioritized projects toward “shovel ready” design status.

Town staff continues to research available land, including working with our broker to identify potential parcels for purchase to support future phases of the Town Center, as well as future parks and open space.

ENTERPRISE FUND

The Stormwater Fund, which is an Enterprise Fund, is funded primarily by stormwater revenues based on an Equivalent Residential Unit (ERU) fee (currently set at \$50 per ERU with no increase requested), permit fees, and any grant revenues received for stormwater projects. As a self-sustaining fund, fees are being leveraged to pay for operations and capital improvements. The previous adjustment to the \$50 per ERU fee has shown to be sufficient to maintain a self-sustaining Stormwater Fund. Stormwater fees are collected through Wake County as a part of the property tax bill for all property owners.

Stormwater CIP

Work continues for Morrisville Tributary (Sawmill Creek) Restoration Design. The project is water quality focused and will tackle an unstable stream and poor habitat conditions. The work includes stabilizing the eroding stream, enhancing the riparian buffer by removing invasive species and adding native plantings, and incorporating pocket wetlands to help improve water quality and habitat conditions. The development would also incorporate a portion of the planned Sawmill Creek greenway in its design. No other projects are proposed for the Stormwater CIP for FY 2026.

OTHER TOPICS

Morrisville Chamber of Commerce – The Town has a long-standing partnership with the Chamber. Over the past year, the Town and the Chamber have worked to solidify this partnership given the evolving role of the Chamber. With our addition of an Economic Development Department, the Chamber's role has shifted to more of a support role in engaging local businesses and working with opportunities to support small businesses. The Town and Chamber implemented a new services agreement during FY2025 that will be renewed for FY2026.

FY2027 - ON THE HORIZON

Soon after the FY2026 budget and Capital Investment Program (CIP) are adopted we will be closing out FY2025 and begin planning for FY2027. The approach to the FY2026 recommended budget is designed to be conservative and allow flexibility to account for the uncertain economy we are currently facing, while still providing for community needs and expectations. This conservative approach also ensures flexibility for FY2027 and beyond as staff evaluates future economic stability, ongoing personnel costs, and the impact of the new revaluation schedule.

The budget team has also worked proactively with department heads to identify significant needs over the next two budget years (FY2027 and FY2028). Those include (but are not limited to) positions to support new facilities (i.e. Town Center) and expanded workload, continued and ongoing Smart City initiatives (including Town Center), public art, and addressing other needs that could not be funded in the recommended FY2026 budget.

BUDGET DELIBERATION TIMELINE

The recommended budget will be made available to the public on May 9 and is being formally presented to Town Council at the May 13, 2025, Town Council Meeting. Formal presentation of the budget will be followed by more in-depth discussion of its development and core components at a May 15 public hearing and work session. The budget feedback portal will be re-opening for public input, questions, and feedback until May 27 when Council is tentatively scheduled to vote on the recommended budget. If not adopted on May 27, there is a tentative budget work session planned for May 29 and adoption would move to June 10.



May 9 Budget Available to Public

May 27 Budget Adoption

May 13 - Presentation to Town Council

May 29 Tentative Budget Work Session

May 15 Budget Public Hearing & Work Session

June 10 Budget Adoption (if not adopted on May 27)

A Frequently Asked Questions (FAQ) tool will continue to be utilized throughout deliberations to supplement information included in presentations and to provide expanded detail and clarification of budget requests for the FY2026 recommended budget. This document will be included in the May 13, 2025 agenda packet and will also be found on the Town's website.

ACKNOWLEDGEMENTS

The FY2026 recommended operating budget is particularly important to me not only because it is at the core of how we provide services to our community, but also because of our uncertain times and the need to be both conservative and innovative in investing our community tax dollars.

Our collaborative efforts this year have included extensive work with Council, enhanced outreach efforts to understand our community perspective, and very deliberate research and communication with municipal peers and associations to develop a recommended budget that meets Council expectations and address our community needs. I feel very fortunate to have Town Council, our community members, and so many of our team members contributing to this foundational document.

I cannot say enough about the work done and the commitment made to providing a budget that reflects the priorities of Town Council, staff and, most importantly, our community. There have been detailed and difficult discussions, numerous strategic planning meetings, and research and recommendations that have supported the budget development process. This year's Council retreat was particularly beneficial to creating a shared vision for the Town and our stakeholders. I would like to thank and commend Council for their time, effort, and feedback during this process.

I am appreciative of our entire budget team, including Director of Management Services Jeanne Hooks, Chief Financial Officer Byron Hayes, Budget Analyst Dawn Rabb, and Budget Analyst Micah McRea for their dedication to this process. I must also thank Laura Gough and the Communications Department for their support in helping us to expand our community outreach to better understand the community's perspective on budget priorities.

I would also like to thank Deputy Town Manager Giselle Rodriguez and Assistant Town Manager John Letteney for their insights and their work with their respective departments to bring this budget to reality.

Finally, I would like to recognize our Department Heads for their collaborative and proactive approach to evaluating their FY2025 progress, identifying their needs for FY2026-FY2028, and providing us with the information necessary to support the very difficult process of prioritizing their needs to ensure their departments have the resources necessary to meet their goals.

SUMMARY

The FY2026 recommended budget reflects a conservative budget approach that acknowledges our current economic instability but still allows for additional investment in our community. This budget focuses on Council and community priorities such as maintaining a safe community, continuing to enhance quality of life, and maintaining thriving, livable neighborhoods through intentional and innovative initiatives.

We are ***“Focused on our Community’s Perspective”*** with the FY2026 recommended budget.

Thank you to Town Council for your guidance and deliberation as we review the recommended budget together.

Sincerely,

A handwritten signature in black ink, appearing to read 'BZ' with a stylized flourish.

Brandon Zuidema
Town Manager / Budget Officer

Community Investment Summary

The Community Investment Summary connects the requested budget additions, items over and above a base budget, to the value provided for that investment and how it benefits the community. These investments are organized below first by the best suited Town's Strategic Goals and then by the Council's Budget Priorities defined during the Council's Retreat. *(For illustrative purposes, the requested budget additions are aligned with the most appropriate Budget Priority and Strategic Goal, though they may correspond to multiple priorities or goals.)*

Strategic Goal 1: Improved Transportation Mobility

Transportation Budget Priority:			
Community Value Packages	Community Benefits	Recurring	Onetime
Ongoing Smart Shuttle Operations: Continuing improvements to existing services and operational inflation	Planned service additions continue in FY2026 with the Smart Shuttle Operation increases from inflation and the current year implementation of a second vehicle added to Saturday. The addition of Sunday will give riders options. Work continues in maximizing software performance to better serve our community.	\$172,000	
Future Transportation: Building capital reserves to plan for future transportation-related improvements.	An investment of 1 cent on the tax rate to the Transportation Capital Reserve empowers the Town to fund needed transportation initiatives outlined in the CIP, fostering improved community infrastructure benefiting our roadway network, pedestrian access, & multi-modal connections to impact congestion concerns.		\$970,000
Strategic Goal 1 Totals		\$172,000	\$970,000

Strategic Goal 2: Thriving Livable Neighborhoods

Quality of Life Budget Priority:			
Community Value Packages	Community Benefits	Recurring	Onetime
Future Parks & Open Space: The Parks & Recreation Master Plan requires an update. To meet future park project needs the Town must continue to build Parks Capital Reserves.	Using a proactive pay-go method like building Parks Capital Reserves reinforces effective long-range planning, prevents excessive debt, & ensures financial sustainability leading to the creation of shovel-ready Parks & Open Space projects that are valued by the community positively impacting quality of life.		\$970,000

	A much-needed update to the Town's <u>Parks & Recreation Master Plan</u> benefits the community long-term by evaluating & planning for improvements to accessibility, quality of life, sustainability, economic growth, and future readiness. Such plans foster future investments that ensure our parks system adapts to evolving needs.		\$200,000
Growth Impact to Existing Park Programs: With rising demand for activities, events, and programs, expanded services and resources are essential to keep up.	This includes <u>additional Parks part-time staffing & overtime resources to provide programs and events in addition to new support equipment,</u> fostering a community that values programming for all ages. The investment in an active community can indirectly boost our local economy and directly contribute to a healthy, vibrant, and connected community.	Part-time \$30,000 Overtime \$19,200	Equipment \$29,000
	<u>Expanding the Senior Facility</u> space lease will enable more opportunities for programs, events, and social engagement. The increased capacity will enhance overall well-being and strengthen social connections among seniors, providing essential amenities to support a thriving, inclusive, and growing senior population.	\$100,000	
Quality Work Environment: As a service-oriented institution, Morrisville is committed to its workforce by enhancing the quality of the work environment.	Providing a <u>Cost-of-Living</u> increase enhances employee satisfaction and retention. As living expenses rise, adjusting wages or benefits helps employees maintain their standard of living, ensuring financial stability and reducing stress contributing to Morrisville's long-term success.	\$529,750	
Totals		\$678,950	\$1,199,000

Sustainability & Environment Budget Priority			
Community Value Packages	Community Benefits	Recurring	Onetime
Environmental Sustainability: Maintaining a steadfast dedication to environmental stewardship and sustainable initiatives remains a core responsibility of our operations.	The <u>Master Sustainability Plan</u> is supported annually by a base budget commitment. With experienced rebates and other grant awards and projects in progress, approximately \$333K will carry over to FY2026 in addition to what is already assumed in the base budget. <i>(This will be re-appropriated following the close of fiscal year.)</i>		\$333,000*
	Resources will allow for an opportunity to provide a <u>Sustainability Internship</u> to support small projects. Resources will include the addition of greenway maintenance resources to enhance the overall care of the natural environment along trails.		\$11,000
Totals		\$ 0	\$344,000
Strategic Goal 2 Totals		\$678,950	\$1,543,000

Strategic Goal 3: Engaged, Inclusive Community

Community Viewpoint Budget Priority			
Community Value Packages	Community Benefits	Recurring	Onetime
Election Cost: Services provided by the Wake County Board of Elections.	<u>Municipal Elections</u> occur for Morrisville every two years, as council members serve 4-year staggered terms ending every 2 years. The Town is obligated to pay for these services from the Wake County Board of Elections.		47,000
Special Events & Cultural Connections: Enhancing events and engagement.	<u>Expanding Town Events</u> will create unique opportunities to tap into the community's perspective through stronger engagement with residents and businesses while enhancing our special event portfolio to be more inclusive & diverse.	\$15,000	
Accessibility Innovation: Improve meaningful opportunities to create equity in access, transparency, and	A centralized <u>Community Dashboard</u> enhances transparency by providing open access to information, data, and resources. It supports better decision-making, showcases achievements, and		\$50,000

engagement through innovation.	improves readiness for future opportunities or challenges.		
	Video platforms like Rep'd Video Messaging provide valuable alternatives to improve the effectiveness of our communications, engagement, & educational outreach. This is a proposed continuation of an existing pilot program that has shown success and community interest.	\$24,000	
	Expanding the Town's Public Wi-Fi to Church Street Park is a continued initiative to become a fully connected community.		\$36,500
	Amenity Sensors on Basketball Courts and other play structures is an innovative solution giving residents real-time access to court & pitch availability & open play request options bringing people together.		\$78,000

Totals \$39,000 \$211,500

Inclusivity Budget Priority

Community Value Packages	Community Benefits	Recurring	Onetime
Language Access: Investment of dedicated resources necessary to remain a leader in cultural inclusivity for all residents & businesses.	The pilot program through the Lead for NC Fellow program has reinforced the important responsibility we bear to our diverse community in continuing this initiative to build and sustain valued engagement with all community members. A Communication Specialist Position will enable the Town to enhance equitable accessibility to information as well as emphasizing a welcoming and connected community. This allows us to build language bridges with all members of our community regardless of their primary language broadening our cultural awareness to identify service delivery improvements	\$92,400	

Public Art Icon & Mural Initiatives: Planned resources to take the next steps in public art initiatives to explore creation of Icon projects & the continuation of murals throughout Town.	Advancing <u>Public Art Initiatives</u> , including the exploration of creating Icon projects as well as the continued development and expansion of murals will enrich Morrisville's unique qualities and beautify our community through the celebration of our history, inclusivity and diversity.		\$42,200
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Totals \$92,400 \$42,200

Strategic Goal 3 Totals \$131,400 \$253,700

Strategic Goal 4: Public Safety Readiness

Safe Community Budget Priority

Community Value Packages	Community Benefits	Recurring	Onetime
Critical Public Safety Equipment Replacement: Updates to public safety technology & critical apparatus/ equipment contribute to effective and efficient service outcomes and support a safe community.	Building up <u>Public Safety Reserves</u> allows better planning for life saving equipment replacements for Police & Fire using a proactive pay-go method while effectively saving debt capacity for capital project needs.		\$850,000
	<u>Two Fire Engine replacements</u> are necessary to realign to a more traditional deployment model utilized by our CAM partners that is more adaptive to our changing built environment for continuous service level improvements <i>(Funded by Public Safety Reserves)</i> .		\$2,400,000
	<u>Water Rescue Boat</u> replacement will improve the collaboration & lifesaving resources as regional partners work together to maintain a Swift Water Rescue Team. <i>(Funded by Public Safety Reserves)</i> .		\$45,000
	<u>Defibrillator replacements</u> are life saving devices that have reached the end of the life cycle. This includes a preventative maintenance plan.		Units \$10,000 Preventative Maintenance \$3,500

	The phased expansion of the <u>Police Department's Rifle Program and Drone Program</u> enhances community protection for high-risk incidents. These tools reduce injury and fatalities for officers, suspects, and residents adding critical situational awareness, ultimately saving lives and maintaining operational standards alongside partner agencies.	\$24,500	\$19,000
	<u>Emergency Vehicle Replacements</u> play a critical role in maintaining a high level of responsiveness to community needs & officer safety.		\$450,000
Impact Team Improvements: Impact Teams have placed a stronger emphasis on reducing emerging crime trends.	Impact Teams are a proactive community policing method that plays a vital role in addressing more serious crimes, community engagement, and enhancing the community's overall safety. <u>Two Impact Vehicles</u> are needed to outfit the newly formed Team. These vehicles were deferred in FY25, and the department has been using repurposed vehicles.		\$55,000
K9 Replacement: K9 Dylan is up for replacement in Fy26 due to health reasons.	Just like other capital assets, <u>K9 Replacements</u> have a useful life cycle, and we must proactively plan for those replacements. K9 units enhance community safety by detecting crime, protecting officers, engaging communities, aiding in search and rescue, and improving law enforcement efficiency. <i>(This includes training/certifications).</i>		\$22,500
Digital Forensic Lab: Improving efficiency & effectiveness in crime resolutions.	Advancing crime patterns demand new investigative strategies, with digital evidence now crucial in nearly every case. The <u>Digital Forensic Lab</u> enables timely, thorough device analysis, preventing delays caused by other agencies' backlogs.		\$36,000

<i>Training & Equipment Maintenance:</i> Enhancing our tactical deployment standards	The Town's <u>Police Tactical Team Training & Equipment Maintenance</u> offers the necessary safety and protection that reduces the threat of injury to officers, suspects, and community members bringing the team's deployments standards to those of our partnership communities. The request includes SWAT annual training and other equipment replacements.	\$12,000	
<i>Community Policing:</i> Improving the safe community perspective through supplemental resources.	Quality supplemental assistance from <u>Community Civilian Officers</u> to cover roles currently handled by patrol officers frees sworn personnel for critical duties, fostering collaboration, enhancing safety, and strengthening community policing. These part-time positions can support civilian crash investigations, filling in for crossing guards, and parking enforcement. <i>(Partial offset by a small grant.)</i>	\$36,400	
<i>CAM Dispatch Inflation:</i> The existing dispatch agreement outlines increased rates per call and includes the addition of required CAD Licensing that has historically been paid by Cary 911.	This regional partnership with <u>Cary, Apex, & Morrisville (CAM)</u> joint dispatch model continues to provide high quality services to our community, at an affordable cost enhancing our mutual aid coordination. These are known inflationary components of the current interlocal agreement.	Fire \$44,800 Police \$143,200	
<i>Security Enhancements:</i> Security Initiatives and managed access points at our park assets, and access points.	Enabling a <u>24/7 network monitoring, alerting, and response system</u> will strengthen Morrisville's digital security posture with rising threats, ensuring greater visibility and responsiveness. Third-party security assessments recommend transitioning to this strategy.	\$48,000	
	<u>Camera Replacements</u> of older non-networked devices and installation of additional cameras as needed within our Parks protects our facility assets and creates safer community spaces.		\$67,000

	<u>Controlled access points at CSP and MAFC</u> will protect & enhance access that benefits rentals and member usage. This creates a more organized and equitable experience for all while protecting our assets.		\$50,000
Professional Development Programs: Necessary support for the Fire Department's professional development programs (Officer Development Program, Camp Ignite, and the internal Pump School).	The identified <u>Funding for Training</u> will supply resources for Fire will enhance operational effectiveness, personnel development, and public safety. Future needs are driven by training demands, leadership development, firefighter career growth, and community engagement. The CAM agreement requires training for shifts to maintain readiness, while the Officer Development Program promotes leadership consistency. The Pump School prepares firefighters for apparatus operation, ensuring overall succession planning. Camp Ignite fosters diversity, draws female youths to the profession, and community involvement, requiring staffing and material support.	\$34,600	
Improved Fire Prevention Services: Fire prevention activities and required inspections continue to increase as growth occurs in our community.	Adding an <u>Assistant Fire Marshal position</u> will support the growing workload through life safety programs, supporting special events, and assisting with increases in fire inspections. This commitment of resources ensures compliance with fire codes while reducing risks for residents that ensures safer environments for homes, businesses, and public spaces. <i>(This position is offset from the repurpose of existing part-time funds in the base budget and anticipated revenue increases for inspections.)</i>	\$73,700	
Pedestrian Safety: Continuation of bridge maintenance and repairs and future maintenance plans by updating the ADA Transition Plan.	For the greenways to remain accessible, routine <u>Bridge Maintenance and Repairs</u> must be completed. Sealing the bridges is part of the routine maintenance to help ensure the structures remain safe and meet their life expectancies.		\$115,000

	The Americans with Disabilities Act requires government entities to develop an ADA Transition Plan to address impediments in public services to disabled people. The second phase of this project is to develop a plan for facilities and programs.		
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Totals \$417,200 \$4,123,000

Strategic Goal 4 Totals \$598,700 \$4,123,000

Strategic Goal 5: Operational Excellence

Recognizing Success Budget Priority

<i>Community Value Packages</i>	<i>Community Benefits</i>	<i>Recurring</i>	<i>Onetime</i>
Strategic Success: Part-time resources to support organizational priorities & special projects.	Adding Part-Time Resources in the Manager's Office will support the advancement of strategic outcomes, special projects, & improvements with our special events and permitting services.	\$60,000	
Recruitment & Retention Investment: Resources to position the Town to effectively retain & recruit a highly skilled workforce through competitive compensation packages that recognize performance value, market conditions, benefits, & longevity that directly relates to sustained & improved service delivery value for the community.	Healthcare benefit increases (<i>medical, dental, & vision – funded through existing premium reserves</i>).	\$53,900	
	Performance Merit allocation at an average rate of 4.5%.	\$1,191,950	
	Certification & Longevity Recognition.	\$107,000	
	Position Study annual adjustments resulting from market study of positions in our Communications, Inspections, Planning, and Police departments – (<i>total compensation adjustment</i>).	\$130,000	

Totals \$1,542,850 \$ 0-

Operational Excellence Budget Priority			
Community Value Packages	Community Benefits	Recurring	Onetime
Service Inflationary Increases: Other major inflationary increases associated with existing operating contractual and/or professional services related to annual obligations.	Core contracted services through Public Works annually require <u>Inflationary Increases</u> for solid waste, janitorial, landscaping, fleet management & other smaller agreements. These services are essential to maintaining high-quality levels of service.	\$175,500	
	<u>Insurance and Workers' Compensation Annual Inflationary Increases</u> are often influenced by various liability factors. Adding new assets, such as equipment, facilities, or infrastructure, expands the scope of coverage, resulting in higher premiums. These are necessary obligations that support the organization's mitigation of risk.	\$70,000	
Impacts from Growing Community Needs: Added resources become necessary in general government functions like Information Technology, Financial Services & Human Resource Services as the organization's footprint expands over time in personnel to meet existing as well as expanding services.	The <u>Accounting Generalist</u> (largely absorbed in the existing base budget) & the reclass of the <u>IT Support Position</u> from 30 hours to 40 hours will expand the capacity for meeting internal service demands as other external service departments have grown over the years. This improves customer service, compliance and reporting requirements while creating a career ladder for both teams.	Accounting Generalist \$10,000 Reclass IT Support \$17,900	
	A <u>Talent Acquisition position</u> will strategically focus on sourcing & retaining top talent and developing skills to meet future organizational needs while enhancing efficiency and reducing turnover.	\$108,500	

Innovation Advancements: Technology advancements that improve business process efficiency and effectiveness while safeguarding our digital environment and intellectual property.	Establishing a strong commitment to fostering leadership continuity and development is crucial for organizational resilience and growth. Succession Planning ensures that critical roles are filled by capable individuals who are well-prepared through structured, evidence-based methods. This proactive strategy reduces disruption and builds a robust leadership pipeline. Establishing a formalized Leadership Academy as part of Organizational Development complements this effort creating a structured environment investing in our employees to hone leadership skills, nurture talent, and foster a culture of continuous learning.	\$21,700	
	A Fellowship Program , such as the Lead for NC Fellow, has proven to be a cost-effective solution used to initiate pilot programs and/or initiatives while providing a future talent pipeline. These programs have proven invaluable in recent years and create unique opportunities for the Town to equip participants for meaningful careers.	\$30,000	
	Specialized Energov Reporting needs will provide enhancements to leveraging existing data to improve reporting aspects related to customer service and permit review processes.	\$8,000	
	Computer Hardware Replacements outlined within the Town's long-range replacement plan. These include computers, network switches, and printers/dock stations keeping the Town current with technology/ hardware advancements.		\$105,000
	Exploration of Generative AI use continues with a pilot of Microsoft CoPilot. Staff are learning to leverage this smart tool appropriately for the benefit of system efficiency that	\$30,000	

	improves overall customer services & responsiveness.		
Maintenance & Repair Work Efficiency: Specialized equipment and updates.	The Streets division continues to expand in-house service delivery for concrete/ asphalt repairs. An <u>Enclosed Trailer</u> will create greater efficiency, mobilizing crews quicker, and increasing responsiveness to repair needs.		\$15,000
	<u>Town Hall Gutter Guard</u> installation will reduce/eliminate the need for routine cleanings and avoid damaging the solar panels.		\$10,000
	As the Town continues to expand its involvement in cricket, we have discovered the availability of <u>Specialty Rollers</u> designed specifically for cricket pitch maintenance. Acquiring this equipment will reduce the necessity of rentals.		\$50,000
Totals		\$471,600	\$180,000
Strategic Goal 5 Totals		\$1,984,450	\$180,000

Strategic Goal 6: Economic Prosperity

Economic Resiliency Budget Priority			
<i>Community Value Packages</i>	<i>Community Benefits</i>	<i>Recurring</i>	<i>Onetime</i>
Recognizing Economic Shifts: In the aftermath of COVID-19, Office/Institutional spaces continue facing challenges with occupancy rates due to the transformation in work environments.	A <u>Small Area Plan</u> can play a pivotal role in understanding the potential of reimagining land use that can serve to support local property owners' investments while boosting our economy. These targeted planning efforts allow the Town to focus on specific areas to tailor strategies to address unique challenges and opportunities.		\$150,000
Sponsorship Program: Establishing a formal program opens opportunities for alternative funding sources.	We have established policy and finalized a managed service contract to launch a <u>Sponsorship and Naming Rights Program</u> for the town, unlocking new opportunities and enhancing funding possibilities. Following an asset inventory, we could expect some level of results in the coming fiscal year. (This	\$71,000	

	<i>projected cost is break-even with anticipated offsetting revenues.)</i>		
Future Economic Growth: Building capital reserves for future land acquisition will influence future phases of Town Center.	A contribution equivalent to 1 cent on the tax rate to the CIP/Land Acquisition Reserve enables the Town to allocate resources for strategic site acquisitions, fostering the next phases of the Town Center. This investment strengthens community infrastructure and establishes economic attractions within the growing activity center enhancing both future services and needed facilities/amenities.		\$970,000
	New Debt provides the funding resource for Town Center Green, other amenities, and roadway infrastructure.	\$101,975	

Totals \$172,975 \$1,120,000

Business Collaboration Budget Priority

Community Value Packages	Community Benefits	Recurring	Onetime
Shaping our Economic Image: Elevating Morrisville in a competitive economic market.	As we continue to expand our economic development efforts the formation of an essential Economic Toolkit will enhance the Town's image, attracting residents & tourism and ultimately boosting economic activity and investment		\$45,000

Totals \$0 \$45,000

Strategic Goal 6 Totals \$172,975 \$1,165,000

Total Community Investment \$3,586,975 \$8,234,400

Community Investment Funding Strategy

Total Community Investments	\$11,821,675
Available Revenue Capacity	-7,134,575
Use of Capital Reserves	-2,674,000
New Program Revenues	-233,000
Carryover Sustainability Funds FY25*	-333,000
Use of Health Premium Reserves	-53,900
Use of Unassigned Fund Balance	-1,393,200
	Balanced

*Note: The cost associated with healthcare premium increases will be absorbed by designated Healthcare reserves. The \$333K identified as a carryover from FY25 for Sustainability & Environmental will be reappropriated following the close of the fiscal year and will not be included in this budget ordinance. The actual FY2026 community investments total \$11.5M.

