

FY2017 Annual Operating Budget



TOWN OF MORRISVILLE

FY2017 Annual Operating Budget

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Town of Morrisville

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MORRISVILLE

Moving
Forward

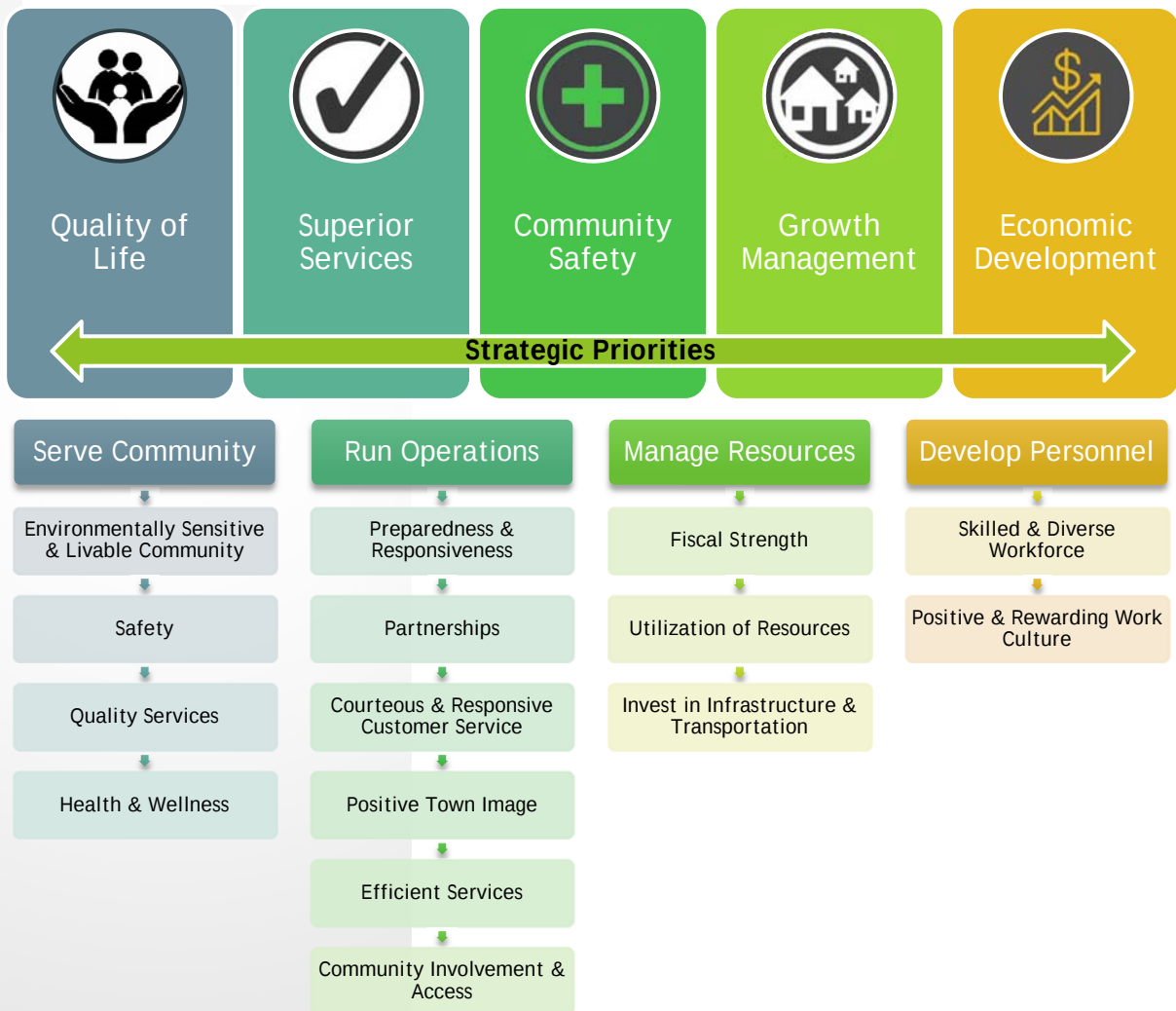
Town Goals

VISION

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

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.



