



ANNUAL OPERATING BUDGET

Building Connections • Fiscal Year 2018

Town of Morrisville, 100 Town Hall Drive, Morrisville NC, 27560, 919-463-6200, www.townofmorrisville.org



FY2018 ANNUAL OPERATING BUDGET

Recommended by:
Martha Paige,
Town Manager

Prepared by:
Jeanne Hooks, Assistant to
the Town Manager



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ORGANIZATION



- Strategic Priorities & Town Goals
- Organizational Chart
- Elected & Appointed Officials & Staff

STRATEGIC PRIORITIES & TOWN GOALS

VISION STATEMENT

The Town of Morrisville will be an innovative crossroads where cultural heritage meets the next generation, nurturing vibrant communities of diverse families and businesses, while preserving small-town values.

MISSION STATEMENT

The Town of Morrisville is dedicated to enhancing the quality of life by preserving our past and protecting our future through a collective community partnership. By balancing responsible growth with core values, we embrace a sense of membership, communication, and support.



Serve Community	Run Operations	Manage Resources	Develop Personnel
• Environmentally Sensitive & Livable Community • Safety • Quality Services • Health & Wellness	• Preparedness & Responsiveness • Partnerships • Courteous & Responsive Customer Service • Positive Town Image • Efficient Services • Community Involvement & Access	• Fiscal Strength • Utilization of Resources • Invest in Infrastructure & Transportation	• Skilled & Diverse Workforce • Positive & Rewarding Work Culture

TOWN GOALS DEFINED

SERVE THE COMMUNITY

- o **Provide an Environmentally Sensitive & Livable Community** – Create a community that is environmentally responsible valuing our historic heritage with gathering places and a small town feel.
- o **Provide a Safe Community** – Create a safe & accessible community environment that emanates comfort & security to those that live, work and play in Morrisville.
- o **Deliver Quality Services** – Conduct operations in such a way that citizens feel their needs are being addressed through high quality & responsive services.
- o **Foster a Healthy Community** – Provide events, activities and programs that promote healthy lifestyles, citizen interaction, and greater pedestrian connectivity.

RUN THE OPERATIONS

- o **Enhance Community Preparedness and Responsiveness** – Improve the ability to effectively anticipate and respond to emergency situations, from minor incidents to major disasters, through planning, training, collaboration with public and private agencies, and community outreach.
- o **Maximize Partnership Opportunities** – Build reliable partnerships and relationships with both internal and external sources that provide opportunities to grow resources, enhance services, accomplish projects and plans, and facilitate training & education.
- o **Provide Courteous and Responsive Customer Service** – Conduct operations in such a way that citizens feel their needs are being addressed through high quality, friendly & responsive services. Staff, Town Council, & Volunteers model professionalism, friendliness & reliable interactions with community providing quality services.
- o **Model a Positive Town Image** – Emanate a strong, positive identity valued by residents, businesses, & visitors through quality development, community appearance, services & programs.
- o **Deliver Efficient Services** – Ensure citizens are receiving a good value from their investments by delivering cost effective services.
- o **Cultivate Community Involvement and Access** – Improve quality & frequency of communication to enhance public access to information on Town services, meetings, key issues, & emergency situations. Provide a variety of ways for citizens to share ideas, concerns, & questions with Town officials.

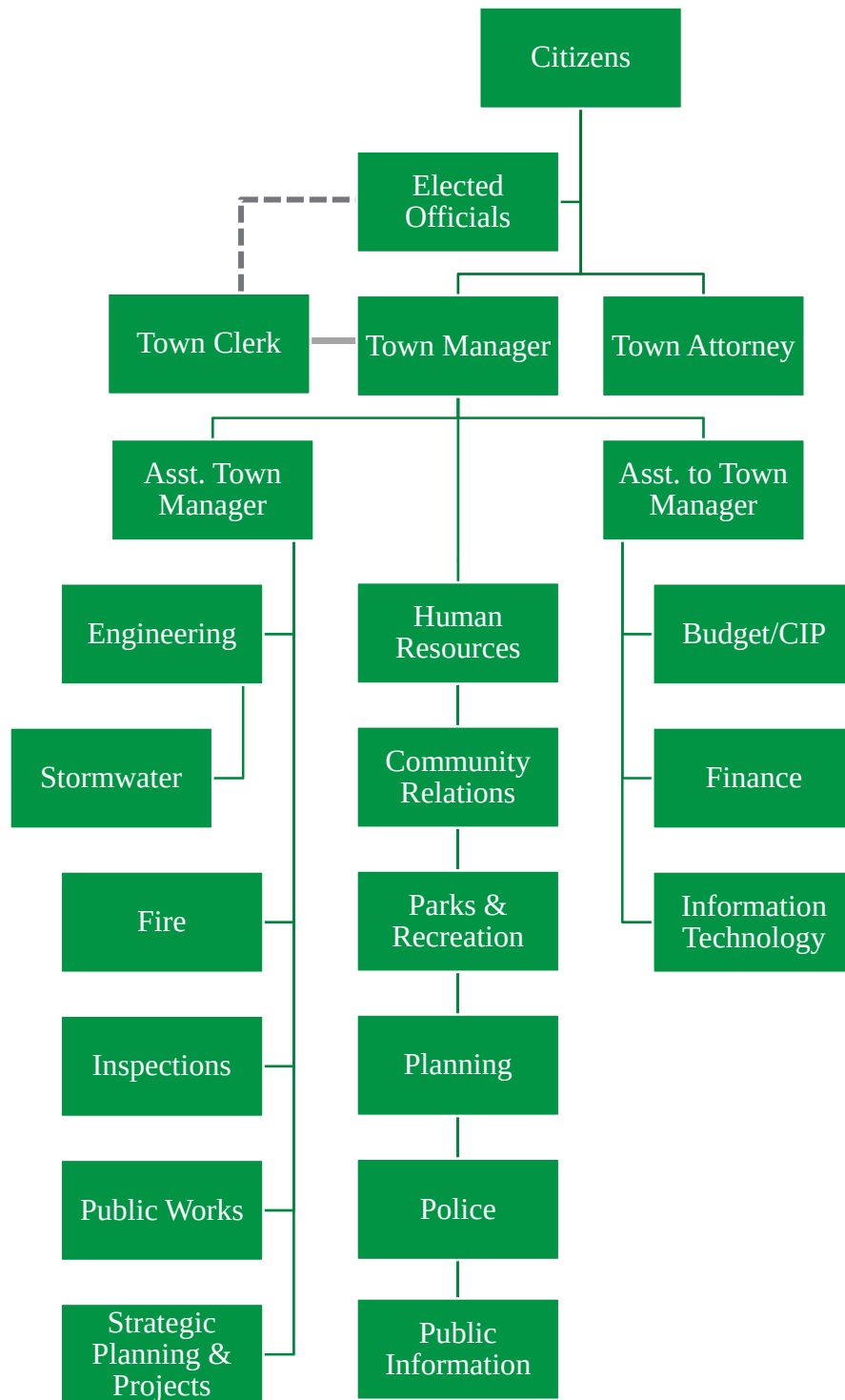
MANAGE THE RESOURCES

- o **Invest in Infrastructure and Transportation** – Invest in infrastructure maintenance, upgrades, & improvements to plan for future needs & minimize long-term operation & capital cost. Continue developing infrastructure evaluation programs to analyze costs, prioritize maintenance, & secure funding.
- o **Maintain Fiscal Strength** – Support fiscal policies & controls that keep the Town government in a financially strong position, allowing it to respond to unforeseen problems, emergencies, as well as opportunities. Continually look for opportunities to diversify revenue sources & leverage outside funding.
- o **Maximize Utilization of Resources** – Responsibly use all resources (funds, people, time, assets, partnerships, regional solutions) through service optimization, innovation, process improvements, competition, & other means.

DEVELOP PERSONNEL

- o **Develop a Skilled and Diverse Workforce** – Create a work environment that allows the Town to hire & retain a diverse workforce of skilled employees capable of meeting the community needs with focus on career & succession planning.
- o **Create a Positive and Rewarding Work Culture** – Create a friendly work environment that is open-minded, supportive, & consistent allowing employee morale & job performance to flourish. Employees are our primary assets delivering high quality services.

ORGANIZATIONAL CHART



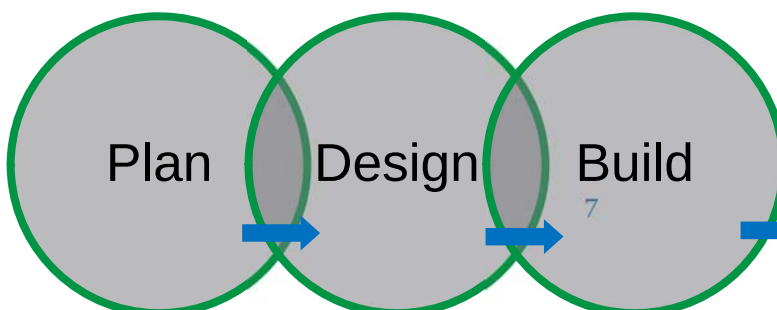
ELECTED & APPOINTED OFFICIALS AND STAFF

MAYOR AND TOWN COUNCIL

Mayor	Mark Stohlman
Mayor Pro-Tem.....	Steve Rao
Council Member.....	Satish Garimella
Council Member.....	Michael Schlink
Council Member.....	TJ Cawley
Council Member.....	Liz Johnson
Council Member.....	Vicki Scroggins-Johnson

APPOINTED OFFICIALS AND STAFF

Town Manager	Martha Paige
Town Attorney.....	Frank Gray
Assistant Town Manager.....	Todd Wright
Assistant to the Town Manager	Jeanne Hooks
Community Relations Liaison.....	Sarah Baker
Finance Director.....	Nancy Emslie
Fire Chief	Foy Jenkins, Jr.
Human Resources Director	Lauri Shedlick
Information Technology Director	Dan Birckbichler
Inspections Director	Shandy Padgett
Parks and Recreation Director.....	Jerry Allen
Planning Director	Courtney Tanner
Police Chief.....	Patrice Andrews
Public Information Officer	Stephanie Smith
Public Works Director.....	Blake Mills
Stormwater Engineer Manager.....	Vacant
Town Clerk.....	Erin Hudson
Town Engineer.....	Rich Cappola





BUDGET SUMMARY

- Budget Snapshot
- Budget Message
- Key Budget Initiatives & Priorities
- Budget Ordinances & Resolutions



FY 2018 BUDGET SNAPSHOT

\$34,964,000

Key Initiatives



roadway and
transportation
improvements

sidewalk and
pedestrian
safety



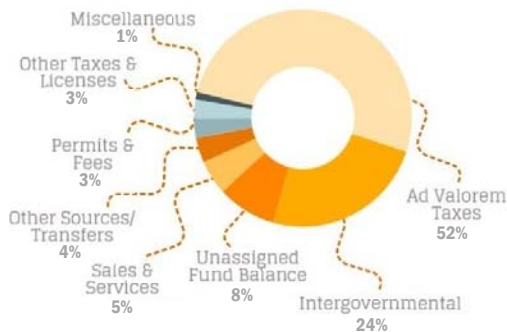
public safety

community
engagement



5 new positions

WHERE THE MONEY COMES FROM



175 Full Time Employees



8.1% Debt Ratio



WHAT THE MONEY WORKS FOR



Tax Rate \$0.39 per \$100 Assessed Value



One Cent on Tax Rate = \$460,000



\$15 Vehicle Decal Fee



\$25 Stormwater Fee



Annualized
Municipal Cost

\$1,900



median home: 2,000 sqft
\$290,000 value



2 vehicles per home

2,000 square feet
stormwater ERU



3,740 gallons
water/sewer
usage



Budget Portal Open: May 9-23
Public Hearing: May 23, 6:30 p.m.
Anticipated Adoption: June 13

For a complete budget report go to
www.townofmorrisville.org/budgetdocs.



Morrisville
Live connected. Live well.

BUDGET MESSAGE



Morrisville
Live connected. Live well.

May 9, 2017

Mayor Stohlman and Members of Town Council:

The proposed Fiscal Year 2018 annual operating budget and associated general, enterprise, special revenue, and capital project funds for the Town of Morrisville have been developed for your review and discussion. This budget message, along with narrative explanations of the identified priorities and requests, and related supporting data, illustrate the required operational expenditure levels to sustain our current and expected service delivery levels, balanced with the revenues necessary to meet programmed budget objectives for Fiscal Year 2018 and those forecast for the next several years. Supplementary discussion and analysis will be shared with Council at a budget workshop on Tuesday, May 16 and at the May 23 regular meeting following the public hearing that evening. The budget portal has opened to share the Fiscal Year 2018 budget with all who are interested and receive public input. Comments will be provided to Town Council on May 23. If necessary, time has also been reserved on Tuesday, May 30 for an additional budget work session. The Fiscal Year 2018 budget is scheduled for adoption at the Tuesday, June 13 Town Council meeting.

Morrisville continues to be a community of choice by our residents and the businesses that call Morrisville home. Continued growth in both sectors has not changed our commitment to the values, customer service, and attention generally attributable to a small town. We take pride in that approach – being engaged in and with the people and employers who call Morrisville home. These ideals are reflected in our mission statement:

The Town of Morrisville is dedicated to enhancing the quality of life by preserving our past and protecting our future through a collective community partnership. By balancing responsible growth with core values, we embrace a sense of membership, communication and support.

AND IN OUR STRATEGIC PRIORITIES:



In late 2016, the Town introduced a new Town brand and logo. The entire community – citizens, corporate partners, leaders, and visitors who eat, shop, do business, and patronize our town amenities – was invited to share their perspective. We learned what we already knew: Morrisville is a welcoming and friendly hometown. A place where each person matters, and where life is good. Where each voice is heard. Where you can **“Live Connected. Live Well”**.

The recommended budget has been prepared with these ideals in mind and in accordance with the North Carolina Local Government Budget and Fiscal Control Act, and maintains the base budget approach to core services and programs. Base budget adjustments, new recurring items and one-time funding request changes are programmed into capacity available from revenues in excess of base budget expenditures.

The Fiscal Year 2018 proposed budget reflects a pause in initiating new major projects as the town continues work on several key initiatives already underway or prioritized in prior years. Budget requests, for this year, are predominantly focused into two areas: ensuring the appropriate capacity (in human capital, operational resources and equipment), to serve our burgeoning community, and continuing to prepare for our next stage of projects and major initiatives. As we continue our heavy emphasis on connectivity within our community through roads, sidewalks and greenway projects, we are also moving ahead on community-centric projects such as a Town Center, the Food Hub/Farmer’s Market, and Morrisville Aquatics and Fitness Center renovations. As these efforts come to fruition in Fiscal Year 2018, they also will facilitate new connections with our citizens. Internally, we strive to build connections in our work to support the amenities and customer expectations that serve the Town well, and enhance and maintain the desirability of the Town of Morrisville as a great place to live. Making these connections again reinforces that in Morrisville we *“Live Connected. Live Well”*.

The base budget includes four primary types of routine, recurring expenditures:

- **replacement schedule and debt service items,**
- **resources to accomplish desired core service levels,**
- **specific programmatic and operating resources needed for normal operations and daily work, and**
- **investment in essential staffing needs that help manage workload.**

Many of the budget items requested in the Fiscal Year 2018 budget relate to care and upkeep of existing capital assets (including the equipment needed to perform those duties) and modest expenditure requests to enhance customer service and workforce productivity. There are also recommendations that promote continued attention to strategic planning and decision-making - both for daily operations and capital investment planning.

For ease of review, analysis, and discussion, similar budget requests have been broadly categorized by type and purpose of expenditure, with detail of the requests included in the category narrative description.

The sustained commitment by Town Council to work through major decisions and choices has solidified direction and progress. Work underway in Fiscal Year 2017 and continuing in Fiscal Year 2018 will bring those efforts to fruition, and provide the opportunity to evaluate and prepare for the next set of priorities. The use of fund balance capacity to support project development has proven to be an effective methodology for balancing natural revenue growth with reasonable and realistic operational requests, as well as to meet current needs and facilitate measured and practical accomplishments that align with goals and expectations. The introduction of CIP and the Roadway and Transportation Capital Reserve Funds in Fiscal Year 2017 further embody a focus on planning ahead and working with internal operational capacity to

retain a responsible and reasonable tax rate. This approach has continued in preparation of the Fiscal Year 2018 proposed budget. There is no proposed property tax rate increase for Fiscal Year 2018.

The Town has established a healthy fund balance and has been able to capitalize on opportunities that advance progress on projects and support cash flow needs for grant funded ventures. Those needs continue in Fiscal Year 2018. The proposed budget incorporates several key fund balance appropriations for major projects, and uses funds available over the Town's 45% of general fund expenditures policy effectively. Additionally, the proposed budget includes a recommendation for short-term financing of funds needed for the Town's share of the Morrisville-Carpenter Road improvement project. This strategy maintains the higher level of fund balance necessary to provide cash flow coverage for this project. The Town will also issue the remaining \$4.3 million in transportation bonds for Phase II of the McCrimmon Parkway Extension.

Fiscal Year 2018 is foreseen to be a year of accomplishment: completing projects that are underway and making significant progress on other projects that have been envisioned for many years. As we achieve these goals, we enhance our ability to make connections in our community, literally and figuratively, and create capacity for the next stage of growth. Morrisville truly is the best place to live in North Carolina.

BUDGET PLANNING AND DEVELOPMENT

Budget planning and development is a year-round focus for Town Council and staff. Careful attention to revenue forecasting, management of expenditures, and purposeful attention to key projects and initiatives, has allowed for significant progress in many areas of operation. This emphasis will continue with the execution of the Fiscal Year 2018 operating budget requests.

Each step of the budget cycle is based on the guidance and understanding of Town Council, attention to community priorities, and an emphasis on historical context, trend analysis, benchmarking, forecasting, and continuous process improvement.

During Fiscal Year 2017, a Project Tracking Template was developed and implemented to provide a comprehensive overview and framework for major and multi-year projects and was used for work items in the Fiscal Year 2017 operating budget. The template includes a project scope and timeline for accountability that are used to monitor and report on progress and status, as well as to aid in future forecasting and fund balance capacity evaluation. The process is specifically designed to facilitate Capital Investment Planning (CIP) financial discussions and support long-range strategic planning efforts, both for projects underway and those for which temporary cash flow needs require resources. Updates are provided to Town Council on these work items bimonthly, with more in-depth discussion and updates with Town Council during regular and special meetings, particularly at important milestones and when critical decisions need to occur. The project tracking data is also compiled into a summary that illustrates a "quick-view" of project cost and funding status, project status, and estimated completion date. Project timelines are further illustrated on a related Gantt chart for better visual awareness of the multiple and varied timelines for projects. We will provide updates for Council review during the year.

While fund balance can only be truly measured at the close of a fiscal year, the Project Tracking Report is a useful tool for effectively planning, managing and coordinating multiple objectives in an efficient and fiscally responsible manner. The Project Tracking Templates were used as the basis for Fiscal Year 2018 operating budget requests.

A Fiscal Year 2017 budget update, including a mid-year snapshot, a review of the base budget, and a look ahead at Fiscal Year 2018, were shared with Town Council during the retreat in January 2017. Council

affirmed its commitment to a conservative budget approach, using natural growth in revenues toward programming budget requests and execution of existing projects.

An overview of the CIP was also provided at the retreat. Updates on Town Center Core initiatives, and the Historic Christian Church, both related to the Town Council Top Ten CIP prioritized projects were shared with Council. Planning continues for the renovation of the Morrisville Aquatics and Fitness Center and the Public Works facility assessment. Appropriate concept and scope of all CIP items remains an essential to staff work and the budget process. While work continues on previously identified projects during Fiscal Year 2018, a comprehensive CIP refresh is scheduled as a part of the Fiscal Year 2019 budget cycle.

Departmental requests and associated justification for all work items were submitted and reviewed as part of the Fiscal Year 2018 budget process. Departments were encouraged to concentrate on essential needs related to core business functions and responsibilities in lieu of expanded programming or new activities not aligned with current base budget expectations or contributing to long-range operations or planning. Personnel requests were further scrutinized to substantiate the need for additional staffing. This approach aligns with the desire to program available resources to the larger capital initiatives underway, primarily related to transportation projects and the Town Center Core. Base budgets continue to be recalibrated to the levels matching the established goals and objectives approved by Town Council. Department budgets were combined with recommended appropriations and allocations on behalf of the town for major and capital items.

The Fiscal Year 2018 proposed operating budget maintains the commitment to maximize the use of available capacity resulting from the excess of revenues over routine expenditures. It also provides the funding necessary to replace and replenish assets that are essential to the work of the Town, maintain and adjust base budgets in a reasonable manner, enhance staff efficiency and workload management and oversight, and provide allocations to identified budget priorities. Capital projects of a significant cost and long-term benefit to the Town are appropriated through a combination of available operating capacity, fund balance, and strategic use of debt financing.

Revenue forecasts continue to be approached in a conservative manner, but take into account Morrisville's continued positive growth. The health of the local economy remains favorable, but municipal revenue options remain limited. We continue to closely monitor revenue sources that can be unpredictable, particularly those that are vulnerable to change at the state level and economic shifts. Modest and incremental user fee updates have been incorporated into the Fiscal Year 2018 proposed operating budget where warranted due to the cost or time required to provide those services. No adjustments to the stormwater fee are recommended for Fiscal Year 2018.

The Fiscal Year 2018 proposed operating budget is not recommended in a vacuum, but instead is part of a larger, multi-year forecast that helps envision the need to support short-term funding requests with longer-range perspective of a sustainable annual operating budget. Town financial policies and related indicators and ratios combine to ensure efficient and effective use of resources while maintaining the highest standards of financial stability and credit risk as evidenced by our AAA credit rating. Our overall conservative budgeting approach must be complemented by careful and deliberate spending to conserve and expand the value of Town assets desired by the community. Reinvestment in the community, our internal resources and our human capital are essential to a growing and thriving town and to the citizen and customer demands we respond to every day. This budget is about building connections, and living well.

BUDGET OVERVIEW

The total operating budget for Fiscal Year 2018 is \$34,964,000 for the following annually adopted funds:

General Fund	\$ 34,030,000
Stormwater Fund	\$ 934,000

The General Fund includes three capital reserve funds: Fire Apparatus, CIP, and Roadway and Transportation Funds. The proposed Fiscal Year 2018 General Fund Budget reflects an approximate 1.5% increase as compared to the current amended Fiscal Year 2017 budget of \$34,494,000. Growth in the operating budget over the last ten years budget is predominantly related to expanded infrastructure, most notably streets and greenways, and the subsequent repairs and maintenance for those assets, development services support, and increased public safety service demands that a community of now more than 25,000 people need and expect. The Town of Morrisville is a destination of choice and provides for the most significant priorities identified by the people who live and work here.