Ordinances & Resolutions



ORDINANCE 2025-126-A OF THE MORRISVILLE TOWN COUNCIL APPROVING THE FISCAL YEAR 2026 ANNUAL OPERATING BUDGET & CAPITAL INVESTMENT PROGRAM

Be It Ordained by the Town Council of the Town of Morrisville, North Carolina that the following anticipated fund revenues and expenditures by function, together with a financial plan, certain Fee and Charge Schedules, and certain restrictions and authorizations are hereby appropriated and approved for the operation of the Town Government and its activities for the Fiscal Year beginning July 01, 2025, and ending June 30, 2026.

Section 1. General Fund

ANTICIPATED REVENUES/TRANSFERS IN

Ad Valorem Taxes	36,087,370
Intergovernmental	15,671,897
Restricted Intergovernmental	1,726,200
Permit & Fees	1,796,100
Sales & Services	1,932,102
Miscellaneous	508,431
Investment Earnings	850,000
<i>Transfers (In)</i>	2,674,000
Appropriation of Fund Balance	1,393,200
Total General Fund Revenues	\$62,639,300

AUTHORIZED EXPENDITURES/TRANSFERS OUT

General Government

Governing Body	10,559,129
Administration	2,866,119
Economic Development	486,741
Communications & Outreach	926,444
Human Resources	1,087,919
Financial Services	1,874,270
Information Technology	3,463,035
Total	\$21,263,657

Development Services

Engineering	1,541,143
Inspections	1,427,971
Planning	3,056,792
Total	\$6,025,906

Public Works & Facility Management

Public Works & Facility Management	8,644,488
Powell Bill	900,000
Fleet	793,000
Total	\$10,337,488

Public Safety

Fire	12,272,025
Police	7,651,912
Total	\$19,923,937

Recreation & Cultural Resources

Parks & Recreation	
Total	\$5,088,312

Total Expenditures	\$62,639,300
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Section 2. Healthcare Premium Fund

ANTICIPATED REVENUES

Transfer from General Fund	2,705,605
Transfer from Stormwater Fund	45,600
Appropriation of Fund Balance	-
Total Anticipated Revenues	\$2,751,205

AUTHORIZED EXPENDITURES

Operations – Healthcare Premiums	2,751,205
Total Anticipated Expenditures	\$2,751,205

Section 3. Municipal Service District Fund

ANTICIPATED REVENUES

Ad Valorem Special District Tax	195,850
Transfer from General Fund	-
Appropriation of Fund Balance	-
Total Anticipated Revenues	\$195,850

AUTHORIZED EXPENDITURES

Operations	195,850
Total Anticipated Expenditures	\$195,850

Section 4. Debt Service Fund

ANTICIPATED REVENUES

Transfer from General Fund	6,185,048
Total Anticipated Revenues	\$6,185,048

AUTHORIZED EXPENDITURES

Debt Service Principal	3,825,000
Debt Service Interest	2,186,300
Issuance Cost	
Debt Reserve	173,748
Total Anticipated Expenditures	\$6,185,048

Section 5. Stormwater Fund

ANTICIPATED REVENUES

Permits, Sales and Fees	1,361,837
Total Anticipated Revenues	\$1,361,837

AUTHORIZED EXPENDITURES

Personnel	573,528
Operations	249,550
Capital Outlay	38,759
Transfer-out to Capital Project	500,000
Total Anticipated Expenditures	\$1,361,837

Section 6. Other Post-Employment Benefits (OPEB) Fund

ANTICIPATED REVENUES

Transfer from General Fund	647,246
Total Anticipated Revenues	\$647,246

AUTHORIZED EXPENDITURES

Net Assets in Trust	647,246
Total Expenditures	\$647,246

Section 7. Law Enforcement Separation Allowance Fund

ANTICIPATED REVENUES

Transfer from General Fund	118,000
Interest	15,000
Fund Balance Appropriation	52,977
Total Anticipated Revenues	\$185,977

AUTHORIZED EXPENDITURES

Net Assets in Trust	-
Law Enforcement Benefits Paid	185,977
Total Expenditures	\$185,977

Section 8. Levy of Taxes and Fees General Fund

- A. Under authority of GS 160A-209 there is hereby levied for Fiscal Year 2026 an Ad Valorem Tax Rate of \$0.35 per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 01, 2025, based on an estimated assessed valuation of \$9,721,431,491, for the purpose of raising the revenue from current taxes as set forth in the foregoing estimates of revenues, and in order to finance the foregoing applicable appropriations. The estimated revenue neutral rate for Durham County property is \$0.3362 per \$100 valuation.
- B. Under the authority of GS 20-97, there is hereby levied an annual License Tax of thirty dollars (\$30.00) on each vehicle within the Town of Morrisville.
- C. Under authority of GS 160A-314, Session Law 2005-441 and Session Law 2011-109 the Town of Morrisville levies a Stormwater Equivalent Residential Unit (ERU) Fee at \$50.00 per Equivalent Residential Unit and hereby authorizes Wake County Revenue Department & Durham County Revenue Department to collect the ERU Fee as prescribed by the Fiscal Year 2026 Fee Schedule on behalf of the Town of Morrisville as a contracted billing service. The fee shall appear on the Annual Tax Bills. The ERU Fee is considered a restricted revenue source for the purpose of stormwater activities as prescribed by mandates. The Financial Services Department is hereby authorized to collect the ERU Fee from all qualifying property owners who do not otherwise receive an annual Wake County or Durham County Property Tax Statement.
- D. Under authority of GS 160A-215.1 there is hereby levied for Fiscal Year 2026 a Tax on Gross Receipts derived from retail short-term motor vehicle leases or rentals of one and one-half percent (1 ½%) of the gross receipts from the short-term lease or rental of vehicles at retail to the public as defined in Section 105.871.1 of the North Carolina General Statutes.
- E. Wake County Tax Administration charges 0.75% of taxes processing fee annually.

Section 9. Levy of Taxes Municipal Service District

Under authority of GS 160A-536(a)(6), Session Law 2011-072 there is hereby levied for Fiscal Year 2026 a special service district Ad Valorem Tax Rate of \$0.10 per one hundred dollars (\$100.00) valuation of taxable property located within the service district (residential subdivisions – Carpenter Park Townhomes, Carpenter Park Condominiums, Gables, Huntington Park Townhomes, Kelton II, Kelton Square Condos) as listed for taxes as of January 01, 2025, for the purpose of raising the revenue from current taxes as set forth in the foregoing estimates of revenues and in order to finance the foregoing applicable appropriations to pay the cost related to the transfer of ownership of private streets, evaluation of condition of private streets and the design/construction cost related to improving those specific private streets to public street standards to assume maintenance.

Section 10. Fee Schedule

There are hereby established for Fiscal Year 2026 various fees as contained in the Town of Morrisville's User Fee Schedule located in the Additional Information Section.

Section 11. Authorized Positions

- A. There are hereby 4 new full-time authorized positions, the conversion of 1 existing three-quarter time position to full-time status and two part-time positions necessary to improve core service delivery are approved for Fiscal Year 2026. The Authorized Positions Profile will increase from the mid-year adjusted 239 full-time positions and 8 three-quarter time positions to a total of 251 authorized positions.

- B. Full and three-quarter-time position authorizations are established by the annual budget ordinance. Changes to this schedule may occur during the fiscal year, as authorized by the Town Manager for reclassifications necessary to meet the changing needs of the organization so long as the changes do not exceed the total number of positions authorized. Temporary part-time positions are seasonal in nature unlike full and three quarter-time positions and are strictly a budgetary amount provided for the purposes of maximum flexibility in service delivery throughout the year as authorized by the Town Manager.

Section 12. Pay & Merit Plans

- A. Fiscal Year 2026 includes a merit pay benefit for all Staff. Merit awards for FY2026 Performance Evaluations remain the same at 3%, 4.5% and 6% for Meets Expectations, Exceeds Expectations and Far Exceeds Expectations, accordingly. The average anticipated merit is projected at 4.5% overall.
- B. Job Classification adjustments resulting from the one-third annual review of positions include recognized market condition adjustments to classification. Many of the positions in these departments will be upgraded by 1-2 pay grades to remain current within the regional market.
- C. Provides for 2% market conditions pay adjustment (cost of living adjustment) for all full-time and part-time regular 30-hour employees to reflect significant inflationary changes in the economy and to retain market competitiveness within the regional employee market.
- D. There is hereby established an authorized Fiscal Year 2026 Pay Grade Classification Schedule describing the approved positions, classifications, grades, and pay ranges as referenced in the Additional Information Section. The schedule includes an overall adjustment to the grade pay ranges of 2%. Salaries for existing employees that fall below the new minimum for their designated pay grade will be automatically adjusted to the minimum prior to adjustments to other changes and/or merit awards.
- E. The existing Town of Morrisville Part-time Pay Plan describing the approved position classifications, grades, and pay rates ranges as referenced in the Additional Information Section aligns rates for various positions within programs based on a comprehensive review of peer communities and market conditions in efforts to improve recruitment.
- F. Stipends for Town Council will be adjusted annually at the average actual percentage increase as the Town's full-time employees.

Section 13. Federally Forfeited Property (DAG-71)

As it is the intent of any Federally Forfeited Property to enhance law enforcement, these funds have increased and not supplemented the departmental budget and all interest earned on said funds will also be utilized for law enforcement purposes. All forfeiture funds are hereby appropriated when received and any remaining audit identified funds at the fiscal year-end may be re-appropriated back to the Police Department's budget.

Section 14. Purchase Orders & Capital Outlay Thresholds

All purchase orders will be pre-audited in accordance with the Local Government Budget and Fiscal Control Act.

- A. All purchases over five-thousand dollars (\$5,000) including capital outlay purchases.
- B. Micro-purchase order self-certified thresholds (2 C.F.R. § 200.320(a)(1)(iv)(A)):
 - 1. \$30,000, for the purchase of apparatus, supplies, materials, or equipment and construction or repair work; and

2. \$50,000, for the purchase of services not subject to competitive bidding under North Carolina law and the purchase of services subject to the qualifications-based selection process in the Mini-Brooks Act when exempted in writing (for projects pursuant to G.S. 143-64.32). If the exemption is not authorized, the micro-purchase threshold shall be \$0.

Section 15. Retirement Funds

As it is the intent of the Town to maintain and keep current the liability of both the LEO Separation Allowance Fund and the Retirement Healthcare Fund (OPEB), these funds will be transferred monthly from the General Fund as accumulated within the payroll accrual database.

Section 16. Healthcare Premium Fund

As it is the intent of the Town to maintain and manage the cost of rising healthcare and dental premiums, the Town will transfer anticipated employer healthcare and dental cost annually from the General Fund and direct accumulated employee contributions from the payroll system to a sub-fund of the General Fund to pay monthly premiums and retain any unused balances that may be used to offset future premium increases.

Section 17. Legal Services

There is hereby authorized for Fiscal Year 2026, an agreement with the Town Attorney for legal services establishing a monthly general legal retainer rate of \$1,200 to cover attendance at Town Meetings, work sessions, retreats, general consultation, advice, and the like. Charges on an hourly basis for work on specific cases and projects will be at a rate of \$250 per hour. When appropriate, assignment of legal matters to associate attorneys will occur and charges applied per hour based on a rate range of \$220 per hour for associates and \$115 per hour for paralegals. In addition, other reimbursements will include certain annual dues to professional organizations and registration/hotel fees for attending specific annual conferences.

Section 18. Special Authorization – Town Manager/Budget Officer or Designee

A. Budget Transfer Authority

1. May reallocate appropriations within or across functions and/or major categories as deemed necessary and in accordance with Budget Transfer Policy. All budget transfers will be reviewed and approved by the Budget Officer or designee.
2. May process interfund transfers as anticipated by the Budget Ordinance without additional approval by the Town Council.
3. May reallocate funds accrued because of personnel lapse salary for the purposes of providing the Town Manager with reasonable flexibility to mitigate unforeseen circumstances or effectively advance priorities operationally without unnecessarily appropriating from fund balance and for staff professional development and training opportunities to promote and advance employee knowledge, skills and abilities, and/or to address recruitment and retention issues within job classifications. The Town Manager will provide quarterly reports on the usage to Town Council. Use is subject to the Town Manager/Budget Officer's approval. This authority may not be designated.

B. Contract and/or Grants as Authority

1. May execute the following types of contracts within budgeted appropriations and that do not otherwise require Town Council approval by general statute: a. construction or

repair contracts that do not require formal competitive bid procedures, b. contracts for the purchase of apparatus, supplies, materials, or equipment, c. service agreements, and d. equipment and rental agreements.

2. May execute contracts as the lessor or lessee of real property for a maximum duration of 59 months or less.
3. May approve any application, award, or execution of any grant agreement that may or may not require a local match within existing resource authority to advance strategic goals unless a grantor requires Town Council approval, or when expected match requirements are not appropriated within the annual budget.

C. Special Appropriation Authorization

1. May recognize and appropriate cost share reimbursements, rebates, or other reimbursement grants and direct said funds back to the appropriate Departmental Budget.
2. May recognize and appropriate donations and sponsorships received for restricted or special designations, in accordance with the Sponsorship & Facility Naming Rights Policy .
3. May recognize and appropriate all insurance claim reimbursements received along with fees for the disposal of assets and direct said funds back to the affected department.

D. Inter-fund Loan Authorization

1. May make inter-fund loans necessary to meet cash flow needs for approved capital project ordinances for working capital purposes pending receipt of debt proceeds, awarded grant reimbursements or other agreements.

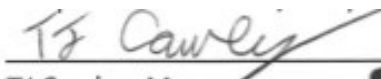
Section 19. Utilization of Budget Ordinance

- A. This ordinance shall be the basis of the financial plan for the Morrisville Municipal Government during Fiscal Year 2026. The Town Manager/Budget Officer or designee shall administer the Budget and ensure that operating officials are provided with guidance and sufficient details to implement their appropriate portion of the Budget.
- B. The Financial Services Department shall establish and maintain all records, which are in consonance with this Budget Ordinance and the appropriate Statutes of the State of North Carolina.

Section 20. Re-appropriation of Funds Encumbered in FY 2025

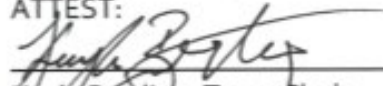
Operating funds encumbered on the financial records as of June 30, 2025, are hereby re-appropriated to Fiscal Year 2026.

Adopted this on the 27th day of May 2025.


TJ Cawley, Mayor



ATTEST:


Kayla Bertling, Town Clerk



**RESOLUTION 2025-126-B OF THE MORRISVILLE TOWN
COUNCIL HEREBY AUTHORIZES BOTH WAKE & DURHAM
COUNTY REVENUE ADMINISTRATORS TO LEVY &
COLLECT SPECIFIED TAXES & FEES ON BEHALF OF THE
TOWN OF MORRISVILLE**

Whereas, the Town of Morrisville is authorized under G.S. 160A-209 to levy taxes set forth in the tax records filed in the Office of the Wake County Revenue Administrator and the Durham County Revenue Administrator in the amounts and from the taxpayers likewise; and

Whereas, the Town of Morrisville is authorized under G.S. 20-97 to levy an annual license tax on each vehicle; and

Whereas, the Town of Morrisville is authorized under G.S. 160A-314 to charge a Stormwater ERU Fee; and

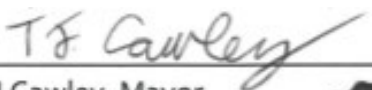
Whereas, the Town of Morrisville is authorized under G.S. 160A-215.1 to levy a tax on gross receipts from retail short-term motor vehicle leases or rentals; and

Whereas, the Town of Morrisville is authorized under G.S. 160A-536(a)(6) to establish and levy a tax in a specified Municipal Service District for the purpose of converting those private residential streets to public streets for only the affected neighborhoods that by majority petition have agreed to join the district; and

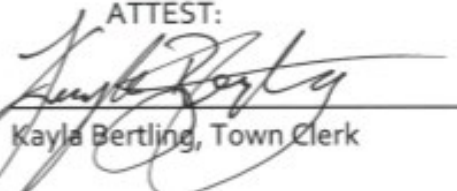
Whereas, the Town of Morrisville adopted Fiscal Year 2026 Annual Budget Ordinance prescribes and establishes such taxes and fees.

Now, Therefore, Be It Resolved That The Morrisville Town Council bestows the Wake County Revenue Administrator and the Durham County Revenue Administrator with full and sufficient authority to levy and collect any real or personal property taxes and/or special district tax, annual license vehicle taxes, Stormwater ERU Fee where Session Laws 2005-441 and 2011-109 authorizes collection of fee on property tax bill, and retail short-term vehicle lease or rental fee on behalf of the Town of Morrisville as prescribed and ordered in Fiscal Year 2026 Adopted Annual Budget Ordinance.

Adopted this on the 27th day of May 2025.


TJ Cawley, Mayor



ATTEST:

Kayla Bertling, Town Clerk



RESOLUTION 2025-126-C OF THE MORRISVILLE TOWN COUNCIL HEREBY ADOPTS THE CAPITAL BUDGET AS OUTLINED BY THE CAPITAL INVESTMENT PROGRAM

Be It Ordained by the Town Council of the Town of Morrisville, North Carolina that the following anticipated Capital Investment revenues and project appropriations are hereby adopted for the operation of the Town government and its activities relating to the specified capital projects for the Fiscal Year beginning July 1, 2025.

Section 1: The capital projects authorized by this ordinance are for the purpose designated by each project scope provided within and relate to advancing Capital Investment Program projects and other capital needs that are not included in the Annual Operating Budget Ordinance.

Section 2: The Town Manager is hereby directed to proceed with the capital projects within the terms of the budgets contained herein.

Section 3: The Town Manager may make Interfund Loans as necessary for cash flow needs pending receipt of debt proceeds or reimbursement grants or agreements. Such transactions will comply with financial reporting requirements.

Section 4: The Town Manager has the authority to transfer funds; both expenditures and revenues, between accounts within the same fund as listed in Section 11 as may be necessary, provided however that the total expenditures may not exceed the project total without amendment by this Council.

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the financing agreement(s).

Section 6: All purchasing policies and laws, as related to the acquisition, design and construction or purchase of the above capital investment projects, remain in full force and effect.

Section 7: Utilization of Capital Investment Budget Ordinance – This ordinance shall be the basis of the financial plan for established/amended capital investments projects for the Morrisville municipal government.

Section 8: Statutory Definition of Project Ordinance – This Capital Investment Budget Ordinance is adopted in conformance with Section 159-13.2 of the Local Government Budget and Fiscal Control Act.

Section 9: Other Transfers and Adjustments – The following special transfers and/or adjustments are occurring through approval of the Fiscal Year 2026 capital budget. Additional

resources as identified within the FY26 Capital Budget will be appropriated when they can be reasonably anticipated, or project bids are in hand. The below revenue and expenditure authorizations shall extend from year to year until each individual project is complete.

Section 10: Copies of this capital project ordinance shall be furnished to the Town Clerk, Finance Officer, and the Budget Officer for direction in carrying out the project.

Section 11: The following amounts are anticipated and appropriated for the capital projects identified below:

- a. Sidewalk Gap Future – Louis Stephens – to amend the Sidewalk Gap Capital Project Fund for the purpose of design, construction, and installation of new sidewalks to fill current gaps in the Town's sidewalk system.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Federal Grant Award	-	\$1,075,000	\$1,075,000
Transfer from Transportation Capital Reserves	-	450,000	450,000
Total		\$1,525,000	\$1,525,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design, Rights-of-Way, & Construction	-	\$1,525,000	\$1,525,000
Total		\$1,525,000	\$1,525,000

- b. Senior Center Expansion – to establish the Senior Center Expansion Capital Project Fund for the purposes of design, upfit construction, necessary fixtures to renovate and expand the leased space.

<i>Capital Revenues</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Proceeds from Bond Premium	-	850,000	850,000
Total	-	\$850,000	\$850,000
<i>Capital Expenditures</i>	<i>Current</i>	<i>Appropriation</i>	<i>Budget</i>
Design, Construction, & Fixtures		850,000	\$850,000
Total	-	\$850,000	\$850,000

Adopted this the 27th day of May 2025.


TJ Cawley, Mayor



ATTEST:

Kayla Bertling, Town Clerk



Budget Details

FUND SUMMARIES REVENUE & EXPENDITURES



Summaries Revenue/Expenditures

Funds Summary - Revenues

OPERATIONAL FUNDS

GENERAL FUND

	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Ad Valorem				
Current & Prior Years	\$ 25,884,989	\$ 27,272,076	\$ 35,126,597	\$ 36,002,370
Penalty & Interest	\$ 79,083	\$ 77,394	\$ 92,154	\$ 85,000
Total Ad Valorem	\$ 25,964,072	\$ 27,349,470	\$ 35,218,751	\$ 36,087,370
Year Over Year % Change Total	13%	5%	29%	2%
Year Over Year \$\$ Change Total	\$ 2,987,331	\$ 1,385,398	\$ 7,869,281	\$ 868,619
Intergovernmental				
Video Programming/Telecom	\$ 644,832	\$ 586,034	\$ 637,500	\$ 637,500
Vehicle Decal Fees	\$ 631,815	\$ 639,570	\$ 645,000	\$ 640,000
Wake County Fire Tax	\$ 868,925	\$ 887,461	\$ 1,000,000	\$ 1,248,347
Fire Reimbursements	\$ -	\$ 43,309	\$ 20,000	\$ 40,000
Beer & Wine	\$ 142,632	\$ 156,696	\$ 144,190	\$ 156,800
Utility Sale Tax Distribution	\$ 1,912,560	\$ 2,223,396	\$ 2,537,000	\$ 2,150,000
Sales Tax Distribution	\$ 9,967,798	\$ 10,382,570	\$ 10,816,000	\$ 10,755,450
Rental Vehicle Tax	\$ 20,105	\$ 26,515	\$ 32,000	\$ 18,000
Solid Waste Disposal Tax	\$ 24,280	\$ 18,627	\$ 25,800	\$ 25,800
Total Intergovernmental	\$ 14,212,947	\$ 14,964,179	\$ 15,857,490	\$ 15,671,897
Year Over Year % Change Total	10%	5%	6%	-1%
Year Over Year \$\$ Change Total	\$ 1,266,963	\$ 751,232	\$ 893,311	\$ (185,593)
Restricted				
Powell Bill	\$ 776,046	\$ 871,341	\$ 900,000	\$ 955,000
Grants	\$ 525,710	\$ 647,829	\$ 527,300	\$ 771,200
Total Restricted	\$ 1,301,756	\$ 1,519,170	\$ 1,427,300	\$ 1,726,200
Year Over Year % Change Total	27%	17%	-6%	21%
Year Over Year \$\$ Change Total	\$ 279,447	\$ 217,414	\$ (91,870)	\$ 298,900
Permits & Fees				
Fire Department Fees	\$ 61,071	\$ 138,235	\$ 167,000	\$ 150,000
Building Permits	\$ 1,856,777	\$ 1,034,663	\$ 1,456,100	\$ 1,380,100
Engineering Fees	\$ 228,453	\$ 50,815	\$ 135,000	\$ 100,000
Planning & Zoning Fees	\$ 131,005	\$ 87,356	\$ 90,000	\$ 120,000
Officer/Civil Fees	\$ 45,788	\$ 44,191	\$ 30,000	\$ 46,000
Total Permits & Fees	\$ 2,323,094	\$ 1,355,259	\$ 1,878,100	\$ 1,796,100
Year Over Year % Change Total	61%	-42%	39%	-4%
Year Over Year \$\$ Change Total	\$ 882,415	\$ (967,835)	\$ 522,841	\$ (82,000)
Sales & Services				
Recreation	\$ 862,762	\$ 1,067,222	\$ 1,192,000	\$ 1,360,000
Rents	\$ 429,423	\$ 479,500	\$ 535,840	\$ 572,102
Total Sales & Services	\$ 1,292,185	\$ 1,546,722	\$ 1,727,840	\$ 1,932,102
Year Over Year % Change Total	44%	20%	12%	12%
Year Over Year \$\$ Change Total	\$ 395,040	\$ 254,537	\$ 181,118	\$ 204,262

	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Miscellaneous Revenues				
Miscellaneous Revenues	\$ 98,973	\$ 130,000	\$ 115,000	\$ 70,091
ABC Revenues	\$ 253,348	\$ 226,876	\$ 260,000	\$ 277,340
Surplus Property	\$ 44,904	\$ 7,587	\$ 77,570	\$ 40,000
Wake County Landfill	\$ 49,589	\$ 102,781	\$ 50,000	\$ 50,000
Fines & Forfeitures	\$ 24,622	\$ 7,500	\$ -	\$ -
Sponsorships	\$ -	\$ -	\$ -	\$ 71,000
Total Miscellaneous Revenues	\$ 471,436	\$ 474,744	\$ 502,570	\$ 508,431
Year Over Year % Change Total	-14%	1%	6%	1%
Year Over Year \$\$ Change Total	\$ (74,935)	\$ 3,308	\$ 27,826	\$ 5,861

Investment Earnings

Total Investment Earnings	\$ 529,935	\$ 680,000	\$ 880,000	\$ 850,000
Year Over Year % Change Total	1594%	28%	29%	-3%
Year Over Year \$\$ Change Total	\$ 498,655	\$ 150,065	\$ 200,000	\$ (30,000)

Transfers In

Transfers from Capital Reserves	\$ 108,511	\$ -	\$ 2,223,000	\$ 2,674,000
Transfers from Other Fund	\$ 626,055	\$ 763,100	\$ -	\$ -
Total Transfers	\$ 734,566	\$ 763,100	\$ 2,223,000	\$ 2,674,000
Year Over Year % Change Total	-34%	4%	191%	20%
Year Over Year \$\$ Change Total	\$ (384,734)	\$ 28,534	\$ 1,459,900	\$ 451,000