Core Values: Strategic Visioning, Environmental Responsibility, Collaborative Relationships, History & Diversity, Efficiency & Continuous Improvement, Vibrant Town Center, and Valued Workforce

Town Goals Defined

Serve the Community

What does our community want? What must be done to implement the vision and mission?

- 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

What internal processes must we excel at to provide valuable services while achieving the vision and mission?

- 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

How do we deliver quality services efficiently and remain financially sound while achieving the vision and mission?

- 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

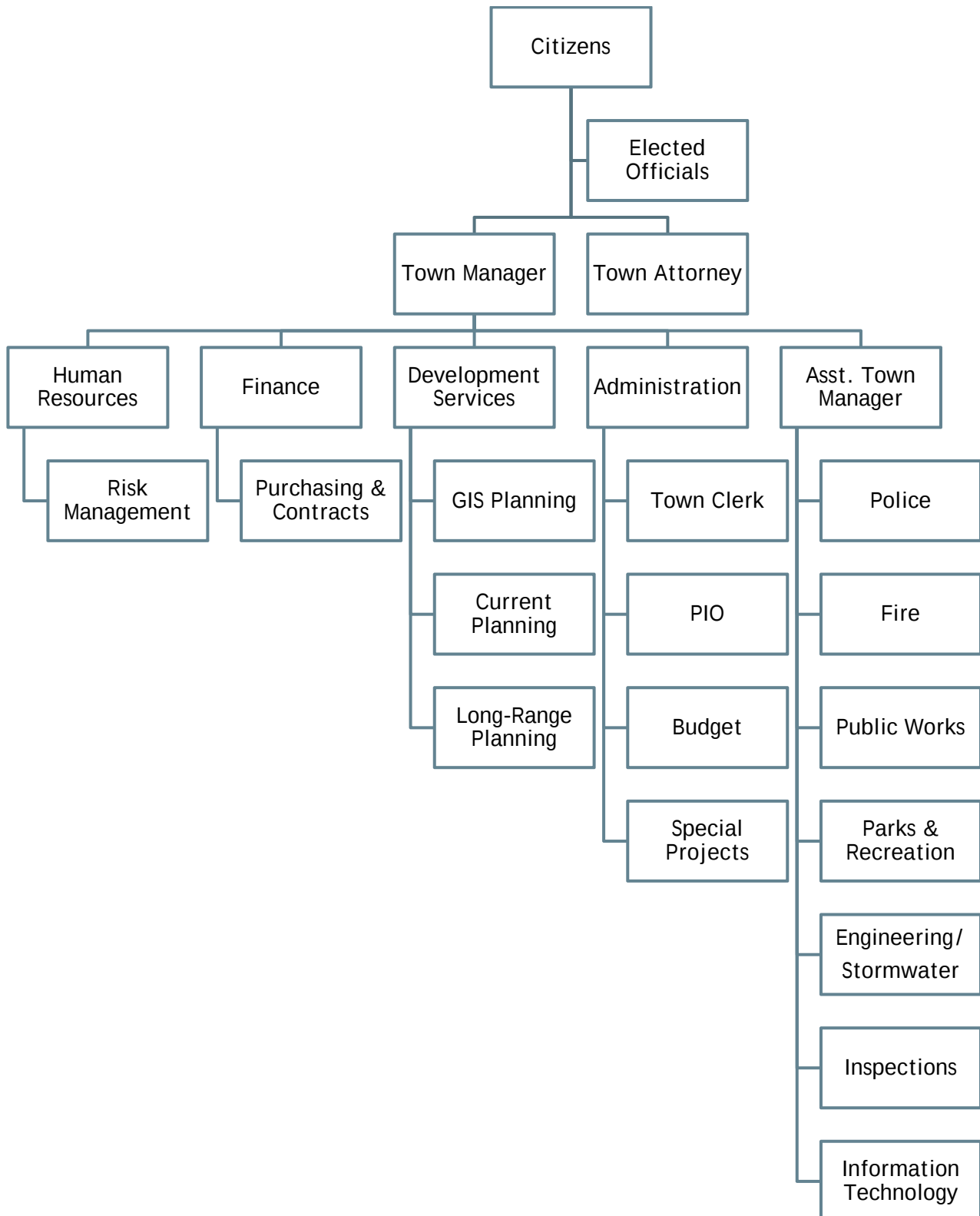
What skills, tools & organizational climate do our employees, elected officials, & volunteer groups need to meet the community's needs while achieving the vision & mission?