The budget has been balanced with no change in the \$0.39 tax rate originally adopted for Fiscal Year 2017. Of the \$0.39 tax rate, one cent (\$0.01) of the tax rate, or \$460,000, is allocated to the Roadway and Transportation Capital Reserve Fund for use on projects as identified by Town Council. Revenues are reflective collectively of the increased assessed property value from the natural growth in tax base and from stable revenues in other categories. Real revenue growth (from sources other than transfers and carryover items) approximates 6% as compared to the prior year original budget.

In addition to the appropriation to the Roadway and Transportation Capital Reserve Fund, the following allocations are recommended in three categories:

- **Proactive Road Maintenance:** This allocation aids in accelerating the ability to address road maintenance needs before deterioration of the roads becomes more costly. Allocation of these funds since Fiscal Year 2016 have helped lessen higher costs from deteriorating roads.
- **Capital Investment Program Reserve:** Implemented with the Fiscal Year 2017 budget, this allocation facilitates investment in future CIP projects.
- **Sidewalks/Pedestrian Enhancements:** The Town has contributed significant resources toward several sidewalk projects, including the Church Street Walking Loop, Upper Church Street (a CDBG Project), NC54 between Keybridge Drive and the Oaks at Weston, and Cary Parkway. All projects are underway and nearing completion. In addition, the Fiscal Year 2017 operating budget includes appropriations for pedestrian safety enhancements for Morrisville Carpenter Road Streetlights (a project also underway) and carryover funds for a pedestrian crossing at McCrimmon Parkway. During Fiscal Year 2017, Town Council elected to defer decisions on how to spend sidewalk/pedestrian enhancement allocations until the completion of the projects in progress. The proposed Fiscal Year 2018 operating budget recommends continued allocation toward sidewalks and pedestrian enhancements, and, along with unencumbered allocations in prior years, establishment of a capital project fund for Sidewalks/Pedestrian Enhancements. This capital project fund would affirm the commitment of Town Council to address sidewalk segment gaps, and to devote resources to design projects as well as for the Town cost share for state road sidewalk project commitments that will be required in future budget years.

Some other notable non-routine appropriations of operational budget capacity:

- **Fire Apparatus Ladder 3:** Purchase of the third of three Quint vehicles for the Morrisville Fire and Rescue Department.
- **Enterprise Software Replacement:** Supports the Town Council directive and staff commitment to replace the outdated enterprise system. Combined with the remaining balance on an existing purchase order, this amount is anticipated to cover the software solution and related implementation cost.
- **Land Use Plan Update:** Last updated in 2009, this project will provide a comprehensive update with a specific focus on Wake Tech, McCrimmon Parkway, and Town Center areas.
- **Debt Issuance Costs:** Financial Advisor and Legal Counsel costs associated with issuance of debt for McCrimmon Parkway Extension Bonds Phase II and short-term financing for the Morrisville-Carpenter Road Project.
- **Branding Implementation:** The replacement cost of selected town facility signs, and production of destination/wayfinding signage. Additional town signage costs will be necessary in future budget years.

Fiscal Year 2018 proposed operating budget recommendations for personnel, debt, and use of fund balance are described in those sections of this Budget Message.

Departments regularly manage programs and services effectively within existing base budget appropriations, sometimes deferring or delaying requests to improve or enhance service delivery or undertake long-range projects. Many of the other requests included in the proposed Fiscal Year 2018 operating budget aide in ensuring ongoing service delivery as is expected by the community. While most continue to be one-time or intermittent, periodic requests for replacement and refresh of equipment, some do result in adjustments to the base budget, and are designated as such. These requests are believed to be reasonable and appropriate to fulfill the needs of our continually growing population and expanding infrastructure oversight.

The Stormwater Fund, an Enterprise Fund, is funded primarily by Stormwater Fund revenues based on an equivalent residential unit (ERU) fee, currently at \$25 per ERU, permits and fees, and any grant revenues received for stormwater projects. There is no recommended change in the ERU fee for Fiscal Year 2018. A general fund subsidy covers basic program costs not recovered by the Stormwater ERU fee. The basic level of stormwater programming for the upcoming fiscal year remains consistent with existing operation levels. One major project, the Morrisville Aquatics and Fitness Center stream restoration, is proposed for completion in Fiscal Year 2018, with most of the cost being covered by previously collected offsite nutrient credits and the balance through the stormwater operating budget. The General Fund Subsidy remains the same as the current fiscal year at \$126,000.

The Municipal Service District (MSD) budget for Fiscal Year 2018 assesses a tax rate of \$0.10 per \$100 assessed value for the costs related to the transfer and improvement of the private streets to public streets standards. Six neighborhoods provided a majority of signed petitions necessary to form the MSD and are assessed a special tax rate annually, which was established in Fiscal Year 2014. The Huntington Park, Kelton Square, and Kelton II projects have been completed. An evaluation of road conditions in the

remaining project areas (Carpenter Park, Carpenter Village and the Gables) will determine the next project. Funding reserves may need to be accumulated prior to the start of the next MSD project.

The tax rate will continue to be levied for all six neighborhoods until the cost of all improvements for all projects is complete. The MSD tax increment is anticipated to generate approximately \$96,000 at an estimated 99.7% collection rate in Fiscal Year 2018. In addition, the General Fund provides an annual transfer from the General Fund of \$110,000 to fund future projects. This transfer is a mechanism to accelerate the much needed projects and will be repaid by the MSD tax increment over time, even after all projects are complete. The repayment timeline is approximately 25 years, and is dependent upon both the revenues collected from the tax increment and the cost of the MSD projects themselves. Individual neighborhoods are not relieved of their responsibility for payment of the MSD tax increment until all street improvements within the district are complete and funds advanced by the General Fund are repaid.

Other non-operating budgets for Fiscal Year 2018 include two annually adopted fiduciary funds:

Retirement Health Care Fund (OPEB) Fund	\$308,730
Retirement LEO Separation Allowance Fund	\$ 62,740

Capital Projects Funds with approved project ordinances are on multi-year budget schedules and are not related to the annual operating budget ordinance unless through a planned interfund transfer(s) or debt obligation(s).

GENERAL FUND OVERVIEW

Ad Valorem Taxes (Property Tax/Auto Decal Fee)

The Fiscal Year 2018 property tax rate is recommended to remain at \$0.039 per \$100 of property valuation. This rate was originally approved as a part of the FY 2017 Annual Operating Budget.

In Fiscal Year 2017, Town Council authorized an amount equivalent to the estimated value of one cent (\$0.01) on the tax base to be set aside in a Roadway and Transportation Capital Reserve Fund to plan and prepare for road improvements that may be identified and designated by Town Council in future years. Allocation of these funds to the Roadway and Transportation Capital Reserve are discretionary, based on annual affordability, may be incorporated into the proposed operating budget, and must be approved by resolution or ordinance, which includes the budget ordinance. An appropriation of \$460,000 is recommended in the Fiscal Year 2018 proposed operating budget. No withdrawal may be authorized for any other purpose than what is defined in the resolution authorizing establishment of this capital reserve fund.

The property tax rate also includes \$0.04 dedicated to the costs of bond debt for capital projects approved by our voters in 2012 and has been used to cash flow upfront costs for the McCrimmon Parkway Extension. Bonds were issued for Phase I during Fiscal Year 2017, and we broke ground in October 2016. Work on Phase II is ongoing and work on this phase will begin during Fiscal Year 2018. Preliminary planning and design for the Parks and Recreation improvements, specifically renovations at the Morrisville Aquatics and Fitness Center have also started during Fiscal Year 2017. Similar to the McCrimmon Parkway Extension Project, up-front costs for project development prior to bond issuance will be recaptured after the bonds are issued and will then be used for debt service management. These funds have not been used to offset any ongoing operational costs of the annual budget. Our Town of Morrisville property owners continue to benefit from one of the lowest tax rates and costs for service in Wake County and a continued commitment

of resources toward long-term growth, development of town assets, and services meeting the needs of the community.

The General Fund Ad Valorem revenue for Fiscal Year 2018 is estimated at \$17,973,000 and represents 52% of the total budget. This estimate is based on a 99.7% collection rate. Overall, the Ad Valorem revenue is anticipated to increase approximately 5% over the Original Budget for Fiscal Year 2017. The impacts of the Builders' Inventory Exclusions approved by the North Carolina General Assembly in 2016 is still not fully known at this time.

The Town collects a \$15 Vehicle Decal Fee, which remains the same for Fiscal Year 2018. Municipalities are authorized to levy up to \$30 per vehicle tax, of which \$5 may be used for any lawful purpose, and \$5 may be used to fund public transportation system costs. The remaining \$20 must be used to maintain, repair, construct, reconstruct, widen or improve public streets in the municipality that are not part of the State highway system.

Sales and Use Tax

Sales Tax revenues represent our second largest revenue source at 15% of the total budget. Sales Tax growth projections exceeded Fiscal Year 2017 estimates by 7% and have averaged 9% growth over the past few years. Forecasting assumptions remain consistent but conservative, and maximize use of anticipated revenues in the operating budget. Sales Tax revenues are projected to increase by 4.25% to \$5,265,000 for Fiscal Year 2018.

Other Major Revenues

Utility Franchise Tax is projected to increase at a conservative 1.3% over Fiscal Year 2017. This is a weather dependent source and can be unpredictable. Declining sales in natural gas and shifts away from landline style telecommunications support a static approach. This revenue source represents 5% of the total budget.

Development Services Permits and Fees (Planning, Engineering and Building Inspections) remain strong overall and have been adjusted by a moderate 2% over FY2017 original budget based on preliminary interest and approved site plans in queue. This does provide a basis to assume continued growth especially with commercial permits while residential is slowing. New residential projects will consist of smaller sites and will be limited as we approach build-out. Long-range forecast do consider some potential for commercial development interest after completion of the McCrimmon Parkway Extension. These revenues account for 3% of the total budget.

Parks and Recreation Programs and Facility Revenues project an increase overall by 3% over FY2017 anticipated actual due to expanded rental potential with Church Street Park & Northwest Park facilities coming online and some rebound/growth in programs. The timing and planned approach to renovations for the MAFC facility will have some degree of impact. These revenues represent 3% of the total budget.

Other intergovernmental revenues (Powell Bill, Wake County Fire Tax, Beer & Wine, Rental Vehicle and Solid Waste Disposal) remain comparable to current year budget estimates.

Stormwater ERU revenues increased by 5% over the Fiscal Year 2017 budget based on growth during Fiscal Year 2017 and modest growth assumptions for Fiscal Year 2018. Stormwater permit fee revenue projections remain the same.

User Fees

The Town assesses a variety of User Fees for Town services including administration fees, inspection permits, police alarm fees, fire department services, and permit fees. During the Fiscal Year 2018 budget development process, departments evaluated fee structures and rates for market comparability, value for services provided, and cost recovery, where appropriate. Only minor changes in these fees for service have been recommended and are illustrated in the User Fee Schedule included in the budget document.

Minor changes to development fees are recommended to fill some fee gaps and adjust appropriately for services. Changes were applied to most building inspections fees in the previous budget year, only a minor adjustment is recommended this year to implement an after-hours inspection fee for Monday through Friday requests. Fire inspection fees have increased slightly to better address cost recovery.

Parks and Recreation fees are periodically adjusted to market outside of the annual budget review cycle and are included in the fee schedule for transparency and consistency. Some minor market adjustments are anticipated at this time, but will vary depending on program and market conditions as the programs operate.

Operational Expenditures

A routine part of the annual budget preparation is a review of the base budget for each department's operations, which aids in understanding the core costs of ongoing and routine activities, and helps clearly identify the budget capacity for new initiatives and one-time funding requests. Additions to the base budget due to changes in programs, services and personnel are identifiable and driven by decisions made by Town Council during the budget review process. Staff have demonstrated fiscal responsibility and a measured approach to recommending adjustments to the base budget and have historically controlled growth in these areas. Basic routine services and recurring expenses (excluding transfers, contributions and grants, and capital outlay) are approximately \$24.9 million annually at current operational service levels.

The Fiscal Year 2018 budget provides additional funding above the base operating budget to support over \$10 million in priorities that enhance accomplishment of strategic priorities, invest and reinvest in infrastructure, and the proactive preparation for future needs and expectations of the Town. Of the recommendation appropriations, over 80% are one-time or nonrecurring items. A significant amount of the proposed spending is devoted to capital projects and utilizes approximately \$2.5 million in fund balance capacity towards the funding of these recommendations. An additional \$1.5 million of reserves/designated allocations are set aside toward designated future spending as directed by Town Council, including roads and transportation, sidewalk/pedestrian projects future fire apparatus and capital improvement planning.

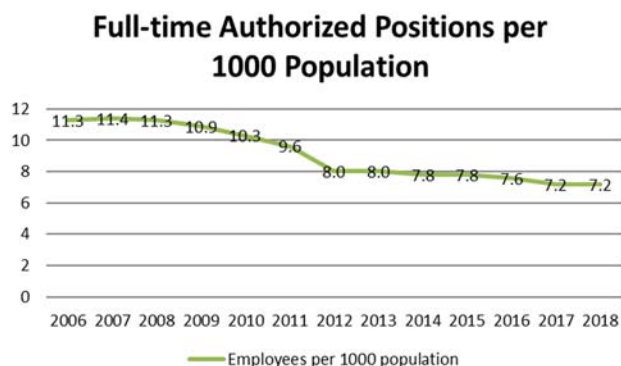
Approximately 10% of the Fiscal Year 2018 proposed spending above a base budget is related to debt service for road improvement projects. Debt service expenditures for Fiscal Year 2018 reflect the full debt service payment for McCrimmon Parkway Phase I, and recommended debt service for the Town's cost share of \$2.7 million for the Morrisville-Carpenter Road project. This debt service is anticipated as a shorter-term (seven years) than bond debt but still provides for efficient use of debt financing and balancing of debt payments in future operating budgets, and strategic leveraging of remaining fund balance capacity to support other commitments during the fiscal year. The initial, interest only, debt service payment for Phase II of the McCrimmon Parkway Extension project is also included in the proposed Fiscal Year 2018 budget. Debt service is net of retired debt from other projects.

The remaining 10% is primarily associated with personnel expenditures and nominal base operating budget adjustments. The requests for recurring expenditures represents less than 3% of the total Fiscal Year 2018 budget.

Programmatic expenditures have been categorized into major types and focus areas that are aligned with established strategic priorities. A summary of these requests with a brief justification narrative is provided as a part of the Budget Summary on page 26. Expenditures are subsequently included in the appropriate Department Budget Profiles to reflect placement within the operating budget framework, found in the Budget Details section of the budget document beginning on page 42.

Personnel Expenditures

The Town of Morrisville continues to maintain low staffing levels per capita for the programs and services we provide. The demands created by expanding infrastructure needs (both new and existing) continue to grow. Our community expectations for timely responsiveness to inquiries and requests, particularly in Public Safety, foreshadow current and future needs. Continued development and redevelopment require specialized staff to meet the needs of our growing community. The chart illustrates our managed and controlled personnel growth.



The Fiscal Year 2018 budget includes requests for five additional full-time people, and a police dog:

- Three (3) Firefighters
- One (1) Police Officer/K9 Unit
- One (1) Transportation Planner

A summary of these requests and a brief business case for each is provided as a part of the Budget Summary and expenditures are reflected in the Department Budget Profiles in the Budget Details section.

All requests have been reviewed and analyzed for true need of the department and for the betterment of the overall organization. Importantly, this includes ongoing review of staff levels compared to workload. Analysis of workload trends and town infrastructure point to potential staffing needs in the next several years, most notably, although not exclusively, in Information Technology and Public Works, as well as continued need in Public Safety (both Police and Fire). The workload of the Development Services departments (Planning, Engineering and Inspections) also continues to expand and will likely require an increased level of technical skill and expertise in the near future to meet demands in our community.

As we continually evaluate staffing, we also review job classifications to determine appropriate and accurate position descriptions are in place for each position. Minor adjustments occur each year within the Town's adopted pay plan, and are also included in the proposed operating budget.

As we continue to balance day-to-day operational needs with the demands of strategic priorities, long-range forecasting and future planning, a need for an additional level of supervision within various departments may be necessary to effectively manage work, retain efficiency and maintain responsiveness. Pay plan adjustments to establish mid-manager level positions through reclassification and corresponding authority and responsibility (versus additional positions) may be an effective tool to consider in the future to address these issues, and could provide a fiscally sound alternative to adding staff alone. Evaluation of this approach and strategy is ongoing and will be provided as recommendations are formulated.

Health Care Costs

A comprehensive study of the Town's health care history, costs and options was conducted this year in an effort to address escalating health care costs and develop safeguards for future increases. The wellness incentive introduced two years ago has been substantially embraced by our employees. Ultimately, this program will contribute to the health and well-being of the employee and help the Town manage health care costs long-term. Proactive attention to chronic conditions has empirically proven to have lasting benefit. Unfortunately, we cannot count on this solution alone to control overall growth in costs.

The Town has historically paid 100% of the cost to provide health and dental insurance for each employee and contributes 30% towards the cost of dependent health and dental insurance premiums. The Town also utilizes a Health Reimbursement Account (HRA, implemented in 2011) as a cost containment strategy to help manage overall healthcare costs. The plan itself is a high quality, high-benefit plan to the employees, unmatched by peer communities.

A comprehensive restructure of the health care strategy is recommended beginning with the July 1, 2017 health care contract renewal. The approach includes the introduction of a second plan with a modified level of benefits at a reduced cost to both the Town and the employee. In both plans, premiums have been restructured to reflect the true costs of coverage that have not been adjusted in over ten years. Our employees will become responsible for a share of the monthly premium. The dual plan option, with associated benefits and costs, will provide employees a choice while proactively engaging them in their health care decisions. Employees will continue to have an option to avoid an employee coverage premium if they choose the base plan and participate in wellness activities.

This is a long-term approach for healthcare cost containment that has been used successfully in other government and private sector organizations. The net impact of these changes is expected to be a 2% increase in town health care costs, and reflects a reduction of almost 6% from the original renewal quote from our vendor. These changes will be reviewed and evaluated in the spring of 2018 and will be used to guide subsequent insurance carrier considerations and decisions.

The Town's basic dental care plan, offered through the North Carolina League of Municipalities, will have a plan premium increase of \$1 per subscriber per month.

Employee Compensation/Merit Pay

An updated performance pay plan model was implemented July 1, 2015. The performance year was changed from a calendar year to a fiscal year and allows for better alignment of annual work plan goals with fiscal year accomplishments. Lump sum awards and multiple salary range merit pay factors were eliminated, allowing for a more streamlined management of the compensation strategy. This eliminated a gap in performance assessment and reward for performance that further complicated the implementation and management of merit pay adjustments.

Performance evaluations for Fiscal Year 2017 will be completed by June 30, 2017. An approximate 3% merit pay award for Fiscal Year 2017 performance has been included in the proposed Fiscal Year 2018 budget, subject to Town Council approval based on industry benchmarks for performance assessment ratings, historical ratings and trends for the Town of Morrisville. The average actual merit increase in Fiscal Year 2017 was 2.66% based on Fiscal Year 2016 performance ratings. In addition, a 2% adjustment to pay ranges is recommended to reflect rates of pay offered in the recruitment market and by competing jurisdictions to ensure the Town can continue to attract and retain qualified and skilled employees. This

adjustment will not increase existing employee salaries unless they fall below the adjusted beginning pay range, and will have a minimal budgetary impact.

Employee turnover continues to trend upward for a variety of reasons, but in part is driven by a more favorable economy and latitude to move to higher paying jobs within the same job market. A comprehensive review of pay ranges and actual market salary comparisons was conducted for all benchmark positions (i.e., those comparable to other municipalities) in the Town of Morrisville's pay plan. Most positions were reviewed. General observations are that as the town's population has grown to above 25,000, for some positions, particularly skilled and technical jobs, the town's pay ranges remain reasonable, but actual salaries are comparably lower than in the peer group. This can occur when turnover results in newly hired employees commanding higher salaries than tenured employees who started at a lower salary and for which market salaries have increased faster than actual pay. For public safety positions, the comparative analysis is more detailed and complex due to levels, steps and incentives that are common in peer city compensation strategies that do not exist in the Town of Morrisville, and require additional in-depth study to formulate conclusions and recommendations. A more comprehensive report of this evaluation will be provided to Town Council independent of the annual operating budget. The proposed operating budget includes some funds to make essential adjustments, where necessary, to retain employees that are vulnerable to loss due to market conditions, as well as those whose actual salaries may be notably below market. This recommendation is not a vehicle for comprehensive salary adjustment for all employees, but a method to maintain the strength of our experienced and skilled workforce. Total funds requested to support the merit and market pay proposals and related payroll costs is approximately \$429,900.

Part-time pay plan rates were adjusted for Fiscal Year 2017 to assist with recruitment and retention of those employees, and no changes are necessary in Fiscal Year 2018. The part-time employee merit pay plan and related performance evaluation process was also reviewed during Fiscal Year 2017. The performance evaluation and merit pay plan were previously established to accomplish recruitment and retention goals, but have not resulted in substantial improvement in retention goals. Recommendations for changes include eliminating merit pay adjustments for seasonal employees, those working less than a specific number of hours, and those with limited tenure. These recommendations are not expected to have significant impact on the budget.

Other Employee Benefits

In January 2016, the Local Government Employees Retirement System (LGERS) Board made several decisions regarding the local retirement system. The LGERS Board adopted an Employer Contribution Rate Stabilization Policy. Following adoption of that policy, the Board set LGERS employer contribution rates for the next 5 years in accordance with the policy.

The Fiscal Year 2018 employee contribution is 7.5% for general employees and 8.25% for law enforcement officers (LEOs). These rates will both increase by 0.25% annually through FY2020-21. The death benefit contribution – which is 0.50% for general employees and 0.14% for law enforcement officers – will be in addition to these rates. Adoption of this policy and these contribution rates is expected to allow for predictability and stability in the contribution rates, while maintaining the North Carolina local retirement system's position as one of the best-funded systems in the country.

Additionally, Morrisville continues to contribute annually 5.35% of gross wages for both General/Fire employees and LEO employees toward the liability created when Morrisville bought into the retirement system July 1, 2003. The Local Government Employees Retirement System (LGERS) liability pay-off is projected to be complete by June 30, 2018 and will not impact future year budgets.

Community Investment Program Expenditures

During Fiscal Year 2017, the Town issued \$10 million of an authorized \$14.3 million of Street Improvement Bonds for Phase I of the McCrimmon Parkway Extension. Phase I broke ground in October 2016 and is projected to be complete in fall 2018. Full debt service is incorporated into the Fiscal Year 2018 budget. Phase II is scheduled to be awarded in summer 2017 and the remaining \$4.3 million in authorized Street Improvement bonds will be issued during Fiscal Year 2018. Partial debt service (interest only) is included in the Fiscal Year 2018 proposed operating budget.