Fund Balance

Streets PIL Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Fund Balance	\$ -	\$ -	\$ 2,035,764	\$ 1,393,200
Total Fund Balance Appropriations	\$ -	\$ -	\$ 2,035,764	\$ 1,393,200
Year Over Year % Change Total	0%	0%	100%	100%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ 2,035,764	\$ (642,564)

General Fund Total	\$ 46,829,991	\$ 48,652,645	\$ 61,750,815	\$ 62,639,300
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STORMWATER ENTERPRISE

Permits, Sales and Fees	\$ 1,226,749	\$ 1,121,791	\$ 1,235,000	\$ 1,271,827
Investment Earnings	\$ 50,191	\$ 107,740	\$ 90,000	\$ 90,000
Transfers from General Fund	\$ -	\$ -	\$ 89,469	\$ -
Appropriation SW Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 1,276,940	\$ 1,229,531	\$ 1,414,469	\$ 1,361,827
Year Over Year % Change Total	9%	-4%	15%	-4%
Year Over Year \$\$ Change Total	\$ 103,660	\$ (47,409)	\$ 184,938	\$ (52,642)

Stormwater Enterprise Total	\$ 1,276,940	\$ 1,229,531	\$ 1,414,469	\$ 1,361,827
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OTHER FUNDS

HEALTHCARE PREMIUM	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Transfer from General Fund	\$ 2,432,339	\$ 2,553,600	\$ 2,681,280	\$ 2,751,205
Total Revenues	\$ 2,432,339	\$ 2,553,600	\$ 2,681,280	\$ 2,751,205
Year Over Year % Change Total	100%	5%	5%	3%
Year Over Year \$s Change Total	\$ 145,417	\$ 121,261	\$ 127,680	\$ 69,925

Healthcare Premium Total	\$ 2,432,339	\$ 2,553,600	\$ 2,681,280	\$ 2,751,205
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DEBT SERVICE

Transfer from General Fund	\$ 5,465,000	\$ 5,555,000	\$ 6,505,000	\$ 6,185,048
Total Revenues	\$ 5,465,000	\$ 5,555,000	\$ 6,505,000	\$ 6,185,048
Year Over Year % Change Total	49%	2%	17%	-5%
Year Over Year \$s Change Total	\$ 1,804,763	\$ 90,000	\$ 950,000	\$ (319,952)

Debt Service Total	\$ 5,465,000	\$ 5,555,000	\$ 6,505,000	\$ 6,185,048
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Expenditures Quick Summary

OPERATIONAL FUND SUMMARY

	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Operating Fund Combined - General & Stormwater Funds				
General Government	\$ 15,928,161	\$ 16,375,422	\$ 19,642,789	\$ 21,263,657
Development Services	\$ 4,313,127	\$ 4,399,434	\$ 5,187,314	\$ 6,025,906
Public Works	\$ 7,792,743	\$ 7,828,385	\$ 10,392,961	\$ 10,337,488
Public Safety	\$ 13,496,766	\$ 14,573,231	\$ 18,445,746	\$ 19,923,937
Parks & Recreation	\$ 2,788,763	\$ 3,305,442	\$ 4,194,283	\$ 5,088,312
Stormwater	\$ 523,896	\$ 1,682,898	\$ 1,345,500	\$ 1,361,837
Total Expenditures	\$ 44,843,456	\$ 48,164,812	\$ 59,208,593	\$ 64,001,137
General Fund Only				
Total Salary and Benefits	\$ 24,030,716	\$ 25,859,877	\$ 28,800,807	\$ 32,856,295
Operations	\$ 11,848,505	\$ 11,937,103	\$ 15,481,033	\$ 16,457,457
Capital Outlay	\$ 621,339	\$ 784,484	\$ 3,266,253	\$ 3,380,500
Transfers out of General Fund	\$ 7,819,000	\$ 7,900,450	\$ 10,315,000	\$ 9,945,048
Total Expenditures	\$ 44,319,560	\$ 46,481,914	\$ 57,863,093	\$ 62,639,300
Healthcare Premium Fund Only*				
Personnel	\$ 2,169,741	\$ 2,371,277	\$ 2,681,280	\$ 2,751,205
Operations	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 2,169,741	\$ 2,371,277	\$ 2,681,280	\$ 2,751,205
Debt Service Fund Only*				
Principal & Interest	\$ 4,110,939	\$ 4,213,680	\$ 4,381,282	\$ 6,011,300
Operations	\$ 153,538	\$ -	\$ 279,576	\$ -
Reserve	\$ -	\$ -	\$ -	\$ 173,748
Total Expenditures	\$ 4,264,477	\$ 4,213,680	\$ 4,660,858	\$ 6,185,048
Stormwater Enterprise Fund Only				
Total Salary and Benefits	\$ 421,302	\$ 499,409	\$ 504,700	\$ 573,528
Operations	\$ 102,594	\$ 195,858	\$ 275,800	\$ 249,550
Capital Outlay	\$ -	\$ 2,431	\$ 65,000	\$ 38,759
Transfers out of Stormwater Fund	\$ -	\$ 985,200	\$ 500,000	\$ 500,000
Total Expenditures	\$ 523,896	\$ 1,682,898	\$ 1,345,500	\$ 1,361,837

Note: For comparison purposes Healthcare Premiums are restated in personnel cost by department. Both the Healthcare Premium Fund and the Debt Fund are tracked/reported in a separate sub-fund to the General Fund as of FY2022 and subsequently will be shown in budget ordinance as a transfer out.

Note: Merit, other pay adjustments, health benefit and retirement increase have been distributed across departments.

Funds Summary - Expenditures

OPERATIONAL FUNDS

GENERAL FUND

General Government

Governing Body	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits	\$ 143,771	\$ 142,391	\$ 150,200	\$ 155,090
Operations	\$ 330,520	\$ 356,036	\$ 451,950	\$ 458,991
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ 7,819,000	\$ 7,900,450	\$ 10,315,000	\$ 9,945,048
Total Expenditures	\$ 8,293,291	\$ 8,398,877	\$ 10,917,150	\$ 10,559,129
Year Over Year % Change Total	-16%	1%	30%	-3%
Year Over Year \$\$ Change Total	\$ (1,612,018)	\$ 105,586	\$ 2,518,273	\$ (358,021)

FY26 Budget Priorities

Allocation to CIP/Land Reserve	Onetime	\$ 970,000
Allocation to Parks & Recreation Capital Reserve Fund	Onetime	\$ 970,000
Allocation to Transportation/Roadway Capital Reserve Fund	Onetime	\$ 970,000
Allocation to Public Safety Capital Reserve Fund	Onetime	\$ 850,000
Transfer to Debt Reserve for New Debt Services	Recurring	\$ 101,975
Election Cost	Onetime	\$ 47,000
		\$ 3,908,975

Administration

Total Salary and Benefits	\$ 897,465	\$ 1,042,784	\$ 1,565,195	\$ 1,714,508
Operations	\$ 848,598	\$ 890,086	\$ 1,103,100	\$ 1,151,611
Capital Outlay				
Total Expenditures	\$ 1,746,063	\$ 1,932,870	\$ 2,668,295	\$ 2,866,119
Year Over Year % Change Total	-12%	11%	38%	7%
Year Over Year \$\$ Change Total	\$ (245,604)	\$ 186,807	\$ 735,425	\$ 197,824

FY26 Budget Priorities

Establishment of Sponsorship Program	Recurring	\$ 71,000
Insurance/Workers Compensation Inflation	Recurring	\$ 70,000
Strategic Part-time Resources (Special Projects/Special Event Permitting Services)	Recurring	\$ 60,000
Community Dashboard Development Resources	Onetime	\$ 50,000
		\$ 251,000

Communications

Total Salary and Benefits	\$ 534,296	\$ 515,897	\$ 476,067	\$ 655,344
Operations	\$ 264,667	\$ 232,434	\$ 277,750	\$ 271,100
Capital Outlay				
Total Expenditures	\$ 798,963	\$ 748,331	\$ 753,817	\$ 926,444
Year Over Year % Change Total	8%	-6%	1%	23%
Year Over Year \$\$ Change Total	\$ 56,574	\$ (50,632)	\$ 5,486	\$ 172,627

FY26 Budget Priorities

Communications Specialist-LAP Coordinat	Recurring/Onetime	\$ 92,400
Rep'd Video Messaging & Engagement Platform	Recurring	\$ 24,000
		\$ 116,400

Economic Development	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits				\$ 305,581
Operations				\$ 181,160
Capital Outlay				
Total Expenditures	\$ -	\$ -	\$ -	\$ 486,741
Year Over Year % Change Total				N/A
Year Over Year \$\$ Change Total				\$ 486,741
FY26 Budget Priorities				
Economic Development Marketing Campaign			Onetime	\$ 45,000
				\$ 45,000

Human Resources

Total Salary and Benefits	\$ 546,680	\$ 482,576	\$ 596,800	\$ 878,924
Operations	\$ 213,889	\$ 193,994	\$ 150,160	\$ 208,995
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 760,569	\$ 676,571	\$ 746,960	\$ 1,087,919
Year Over Year % Change Total	15%	-11%	10%	46%
Year Over Year \$\$ Change Total	\$ 100,878	\$ (83,998)	\$ 70,389	\$ 340,959

FY26 Budget Priorities

Succession Planning			Recurring	\$ 15,000
Organizational Development			Recurring	\$ 6,700
Logenvity Pay			Recurring	\$ 77,000
UNC Fellow			Recurring	\$ 30,000
Human Resources Talent Acquisition			Recurring/Onetime	\$ 108,500
				\$ 237,200

Budget & Strategic Management*

Total Salary and Benefits	\$ 596,079	\$ 523,083	\$ 425,728	\$ -
Operations	\$ 50,814	\$ 256,319	\$ 85,700	\$ -
Capital Outlay	\$ -	\$ -		
Total Expenditures	\$ 646,893	\$ 779,402	\$ 511,428	\$ -
Year Over Year % Change Total	0%	100%	-34%	-100%
Year Over Year \$\$ Change Total	\$ 646,893	\$ 132,509	\$ (267,974)	\$ (511,428)

Financial Services*

Total Salary and Benefits	\$ 663,684	\$ 727,534	\$ 584,400	\$ 1,405,245
Operations	\$ 329,149	\$ 328,291	\$ 429,939	\$ 469,025
Capital Outlay	\$ -	\$ -		
Total Expenditures	\$ 992,833	\$ 1,055,825	\$ 1,014,339	\$ 1,874,270
Year Over Year % Change Total	18%	6%	-4%	85%
Year Over Year \$\$ Change Total	\$ 153,222	\$ 62,992	\$ (41,486)	\$ 859,931

FY26 Budget Priorities

Accounting Generalist (Primarily absorbed by existing base budget.)			Recurring	\$ 10,000
				\$ 10,000

Note: *The Budget & Strategic Performance Department and Finance Department were combined to form the Financial Services Department on February 11, 2025

Information Technology	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits	\$ 1,050,890	\$ 1,176,790	\$ 1,303,200	\$ 1,415,335
Operations	\$ 1,626,056	\$ 1,606,756	\$ 1,602,600	\$ 2,047,700
Capital Outlay	\$ 12,603	\$ -	\$ 125,000	
Total Expenditures	\$ 2,689,549	\$ 2,783,547	\$ 3,030,800	\$ 3,463,035
Year Over Year % Change Total	3%	3%	9%	14%
Year Over Year \$\$ Change Total	\$ 88,880	\$ 93,998	\$ 247,253	\$ 432,235

FY26 Budget Priorities

Computer Hardward/Software Replacement	Onetime	\$ 105,000
Amenity Smart Sensors	Onetime	\$ 78,000
Security Initiatives-Cameras	Onetime	\$ 67,000
Security Initiatives-Monitoring Subscription	Recurring	\$ 48,000
Southern Lot WiFi	Onetime	\$ 36,500
General Smart City Initiatives - Generative AI	Recurring	\$ 30,000
Transitioning IT Support Tech from 30hrs to 40hrs	Recurring	\$ 17,900
		\$ 382,400

General Government Total \$ 15,928,161 \$ 16,375,422 \$ 19,642,789 \$ 21,263,657

Development Services

Engineering

Total Salary and Benefits	\$ 984,662	\$ 1,144,674	\$ 1,291,400	\$ 1,409,183
Operations	\$ 75,256	\$ 88,702	\$ 127,450	\$ 131,960
Capital Outlay	\$ 5,395	\$ -		
Total Expenditures	\$ 1,065,313	\$ 1,233,376	\$ 1,418,850	\$ 1,541,143
Year Over Year % Change Total	-9%	16%	15%	9%
Year Over Year \$\$ Change Total	\$ (110,778)	\$ 168,063	\$ 185,474	\$ 122,293

Inspections

Total Salary and Benefits	\$ 1,020,761	\$ 1,140,493	\$ 1,050,600	\$ 1,347,571
Operations	\$ 53,916	\$ 59,141	\$ 63,000	\$ 80,400
Capital Outlay	\$ -	\$ -		
Total Expenditures	\$ 1,074,677	\$ 1,199,634	\$ 1,113,600	\$ 1,427,971
Year Over Year % Change Total	15%	12%	-7%	28%
Year Over Year \$\$ Change Total	\$ 144,065	\$ 124,957	\$ (86,034)	\$ 314,371

FY26 Budget Priorities

EP&L (formerly Energov) New Line Item	Recurring	\$ 8,000
		\$ 8,000

Planning

Total Salary and Benefits	\$ 1,307,364	\$ 1,354,467	\$ 1,195,600	\$ 1,557,532
Operations	\$ 865,773	\$ 611,956	\$ 1,459,264	\$ 1,499,260
Capital Outlay		\$ -		
Total Expenditures	\$ 2,173,137	\$ 1,966,424	\$ 2,654,864	\$ 3,056,792
Year Over Year % Change Total	24%	-10%	35%	15%
Year Over Year \$\$ Change Total	\$ 414,006	\$ (206,713)	\$ 688,440	\$ 401,928

FY26 Budget Priorities

Morrisville Smart Shuttle	Recurring	\$ 172,000
Perimeter Park Small Area Plan	Onetime	\$ 150,000
Public Art Initiative	Onetime	\$ 42,200
		\$ 364,200

Development Services Total \$ 4,313,127 \$ 4,399,434 \$ 5,187,314 \$ 6,025,906

Public Works & Facility Maintenance

Public Works	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits	\$ 2,038,402	\$ 2,226,537	\$ 2,721,800	\$ 3,049,638
Operations	\$ 4,108,989	\$ 4,330,331	\$ 5,504,161	\$ 5,386,850
Capital Outlay	\$ 318,013	\$ 173,956	\$ 306,000	\$ 153,000
Total Expenditures	\$ 6,465,404	\$ 6,730,824	\$ 8,531,961	\$ 8,589,488
Year Over Year % Change Total	-14%	4%	27%	1%
Year Over Year \$s Change Total	\$ (1,058,594)	\$ 265,420	\$ 1,801,137	\$ 57,527

FY26 Budget Priorities

Service Contract Inflation (Solid Waste, Janitorial, Landscaping, & others)	Recurring	\$ 175,500
Pedestrian Bridge Maintenance/Repairs & ADA Transition Plan	Onetime	\$ 115,000
Additional New Equipment (Specialty Cricket Roller & Enclosed Trailer)	Onetime	\$ 65,000
Certification Incentive Program (Skills Development)	Recurring	\$ 30,000
Greenway Care & Maintenance Equipment	Onetime	\$ 11,000
Facility Improvements	Onetime	\$ 10,000
		\$ 406,500

Powell Bill

Operations	\$ 783,018	\$ 508,935	\$ 912,000	\$ 955,000
Capital Outlay	\$ -	\$ -		
Total Expenditures	\$ 783,018	\$ 508,935	\$ 912,000	\$ 955,000
Year Over Year % Change Total	-42%	-35%	79%	5%
Year Over Year \$s Change Total	\$ (577,385)	\$ (274,083)	\$ 403,065	\$ 43,000

Fleet

Operations	\$ 283,340	\$ -	\$ 249,000	\$ 288,000
Capital Outlay	\$ 260,981	\$ 588,627	\$ 700,000	\$ 505,000
Total Expenditures	\$ 544,321	\$ 588,627	\$ 949,000	\$ 793,000
Year Over Year % Change Total	89%	8%	61%	-16%
Year Over Year \$s Change Total	\$ 255,668	\$ 44,306	\$ 360,373	\$ (156,000)

FY26 Budget Priorities

Vehicle Replacements (Emergency Police Vehicles)	Onetime	\$ 450,000
Police - Impact Vehicles	Onetime	\$ 55,000
		\$ 505,000

Public Works Total	\$ 7,792,743	\$ 7,828,385	\$ 10,392,961	\$ 10,337,488
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Public Safety

Fire

Total Salary and Benefits	\$ 6,741,865	\$ 7,326,630	\$ 8,093,663	\$ 8,685,625
Operations	\$ 883,684	\$ 957,760	\$ 1,010,770	\$ 1,141,400
Capital Outlay	\$ 10,181	\$ -	\$ 2,093,748	\$ 2,445,000
Total Expenditures	\$ 7,635,730	\$ 8,284,390	\$ 11,198,181	\$ 12,272,025
Year Over Year % Change Total	6%	8%	35%	10%
Year Over Year \$s Change Total	\$ 410,405	\$ 648,660	\$ 2,913,790	\$ 1,073,844

FY26 Budget Priorities

Replacement Apparatus-2 Engines (Offsetting CRF)	Onetime	\$ 2,400,000
Assistant Fire Marshall Position (Redirect Existing PT & Partial Revenue Offset)	Recurring	\$ 73,700
Water Rescue Boat (Offsetting CRF)	Onetime	\$ 45,000
CAM Dispatch Services Inflation	Recurring	\$ 44,800
Profesional Development Programs (Overtime & Training Supplies)	Recurring	\$ 34,600
Auto External Defilbrillator- 5 Units & Preventative Maintenance	Onetime	\$ 13,500
		\$ 2,611,600

Police	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits	\$ 5,366,215	\$ 5,624,668	\$ 6,162,940	\$ 6,662,757
Operations	\$ 494,821	\$ 642,271	\$ 1,069,125	\$ 966,655
Capital Outlay	\$ -	\$ 21,902	\$ 15,500	\$ 22,500
Total Expenditures	\$ 5,861,036	\$ 6,288,841	\$ 7,247,565	\$ 7,651,912
Year Over Year % Change Total	14%	7%	15%	6%
Year Over Year \$\$ Change Total	\$ 712,028	\$ 427,805	\$ 958,724	\$ 404,347

FY26 Budget Priorities

CAM Dispatch Services Inflation	Recurring	\$ 143,200
PT Civilian Community Officers	Recurring	\$ 36,400
Digital Forensics Lab & Training	Onetime	\$ 36,000
Rifle Program	Recurring	\$ 24,500
Kg Replacement	Onetime	\$ 22,500
Drone Program (Offsetting CRF)	Onetime	\$ 19,000
TRT Equipment	Recurring	\$ 12,000
		\$ 293,600

Public Safety Total	\$ 13,496,766	\$ 14,573,231	\$ 18,445,746	\$ 19,923,937
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Parks & Recreation

Parks

Total Salary and Benefits	\$ 2,138,582	\$ 2,431,351	\$ 3,183,214	\$ 3,613,962
Operations	\$ 636,015	\$ 874,091	\$ 985,064	\$ 1,219,350
Capital Outlay	\$ 14,166	\$ -	\$ 26,005	\$ 255,000
Total Expenditures	\$ 2,788,763	\$ 3,305,442	\$ 4,194,283	\$ 5,088,312
Year Over Year % Change Total	9%	19%	27%	21%
Year Over Year \$\$ Change Total	\$ 235,528	\$ 516,679	\$ 888,841	\$ 894,029

FY26 Budget Priorities

Parks & Recreation Master Plan (Offsetting Bond Premiums)	Onetime	\$ 200,000
Morrisville Senior Center Increased Rent With Expansion	Recurring	\$ 100,000
Controlled Entry System (CSP Practice Pitches)	Onetime	\$ 50,000
Add Part Time Staff (New Revenue Offsets)	Recurring	\$ 30,000
New Equipment (Athletics & Pool)	Onetime	\$ 29,000
Overtime Allocations Meeting Growing Program Needs	Recurring	\$ 19,200
Special Events & Cultural Resources Expansion (Offsetting Sponsorship Revenue)	Recurring	\$ 15,000
		\$ 443,200

Parks & Recreation Total	\$ 2,788,763	\$ 3,305,442	\$ 4,194,283	\$ 5,088,312
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General Fund Total	\$ 44,319,560	\$ 46,481,914	\$ 57,863,093	\$ 62,639,300
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Stormwater	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Total Salary and Benefits	\$ 421,302	\$ 499,409	\$ 504,700	\$ 573,528
Operations	\$ 102,594	\$ 195,858	\$ 275,800	\$ 249,550
Capital Outlay	\$ -	\$ 2,431	\$ 65,000	\$ 38,759
Transfers out to capital project/reserves	\$ -	\$ 985,200	\$ 500,000	\$ 500,000
Total Expenditures	\$ 523,896	\$ 1,682,898	\$ 1,345,500	\$ 1,361,837
Year Over Year % Change Total	4%	221%	-20%	1%
Year Over Year \$\$ Change Total	\$ 17,731	\$ 1,159,002	\$ (337,398)	\$ 16,337

Stormwater Enterprise Total	\$ 523,896	\$ 1,682,898	\$ 1,345,500	\$ 1,361,837
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OTHER FUNDS

	2023 Actual	2024 Actual	2025 Estimated Actual	2026 Projected Budget
Debt Service				
Principal/Interest	\$ 4,110,939	\$ 4,213,680	\$ 4,381,282	\$ 6,011,300
Administrative Cost	\$ 153,538	\$ -	\$ 279,576	\$ -
Reserve				\$ 173,748
Total Expenditures	\$ 4,264,477	\$ 4,213,680	\$ 4,660,858	\$ 6,185,048
Year Over Year % Change Total	41.2%	-1%	11%	33%
Year Over Year \$\$ Change Total	\$ 1,243,255	\$ (50,797)	\$ 447,178	\$ 1,524,190

Debt Service Total	\$ 4,264,477	\$ 4,213,680	\$ 4,660,858	\$ 6,185,048
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Healthcare Premium

Personnel	\$ 2,169,741	\$ 2,371,277	\$ 2,681,280	\$ 2,751,205
Reserve	\$ -	\$ -	-	-
Total Expenditures	\$ 2,169,741	\$ 2,371,277	\$ 2,681,280	\$ 2,751,205
Year Over Year % Change Total	100%	9%	13%	3%
Year Over Year \$\$ Change Total	\$ (116,401)	\$ 201,536	\$ 310,003	\$ 69,925

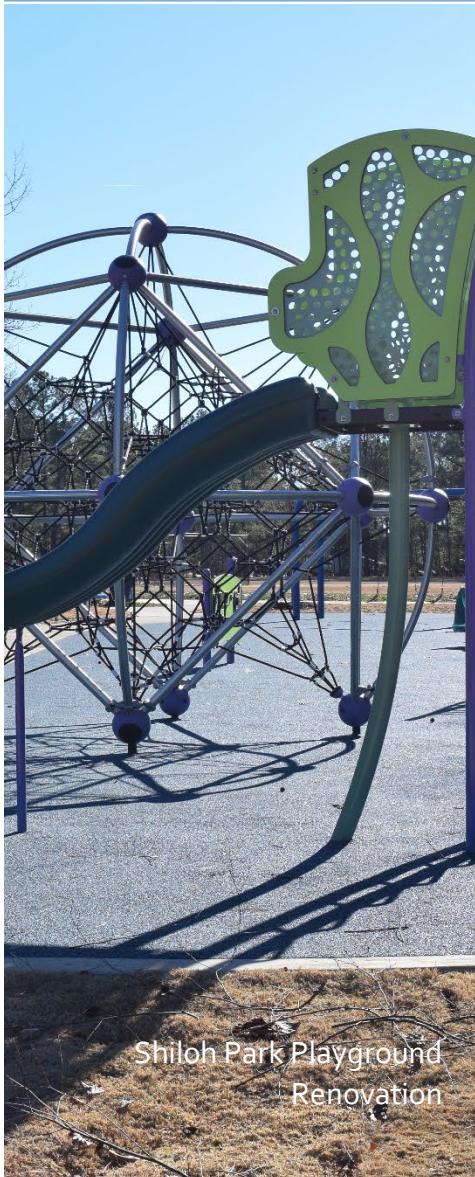
Healthcare Premiums Total	\$ 2,169,741	\$ 2,371,277	\$ 2,681,280	\$ 2,751,205
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Capital Investment Program (CIP)

General Fund CIIP

Stormwater CIP



Shiloh Park Playground
Renovation

Capital Investment Program (CIP) – General Fund

The CIP is a long-range planning tool that provides strategic guidance to effectively align potential resources and financing illustrating how priority projects may be implemented within a 5-year period. The tables shown are abbreviated and will be expanded in the final budget report.