- 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.

Organization



Organization Chart



Elected Officials & Staff

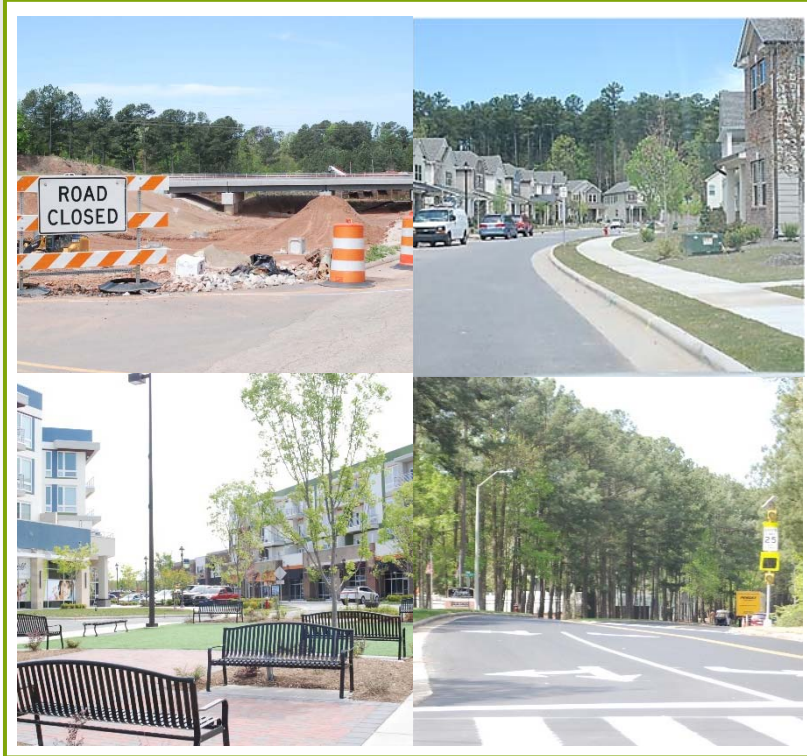
Mayor and Town Council

Mayor	Mark Stohlman
Mayor Pro-Tem / Council Member At Large.....	Steve Rao
Council Member At Large.....	Satish Garimella
Council Member District 1	Michael Schlink
Council Member District 2.....	TJ Cawley
Council Member District 3.....	Liz Johnson
Council Member District 4.....	Vicki Scroggins-Johnson

Appointed Officials and Staff

Town Manager.....	Martha Paige
Town Attorney	Frank Gray
Assistant Town Manager	Tony Chiotakis
Budget Program Manager	Jeanne Hooks
Finance Director	Nancy Emslie
Fire Chief	Todd Wright
Human Resources Director	Lauri Shedlick
Information Technology Director	Dan Birckbichler
Inspections Director	Forrest Fleming
Parks and Recreation Director	Jerry Allen
Planning.....	Courtney Tanner, Rodney Wadkins, Ben Howell
Police Chief (Interim).....	Felecia Sykes
Public Information Officer.....	Stephanie Smith
Public Works Director.....	Blake Mills
Special Projects.....	Julia Ketchum
Stormwater Engineer Manager	Robert Patterson
Town Clerk.....	Erin Hudson
Town Engineer	Rich Cappola

Budget Summary



Budget Message

May 10, 2016



Mayor Stohlman and Members of Town Council:

The proposed recommended Fiscal Year 2017 annual operating budget for the Town of Morrisville is presented for your review and discussion. The accompanying materials include narrative explanations of the identified priorities along with supporting data, required operational expenditures to sustain our current service delivery levels and the revenues necessary to meet programmed budget objectives over the next several years. Supplementary discussion and analysis will be provided to Town Council in its scheduled budget workshops on Tuesday, May 17 and Tuesday, May 31. The recommended budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act, and maintains core services and programs consistent with our current level as a base budget, while illustrating a reasonable and prioritized set of budget recommendations that address identified unmet needs expressed by our community, Town Council and staff. An important stepping stone to building community confidence and satisfaction starts by delivering quality core services and builds through transforming plans and vision into actions that shape our future.

The focus of Town Council's work throughout this past year has revolved around our major strategic priorities. Town Council has committed valuable time to substantive conversations and discussions during retreats, meetings and special topic work sessions to gain essential information and to consider pursuing opportunities that will influence the vision of our Town for years to come. A primary example of this effort was the development of a prioritized Capital Investment Plan (CIP) and the review of multiple funding mechanisms to effectively plan for those projects. This serves to provide guidance to future budget development that aids in providing for desired needs and community amenities, as well as more efficient project management, execution and delivery. Additionally, prudent leveraging of existing fund balance reserves to major projects will catalyze several ongoing projects and allow for others to be realized quickly. Both of these strategies support our ability to use resources in the Fiscal Year 2017 operating budget to meet current needs, while addressing prudent adjustments in the base level of services that are recommended as a part of this proposed budget. Base budget adjustments include four primary types of proposed increases: replacement schedule and debt service items, additional resources to sustain current service levels, enhanced program and operating resources needed for desired services, and investment in essential workforce needs (primarily public safety and other externally facing staff) that facilitate meeting the growing needs of our residents and the businesses that call Morrisville home.

Morrisville has continued to grow at a significant pace, as evidenced by the results of the Special Census completed this past fall. Balanced and reasonable growth in the Town's operations can be accomplished without significantly adding to the property tax burden, particularly this year due to property revaluation. A revenue neutral property tax rate is recommended as a part of the Fiscal Year proposed operating budget so that our expanded needs are paid for substantially by our natural property value growth and strong position of other key revenue sources. Adoption of a rate lower than revenue neutral would negatively impact our responsibility to offset this continued growth and demand on our ability to meet the expectations of the community in this and future years.

Town Council has affirmed its desire to maintain a small town presence, while also recognizing a desire to be both progressive and innovative in creating a sense of place where people want to live and conduct business. Commitment to these ideals is not only philosophical – it requires vision, risk taking, and financial resources to attain such goals. As Town Council continues its deliberation on the development of our Town Center, Parks and Recreation greenway network, and

the care and maintenance of our roads and other related support infrastructure, the proposed Fiscal Year 2017 budget lays appropriate groundwork to devote the most significant part of our available capacity to non-recurring items and strategic initiative allocations that align with the established strategic priorities:



Together, the expanded base budget, specific project requests, and targeted allocations of funds promote and enhance our opportunity to fulfill our Town 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.

Budget Planning & Development

More than ever, the budget planning and development process is a dynamic, evaluative, year-round process that flows through all levels of the organization. Evaluations of prior year spending, program evaluation, review and assessment of performance measures and regular monitoring of current year operations culminate in a cycle of routine verification and validation of our accountability to Town Council and our citizens. In addition to the ongoing attention to day-to-day operations, elected officials and professional staff address policy and process issues on a regular basis. When combined with citizen input, the process becomes both collaborative as well as iterative. Short-term goals and long-range planning both require care and attention. Decisions in one area impact those in another. There is no shortage of ideas and options that can be considered as we bring individual values and choices together into this creative and cohesive plan for the development of the Town and a responsible budget. The commitment to this process is evidenced by each stakeholder in the budget development life cycle.