As a part of its commitment and attention to the Town of Morrisville's roadway and transportation needs, the Town applied for and received a \$6.3 million matching grant from Capital Area Metropolitan Planning Organization (CAMPO) for a \$9 million Morrisville-Carpenter Road improvement project. This project will enhance East/West connectivity through the center of Town and establish safer access points along the corridor between NC54 and Davis Drive. Debt service for the \$2.7 million Town cost for this project is included in the Fiscal Year 2018 budget. Construction is expected to start in fall 2017.

The Town also has \$5.7 million in authorized, but unissued bonds outstanding for the 2012 Park Improvement Bonds. Approved by the voters in 2012, identified projects included the Morrisville Aquatics Fitness Center (MAFC) renovation project and Morrisville Community Park Phase II. Project evaluation throughout Fiscal Year 2017 resulted in a decision to proceed with the MAFC renovations and preliminary conceptual design work has begun on that project. Issuance of bonds for this project is expected in Fiscal Year 2019. The Morrisville Community Park Phase II project will be updated as a part of the Parks and Recreation Master Plan update and incorporated in the CIP for future development.

The Fiscal Year 2018 budget includes full debt service for the \$4 million in 2004 voter approved bonds issued in Fiscal Year 2013. Debt service will continue until 2034. Church Street Park is operational, although the remediation of stormwater pond issues continues, and it is in high demand for family events. The walking path and connecting greenways, and tennis courts, are constantly in use, and the cricket field is growing in popularity. Installation of an irrigation system began in Fiscal Year 2017, and will be followed by the addition of field lights, supported by a grant from Wake County, to expand use of the cricket field for tournaments and related events. Church Street Park continues to serve as a model for identifying and delivering facilities and amenities desired by the community.

The Morrisville-Carpenter Road/Progress Energy roadway and sidewalk improvement project was completed in Fiscal Year 2017, and several long-awaited sidewalk projects are underway. The Church Street Walking Loop project, a collaborative effort with Wake County through support from CDBG (Community Development Block Grant) funding, is currently in construction, with expected completion by the end of June. Work on the lower Church Street Walking Loop, which will serve as a Historic Trail and provide a complete network of sidewalks for most of Church Street and around the Town Center, is expected to start this summer.

Sidewalk segments on NC54 between Keybridge Drive and the Oaks at Weston, and along Cary Parkway - supported by North Carolina Department of Transportation (NCDOT) funds and managed by Town staff - should be complete by the end of the fiscal year.

Work continues to define and refine the Town's Capital Investment Program (CIP). The primary efforts during Fiscal Year 2017 concentrated on the Town Center Core, which is expected to complement and link to priorities identified in the current "Top Ten" project list. Work on the Historic Church Parking Lot Expansion is moving ahead and will soon allow for increased community use of the church. An update to the public works facility study is also recommended this year to evaluate future needs and options. A

comprehensive update of CIP priorities, including additions and potential reprioritization, is scheduled to occur during Fiscal Year 2018.

Debt

The Town's debt policy outlines the goal of keeping tax-supported debt service to a maximum of 15% of governmental expenditures. The Town's current annual debt obligation of \$2,524,300 in Fiscal Year 2018 is 7.2% of the proposed budget as compared to 5.5% of the original budget for Fiscal Year 2017. New debt will be limited to strategic investments and timing of the retirement of existing debt.

Debt added in Fiscal Year 2017 included a partial debt obligation payment for the \$14.3 million in Street Improvement Bonds approved by voters in 2012, of which \$10 million was issued during the fiscal year. Full debt service for the issuance of the \$10 million in bonds, and partial debt service for scheduled issuance of the remaining \$4.3 million is included in the Fiscal Year 2018 budget. Shorter-term financing for the Town's cost share of the Morrisville-Carpenter Road improvement project is proposed and a partial debt service payment of \$225,000 is included in the Fiscal Year 2018 budget.

Future debt service obligations include full debt service for Phase II of the McCrimmon Parkway Extension and for issuance of \$5.7 million in Park Improvement Bonds, scheduled to begin in Fiscal Year 2019.

Fund Balance

The recommended budget includes General Fund fund balance appropriations of \$2,823,000 to support the following capital investment projects:

\$2,000,000	Town Center Core infrastructure improvements (road and stormwater) that support development of the future Wake County Library preferred location and other proposed development in this area.
\$ 480,000	Church Street Park Field Lights 65% match required for the Wake County grant.
\$ 65,000	Airport Boulevard Bike/Pedestrian Project NCDOT required matching grant funds.

In addition, a fund balance appropriation of \$278,000 for sidewalk project prior year allocations is recommended for transfer to a Sidewalk/Pedestrian Capital Project Fund. These funds remain committed to projects currently underway, those identified for future required matching grants, and for sidewalk segment gap projects identified on the sidewalk prioritization list.

The Town has a policy of maintaining 25% to 45% unassigned fund balance. Unassigned fund balance is important, allowing the Town to maintain the cash flow necessary for regular operations and projects requiring outlay of resources for related reimbursable expenditures. A strong fund balance also protects the Town from lost revenue resources and unknown impacts from economic downturns, significant unforeseen expenditures (such as weather related activities), and potential legislative actions, as well as to take advantage of new or timely unbudgeted opportunities that help advance the vision and mission of the Town.

Over the past several years, the Town has prudently managed fund balance levels to prepare for major projects that have been in development and that required significant financial commitment. Fund balance has not been used for routine or nominal expenditures, but is reserved for key project initiatives. As a part of the Fiscal Year 2017 budget adoption process and during the fiscal year, Town Council has appropriated fund balance to support those goals. The recommended fund balance appropriations for Fiscal Year 2018 continue that approach toward maintaining a stable and reasonable operational budget, meeting

anticipated cash flow needs, and effectively utilizing excess fund balance to further these projects. The forecasted fund balance at the end of Fiscal Year 2018 based on this scenario remains near the top range of the fund balance policy at 55%, based on 100% execution of the proposed budget.

A fund balance appropriation of \$210,000 in the Stormwater Enterprise Fund is recommended towards the MAFC stream restoration project. This fund balance appropriation does not affect the General Fund.

FUTURE OUTLOOK

The Fiscal Year 2018 operating budget proposal has been developed with attention to addressing operational needs that maintain and advance the vital functions the Town offers every day. Care and attention to existing assets and services dominate the budget requests, while retaining an acute focus on major projects and key one-time initiatives and priorities. As we continue to take steps toward completing many significant projects, attention to our core services remains important.

The Town of Morrisville continues to grow and prosper. The concentration on our highest priority – roads and transportation – is evident in the budget proposal and the work we do. The foresight evidenced in the planning and deliberation of a future downtown illustrates the long-range vision of the leaders of the Town. The commitment to using resources efficiently and effectively remains integral to each budget request.

Our brand, our reputation, our commitment to high ideals, and our duty to service remain the hallmarks of building connections to and within our community.

Morrisville. Live Connected. Live Well.

ACKNOWLEDGEMENT

No Town Manager can take sole credit for the extensive careful and deliberate planning that goes into the preparation of the annual operating budget. While each town employee's role is different, the collaborative efforts to work within existing resources and identify ways to enhance our productivity for future years is a cornerstone of the Fiscal Year 2018 budget proposal. I thank all Town staff for their role in the daily accomplishments and pride in their work.

I value and appreciate Town Council's guidance and support as we address short-term needs while dedicating a significant amount of our work to the vision of our community for the future. Our accomplishments during Fiscal Year 2017 and ability to activate and advance many important projects demonstrates the power of collaborative efforts between Town Council and staff. I thank them for their confidence in our recommendations and support as we address both challenges and opportunities.

Each year, we strive to improve our processes that enhance our ability to develop and execute the operating budget. This year, enhanced reporting tools facilitated development of refined project scope and cost estimates. Not only will these efforts enable us to track key work items better, they will also provide improved and timely information to Town Council and the community. As we continue our strategic planning efforts, these combined approaches will continue to improve our service and delivery to all.

I am proud of the Department and Division Heads who spearhead the daily work and plan for our future. I appreciate their willingness to consider options and solutions and their high level of commitment to all the work that allows us to do so much every day. As we consider and evaluate budget recommendations, there are always more needs than resources, and I am grateful for the awareness and understanding of the choices we need to make.

Assistant Town Manager Todd Wright has added meaningful insight and perspective to the budget process and I appreciate his willingness to tackle his regular duties and participate in the administrative oversight of the Town and the capital project management so integral to budget recommendations.

Each year, I am amazed by Jeanne Hooks' dedication to the process of preparing the annual operating budget, her ability to intuitively align Town Council, Town Manager, and Department perspectives, and her commitment to not only the budget, but the story and context the numbers provide. She is open, receptive, and responsive to the needs and the goals shared by us all.

Together, we all play a role in this important budget discussion.

CONCLUSION

As we close out Fiscal Year 2017, we have made much progress in achieving an often-stated goal – moving projects along. This year in particular has seen much of past budget year's work coming to fruition. We can also look ahead and see an improved roadway network, a town center with a library and a farmer's market, and expanded opportunities to live, work and enjoy the Town of Morrisville. We have the capacity and we have the will to do great things. I am excited about what lies ahead.

The Fiscal Year 2018 proposed operating budget invests and reinvests in our people, programs, services and projects. We are financially strong and our financial forecast validates our ability to accomplish our objectives.

The Fiscal Year 2018 proposed operating budget will be presented to Town Council and the citizens of Morrisville at the Tuesday, May 9 Town Council meeting. The budget portal will open to facilitate and promote public input. A work session is scheduled for Tuesday, May 16 and as a part of the May 23 Town Council meeting. The public is invited to comment at the Public Hearing, also scheduled for Tuesday, May 23. Town Council has expressed its desire to consider adoption of the budget at the Tuesday, June 13 Town Council meeting. I remain at your service during our budget deliberations as we achieve our goal of a fiscally responsible and reasonable adopted budget.

Sincerely,



Martha Paige
Town Manager/Budget Officer

BUDGETARY PRIORITIES LISTED BY TYPE

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests
Firefighters (3): Three firefighters that are part of the long-range Quint concept plan approved in 2012. The addition of these personnel (one per shift) will provide 16 fire personnel per shift that achieves the minimum staffing level for moderate risk response and that is needed to operate equipment. Hiring of these firefighters will allow for training of more experienced staff to drive quint apparatus prior to the delivery of the third quint vehicle. Full quint staffing, which includes nine additional firefighters (3 per shift) and revisions to the staffing plan, is a phased addition to staff levels through FY2025.	206,700
Police Officer/K9 Unit: Addition of one police officer and one K9 officer unit to function more efficiently and effectively. The current K9 team is utilized for patrol operations, specialized assignment requests and community events. The Town of Morrisville often assists with dignitary protection and RDU interdiction efforts, from which the Town receives a share of forfeiture proceeds used to offset approved Police Department equipment expenditures. There is also required mandatory training hours to maintain certification. The current K9 team rotates between day and night shifts, and is occasionally out of service for mandatory training, creating gaps in coverage. When gaps occur, the Town receives support from neighboring jurisdictions. This can result in delays that may impact apprehension of subjects, location of missing persons or items, and otherwise affect police investigations. A second K9 unit will provide even coverage for patrol, offer day and night availability for community events, allow officers to meet minimum training standards, and time for the K9 teams to rest and recover. Additional information about forfeiture proceeds and schedule/activities of the current K9 team will be provided in a Budget Work Session.	82,700
Transportation Planner: Planner 1 position to support the Long Range Planning Division of the Planning Department. Workload and capacity requirements currently exceed the abilities of the Long Range Planning/Transportation Manager and affects the ability to manage day-to-day tasks, sacrificing the opportunity to devote time to the implementation of other strategic initiatives, such as the Sidewalk Construction Program, regional transportation and transit efforts, and other transportation related activities. This position will assist in development plan review and traffic impact analysis, coordinate data and mapping services, citizen inquiry and support other professional services need related to traffic and transportation management.	79,400
Merit/Market Adjustments: Proposed merit salary adjustments based on Fiscal Year 2017 performance evaluation ratings. A Performance Pay Plan model was implemented in Fiscal Year 2016, linking the amount of merit pay award to performance ratings. The actual average merit pay award for FY2016 and FY2017 was 2.64% and 2.66%, respectively. The proposed budget allocation for merit pay provides for an up to 3% actual average merit pay award and associated payroll costs. Market adjustments to address identified market conditions and vulnerable positions are incorporated into this request.	429,900
Health Care Costs: Projected 2% increase in health care costs compared to the current year budget. Cost increases have been diminished by adding a second-tier to the health care plan, with a lower level of benefit and lower costs for both the employer and employee. Both plans include wellness incentives and employee contributions.	53,700
Staffing Operations Costs: Required uniforms, equipment, training/evaluation and computer/electronic equipment for police officer, three firefighters and transportation planner position requests.	33,000
Landscape Contract: Addition of existing town properties and rights-of-way to the existing landscape contract. This increases the efficiency of the Parks and Grounds staff, allowing them to	23,800

increase the quality of the landscaping and meet the upkeep needs associated with the current level of programming in Town parks. This alternative allows the staff to use their higher level of skills where they are needed most and avoids adding additional personnel to support these needs.

Recreation Programs: Implementation of one new program at the Morrisville Aquatics and Fitness Center (MAFC) and expansion of one existing program at Cedar Fork Elementary School. Both programs are offset by anticipated revenues that are also incorporated into the Fiscal Year 2018 budget proposal.

- **Fitness Incentive Programs:** Supplies for fitness incentive programs that help recognize and motivate current members, promote the facility, and encourage community participation in programs throughout the year. Items could include, but are not limited to, t-shirts, water bottles, gym bags and other fitness related items. Partnerships to enhance the incentive programs will also be pursued.
- **Counselor-in-Training (CIT) Program:** Expand the CIT 10-week summer camp program to provide more opportunities to middle school age youth (6th to 9th grade). Last summer, there was a waiting list for the program. Maximizing enrollment helps to meet increasing demand for activities for youth in the middle school age range. Funds will support additional van rental, part-time staffing, field trips and supplies.

Social Media Enhancements: Two programmatic enhancements that support expanded social media presence and management. The ability to use automated tools to gather analytics across multiple platforms will improve monitoring, tracking and reporting to support timing and content decisions to maximize effectiveness of the program. A civic engagement platform will augment and diversify current public participation strategies and allow two-way, participation by elected officials and staff to aid in the goal of increasing public trust in governance and town operations, while managing and supporting civil dialogue. These tools focus on providing feedback to constituents without overwhelming them with information, and can be used to share information about real-time incidents and problems (such as transportation or public safety). These platforms include mobile compatibility and can be used independently or with public information sessions.

Police Crime Data Management and Reporting: Software/user licenses needed for crime analysis by the Morrisville Police Department (MPD). Data driven/predictive policing is an integral component in crime prevention and reduction. Currently, MPD lacks the necessary software to effectively identify and address current crime trends within the town. The software will serve as a tool to facilitate crime mapping for targeted preventive and enforcement activities and enable our residents to track crime within their neighborhoods.

Louis Stephens Drive Quarterly Maintenance: Utilize staff time and rental equipment to maintain the portion of Louis Stephens Drive from Polar Pike Lane to Gray Marble Drive, the back entrance/access connector for the Walnut Woods Town Home Community and Breckenridge. This is an NCDOT gravel road, which received limited maintenance. Funds will be used to perform maintenance quarterly to provide a smoother, longer lasting drive surface than what can currently be provided (by NCDOT or the Town) within existing budget resources.

TOTAL

Onetime or Capital Impacts (Non-Routine)

Fire Apparatus – Ladder 3: Purchase of the third Quint for Station 3. This is the final quint purchase to achieve the apparatus levels required in the Quint Plan and coincides with replacing the Station 3 that has come to the end of its useful life cycle. The vehicle is custom designed and built to meet Town of Morrisville specifications and can take a year or more to build and deliver. Future quints requests will be replacements of vehicles at the end of their life, on a vehicle replacement schedule.

Vehicle Replacements: Replacement of vehicles that will be retired because they have reached the Town's vehicle replacement criteria. Scheduled purchases include police and fire vehicles, and capital projects management. Replacement cost also includes the upfit/installation of special equipment such as lights, sirens, and necessary computer equipment.

13,200
-13,200
Offset by Program Revenues

10,000

8,600

7,500

935,300

Town Manager Requests

1,171,000
-1,171,000
Offset by Capital Reserve Transfer

448,300

Enterprise System Project: Purchase a product that contains the required core modules and meets the identified critical needs to replace the current SunGuard system, as determined through internal needs analysis, workflow mapping and shared processes. Requests for quotes are anticipated in the summer of 2017 to accelerate the selection of a preferred vendor and begin implementation. The budget appropriation represents a maximum allocation that may be necessary (in tandem with resources available from previous appropriations) as well as contracted project management.

350,000

Road Paving Projects: Proactive road maintenance to maintain acceptable levels of road condition and reduce the percentage of deficiencies. This allocation adds to the available Powell Bill funds to accelerate the amount of annual roadwork.

300,000

MAFC Stream Restoration: Restoration of the stream and riparian buffer at the Morrisville Aquatics and Fitness Center site, including the repairs of a wall/patio that currently has the potential to fall into the stream. The project will include enhancing the existing riparian buffer, stabilizing the stream banks, restoring the buffer, removing invasive vegetation, and replacing an existing failing storm drain outfall from the parking lot in alignment with MAFC facility enhancements. This project will be paid for by the Stormwater Fund and using existing nutrient funds collected in prior years.

250,000

-210,000

Offset by SW Fund Balance

Debt Financing Costs (Legal & Financial Advisors): Bond counsel and financial advisors fees related to issuance of the remaining 2012 voter approved Street Improvement Bonds and for financing of the Town's portion of the Morrisville-Carpenter Road project.

200,000

Land Use Plan Update: Comprehensive update to the 2009 Land Use Plan due to population growth, changes in development patterns, and the McCrimmon Parkway Extension Project. Key tasks include documentation demographic and socio-economic trends, collecting updated information on stakeholder land use needs and desires, and preparing a more detailed analysis of key areas of the Town, such as Wake Tech, McCrimmon Extension and Town Center.

194,000

This is a multi-year project. It will include analysis and public outreach in FY2018 prior to plan development. Future revisions of the zoning map and UDO based on any revised land use designations will follow. An update of the Land Use Plan is scheduled for the next fiscal year.

Computer Hardware Replacements: Annual hardware refresh plan, including replacing of 1 SAN for the Disaster Recovery site, laptops and vehicle modems for the Fire Department, and battery backup units. The most significant component of this year's refresh plan is replacement of the Town Council Chamber projector.

190,800

Town Building Maintenance/Repairs: Allocation of funds to support the needs of aging infrastructure to maintain quality fixed assets, and meet the needs of customers.

152,100

- **Town Hall:** Painting of exterior trim and conversion of exterior lights to LED. It has been eight years since the exterior trim was painted. The paint is starting to fade and chip off, exposing wood in some places. Conversion of old, metal halide lights to LED will save electricity and require less frequent maintenance.
- **Public Safety Building:** Modifications to the lobby area of Development Services to address temperature and lighting deficiencies and enhance the customer service experience. This will include the elimination of the glass enclosed staff area to establish an open environment and the development of a work area for customers to conduct business or meet with staff. This modification will enhance staff abilities to examine drawings and handle other permit-related activities. Proposed improvements will also aid in energy conservation.
- **Fire Station #2:** Replacement of four non-functional ventilation fans in the bay of the facility and carpet replacement. The current residential-style ventilation fans are inadequate because of the height of the ceiling. They are undersized and not made to handle this volume of air. Carpet at Fire Station #2 is torn and worn through to the floor. Carpet installed in the building in 1997 has never been replaced.
- **Public Works Garage:** Replace the vapor barrier on the interior walls of the Fleet Shop that is torn, causing insulation to fall out into the garage work area. A damaged window will also be repaired.
- **HVAC Replacement:** Proactive maintenance and replacement planning for up to four HVAC units at various facilities.