General Fund CIP	FY2026	FY2027	FY2028	FY2029	FY2030	TOTAL
Projects	1.05	1.1	1.15	1.2	1.25	
Aviation Parkway (Sidewalk/Widening)	\$ 500,000	\$ 1,100,000			\$ 3,100,000	\$ 4,700,000
Cedar Fork District Park Improvements					\$ 2,000,000	\$ 2,000,000
Cedar Fork Elementary Athletic Facilities			\$ 805,000			\$ 805,000
FS 2 Construction and Relocation		\$ 605,000	\$ 14,195,000			\$ 14,800,000
Intersection Improvements Phase III		\$ 2,200,000				\$ 2,200,000
Marcom Drive Parkland					\$ 5,900,000	\$ 5,900,000
McCrimmon Parkway Widening						
Betterments				\$ 2,200,000		\$ 2,200,000
NC-54 Widening Betterments				\$ 1,500,000		\$ 1,500,000
PSMS Entrance/Parking Rework - Town Center	\$ 1,125,000					\$ 1,125,000
Public Works Facility	\$ 20,500,000					\$ 20,500,000
Recreation Multi-Use Center Design-Town Center Ph 2					\$ 1,000,000	\$ 1,000,000
Senior Center Expansion	\$ 850,000					\$ 850,000
Sidewalks Future - Church Street			\$ 5,900,000			\$ 5,900,000
Sidewalks Future - International Drive				\$ 1,000,000		\$ 1,000,000
Sidewalks Future - Louis Stephens	\$ 1,525,000					\$ 1,525,000
Sidewalks Future - Sorrells Grove		\$ 1,145,000				\$ 1,145,000
Wake Tech Park		\$ 450,000	\$ 5,600,000			\$ 6,050,000
Total Capital Investment Program	\$ 24,500,000	\$ 5,500,000	\$ 26,500,000	\$ 4,700,000	\$ 12,000,000	\$ 73,200,000

General Fund CIP Projected Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	TOTAL
GO Bonds (Transportation)					\$ 3,100,000	\$ 3,100,000
GO Bonds Parks and Recreation					\$ 5,900,000	\$ 5,900,000
Transportation Reserve	\$ 1,000,000	\$ 3,800,000	\$ 1,000,000	\$ 4,700,000		\$ 10,500,000
P & R Reserve			\$ 3,830,000			\$ 3,830,000
CIP Reserve	\$ 625,000					\$ 625,000
Cash Reserves (Fund Balance)	\$ 500,000	\$ 600,000				\$ 1,100,000
Grants/Other	\$ 1,875,000	\$ 605,000	\$ 4,900,000			\$ 7,380,000
Parkland Payment in Lieu		\$ 495,000	\$ 2,575,000		\$ 3,000,000	\$ 6,070,000
Installment Financing	\$ 20,500,000		\$ 14,195,000			\$ 34,695,000
Total Sources	\$ 24,500,000	\$ 5,500,000	\$ 26,500,000	\$ 4,700,000	\$ 12,000,000	\$ 73,200,000

Assumptions:

- ✓ Submitted cost estimates include a 25% contingency modifier on projected cost.
- ✓ Inflationary adjustments are applied at 5% annual increments depending on the start date.
- ✓ Project cost estimating services validated CIP modifiers and project concept preliminary estimates.
- ✓ Funding plan anticipates continued annual allocations and projected restricted source receipts in long-range assumptions. Any change or discontinuation of these anticipated annual allocations/receipts will have significant impacts to the long-range projected plan.

- ✓ The council authorized pausing on CCNP due to the cost in lieu of using resources to prioritize Town Center Green.

Top Prioritized CIP Projects in 5-Year Planning Period

The project concepts are shown in alphabetical order and a brief summary of the projects. Estimated project costs reflect amounts anticipated to be funded within the FY26 – FY30 CIP including cost escalating factors in the planning period. Projects are aligned in the CIP based on the when debt or cash payments are anticipated to occur. Some projects have received prior year funding or may require funding beyond FY30 for completion.

Project	Aviation Parkway Sidewalk & Widening (NCDOT)
Estimated Cost	\$4.7 million
Scope	The Aviation Pkwy sidewalk & widening project is an important project needed to help improve pedestrian safety, relieve traffic congestion and address capacity deficiencies on Aviation Pkwy and NC 54 intersection. The improvements will bring the project up to Town standards and take advantage of efficiency during construction to install streetlight conduit, if street light conduit is desired. Staff are working with partners to avoid any further delays to this project in the NCDOT STIP. The current STIP shows the project in FY2030.
Project	Cedar Fork District Park Improvements
Estimated Cost	\$2 million
Scope	This project aims to add new irrigation lines and lighting poles at Cedar Fork District Park. Currently, all 8 fields are heavily used for pickup games, event rentals, and soccer practice, leading to frequent turf maintenance and closures. The first phase will install irrigation on fields 3, 4, and 5, and lay infrastructure for future connections to other fields. Additionally, the project plans to install field lighting after completing irrigation improvements, allowing extended playtime into late afternoon and evening and be able to impact program expansion. This project has been part of the CIP for many years and has remained unfunded.
Project	Cedar Fork Elementary Athletic Facilities
Estimated Cost	\$805,000
Scope	Lighting to support athletic facilities that will be constructed by the Wake County Public School System in conjunction with construction of the new Wake County Public High School. Planned facilities include: • 1 Multipurpose Field • 6 Tennis Courts. The timing for the lighting will depend on Wake County finalizing their design. Plans have not yet been submitted to the Town for review by Wake County Public Schools.
Project	Fire Station 2 Relocation
Project Amount	\$14.8 million
Scope	Design and construction cost to begin planning for the relocation and construction of Fire Station 2 on the Wake Tech site with a 12,000 to 15,000 Sq foot, two bay station with an EMS option to meet growing community needs within the service area. This project is influenced by the limitation concerns from NCDOT ROW on N54 impacting the ingress/egress of the site and other service needs.

Project	Intersection Improvements Phase III
Estimated Cost	\$2.2 million
Scope	Improvements at intersections at several intersections with projected future level of service (LOS) deficiencies identified as part of the 2021 Intersection Improvements Study. Intersections include: Downing Glen Drive at Town Hall Drive - New roundabout and high visibility crosswalks, and Church Street at Jeremiah Street - New roundabout and sidewalks along both sides of Church St.
Project	Marcom Park
Estimated Cost	\$5.9 million
Scope	Design & construction of recreation amenities along Marcom Drive, Wake County property, and Sorrell Grove Church Road. The concept is considered a passive park opportunity that could accommodate disc-golf, nature trails, canoe launches, ropes course, other passive amenities and support structures. The project requires additional site control. The Parks and Recreation Master Plan update would greatly inform and further the development of a refined project scope
Project	McCrimmon Parkway Widening Betterments
Estimated Cost	\$2.2 million
Scope	Includes betterments associated with the widening of McCrimmon Parkway from Davis Drive to NC-54. Betterments include: • Increased sidewalk width on North side • Streetlight conduit • Davis Dr. and Parkside Valley Dr. Intersection Improvements • Flyover/Aesthetics.
Project	NC-54 Widening Betterments
Estimated Cost	\$1.5 million
Scope	Includes betterments associated with the widening of NC-54 between Perimeter Park Drive and Shiloh Glen Drive. Betterments include: • 10 ft. wide multi-use path on North side • Streetlight conduit • Extension of median along Perimeter Park Drive • Upgraded traffic light at Carrington Mill Blvd. and Lichtin Blvd from wood poles to mast poles and added pedestrian crossing • Irrigation to landscape medians.
Project	Public Safety & Municipal Services (PSMS) Building Rework
Estimated Cost	\$1.1 million
Scope	In conjunction with the Town Center Phase 1a project the proposed reorientation of the PSMS public entrance is recommended to shift the public facing entrance to the Town Center side of the building. This would include interior remodeling as needed to create a more welcoming and centralized customer service flow and would include the creation of a secure parking area for the police department on the other side of the existing building.

Project	Public Works Facility Renovation
Estimated Cost	\$20.5 million
Scope	This project has transitioned from a new build project to a remodeling of a newly purchased existing facility on International Drive. The project concept is reflective of the facility purchase and the projected cost to renovate the facility to the department's current and future needs. This was a cost savings solution for the Town as we have experienced many inflationary impacts as this project has developed over the years.
Project	Sidewalk Gap-Future Projects
Estimated Cost	\$9.5 million
Scope	Completion of missing sidewalk segments along with projects on NCDOT rights-of-way. The Comprehensive Transportation Plan has identified sidewalks as a key component at all Town corridors. The future projects list includes segments of Louis Stephens Drive, Church Street, Sorrell Grove Church Road and two segments of International Drive.
Project	Wake Tech Park
Estimated Cost	\$6 million
Scope	Develop approximately 18 acres of leased land adjacent to the Wake Tech Research Triangle Park (RTP) Campus into parkland to accommodate a variety of passive and active recreational uses that are allowed within the Airport Overlay such as nature trails, disc-golf course, basketball courts, & support amenities. This would be the permanent replacement of the Dragonfly course. This site is wooded with steady slopes and potential streams. It lies in the Airport Overlay and places some limitations on the types of uses requiring more passive recreational amenities. This project would be greatly informed by the update to the Parks & Recreation Master Plan.
Project	Town Center Recreation & Multi-Use Center Design
Estimated Cost	\$1 million
Scope	The Town Center vision has always included the consideration of a Recreation & Multi-use Center in the future phases. Conceptual plans would include a recreation center as a possible civic amenity that could support the Town's growing recreational needs such as fitness, programs, and multi-purpose gathering spaces designed for all age groups. To better understand the potential construction cost, it will be important to invest in a design project to prepare a future shovel ready project.
Project	Senior Center Expansion
Project Amount	\$850,000 (conceptual estimate)
Scope	This project is to expand the existing Senior Center to address space needs, add programming, and improve layout. A future facility improvement is also accounted for through the Recreation & Multi-use Center project concept as part of a future Town Center phase. This cost estimate is conceptual and a design will better predict cost.

Other Information:

Complete	Active	Unfunded
Fire Station 3 – Harris Mill	Airport Boulevard Ext Ph I	Crabtree Creek Nature Park – Re-evaluation
Morrisville Carpenter Road Widening	FUSS Dog Park	Sidewalk Future Gaps
MAFC Phase II Repairs	Sidewalk Gap Current	Municipal Town Hall
Morrisville Community Park Phase III	Intersection Improvements Phase II	Pugh House Renovations
Shiloh Park Improvements	Town Center Phase 1a	Future Town Center Phases
Airport Boulevard Sidewalk Gaps	Sawmill Creek Stream Restoration/Greenway	Recreation & Multipurpose Center Construction Phase
Fire Traffic Pre-emption	Gables MSD Project	Triangle Bikeway
Public Safety Radios		
Church Street Park Expansion		

CIP Projected Studies & Master Plans

Master plans and project studies enhance long-term capital investment planning by aligning projects with goals, informing decisions, evaluating community needs, managing resources, mitigating risks, fostering stakeholder consensus, saving time and costs, ensuring scalability, and complying with regulations. The following items are current and future needs that will influence future CIP projections.

Project Comprehensive Transportation Plan (CTP)	
Project Amount	\$200,000
Scope	The Town routinely undertakes an update to the CTP to ensure the plan remains current and is in line with the Council's transportation vision for influencing the planning for future infrastructure development and potential for future grants. The item was funded in the FY25 Budget/CIP and is in progress.
Project Existing Fire Station 2 Renovation Study	
Project Amount	\$TBD
Scope	With the taking of ROW from the NC54 widening project, the functionality of the existing Fire Station 2 is negatively impacted. The road widening will impede apparatus mobility and encroach into the front entrance of the facility. A capital project will become necessary to rehab the current station, reorienting the public entrance and mitigating ingress/egress inefficiencies that will impact service response and safety. Staff recommend conducting an in-house study of this facility to better plan renovations.
Project Parks & Recreation Master Plan Development	
Estimated Cost	\$200k
Scope	Develop a new parks master plan as an update to the plan that was developed and adopted in 2018. This plan will be the guiding document that will inform future park projects, land acquisition and development standards for these parks. This project is proposed for funding in the FY26 Annual Budget/CIP.
Project Town Center District Branding/Signage/Wayfinding Plan	
Estimated Cost	\$250,000
Scope	Create a master plan for branding, signage, and wayfinding in the Town Center District that will guide installation projects. The program aims to guide motorists, bicyclists, and pedestrians using streets, sidewalks, greenways, and public spaces. Its core focus will be to foster community connections, mobility, generate an iconic brand, and social gathering space to draw people into the destination. An RFP for consulting services is currently in review. The project is anticipated to be funded through the Town Center Project Fund.
Project Town Wide Streetscape/Landscape Master Plan	
Estimated Cost	\$200,000
Scope	Develop a town wide plan to create architectural/landscape standards for right-of-way landscaping, facility street facing signage, town monuments, street furnishings, hardscape materials and median landscaping. This plan will support prioritization, continuity of improvements, support improving overall aesthetics and provide better planned phasing. This project is on hold at this time.

Future Land Acquisition

The Town is committed to acquiring land for future parks, open spaces, and the upcoming phases of the Town Center. Through issued bond proceeds and land acquisition reserves, resources are strategically allocated to maximize opportunities for land purchases as they arise. These efforts are ongoing as long as resources are available and lay the foundation for future construction projects, paving the way for new amenities that enhance the community's quality of life.

Parkland Bond	
Future Town Parks & Open Space	
Estimated Resources	\$4 million
Scope	Land acquisition for parks and open space has a priority. The Town has limited open space for the acquisition of parkland as identified in the Parks Master Plan (over the next 10 years) with a variety of park classifications. The purpose is to develop a robust park system with adequate acreage and various park types equitably distributed throughout Town. The resources may be used for: Marcom Park Land and used for construction of other park facilities.
CIP/Land Reserve	
Town Center Land Future Phases	
Estimated Resources	1 Cent on the Tax Rate
Scope	Future phasing of the Town Center master plan will require additional land assemblage for site control. Conceptual plans will include a future recreation & multi-use center as a possible civic amenity anchor with a complimentary mix of uses for economic development opportunities. Currently, the equivalent of a penny on the tax rate is allocated to build reserves to maximize opportunities as they arise. These reserve funds may be used to create shovel ready project with Town Center and other projects in addition to land purchases.

Stormwater CIP

The Stormwater CIP (SWCIP) is based on the Stormwater Master Plan Study completed in FY2021 and is supported by an annual allocation for the Stormwater Fund applying a Pay-Go funding strategy without utilizing debt. The SWCIP will actively address ten identified stormwater area of concerns outlined in the study.

Stormwater Fund CIP	FY2026	FY2027	FY2028	FY2029	FY2030
	1.05	1.1	1.15	1.2	1.25
Projects	Sawmill Creek Tributary Stream Restoration Continues (no additional appropriations)	Savannah Subdivision & MCR (Design)	Savannah Sudivision & MCR (Construction) Garden Square Lane & Greenway (Design)	Garden Square Lane & Greenway (Construction)	Morrisville Carpenter Road (West Millet Drive - Design) Chessway Drive Culvert (Design)
Funding Plan					
Beginning Balance	\$ 613,000	\$ 1,113,000	\$ 1,373,000	\$ 492,500	\$ 246,154
Stormwater ERU Fee Annual Allocation to CIP	\$ 500,000	\$ 510,000	\$ 520,200	\$ 530,604	\$ 541,216
Stormwater Operating Fund Balance Appropriation				\$ 200,000	\$ 600,000
Project Totals	\$ -	\$ 250,000	\$ 1,400,700	\$ 976,950	\$ 1,270,750
Ending Balance	\$ 1,113,000	\$ 1,373,000	\$ 492,500	\$ 246,154	\$ 116,620

Assumptions:

- ✓ Reserve allocation = 2% annual growth.
- ✓ Cost escalators = 4% annual growth.
- ✓ Grant items = department has plans to apply for grants to offset funding sources.
- ✓ Project costs show in the years that debt and/or pay-go planning begins. Project completion can extend across fiscal years.

Top Prioritized SWCIP Projects in 5-Year Planning Period

The project concepts are shown in alphabetical order. More information may be provided during the CIP work session.

Project	Chessway Drive Culvert
Estimated Cost	\$2 million
Location	Located within the Town maintained ROW of Chessway Drive approximately 150 feet south of the intersection with Chessridge Way (Just off of Davis Drive).
Scope	Construction of a meandering channel incised approximately 2' deeper than the existing channel at the upstream end while maintaining the current culvert inlet invert at Chessway Drive. In addition to the deeper channel, the conceptual design includes the excavation of a relatively flat floodplain 50' on either side of the new channel.
Project	Garden Square Lane Culvert and Greenway
Estimated Cost	\$1 million
Location	Located approximately 150 feet west of the intersection of Garden Square Lane and Councilman Court and includes stormwater infrastructure within the Town maintained ROW of Garden Square Lane and the Town maintained easement along Indian Creek Greenway.
Scope	Replacement and upgrades to existing pipe and culvert infrastructure to mitigate road overtopping and flooding to adjacent residential structures.
Project	Morrisville Carpenter Road Culvert (West of Millet Drive)
Estimated Cost	\$1 million
Location	Located within the NCDOT maintained ROW of Morrisville Carpenter Road approximately 235 feet west of the intersection with Millet Drive.
Scope	Includes upsizing of the existing culvert system to mitigate flood risks.
Project	Morrisville Tributary Stream Restoration/Greenway (Sawmill Creek)
Estimated Cost	\$2.3 million
Location	Behind Page Street and running parallel with the railroad tracks and Church Street. The project is located along the planned Sawmill Creek Greenway.
Scope	The project is water quality focused and will tackle an unstable stream and poor habitat conditions. The work would include stabilizing the eroding stream, enhancing the riparian buffer by removing invasive species and adding native plantings, and incorporating pocket wetlands to help improve water quality and habitat conditions. Additionally building a greenway to connect to development and Historic Christian Church.
Project	Savannah Subdivision and Morrisville Carpenter Road Culvert

Estimated Cost	\$1.5 million
Location	Located within the NCDOT maintained right-of-way of Morrisville Carpenter Road and within the Town maintained right-of-way of Star Magnolia Drive and Low Country Court within the Savannah subdivision on either side of Morrisville Carpenter Road.
Scope	Upsizing and replacement of existing pipe infrastructure to mitigate road overtopping and flooding to adjacent residential structures.

Other Information:

Completed Projects	Future Projects
Wolfsnare Lane Culvert	Town Hall Drive Culvert
Mcrimmon Parkway Culvert will finish with NCDOT flyover project	Morrisville Carpenter Road Culvert (West of Davis Drive)
	Morrisville Carpenter Road (West of Madres Lane)
	Morrisville Community Park Phase III



Additional Information

BUDGET PROCESS & BASIS OF BUDGETING

BUDGET CONTROLS & FISCAL POLICIES

POSITION & PAY GRADE CLASSIFICATIONS

USER FEE SCHEDULE

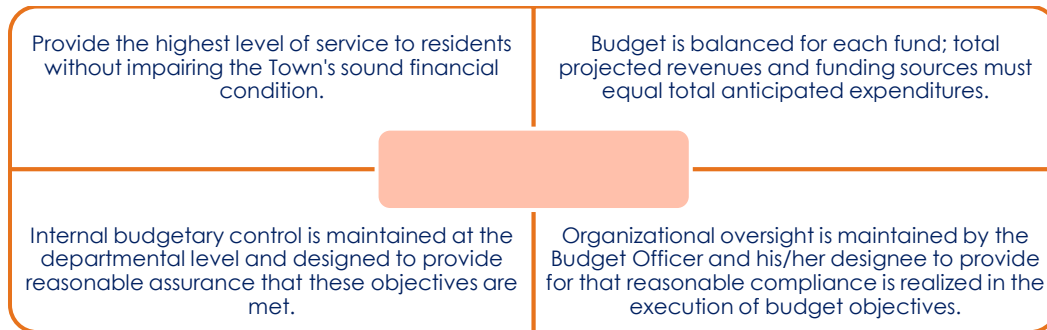
GLOSSARY OF COMMON TERMS

Dog Park Input Session



Budget Process

The Town of Morrisville's budget process is designed to learn by assessing current conditions and desired needs; to set our focus toward delivering the right outcomes based on community demands and financial capacity; to assemble a budget that works within the framework of our focus; to present a balanced and responsible plan that evaluates how decisions today might impact future budgets; and to take action executing the budget with a high degree of proficiency.



Assessment Phase

The initial phase begins in October and runs through January the following year. Reviews of current Town finances occur annually beginning with our Comprehensive Annual Financial Reporting and Audit that helps to define our financial condition and is essential in understanding the challenges and opportunities that may influence future budgets. Performance measures are reported, and Department's begin gathering and analyzing key information for decision-making purposes. This level of both internal/external review of current Town finances & performance covers such specifics as accomplishment of core objectives, revenue performance and diversity and patterns of expenditures. Successes are identified, issues are diagnosed, adjustments made, and future priorities are foreshadowed. Council and staff may elect to conduct Pre-Retreat Work Session(s) to gauge community priorities, issues, performance, and exchange informational needs in preparation of the Annual Retreat.

Focus Phase

The Council conducts an annual planning retreat in winter to collaborate, discuss and focus in on the priorities within an early projected financial capacity. During this phase, consideration is given to make necessary modifications to forecasting assumptions and capital planning, accounting for influential factors such as service demands, economic conditions, trend indicators, performance indices, program changes, and compensation levels while not deviating from the direction of our Town Strategy. Such a multi-year evaluation philosophy allows for a greater understanding of how decisions in one budget year may impact future budgets.

Assembly Phase

In March, staff re-assesses departmental Base Budget projections in relation to their service objectives and resource potential for the coming year as guided by the Town Strategy. Available financial capacity will determine the ability to fund any new initiative requests such as service expansions, onetime priorities or previous unfunded expenditures above a Department's Base Budget. Pre-Budget Meetings are held with Senior Management to gauge and refine budgetary needs within a strategic framework, mitigating redundancies and weighing alternative solutions.

Departments submit their budget requests to the Budget Office by the end of March. Submittals are thoroughly evaluated ensuring reasonable and justifiable requests before the Town Manager finalizes the Preliminary Budget. Internal meetings are held with Department Heads to make any

needed adjustments to the departmental budget plans to align resources appropriately. By the end of April, a preliminary budget is complete.

Presentation Phase

The budget document that is presented to the Town Council represents the culmination of intensive research and analysis. The document's purpose is to present to the Council and the public a comprehensive operating plan for the budget year. The proposed budget is presented to the Town Council at the first Council meeting in May. A Public Comment Portal provided via the internet invites the public to weigh in as Council deliberates. After considering the proposed budget, Council schedules a formal public hearing. At least ten days before the hearing, public notice of the time and place, along with a budget summary is published.

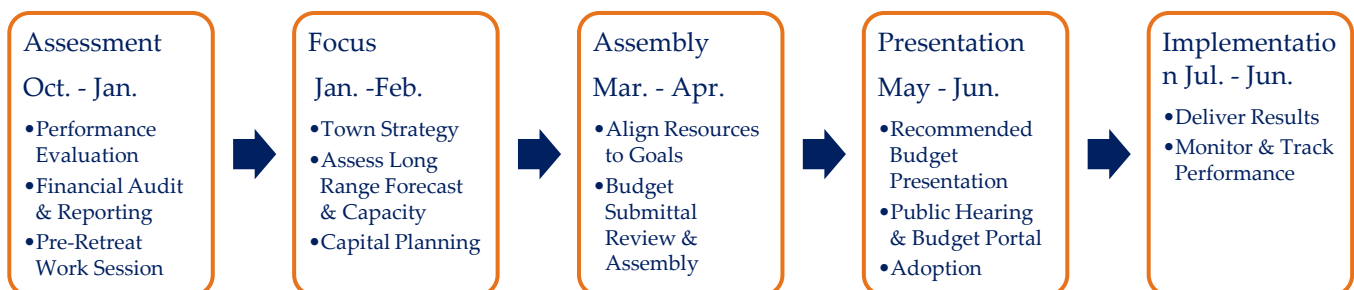
The Council reviews any public comments and adopts the operating budget by ordinance with such modifications or statements as the Council deems advisable on or before June 30th.

Implementation Phase

This is the performance phase where best laid plans become reality by delivering results. The fiscal year runs from July 1st through June 30th annually. During this phase, the organization will responsibly deliver services while maintaining financial accountability.

Execution of the approved budget is monitored and tracked for performance against defined measures to identify successes, diagnose weaknesses and make adjustments to achieve the vision and mission of the community.

Budget Calendar



Basis of Budgeting

The accounts of the Town of Morrisville are organized on the basis of funds. A fund is an independent fiscal and accounting entity, with a self-balancing set of accounts. Funds maintain independent records of cash and/or other resources, together with all related liabilities, obligations, reserves and equities. The purpose of a fund is to carry out specific activities or attain certain objectives in accordance with special financial regulations, restrictions, or limitations. The budget covers the activities and expenditures for a fiscal year that runs from July 1 to June 30 of the following year.

The Town develops its budget as required by the North Carolina Local Government Budget & Fiscal Control Act. All budgets are prepared and adopted using the modified accrual basis whereby revenues are recognized when measurable and available and expenditures are recognized when a liability is incurred. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds. During the year, the Town's accounting system is maintained on the same basis as the adopted budget. Unexpended funds revert to fund balance at close of year, while unexpended capital reserve funds carry forward from year to year. At year-end, the Town's Comprehensive Annual Financial Report (CAFR) is prepared on the basis consistent with Generally Accepted Accounting Principles (GAAP).