Each year, staff evaluates different and improved ways to provide valuable and relevant information to Town Council for its consideration in achieving its policy goals. Town Council is responsible for setting the vision and overarching goals that guide staff work, but must also understand the needs of the basic operations that consume so much of the operating budget. Professional staff, the “experts” in direct provision of services, is responsible for ensuring Town Council is aware of essential needs and for facilitating the awareness of unmet and anticipated future needs. This information exchange was facilitated thru the Pre-Retreat workshop held in October of 2015. Departments presented Fact Sheets that provided an overview of operations, outlining current and projected needs. In addition to a productive Q&A interaction between Town Council and staff, the outcome of the Pre-Retreat workshop was the development of a comprehensive compilation of general information about daily operations and activities that was provided to Town Council to enhance its understanding about day-to-day activities and provide initial insight into budget requests they might consider in the Fiscal Year 2017 budget cycle.

Prior to Council’s annual retreat, departments prepared information for internal pre-budget review meetings during early February 2016 that provided a mid-year check-in on revenue and expenditures and active project status. The pre-budget preparation served as the framework for the agenda and materials for the Town Council annual retreat in later February. This approach allowed us to prepare preliminary projections for Fiscal Year 2016 and an early forecast for Fiscal Year 2017 and beyond, providing perspective to discussions. During the annual retreat, Town Council received updates on

major projects that influence planning for our continued growth and development, including financial implications for both the operating and capital budgets. Discussions included anticipated revenue capacity, along with a review of user fees and major resources such as ad valorem taxes and sales taxes. An in-depth primer on revenue neutral, including a preliminary calculation and its effect on budget capacity was outlined for Town Council to establish understanding and clarity. Additional information was provided on fund balance availability and associated cash flow needs that would influence our efforts to develop a budget that leverages our strong reserves with identifying a balanced recommendation of short-term and long-term project initiation with our ongoing regular operational needs.

Subsequent to the retreat, departments began to validate base budget levels and to identify the highest priorities for consideration. Any department request has to meet a high standard for alignment to Town vision and strategic priorities through appropriate documentation, reasonable justification of the need and evaluation of alternatives prior to being incorporated into the budget proposal. Senior management has conducted a robust analysis and rigorous review of these requests before being submitted for your consideration. An even higher level of scrutiny is applied to recurring costs resulting from new routine expenditure requests since they become part of the base budget. We believe the requests incorporated into the Fiscal Year 2017 proposed budget are reasonable and responsible, and necessary to execute our mission. The joining of the necessary recalibration of our base budget with identification of targeted program enhancement allocations (road maintenance funding and sidewalk projects are two examples), combined with recommendations for one-time or non-routine budget requests, form the overall budget request for Fiscal Year 2017 activities. Fund balance appropriations are exclusively related to one-time capital project requests that are of a significant cost and, as a result, not easily programmed into an annual budget process.

Budget decisions made today impact other choices in the future. Consequently, it is always important to take a multi-year approach to understand the long-range challenges and opportunities of annual decisions that weigh the short-term value with the long-term gain for the Town. Those decisions are seen through evaluation of our long-range forecast and the related assumptions that go into that process. 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. There are many choices and decisions that must be made, but reinvestment is an obvious positive action that serves as the structure of our budget.

A significant enhancement to our budget development process this year was the time and effort expended by Town Council and staff towards Capital Investment Program Planning (CIP). Over the last two budget cycles, Town Council has discussed ways to make inroads evaluating and improving the program. This comprehensive reassessment included a comparative assessment of common CIP elements and best practices to update Morrisville's current CIP program. The historical evolution of Morrisville's CIP since 2010 has included essential project updates, many influenced by approved master plans/policy documents already in place and attention to input from the citizen survey performed in 2015. In March 2015, Town Council approved a Capital Investment Program policy update that established the key elements of the CIP policy, including development of a five-year plan, the types of projects to be included in the CIP, establishment of an internal review team, prioritization of projects, and identification of potential funding resources for projects. The update of this policy is a significant step forward in the ability to successfully plan for multiple projects and beyond just the initial funding year. It also recognizes there is more than one way to pay for major capital improvements. The multi-year CIP plan will also assist in allowing staff to adequately estimate costs, develop timelines and gather citizen input for projects identified as potential bond referendum decisions.