Branding/Wayfinding Implementation: Replacement of Town of Morrisville signs at major parks and greenways to continue branding campaign and development of welcome/destination/wayfinding signs into and around the town to bring better awareness to Morrisville as a destination. Town Building signs, including a permanent Town Hall sign will be incorporated into future budget requests.	150,000
Church Street Park – Field Maintenance Equipment: Specialized equipment is required to maintain the cricket field at Church Street Park to the standard required for this use. Three pieces of equipment are needed: a large area reel mower, an expanded capacity turf control sprayer, and a top dresser to improve draining and turf growth. The Town does not currently have these types of equipment and will experience savings by purchasing equipment compared to continuing to use existing equipment or contracting for this work.	88,000
Police K9 Unit – Vehicle & Equipment: Specially equipped K9 unit vehicle related to request for Police K9 Unit.	76,000
Town Facility Security System/Cameras: The Risk and Safety Officer and Police personnel have identified deficiencies in facilities security for staff, Council and the public. A professional assessment and project design services are needed to address security vulnerabilities. Beyond current staff abilities, and to address access concerns at Town facilities and parks. This will likely include camera placement to protect the public and staff prior to purchase and installation of hardware and software. Additional measures, primarily interior and exterior security cameras in the buildings and building security, signage and potential pedestrian/vehicle access restrictions in the parks need further evaluation.	60,000
Project Design Services: Allocation of funds to advance projects and support the need for services such as design and environmental assessment.	50,000
Strategic Plan: Professional consulting services to support the development of a comprehensive strategic plan for the Town. Enhancing the strategic planning effort will tie key programs together and enhance efficiency within the organization. The process will provide additional clarity on community needs and priorities as well as connectivity to the vision of elected officials that guide staff. Includes professional facilitated sessions and retreats, environmental scanning, and preparation of the plan for Town Council review, approval and implementation.	45,000
Food Hub Project Contingency: Estimated project cost differential over the current construction estimate, contingency, and funds available through the Rex Endowment grant and Western Wake Farmers Market. This project, if within budget and approved by Town Council, will be initiated shortly after the start of the fiscal year.	35,000
Fire Equipment Replacement: Replacement of fire service critical response and medical equipment in accordance with replacement schedule. Items include thermal imaging cameras and suction unit replacement.	32,200
Municipal Election Costs: Estimated 2017 municipal election costs, provided by the Wake County Board of Elections. A number of factors, unknown at this time, could alter this estimate. Additional information will be available closer to the election.	32,000
Technology Enhancements: Allocation of funds to support modest hardware/software technology needs for GIS, Planning and Fire Department. • GIS: Consolidation, organization and conversion, and renaming of all GIS data files used and stored throughout the town. Location and structure of files will be consistent across departmental boundaries, which is essential to effective use of data and information by both staff and customers. Renamed files will be consistent with the established Data Naming Standards document. This project will also include GPS data collection, including data updates/cleanup, data models and script writing. • Fire House: Software modules for existing program to track car seat installation and fire prevention activities. Records and currently maintained manually and are difficult to use and prepare reports.	27,100

Planning: Mobile devices to improve internal, project-specific communication and meeting management to improve efficiency and customer service. Documentation of meetings through phone calls, informal meetings and general inquiry are not currently recorded or logged into a comprehensive history for a project. Mobile accessibility will also assist staff in taking pictures in the field to provide historical content and context to project review.	
Public Works Facility Master Plan Update: The existing public works facility is too small and does not meet the Town's long-term needs. The Town prepared a Public Works master plan and needs study in 2014; however, a number of significant changes have occurred since then. An update of the Public Works master plan and needs assessment will be in coordination and conjunction with the proposed expansion of the Solid Waste and Recycling Convenience Center. This work will include a review of storage space and will aid in Town Council's CIP discussions.	20,000
Pugh House Facility Assessment: The Town has invested a significant amount of money in the relocation and preservation of the historic Pugh House. Currently, the Pugh House does not have water or sewer service, electrical service, or a security/fire alarm system. There has also been no preventive maintenance to the exterior of the building, which may become compromised if not addressed. An evaluation of needs and an analysis of ways to use the facility is needed prior to discussion of what the Town wishes to do with this asset or any significant investment in the property. Staff does not have the expertise to conduct this work.	18,000
Citizen Survey: Update of the citizen survey last conducted in 2015, facilitated by the National Research Center. Best practices indicate periodic surveys to gauge citizen satisfaction, update information and evaluate changes and demographic/geographic should be done every three to five years. This project will be a turnkey project handled primarily by mail, but with an online option. The project will launch in the second part of the fiscal year and results will be available for consideration during the Fiscal Year 2019 budget cycle.	17,700
Public Works Equipment: Replacement of aging equipment for inclement winter weather needs. The sand/salt spreader used during snow and ice events is eleven years old and is deteriorating due to the caustic nature of the salt on the metal exposed surfaces. Public Works staff is also in need of ruggedized, mobile devices that assist with workload processing efficiency while out in the field through remote access to the work order system and workload tracking. Devices will be used by Streets, Parks/Grounds and Facilities staff.	14,200
Public Works APWA Accreditation: Application fee and American Public Works Association (APWA) Team visit expenses to become an accredited agency. Staff has worked on self-assessments and an internal review of the Public Works Department's policies and procedures over the past two years to prepare for evaluation by APWA.	7,000
Other Council Directed Initiatives: Undesignated (contingency) allocation reserved for projects or items as directed by the Town Council.	50,000
TOTAL	2,597,400
New Debt	Town Manager Requests
McCrimmon Parkway Phase I: Full Debt Service for \$10 million in Street Improvements Bonds issued in October 2016.	667,000
McCrimmon Parkway Phase II: Partial debt service (interest only) for issuance of remaining \$4.3 million in Street Improvements Bonds planned during Fiscal Year 2018. Projected issuance is fall 2017.	70,000
Morrisville-Carpenter Road: Proposed short-term (seven-year) financing for the Town cost share of \$2.7 million to support the \$9 million estimated project cost and \$6.3 million grant award from Capital Area Metropolitan Planning Organization (CAMPO).	225,000
TOTAL	962,000

Capital Projects, Capital Reserves and Fund Balance Appropriations:		Town Manager Requests
Town Center Infrastructure: Design and construction of infrastructure necessary to support the initial Town Center investment and siting of the Wake County Library. The funding request includes the roundabout and related road improvements as well as a regional stormwater facility. Design and permitting are underway. Plans and permits are anticipated in the summer of 2017. Bidding on the project is projected in late summer/early fall, with construction to start immediately after. This infrastructure must be in place prior to the start of library construction by Wake County, slated to begin in early 2018.		2,000,000 <u>-2,000,000</u> Offset by Fund Balance
Church Street Park Field Lights: The Town has a 65% cost share for the Church Street Park Cricket Field Lights project. Total project cost estimate of \$757,000, offset by a grant of \$279,000 from Wake County. This project is in design for Fiscal Year 2018 bid, award, and installation.		480,000 <u>-480,000</u> Offset by Fund Balance
Sidewalk/Pedestrian Projects: Transfer of prior year budget allocations not spent to a Capital Project Fund. Town Council directed that these appropriations be held to offset unanticipated project cost overages for four existing sidewalk projects currently underway. Once those projects are complete, these funds will be available to support the design of projects identified through the sidewalk prioritization program. The transfer includes \$78,000 in prior year appropriations for the McCrimmon Parkway/Davis Drive pedestrian safety project. Establishment of this Capital Project Fund avoids ongoing operation budget carryovers and maintains the funds for their intended purpose.		278,000 <u>-278,000</u> Offset by Fund Balance
Roadway & Transportation Capital Reserve: Allocation and transfer to Capital Reserve Fund equivalent to one cent (\$0.01) of the tax rate for future roadway and transportation projects identified by Town Council.		460,000
Fire Apparatus Capital Reserve Fund: Allocation and transfer to Capital Reserve an amount reserved to prepare for future apparatus.		400,000
CIP Capital Reserve Fund: Allocation and transfer to Capital Reserve an amount reserved to prepare for future CIP Projects.		200,000
Stormwater Fund Subsidy: Town allocation of funds to support the Stormwater Fund and maintain the current \$25 Equivalent Residential Unit (ERU) fee.		126,000
Municipal Service District: Town allocation of funds to support the completion of Municipal Service District Projects.		110,000
Sidewalk Program: Town allocation of funds to support the Sidewalk Improvement Program.		100,000
Airport Blvd Bike/Pedestrian Project: Town cost share of the Airport Boulevard Bike/Pedestrian Project being constructed by NCDOT as a part of that roadway's improvements.		65,000 <u>-65,000</u> Offset by Fund Balance
TOTAL		1,396,000
Net Appropriation Requests		\$5,890,700

Summary

Budgetary Priorities Total	10,107,900
Less Offsetting Revenue	13,200
Less Capital Reserve Transfer	1,171,000
Less Fund Balance Appropriations	<u>3,033,000</u>
Net	\$ 5,890,700

BUDGET ORDINANCES & RESOLUTIONS

TOWN OF MORRISVILLE * 100 TOWN HALL DRIVE * MORRISVILLE, NC 27560



ORDINANCE 2017-116 OF MORRISVILLE TOWN COUNCIL TO APPROVE FISCAL YEAR 2018 ANNUAL OPERATING BUDGET

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, 2017 and ending June 30, 2018.

Section 1. **GENERAL FUND**

ANTICIPATED REVENUES/TRANSFERS IN

Ad Valorem Taxes	17,973,000
Intergovernmental	7,940,300
Sales & Services	1,216,100
Permits & Fees	992,200
Restricted Intergovernmental	564,800
Other Taxes & Licenses	973,300
Miscellaneous	286,300
Investment Earnings	90,000
<i>Transfers (In)</i>	1,171,000
Appropriation Unassigned Fund Balance	2,823,000
Total General Fund Revenues	\$ 34,030,000

AUTHORIZED EXPENDITURES/TRANSFERS OUT

General Government

Governing Body	4,779,700
Administration	1,995,000
Human Resources	424,800
Finance	829,100
Information Technology	1,618,900
Total	\$ 9,647,500

Economic & Development

Inspections	643,000
Planning	1,455,500
Total	\$ 2,098,500

Engineering

Engineering	559,500
Total	\$ 559,500

Public Works & Facility Management

Public Works & Facility Management	5,523,600
Powell Bill	559,800
Fleet	503,300
Total	\$ 6,586,700

Public Safety

Police	4,199,300
Fire	6,542,400
Total	\$ 10,741,700

Recreation & Cultural Resources

Parks & Recreation	1,871,800
Total	\$ 1,871,800

Debt Service

	2,524,300
Total	\$ 2,524,300

Total Expenditures	\$ 34,030,000
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Section 2. **MUNICIPAL SERVICE DISTRICT FUND**

ANTICIPATED REVENUES

Ad Valorem Special District Tax	96,000
Transfer from General Fund	110,000
Total Anticipated Revenues	\$206,000

AUTHORIZED EXPENDITURES

Operations	206,000
Total Anticipated Expenditures	\$206,000

Section 3. **STORMWATER FUND**

ANTICIPATED REVENUES

Stormwater ERU Fees	573,000
Stormwater Review Fees	25,000
Fund Balance Appropriation	210,000
Transfers from General Fund	126,000
Total Anticipated Revenues	\$934,000

AUTHORIZED EXPENDITURES

Personnel	278,200
Operations	330,800
Capital Outlay	325,000
Total Anticipated Expenditures	\$934,000

Section 4. **OTHER POST EMPLOYMENT BENEFITS (OPEB) FUND**

ANTICIPATED REVENUES

Transfer from General Fund	300,850
Interest	7,880
Total Anticipated Revenues	\$ 308,730

AUTHORIZED EXPENDITURES

Net Assets in Trust	278,370
OPEB Benefits Paid	30,360
Total Expenditures	\$ 308,730

Section 5. **LAW ENFORCEMENT SEPARATION ALLOWANCE FUND**

ANTICIPATED REVENUES

Transfer from General Fund	61,640
Interest	1,100
Total Anticipated Revenues	\$62,740

AUTHORIZED EXPENDITURES

Net Assets in Trust	14,010
Law Enforcement Benefits Paid	48,730
Total Expenditures	\$62,740

Section 6. **Levy of Taxes and Fees General Fund**

- A. Under authority of GS 160A-209 there is hereby levied for Fiscal Year 2018 an Ad Valorem Tax Rate of \$0.39 per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 01, 2017, 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 rate of tax is based on an estimated assessed valuation of \$4,605,000,000.
- B. Under the authority of GS 20-97, there is hereby levied an annual License Tax of fifteen dollars (\$15.00) on each vehicle with 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 \$25.00 per Equivalent Residential Unit and hereby authorizes Wake County Revenue Department & Durham County Revenue Department to collect the Stormwater Equivalent Residential Unit Fee as prescribed by the Fiscal Year 2018 Fee Schedule on behalf of the Town of Morrisville as a contracted billing service. The fee shall appear on the Annual Tax Bills. The Stormwater Equivalent Residential Unit Fee is considered a restricted revenue source for the purpose of stormwater activities as prescribed by mandates. The Finance Department is hereby authorized to collect the Stormwater Equivalent Residential Unit 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 2018 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 general public as defined in Section 105.871.1 of the North Carolina General Statutes.

Section 7. **Levy of Taxes Municipal Service District**

- A. Under authority of GS 160A-536(a)(6), Session Law 2011-072 there is hereby levied for Fiscal Year 2018 an 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, 2017, 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 8. **Fee Schedule**

There is hereby established for Fiscal Year 2018 various fees as contained in the Town of Morrisville's User Fee Schedule located in the Additional Information Section of the Annual Budget.

Section 9. **Authorized Positions**

- A. There are hereby five (5) new positions approved for the Fiscal Year 2018. The Authorized Positions Profile will increase to 175 Fulltime positions with an estimated 40.55 Part-time positions shown as Full-time Equivalents.
- B. Position authorizations are initially established by the annual budget ordinance. Changes to this schedule may occur during the fiscal year, as authorized by the Town Manager as reclassification of authorizations to meet the changing needs of the organization.

Section 10. **Pay & Merit Plans**

- A. There is hereby an authorized Fiscal Year 2018 Town of Morrisville Full-time Pay Plan describing the approved position classifications, grades, and pay ranges adjusted for market by 2%. The Fiscal Year 2018 Full-time Pay Grades and Ranges list is located in the Budget Summary Section of the Annual Budget for Fiscal Year 2018.
- B. There is hereby an authorized Merit Pay Plan effective July 1, 2017. The Performance Evaluation Year is based on the fiscal year. Merit awards earned will apply 100% to the base pay. All merit pay awards are based on Town Council approval and subject to funding in the annual budget. The Merit Pay Plan will establish awards for full-time employees in the future based on performance rating that will range from:

o Does Not Meet Expectations	0%
o Meets Expectations	2%
o Exceeds Expectations	3%
o Far Exceeds Expectations	4%
- C. There is hereby an authorized Fiscal Year 2018 Town of Morrisville Part-time Pay Plan describing the approved position classifications, grades, and pay rates ranges as referenced in the Budget Summary section of the Annual Budget for Fiscal Year 2018.
- D. Stipends for Town Council will be adjusted annually at the same effective actual average merit percentage as staff.

Section 11. **Federally Forfeited Property (DAG-71)**

As it is the intent of any Federally Forfeited Property to enhance law enforcement, these funds are appropriated and 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.

Section 12. **Purchase Orders & Capital Outlay**

All purchase orders will be pre-audited in accordance with the Local Government Budget and Fiscal Control Act and issued on all purchases over two-thousand dollars (\$2,000) and threshold of five-thousand dollars (\$5,000) for capital outlay.

Section 13. **Fiduciary 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 14. **Legal Services**

There is hereby authorized for Fiscal Year 2018, an agreement with the Town Attorney for legal services establishing a monthly general legal retainer rate of \$600 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 \$215 per hour. When appropriate, assignment of legal matters to associate attorneys will occur and charges applied per hour based on a rate range of \$185 per hour. In addition, other reimbursements will include certain annual dues to professional organizations and registration/hotel fees for attending specific annual conferences.

Section 15. **Special Authorization – Town Manager/Budget Officer or His/Her Designee**

- I. Budget Transfer Authority
 - a. 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 his/her designee.
 - b. May process inter-fund transfers as anticipated by the Budget Ordinance without additional approval by the Town Council.
 - c. May reallocate funds accrued as a result of Personnel lapse salary for the purposes of providing the Town Manager with some reasonable flexibility to mitigate unforeseen circumstances or effectively advance priorities operationally. Up to \$100,000 threshold may be reallocated in the first six months of the fiscal year with another \$100,000 added to the threshold in the second half of the fiscal year. The Town Manager will provide a formal mid-year report annually in January on the usage overall within the first six months. Any usage will be subsequently reported to Town Council in accumulative increments of \$50,000 or in the event that any one use is greater than \$50,000. Use is subject to the Town Manager/Budget Officer's approval. This authority may not be designated.
 - d. May reallocate Personnel lapse salary for staff professional development and training opportunities to promote and advance employee knowledge, skills and abilities including tuition reimbursements as outlined in the Personnel Policy.
 - e. May establish and utilize Undesignated Funds held within Governing Body's department budget for the purposes of flexibility to ensure continued operations under unforeseen conditions and subsequently reported to Town Council.
- II. Contract and/or Grants as Authority
 - a. May execute construction or repair projects, which do not require formal competitive bid procedures and for the purchase of apparatus, supplies, materials, service agreements, equipment and rental agreements, which are within budgeted departmental appropriations.

- b. May approve the application and execution of grant agreements to or from public and nonprofit organizations, which are anticipated within budgeted funds unless a grantor organization requires execution by the Town Council.
 - c. May execute contracts as the lessor or lessee of real property for a maximum duration of five years or less.
- III. Special Appropriation Authorization
 - a. May recognize and appropriate cost share reimbursements for fire protection services, fire protection equipment and facility maintenance services and direct said funds back to the appropriate Department.
 - b. May recognize and appropriate donations received for restricted or special designations.
 - c. 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.
- IV. Inter-fund Loan Authorization
 - a. May make inter-fund loans as necessary to meet cash flow needs for approved capital project ordinances for working capital purposes pending receipt of debt proceeds, awarded grant reimbursements or agreements.

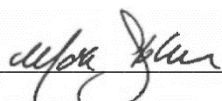
Section 16. **Utilization of Budget Ordinance**

- A. This ordinance shall be the basis of the financial plan for the Morrisville Municipal Government during Fiscal Year 2018. The Town Manager/Budget Officer shall administer the Budget and ensure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the Budget.
- B. The Finance 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.
- C. The equivalent estimated value of 1 Cent on the tax rate will be dedicated annually to the Roadway and Transportation Reserve Fund.

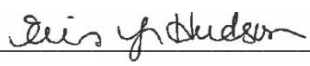
Section 17. **Re-appropriation of Funds Encumbered in FY 2017**

Operating funds encumbered on the financial records as of June 30, 2017, are hereby re-appropriated to Fiscal Year 2018.

Adopted this 23rd day of May, 2017


 Mark Stohlman, Mayor

ATTEST:


 Erin L. Hudson, Town Clerk





RESOLUTION 2017-116

THE MORRISVILLE TOWN COUNCIL AUTHORIZING THE WAKE AND DURHAM COUNTY REVENUE ADMINISTRATORS TO LEVY AND COLLECT SPECIFIED TAXES AND 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.

WHEREAS, the Town of Morrisville adopted Fiscal Year 2018 Annual Budget Ordinance prescribes and establishes such taxes and fees:

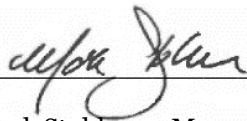
NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL bestows the Wake County Revenue Administrator and the Durham County Revenue Administrator with full and sufficient authority to levy and collect any real or personal property taxes and/or special district tax, annual license vehicle taxes, 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 2018 Adopted Annual Budget Ordinance.

Adopted this the 23rd day of May, 2017.

ATTEST:



Erin L. Hudson, Town Clerk


Mark Stohlman, Mayor





CAPITAL PROJECT ORDINANCE 2017-116

THE MORRISVILLE TOWN COUNCIL ESTABLISHING THE SIDEWALK & PEDESTRIAN ENHANCEMENT CAPITAL PROJECT

BE IT ORDAINED by the Morrisville Town Council that, pursuant to NC General Statute 159-132, the following capital project ordinance is hereby adopted establishing the Sidewalk & Pedestrian Betterment Capital Project Ordinance

Section 1: The project authorized is for the purpose to design and construct sidewalk and/or other pedestrian connectivity betterments throughout the Town by addressing identified gaps and other safety issues:

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

Section 3: The following amounts are appropriated for the project:

<i>Budgeted Expenditures</i>	<i>Appropriation</i>
Design & Construction Future Betterments	378,000
Airport Boulevard Sidewalk Bike/Ped STIP NCDOT Reimbursable Grant	325,000
Total	\$703,000

Section 4: The following revenues are anticipated to be available to complete this project:

<i>Budgeted Revenues</i>	<i>Appropriation</i>
Transfer from General Fund	100,000
Prior Year Carryover from General Fund	278,000
Town Match NCDOT Reimbursable Grant	65,000
Airport Boulevard Sidewalk Bike/Ped STIP NCDOT Reimbursable Grant	260,000
Total	\$703,000

Section 5: 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 6: 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 7: The Town Manager has the authority to transfer funds; both expenditures and revenues, between accounts listed in Sections 3 and 4 as may be necessary, provided however that the total expenditures may not exceed the project total without amendment by this Council.

Section 8: 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.

This the 23rd day of May, 2017.



Mark Stohlman, Mayor

ATTEST:



Erin L. Hudson, Town Clerk





BUDGET DETAILS



- General Fund
- Stormwater Fund
- MSD Fund
- Capital Reserve Funds

GENERAL FUND

GENERAL FUND REVENUES SUMMARIZED BY CATEGORY

	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Ad Valorem Taxes				
Current Year	\$ 14,633,462	\$ 16,261,128	\$ 17,408,000	\$ 17,928,000
Prior Years	\$ 32,188	\$ 19,259	\$ 25,000	\$ 25,000
Penalties & Interest	\$ 25,118	\$ 23,074	\$ 20,000	\$ 20,000
Total	\$ 14,690,768	\$ 16,303,462	\$ 17,453,000	\$ 17,973,000
Intergovernmental				
Local Option Sales Tax	\$ 4,095,031	\$ 4,676,792	\$ 5,050,000	\$ 5,265,000
Utility Franchise Tax	\$ 1,456,779	\$ 1,588,903	\$ 1,590,000	\$ 1,610,000
Beer & Wine Tax	\$ 98,979	\$ 100,798	\$ 107,000	\$ 110,000
Wake County Fire District	\$ 831,306	\$ 844,964	\$ 846,000	\$ 846,000
Rental Vehicle Tax	\$ 67,513	\$ 76,346	\$ 89,000	\$ 92,500
Solid Waste Disposal	\$ 13,392	\$ 14,851	\$ 16,500	\$ 16,800
Total	\$ 6,563,000	\$ 7,302,655	\$ 7,698,500	\$ 7,940,300
Sales & Services				
Rents	\$ 131,097	\$ 126,047	\$ 137,150	\$ 142,500
Recreation	\$ 1,032,604	\$ 980,876	\$ 1,036,690	\$ 1,073,600
Total	\$ 1,163,701	\$ 1,106,923	\$ 1,173,840	\$ 1,216,100
Permits & Fees				
Building Permits	\$ 898,518	\$ 694,585	\$ 1,079,200	\$ 699,200
Planning & Zoning Fees	\$ 178,053	\$ 658,499	\$ 285,000	\$ 85,000
Engineering Fees	\$ 69,986	\$ 324,125	\$ 130,000	\$ 130,000
Fire Department Fees	\$ 43,680	\$ 68,499	\$ 52,000	\$ 55,000
Officer Fees	\$ 27,541	\$ 22,534	\$ 22,000	\$ 23,000
Total	\$ 1,217,778	\$ 1,768,241	\$ 1,568,200	\$ 992,200
Restricted Intergovernmental				
Powell Bill	\$ 502,929	\$ 546,236	\$ 554,300	\$ 559,800
Grants & Reimbursements	\$ 42,148	\$ 110,746	\$ 555,975	\$ 5,000
Total	\$ 545,077	\$ 656,982	\$ 1,110,275	\$ 564,800
Other Taxes & Licenses				
Motor Vehicle Decals	\$ 248,636	\$ 277,630	\$ 280,000	\$ 286,500
Privilege License Tax	\$ 830,123	\$ -	\$ -	\$ -
Video Programming Tax	\$ 652,670	\$ 662,165	\$ 680,000	\$ 686,800
Total	\$ 1,731,429	\$ 939,795	\$ 960,000	\$ 973,300

	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Miscellaneous				
ABC Revenue	\$ 126,793	\$ 191,018	\$ 150,000	\$ 155,000
Surplus Property	\$ 62,172	\$ 90,771	\$ 50,000	\$ 50,000
Miscellaneous Revenue	\$ 21,616	\$ 30,107	\$ 32,300	\$ 35,000
Insurance Claims	\$ 42,578	\$ 30,811	\$ 40,000	\$ -
Fines & Forfeitures	\$ 6,309	\$ 24,427	\$ 24,500	\$ -
Wake County Landfill	\$ 29,937	\$ 69,212	\$ 45,817	\$ 46,300
Donations/Sponsorships	\$ 9,275	\$ 2,070	\$ 4,175	\$ -
Total	\$ 298,680	\$ 438,416	\$ 346,792	\$ 286,300
Investment Earnings	\$ 16,949	\$ 69,911	\$ 80,000	\$ 90,000
Total	\$ 16,949	\$ 69,911	\$ 80,000	\$ 90,000
Transfer from Other Fund Sources	\$ 310,958	\$ 316,300	\$ -	\$ 1,171,000
Total	\$ 310,958	\$ 316,300	\$ -	\$ 1,171,000
Proceeds	\$ 1,000,000			
Total	\$ 1,000,000	\$ -	\$ -	\$ -
Appropriated Fund Balance Sources	\$ -	\$ -	\$ 250,000	\$ 2,823,000
Total	\$ -	\$ -	\$ 250,000	\$ 2,823,000
Total Revenue Sources	\$ 27,538,340	\$ 28,902,684	\$ 30,640,607	\$ 34,030,000

Note: Historical stormwater revenues have been restated for purposes of comparison in lieu of the Stormwater Enterprise Fund.