The main differences between Budget and CAFR for proprietary funds are:

- *Capital Outlay and Debt Service principal payments are recorded as expenditures for budgetary purposes as opposed to adjustments of balance sheet accounts in the financial statements.*
- *Depreciation is not recognized for budgetary purposes and is recorded as a charge applied against the capital assets in the CAFR.*



The Town of Morrisville maintains the following active fund types:

Fund Type	Primary Resources	Fund Use	Budget Cycle
<u>General Fund</u> accounts for all governmental services and summarizes financial transactions except those activities which are more appropriately recorded in another fund group. Annually adopted budget.	- Property Taxes - Sales Tax - Local Fees & Other State Distributed Sources - Interfund Transfers	- Public Safety - Streets, Facilities & Solid Waste - Parks, Recreation & Culture - Economic & Development - General Operations	Annual
<u>Sub-Funds</u> typically related to operations. Separate funds provide for improved tracking for such unique items.	General Fund Transfers	- Debt Obligations - Healthcare Premiums	Annual
<u>Capital Reserve Funds</u> provides a means to set aside funds annually in a reserve to pay for future capital items. The budgeting and financial reporting consolidates this fund into the General Fund under GASB 54 annually.	- General Fund Transfers - Dedicated Value of 1Cent on Tax Rate	- Fire Apparatus Replacements - Capital Investment Projects - Roadway & Transportation Improvements	Annual
<u>Municipal Service District Fund</u> is special revenue fund. The NC General Assembly authorized the creation of a service district property tax levied against only those properties receiving a majority of signed petitions to be included within the district for specific improvements. Annually adopted budget.	Special District Property Tax of \$0.10/\$100 assessed property value	Convert & upgrade private residential streets to public standards	Annual
<u>Stormwater Enterprise Fund</u> is a proprietary fund to create a separate accounting and reporting for which fees are charged in exchange for a utility type service. Annually adopted budget.	- Stormwater ERU Fee - Stormwater Review Fees - Restricted Fees	- Stormwater systems & programs to improve water quality - Compliance with state water resource management mandates	Annual
<u>Retirement Health Care Fund</u> is a fund to account for assets held by the Town in a trustee capacity for others & therefore cannot be used to support the Town's own programs. Annually adopted budget.	3% of Gross Wages	Retiree supplemental medical coverage	Annual
<u>Separation Allowance Fund</u> is a fund used to account for assets held by the Town in a trustee capacity for others and therefore cannot be used to support the Town's own programs. Annually adopted budget.	3% of Law Enforcement Gross Wages	Law Enforcement supplemental retirement	Annual
<u>Capital Project Funds</u> are used for the purpose of tracking active Capital Improvement Projects. These funds operate on a multi-year budgetary basis. No appropriations typically within the annual operating budget. Project Ordinances control appropriations.	- Property Taxes - Fund Balance & Reserves - Debt Proceeds - Grants - Impact Fees	Large non-recurring capital projects	Multi-year

Budgetary Control

The Town Manager serves as the Budget Officer, as mandated by state statute. Annual budget ordinances are adopted each fiscal year and amended as required. The General Fund, Municipal Service District Fund (MSD), Stormwater Fund, and Retirement Funds are on an annual budgetary basis. Capital Reserve Funds are consolidated and reported in the General Fund as per GASB 54 as is the MSD Fund. All Capital Project Funds operate on a multi-year budgetary basis. Multi-year budgets span more than one fiscal year and are adopted and amended as required via project ordinances. Budgetary control is exercised at the departmental level by the adoption of the budget by Town Council, and at the line item within each fund as an internal best practice. All unencumbered budget appropriations, except Capital Reserve and Capital Project Fund budgets, lapse at year-end.

The Budget Officer may designate a person(s) to carry out budgetary responsibilities. The Budget Officer and/or designee must approve transfers within functions. The Budget Officer and/or designee may also approve cross function transfers within the same fund. All transfers must comply with the Adopted Budget Ordinance and the Town's internal Budget Adjustment Policy. Budget amendments requiring additional appropriations must receive Town Council approval in the form of a Budget Ordinance Amendment unless the Annual Budget Ordinance authorizes otherwise. As required by North Carolina law, the Town maintains encumbrance accounts, which are considered to be "budgetary accounts." Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments may be honored during the subsequent year (Purchase Order Rollover).

Emergency Appropriations:

Upon a declaration by the Council that there exists a public emergency affecting life, health, property, or the public peace, the Council may make emergency appropriations. If unappropriated revenues are not available to meet such circumstances, the Council is authorized to borrow enough funds to satisfy the emergency.

Balanced Budget:

According to North Carolina General Statute, local governments are required to present and operate under an annual balanced budget ordinance. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to expenditure appropriations.

Fiscal Policies

The Town maintains a number of financial and management policies providing guiding principles and goals that will influence financial management practice of the Town of Morrisville, North Carolina as approved by the Town Council. A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management for the purpose of:

- a) *Contributing to the Town's ability to insulate itself from fiscal crisis,*
- b) *Enhancing short-term & long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,*
- c) *Promoting long-term financial stability by establishing clear & consistent guidelines,*
- d) *Directing attention to the total financial picture of the Town rather than single issue areas,*
- e) *Promoting the view of linking long-run financial planning with day-to-day operations, and*
- f) *Providing Town Council, citizenry, and professional management a framework for measuring the fiscal impacts of government services against established fiscal parameter & guidelines.*

Accounting & Financial Reporting

The Town will establish and maintain an accounting system according to the North Carolina Local Budget and Fiscal Control Act, generally accepted accounting principles (GAAP), standard of the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

Annual Comprehensive Financial Report (ACFR): The Town's ACFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Report Program. The financial statements should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference. The report of the independent auditor will be included in the Town's ACFR. The Long-range forecast is updated post audit with new historical information produced by the annual audit for the purposes of future forecasting analyses.

Internal Controls: Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.

Note: The Town maintains a number of internal policies defining procedural internal controls. The Town Manager approves such policies.

Fiscal Monitoring: Quarterly financial reports will present actual expenditures vs. budget on a monthly and cumulative basis and will be provided to Town Council and posted on the website. Major revenue sources will be monitored on a monthly basis, noting the status of each revenue as compared to budget. Expenditures will be monitored on a monthly basis.

Basis of Accounting: For financial reporting purposes, the governmental funds use the modified accrual basis of accounting, under which revenues considered to be both measurable and available for funding current appropriations are recognized when earned. All other revenues are recognized when received in cash, except that revenues of material amounts that have not been received at the normal time of receipt are accrued, and any revenues in advance are deferred. Expenditures are recorded at the time liabilities are incurred except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures when paid.

Proprietary funds use the accrual basis of accounting under which revenues are recognized when earned, and expenses are recorded when liabilities are incurred.

Basis of Budgeting: The Town prepares and adopts annually a budget using the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when liability is incurred. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds.

Cash Management Policy

The purpose of the Town's Cash Management Policy is to provide guidelines to maximize the use of public moneys in the best interest of the public.

Receipts: Cash receipts will be collected as expediently as reasonably possible to provide secure handling of incoming cash and to move these moneys into interest bearing accounts and investments. All incoming funds will be deposited daily as required by North Carolina General Statute 159-32 which states that all moneys collected on hand that amount to \$500 or greater shall be deposited. Deposits will be made in such a manner as to receive credit for that day's interest.

Cash Disbursements: The Town's objective is to retain moneys for investment for the longest appropriate period of time. Disbursements will be made shortly in advance of or on the agreed-upon contractual date of payment unless earlier payment provides a greater economic benefit to the Town. All checks require (2) signatures: Finance Director, Assistant Town Manager, or Town Manager. The use of electronic signature is authorized by Town Council.

Banking Relations: Banking service providers will be evaluated and selected through a competitive proposal process. Town Council will review the banking relationship at least every five years. The Town will maintain a minimum number of bank accounts to facilitate the movement and investment of funds. Collateralization for deposits will be in accordance with Title 20, Chapter 7 of the North Carolina Administrative Code.

Capital Investment Program (CIP) Policy

The purpose of the Town's Capital Investment Program (CIP) Policy is to provide guidelines to establish sound long-term investment expectations and provide direction for staff to create a usable funding plan that delivers tangible results. The CIP will span a 5-year planning period.

Types of Projects: The type of Projects to be included in the CIP will be determined using the following benchmarks:

- Useful life greater than 5-years
- Cost value threshold greater than \$100,000
- Project characteristics:
 - Acquisition, renovation/improvement, and/or construction of a single fixed public asset
 - Land purchases not associated with or included in another CIP project
 - Major equipment for any public facility when first constructed or acquired
 - Capital road maintenance or construction – excluding recurring or routine maintenance projects
 - May include State Roadway projects deemed important to advance within the State Transportation Improvement Plan (STIP), that would decrease congestion along major routes, or may contribute to improving public safety or economic development

- Project categories – The projects will be organized within the CIP by the following major categories:
 - Public Facilities
 - Public Safety
 - Parks/Recreational
 - Environmental/Stormwater
 - Bicycle/Pedestrian
 - Public Roadways/Transportation
 - State Roadways (design, grant match funds, or mitigating improvements)

Citizen Engagement: The purpose of citizen engagement will be a strategic focus on values and service needs obtained via a comprehensive survey conducted every four years to gauge community support for certain types of projects. Other methods of citizen engagement will utilize the Town’s Budget Portal and Public Hearing to receive input on needs to influence potential new projects and input on Town Council’s prioritized projects.

Internal Review: An executive CIP Review Team shall be appointed by the Town Manager to critically assess project concept submittals for accuracy, project benefits, alignment to Town Goals, cost feasibility, and practicality of project.

- Staff will utilize Project Evaluation Criteria established by Town Council to gauge the merits of an individual project based on the following criteria listed below in order of their weighted significance:
 - Project Cost
 - Safety
 - Fiscal Efficiencies
 - Availability of Funding
 - Level of Service
 - Mandates
 - Alignment to Goals/Objectives
 - Economic Impact
 - Improvement of Public Fixed Asset
 - Project Readiness

Prioritization of Projects: Council will produce a prioritized list of projects representing the highest priorities using key information tools every 4 years.

Primary Resources: Potential funding sources will include but are not limited to debt methods that may include installment purchase, General Obligation Bonds, and Revenue Bonds; non-debt methods or pay-as-go options that may include the use of the General Fund, Unassigned Fund Balance, Capital Reserve Funds (if established), or Special Assessment/District Tax; and other methods that may include grants, State funding, or developer funding. Funding source(s) will be identified for each project.

Frequency of CIP Update: The CIP will receive a Major Update of the CIP Policy, Projects, and Prioritization on a 4-year cycle, a Mini-Update every 2-years to adjust for necessary project modifications, and a simple cursory review by staff annually for urgent circumstances.

Conflict of Interest Policy

The purpose of the Town's Conflict of Interest Policy is to ensure that when actual or potential conflicts of interest arise, the Town has a process in place under which the affected individual will advise the governing body about all relevant facts concerning the situation.

The policies of the Town prohibit any employee, Council member, officer, or agent from participating in the selection, award, or administration of a contract if he or she has a real or perceived conflict of interest.

Such conflict includes, but is not limited to, the employee, officer, or agent, any member of their immediate family, spouse, or organization they may otherwise work for has any interest, financially or personal, in the party being considered for the contract. Financial interest shall not be considered substantial and therefore a conflict if it is below one thousand dollars (\$1,000).

The Town shall disclose any potential conflicts of interest to the U.S. Department of Treasury or any applicable Federal agency pursuant to their Conflict of Interest policy.

No employee, officer, or agent may solicit or receive any gratuities, favors, or any monetary value from contractors or subcontractors. Any violation of this policy may result in termination as determined by the Town.

Furthermore, N.C. General Statute 14-234 makes it a misdemeanor for a public official to benefit from contracts with the unit he or she works for or represents.

Debt Management Policy

The purpose of the Town's Debt Management Policy is to describe and provide a framework for the issuance of debt by the Town of Morrisville.

The Town of Morrisville recognizes the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and structural features that may be incorporated. The debt policy should recognize a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. Adherence to a debt policy helps to ensure that a government maintains a sound debt position and that credit quality is protected. Advantages of a debt policy are as follows:

- a) Enhances the quality of decisions by imposing order and discipline*
- b) Promotes consistency and continuity in decision making*
- c) Rationalizes the decision-making process*
- d) Identifies objectives for staff to implement*
- e) Demonstrates a commitment to long-term planning objectives*
- f) Regarded as a positive by the rating agencies in reviewing credit quality*

It is the policy of the Town Council:

- a) Periodically approve the issuance of Debt Obligations on behalf of the Town to finance the construction or acquisition of infrastructure & other assets for the purpose of meeting its governmental obligations to its residents*
- b) Approve the issuance of Debt Obligations to refund outstanding debt when indicated by market conditions or management considerations*

- c) *Debt obligations are issued & administered in such a manner as to ensure & sustain the long-term financial integrity of the Town, achieve the highest possible credit rating, preserve & enhance the quality of life, & the safety & welfare of its citizens*

Debt issuance will not be used to finance current operations or normal maintenance.

The Town will strive to maintain its annual tax-supported debt service costs at a level no greater than fifteen percent (15%) of the governmental expenditures (with governmental expenditures defined as ongoing governmental expenditures less capital outlay). Payout of aggregate outstanding tax-supported debt principal shall be no less than 55% repaid in 10 years. The tax-supported debt of the Town will not exceed two (2%) percent of the assessed valuation of the taxable property of the Town.

In the event that the Town anticipates exceeding the policy requirements stated above, Town staff may request an exception from Town Council setting forth the reason and need for the exception and the length of time estimated to achieve compliance.

Whenever possible, the Town will first attempt to fund capital projects with grants, reserves, other services or developer contributions.

The types of debt currently used by the Town of Morrisville include general obligation bonds and installment purchase agreements. The Town may pursue other methods of financing based upon the direction of the Town Manager and approval of the Town Council. The Town will only use debt instruments, which are approved for local government.

The Town will comply with standards of the Government Finance Officers Association for financial reporting and budget presentation and the disclosure requirements of the Securities and Exchange Commission.

Expenditures Policy

The purpose of the Town's Expenditure Policy is to provide guidelines to ensure that funds are used in a responsible and appropriate manner.

Budget Management: Expenditure budgets are reviewed by the Finance Director, the Budget Manager, the Town Manager and Town Council prior to adoption and are continually monitored throughout the budget year. Budgeted funds will only be spent for categorical purposes for which they were intended. The annual operating budget defines staff authorization for operating budget adjustments and Town Manager special authorities outlined by budget ordinance. No appropriations of the proceeds of a debt instrument will be made except for the purpose for which such debt instrument was issued. Donations will be spent only toward the intent for which they were given.

Fiscal Management: Current operating expenditures will not exceed current operating revenues. Fund balance may be used to address unanticipated needs or opportunities or to balance the annual budget regarding revenues and expenditures.

Continuing Contracts: For continuing contracts, funds will be appropriated in the annual budget ordinance to meet current year obligations arising under the contract, in accordance with G.S. 160A-17.

Payroll: Payroll will be in accordance with the requirements of the Fair Labor Standards Act. Overtime and benefits payments will be in accordance with the Town's Personnel Ordinance.

Fund Balance Policy

The purpose of the Town's Fund Balance Policy is to provide guidelines to ensure that the Town maintains adequate fund balances and reserves in order to provide sufficient cash flow for daily operational needs, secure, and maintain bond ratings, offset significant economic downturns or revenue shortfalls, and provide funds for unforeseen expenditures related to emergencies.

To ensure financial stability, secure and maintain investment grade bond ratings, set a reasonable level of fund balance, establish under what circumstance the Town can go below the policy level, and procedures on how the Town will restore the fund balance within a desired range.

For governmental funds, GASB Statement No. 54 defines five specific classifications of fund balance. These five classifications are intended to identify whether the specific components of fund balance are available for appropriation and are therefore spendable. The classifications are also intended to identify the extent to which fund balance is constrained by special restrictions, if any.

Definitions:

Non-spendable fund balance includes amounts that are not in a spendable form (prepaids, for example) or are required to be maintained intact (the principal of an endowment fund, for example).

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (grant providers), constitutionally, or through enabling legislation (legislation that creates a revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

Committed fund balance includes amounts that can be used only for the specific purposes imposed by majority vote of a quorum of the Town Council a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that originally imposed the constraint.

Assigned fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the General Fund.

Fund balance range is the range of amounts this policy has set within which the Town means to maintain the unassigned fund balance.

Surplus is the amount by which the unassigned fund balance exceeds the upper limit of the fund balance range.

Shortfall is the amount by which the unassigned fund balance drops below the lower limit of the fund balance range.

Expenditures are all uses of financial resources, budgeted for any purpose, and include operating and capital expenses, debt service, and transfers to other funds.

Operating expenditures are uses of financial resources for personnel, supplies, services, and materials, and exclude capital expenses, debt service, and transfers to other funds.

Policy: The Unassigned Fund Balance range for the General Fund shall be no less than three (3) months operating expenditures or twenty-five (25%) percent of the total budgeted operating expenditures. In the event of an extreme emergency, the Town Council may utilize unassigned fund balance that will reduce fund balance below the 25% policy for the purpose of providing for:

- *An unanticipated revenue shortfall*
- *Exposure to natural disasters (i.e., hurricanes or other events that threaten the health or safety of the residents)*
- *Taking advantage of an unforeseen significant opportunity that may be otherwise lost to the community*
- *To protect the long-term fiscal security of the Town of Morrisville*

If Fund Balance falls below twenty-five (25%) percent, the Town Council will adopt a written plan as part of the following year's budget process to restore the Fund Balance available to the policy level within twenty-four (24) months from the date of the budget adoption. This plan may require reduction of services, increases in taxes, fees, or rates, or some combination thereof.

If Unassigned Fund Balance available as calculated as part of closing-out a fiscal year is in excess of forty-five (45%) percent, the Town Council may appropriate or designate the excess for one-time Capital Expenditures, Economic Development related expenditures, or transfer the excess to a Capital Reserve Fund. Therefore, the unassigned fund balance range target is forty-five (45%) percent.

Investment Policy

The purpose of this investment policy is to guide the Town of Morrisville in managing cash on hand, to preserve principal, and generate income to provide cash for daily operational and capital needs.

- It is the intent of the Town that public funds will be invested to the extent possible to reduce the need for property tax revenues. Funds will be invested with the chief objectives of safety of principal, liquidity, and yield, in that order. All deposits and investments of Town funds will be in accordance with N.C.G.S. 159.*
- The Town will use a Central Depository to maximize the availability and mobility of cash for all funds that can be legally, and practically combined.*
- Cash Flows will be forecast, and investments will be made to mature when funds are projected to be needed to meet cash flow requirements.*
- Liquidity: No less than 20% of funds available for investment will be maintained in liquid investments at any point in time.*
- Maturity: All investments will mature in no more than fifteen (15) years from their purchase date.*
- Custody: All investments will be purchased "payment-versus-delivery" (DVP) basis and if certificated will be held by the Finance Officer in the name of the Town. All non-certificated investments will be held in book-entry form in the name of the Town with the Town's third-party Custodian (Safekeeping Agent).*
- Authorized Investments: The Town may deposit Town Funds into any Council approved Official Depository, if such funds are secured in accordance with NCGS-159 (31). The Town may invest Town Funds in the North Carolina Capital Management Trust, US Treasury Securities, US Agency*

Securities specifically authorized in NCGS-159 and Commercial Paper meeting the requirements of NCGS-159 plus having a national bond rating.

- h) Diversification: No more than 5% of the Town's investment funds may be invested in a specific company's commercial paper and no more than 20% of the Town's investment funds may be invested in commercial paper. No more than 25% of the Town's investments may be invested in any one US Agency's Securities.*
- i) Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Finance Director.*

Nondiscrimination Policy

The purpose of the Town's Nondiscrimination Policy is to address issues of diversity and multiculturalism that foster an inclusive community and the elimination of discrimination.

The Town does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring, and firing of staff, selection of volunteers and vendors, and provision of services. The Town is committed to providing an inclusive and welcoming environment for all members of our council, staff, clients, volunteers, vendors, subcontractors, and the community.

The Town has the authority to protect against discrimination that is detrimental to the health, safety and welfare of its residents and the peace and dignity of the Town pursuant to N.C. General Statute § 160A-174.

The Town is authorized by the N.C. General Statute § 153A-122 to permit a Wake County ordinance to apply within the Town's territorial jurisdiction by enacting a resolution so providing.

The Wake County Nondiscrimination Ordinance shall apply within the corporate limits of the Town that are located within Wake County and shall have the same force and effect and shall be enforced to the same extent within the corporate limits of the Town as within Wake County. Wake County shall be authorized and permitted to enforce the provisions of the Wake County Nondiscrimination Ordinance within the corporate limits of the Town that are located within Wake County pursuant to N.C. General Statute § 153A-122, to the fullest extent allowed by law.

Nondiscrimination Policy Related to ARPA Funds

The purpose of this policy is to compliment the Nondiscrimination Policy adopted by Town Council and specifically address and define the terms and conditions regarding the award of American Rescue Plan Act (ARPA) Recovery Funds in order to maintain compliance.

Overview: The Town has received an allocation of funds from the Coronavirus State Local Fiscal Recovery Fund (CSLFRF). CSLFRF funds are subject to the U.S. Department of Treasury regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

Per the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, the Town agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin within programs or activities receiving federal financial assistance.

2. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.
3. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance.
4. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.
5. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

The Town agrees to follow the Town's ordinance adopted March 22, 2022 prohibiting discrimination with regards to employment, which extends to contractors, and prohibits discrimination on the basis of race, natural hair or hairstyles, ethnicity, creed, color, sex, pregnancy, marital or familial status, sexual orientation, gender identity or expression, national origin or ancestry, National Guard or veteran status, religious belief or non-belief, age, or disability.

Procedure: To ensure compliance with Title VII of the Civil Rights Act of 1964, and Title 31 Code of Federal Regulations, Part 22, the Civil Rights Restoration Act of 1987, and other pertinent nondiscrimination authorities, the Town shall prohibit, at a minimum, the following practices in its administration of CSLFRF pursuant to the ARP/CSLFRF award:

1. Denying to a person any service, financial aid, or other program benefit without good cause.
2. Providing to a person any service, financial aid, or another benefit which is different in quantity or quality, or is provided in a different manner, from that provided to others under the program.
3. Subjecting a person to segregation or separate treatment in any matter related to the receipt of any service, financial aid, or other benefit under the program.
4. Restricting a person in the enjoyment of any advantages, privileges, or other benefits enjoyed by others receiving any service, financial aid, or other benefit under the program.
5. Treating a person differently from others in determining whether that person satisfies any admission, enrollment, quota, eligibility, membership, or other requirement or condition which persons must meet to be provided any service, financial aid, or other benefit provided under the program.
6. Implementing different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities to the program.
7. Adopting methods of administration which, directly or through contractual relationships, would defeat or substantially impair the accomplishment of effective nondiscrimination.
8. Selecting a site or location of facilities with the purpose or effect of excluding persons from, denying them the benefits of, subjecting them to discrimination, or with the purpose or

effect of defeating or substantially impairing the accomplishment of the objectives of Title VI or related acts and regulations.

9. Discriminating against any person, either directly or through a contractual agreement, in any employment resulting from the program, a primary objective of which is to provide employment.
10. Committing acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because an individual made a complaint, testified, assisted, or participated in an investigation, proceeding, or hearing.

Reporting & Enforcement: The Town shall cooperate in any enforcement or compliance review activities by the Department of the Treasury. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Town shall comply with information requests, on-site compliance reviews, and reporting requirements.

1. The Town shall maintain a complaint log and inform the Treasury of any complaints of discrimination on the grounds of race, color, or national origin (including limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, whether pending or completed, including the outcome. The Town shall inform the Treasury if it has received no complaints under Title VI.
2. Any person who believes they have been aggrieved by a discriminatory practice under Title VI has a right to file a formal complaint with the Treasury. Any such complaint must be in writing and filed with the Treasury's Title VI Coordinator within one hundred eighty (180) days following the date of the alleged discriminatory occurrence.
3. Any person who believes that because of that person's race, natural hair or hairstyles, ethnicity, creed, color, sex, pregnancy, marital or familial status, sexual orientation, gender identity or expression, national origin or ancestry, National Guard or veteran status, religious belief or non-belief, age, or disability that he/she/they have been discriminated against or unfairly treated by the Town in violation of this policy should contact the Town Manager's office within 90 days from the date of the alleged discriminatory occurrence on the complaint form provided by the Town.

Reserves Policy

The purpose of the Town's Reserve Policy is to provide guidelines that some portions of the Town's fund balance be reserved for future use. In addition, as a general budget principle concerning the use of reserves, the Town Council decides whether to appropriate funds from reserve accounts. Reserve funds will not be spent for any other function other than the specific purpose of the reserve accounts without specific direction in the annual budget or by separate Town Council action.

Reserve for State Statute: In accordance with state statute, appropriated fund balance in any fund will not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and unavailable or unearned revenues arising from cash receipts.

Unassigned Fund Balance: The Town will maintain an unassigned fund balance in operating funds. These funds will be used to avoid cash flow interruptions, generate interest income, eliminate the need for short-term borrowing, assist in maintaining an investment-grade bond rating, provide funding flexibility for unanticipated needs and opportunities, and sustain

operations during unanticipated emergencies and disasters. The level of unassigned fund balance will be determined based on anticipated future funding needs, historical trends, growth patterns, the economy, and contractual obligations, including bond covenants. Refer to the Fund Balance Policy in this section.

Interfund Transfers: Interfund transfers are permitted for the operating subsidy to another fund or non-recurring transfers or close-out of a fund.

Capital Investments Program: The Town will update on a 4 year cycle a 5-Year Capital Investments Program (“CIP”); including upcoming annual capital improvement budget and a five-year projection of capital needs and expenditures, which details the estimated cost, description, and anticipated funding sources for capital projects. The program will include costs that have been estimated including consideration for inflation. The inflation rate will be determined annually in the budget process. The first year of the 5-Year CIP will be the basis of formal fiscal year appropriations intersecting with the annual budget process each year. If new project needs arise during the year, a budget amendment identifying both funding sources and project appropriations will be utilized to provide formal budgetary authority for the subject projects. The Capital Investments Budget and Plan will generally address those capital assets with a value of more than \$100,000 and a useful life of five (5) years or greater and typically requires financing. The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance.