Over the course of Fiscal Year 2016, all major project proposals have been updated and reviewed by a CIP Project Review Team that included representation from the Finance, Budget, Engineering and Community Services teams. The Review Team's goal was to ensure Town Council received objective and consistent information justifying the project, alignment to Town goals, capital cost estimates and estimated annual operating net impacts. Preliminary timelines for

projects and potential funding sources are provided on the Project Profile Worksheets. A project evaluation criteria tool remains a part of the process, however this is only one factor included in weighing the value and benefit each project concept may provide. In December 2015, Town Council participated in a prioritization ranking process that resulted in a Top Ten listing of capital investment projects for inclusion in the first draft CIP. This first version remains a work-in-progress and helps to illustrate a pathway to gaining momentum and a realistic plan for considering and planning for multiple projects within a defined framework, rather than one-at-a-time. Financial modeling and mechanisms for paying for major improvements is an integral part of the CIP. It remains a guide as Town Council solidifies its approach to several other major initiatives, but is a significant step forward in doing what Town Council wants to do – get things done.

Budget development and available capacity remain closely related to two primary factors: growth from development that allows us to project revenue potential, and state legislative actions. Potential impacts from a redistribution of sales tax revenues that loomed during consideration of the Fiscal Year 2016 operating budget appear to have been limited by expansion of the tax base to include services, and adjustments to the proposed methodology for the redistribution of the tax. However, caution should be exercised in projection for this and future years until the full effect of the changes are observed. Discussion of replacement revenue options for municipalities continues, but no significant guidance has been provided from the legislature during the current fiscal year. It appears unlikely that this issue will receive any substantial review during the upcoming short session of the General Assembly. Staff has comprehensively reviewed user fees. This budget proposal includes a number of recommended adjustments, however do not amount to significant increases in revenue. For fees that are difficult to estimate or consistently predict, we have provided conservative revenue estimates.

During FY 2016 budget deliberation, Town Council was evaluating solid waste services for residential customers and the possible establishment of a fee for these services as a part of its overall consideration for the costs of those services and identification of various recycling models and scenarios. At that time, Town Council approved a solid waste contract that resulted in lower rates and provided the Town an ability to more effectively monitor and track recycling. Recycling information is now becoming available and can be evaluated to determine the impact on our solid waste costs and aid in establishing fee structures to facilitate those efforts. Other logistics, such as billing/collection solutions and residents who do not receive curbside pickup, need additional evaluation prior to implementation of such a fee. As a result, a proposed user fee for solid waste services is not included in the Fiscal Year 2017 operating budget. Follow up on this proposal will be incorporated into Fiscal Year 2017 work plan goals for further review.

Budget Overview

Residential and commercial development in the Town continues to remain steady and contribute to our ability to match budget capacity with identified needs and priorities without negatively impacting programs and services. Discretionary budget priorities have been programmed within existing resources and their natural growth over the past several years. Revenue reductions and shortfalls (such as from the loss of the privilege license revenue) have been absorbed and offset by reduced requests for budget priorities and timely development activities, as well as impacts to per capita based revenue sources resulting from the special census. Departments throughout the organization have worked to manage effectively, while deferring or delaying requests to improve or enhance service delivery or undertake long-range projects. In some cases, decisions to defer/delay repairs and maintenance and manage increasing workloads have interfered with our ability to perform at optimum capacity or within reasonable timeframes. This is the reality of always balancing resources within the most pressing demands of a growing community. The opportunity to address some of these needs is available and welcomed in this year's budget proposal.

The Town's physical boundaries have not changed, but the increase in population and our thriving business development does result in higher need for and use of our physical amenities, program offerings and enhanced need to serve our community across multiple department functions. The additional revenue from the special census is recognized in the Fiscal Year 2017 proposed budget, but still only partially addresses the additional needs that arise from our population growth.