GENERAL FUND EXPENDITURES SUMMARIZED BY FUNCTION

	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
General Government				
Governing Body	\$ 1,655,616	\$ 1,868,302	\$ 3,987,644	\$ 4,779,700
Administration*	\$ 1,415,529	\$ 1,510,222	\$ 1,647,630	\$ 1,995,000
Human Resources	\$ 234,003	\$ 318,625	\$ 384,941	\$ 424,800
Finance*	\$ 555,771	\$ 480,455	\$ 583,948	\$ 829,100
Information Technology	\$ 927,078	\$ 1,060,874	\$ 1,125,950	\$ 1,618,900
Total	\$ 4,787,997	\$ 5,238,478	\$ 7,730,113	\$ 9,647,500
Economic & Physical Development				
Inspections	\$ 503,232	\$ 506,556	\$ 518,054	\$ 643,000
Planning*	\$ 1,600,238	\$ 998,949	\$ 1,204,393	\$ 1,455,500
Total	\$ 2,103,470	\$ 1,505,505	\$ 1,722,447	\$ 2,098,500
Engineering	\$ 507,688	\$ 483,684	\$ 620,591	\$ 559,500
Total	\$ 507,688	\$ 483,684	\$ 620,591	\$ 559,500
Public Works				
Public Works & Facility Management	\$ 4,853,053	\$ 4,676,288	\$ 6,356,550	\$ 5,523,600
Powell Bill	\$ 494,508	\$ 546,237	\$ 546,236	\$ 559,800
Fleet	\$ 204,179	\$ 395,892	\$ 490,600	\$ 503,300
Total	\$ 5,551,740	\$ 5,618,417	\$ 7,393,386	\$ 6,586,700
Public Safety				
Police	\$ 3,855,336	\$ 3,152,405	\$ 3,523,723	\$ 4,199,300
Fire	\$ 4,841,611	\$ 5,389,353	\$ 4,751,075	\$ 6,542,400
Total	\$ 8,696,947	\$ 8,541,758	\$ 8,274,798	\$ 10,741,700
Culture & Recreation	\$ 1,736,608	\$ 1,618,155	\$ 1,823,565	\$ 1,871,800
Total	\$ 1,736,608	\$ 1,618,155	\$ 1,823,565	\$ 1,871,800
Debt Service	\$ 1,716,606	\$ 1,458,075	\$ 1,602,020	\$ 2,524,300
Total	\$ 1,716,606	\$ 1,458,075	\$ 1,602,020	\$ 2,524,300
Total Expenditures	\$ 25,101,056	\$ 24,464,072	\$ 29,166,920	\$ 34,030,000

Note: *Historical departmental expenditures have been restated for purposes of comparison due to an organizational re-structure which occurred in January 2015. Historical stormwater expenditures have been restated in lieu of Stormwater Enterprise Fund.

BY DEPARTMENT BREAKDOWN

Governing Body

MISSION

The Town of Morrisville is dedicated to enhancing the quality of life by preserving our past and protecting our future through a collective community partnership. By balancing responsible growth with core values, we embrace a sense of membership, communication and support.

SERVICE TO COMMUNITY

The Town Council by state statute is the entity having primary responsibility to establish the general framework under which the government can meet the needs of the community by creating policies and instituting law.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Town Center Infrastructure	2,000,000
Church Street Park Field Lights	480,000
Roadway & Transportation Capital Reserve	460,000
Fire Apparatus Replacement Capital Reserve	400,000
Sidewalk & Pedestrian Project Prior Year	278,000
CIP Capital Reserve	200,000
Stormwater Fund Subsidy	126,000
Municipal Service District Annual Transfer	110,000
Sidewalk Program	100,000
Airport Boulevard Bike/Pedestrian Project	65,000
Other Council Directed Initiatives	50,000
Food Hub Project Contingency	35,000
Municipal Election Cost	32,000
Total	\$4,336,000

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
GOVERNING BODY				
Total Salary and Benefits	\$ 79,516	\$ 84,429	\$ 85,745	\$ 107,500
Operations	\$ 221,540	\$ 242,052	\$ 428,699	\$ 418,200
Capital Outlay	\$ 102,131	\$ 199,521	\$ -	\$ -
Transfers out of General Fund	\$ 1,252,429	\$ 1,342,300	\$ 3,473,200	\$ 4,254,000
Total Expenditures	\$ 1,655,616	\$ 1,868,302	\$ 3,987,644	\$ 4,779,700
Year Over Year % Change Total	65.8%	12.8%	113.4%	19.9%
Year Over Year \$s Change Total	\$ 657,137	\$ 212,686	\$ 2,119,342	\$ 792,056

Administration

MISSION

Town Administrative Services is committed to building a citizen-engaged community with a positive town image, ensuring that Town services are planned for & delivered effectively, efficiently, economically & safely. The department provides internal support to Town Council & other Town Departments, leads the organization in making informed & ultimately successful decisions in resource allocation, program evaluation, financial management & long range financial & management analysis, & aids in collaborative & effective program and service delivery.

SERVICE TO COMMUNITY

Town Administrative Services manages the functions of the Town under the direction of the Town Manager and is responsible for the implementation of policies and guidance established by the Town Council. This consists of: promoting a transparent government and community involvement, timely and accurate public information; overseeing operational efficiency and safety; and ensuring the local, state and federal laws and regulations are met.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Branding Wayfinding Implementation	150,000
Project Design Services	50,000
Strategic Plan	45,000
Citizen Survey	17,700
Social Media Enhancements	10,000
Total	\$272,700

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
ADMINISTRATION				
Total Salary and Benefits	\$ 900,741	\$ 922,100	\$ 967,230	\$ 1,107,900
Operations	\$ 514,788	\$ 588,122	\$ 680,400	\$ 887,100
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,415,529	\$ 1,510,222	\$ 1,647,630	\$ 1,995,000
Year Over Year % Change Total	-4.9%	6.7%	9.1%	21.1%
Year Over Year \$s Change Total	\$ (73,480)	\$ 94,693	\$ 137,408	\$ 347,370

9 – Full-time Employees

Human Resources

MISSION

The Human Resources Department will act as catalysts, enabling all employees to contribute at optimum levels towards the success of the Town's mission. The department provides service in support of the Town vision by promoting the concept that our employees are our most valuable resource & will be treated as such.

SERVICE TO COMMUNITY

The Human Resources Department is responsible for:

- Promoting professional development and leadership training opportunities through training & motivation
- Developing pay & classification systems
- Recruitment of qualified people, while recognizing & encouraging work place diversity
- Providing competitive compensation packages
- Providing a safe & healthy work environment, ensuring productive employee relations
- Establishing fair and equitable policies, rules & procedures
- Ensure legal compliance with labor & employment laws

BUDGET NOTES

	New Initiatives & Priorities		Cost Value	
None			\$0.00	

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
HUMAN RESOURCES				
Total Salary and Benefits	\$ 189,852	\$ 246,072	\$ 284,605	\$ 347,900
Operations	\$ 44,151	\$ 72,553	\$ 100,336	\$ 76,900
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 234,003	\$ 318,625	\$ 384,941	\$ 424,800
Year Over Year % Change Total	-9.0%	36.2%	20.8%	10.4%
Year Over Year \$s Change Total	\$ (23,017)	\$ 84,622	\$ 66,316	\$ 39,859

3 – Full-time Employees

Finance

MISSION

The Finance Department's mission is to manage Town Funds in accordance with the Local Government Budget and Fiscal Control Act, applicable State and Federal regulations, and sound principles of accounting and cash management.

SERVICE TO COMMUNITY

The Finance Department is committed to the highest standards of accountability, accuracy, timeliness, professionalism, and innovation in providing financial services. This encompasses investing all Town funds; maintaining accounting and financial records; billing and collecting; maintaining an encumbrance system for purchasing; processing accounts payable each week; preparing biweekly payrolls; preparation of the Comprehensive Annual Financial Report; and issuance of and collections related to various user fees and charges.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Debt Financing Costs (Legal & Financial Advisors)	200,000
Total	\$200,000

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
FINANCE				
Total Salary and Benefits	\$ 401,591	\$ 286,655	\$ 413,700	\$ 445,100
Operations	\$ 154,180	\$ 193,800	\$ 170,248	\$ 384,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 555,771	\$ 480,455	\$ 583,948	\$ 829,100
Year Over Year % Change Total	5.8%	-0.4%	21.5%	42.0%
Year Over Year \$\$ Change Total	\$ 30,478	\$ (2,097)	\$ 103,493	\$ 245,152

5 – Full-time Employees

Information Technology

MISSION

The mission of the Information Technology Department is to provide the employees of the Town of Morrisville with a modern, reliable, full-featured computing and telephony environment through which those employees can perform their duties in an effective manner, in order to provide for the needs, interests, and priorities of our community.

SERVICE TO COMMUNITY

The Department is responsible for the purchase, installation, maintenance, and support of all technology equipment and software throughout the Town.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Enterprise System	350,000
Computer Hardware Replacement	190,800
New K9 Unit Rugged Laptop	6,000
Total	\$546,800

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
INFORMATION TECHNOLOGY				
Total Salary and Benefits	\$ 323,538	\$ 310,622	\$ 324,650	\$ 464,300
Operations	\$ 508,826	\$ 595,575	\$ 648,300	\$ 983,600
Capital Outlay	\$ 94,714	\$ 154,677	\$ 153,000	\$ 171,000
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 927,078	\$ 1,060,874	\$ 1,125,950	\$ 1,618,900
Year Over Year % Change				
Total	-24.5%	14.4%	6.1%	43.8%
Year Over Year \$s Change				
Total	\$ (300,513)	\$ 133,796	\$ 65,076	\$ 492,950

4 – Full-time Employees	0.25 – Part-time Employees
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Planning

MISSION

The Planning Department works to manage growth and protect the quality of life in the community.

SERVICE TO COMMUNITY

- Working with the community to plan the future of the Town.
- Review development proposals, improve ordinances, and provide needed information.
- Collaborate with our neighbors.
- Work with volunteers to improve the community.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Land Use Plan Update	194,000
Transportation Planner (total compensation package includes wages & operation impacts)	84,400
GIS Enhancements & Field Mobility	18,800
Total	\$297,200

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
PLANNING				
Total Salary and Benefits	\$ 1,253,273	\$ 883,508	\$ 863,143	\$ 1,099,100
Operations	\$ 341,885	\$ 115,441	\$ 341,250	\$ 356,400
Capital Outlay	\$ 5,080	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,600,238	\$ 998,949	\$ 1,204,393	\$ 1,455,500
Year Over Year % Change Total	32.9%	-37.6%	20.6%	20.8%
Year Over Year \$s Change Total	\$ 396,379	\$ (601,289)	\$ 205,444	\$ 251,107

12 – Full-time Employees

Engineering

MISSION

The mission of the Engineering Department is to represent the interests of the Town of Morrisville's residents and taxpayers in the activities related to planning, inspection, construction, and maintenance of the Town's infrastructure and to endeavor to provide engineered systems that enhance the standard of living, quality of life and minimize the impact to the environment.

SERVICE TO COMMUNITY

- Evaluating and responding to residential and business concerns and complaints.
- Providing development support, including review of site plans, construction plans, plats, and plot plans (construction phase development support also involves construction inspection services and the formal acceptance of public improvements).
- Providing technical support in meeting the Town's floodplain management responsibilities.
- In-house engineering design and support and project construction management and oversight.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Department initiatives relate to Town Center & Morrisville-Carpenter Road Improvements Capital Projects	0
Total	\$0.00

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
ENGINEERING				
Total Salary and Benefits	\$ 429,581	\$ 451,663	\$ 461,133	\$ 490,700
Operations	\$ 78,107	\$ 32,021	\$ 117,958	\$ 68,800
Capital Outlay	\$ -	\$ -	\$ 41,500	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 507,688	\$ 483,684	\$ 620,591	\$ 559,500
Year Over Year % Change Total	7.4%	-4.7%	28.3%	-9.8%
Year Over Year \$s Change Total	\$ 34,878	\$ (24,004)	\$ 136,907	\$ (61,091)

5 – Full-time Employees

Inspections

MISSION

The Inspections Department is committed to promoting the safety of lives, health, and welfare of the general public within the built environment by the administration and enforcement of the North Carolina State Building Code, as well as local municipal ordinances. Each staff member is committed to performing his/her duties in a friendly, timely, and effective manner. Each staff member's technical knowledge and/or other administrative skills are constantly upgraded by participation in state and departmentally mandated continuing education courses and by active participation in state and regional building trade associations.

SERVICE TO COMMUNITY

The Inspections Department and the Inspectors are responsible for enforcing within their territorial jurisdiction State and Local laws relating to; the construction of buildings and other structures; installation of such facilities as plumbing, electrical, heating, refrigeration, and air-conditioning systems; maintenance of structures in a safe, sanitary and healthful condition; and other matters that may be specified by the Town Council.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
None	\$0.00

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
INSPECTIONS				
Total Salary and Benefits	\$ 481,559	\$ 486,729	\$ 487,629	\$ 601,700
Operations	\$ 21,673	\$ 19,827	\$ 30,425	\$ 41,300
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 503,232	\$ 506,556	\$ 518,054	\$ 643,000
Year Over Year % Change Total	0.9%	0.7%	2.3%	24.1%
Year Over Year \$s Change Total	\$ 4,695	\$ 3,324	\$ 11,498	\$ 124,946

6 – Full-time Employees

Public Works

MISSION

The Public Works Department's mission is to provide exceptional customer service by ensuring citizen safety, maintaining the infrastructure, supporting Town departments, and providing quality essential municipal services in an efficient manner.

SERVICE TO COMMUNITY

Public Works is responsible for ensuring the safety of the Town's vehicle fleet, creating secure and clean environments in Town facilities, providing safe and improved streets for travel, affording town-wide landscape, park, and athletic field maintenance while offering progressive, cost-effective solid waste services.

BUDGET NOTES

New Initiatives & Priorities			Cost Value	
Road Paving Projects			300,000	
Vehicle Replacement Plan & New K9 Unit Vehicle + Up-fits			503,300	
Town Building Maintenance and Repairs			152,100	
Maintenance Equipment			99,500	
Security Enhancements & Field Mobility Improvements			62,700	
Public Works Master Plan Update			20,000	
Landscape Contract Additions			23,800	
Pugh House			18,000	
Louis Stephens Drive Quarterly Maintenance			7,500	
APWA Accreditation			7,000	
Total			\$1,193,900	

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
POWELL BILL				
Operations	\$ 471,697	\$ 546,237	\$ 546,236	\$ 559,800
Capital Outlay	\$ 22,811	\$ -	\$ -	\$ -
Total Powell Bill	\$ 494,508	\$ 546,237	\$ 546,236	\$ 559,800
FLEET				
Operations	\$ 968	\$ -	\$ -	\$ -
Capital Outlay	\$ 203,211	\$ 395,892	\$ 490,600	\$ 503,300
Total Fleet	\$ 204,179	\$ 395,892	\$ 490,600	\$ 503,300
PUBLIC WORKS				
Total Salary and Benefits	\$ 1,388,425	\$ 1,447,887	\$ 1,389,500	\$ 1,566,300
Operations	\$ 3,254,487	\$ 3,212,516	\$ 3,576,700	\$ 3,676,800
Capital Outlay	\$ 210,141	\$ 15,885	\$ 1,390,350	\$ 280,500
Total Public Works	\$ 4,853,053	\$ 4,676,288	\$ 6,356,550	\$ 5,523,600
Total Expenditures	\$ 5,551,740	\$ 5,618,417	\$ 7,393,386	\$ 6,586,700
Year Over Year % Change Total	2.4%	1.2%	31.6%	-10.9%
Year Over Year \$s Change Total	\$ 148,896	\$ 66,677	\$ 1,774,969	\$ (806,686)

21 – Full-time Employees	2 – Part-time Employees
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Police

MISSION

The members of the Morrisville Police Department are committed to the improvement of the quality of life for the Town of Morrisville by working in partnership with our citizens. We will strive to maintain safe and secure neighborhoods for all of our stakeholders. This will be accomplished through the delivery of professional law enforcement services and recognizing the need to treat all citizens with respect and dignity.

SERVICE TO COMMUNITY

Primary responsibilities include crime prevention and education, general law enforcement activities and conducting criminal investigations.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Police K9 Unit – position & K9 dog (total compensation package includes wages & operation impacts – vehicle in Public Works & Laptop in IT)	112,200
Accurant Virtual Crime Center	8,600
Total	\$120,800

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
POLICE				
Total Salary and Benefits	\$ 2,929,917	\$ 2,787,636	\$ 3,015,063	\$ 3,743,400
Operations	\$ 535,363	\$ 349,769	\$ 349,560	\$ 440,900
Capital Outlay	\$ 390,056	\$ 15,000	\$ 159,100	\$ 15,000
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 3,855,336	\$ 3,152,405	\$ 3,523,723	\$ 4,199,300
Year Over Year % Change Total	22.8%	-18.2%	11.8%	19.2%
Year Over Year \$s Change Total	\$ 714,571	\$ (702,931)	\$ 371,318	\$ 675,577

42 – Full-time Employees

1.3 – Part-time Employees

Fire

MISSION

Members of the Morrisville Fire Department are committed to maintaining and improving the quality of life for citizens in our fire district through customer oriented proactive fire protection efforts.

SERVICE TO COMMUNITY

The Morrisville Fire Department provides services to the community utilizing a combination of volunteer and career members 24 hours a day, 365 days a year.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Ladder 3 Replacement Plan	1,171,000
Three Firefighters (total compensation package includes wages & operation impacts)	220,200
Public Safety Other Equipment Replacements	40,500
Total	\$1,431,700

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
FIRE				
Total Salary and Benefits	\$ 3,930,029	\$ 4,192,828	\$ 4,006,900	\$ 4,753,400
Operations	\$ 762,127	\$ 829,878	\$ 721,575	\$ 590,500
Capital Outlay	\$ 149,455	\$ 366,647	\$ 22,600	\$ 1,198,500
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 4,841,611	\$ 5,389,353	\$ 4,751,075	\$ 6,542,400
Year Over Year % Change Total	16.1%	11.3%	-11.8%	37.7%
Year Over Year \$s Change Total	\$ 673,173	\$ 547,742	\$ (638,278)	\$ 1,791,325

52 – Full-time Employees	18 – Part-time Employees
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Parks & Recreation

MISSION

To enrich the Morrisville Community by creating quality recreation experiences, celebrating local culture and enhancing our natural resources.

SERVICE TO COMMUNITY

Primary responsibilities include the development and implementation of athletic, recreation and cultural programs and events, as well as planning and construction of parks, greenways and recreation facilities in accordance with the department's comprehensive master plan.