Financing Sources: The Town acknowledges pay-as-you-go financing as a significant capital-financing source but will determine the most appropriate financing structure for each capital project on an individual basis using all relevant factors of a project. Fund balance in excess of aforementioned LGC guidelines may be utilized as a capital source for pay-as-you-go financing.

Revenue Policy

The purpose of the Town’s Revenue Policy is to provide guidelines and direction on how to manage revenue collection more efficiently and effectively in order to maximize the collection of revenue.

The Town seeks to implement a diversified taxing policy that will ensure reasonable stability for operation at continuous service levels, but that will provide elasticity necessary for responding quickly to increased service demands due to new development. Revenue management includes within its focus, an ongoing process for reviewing and analyzing each revenue source to ensure that proceeds from each source are at an optimum level. Every attempt will be made to project revenues within 5% of final actual results, and the projections will be based on historical trends, growth patterns, and the economy. To meet these objectives, the Town observes the following guidelines:

Ad Valorem Taxes: As provided by the North Carolina Local Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy will be budgeted as follows:

- *Assessed valuation will be estimated based on historical trends, growth patterns, & anticipated construction.*
- *The estimated percentage of collection will not exceed the percentage of the levy actually realized in cash as of June 30th during the preceding fiscal year, in accordance with state law.*

- *The tax rate will be set each year based on the cost of providing general governmental services & paying debt service. Consideration will be given to future net revenue requirements for capital improvement project operational expenditure impacts & debt service.*

User Fees: The Town sets fees that maximize user charges in lieu of Ad Valorem Taxes for services that can be individually identified and where the costs are directly related to the level of service. Emphasis of user charges over Ad Valorem Taxes results in the following benefits:

- *User Fees are paid by all users, including those exempted from property taxes.*
- *User Fees avoid subsidization in instances where the service is not being provided to the general public.*
- *User Fees are a means of rationing the provision of certain services to assist in offsetting cost.*
- *User Fees for certain services can be justified on the basis of equity & efficiency, by producing information on the demand level for services & by helping to make the connection between the amount paid & the service received.*

Lost Revenue: When program revenue may be impacted by economic factors/facility closings, a relatively conservative approach will be utilized to forecast revenue to help mitigate these effects. The Town will strategically look for other funding sources to replace lost revenues and offset expenditures.

Other Revenue: All other revenues will be programmed through the annual budget process to meet Town Council's goals.

Positions & Pay Grade Classification

Position Change Summary

Full-Time & Three-Quarter Time	2023	2024*	2025	FY 26 Changes	Proposed FY 2026
General Government					
Administration	4	5	7		7
Communications	5	4	4	1	5
Economic Development			2		2
Human Resources	4	4	4	1	5
Financial Services**	6	6	9	1	10
Information Technology	8	8	8	1	9
	31	30	34	4	38
Public Safety					
Police	49	50	52		52
Fire	61	61	65	1	66
	110	111	117	1	118
Development					
Inspections	10	10	10		10
Planning	12	12	12		12
Engineering	9	10	10		10
Stormwater	4	4	4		4
	35	36	36		36
Public Works					
	25	26	28		28
Parks & Recreation					
	16	25	24		24
TOTAL FULL-TIME	217	228	239	5	244
Three-Quarter Time	7	6	8	-1	7
GRAND TOTAL AUTHORIZED	224	234	247	4	251

Full-time positions are based on 40 hours full-time and 30-hour three-quarter time positions. Part-time temporary and seasonal positions are flexible in nature and are not shown in this illustration.

*Note: In FY24 Parks, Recreation and Cultural Resources were provided 6 additional positions mid-year (PRCR Assistant Director, PRCR Analyst, Events & Cultural Resources Supervisor, Special Events Specialist-transferred position, Athletic Program Specialist, & Member Services Supervisor,) and the Director of Management Services was shifted from the Budget Department to the Administration Department. In addition, the Police Department was awarded a COPS Hiring Grant that will add a Criminal Investigative Team Detective.

**Re-combined Budget and Finance into Financial Services

Full-time Pay Grade Classification FY2026

Grade	Beginning	End	Classification Title
11	\$34,589	\$55,342	<i>For Future Use</i>
12	\$36,318	\$58,107	<i>For Future Use</i>
13	\$38,135	\$61,013	<i>For Future Use</i>
14	\$40,014	\$64,065	<i>For Future Use</i>
15	\$42,043	\$67,268	Athletic Facilities Maintenance Technician I Community Center Customer Service Representative I Grounds Maintenance Technician I Street Maintenance Technician I
16	\$44,143	\$70,630	Administrative Support Assistant Community Center Customer Service Representative II
17	\$46,352	\$74,163	Aquatics Specialist (30-Hour & Full-Time) Athletic Facilities Maintenance Technician II Grounds Maintenance Technician II Recreation Program Leader (30-Hour) Street Maintenance Technician II
18	\$48,670	\$77,870	Facilities Maintenance Technician I Permit Technician
19	\$51,102	\$81,764	Accounting Technician Athletics Facilities Maintenance Technician III Deputy Town Clerk Grounds Maintenance Technician III Mechanic Payroll Administrator Recreation Program Specialist Senior Administrative Assistant
20	\$53,658	\$85,582	Development Services Coordinator - Engineering Facilities Maintenance Technician II Firefighter Human Resources Specialist Small Business Specialist (30-Hour)
21	\$56,341	\$90,144	Athletics Program Specialist Development Services Coordinator - Planning Events Specialist IT Support Technician (30-Hours) Member Services Supervisor - MAFC

Grade	Beginning	End	Classification Title
			Property and Evidence Technician Senior Adult Program Specialist Sustainability Specialist Youth Programs Specialist
22	\$59,157	\$94,651	Code Enforcement Officer Communications Specialist Community Relations Liaison Facilities Maintenance Technician III Fitness Programs Coordinator Human Resources Analyst Master Firefighter Planning Technician Senior Aquatics Coordinator - Lifeguard Training Senior Aquatics Coordinator - Water Safety Instructor
23	\$62,115	\$99,383	Building Codes Inspector I Cultural Resources Specialist Inspections Customer Service Supervisor Police Accreditation & Crime Analyst Police Officer I Projects Coordinator
24	\$65,220	\$104,353	Aquatics Manager Athletics Facilities Maintenance Supervisor Fire Engineer Fleet Supervisor Grounds Maintenance Supervisor Management & Budget Analyst Master Police Officer Parks & Grounds Superintendent Planner I Programs Coordinator PRCR Marketing Coordinator Purchasing & Contract Manager Street Maintenance Supervisor
25	\$68,482	\$109,571	Athletics Program Manager Building Codes Inspector II Engineering Technician Facilities Supervisor

<i>Grade</i>	<i>Beginning</i>	<i>End</i>	<i>Classification Title</i>
			Environmental Specialist Public Information Officer Public Works Operations Analyst Senior Center Manager Social Media Coordinator Sustainability Programs Coordinator Town Clerk
26	\$71,905	\$115,048	Community Center Manager - CFCC Information Technology Support Analyst I PRCR Operations Analyst PRCR Special Events Supervisor Planner II Senior Police Officer Special Projects Coordinator Strategic Performance Manager Senior Human Resources Analyst
27	\$75,502	\$120,802	Assistant Fire Marshal Community Center Manager - MAFC Development Services Supervisor Financial Systems Manager Fire Captain Senior Building Codes Inspector
28	\$79,275	\$126,843	Deputy Fire Marshal Development Services Systems Manager Information Technology Support Analyst II Police Corporal Risk Manager Stormwater Engineer
29	\$83,240	\$133,183	Capital Projects Manager Controller GIS Manager Inspections Operations Manager Network & Security Administrator Police Sergeant Senior IT Analyst Smart City Program Manager

Grade	Beginning	End	Classification Title
30	\$87,401	\$139,844	Battalion Chief Fire Marshal Transportation Project Manager
31	91,772	146,835	Assistant Fire Chief Budget Operations Manager Financial Operations Manager Police Lieutenant Senior Capital Projects Manager Stormwater Engineering Manager
32	\$96,361	\$154,178	Assistant Planning Director Assistant Human Resources Director IT Operations Manager Planning Manager
33	\$101,178	\$161,886	Assistant Parks, Recreation & Cultural Resources Director Assistant Public Works Director Deputy Fire Chief Police Captain
Not Graded	MARKET	BASED	Assistant Town Manager Chief Financial Officer Chief Information Officer Communications & Outreach Director Deputy Town Manager Director of Engineering Director of Management Services Economic Development Director Fire Chief Human Resources Director Inspections Director Parks, Recreation & Cultural Resources Director Planning Director Police Chief Public Works Director

Note: The grade table above includes a 2% grade range adjustment, market range adjustments/reclassifications based on annual position study. There is a 5% spread between each grade and a 60% spread within each range (minimum to maximum).

Part-time Pay Grade Classification Fy2026

Following a comprehensive review, Staff recommends a phased approach to transition the part-time pay grade classification plan. To remain flexible to evolving market conditions and recruitment issues, the above pay table rate designations will remain flexible to allow the Town Manager the authority throughout the performance year to make rate changes as needed within the appropriate resources. All other part-time position types, the rates will vary depending on job assignment and market.

Grade	Position Control Level	Hourly Rate	Classification Title
1	Recreation Aide I	\$13.00	Scorekeeper I
2	Recreation Aide II	\$14.00	Scorekeeper II
3	Recreation Aide III	\$15.00	Athletic Site Supervisor Counselor I (<i>Before School*, After School, Summer Camp, RSG</i>) Center Aide I Senior Program Aide I Mini-Bus Driver
4	Recreation Aide IV	\$16.00	Duty Officer I
5	Recreation Aide V	\$17.00	Athletic Site Supervisor II Lifeguard I Center Aide II Counselor II (<i>Before School*, After School, Summer Camp, RSG</i>) Senior Program Aide II
6	Recreation Aide VI	\$18.00	Duty Officer II
7	Recreation Aide VII	\$19.00	Lifeguard II Swim Instructor I
8	Recreation Aide VIII	\$21.00	Swim Instructor II
9	Recreation Aide IX	\$26.00	Fitness Instructor I
10	Recreation Aide X	\$28.00	Fitness Instructor II

User Fee Schedule

The proposed changes to current fee schedule are highlighted in Red and shown in “Proposed FY26 Fee Changes column” with notes were applicable.

Administration Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Ad Valorem Tax	35¢ per \$100	35¢ per \$100	No Change
Ad Valorem Municipal Service District Tax (only impacts those idents located within Service District Area)	10 ¢ per \$100	10 ¢ per \$100	No Change
Vehicle Tag Fee	\$30.00		
Administrative Credit Card Convenience Fees	Online Over the Counter Credit Card Convenience Fee (Energov Transactions) 1% of Transaction Online Over the Counter Credit Card Convenience Fee (Active Net) 3% Fee per Transaction; 0.5% Fee per Electronic Check Processing	Online Over the Counter Credit Card Convenience Fee (Active Net) 3% Fee per Transaction; 0.5% Fee per Electronic Check Processing	Modified in accordance with processing agreements.
Paper Copies (Includes Certified Documents)			
For Color (If available)– Double Fees	Double Fees	Double Fees	No Change
8 ½” x 11” (one two sided)	15¢	15¢	No Change
8 ½” x 14” (one two sided)	20¢	20¢	No Change
11” x 17” (one two sided)	25¢	25¢	No Change
Site Plans & Construction Drawings (Full Size)	\$8 first sheet, \$1.50 each add 'l sheet	\$8 first sheet, \$1.50 each add 'l sheet	No Change
Site Plans & Construction Drawings (11” x 17”)	\$5 first sheet, \$1.00 each add 'l sheet	\$5 first sheet, \$1.00 each add 'l sheet	No Change
Digital Copies			
All documents & maps, except custom, sent via email or FTP site	No Charge	No Charge	No Change
Documents provided via USB Flash Drive	\$6.00	\$6.00	No Change
Copies from Plotter (Maps)			
17” x 22” (Size C)	\$7.00 first sheet, \$1.50 each add 'l sheet	\$7.00 first sheet, \$1.50 each add 'l sheet	No Change
22” x 34” (Size D)	\$9.00 first sheet, \$1.50 each add 'l sheet	\$9.00 first sheet, \$1.50 each add 'l sheet	No Change
34” x 44” (Size E)	\$13.00 first sheet, \$1.50 each add 'l sheet	\$13.00 first sheet, \$1.50 each add 'l sheet	No Change
Custom Map			

Administration Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Fee includes One digital version and one hard copy from plotter	Base map fee + \$130.00 per hour	Base map fee + \$130.00 per hour	No Change
Development Plans and Documents			
Land Use Plan – Current Version	\$20	\$20	No Change
Land Use Plan - Previous Version	\$5	\$5	No Change
Town Center	\$40	\$40	No Change
Transportation Plan – Current Version	\$40	\$40	No Change
UDO	\$40	\$40	No Change
Other Plans Not Listed Above	\$40	\$40	No Change
Off- Site File Retrieval	\$60 per file specific record	\$60 per file specific record	No Change

Statutory authority to assess fees § 132-6.2. Provisions for copies of public records; fees. A reasonable "service fee" may be charged for defined extreme cases requiring "extensive use of IT Sources or labor costs of personnel."

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Comprehensive Plan Amendments			
Comprehensive Plan Amendments - Consultant Peer Review Fee	Actual Cost of Review	Actual Cost of Review	No Change
Comprehensive Plan Amendments - Map Amendment	\$1,000	\$1,000	No Change
Comprehensive Plan Amendments - Text Amendment	\$1,000	\$1,000	No Change
Conceptual Master Plan Approval			
Conceptual Master Plan Approval Major Modifications (includes first 3 reviews)	\$750 + \$30 acre	\$750 + \$30 acre	No Change
Conceptual Master Plan Approval - Minor Modification (includes first 3 reviews)	\$600	\$600	No Change
Conceptual Master Plan Approval: 4 th Review and each review thereafter	\$250	\$250	No Change
Landscaping & Tree Preservation			
Alternative Landscape Plan	\$250 per requested alternative	\$250 per requested alternative	No Change
Payment in Lieu of Replacement Tree	\$305 per caliper inch	\$305 per caliper inch	No Change
Tree Damage Report	Actual Cost of Review	Actual Cost of Review	No Change
Mural		\$135	Alignment to UDO Fees
Ordinance Amendments (Zoning Map Amendments)			

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Ordinance Amendment - Conditional	\$1,000 + \$30 acre	\$1,000 + \$30 acre	No Change
Ordinance Amendment - General Use	\$750 + \$30 acre	\$750 + \$30 acre	No Change
Ordinance Amendment - Planned Development	\$2,000 + \$30 acre	\$2,000 + \$30 acre	No Change
Ordinance Amendment - Planned Development: Minor Modification	\$800	\$800	No Change
Signs-Permits			
Master Sign Plan	\$200	\$200	Moved from under Site Plans. Fee the same
Minor Modification to Master Sign Plan	\$100	\$100	Moved from under Site Plans. Fee the same
Signs, Permanent			
Bracket-Mounted Sign	\$6 per sq ft	\$6 per sq ft	No Change
Ground Sign A, Ground Sign B, Wall Mounted Fascia Sign, Projection Fascia Sign, Awning-Mounted Sign and Marquee Sign	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	No Change
Ground Sign C	\$6 per sqft	\$6 per sqft	No Change
Signs, Temporary			
Temporary Sign Banner Sign or Sock Sign	\$25 per sign (One-time fee required for initial installation. This is necessary to ensure signs comply with UDO standards)	\$25 per sign (One-time fee required for initial installation. This is necessary to ensure signs comply with UDO standards)	No Change
Temporary Sign Light Pole Banner Sign	\$25 per pole (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)	\$25 per pole (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)	No Change
Yard Sign A	\$5 per sq ft	\$5 per sq ft	No Change
Yard Sign B	\$25	\$25	No Change
Site Plan			
Site Plan: -Residential use and Mixed Use (include first 3 reviews)	\$800 + \$30 acre	\$800 + \$30 acre	No Change
Site Plan: Minor Single Family Attached and Multi-family (includes first 3 reviews)	\$800 + \$25 unit	\$800 + \$25 unit	No Change
Site Plan: Minor Modification-new development, projects that do not conforming triggers in UDO section 9.7	\$600	\$600	No Change

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
and accessory structure (includes first 3 reviews)			
Site Plan: Minor Modification-projects that meet conforming triggers in the UDO section 9.7 (exception for accessory structure)	\$800 + \$30 acre	\$800 + \$30 acre	No Change
Site Plan: 4 th review and each review thereafter	\$600	\$600	No Change
Site Plan-Minor Modification: 4 th review and each review thereafter	\$300	\$300	No Change
Site-Specific Development Plan Designation	\$1,015	\$1,015	No Change
Plot Plan Review (not associated with a building permit)		\$75	New fee to account for staff time of Plot Plan reviews not associated with a building permit application.
Subdivision Approval			
Subdivision Final Plat - Type 1 and Type 2 (includes first 3 paper reviews & mylar review)	\$250 + \$15 lot and \$25 unit (if mixed use has residential component)	\$250 + \$15 lot and \$25 unit (if mixed use has residential component)	No Change
Subdivision Final Plat - Type 1 and Type 2 Each additional review	\$150	\$150	No Change
Subdivision Final Plat - Determination of Subdivision Exclusion (includes first 3 paper reviews & mylar)	\$200	\$200	No Change
Subdivision Final Plat - Determination of Subdivision Exclusion (each additional review)	\$105	\$105	No Change
Subdivision Final Plat - Right-of-Way or Easement Dedication (includes first 3 paper reviews & mylar review)	\$200	\$200	No Change
Subdivision Final Plat - Right-of-Way or Easement Dedication Each additional review	\$105	\$105	No Change
Subdivision Preliminary - Type 1 Major Modifications (including first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$1,000 + \$25 lot	\$1,000 + \$25 lot	No Change
Subdivision Preliminary - Type 2 Major Modifications (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$800 + \$25 lot	\$800 + \$25 lot	No Change
Subdivision Preliminary - Type 1 and 2: Minor Modification (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$600	\$600	No Change

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Subdivision Preliminary - Type 1 and Type 2: 4 th review and each review thereafter	\$600	\$600	No Change
Temporary Uses			
Street Vendor Permit	\$50	\$50	No Change
Special Event Permit	Tier I - \$100 Tier II - \$25	Tier I - \$100 Tier II - \$50	Slight increase in accounting for staff time and bring in line with our temporary use permits. Cary \$100 all events. Holly Springs \$75. Raleigh \$100 and \$250 depending on size and scope of event.
Special Event Permit: Late Fee by Tier	Tier I - \$250 (if not submitted 60 days prior to event) Tier II - \$50 (if not submitted 21 days prior to event)	Tier I - \$250 Tier II - \$50	
All Other Temporary General Uses	\$50	\$50	No Change
All Other Fees			
Administrative Adjustment	\$250 per requested adjustment	\$250 per requested adjustment	No Change
Administrative Appeal (UDO)	\$610	\$610	No Change
Alternative Equivalent of Compliance	\$750 +\$30 acre	\$750 +\$30 acre	No Change
Accessory Structure Administrative Appeal	\$155	\$155	No Change
Annexation Petition - Voluntary Annexation	\$360	\$360	No Change
Cross Access Waiver	\$250 per cross access point	\$250 per cross access point	No Change
Development Agreement	\$1,250	\$1,250	No Change
Development Name Change	\$560	\$560	No Change
Food Truck Permit	\$50	\$50	No Change
Grave Removal Request	\$230	\$230	No Change
Home Occupation Fee	\$50	\$50	No Change
Interpretation (UDO)	\$250	\$250	No Change
Loading Space Waiver	\$250 per application	\$250 per application	No Change
Parking - Alternative Parking Plan	\$250	\$250	No Change
Parking - Master Parking Payment-in-Lieu	\$2030 per space	\$2030 per space	No Change

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Parkland Payment Appraisal	Actual Cost of the Appraisal	Actual Cost of the Appraisal	No Change
Parkland Payment-in-Lieu (Multi-Family)	\$3,121.27 per unit	\$3,214.52	3-year average of single family multiplied by .79. Also equivalent to 3% Wake County median home price increase
Parkland Payment-in-Lieu (Single-Family attached, detached, duplex and manufactured home dwellings)	1/35 of an acre (predevelopment cost) times the number of dwelling units	1/35 of an acre (predevelopment cost) times the number of dwelling units	No Change
Public Notice Mailing Fee	\$1.50 per mailed notice	\$1.50 per mailed notice	No Change
Public Notice Sign	\$30 per required sign	\$30 per required sign	No Change
Re-inspection (site inspection, transportation inspection, tree fencing inspection, landscape inspection, and all other Planning Department inspections)		\$80	Shifting from Inspection Department fee to Planning Department.
Request to Waive Limitation on Subsequent Similar Applications	\$255	\$255	No Change
Road Closing	\$500	\$500	No Change
Road Name Change	\$560	\$560	No Change
Security Fence Plan	\$250	\$250	No Change
Special Use Permit	\$1,000 + \$30 acre	\$1,000 + \$30 acre	No Change
Special Use Permit: Minor Amendment	\$750	\$750	No Change
Stockpiling Permit	\$105	\$105	No Change
Structure in the Right-of-way (See Section 2.5.24 Right-of-Way Encroachment Agreement Approval)	\$510	\$510	No Change
Telecommunications Facility: Small Cell Antenna DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$100 per facility (first 5)	\$100 per facility (first 5)	No Change
Telecommunications Facility: Small Cell Antenna DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$50 per facility (next 20)	\$50 per facility (next 20)	No Change
Telecommunications Facility: Small Cell Antenna DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$500 Consultant Review Application	\$500 Consultant Review Application	No Change
Telecommunications Facility: Colocation	\$1,000	\$1,000	No Change
Telecommunications Facility: New Facility	\$4,500	\$4,500	No Change
Traffic Signal - Town Review Fee	\$385	\$385	No Change
Traffic Signal - Consultant Peer Review Fee	Actual Cost of Review	Actual Cost of Review	No Change

Planning Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Transportation Impact Analysis - Town Review Fee	\$700 + \$15 acre	\$700 + \$15 acre	No Change
Transportation Impact Analysis - Consultant Peer Review Fee	Actual Cost of Review	Actual Cost of Review	No Change
Variance (also see Riparian Buffer)	\$600 per request	\$600 per request	No Change
Waivers to UDO requirements by the Planning Director (not otherwise identified in this fee schedule)	\$250 per requested waiver	\$250 per requested waiver	No Change
Vesting Determination	\$250	\$300	Cary is \$300; Holly Springs \$400
Zoning Compliance Letter	\$200	\$200	No Change
[1] The consultant review fee is included in the Total fee.			No Change
[2] Refer to NC S.L. 2017-159 for additional details regarding Small Wireless Facilities.			No Change
Engineering Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Engineering Review Fees			
<u>Construction Site Plan Review Fee</u>			
Construction Plan Review includes 3 reviews Note: If submitted concurrent with Site Plan it includes first 4 reviews	\$750 + \$30 acre	\$750 + \$30 acre	No Change
Construction Plan Review Re-submittal 4th review and after	\$560	\$560	No Change
Construction Drawing Minor Modification Fee	\$600	\$600	No Change
Encroachment Irrigation and Drainage Plan Review	\$50	\$50	No Change
Encroachment Utility Plan Review	\$200	\$200	No Change
Project Close-Out Fees (Paid upon Project Completion)			No Change
Record Drawing Review - Includes 2 Reviews Note: Morrisville Only, See Town of Cary for fees related to utility As-Builts	\$250	\$250	No Change
Re-submittal Record Drawing - 3rd Review and each Thereafter	\$150	\$150	No Change
Miscellaneous Fees			
Administrative Appeal (EDCM)	\$610	\$610	No Change
Alternative Standard (EDCM) - Request for alternative standard	\$250 per request standard	\$250 per request standard	No Change
Bulletin Drawing Review - <i>per review (includes 2 reviews)</i>	\$150	\$150	No Change

Engineering Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Interpretation (EDCM)	\$205	\$205	No Change
<u>Retaining Wall Other Structure Submittal</u>			
1st Review	\$200	\$200	No Change
2nd Review and each Thereafter	\$100	\$100	No Change
Infrastructure Fees			
Roadway improvements in or adjacent to public right-of-way includes storm drainage, grading, curb and gutter, sidewalks, paving, and street acceptance (includes 1 punch-list walkthrough, 1 post punch-list walkthrough, 1 end of warranty punch-list and 1 final acceptance walkthrough)	\$6.00 per linear foot [NOTE: punch-lists are only valid for 3 months from date of inspection letter unless otherwise allowed for by the Town Engineer. Failure to complete required repairs will result in a new punch-list walkthrough being completed and re-inspection fee required]]	\$6.00 per linear foot [NOTE: punch-lists are only valid for 3 months from date of inspection letter unless otherwise allowed for by the Town Engineer. Failure to complete required repairs will result in a new punch-list walkthrough being completed and re-inspection fee required]]	No Change
Street Acceptance Walk Through (Punch-list) Re-inspection	\$50 per street + \$0.50 per linear foot	\$50 per street + \$0.50 per linear foot	Change
Roadway Improvements Re-inspection	\$75 per inspection	\$75 per inspection	No Change
Driveway curb cut includes excavation, forming, and concrete placement	\$100 per driveway opening	\$100 per driveway opening	No Change
Re-inspection of driveway curb cut	\$75 per driveway opening	\$75 per driveway opening	No Change
Encroachment in public right-of-way (includes excavation, backfill and work relating to the installation, repair, replacement, and removal of utilities, structure, or other encumbrances within Town R W)	\$2.00 per linear foot	\$2.00 per linear foot	No Change
Detached single-family dwelling unit (includes one inspection and one re-inspection)	\$150 per lot	\$150 per lot	No Change
Re-inspection of detached single-family dwelling unit includes 2 additional re-inspections	\$150 per lot	\$150 per lot	No Change
Sidewalk improvements outside public right-of-way	\$1.50 per linear foot	\$1.50 per linear foot	No Change
Roadway Fire lane improvements outside of public right-of-way	\$2.50 per linear foot	\$2.50 per linear foot	No Change
Storm drainage improvements outside of public right-of-way	\$1.50 per linear foot	\$1.50 per linear foot	No Change
Drainage swale ditch improvements (outside of public right-of-way)	\$1.50 per linear foot	\$1.50 per linear foot	No Change