The proposed Fiscal Year 2017 operating budget remains centered on the communities' service and program expectations to provide a safe home and work environment with quality of life values. Transportation and related infrastructure improvements continue to dominate the budget appropriation requests. This year, there is also a heavy emphasis on public safety needs, most notably in our Police Department. The proposed budget also recognizes the need for some internal support and administrative resources to help manage our growth and effectively communicate with our citizenry.

¹ The total operating budget for Fiscal Year 2017 is \$ 29,744,600 for the following annually adopted funds:

General Fund	\$28,963,500
Stormwater Fund	\$ 687,400
Municipal Service District Fund *	\$ 93,700

* The annual appropriation of \$110,000 to the Municipal Service District Fund was appropriated during Fiscal Year 2016 to allow for the start of construction on the Kelton Square/Kelton II project in May.

The Water and Sewer Fund will close at the conclusion of Fiscal Year 2016.

The budget has been balanced with a proposed revenue neutral rate of \$0.385¹, a reduction from the current rate of \$0.41. Additional discussion and analysis of the tax rate and the impact of the 2016 property revaluation is located in the *Ad Valorem Taxes* section of the budget message.

Several specific circumstances have influenced the composition of this year's budget aside from the evaluation of our ongoing/routine needs and requests:

- There are a number of carryover items for funding allocations included in previous budget requests which again need to be incorporated into the Fiscal Year 2017 proposed budget. In most instances, the Town itself is not able to execute expenditure of these items without participation by our partners. Examples include the Duke Progress Energy project and several others involving NCDOT. For others, the Town has recognized the need to provide appropriations for projects but continue to work on institutionalizing the framework for careful and expedient use of those resources. Two instances of this situation are the sidewalk prioritization protocols discussed by Town Council this year and project planning and oversight needed to manage the financial enterprise software upgrade (previously identified as One Solution). An even stronger emphasis will be placed on making progress on those projects this year.
- The Fiscal Year 2017 budget includes an appropriation of \$200,000 for partial debt service payment for the anticipated issuance of bonds approved in 2012 for Phase I of the McCrimmon Parkway Extension project. As work has progressed on this project, opportunities to enhance the development and design, including an additional two lanes on a major portion of the roadway due to a partnership with NCDOT, North Carolina Railroad (NCRR), and Norfolk Southern, have altered the phasing and timeline for the bidding and construction of the road. Bonds cannot be issued until bids have been received. As of the date of this budget message, we anticipate issuance of bonds in late winter 2016. Appropriations for issuance of 2012 voter approved Parks and Recreation Bonds have

¹ Adoption Note: Based on Town Council modifications to the recommended budget, the General Fund Budget for FY2017 increased to \$31,238,500 to create a Roadway and Transportation Capital Reserve Fund with a dedicated resource and appropriated onetime uses of Unassigned Fund Balance in excess of Policy to the Morrisville-Carpenter Road Improvement Project for right-of-way and other land acquisition in addition to funding the Historic Christian Church Parking Lot Expansion CIP project. The tax rate was rounded to \$0.39 and specific operation items shifted to accommodate the adopted changes.

also been adjusted in the long-range forecast in recognition of continued Town Council discussions of how to best utilize these resources (Morrisville Aquatics and Fitness Center and/or Morrisville Community Park). Once Town Council has determined its priorities, design and bidding will be necessary before bonds can be issued. This work will require cash flow from the operating budget until bond issuance.

- As noted in the results of our special census, our increased population reflects the desirability of our Town as a place of choice for families and businesses. Our Town limits are fixed, but the mix and make-up that reflect who and what we are has changed. Our ability to serve does require additional commitments of ongoing resources, most notably in staffing. Town staff has done an exceptional job with striving to meet increasing levels of demand with an existing workforce. We have reached a point where that is not possible without comprising service delivery or being inadequately prepared to meet future demands and expectations of the people we serve. Requests for additional staffing are not made lightly or without consideration of all available and viable alternatives in doing so, and represent a minimal overall increase in our recurring routine costs. Employees per capita remain well under peer cities offering comparable services. Additional discussion of personnel needs is provided in the Personnel Expenditures Section of the budget message.