BUDGET NOTES

New Initiatives & Priorities	Cost Value
Youth and Fitness Recreation Program Enhancements	13,200
Total	\$13,200

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
PARKS				
Total Salary and Benefits	\$ 1,393,858	\$ 1,323,418	\$ 1,422,515	\$ 1,523,700
Operations	\$ 326,462	\$ 294,737	\$ 401,050	\$ 348,100
Capital Outlay	\$ 16,288	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,736,608	\$ 1,618,155	\$ 1,823,565	\$ 1,871,800
Year Over Year % Change Total	4.6%	-6.8%	12.7%	2.6%
Year Over Year \$s Change Total	\$ 76,259	\$ (118,453)	\$ 205,410	\$ 48,235

13 – Full-time Employees	18.8 – Part-time Employees
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Debt

BUDGET NOTES

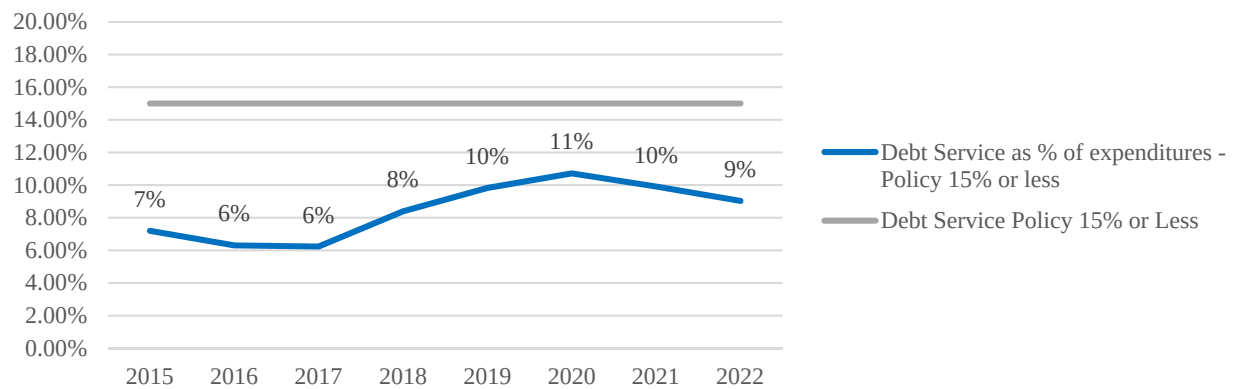
New Initiatives & Priorities	Cost Value
McCrimmon Parkway Phase I additional Debt	666,900
McCrimmon Parkway Phase II Partial Debt	70,000
Morrisville-Carpenter Road Improvements Partial Debt	225,000
Total	\$962,000

	2015 Actuals	2016 Actuals	2017 Estimated	2018 Proposed
DEBT SERVICE				
Debt Service	\$ 1,716,606	\$ 1,458,075	\$ 1,602,020	\$ 2,524,300
Year Over Year % Change Total	13.2%	-15.1%	10%	58%
Year Over Year \$s Change Total	\$ 199,905	\$ (258,531)	\$ 143,945	\$ 922,280

DEBT IMPACT ANALYSIS

Debt Service Items	2015	2016	2017	2018	2019	2020	2021	2022	status	terms
GO Bond 2004 - Park Improvements Church St. Park	\$ 293,600	\$ 289,600	\$ 285,600	\$ 281,600	\$ 277,600	\$ 273,600	\$ 269,600	\$ 265,600	continues to 2034	20 Years/split
Refunding Bond 2004 Street Improvements MSV-CRP/Jerimiah	\$ 67,275	\$ -	\$ -						retired	
Fire Trucks	\$ 40,651								retired	
GO Bonds 2007 - PSMS Bldg - Refunding Series B 2016	\$ 727,743	\$ 708,300	\$ 688,900	\$ 659,600	\$ 596,800	\$ 580,800	\$ 564,600	\$ 544,000	refunding 2016, continues to 2027	10 Years
Fire Station One 2011	\$ 313,552	\$ 306,700	\$ 299,620	\$ 292,700	\$ 285,700	\$ 278,700	\$ 137,800	\$ -	continues to 2021	10 Years/split
Public Safety Radio Replacements	\$ 76,726	\$ 153,500	153,500	\$ 153,500	\$ 153,500	\$ 153,500	\$ 153,300	\$ 76,800	continues to 2022	7 Years/split
Land Purchase 2008 Downtown	\$ 197,060								retired	
GO Bond 2012 - Street Improvements McCrimmon Parkway Extension Ph I	\$ -	\$ -	\$ 175,000	\$ 841,900	\$ 817,000	\$ 792,000	\$ 775,000	\$ 745,000	continues to 2035	20 Years/split
Current Debt	\$ 1,716,607	\$ 1,458,100	\$ 1,602,620	\$ 2,229,300	\$ 2,130,600	\$ 2,078,600	\$ 1,900,300	\$ 1,631,400		
GO Bond 2012 - Park Improvements MAFC Renovation	\$ -	\$ -	\$ -	\$ -	\$ 90,000	\$ 457,000	\$ 452,000	\$ 445,500	continues to 2038	20 Years
GO Bond 2012 - Street Improvements McCrimmon Parkway Extension Ph II		\$ -	\$ -	\$ 70,000	\$ 345,000	\$ 341,000	\$ 337,000	\$ 332,000	continues to 2037	20 Years
Morrisville-Carpenter Road Project		\$ -	\$ -	\$ 225,000	\$ 447,000	\$ 447,000	\$ 447,000	\$ 447,300	continues to 2025	7 Years
Total Debt Service	\$ 1,716,607	\$ 1,458,100	\$ 1,602,620	\$ 2,524,300	\$ 3,012,600	\$ 3,323,600	\$ 3,136,300	\$ 2,856,200		

Debt Ratio



STORMWATER FUND

Stormwater

MISSION

The mission of the Stormwater Program is to represent the interests of the Town of Morrisville's residents and taxpayers in the activities related to stormwater management systems that enhance the standard of living, quality of life and minimize the impact to the environment.

SERVICE TO COMMUNITY

- Evaluating and responding to drainage concerns and complaints
- Providing development support, including review of site & construction plans, plats, and plot plans; stream determinations; and construction inspection services
- Implementing a stormwater management program which complies with the 6 minimum measures of Town's NPDES Phase II permit, Jordan Lake Rules, and Neuse Buffer Rules
- Providing review & technical support in meeting the Town's floodplain management responsibilities; in-house design and support; and project management and oversight

BUDGET NOTES

New Initiatives & Priorities	Cost Value
MAFC Stream Restoration	250,000
Total	\$250,000

	2015	2016	2017	2018
	Actuals	Actuals	Estimated	Proposed
Revenues				
Stormwater ERU Fees	\$ 512,370	\$ 516,542	\$ 556,000	\$ 573,000
Stormwater Review Fees	\$ 27,786	\$ 72,176	\$ 25,000	\$ 25,000
Restricted Intergovernmental Transfer in from General Fund*	\$ 342,093	\$ 245,597	\$ 103,000	\$ -
Interest	\$ -	\$ 1,055	\$ -	\$ -
Fund Balance Appropriation	\$ -	\$ -	\$ -	\$ 210,000
Total Revenues	\$ 882,249	\$ 961,570	\$ 798,900	\$ 934,000
Expenditures				
Total Salary and Benefits	\$ 207,855	\$ 242,854	\$ 255,913	\$ 278,200
Operations	\$ 203,792	\$ 225,428	\$ 384,281	\$ 330,800
Capital Outlay	\$ 7,753	\$ 117,478	\$ -	\$ 325,000
Transfers out of General Fund	\$ -	\$ 23,923	\$ -	\$ -
Total Expenditures	\$ 419,400	\$ 609,683	\$ 640,194	\$ 934,000
Revenues over Expenditures	\$ 462,849	\$ 351,887	\$ 158,706	\$ -

3 – Full-time Employees

MUNICIPAL SERVICE DISTRICT FUND

Municipal Service District

MISSION

The mission of the Municipal Service District Fund was authorized by the General Assembly in North Carolina G.S. 160A-536(a)(6), Session Law 2011-072 for the purpose of converting private residential streets to public streets for specific neighborhoods.

SERVICE TO COMMUNITY

The tax levied on those Municipal Service District properties will pay for the conversion cost of those private streets to public standards and streets will be publicly maintained.

BUDGET NOTES

New Initiatives & Priorities			Cost Value	
None			\$0.00	

	2015	2016	2017	2018
	Actuals	Actuals	Estimated	Proposed
Revenues				
Ad Valorem Service District Taxes	\$ 94,065	\$ 93,948	\$ 94,200	\$ 96,000
Investment Earnings	\$ 114	\$ 621	\$ 630	\$ -
Transfer in from General Fund*	\$ 110,000	\$ 242,100	\$ -	\$ -
Appropriation of Fund Balance	\$ 122,736	\$ -	\$ 327,182	\$ 110,000
Total Revenues	\$ 326,915	\$ 336,669	\$ 422,012	\$ 206,000
EXPENDITURES				
Capital Outlay	\$ 303,288	\$ 208	\$ 327,182	\$ 206,000
Total Expenditures	\$ 303,288	\$ 208	\$ 327,182	\$ 206,000
Revenues over Expenditures	\$ 23,627	\$ 336,461	\$ 94,830	\$ -

CAPITAL RESERVE FUNDS (CRF)

Fire Apparatus CRF

MISSION

The purpose of the Capital Reserve Fund is to set aside funds annually to plan for and replace large Fire Apparatus as a future pay-as-go capital outlay. This avoids resource competition and increasing debt obligations for shorter life-cycled items.

SERVICE TO COMMUNITY

The Capital Reserve Fund allow provide the means to ensure fire safety equipment is mission ready to protect the safety and wellbeing of the community.

BUDGET NOTES

New Initiatives & Priorities		Cost Value		
Ladder Replacement Station 3 Transfer to General Fund		1,171,000		
Total		\$1,171,000		

	2015 Actuals	2016 Actuals	2017 Estimated Actual	2018 Proposed Budget
Beginning Balance	\$ 496,830	\$ 747,441	\$ 602,704	\$ 1,258,111
Interest Earnings	\$ 611	\$ 1,563	\$ 3,407	\$ -
Transfer in from General Fund	\$ 555,000	\$ 170,000	\$ 652,000	\$ 400,000
Transfer out to General Fund	\$ (305,000)	\$ (316,300)	\$ -	\$ (1,171,000)
Ending Balance	\$ 747,441	\$ 602,704	\$ 1,258,111	\$ 487,111

Capital Investment Plan CRF

MISSION

The purpose of the CIP Capital Reserve Fund is to set aside funds annually for the advancement of future Capital Investment Projects. The funds may be utilized for preliminary design for improved cost estimation or for associated debt obligations or any other capital expense related to the project. This avoids resource competition and cash flow demands on the Fund Balance and allows for better planning and implementation of tangible assets that add value to the community.

SERVICE TO COMMUNITY

Leverage our resources by re-investing in the community.

BUDGET NOTES

New Initiatives & Priorities				Cost Value	
Annual Allocation				200,000	
Total				\$200,000	

	2015 Actuals	2016 Actuals	2017 Estimated Actual	2018 Proposed Budget
Beginning Balance	\$ -	\$ -	\$ -	\$ 200,538
Interest Earnings	\$ -	\$ -	\$ 538	\$ -
Transfer in from General Fund	\$ -	\$ -	\$ 200,000	\$ 200,000
Transfer out to General Fund	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ 200,538	\$ 400,538

Roadway & Transportation CRF

MISSION

The purpose of the Roadway & Transportation Capital Reserve Fund is to set aside funds annually to address the growing roadway and transportation needs facing the community. The funds may be utilized for preliminary design for improved cost estimation or for associated debt obligations or any other maintenance or capital expense related to future roadway or transportation projects. This avoids resource competition and cash flow demands on the Fund Balance and allows for better planning and implementation of tangible assets that add value to the community. The estimated value of 1 cent on the tax rate is dedicated annually as the primary funding resource.

SERVICE TO COMMUNITY

Leverage our resources by re-investing in the community.

BUDGET NOTES

	New Initiatives & Priorities			Cost Value	
Annual Allocation 1 Cent on Tax Rate					460,000
Total					\$460,000

	2015 Actuals	2016 Actuals	2017 Estimated Actual	2018 Proposed Budget
Beginning Balance	\$ -	\$ -	\$ -	\$ 441,184
Interest Earnings	\$ -	\$ -	\$ 1,184	\$ -
Transfer in from General Fund	\$ -	\$ -	\$ 440,000	\$ 460,000
Transfer out to General Fund	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ 441,184	\$ 901,184



ADDITIONAL INFORMATION



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.

Provide the highest level of service to residents without impairing the Town's sound financial condition.	Budget is balanced for each fund; total projected revenues and funding sources must equal total anticipated expenditures.
Internal budgetary control is maintained at the departmental level and designed to provide reasonable assurance that these objectives are met.	Organizational oversight is maintained by the Budget Officer and his/her designee to provide for reasonable compliance is realized in the execution of budget objectives.

ASSESSMENT PHASE

The initial phase begins in October and runs through January the following year. Reviews of current Town finances occurs 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.

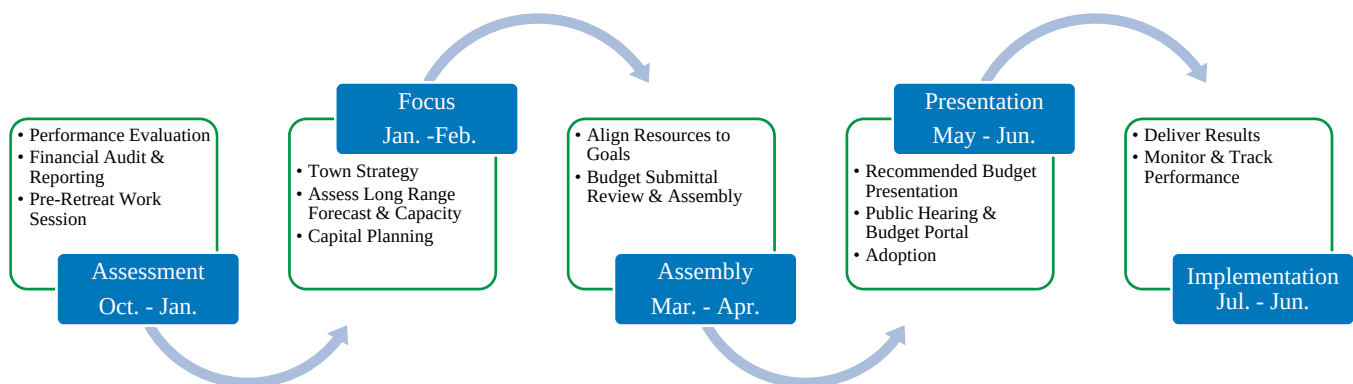
The Council reviews any public comments, and adopts the operating budget by ordinance with such modifications or statements as the Council deems advisable on or before June 30th.

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. 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 - Debt Obligation	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 1 Cent 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 fiduciary 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 fiduciary 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, Stormwater Fund, and Fiduciary Funds are on an annual budgetary basis. Capital Reserve Funds are consolidated and reported in the General Fund as per GASB 54. All Capital Project Funds operate on a multi-year budgetary basis. Multi-year based 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 sufficient 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) *Contributes to the Town's ability to insulate itself from fiscal crisis,*
- b) *Enhances short-term & long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,*
- c) *Promotes long-term financial stability by establishing clear & consistent guidelines,*
- d) *Directs attention to the total financial picture of the Town rather than single issue areas,*
- e) *Promotes the view of linking long-run financial planning with day-to-day operations, and*
- f) *Provides Town Council, citizenry, and professional management a framework for measuring the fiscal impacts of government services against established fiscal parameter & guidelines.*

REVENUE POLICY

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 exempt 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.*

- *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.*

Other Revenue:

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

EXPENDITURES POLICY

Budget Management:

Expenditure budgets are reviewed by staff, 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. No appropriations of the proceeds of a debt instrument will be made except for the purpose for which such debt instrument was issued.

Fiscal Management:

Current operating expenditures will not exceed current operating revenues.

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.

RESERVES POLICY

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 deferred 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 reserve 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 allowed for the allocation of direct or indirect costs of services rendered by one fund to another.

Capital Investments Program:

The Town will update on a 4 year cycle a 5-Year Capital Investments Program (“CIP”); and a projection of capital needs and expenditures, which details the estimated cost, description, and anticipated funding sources for capital projects. The plan will include costs that have been estimated including consideration for inflation. 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 Program will generally address those capital assets with a value of more than \$100,000, a useful life of five (5) years or greater.

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.

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 law. Deposits will be made in such a manner as to receive credit for that day’s interest.

Cash Disbursement:

The Town’s objective is to retain moneys for investment for the longest appropriate period. 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 two (2) signatures Finance Director, Town Manager or Assistant Town Manager.

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 (5) 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.

DEBT MANAGEMENT POLICY

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, to achieve the highest possible credit rating, to 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, including installment purchase debt. 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.

Whenever possible, the Town will first attempt to fund capital projects with grants 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.

FUND BALANCE POLICY

To ensure financial stability, secure, and maintain investment grade bond ratings this policy is to 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.

Definitions:

Non-spendable fund balance includes amounts that are not in a spendable form (inventory, 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 determined by 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 (e.g. hurricanes or other events that threatens 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 forecasted 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 thirty-six (36) months from their purchase date.*
- Custody: All investments will be purchased "payment-versus-delivery" and if certificated will be held by the Finance Officer in the name of the Town. All non-certificated investment 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 Board 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 GS-159 and Commercial Paper meeting the requirements of NCGS-159 plus having a national bond rating.*
- 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.*
- Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Finance Director.*
- Reporting: The Town Council will receive a report summarizing the Town's investment holdings on a quarterly basis.*

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).

Comprehensive Annual Financial Report (CAFR):

The Town's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Report Program. The financial report 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 audit opinion will be included with the Town's CAFR.

The Long-range forecast are updated post audit with new historical information produced by the annual audit for the purposes of future forecasting analysis.

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. Major revenue sources will be monitored on a monthly basis, noting the status of each revenue as compared to budget.

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 accumulated sick leave, which is treated as an expenditure 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.

POSITIONS & PAY GRADE CLASSIFICATION

POSITION CHANGE SUMMARY

Full-time	2015	2016	2017	Proposed 2018	POSITION CHANGES
General Government					
ADMINISTRATION*	8	7	9	9	0
HUMAN RESOURCES	2	3	3	3	0
FINANCE*	5	5	5	5	0
INFORMATION TECHNOLOGY	4	4	4	4	0
	19	19	20	21	0
Public Safety					
POLICE	36	36	41	42	1
FIRE	49	49	49	52	3
	85	85	90	94	4
Economic & Physical Development					
INSPECTIONS	5	5	6	6	0
PLANNING	11	11	11	12	1
	16	16	17	18	1
Public Works					
PUBLIC WORKS	21	21	21	21	0
	21	21	21	21	0
Engineering					
ENGINEERING	5	5	5	5	0
	5	5	6	5	0
Stormwater					
STORMWATER*	3	3	3	3	0
	3	3	3	3	0
Culture and Recreation					
PARKS & RECREATION	13	13	13	13	0
	13	13	13	13	0
GRAND TOTAL FULL-TIME	162	162	170	175	5
Part-time					
INFORMATION TECHNOLOGY	0	0.5	0.5	0.25	-0.25
FIRE	16	18	18	18	0.00
POLICE	1.08	1.3	1.3	1.3	0.00
PLANNING	0.16	0.2	0.2	0.2	0.00
PUBLIC WORKS	2	2	2	2	0.00
PARKS & RECREATION	18.78	18.55	18.8	18.8	0.00
GRAND TOTAL PART-TIME	38.02	40.55	40.8	40.55	-0.25
TOTAL ALL POSITIONS	200.02	202.55	210.8	215.55	4.75

Note: Personnel counts are shown as Full-time Equivalents including fulltime and part-time. *As a result of an organizational restructuring, some positions have been restated for comparative purposes.

FULLTIME PAY GRADE CLASSIFICATION FY2018

Effective July 1, 2017

<u>GRADE</u>	<u>Beginning</u>	<u>End</u>	<u>CLASSIFICATION TITLE</u>
10	\$27,841	\$44,546	(RESERVED FOR FUTURE USE)
11	\$29,234	\$46,774	RECEPTIONIST
12	\$30,695	\$49,112	ADMINISTRATIVE SUPPORT ASSISTANT
			PARKS & GROUNDS TECHNICIAN I
			STREET MAINTENANCE TECHNICIAN I
13	\$32,230	\$51,568	(RESERVED FOR FUTURE USE)
14	\$33,842	\$54,146	PARKS & GROUNDS TECHNICIAN II
			PERMIT TECHNICIAN
			PLANNING TECHNICIAN
			SENIOR ADMINISTRATIVE SUPPORT ASSISTANT
			STREET MAINTENANCE TECHNICIAN II
15	\$35,534	\$56,853	FACILITIES MAINTENANCE TECHNICIAN
			POLICE RECORDS & DATA TECHNICIAN
16	\$37,310	\$59,696	ACCOUNTING TECHNICIAN
			ADMINISTRATIVE SUPPORT SPECIALIST
17	\$39,176	\$62,681	FIREFIGHTER
			PAYROLL ADMINISTRATOR
18	\$41,135	\$65,815	ADMINISTRATIVE SERVICES MANAGER
			AQUATICS SPECIALIST
			ATHLETICS PROGRAM SPECIALIST
			DEVELOPMENT SERVICES COORDINATOR
			FITNESS PROGRAM SPECIALIST
			POLICE OFFICER
			RECREATION PROGRAM SPECIALIST
19	\$43,191	\$69,105	ACCREDITATION/CRIME ANALYST
			BUILDING CODES INSPECTOR I
			MASTER FIREFIGHTER
			MASTER POLICE OFFICER
			SENIOR MECHANIC
			SENIOR FACILITIES MAINTENANCE TECH
			STREET MAINTENANCE CREW LEADER
			TURF AND LANDSCAPE SPECIALIST
20	\$45,351	\$72,560	ATHLETICS SUPERVISOR
			CODE ENFORCEMENT OFFICER
			FIRE ENGINEER
			MARKETING & EVENTS SPECIALIST
21	\$47,618	\$76,188	BUILDING CODES INSPECTOR II
			COMMUNITY RELATIONS LIAISON
			DEPUTY FIRE MARSHAL
			ENGINEERING INSPECTOR
			ENVIRONMENTAL SPECIALIST
			HUMAN RESOURCES ANALYST
			PLANNER I
			SENIOR POLICE OFFICER
22	\$49,999	\$79,998	FIRE LIEUTENANT
			PROJECTS COORDINATOR
			TOWN CLERK

<u>GRADE</u>	<u>Beginning</u>	<u>End</u>	<u>CLASSIFICATION TITLE</u>
23	\$52,499	\$83,997	COMMUNITY CENTER SUPERVISOR
			ENGINEERING TECHNICIAN
			PARKS AND RECREATION PLANNER
			PLANNER II
			SENIOR BUILDING CODES INSPECTOR
24	\$55,124	\$88,198	ASSISTANT BUILDING CODES ADMINISTRATOR
			FIRE CAPTAIN
			GENERAL SERVICES SUPERINTENDENT
			INFORMATION TECHNOLOGY ANALYST
			PARKS & GROUNDS SUPERINTENDENT
			POLICE SERGEANT
			PUBLIC INFORMATION OFFICER
			PURCHASING & CONTRACT MANAGER
			RISK MANAGER
			STORMWATER ENGINEER
			STREETS SUPERINTENDENT
25	\$57,880	\$92,607	SENIOR PLANNER
26	\$60,774	\$97,238	CAPITAL PROJECTS MANAGER
			IT SYSTEMS ANALYST
			POLICE CAPTAIN
			RECREATION SUPERINTENDENT
			SPECIAL PROJECTS COORDINATOR
27	\$63,813	\$102,099	BATTALION CHIEF
			BUDGET MANAGER
			CURRENT PLANNING MANAGER
			GIS MANAGER
			FIRE MARSHAL
			LONG RANGE PLANNING MANAGER
			SENIOR IT ANALYST
			STORMWATER ENGINEER MANAGER
28	\$67,003	\$107,205	CONTROLLER
29	\$70,353	\$112,565	(RESERVED FOR FUTURE USE)
30	\$73,871	\$118,193	(RESERVED FOR FUTURE USE)
31	\$77,564	\$124,102	(RESERVED FOR FUTURE USE)
32	\$81,442	\$130,308	HUMAN RESOURCES DIRECTOR
			INSPECTIONS DIRECTOR
			PARKS & RECREATION DIRECTOR
33	\$85,514	\$136,822	FINANCE DIRECTOR
			FIRE CHIEF
			INFORMATION TECHNOLOGY DIRECTOR
			PLANNING DIRECTOR
			POLICE CHIEF
			PUBLIC WORKS DIRECTOR
			TOWN ENGINEER
34	\$89,790	\$143,663	ASSISTANT TO THE TOWN MANAGER
35	\$94,279	\$150,847	(RESERVED FOR FUTURE USE)
36	\$98,994	\$158,389	(RESERVED FOR FUTURE USE)
37	\$103,938	\$166,309	ASSISTANT TOWN MANAGER

Market range adjustments/reclassifications were made based on recommendations from our consultant (Billings & Associates) during the 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 FY2018