Engineering Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Attached town home dwelling unit (includes one inspection and one re-inspection)	\$75 per lot	\$75 per lot	No Change
Re-inspection of attached town home dwelling unit (includes two additional re-inspections)	\$75 per lot	\$75 per lot	No Change
Greenway (Public and Private)	\$1.50 per linear foot	\$1.50 per linear foot	No Change
Apartments, commercial, office, institutional, and industrial lots (includes one inspection and one re-inspection)	\$400 per building	\$400 per building	No Change
Re-inspection of apartments, commercial, office, institutional, and industrial lots (includes two additional re-inspections)	\$400 per building	\$400 per building	No Change
Re-Inspection Fee for Infrastructure (per Inspection)		\$150 per Reinspection	New fee to reflect staff time it takes for review
Stormwater Fees			
Rain Barrel	\$67	\$67	No Change
Stormwater ERU Fee - Per Equivalent residential Unit (ERU) and billed by Wake County	\$50 per ERU	\$50 per ERU	No Change
Stormwater As-Built - includes 2 reviews	\$250 per SCM	\$1000 per SCM	Increase to reflect staff time it takes for review
Stormwater As-Built - 3rd Review and each Thereafter	\$125	\$125	No Change
SCM Annual Re-Inspection Fee		\$250 per Reinspection	New fee to reflect staff time it takes for review
Riparian Buffer Variance	\$500	\$500	No Change
Stream Buffer Determination	\$250 per Stream	\$250 per Stream	No Change
Stormwater Variance	\$500	\$500	No Change
Floodplain Development Permit			
Elevation Certificate	\$150	\$150	No Change
Map Revision (CLOMR LOMR)	\$1,000	\$1,000	No Change
Riparian Buffer Development (No practical alternatives) Submittal			
2 Reviews	\$250	\$250	No Change
3 rd Review and thereafter	\$75	\$75	No Change
Stormwater Plan Review Fee (Includes 3 reviews or if submitted concurrent with Site Plan includes first 4 reviews.)	\$550 + \$55 acre per disturbed acre	\$550 + \$55 acre per disturbed acre	No Change

Engineering Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Re-Submittal Stormwater Plan Review Fee (4th submittal and each thereafter.)	\$350	\$350	No Change
Storm drainage improvements outside of public right-of-way	\$1.50 per linear foot	\$1.50 per linear foot	No Change
Drainage swale/ditch improvements (outside of public right-of-way)	\$1.50 per linear foot	\$1.50 per linear foot	No Change
Stormwater Facility(ies) Inspection (includes 1 inspection and 1 re-inspection)	\$250 per facility	\$250 per facility	No Change
Stormwater Facility(ies) Re-inspection	\$100 per inspection	\$100 per inspection	No Change
Stormwater Maintenance Fee Calculations	30% of Engineer Estimate of SCM		No longer applicable

Inspections Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Residential -Single Family Dwelling & Single-Family Townhome			
New Single Family and Duplexes up to 1,200 sqft per dwelling	\$600	\$600	No Change
New Single Family and Duplexes over 1,200 sqft per dwelling	\$600+ \$0.25 per sqft	\$600+ \$0.25 per sqft	No Change
*Gross floor area served by either mechanical, plumbing, or electrical systems and suitable for occupant's use within the inside perimeter of the exterior walls - to include garages, corridors, stairs, closets, or other features such as decks, porches, or bonus rooms.			
<u>Residential Addition:</u>			
Bedrooms, bathrooms, sunrooms, or similar additions for up to 400 sqft	\$250	\$250	No Change
Bedrooms, bathrooms, sunrooms, or similar addition with over 400 sqft	Same as New Single Family	Same as New Single Family	
Multi-Family Dwelling	\$600 first unit (per unit)	\$600 first unit (per unit)	No Change
Manufactured home or construction trailer (includes piers, tie-downs, steps, decks, electrical, plumbing & mechanical)	\$250	\$250	No Change
Modular Units Dwellings Moved on Lot	\$80 each trade + \$0.25 per sqft	\$80 each trade + \$0.25 per sqft	No Change
Residential Accessory Structure - includes attached deck, garage, open porch, etc. Or detached shed or garage of more than 144 sqft or greater	\$80 each trade + \$0.25 per sqft	\$80 each trade + \$0.25 per sqft	No Change
Residential Alteration, Change Out or Individual Trade - Building, Electrical Plumbing, or Mechanical	\$80	\$80	No Change

Inspections Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Electrical Service or Gas Utility - Conditional Power and/or Conditional Mechanical	\$80	\$80	No Change
Non-Residential/Commercial/Multi Family			
Based on total construction cost of all trades (Building, plumbing, mechanical, electrical, BDA, fire alarm, fire suppression, etc.) including both labor and materials. Permits limited in project scope to change outs are based off of the cost of construction of the highest single trade only.			
\$0 - \$5,000	\$100	\$100	No Change
\$5,001 - \$7,500	\$200	\$200	No Change
\$7,501 - \$15,000	\$400	\$400	No Change
\$15,001 - \$25,000	\$600	\$600	No Change
\$25,001 - \$50,000	\$850	\$850	No Change
\$50,001 - \$100,000	\$1,500	\$1,500	No Change
\$100,001 - \$200,000	\$3,000	\$3,000	No Change
\$200,001 - \$350,000	\$5,000	\$5,000	No Change
\$350,001 - \$500,000	\$6,500	\$6,500	No Change
\$500,001 - \$750,000	\$8,500	\$8,500	No Change
\$750,001 - \$1,000,000	\$10,500	\$10,500	No Change
over \$1,000,000	\$10,500 + .20% (.0020) of everything over \$1,000,000	\$10,500 + .20% (.0020) of everything over \$1,000,000	No Change
Single dwelling unit change out	\$80 - same as residential change out	\$80 - same as residential change out	No Change
Other Fees			
Application Re-processing	\$80	\$80	No Change
Residential Irrigation Permit Only	\$80	\$80	No Change
Commercial Irrigation Permit Only	\$200	\$200	No Change
Residential - New Single Family & Townhome Plan Review	\$100	\$100	No Change
Commercial - Plan Review Fee (non-refundable)	New Construction-\$200 Alterations/Upfits/Single Trade-\$100, \$50 per shop drawing added to a permit	New Construction-\$200 Alterations/Upfits/Single Trade-\$100, \$50 per shop drawing added to a permit	No Change
Residential Re-review Fee (5 th review and each review thereafter)	\$80	\$80	No Change
Commercial Re-review Fee (5 th review and each review thereafter)	\$150	\$150	No Change

Inspections Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Plan Change Commercial	New Construction- \$100, Alterations Upfits Single Trade- \$50, Shop drawings \$25	New Construction- \$100, Alterations Upfits Single Trade- \$50, Shop drawings \$25	No Change
Plan Change-New Residential	\$50	\$50	No Change
Plan Change-Existing Residential	\$50	\$50	No Change
Re-Inspection Fee Per Inspection	\$80 each trade	\$80 each trade	No Change
Homeowner Recovery Fee	\$10	\$10	No Change
Demolition Permit	\$200	\$200	No Change
Temporary Electrical Power - Tree sales, etc..	\$80	\$80	No Change
Work Without a Permit	Double Permit Fee	Double Permit Fee	No Change
Refund Policy - Permit Issued	Forfeit Fees	Forfeit Fees	No Change
Refund Policy - Expired	Forfeit Fees	Forfeit Fees	No Change
Weekend Inspection	\$125 per hour with a minimum of 3 hours	\$125 per hour with a minimum of 3 hours	No Change
After Hours Inspection (Monday through Friday)	\$75 an hour with a minimum of 2 hours	\$75 an hour with a minimum of 2 hours	No Change
Temporary Structure	\$80	\$80	No Change
Temporary Occupancy Request	\$250	\$250	No Change
Temporary Occupancy Request-Same Day	\$500	\$500	No Change
Safe to Stock Request	\$150	\$150	No Change
Building Plan E Review	\$600	\$600	No Change
Building Plan Express Review each quarter hour thereafter	\$150	\$150	No Change
Building Plan Express cancellation fee, minimum 3-day notice required	\$200	\$200	No Change
Change of Contractor	\$50	\$50	No Change
Miscellaneous	\$80	\$80	No Change
Same Day Inspection	\$125 per inspection commercial, \$80 per inspection residential (Single Family Dwelling & Single-Family Townhome)	\$125 per inspection commercial, \$80 per inspection residential (Single Family Dwelling & Single-Family Townhome)	No Change
Canceled Inspection Fee	\$80	\$80	No Change
Stop Work Order	\$150	\$150	No Change

Police Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Residential & Commercial False Alarm Fees			
1 - 3 false alarms annually along with official notification from the Chief of Police	No Charge	No Charge	No Change
4 - 5 consecutive false alarms at same adds during same year	\$80.00 per false alarm	\$80.00 per false alarm	No Change
6 - 8 consecutive false alarms at same adds during same year	\$150.00 per false alarm	\$150.00 per false alarm	No Change
9 - 10 consecutive false alarms at same adds during same year	\$200.00 per false alarm	\$200.00 per false alarm	No Change
> 10 consecutive false alarms occurrences at same adds during same year	\$300.00 per false alarm	\$300.00 per false alarm	No Change

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Fire Inspection Service Fees			
Single Family attached detached, commercial, industrial, office, etc.... based on square footage			
Inspection Fee			
1-2,500 sqft	\$75	\$75	No Change
2,501 - 5,000 sqft	\$100	\$100	No Change
5,001 - 10,000 sqft	\$150	\$150	No Change
10,001 - 25,000 sqft	\$200	\$200	No Change
25,001 - 50,000 sqft	\$250	\$250	No Change
50,001 - 100,000 sqft	\$300	\$300	No Change
100,001 - 500,000 sqft	\$350	\$350	No Change
>500,000 sqft	\$500	\$500	No Change
1st Re - Inspection	No Fee	No Fee	No Change
If violations still exist issue another warning, assess fee included with initial fire inspection			
2nd Re - Inspection	\$100	\$150.00	Based on Market Comparison
3rd Re-Inspection	\$150	\$200.00	
4th Re-inspection -If violations corrected- no fee. If violations remain, fees are assessed from the date of 2 nd re-inspection.	\$25 day per violation	\$25 day per violation	No Change
<u>Initial Inspection. Apartments, Hotel Motel and Condominiums</u>			
Inspection Fee			
Each Building with: 3 - 10 Units	\$25	\$25	No Change

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Each Building with: 11-20 Units	\$75	\$75	No Change
Each Building with: 21-30 Units	\$100	\$100	No Change
Each Building with: 31-50 Units	\$125	\$125	No Change
Each Building with: 51-100 Units	\$150	\$150	No Change
Each Building with :100+ Units	\$200	\$200	No Change
1st Re-Inspection Fee	No Fee	No Fee	No Change
Subsequent 2nd & 3rd Re-Inspection Fees per building	\$100	\$150.00	
Expedited Fire Plan Review Fee	\$800 for 1 st 2 hours, plus an additional \$200 per 15-minute increment thereafter.	\$800 for 1 st 2 hours, plus an additional \$200 per 15-minute increment thereafter.	No Change
Other Fire Inspection Fees			
<u>After Hours Commercial Fire Inspection</u>			
Monday – Friday not between 6a-5p and anytime on Saturday or Sunday	\$250 per hour, minimum 3 hours	\$250 per hour, minimum 3 hours	No Change
2 hours minimum if already at work and 3 hours minimum if inspector must leave his/her residence.			
Water Flow Testing	\$200	\$200	No Change
Witness Flow Testing	\$100	\$100	No Change
Fire Hydrant & Fire Lane No Parking Violations	\$75.00	\$75.00	No Change
Pine Straw Violation	\$500.00	\$500.00	No Change
Private Fire Hydrant -Maintaining			No Change
1st -Compliance	\$250.00	\$250.00	No Change
2nd -Compliance	\$500.00	\$500.00	No Change
3rd -Compliance	\$1,000.00	\$1,000.00	No Change
Misc. Test	\$50	\$50	No Change
ABC License Application Inspection	\$75 per inspection	\$75 per inspection	No Change
Work & Modification without plan submittal & approval (Fire Alarms & Sprinklers and/or alternate detection suppression systems)	\$500	\$500	No Change
Fire Alarm System et			
1st Offense	No fee	No fee	No Change
2 nd Offense	\$250	\$250	No Change
3 rd Offense	\$500	\$500	No Change
4 th Offense on	\$1,000 occurrence	\$1,000 occurrence	No Change

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
False Alarm Offense (4 Complimentary per Calendar Year)	\$150 for 5 th offense, \$300 for 6 th offense and \$500 for each offense after in the same calendar year	\$150 for 5 th offense, \$300 for 6 th offense and \$500 for each offense after in the same calendar year	Language change for clarity.
Life Safety Violations, Subsequent Offenses and Any Unsafe conditions			
1st Offense	\$200	\$250.00	
2 nd Offense	\$500	\$500	No Change
3 rd Offense	\$1,000	\$1,000	No Change
Fire Permit Fees -Fee includes initial inspection and one additional inspection. Permit fee cap of \$500 is applied to any customer with more than 7 permits applied for within 365 days			
Aerosol Products (aerosol cooking spray products, Manufacture, store or handle an aggregate quantity of Level 2 or 3)	\$75	\$100.00	Language changed Market Comparison
Assembly	\$75		Permit name changed and listed below in the fees
Amusement Buildings	\$75	\$100.00	Market Comparison
Battery Storage Systems (permit is required to install/maintain stationary storage battery systems having a liquid capacity of more than 50 gallons (189 L))	\$200		Permit name changes and listed below in the fees
Blasting	\$100 per 30/60 day period (extension is an additional \$100 per 30 days; limit 60 days per extension; max of 120 days in total)	\$100 per 30/60 day period (extension is an additional \$100 per 30 days; limit 60 days per extension; max of 120 days in total)	No Change
Carbon Dioxide Systems (use of 100 pounds of carbon dioxide used in beverage dispensing applications)	\$75		Deleted from the code.
Carnival & Fairs	\$75	\$100.00	Market Comparison
Combustible Dust Producing Operations (conduct any operations as defined in Chapter 2 NC code)	\$75	\$100.00	Market Comparison
Combustible Fibers (To use and/or store quantities greater than 100 cu ft)	\$75	\$100.00	Market Comparison
Company Stand By Fee (per Fire Unit for every 2 hours)	\$200 per hour	\$100.00	Market Comparison
Compressed Gases (Storage, use and handling see table 105.5.9)	\$75	\$100.00	Reference update. Market Comparison
Covered Mall Building- Certain Indoor Activities	\$75	\$100.00	Market Comparison
Cutting and welding (optional permit). An operational permit is required to conduct	\$75	\$100.00	New Fire Code updates. Market Comparison

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
cutting or welding operations within the jurisdiction.			
Cryogenic Fluids (Storage, use, handling, produce, transport and or disperse in excess of the amounts listed in table 105.5.11)	\$75	\$100.00	Reference update. Market Comparison
Dry Cleaning Plants (engage in business of dry cleaning or to change to a more hazardous cleaning solvent)	\$75	\$100.00	Market Comparison
Energy storage systems (mandatory permit). An operational permit is required for stationary and mobile energy storage systems regulated by Section 1207.		\$200	A new permit was brought forth by new Fire Code updates.
Exhibits & Trade Shows (Operations of such shows)	\$75	\$100.00	Market Comparison
Explosive Materials (Blasting (for manufacture, storage, handling, sale or use any quantity of explosives materials, fireworks or pyrotechnic special effects)		\$100.00	Market Comparison
Flammable & Combustible Liquids	\$75	\$100.00	Market Comparison
Flammable & Combustible Liquids (storage, use, handling, dispensing from tanks, vehicle or equipment on construction sites)	\$100		
Floor Finishing (or surface operations exceeding 350 square feet using class 1 or 2 liquids)	\$75	\$100.00	Market Comparison
Fruit Crop Ripening Facility or conduct fruit ripening process using ethylene gas	\$75	\$100.00	Market Comparison
Fogging Hazardous Chemicals	\$75	\$100.00	Market Comparison
Fumigation & Insecticidal Fogging	\$75	\$100.00	Market Comparison
Fumigation & Thermal Insecticide	\$75	\$100.00	Market Comparison
Hazardous Materials (to store, transport on site, dispense, use, or handle hazardous materials in excess of the amounts listed in table 105.5.22)	\$250	\$250	Reference update.
High-piled storage (mandatory permit). An operational permit is required to use a building or portion thereof with more than 500 square feet (46 m2), including aisles, of high-piled combustible storage.		\$100.00	A new permit was brought forth by new Fire Code updates. Market Comparison
Hot work operations. An operational permit is required for hot work.		\$100.00	New Fire Code updates. Market Comparison
HPM Facilities (to store, handle, or use hazardous production materials)	\$75	\$100.00	Market Comparison

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Hot Works (Cutting welding to conduct in any nature the operations of cutting welding)	\$75	\$100.00	Market Comparison
Industrial Ovens (for operations of industrial ovens regulated b Ch 30)	\$75	\$100.00	Reference update. Market Comparison
Lumber Yards Woodworking Plants (100,000 + board feet)	\$75	\$100.00	Market Comparison
Liquid or gas vehicles inside of an Assembly building (to display, operate and use for demonstration)	\$75	\$100.00	Market Comparison
Magnesium (to melt, cast, heat treat, or grind more than 10 pounds)	\$75	\$100.00	Market Comparison
Miscellaneous Combustible storage (to store in any building or upon any premises in excess of 2,500 cubic feet gross volume of combustible empty packing cases, boxes, barrels or similar containers, rubber tire, rubber, cork or similar combustible materials)	\$75	\$100.00	Market Comparison
Motor Fuel-Dispensing Facilities (for the operation of automotive, marine and fleet motor fuel-dispensing facilities)	\$75	\$100.00	Market Comparison
-ident Camp Fee	\$200	\$200	No Change
Open Burning (for the kindling or maintaining open fire or a fire on a public street, alley, road, or other public or private ground and also bonfire)	\$75	\$100.00	Market Comparison
Open Flames and Torches (to remove paint with a torch; or to use a torch or open flame device in a wildfire risk area)	\$75	\$100.00	Market Comparison
Organic Coatings (any organic-coating manufacturing operation producing more than 1 gallon of organic coating in one day)	\$75	\$100.00	Market Comparison
Outdoor assembly event (mandatory permit). An operational permit required to conduct an outdoor assembly event > 1,000 persons.		\$100.00	A new permit was brought forth by new Fire Code updates. Market Comparison
Places of assembly. An operational permit is required to operate a place of assembly.		\$100.00	Re-wording of the permit. Market Comparison
Place of assembly, Nightclubs (mandatory permit). An operational permit is required to operate a nightclub.		\$100.00	New Fire Code updates. Market Comparison
Plant extraction systems (mandatory permit). An operational permit required.		\$100.00	New Fire Code updates. Market Comparison

Fire Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Pit Burning	\$75	\$100.00	Market Comparison
Private Fire Hydrants	\$75	\$100.00	Market Comparison
Public Fireworks Display	\$250	\$100.00	Market Comparison
Pyrotechnic Special Effects Material	\$200		
Proxylin Plastics (storage, use, & handling > 25 pounds of cellulose nitrate plastics, & for assembly or manufacture of articles involving proxylin plastics)	\$75	\$100.00	Market Comparison
Refrigeration Equipment (to operate a mechanical refrigeration unit or system regulated by Chapter 6)		\$100.00	Market Comparison
Repair Garages (operation of a repair garage)	\$75	\$100.00	Market Comparison
Resident Camp Fee	\$150		
Rooftop Heliports (operation of a rooftop heliport)	\$75	\$100.00	Market Comparison
Spraying or Dipping (to conduct a spraying or dipping operation utilizing flammable or combustible liquids, or the application of combustible powders regulated by Chapter 24)	\$75	\$100.00	Market Comparison
Storage of Scrap Tire & Tire By-products (to establish, conduct or maintain storage of scrap tire & tire byproducts >2,500 cubic feet of total volume of scrap tires, & for indoor storage of tires and tire byproducts)	\$75	\$100.00	Market Comparison
Tank Installation Removal	\$180 tank	\$180 tank	No Change
Temporary sleeping units for disaster relief workers (mandatory permit). Operational permit is required for operation of long-term temporary sleeping units for disaster relief workers.		No Charge	New Fire Code updates
Tents Membrane Structure Temporary Stage Canopies (erect, operate or maintain a temporary special event structure)	\$75 per Tent Membrane Structure	\$100.00	Updated wording. Market Comparison
Tire Rebuilding Plants (for the operation & maintenance of a tire-rebuilding plant)	\$75	\$100.00	Market Comparison
Fire Service Fees	\$75	\$100.00	Market Comparison
Fire Watch	No Charge	No Charge	No Change
Public Education Employer Mandated Training	\$75 per 30 personal min of 2hr	\$75 per 30 personal min of 2hr	No Change

Public Works Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Dwell Fee for Electric Vehicle Chargers			
First 3 hours of Charging	Free	Free	No Change
Dwell Time past 3-hour allotment (15 min grace period)	\$10 per hour (Max \$100)	\$10 per hour (Max \$100)	No Change
Fee for Electric Vehicle Charging		\$0.20/kWh	
Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Athletics			
Youth Soccer Programs	\$53 \$78		Third party NCFC operates all programs.
Youth Baseball Programs	\$65R \$85NR	\$65R \$91NR	Increase differential from 30% to 40%.
Baseball -Clinics	n/a	\$5R \$7NR	Fee is per single clinic, which is how we currently register ATG.
Girls Volleyball Program	\$60R \$78NR	\$60R \$84NR	Increase differential from 30% to 40%.
Volleyball Clinics	n/a	\$5 \$7	
Youth Basketball Programs	\$72R \$103NR	\$72R \$103NR	No Change
Jr. Basketball Programs	\$65 \$85NR	\$72R \$103NR	Aligned with Youth Basketball Fee
Basketball Clinics	n/a	\$5 NR \$7	
<u>Flag Football</u>	n/a	\$55R NR \$77	New
<u>Flag Football Clinic</u>	n/a	FREE	n/a
Adult Corporate League Basketball <u>Corporate Adult Basketball</u>	\$500 Team Fee; plus \$25 each additional NR team member	\$600 Team Fee; plus \$30 per NR team member	Base fee increase, per market rate comparison.
<u>Sponsorships</u>			
<u>Athletics – Sports Leagues per season</u> —MVP Sponsor —All Star Sponsor —Team Captain Sponsor —Home Run Sponsor	\$750 1 league 16 or more Teams \$625 1 league 11-15 teams \$475 1 league 6-10 teams \$300 1 league 5 or less teams		
Athletic Field Rentals (per field)			
Cedar Fork Community Center (2 multi-purpose/open field)	\$50R \$75NR	\$50R \$75NR	These are 50% differential

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Cedar Fork District Park (Fields 1 – 8)	\$50R \$75NR	\$50R \$75NR	These are 50% differential
Church Street Park Cricket field 1- hour	\$62R \$93NR	\$62R \$93NR	These are 50% differential
Church Street Cricket pitch prep Staff fee	\$125/hr, \$45/hr		
Church Street Park Cricket Complex		Rates vary with rental request, based on tournament size.	
Staff fee (Church Street Cricket pitch prep)	\$45/hr	Rates vary to recover actual cost.	
Church Street Cricket field Light fee	\$45/hr	\$68/hr	This is a 50% increase due to utility rates
Church Street Cricket batting cages (4) (turf natural) (natural and synthetic)	\$20R \$30NR Each 1 hour	\$20R \$30NR Each 1 hour	These are 50% differential
Church Street Cricket batting cages (2) (turf synthetic)	\$20R \$30NR Each 1 hour		
Church Street basketball courts (2)	\$30R \$60NR	\$30R \$45NR	Decreased to 50% differential, to align with other athletic facility rentals.
Church Street Sand Volleyball courts (2)	\$45R \$90NR	\$45R \$67NR	Decreased to 50% differential, to align with other athletic facility rentals.
Church Street Sport court	\$15R \$30NR	\$15R \$22NR	Decreased to 50% differential, to align with other athletic facility rentals.
Church Street Park Event Support (per staff)	\$45 per hour		
Field prep (dragging baseball fields and painting soccer field lines)	\$45 flat fee	\$45 flat fee	
Crabtree Nature Park (Multi-purpose Cricket)	\$50R \$75NR	\$50R \$75NR	These are 50% differential
Morrisville Community Park Fields (Fields 1 & 2)	\$50R \$75NR	\$50R \$75NR	These are 50% differential
Morrisville Community Park (Multi-purpose field Field 3)	\$50R \$75NR		
Shiloh Park Fields (Field 1 Cricket)	\$50R \$75NR	\$50R \$75NR	These are 50% differential
Shiloh Park (Multi-purpose field)	\$50R \$75NR		
Shiloh Park (Basketball court)	\$15R \$30NR	\$15R \$22NR	Decreased to 50% differential, to align with other athletic facility rentals.
Deposit (all fields) Athletic & Special use fee	\$100 for special event and per field	\$200 or 25% of rental cost, whichever is greater.	Refundable damage deposit is payable at time of reservation approval.