Effective July 1, 2017

<u>Grade</u>	<u>Skill Level</u>	<u>Hourly Rates</u>	<u>Titles</u>
1	Jobs requiring basic education and little or no developed skill or experience. Jobs have immediate supervision available.	\$7.50 to \$10.00	Scorekeeper Recreation Aide I Gym Attendant Lifeguard I
2	Jobs requiring secondary education, or equivalent. Requires developed skill or expertise. May involve use of complex equipment or programs. Previous work experience related to duties is required.	\$8.50 to \$11.00	Lifeguard II Center Aide Recreation Aide II Bus Driver
3	Jobs requiring advanced knowledge and abilities gained through special training or development. Tasks generally involve technical or administrative details. Job duties may include supervising or training other part time staff. Job duties may also require special certifications.	\$9.50 to \$12.00	Field Supervisors Official I Recreation Aide III Center Aide II
4	Jobs requiring advanced technical knowledge. Tasks generally involve more complex assignments, and may include supervision of a site or facility. Job duties may also require special certifications.	\$10.50 to \$13.00	Official II Lifeguard III Recreation Aide IV
5	Jobs may require extensive knowledge, skills, and abilities gained through special training, development, education, extensive experience, or specific certifications. Requires ability to work independently and utilize sound judgment to safely perform duties and/or ensure the safety of others.	Based on market analysis	Swim Instructor WSI Swim Instructor Non-WSI Cultural Arts Instructors Fitness Instructors Other Instructors Reserve Police Officer Firefighter Office Assistant Crossing Guard Maintenance Technician Project or Program Assistant

USER FEE SCHEDULE

ADMINISTRATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Ad Valorem Tax	39¢ per \$100	
Ad Valorem Municipal Service District Tax (only impacts those residents located within Service District Area)	10.00 ¢ per \$100	
Vehicle Tag Fee	\$15.00	
<u>General Facility Rentals:</u>		
Town Council Chambers		
Fire Station One Training Room		
PSMS Training Room		
<u>Public Record Fees and Copy Fees:</u>	-	
Paper Copies (Includes Certified Documents)		
For Color (If available)– Double Fees		
8 ½" x 11" (one/two sided)	15¢	
8 ½" x 14" (one/two sided)	20¢	
11" x 17" (one/two sided)	25¢	
Site Plans & Construction Drawings (Full Size)	\$8 first sheet, \$1.50 each add'l sheet	
Site Plans & Construction Drawings (11" x 17")	\$5 first sheet, \$1.00 each add'l sheet	
<i>Files on Disk/CD Rom</i>		
CD Rom	\$6.00	
DVD	\$8.00	
<i>Digital Copies</i>		
All documents & maps, except custom, sent via email or FTP site	No Charge	
Documents provided via USB Flash Drive		\$6.00
<i>Copies from Plotter (Maps)</i>		
17" x 22" (Size C)	\$7.00 first sheet, \$1.50 each add'l sheet	
22" x 34" (Size D)	\$9.00 first sheet, \$1.50 each add'l sheet	
34" x 44" (Size E)	\$13.00 first sheet, \$1.50 each add'l sheet	
<i>Custom Map</i>		
Fee includes One digital version and one hard copy from plotter	Base map fee + \$130.00 per hour	
<i>Development Plans and Documents</i>		
Land Use Plan – Current Version (updated March 24, 2009)	\$20	

ADMINISTRATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Land Use Plan - Previous Version	\$5	
Town Center	\$40	
Transportation Plan – Current Version (updated March 24, 2009)	Free	
UDO	\$40	
Other Plans Not Listed Above	\$40	
Off- Site File Retrieval	\$60 per file/specific record	
<i>For Public Records requests that require more than 1 hour of staff time to formulate the requested records a per hour fee based on the staff person(s) providing the records salary will be assessed. An estimate can be provided in advance, but may not reflect actual staff time usage incurred. Hours will be rounded to the nearest lowest hour.</i>		

PLANNING FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Comprehensive Plan Amendments	-	
Comprehensive Plan Amendments - Consultant Peer Review Fee	Actual Cost of Review	
Comprehensive Plan Amendments - Map Amendment	\$715	
Comprehensive Plan Amendments - Text Amendment	\$715	
	-	
Conceptual Master Plan Approval	-	
Conceptual Master Plan Approval (includes first 3 reviews)	\$750 + \$30/acre	
Conceptual Master Plan Approval:-Minor Modification (includes first 3 reviews)	\$600	
Conceptual Master Plan Approval: 4 th Review and each review thereafter	\$205	
	-	
Landscaping & Tree Preservation	-	
Landscaping & Tree Preservation - Alternative Landscape Plan	\$205 per requested standard	
Landscaping & Tree Preservation - PIL for Replacement Tree	\$305 per caliper inch	
Landscaping & Tree Preservation - Tree Damage Report	Actual Cost of Review	
Ordinance Amendments		

PLANNING FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Ordinance Amendment - Conditional	\$700 + \$30/acre	
Ordinance Amendment - General Use	\$700 + \$30/acre	
Ordinance Amendment - Planned Development	\$2,000 + \$30/acre	
Ordinance Amendment - Planned Development: Minor Modification	\$600	
	-	
Sign Permits	-	
<i>Specific Sign Types - Ground, Wall Mounted, Projection, Awning-Mounted & Marquee</i>	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	
<i>Specific Sign Types - Bracket Mounted</i>	\$6 per sqft	
<i>Specific Sign Type - Sandwich board</i>	\$25	
<i>Special Purpose Sign - Address (Ground mounted)</i>	\$25	
<i>Special Purpose Sign - Address (Wall Mounted)</i>	No Fee	
<i>Special Purpose Sign - Contractor/Construction Signs</i>	\$5 per sqft	
<i>Special Purpose Sign - Residential Development Identification Signs</i>	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	
<i>Special Purpose Sign - Directional Signage</i>	\$6 per sqft	
<i>Special Purpose Sign - Directory Signs</i>	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	
<i>Temporary Sign - Home Garden Produce Sale Sign</i>	\$25	
<i>Temporary Sign - Real Estate (Commercial Only)</i>	\$25	
<i>Temporary Sign - Promotional Event Signs</i>	\$65 per calendar year	
<i>Temporary Sign - Temporary Directional Signage associated with Special Events Permit</i>	\$25 per sign	
<i>Temporary Sign - Temporary Directional Signage associated with Residential Developments</i>	\$75 per sign	
<i>Temporary Sign - Light Pole Banner</i>	\$6 per pole (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)	
<i>Temporary Sign - Banner Signs on Ground-mounted Signage:</i>	\$25 per sign (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)	

PLANNING FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Site Plan		
Site Plan: Major Non-Residential and Mixed Use (includes first 3 reviews) Note: If submitted concurrent with Construction Drawing it includes first 4 reviews.	\$800 + \$30/acre	
Site Plan: Major Single Family Attached and Multi-family (includes first 3 reviews) Note: If submitted concurrent with Construction Drawing it includes first 4 reviews	\$800 + \$25/unit	
Site Plan: Minor Non-Residential use and Mixed Use (includes first 3 reviews)	\$700 + \$30/acre	
Site Plan: Minor Single Family attached and multi-family (includes first 3 reviews)	\$700 + \$25/unit	
Site Plan: Minor Modification (includes first 3 reviews)	\$600	
Site Plan: 4 th review and each review thereafter	\$560	
Site Plan: Bulletin Drawing Review - per review	\$150	
Site-Specific Development Plan Designation	\$1,015	
Subdivision Approval		
Subdivision Final Plat - Type 1 and Type 2 (includes first 3 paper reviews & mylar review)	\$200 + \$15/lot and \$25/unit (if mixed use has residential component)	
Subdivision Final Plat - Type 1 and Type 2 Each additional review	\$105	
Subdivision Final Plat - Determination of Subdivision Exclusion (includes first 3 paper reviews & mylar)	\$155	
Subdivision Final Plat - Right-of-Way Dedication (includes first 3 paper reviews & mylar review)	\$155	
Subdivision Preliminary - Type 1 (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$800 + \$15/lot	
Subdivision Preliminary - Type 2 (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$700 + \$15/lot	
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	
Subdivision Preliminary - Type 1 and 2: Bulletin Drawing - per review	\$150	

PLANNING FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Subdivision Preliminary - Type 1 and Type 2: 4 th review and each review thereafter	\$560	
	-	
All Other Fees	-	
Administrative Adjustment	\$155 per request standard	
Administrative Appeal (UDO)	\$610	
Alternative Equivalent of Compliance	\$750 +\$30/acre	
Accessory Structure Fee	\$155	
Annexation Petition - Voluntary Annexation	\$360	
Development Agreement	\$1,015	
Development Name Change	\$510	
Food Truck Permit	\$105	
Grave Removal Request	\$230	
Home Occupation Fee	\$155	
Interpretation (UDO)	\$205	
Parking - Alternative Parking Plan	\$105	
Parking - Master Parking Payment-in-Lieu	\$2030 per space	
Parkland Payment Appraisal	Actual Cost of the Appraisal	
Parkland Payment-in-Lieu (MultiFamily)	\$1,851 per unit	<u>\$2,105</u>
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	
Public Notice Mailing Fee	\$1 per mailed notice	
<u>Public Notice Sign</u>		<u>\$30 per required sign</u>
Request to Waive Limitation on Subsequent Similar Applications	\$255	
Road Closing	\$2,160	<u>\$3,000</u>
Road Name Change	\$560	
Special Event Permit	Tier I - \$100 Tier II- \$25	
<u>Special Event Permit: Late Fee</u>		<u>Tier I - \$250 Tier II- \$50</u>
Special Use Permit	\$750 + \$30/acre	
Special Use Permit: Minor Amendment	\$510	
Stockpiling Permit	\$105	
Street Vendor Permit	\$105	

PLANNING FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Structures in the Right-of-way (See Section 2.5.24 Right-of-Way Encroachment Agreement Approval)	\$510	
<u>Telecommunications Facility: Small Cell Antenna/DAS</u>		<u>\$1,000</u>
Telecommunications Facility: Collocation	\$1,000	
Telecommunications Facility: New Facility	\$4,500	
Traffic Signal - Town Review Fee	\$385	
Traffic Signal - Consultant Peer Review Fee	Actual Cost of Review	
Transportation Impact Analysis - Town Review Fee	\$700 + \$15/acre	
Transportation Impact Analysis - Consultant Peer Review Fee	Actual Cost of Review	
Variance (also see Riparian Buffer)	\$510	
Zoning Compliance Letter	\$190	

ENGINEERING & STORMWATER FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
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	
Construction Plan Review Re-submittal 4th review and after	\$560	
Construction Drawing Minor Modification Fee	\$600	
<u>Floodplain Development Permit</u>		
Elevation Certificate	\$150	
Map Revision (CLOMR/LOMR)	\$1,000	
<u>Riparian Buffer Development (No practical alternatives) Submittal</u>		
2 Reviews	\$250	
3 rd Review and thereafter	\$75	
Stormwater Plan Review Fee (Includes 3 review or if submitted concurrent with Site Plan includes first 4 reviews.)	\$550 + \$55/acre per disturbed acre	
Re-Submittal Stormwater Plan Review Fee (4th submittal and each thereafter.)	\$350	
Project Close-Out Fees (Paid upon Project Completion)	-	

ENGINEERING & STORMWATER FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Record Drawing Review - Includes 2 Reviews Note: Morrisville Only, See Town of Cary for fees related to utility As-Builts	\$250	
<i>Re-submittal Record Drawing - 3rd Review and each Thereafter</i>	\$150	
<i>Stormwater As-Builts - includes 2 reviews</i>	\$250 per BMP	
<i>Stormwater As-Builts - 3rd Review and each Thereafter</i>	\$125	
Miscellaneous Fees		
Administrative Appeal (EDCM)	\$610	
Alternative Standard (EDCM) - Request for alternative standard	\$150 per request standard	
Bulletin Drawing Review - <i>per review</i>	\$150	
Interpretation (EDCM)	\$205	
<u>Retaining Wall/Other Structures Submittal</u>		
1st Review	\$150	
2nd Review and each Thereafter	\$100	
Riparian Buffer Variance	\$500	
<i>Stream Buffer Determination</i>	\$250 per Stream	
<i>Stormwater ERU Fee - Per Equivalent Residential Unit (ERU) and billed by Wake County</i>	\$25 per ERU	
Stormwater Variance	\$500	
Infrastructure Fees		
Roadway improvements w/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 [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	
Street Acceptance Walk Through (Punch-list) Re-inspection	\$50 per street + \$0.50 per linear foot	
Roadway Improvements Re-inspection	\$50 per inspection	
Driveway curb cut includes excavation, forming, and concrete placement	\$50 per driveway opening	
Re-inspection of driveway curb cut	\$50 per driveway opening	

ENGINEERING & STORMWATER FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Encroachment in public right-of-way includes excavation, backfill and work relating to the installation, repair, replacement, and removal of utilities, structures or other encumbrances within Town R/W	\$2.00 per linear foot	
Detached single-family dwelling unit includes one inspection and one re-inspection	\$150 per lot	
Re-inspection of detached single-family dwelling unit includes 2 additional re-inspections	\$150 per lot	
Sidewalk improvements outside public right-of-way	\$0.50 per linear foot	
Roadway / Fire lane improvements outside of public right-of-way	\$2.50 per linear foot	
Storm drainage improvements outside of public right-of-way	\$1.50 per linear foot	
Drainage swale/ditch improvements (outside of public right-of-way)	\$1.50 per linear foot	
Attached town home dwelling unit (includes one inspection and one re-inspection)	\$75 per lot	
Re-inspection of attached town home dwelling unit (includes two additional re-inspections)	\$75 per lot	
Greenway (Public and Private)	\$0.50 per linear foot	
Apartments, commercial, office, institutional, and industrial lots (includes one inspection and one re-inspection)	\$400 per building	
Re-inspection of apartments, commercial, office, institutional, and industrial lots (includes two additional re-inspections)	\$400 per building	
<i>Stormwater Facility(ies) Inspection (includes 1 inspection and 1 re-inspection)</i>	\$250 per facility	
<i>Stormwater Facility(ies) Re-inspection</i>	\$100 per inspection	

INSPECTIONS FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Residential		
New Single Family & Duplex up to 1,200 sqft per dwelling	\$550	
New Single Family & Duplexes over 1,200 sqft per dwelling	\$550+ \$0.25 per sqft	
*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 addition with) up to 400 sqft	\$250	
Bedrooms, bathrooms, sunrooms, or similar addition with) over 400 sqft	Same as New Single Family	
Multi-Family Dwelling	\$500 first unit (per unit)	
Manufactured home or construction trailer - includes piers, tie-downs, steps, decks, electrical, plumbing & mechanical	\$250	
Modular Units/Dwellings Moved on Lot	\$80 each trade + \$0.25 per sqft	
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	
Residential Alteration, Change Out or Individual Trade - Building, Electrical Plumbing, or Mechanical	\$80	
Electrical Service or Gas Utility - Conditional Power and/or Conditional Mechanical	\$80	
Non - Residential	-	
Based on total construction cost of all trades including both labor and materials, fire suppression, and alarm systems if applicable.	-	
\$0 - \$2,500	\$200	
\$2,501 - \$7,500	\$250	
\$7,501 - \$15,000	\$350	
\$15,001 - \$25,000	\$500	
\$25,001 - \$50,000	\$750	
\$50,001 - \$100,000	\$1,400	
\$100,001 - \$200,000	\$2,800	
\$200,001 - \$350,000	\$4,500	

INSPECTIONS FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
\$350,001 - \$500,000	\$6,000	
\$500,001 - \$750,000	\$8,000	
\$750,001 - \$1,000,000	\$10,000	
over \$1,000,000	\$10,000 + .20% (.0020) of everything over \$1,000,000	
Other Fees		
Residential Irrigation Permit Only	\$80	
Commercial Irrigation Permit Only	\$200	
Residential - New Single Family & Townhome Application Submittal Fee	\$80	
Commercial Application Submittal Fee - Non-Refundable	\$200	
Re-Review / Plan Change	\$150	
<u>Re-Inspection Fee -</u>	\$80 each trade	
Homeowner Recovery Fee	\$10	
Demolition Permit	\$200 if required for utilities	
Temporary Electrical Power - Tree sales, etc..	\$80	
Work Without a Permit	Up to Double Permit Fee	
Replacement Permit Card	\$10	
Replacement Certificate of Occupancy	\$10	
Plan Re-Stamp	\$25	\$50 * 24 hour turn around
Permit Renewal	Up to 25% of Original Permit Fee	
Permit Pick-up	Forfeit Fees	
Refund Policy - Non-Expired	\$80	
Refund Policy - Expired	Forfeit Fees	
Weekend Inspection	\$80 per hour with a minimum of 3 hours	\$125 per hour with a minimum of 3 hours
After Hours Inspection (Monday through Friday)	-	\$75 an hour with a minimum of 2 hours
Miscellaneous /Courtesy Inspection	\$80	

POLICE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Residential & Commercial False Alarm Fees		
1 - 3 (Three) false alarms annually along with official notification from the Chief of Police	No Charge	

4 - 5 consecutive false alarm at same address during same year	\$80.00	
6 - 8 consecutive false alarm at same address during same year	\$150.00	
9 - 10 consecutive false alarms at same address during same year	\$200.00	
> 10 consecutive false alarm occurrence at same address during same year	\$300.00	

FIRE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Fire Inspection Service Fees		
<i>Single Family attached/detached, commercial, industrial, office, etc... based on square footage</i>		
Inspection Fee		
1-2,500 sqft	\$45.00	\$50.00
2,501 - 5,000 sqft	\$65.00	\$75.00
5,001 - 10,000 sqft	\$80.00	\$100.00
10,001 - 25,000 sqft	\$100.00	\$125.00
25,001 - 50,000 sqft	\$125.00	\$150.00
50,001 - 100,000 sqft	\$150.00	\$175.00
100,001 - 500,000 sqft	\$200.00	\$225.00
>500,000 sqft	\$300.00	\$325.00
1st Re - Inspection Fee	No Fee	
If violations still exist issue another warning, assess fee included with initial fire inspection		
2nd Re - Inspection Fee		
1-2,500 sqft	\$75.00	
2,501 - 5,000 sqft	\$75.00	
5,001 - 10,000 sqft	\$75.00	
10,001 - 25,000 sqft	\$75.00	
25,001 - 50,000 sqft	\$75.00	
50,001 - 100,000 sqft	\$75.00	
100,001 - 500,000 sqft	\$75.00	
>500,000 sqft	\$75.00	
If violations corrected - no fee. If violations still exist 2nd warning (time TBD by inspector) assess fee (below).		
3rd Re - Inspection Fee		

FIRE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
1-2,500 sqft	\$100.00	
2,501 - 5,000 sqft	\$100.00	
5,001 - 10,000 sqft	\$100.00	
10,001 - 25,000 sqft	\$100.00	
25,001 - 50,000 sqft	\$100.00	
50,001 - 100,000 sqft	\$100.00	
100,001 - 500,000 sqft	\$100.00	
>500,000 sqft	\$100.00	
If violations corrected - no fee. If violations still exist 2nd warning (time TBD by inspector) assess fee (below).		
Subsequent 1st Offense		
1-2,500 sqft	\$100.00	
2,501 - 5,000 sqft	\$100.00	
5,001 - 10,000 sqft	\$100.00	
10,001 - 25,000 sqft	\$100.00	
25,001 - 50,000 sqft	\$100.00	
50,001 - 100,000 sqft	\$100.00	
100,001 - 500,000 sqft	\$100.00	
>500,000 sqft	\$100.00	
Example: Locked/Blocked Exits, Over Capacity, etc...		
Subsequent 2nd Offense		
1-2,500 sqft	\$200.00	
2,501 - 5,000 sqft	\$200.00	
5,001 - 10,000 sqft	\$200.00	
10,001 - 25,000 sqft	\$200.00	
25,001 - 50,000 sqft	\$200.00	
50,001 - 100,000 sqft	\$200.00	
100,001 - 500,000 sqft	\$200.00	
>500,000 sqft	\$200.00	
Example: Locked/Blocked Exits, Over Capacity, etc...		
Subsequent 3rd Offense		
1-2,500 sqft	\$500.00	
2,501 - 5,000 sqft	\$500.00	

FIRE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
5,001 - 10,000 sqft	\$500.00	
10,001 - 25,000 sqft	\$500.00	
25,001 - 50,000 sqft	\$500.00	
50,001 - 100,000 sqft	\$500.00	
100,001 - 500,000 sqft	\$500.00	
>500,000 sqft	\$500.00	
Example: Locked/Blocked Exits, Over Capacity, etc...		
Violations from date of 2nd Re-inspection Fee	\$25.00 per day for each violation	
Fire Inspection Service Fees		
<u><i>Apartments, Hotel/Motel and Condominiums</i></u>		
Inspection Fee		
3 - 9 Units	\$40.00	\$50.00
10 - 19 Units	\$90.00	\$100.00
20 - 29 Units	\$140.00	\$150.00
30 - 49 Units	\$175.00	\$200.00
50 -99 Units	\$200.00	\$225.00
100 Units	\$225.00	\$250.00
1st Re-Inspection Fee	No Fee	
2nd Re-Inspection Fee		
3 - 9 Units	\$75.00	
10 - 19 Units	\$75.00	
20 - 29 Units	\$75.00	
30 - 49 Units	\$75.00	
50 -99 Units	\$75.00	
100 Units	\$75.00	
3rd Re-Inspection Fee		
3 - 9 Units	\$100.00	
10 - 19 Units	\$100.00	
20 - 29 Units	\$100.00	
30 - 49 Units	\$100.00	
50 -99 Units	\$100.00	
100 Units	\$100.00	
Other Fire Inspection Fees		

FIRE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
<u>After Hours Commercial Fire Inspection</u>		
Monday - Friday	\$75.00 per hour	
Saturday - Sunday	\$125.00 per hour	
2 hour minimum if already at work and 3 hours minimum if inspector has to leave from his/her residence.		
Water Flow Testing	\$150.00	
Witness Flow Testing	\$75.00	
Fire Hydrant & Fire Lane No Parking Violations	\$75.00	
Pine Straw Violation	\$500.00	
<u>Private Fire Hydrant Non-Maintaining</u>		
1st Non Compliance	\$250.00	
2nd Non Compliance	\$500.00	
3rd Non Compliance	\$1,000.00	
<u>Misc Test</u>	50	
ABC License Application Inspection	\$60.00 Minimum or based on square footage, whichever is greater	
Work & Modification without plan submittal & approval (Fire Alarms & Sprinklers)	\$200.00	
<u>Fire Alarm System Reset</u>		
1st Offense	\$100.00	
2nd Offense	\$250.00	
3rd Offense	\$500.00	
False Alarm Offense (4 Complimentary per Calendar Year)	\$150.00	
Fire Permit Fees		
<i>Amusement Buildings</i>	\$70	
<i>Carnival & Fairs</i>	\$70	
<i>Combustible Dust Producing Operations</i>	\$70	
<i>Covered Mall Building- Certain Indoor Activities</i>	\$70	
<i>Exhibits & Trade Shows</i>	\$70	
<i>Explosive Materials/Blasting</i>	\$70	
<i>Flammable & Combustible Liquids</i>	\$70	
<i>Fogging Hazardous Chemicals</i>	\$150	
<i>Fumigation & Insecticidal Fogging</i>	\$70	
<i>Fumigation & Thermal Insecticide</i>	\$70	

FIRE FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
<i>Liquid or gas vehicles inside of an Assembly building</i>	\$70	
<i>Pitt Burning</i>	\$70	
<i>Private Fire Hydrants</i>	\$70	
<i>Public Fireworks Display</i>	\$150	
<i>Pyrotechnic Special Effects Material</i>	\$70	
<i>Spraying or Dipping</i>	\$70	
<i>Tents</i>	\$70	
<i>Underground Tank Removal</i>	\$150 per Tank	
Fire Service Fees		
<i>Fire Watch</i>	\$75 per hour	
<i>Public Education Employer Mandated Training</i>	\$25 per hour	
<i>Company Standby Fee</i>	\$200 per hour	
<i>Express Fire Plan Review Fee</i>	200	
<i>Resident Camp Fee</i>	\$125	
<i>Non-Resident Camp Fee</i>	\$188	

PARKS & RECREATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
MAFC Membership		
<u>Daily Passes</u>		
Adult age 15-54 Senior age 55+ Children age 3-14 (under 3 free)	Res \$5 / Non \$7 Res \$3 / Non \$4 Res \$3 / Non \$4	
<u>Punch Passes (15 daily visits)</u>		
Adult age 15-54 Senior age 55+ Children age 3-14 (under 3 free)	Res \$60 / Non \$90 Res \$30 / Non \$45 Res \$30 / Non \$45	
Membership Fees - 1 year		
1 Year Membership Adult age 23-54 Corporate Adult Senior age 55+ Young Adult age 15-22 Child Add-on age 3-14 (under 3 free)	Res \$246 / Non \$299 \$267 Res \$194 / Non \$233 Res \$194 / Non \$233 Res \$72 / Non \$92 per child	

PARKS & RECREATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Monthly Membership Adult age 23-54 Corporate Adult Senior age 55+ Young Adult age 15-22 Child Add-on age 3-14 (under 3 free)	Res \$34 / Non \$39 \$36 Res \$26 / Non \$30 Res \$26 / Non \$30 Res \$12 / Non \$14 per child	
Monthly Membership - Bank Draft Discount Adult age 23-54 Corporate Adult Senior age 55+ Young Adult age 15-22 Child Add-on age 3-14 (under 3 free)	Res \$24 / Non \$29 \$26 Res \$19 / Non \$23 Res \$19 / Non \$23 Res \$10 / Non \$12 per child	
Aquatics (varying age groups)		
Morning or Evening Swim Lessons	Res \$ 61 / Non \$82	
Stroke School	Res \$61 / Non \$82	
Adult Lessons	Res \$61 / Non \$82	
Parnet/Tot Lessons	Res \$33 / Non \$51	
Athletics (varying age groups)		
Youth Soccer Programs	Res \$50 / Non \$75	
Youth Baseball Programs	Res \$50 / Non \$75	
Girls Volley Ball Program	Res \$50 / Non \$75	
Girls Youth Lacrosse Programs	Res \$50 / Non \$75	
Youth Basketball Programs	Res \$69 / Non \$99	
Jr. Basketball Programs	Res \$50 / Non \$75	
Adult Corporate League Basketball Programs age 18+	\$450 Team Fee; plus \$25 each non-residential team member	
Fitness (varying age groups/dates/times)		
Teen Fit age 12-15	Res \$10 / Non \$15 per month Res \$8 / Non \$12 per month (peak sessions) Free for members	
Shotokan Karate for Adults or Youth	Res \$53 / Non \$79 Res \$40 / Non \$59 (peak sessions)	Res \$53 / Non \$79 Res \$40 / Non \$59 (short sessions)
Line Dancing age 18+	Free	
Aerobics Classes	Free for members / Non members pay Daily Pass rate applies	
Water Aerobics Classes	Free for members / Non members pay Daily Pass rate applies	
Tri Masters Swim Group	Members \$2 / Res \$5 / Non \$7	
Tai Chi	Free	
Youth Programs		

PARKS & RECREATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
Early Arrivals grades K-5	Res \$900 / Non \$1300 (monthly payment plans provided)	
After School grades K-5	Res \$1,500 / Non \$2,000 (monthly payment plans provided)	
Teacher Workday Camps	Res \$35 / Non \$50 per session	
Early Release Days	Res \$13 / Non \$20 per session	
<u>Summer Camps</u>		
Deposit - non refundable	\$25 per session	
Camp Wiggle Worms age 3-5	Res \$75 / Non \$100 per week session	
Camp Cedar Fork Jr. rising Kindergarteners	Res \$155 / Non \$218 per week session	
Camp Cedar Fork grades 1-5 (rising 5th grader)	Res \$135 / Non \$188 per week session	
Middle School Counselor in Training (CIT) Camp	Res \$135 / Non \$188 per week session	
<u>Education Classes</u>		
Academic Adventures in kindergarten Readiness ages	Res \$130 / Non \$195 per session	
Ready, Set, Go A	Res \$800 / Non \$1,100 per year	
Ready, Set, Go B	Res \$1,300 / Non \$1,800 per year	
Smart Moves Chess - Beginners Lessons	\$60 per session	\$80 per session
Mad Science - (subjects can vary)	\$105 per session	
Senior Programs		
Senior BINGO	\$1 per card	
Senior Dominoes Night	Res \$1 / Non \$2	
Senior Friday Game Day	Free	
Senior Game Night	Free	
Senior Wii Play	Free	
Senior Flex & Balance	Free for members / Non members pay Daily Pass rate applies	
Senior Yoga	Free	
Senior Mat Yoga	Free	
Silver Sneakers Membership & Silver Sneakers Classic	Free for members / Non members pay Daily Pass rate applies	
Arthritis Foundation Tai Chi	Free for members / Non members pay Daily Pass rate applies	
Sponsorships		

PARKS & RECREATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
<u>Athletics - Winter 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	
<u>Special Events</u> Opportunities vary year to year	programs and fees vary	
Park Facility Rentals		
<u>Cedar Fork Community Center</u>		
Deposit (2 hour minimum)	\$100 / \$200 after hours	
Classrooms During hours After hours Kitchen usage fee	Res \$34 per hr / Non \$51 per hr Res \$60 per hr / Non \$90 per hr \$20	Res \$36 per hr / Non \$54 per hr Res \$60 per hr / Non \$90 per hr \$20
Gymnasium 1 Court during hours 1 Court after hours Both courts during hours Both courts after hours	Res \$27 per hr / Non \$41 per hr Res \$53 per hr / Non \$80 per hr Res \$53 per hr / Non \$80 per hr Res \$80 per hr / Non \$119 per hr	
Gym Floor Covering Fee(during hours only)	\$214.00	
Volleyball Standards Setup	\$40	
<u>Morrisville Aquatics & Fitness Center</u>		
Deposit (during hours)	\$100.00	
Multipurpose Room (during hours)	Res \$34 per hr / Non \$51 per hr	
<u>Historic Christain Church</u>		
Deposit (2 hour minimum)	\$200.00	
Meeting Hall (8am - 9pm)	Res \$40 per hr / Non \$60 per hr	
<u>Luther Green Community Center</u>		
Deposit (2 hour minimum)	\$100.00	
Meeting Hall (8am - 9pm)	Res \$40 per hr / Non \$60 per hr	
<u>Shelter Rentals</u>		
Deposit (all shelters)	\$100.00	
Church Street Park	Res \$66 / Non \$100 1/2 day Res \$132 / Non \$200 all day	Res \$75 / Non \$100 1/2 day Res \$150 / Non \$200 all day
Morrisville Community Park Shelter	Res \$66 / Non \$100 1/2 day Res \$132 / Non \$200 all day	Res \$75 / Non \$100 1/2 day Res \$150 / Non \$200 all day
Nathaniel Mayo Shelter	Res \$66 / Non \$100 1/2 day Res \$132 / Non \$200 all day	Res \$75 / Non \$100 1/2 day Res \$150 / Non \$200 all day
Indian Creek Trailhead Shelter	Res \$56 / Non \$85 1/2 day Res \$112 / Non \$170 all day	Res \$60 / Non \$85 1/2 day Res \$120 / Non \$170 all day

PARKS & RECREATION FEE DESCRIPTION	CURRENT FEE	APPROVED FEE CHANGE
<u>Athletic Field Rentals (per field)</u>		
Deposit (all fields)	\$100 per field	
Field Prep (all fields)	\$40.00	
Light Fee (all fields)	\$25 per hr	
Church Street Park Fields	Res \$50 / Non \$65	
Crabtree Nature Park Field	Res \$25 / Non \$35	
Morrisville Community Park Fields Shiloh Park Fields Cedar Fork District Park Fields	Res \$40 per hr / Non \$50 per hr	
Other		
Administrative Refund Fee	\$5	
Membership Replacement Fee	\$5	

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

1.

The Town Manager is authorized to waive the processing fees subject to administrative review authority 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.

2.

The Parks and Recreational Fees follow the guidelines for the Parks, Recreation and Cultural Resources Fees and Charges Policy.

LONG-RANGE FORECAST

CORE FORECAST ASSUMPTIONS

Major Category	2018	2019	2020	2021	2022
Revenues					
Revenues	- Conservative \$0.39 Tax Rate - Ad Valorem collection rate 99.7% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4.25% growth 6% growth over prior year original budget (less transfers & carryovers)	- Conservative \$0.39 Tax Rate - Ad Valorem collection rate 99.7% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth	- Conservative \$0.39 Tax Rate - Ad Valorem collection rate 99.6% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth	- Conservative \$0.39 Tax Rate - Ad Valorem collection rate 99.6% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth	- Conservative \$0.39 Tax Rate - Ad Valorem collection rate 99.6% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth
Transfers In	Capital Reserve Fund - Quint	None	Capital Reserve Fund - Quint	None	None
Expenditures					
Personnel	- Merit average 3% - Targeted market adjustments 3 Firefighters - Transportation Planner - K9 Unit - Healthcare Insurance 2% increase	- Merit average 2% - Insurance 7% increase - LGERS Buy Back removed 5.35%	- Merit average 2% - Insurance 7% increase	- Merit average 2% 3 Firefighters - Quint - Insurance 7% increase	- Merit average 2% - Insurance 7% increase
Operations	- Inflationary Adjustments - Operations Reserve - IT Replacements - Bond Sale Cost - Land Use Plan Update - Enterprise System - Building Security Improvements - Municipal Elections	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements - Bond Sale Cost - Land Use Plan Update - Building Security Improvements	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements - Municipal Elections	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements - Municipal Elections
Capital Outlay	- Fire Apparatus/ Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Building Repairs - K9 Dog & Vehicle	- Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Building Repairs - Equipment Replacements	- Fire Apparatus/ Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Equipment Replacements	- Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Equipment Replacements	- Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Equipment Replacements
Debt Service	- Minor Retiring Debt 2012 Bond Debt McCrimmon Ext PH1 Full Debt - McCrimmon Ext PH 2 Partial - Morrisville-Carpenter Rd Improvement Partial Debt	- Minor Retiring Debt 2012 Bond Debt MAFC Partial Debt - McCrimmon Ext – Full Debt Phi/PhII - Morrisville-Carpenter Rd Improvement Full Debt	- Minor Retiring Debt 2012 Bond Debt MAFC Full Debt	- Minor Retiring Debt - Fire Station One Retiring Debt after FY2021	- Minor Retiring Debt - Public Safety Radios Retiring Debt after FY2022
Capital Transfers Out	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy - Town Center - Sidewalk Capital Project - Church St. Park Field Lights	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy

5-Year Long-Range Forecast Analysis Summary General Fund Only

actual 2015 actual 2016 estimated 2017 proposed d 2018 forecast 2019 forecast 2020 forecast 2021 forecast 2022

Total Revenues	\$	28,420,589	\$	28,902,684	\$	30,640,607	\$	34,030,000	\$	30,858,680	\$	33,045,500	\$	32,675,000	\$	33,619,700
Total Revenues without Transfers	\$	27,109,631	\$	28,586,384	\$	30,390,607	\$	30,036,000	\$	30,858,680	\$	31,760,500	\$	32,675,000	\$	33,619,700
Overall Revenue Growth (not including interfund transfers)		5%		5.4%		6.3%		-1%		3%		7%		3%		3%
Overall Revenue Growth (includes interfund transfers)		4%		2%		6%		11%		-9%		7%		-1%		3%

Total Expenditures	\$	25,520,456	\$	24,463,411	\$	29,166,920	\$	34,030,000	\$	30,277,300	\$	31,660,700	\$	31,198,300	\$	31,649,200
Total Expenditures without Transfers	\$	24,268,027	\$	23,121,111	\$	25,693,720	\$	29,776,000	\$	29,038,400	\$	30,415,100	\$	29,946,100	\$	30,390,700
Overall Expenditure Growth (not including interfund transfers)		3%		-5%		11%		16%		-2%		5%		-2%		1%
Overall Expenditure Growth (includes interfund transfers)		6%		-4%		19%		17%		-11%		5%		-1%		1%

Revenues over Expenditures (less transfers & fund balance appropriations)	\$	2,841,604	\$	5,465,273	\$	4,696,887	\$	260,000	\$	1,820,280	\$	1,345,400	\$	2,728,900	\$	3,229,000
Transfers in	\$	1,310,958	\$	316,300	\$	250,000	\$	3,994,000	\$	-	\$	1,285,000	\$	-	\$	-
Transfers out	\$	1,252,429	\$	1,342,300	\$	3,473,200	\$	4,254,000	\$	1,238,900	\$	1,245,600	\$	1,252,200	\$	1,258,500
Claims/Settlements																

Total Transfers	\$	58,529	\$	(1,026,000)	\$	(3,223,200)	\$	(260,000)	\$	(1,238,900)	\$	39,400	\$	(1,252,200)	\$	(1,258,500)
Surplus/(deficit) - includes transfers in/out effect	\$	2,900,133	\$	4,439,273	\$	1,473,687	\$	-	\$	581,380	\$	1,384,800	\$	1,476,700	\$	1,970,500
Debt Outlay Analysis																
Maximum debt outlay annually within Policy	\$	3,570,578	\$	3,450,800	\$	4,134,735	\$	4,725,855	\$	4,089,705	\$	4,250,565	\$	4,209,300	\$	4,318,950
Refiling Debt from previous year	\$	(199,905)	\$	258,506	\$	(144,520)	\$	(626,680)	\$	98,700	\$	52,000	\$	178,300	\$	268,900
Existing Long-term Debt	\$	1,716,606	\$	1,458,100	\$	1,602,620	\$	2,229,300	\$	2,130,600	\$	2,078,600	\$	1,900,300	\$	1,631,400
New CIP Debt Service	\$	-	\$	-	\$	-	\$	295,000	\$	882,000	\$	1,245,000	\$	1,236,000	\$	1,224,800

Total Long-term Debt Service (including New Debt)	\$	1,716,606	\$	1,458,100	\$	1,602,620	\$	2,524,300	\$	3,012,600	\$	3,323,600	\$	3,136,300	\$	2,856,200
Debt Service Ratio Performance Indicator		7%		6%		6%		8%		10%		11%		10%		9%

Tax Rate Analysis																
Current and Projected Tax Rate		0.3900		0.4100		0.3900		0.3900		0.3900		0.3900		0.3900		0.3900
Tax Base	\$	3,759,790,020	\$	3,980,820,832	\$	4,470,500,000	\$	4,605,000,000	\$	4,752,360,000	\$	4,894,930,800	\$	5,041,778,724	\$	5,193,032,086
Tax Base Growth		3%		6%		12%		3%		3%		3%		3%		3%
Population		20,753		21,376		23,682		24,392		25,124		25,878		26,654		26,654
Per Penny	\$	377,629	\$	395,936	\$	445,709	\$	459,080	\$	472,821	\$	487,006	\$	501,616	\$	516,664

General Fund Fund Balance Analysis																
Beginning Total Fund Balance	\$	16,662,886	\$	20,481,271	\$	24,704,646	\$	26,178,333	\$	26,178,333	\$	26,759,713	\$	28,144,513	\$	29,621,213
Revenues based on Current Tax Rate	\$	27,109,631	\$	28,586,384	\$	30,390,607	\$	30,036,000	\$	30,858,680	\$	31,760,500	\$	32,675,000	\$	33,619,700
Expenditures with New CIP	\$	24,268,027	\$	23,121,111	\$	25,693,720	\$	29,776,000	\$	29,038,400	\$	30,415,100	\$	29,946,100	\$	30,390,700
Net changes in total Fund Balance	\$	2,900,133	\$	4,439,273	\$	1,473,687	\$	-	\$	581,380	\$	1,384,800	\$	1,476,700	\$	1,970,500
Non-Spendable; Restricted; Committed; Assigned Fund Balance	\$	7,078,737	\$	9,479,214	\$	9,387,765	\$	9,947,766	\$	9,947,766	\$	10,168,691	\$	10,694,915	\$	11,256,061
Prior Period Adjustment	\$	918,055	\$	(215,898)												
Assigned / Unassigned Fund Balance including Capital Reserve Fund	\$	21,252,176	\$	24,704,646	\$	26,178,333	\$	26,178,333	\$	26,759,713	\$	28,144,513	\$	29,621,213	\$	31,591,713
Unassigned Fund Balance	\$	14,173,439	\$	15,225,432	\$	16,790,567	\$	16,230,566	\$	16,811,946	\$	17,975,822	\$	18,926,298	\$	20,335,652

Unassigned Fund Balance Performance Indicator																
Fund Balance High Policy		58%		66%		65.3%		54.5%		57.9%		59.1%		63.2%		66.9%
Fund Balance Low Policy		45%		45%		45%		45%		45%		45%		45%		45%
		25%		25%		25%		25%		25%		25%		25%		25%

notes:

- 1 - Change in Fund Balance Reporting can limit year to year comparison. Recent changes to Stormwater operations and accounting principles impacting LEO Pension reporting and are reflected in prior period adjustments.
- 2 - Current year estimates include encumbrance assumptions that by June 30th may become part of the Purchase Order Rollover required by financial reporting, affecting assumptions used to forecast Fund Balance.
- 3 - Unassigned Fund Balance assumptions are long projections, in that estimates must span over a two year period. Should any one variable change it can radically alter the assumptions overall. However estimates are produced to reasonably understand potential impacts of budgetary decisions.
- 4 - Stormwater cost were part of the General Fund in FY2015 and are included in that year for fund balance calculation purposed - only in that year. Stormwater enterprise created in FY2016. Following schedule 1 in CAFR.

CAPITAL INVESTMENT PROGRAM

	Projects List	Project Year (Design)	Total Cost Incurring Debt	Debt Service First Year	Adopted Plan/Input Source
ACTIVE Capital Investment Projects – Funding Sources Identified					
	2004 Bond Projects – Recreational Facilities (Church St. Park)	2011	\$ 4,000,000	2014	MP
	2012 Bond Project - McCrimmon Parkway Ext.	2014	\$14,300,000	2016	TP
	2012 Bond Project - MAFC Renovation	2019	\$ 5,700,000	2019	MP
Prioritized Capital Investments Project Concepts – Funding Sources Pending					
1	Public Works Facility Renovation	TBD	\$ 6,807,500		
2	Historic Church Parking Lot Ext.	2017	\$ 455,000		
3	Senior Activity Center	TBD	\$ 3,125,000		
4	Town Green	TBD	\$ 1,281,250		TC/MP
5	Recreation Center in Town Center	TBD	\$ 6,000,000		TC
6	Sports Facility Improvements	TBD	\$ 1,631,250		MP
7	Town Center Gateway	TBD	\$ 410,000		TC
8	Crabtree Nature Park Ph 1	TBD	\$ 2,050,000		MP
9	International Drive Extension	TBD	\$ 3,140,000		TP
10	Town Center Parking Lot	TBD	\$ 425,000		TC
Unfunded Capital Investments Project Concepts					
	Northwest Fire Station	Unfunded	\$ 3,825,000		
	Cedar Fork Elementary Park	Unfunded	\$ 597,500		MP
	Crabtree Crossing Greenway Connector	Unfunded	\$ 465,000		MP
	Train Depot	Unfunded	\$ 705,000		TC
	Sawmill Creek Stream Restoration BMP	Unfunded	\$ 1,760,000		
	Sawmill Creek Greenway	Unfunded	\$ 4,425,000		MP
	Town Hall Drive Medians – Bike Lanes	Unfunded	\$ 893,850		TP
	Civil War Battleground Park	Unfunded	\$ 6,250,000		TC/MP
	Crabtree Creek Nature Park Phase II	Unfunded	\$ 1,375,000		MP
	Rural Heritage Park	Unfunded	\$ 3,325,000		TC/MP
	Morrisville East Connector	Unfunded	\$ 6,300,000		TP
	Oddysey Drive Extension	Unfunded	\$ 1,350,000		TP
	Town Center Stormwater Treatment	Unfunded	\$ 725,000		
	Carolina Street Extension	Unfunded	\$ 385,000		TP
	Police & Fire Local Training Facility	Unfunded	\$ 970,625		
	2012 Bond Project - Morrisville Community Park Ph II	TBD	\$ TBD	TBD	MP

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 Board of Commissioners 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 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.

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 (ex. 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(ex. 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.

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 service were produced (ex. Number of yard waste/leaf collection points served).

COMMON ACRONYMS

CAFR	Comprehensive Annual Financial Report	LEED	Leadership in Energy and Environmental Design
CALEA	Commission on Accreditation for Law Enforcement Agencies	LGC	Local Government Commission
CATV	Cable Access Television	LGERS	Local Government Employee's Retirement System
CDBG	Community Development Block Grant	LUTP	Land Use & Transportation Plan
CIP	Capital Investment Plan	MSD	Municipal Service District
CO	Certificate of Occupancy	N/A	Not Applicable
DENR	Department of Environment and Natural Resources	NCDOT	North Carolina Department of Transportation
DMV	Department of Motor Vehicles	NCDWQ	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	Federal Emergency Management Administration	OSHA	Occupational Safety and Health Act
FT	Full-time	PIL	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
GIS	Geographic Information Systems	TP	Transportation Plan
GS	General Statutes	UDO	Unified Development Ordinance



TOWN OF MORRISVILLE

FY2018 Annual Operating Budget

Building Connections

Recommendation by Town Manager, Martha Paige
*100 Town Hall Drive * Morrisville, NC 27560 * 919-463-6200*
www.townofmorrisville.org