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Light Fee (all fields except Church Street Cricket field)	\$30/hr	\$45/hr	50% increase according to utility rates.
<u>Other</u>			
Athletic Administrative Refund Fee:	\$5 or 5% of transactions, whichever is higher	\$10 (per participant, per activity)	Full refund, minus a \$10 admin fee will be given with written notice of cancellation at least 14 days before program start date.
Cedar Fork Community Center Youth Programming			
<u>Before School & After School</u>			
Before School (K-5 th)	\$113 R \$147NR (monthly) \$1,130R \$1,469NR (annually 10 months)	\$113R \$158NR	Increase differential from 30% to 40%.
After School (K-5 th)	\$170R/mo. (\$1,700 / year) NR \$221 NR/mo. (\$2,210 / year)	\$170R \$238NR	Increase differential from 30% to 40%.
No School Hang Out	\$64R \$83NR	\$64R \$90NR	Increase differential from 30% to 40%.
Kids Night Out	\$25R \$33NR	\$30R \$42NR	Increase differential from 30% to 40%.
Teen Night	\$28R \$36NR	\$30R \$42NR	Increase differential from 30% to 40%.
<u>RoboThink Stem Robotics</u>	n/a	\$195R \$273NR	New
<u>RoboThink Camp</u>	n/a	\$214R \$300NR	Recommended differential of 40%.
<u>Gear Shifters After School Enrichment</u>	n/a	\$189R \$265NR	New
<u>Gear Shifters Camp</u>	n/a	\$195R \$273NR	New
<u>Kidokinetics Sports Play</u>	n/a	\$55R \$77NR	New
<u>Summer Camp</u>			
Camp Cedar Fork (Age 5 -14)	\$168R \$190NR per session	\$168R \$235NR	Increase differential from 13% to 40%.
Camp Cedar Fork Senior rising 9th – 12th grade (Age 12 – 14)	\$168R \$190NR per session	\$180R \$252NR	n/a
Counselor in Training (CIT) rising 9th graders 14 – 16	\$168R \$190NR per session	\$168R \$235NR	Increase differential from 13% to 40%.
Deposit – refundable (Deposit goes towards camp fee)	\$50	\$50	No Change
<u>Ready, Set, Go</u>			
Ready, Set, Go (ages 3-4) yrs † Tuesdays & Thursdays	\$1,140 \$1,480/year	\$1,140R \$1596NR	Increase differential from 30% to 40%.
Ready, Set, Go (ages 4-5) † Mondays, Wednesdays & Fridays	\$1,800 \$2,160/year	\$1,800R \$2520NR	Increase differential from 30% to 40%.

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Yoga Roots	\$48R \$62NR	\$48R \$67NR	Increase differential from 30% to 40%.
Family Tree Yoga	\$48R \$62NR	\$48R \$67NR	Increase differential from 30% to 40%.
<u>Cedar Fork Community Center Rentals</u>			
Classrooms (arts crafts, classroom, conference room)	\$60R \$90NR (± hour)	\$60R \$90NR (per hour 2 hr. minimum)	Addition of per hour minimums
Classrooms After-hours	\$90R \$135NR (± hour)	\$90R \$135NR (per hour 2 hr. minimum)	Addition of per hour minimums
Kitchen	\$32R \$32NR	\$32 flat rate	For residents and non-residents flat rate
Gymnasium (half-court)	\$65R \$97NR (± hour)	\$65R \$97NR (per hour 2 hr. minimum)	Addition of per hour minimums
Gymnasium (half-court after-hours)	\$85R \$127NR (± hour)	\$85R \$127NR (per hour 2 hr. minimum)	Addition of per hour minimums
Gymnasium (full court)	\$92R \$138NR (± hour)	\$92R \$138NR (per hour 2 hr. minimum)	Addition of per hour minimums
Gymnasium (full-court after-hours)	\$120R \$180NR (± hour)	\$120R \$180NR (per hour 2 hr. minimum)	Addition of per hour minimums
Gym Floor Covering (during operational hours only)	\$225R \$225NR	\$225 flat rate	For residents and non-residents flat rate
Volleyball Standards	\$60R \$60NR	\$60 flat rate	For residents and non-residents flat rate
Deposit (2 hours minimum)	\$100 \$200 after hours	\$100 \$200 after hours Or 25% of rental cost, whichever is greater.	Refundable damage deposit is payable at time of reservation approval.
MAFC Membership			
<u>Daily Passes</u>			
Adult age 23-54	\$6R \$8NR	\$7R \$10NR	Increase differential from 30% to 50%.
Senior age 55+	\$5R \$7NR	\$5R \$7NR	
Youth aged 15 – 22	\$5R \$7NR	\$5R \$7NR	
Children aged 3-14	\$4R \$5NR	\$4R \$6NR	
<u>Punch Passes</u> ± 0 single use			
Adult age 23-54	\$50R \$65NR	\$60R \$84NR	Increase differential from 30% to 40%.
Senior age 55+	\$40R \$52NR	\$40R \$56NR	
Youth aged 15 – 22	\$40R \$52NR	\$40R \$56NR	
Children aged 3-14 (under 3 free)	\$30R \$39NR	\$30R \$42NR	
<u>1-month PIF</u> <u>Unlimited monthly visits No refunds</u>			
Adult age 23-54	\$40R \$52NR	\$45R \$63NR	Increase differential from 30% to 40%.
Senior age 55+	\$34R \$44NR	\$36R \$50NR	
Youth aged 15 – 22	\$34R \$44NR	\$36R \$50NR	
Children aged 3-14 (under 3 free)	\$19R \$25NR	\$20R \$28NR	

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Monthly Draft Four-month obligation			
Adult age 23-54 Senior age 55+ Youth aged 15 – 22 Children aged 3-14 (under 3 free)	\$35R \$45NR \$32R \$42NR \$32R \$42NR \$18R \$23NR	\$40R \$56NR \$32R \$45NR \$32R \$45NR \$18R \$25NR	Increase differential from 30% to 40%.
<u>1-Year PIF</u>			
Adult age 23-54 Senior age 55+ Youth aged 15 – 22 Children aged 3-14 (under 3 free)	\$330 \$429NR \$285 \$370NR \$285 \$370NR \$180 \$234NR	\$360R \$504NR \$288R \$403NR \$288R \$403NR \$180R \$234NR*	Increase differential from 30% to 40%.
Insurance based membership			
Tivity, Silver Sneaker, Healthy Contributions, Silver & Fit, Active & Fit and Peer Fit	Reimburse rate differs: AshLink \$3.25/visit max \$39/mo Tivity \$3.25/visit max \$32.50/mo Healthy Contribution \$20/mo. FitOn \$3.80/visit max \$30/mo.	Reimburse rate differs: AshLink \$3.25/visit max \$39/mo Tivity \$3.25/visit max \$32.50/mo Healthy Contribution \$20/mo. FitOn \$3.80/visit max \$30/mo.	No Change
<u>Membership card replacement</u>	\$5	\$10	Materials and Staff Cost
<u>Aquatic Programming Swim Lessons</u>			
Swim Lessons	\$85R \$110NR	\$85 R \$119NR	Increase differential from 30% to 40%.
Stroke School	\$85R \$110NR	\$14R \$20NR (per class)	Increase differential from 30% to 40%. Increase overall based on market rate.
Lifeguard Training	\$250R \$325NR	\$250R \$350NR	Increase differential from 30% to 40%.
Program Pool + Splash Pad Rental (capacity 20)	\$275R \$357NR (1.5 hours)	\$275R \$385NR	Increase differential from 30% to 40%.
Rental Deposit	\$100	\$100	No Change
<u>Fitness programming</u>			
Varying age groups			
Teen Fit age 12-15	\$8R \$12NR (fee per class)	\$41R \$53NR	Increase differential from 30% to 40%.
<u>Personal Training 1:1 (1 session – 1 hr)</u>	n/a	\$55R \$77NR	R NR differential of 40%, based on Market Rate Comp.
<u>Personal Training 1:1 (5 sessions – 1 hr each)</u>	n/a	\$250R \$350NR	R NR differential of 40%, based on Market Rate Comp.
<u>Personal Training 1:2 (1 session – 1 hr)</u>	n/a	\$37R \$52NR	R NR differential of 40%, based on Market Rate Comp.
<u>Personal Training 1:2 (5 sessions – 1 hr each)</u>	n/a	\$165R \$231NR	R NR differential of 40%, based on Market Rate Comp.

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Shotokan Karate for Adults or Youth	\$71R \$106NR	\$71R \$106NR	No Change
Women on Weights	\$8R \$12NR (fee per class)	\$8R \$12NR (fee per class)	No Change
Small Group Strength Training	\$8R \$12NR (fee per class)	\$64R \$96NR (per session)	The differential is 50%
Pickleball Clinic	\$16R \$24NR	\$18R \$25NR	R NR differential of 40%, based on Market Rate Comp.
Pickleball Lessons (5x60 min)	\$48R \$72NR	\$55R \$83NR	Increase, based on Market Rate Comp.
Racquetball Tournament		\$18R \$25NR	
Aerobics Classes			
Water Aerobics Classes			
Tai Chi			
Tennis Pickleball Court Rental (1 court)	\$25R \$37NR (1 hour)	\$25R \$37NR (1 hour)	The differential is 50%
Aerobic Room Rental (Capacity 20)	\$40R \$60NR (1 hour)	\$40R \$60NR (1 hour)	No Change
Morrisville Senior Center Senior Programming (7/1/25 – 12/31/25 or will be in effect at the time the Senior Center expansion is complete)			
Education	Variable based on program costs		
Games	Free	Free	
Fitness Classes	Free	Free	
Senior Education Classes	Variable based on program costs	Free	
Senior Center Luncheons Social - Ice Cream Social - Witches Tea - Holiday Luncheon	Variable based on program costs	Senior Center Luncheon \$5R \$7NR \$5R \$7NR \$12R \$15NR	
Senior Trips	Variable based on program costs		
Morrisville Senior Center Senior Programming (1/1/26 – 6/30/26 or will be in effect at the time the Senior Center expansion is complete)			
<u>Effective January 1, 2026: Initiate a \$10 monthly or \$100 annual Paid-In-Full (PIF) User Fee</u>			
Education	Variable based on program costs		
Games	Free	Free	
Fitness Classes	Free	Free	
Senior Education Classes	Variable based on program costs	Free	
Senior Center Socials - Tier I - Tier II	Variable based on program costs	\$5R NR \$12R NR	
Senior Trips	Variable based on program costs	Variable based on program costs	

Parks Fee Description	Current FY25 Fee	Proposed FY26 Fee Change	Notes
Park Shelter Rentals (All Shelters have at least a ½ day minimum – no hourly rates apply)			
Church Street Park	\$105R \$136 NR 1½ day \$210R \$273 NR all day	\$125R \$175NR (½ day) \$250R \$350NR (full day)	Increased, based on market rate comparison. R NR differential of 40%.
Church Street Park	\$130R \$169 NR 1½ day \$260R \$338 NR all day	\$150R \$210NR (1/2 day) \$300R \$420NR (full day)	Increased, based on market rate comparison. R NR differential of 40%.
Morrisville Community Park Shelter	\$105R \$136 NR 1½ day \$210R \$273 NR all day	\$125R \$175NR (½ day) \$250R \$350NR (full day)	Increased, based on market rate comparison. R NR differential of 40%.
Nathaniel Mayo Shelter	\$105R \$136 NR 1½ day \$210R \$273 NR all day	\$125R \$175NR (½ day) \$250R \$350NR (full day)	Increased, based on market rate comparison. R NR differential of 40%.
Northwest Park Shelter	\$105R \$136 NR 1½ day \$210R \$273 NR all day	\$125R \$175NR (½ day) \$250R \$350NR (full day)	Increased, based on market rate comparison. R NR differential of 40%.
Indian Creek Trailhead Shelter	\$90R \$117 NR 1½ day \$180R \$234 NR all day	\$90R \$117 NR 1½ day \$180R \$234 NR all day	No Change
Deposit (all shelters)	\$100 for special events and shelter rental	\$100 for special events and shelter rental	No Change
Other Rental Facilities (2hr minimum)			
Historic Christian Church	\$60R \$75 NR	\$60R \$75 NR	No Change
Luther Green Community Center	\$60R \$75 NR	\$60R \$75 NR	No Change
Deposit (2 hours minimum)	\$100	\$100	No Change
Special Events & Cultural Resources			
Opportunities vary year to year	Programs and fees vary		
<u>Vendor Fees (Artisan)</u>	n a	\$50	
<u>Vendor Fees (-Profit)</u>	n a	\$25	
<u>Food Trucks</u>	n a	\$75	

Disclaimers apply to all User Fees unless specifically designated by the disclaimer.

- The Town Manager is authorized to waive the processing fees subject to administrative review authorities that are considered "de minimus" or erroneous circumstances relating to minor site plan modifications such as switching from one tree species to another, shifting the location of several parking spaces, changing from one brick color to another or correcting review mistakes.
- The Parks and Recreational Fees follow the guidelines for the Parks, Recreation and Cultural Resources Fees and Charges Policy. This policy gives the Town Manager and the Department Head flexibility in adjusting fees on the basis of market conditions or unique circumstances. *The Parks and Recreational Fees reflect percentages established within the Classification of Service framework:*
 - Primary | %
 - Basic | 1%-14%
 - Enhanced | 15%-50%
 - Specialized | 51%-100%+
- Upon the conclusion of the Parks cost analysis evaluation, necessary updates will be made to the fee schedule and the community will be provided updates with the Parks Fall Program Guide in July 2025.
- A full refund, minus a \$10 administrative fee, will be given if written notice of cancellation is given at least 14 days before the start of a program.

- *The foregoing User Fee Schedule does not apply to local governments. Applications shall be made in accordance with processes and work will comply with UDO and inspected by the Code, but no fee will be assessed.*
- *Some fees may require a convenience fee for online|credit card payments. See the Administrative section for information.*
- *Per Session Law NC Session Law 1997-450 the Wake County Public School System is exempt from paying all developments fees.*

Glossary of Terms

Account – A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

Accounts Payable – A short term liability account reflecting amounts owed to private persons or organizations for goods and services received by the Town.

Accounts Receivable – An asset account reflecting amounts due from private persons or organizations for goods and services furnished by the Town.

Accrual Basis – The recording of the financial effects on an entity of cash transactions in the periods in which they occur rather than the periods in which the cash is received.

Ad Valorem Taxes – Commonly referred to as property taxes, are levied on the value of real, certain personal, and public utility property according to the property's valuation and tax rate.

Adopted Budget – The budget approved by the Town Council and enacted through a budget ordinance adopted on or before June 30 of each year.

Appropriated Fund Balance - The amount of fund balance budgeted as revenue to offset expenses that exceed current revenue.

Appropriation – This is the legal authorization granted by the Town Council to expend or obligate funds for specific purposes. An appropriation usually is limited in the amount and time that it may be expended. The Council appropriates annually, at the beginning of each fiscal year, by department, based upon the adopted Budget. Additional appropriations may be approved by the Council during the fiscal year by amending the Budget and appropriating the funds for expenditure.

Assessed Value – The value of real estate or personal property as determined by the Wake County Tax Assessor as a basis for levying property taxes.

Asset – A probable future economic benefit obtained or controlled by the Town as a result of past transactions or events.

Audit – An examination, usually by an official or private accounting firm retained by the Town Council that reports on the accuracy of the annual financial report.

Authorized Positions - Employee positions that are authorized in the adopted budget to be filled during the fiscal year.

Balanced Budget – Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the Town Council be balanced.

Base Budget – Those resources necessary to meet established and existing routine service levels.

Basis of Accounting & Basis of Budgeting – The system under which revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in accounts and reported in financial statements. It specifically relates to the timing of the measurements made.

Bond – a written promise to pay a designated sum of money (the principal) at a specific date in the future, along with periodic interest at a specified rate. The payment on bonds is identified as Debt Service. Bonds are generally used to obtain long-term financing for capital improvements.

Bond Rating – A grade indicating a governmental unit's investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing of capital projects funded by bonds. A high rating is indicative of the government's strong financial position.

Bond Referendum – An election in which registered voters vote on whether the Town will be allowed to issue debt in the form of interest-bearing bonds.

Budget – A financial plan containing estimated expenditures and resources covering a fiscal year.

Budget Adjustment Transfer – the transfer of funds between line accounts within a function or across functional areas in accordance with policy. Authority is granted by Town Council to Budget Officer/Designee.

Budget Amendment – A revision of the adopted budget that, when approved by the Town Council, replaces the original provision. Budget amendments occur throughout the fiscal year as spending priorities shift.

Budget Calendar – The schedule of key dates which the Town follows in the preparation and adoption of the budget.

Budget Document – The official written statement prepared by the Town's staff and presented to the Town Council containing the proposed financial plan for the fiscal year.

Budget Message – A written summary of the proposed budget to the Town Council which discusses major budget issues and recommendations.

Budget Ordinance – The official enactment by the Council establishing the legal authority for staff to obligate and expend funds.

CAFR – Comprehensive Annual Financial Report. The official annual report of a government.

Capital Improvement Plan (CIP) – A plan of proposed capital outlay to be incurred each year over a fixed number of years to meet capital needs.

Capital Outlay – Outlays which result in the acquisition (either new or replacement) or additions to fixed assets having a significant value (\$5,000 or more) and possessing a useful life of more than one year.

Capital Project – Major construction, acquisition, or renovation activities which add value to physical assets or significantly increase their useful life.

Capital Project Fund – A fund used to account for financial resources accumulated for the acquisition or construction of major capital facilities.

Capital Reserve Fund - A type of account on a municipality's balance sheet that is reserved for long-term capital investment projects or any other large and anticipated expense(s) that will be incurred in the future. This type of reserve fund is set aside to ensure that the company or municipality has adequate funding to at least partially finance the project.

Chart of Accounts – A chart that assigns a unique number to each type of transaction and to each budgetary unit in the organization.

COLA – A Cost-of-Living Adjustment is an increase in salaries to offset the adverse effect of inflation on compensation.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (economic inflation).

Contingency Account – Account in which funds are set aside for emergency and exceptional expenditures that may become necessary during the year and which have not otherwise been provided for in the context of the annual operating budget.

Debt Service – Payment of interest and repayment of principal on Town debt.

Deficit – The amount by which expenditures exceed revenues during an accounting period.

Department – An organizational unit within the Town which is functionally unique in its delivery of services or activities.

Depreciation – Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence. The portion of the cost of a fixed asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of the cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Designated Fund Balance – Monies over the years that remain unspent after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

Effectiveness Measure – A performance measure identifying quality or extent to which an organization is obtaining its objectives (i.e. Percentage of year waste/leaf collection points serviced on time)

Efficiency Measure – A performance measure identifying inputs used per unit of output, or unit of cost (i.e. Cost per ton of yard waste/leaves collected)

Encumbrance – The commitment of appropriated funds to purchase an item or service.

Enterprise Fund – A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. Operations are financed from charges to users for services provided.

Expenditure – The cost of goods or services whether payment has been made or not.

Fees – A general term used for any charge levied by the Town associated with providing a service or permitting an activity.

Fiduciary Fund – A special classification fund used to account for assets held by the Town in a trustee capacity on behalf of outside parties, including other governments.

Fiscal Year (FY) – A twelve-month period which determines the time frame for financial reporting, budgeting, and accounting.

Fixed Assets – Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances.

Fund – A fiscal entity with revenues and expenses that are segregated for the purpose of accounting for an activity(s) with common objectives.

Fund Balance – The excess of the assets of a fund over its liabilities.

GAAP – Generally accepted accounting principles. A uniform minimum standard used by state and local governments for financial recording and reporting; established by the accounting profession through the Governmental Accounting Standards Board.

General Fund – A fund that accounts for most of the basic government services such as public safety, streets and highways, sanitation, parks and recreation, and general government services.

General Obligation Bonds – Bonds issued by a government entity which are backed by its full faith, credit and unlimited taxing authority.

Goal – a statement of Council direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

Grants – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

In Lieu of Taxes – A contribution by benefactors of Town services who are tax exempt.

Interest – Compensation for the use of borrowed money, generally expressed as an annual percentage of the principal amount.

Interfund Transfers – The movement of moneys between funds of the same governmental entity.

Interfund Loan - The loan of moneys between funds of the same governmental entity for cash flow purposes with full intent to reimburse.

Intergovernmental Revenue – Revenue received from another government for general purposes or special intent.

Law Enforcement Officer's (LEO) Special Separation Allowance – A single-employer defined benefit plan that provides retirement benefits to the Town's qualified sworn law enforcement officers.

Lease – A contract for temporary use of equipment or facilities at a negotiated price.

Levy – To impose taxes for the support of government services and activities.

Liabilities – Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Local Government Budget and Fiscal Control Act – General Statute of the State of North Carolina governing budgetary and fiscal affairs of local governments.

Local Government Commission (LGC)

– A division of the North Carolina Department of State Treasurer that is primarily responsible for the approval, sale, and delivery of local government bonds and notes as well as monitoring certain fiscal and accounting standards.

Mission – A broad statement outlining the Town’s purpose for existing.

Modified Accrual Basis – A method for accounting for the receipt and expenditure of funds whereby revenues are recorded when they become measurable and available, and expenditures are recorded when the liability is incurred.

Moody’s Investor Service – A recognized bond rating agency.

Net Bonded Debt – The amount calculated as gross bonded debt less debt service monies available at year-end less debt payable from Enterprise Revenues, which ultimately equates to amounts to be repaid through property taxes.

North Carolina Municipal Council - A recognized bond rating agency.

Objective – a statement of specific direction, purpose, or intent to be accomplished by staff within a program.

Operating Budget – Includes all funds except those accounted for in the capital budget. The Operating Budget is adopted by the Town Council by budget ordinance amendment on a fiscal year basis.

Operating Expenses – The cost of contractual services, materials, supplies and other expenses not related to personnel expenses and capital projects.

Per Capita Debt – The amount of the Town’s debt divided by the population. It is used as an indication of credit position by reference to the proportionate debt borne per resident.

Performance Measurement – Any systematic attempt to learn how responsive a government’s services are to the needs of constituents through the use of standards, workload indicators, etc....

Personnel Expenses – Cost of salaries, wages, and fringe benefits such as employer’s share of social security contributions, retirement expenses, and health and life insurance payments.

Powell Bill Funds – Revenue from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Proprietary Funds – A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. Operations are financed from charges to users for services provided. Also referred to as an Enterprise Fund.

Resources – Assets that can be used to fund expenditures such as property taxes, charges for services, beginning fund balances, or working capital.

Revenue – A term used to represent actual or expected income to a specific fund.

Retirement Healthcare Fund (OPEB) – A legal trust fund having been established to account for the collection of assets to be expended for medical coverage for retired Morrisville employees up to the age of Medicare eligibility.

Special Revenue Fund – Funds that are set aside to pay for large expenditure items. The fund provides a means to provide consistent funding from General Fund without competition with other community investment projects or increasing debt.

Standard & Poor's Corporation – A recognized bond rating agency.

Structurally Balanced Budget – A balanced budget that supports financial sustainability for multiple years into the future.

Surplus – The amount by which revenues exceed expenditures.

Tax Base – The total assessed valuation of real property within the Town.

Tax Levy – The product when the tax rate is multiplied by assessed values.

Tax Rate – The amount per \$100 pf property valuation that is levied for the support of government services or activities.

Transfer – An appropriation to or from another fund. A transfer is the movement of money from one fund to another to (wholly or partially) support the functions of the receiving fund.

Unencumbered Balance – The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

Unassigned Fund Balance – That portion of resources, which at year's end, exceeded requirements and has not been assigned to some future time for a specific project or use. Money in the unassigned fund balance is not in the Budget and therefore has not been appropriated for expenditure. However, those funds are available for use if the need arises in accordance with Town Policy.

Workload Measure – A performance measure identifying how much or how many products or services were produced (ex. Number of yard waste/leaf collection points served).

Common Acronyms

ACFR	Annual Comprehensive Financial Report	LEED	Leadership in Energy and Environmental Design
ARPA	America Rescue Plan Act	LGC	Local Government Commission
CALEA CIP	Commission on Accreditation for Law Enforcement Agencies Capital Investment Program	LGERS LUP	Local Government Employee's Retirement System Land Use Plan
CO	Certificate of Occupancy	MSD	Municipal Service District
DENR DMV	Department of Environment and Natural Resources Department of Motor Vehicles	NCDOT NCDWQ	North Carolina Department of Transportation North Carolina Department of Water Quality
EEO	Equal Employment Opportunity	NCLM	North Carolina League of Municipalities
EMS	Emergency Management Services	NFPA	National Fire Protection Agency
EPA	Environmental Protection Agency	NPDES	National Pollutant Discharge Elimination System
ETJ	Extra Territorial Jurisdiction	OPEB	Other Post Employment Benefits
FEMA FT	Federal Emergency Management Administration Full-time	OSHA PIL	Occupational Safety and Health Act Payment in Lieu
FTE	Full-time Equivalent	PPIL	Parkland Payment in Lieu
FY	Fiscal Year	PIO	Public Information Officer
GAAP	Generally Accepted Accounting Principles	PO	Purchase Order
GASB	Governmental Accounting Standards Board	PT	Part-time
GFOA	Government Finance Officers Association	TIA	Traffic Impact Analysis
GO Bonds	General Obligation Bonds	TIP	Transportation Improvement Program



FY2026 Annual Operation Budget
& Capital Investment Program

orrisville

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Presented by: Brandon Zuidema, Town Manager/Budget Officer