The proposed Fiscal Year 2017 General Fund Budget reflects an approximate 1% increase as compared to the current amended Fiscal Year 2016 General Fund Budget of \$ 28,781,601, or a 4.8% increase over the Original Fiscal Year 2016 Budget of \$27,625,000, adopted June 22, 2015. Revenues are reflective collectively of the increased assessed property value from our natural growth and stable revenue projections in other revenue categories. True revenue growth (less transfers and carryover items) approximates to 6% as compared to the prior year.

General Fund expenditures include base budget expenditures, recommended adjustments to the base budget to maintain existing service expectations, new ongoing expenditures, and one-time and other non-routine allocations that contribute to the strategic goals and priorities established by Town Council. In addition to previously established allocations for additional road maintenance funding, sidewalks and pedestrian enhancements, the proposed Fiscal Year 2017 operating budget recommends implementation of two additional funding allocation categories: Traffic Management Projects and a Capital Investment Program Reserve Allocation. Public safety, community services, and development functions account for 31%, 32%, and 13% respectively of Town operations. Debt service, transfers, town administration, and support account for the remainder of Town operations.

The Stormwater Fund, established as an enterprise fund in Fiscal Year 2016, is primarily funded 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 2017. A general fund subsidy covers basic program costs not recovered by the Stormwater ERU fee. The basic level of stormwater programming is continued for the upcoming fiscal year.

The Municipal Service District (MSD) budget for Fiscal Year 2017 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 tax rate will continue to be levied for those specific neighborhoods until the cost of all improvements for all projects is complete. The MSD tax increment is anticipated to generate approximately \$93,700 at an estimated 98% collection rate in Fiscal Year 2017. The revenue neutral rate for the MSD is \$0.0987. The General Fund provides an annual transfer from the General Fund of \$110,000 to fund future projects. The general fund annual transfer commitment was implemented to accelerate the ability to complete 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, but 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. The first project, Huntington Park,

was successfully completed in Fiscal Year 2016. The second project, Kelton Square/Kelton II will be complete during Fiscal Year 2017. Funding reserves will need to be accumulated prior to the start of the next MSD project.

Other non-operating budgets for Fiscal Year 2017 include the following annually adopted fiduciary funds:

<i>Retirement Health Care Fund (OPEB)</i>	<i>\$290,100</i>
<i>Retirement LEO Separation Allowance Fund</i>	<i>\$ 73,910</i>

Capital Projects Funds with approved project ordinances are on multi-year budgets 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 2017 property tax rate is recommended to decrease by \$0.025 from the current rate of \$0.41 to \$0.385² per \$100 of property valuation. The \$0.025 decrease reflects an adjustment to the revenue neutral tax rate (RNTR) following revaluation of property values in 2016.

The RNTR is defined as the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no revaluation had occurred. The calculation of RNTR takes into consideration more than real property, and is the average annual tax base growth since the last revaluation as well as adjustments for annexations, deannexations, mergers and other material events that may otherwise skew the results. A summary of the RNTR tax rate analysis is provided below:

Fiscal Year	Assessed Valuation (as noted in CAFR)	Percentage Change	Year Prior to Revaluation	Assessed Valuation	Tax Rate	Estimated Levy @ Current Rate
2008-09	\$3,035,117,473		2015-16	\$ 3,971,882,812	0.4100	\$ 16,284,720
2009-10	\$3,242,901,456	6.80%	First Year of Revaluation	Assessed Valuation Estimate	Tax Rate @ Equivalent Levy	
2010-11	\$3,345,384,268	3.20%				
2011-12	\$3,390,164,543	1.30%				
2012-13	\$3,521,406,350	3.90%				
2013-14	\$3,660,598,315	4.00%	2016-17	\$ 4,402,100,000	0.3699	\$ 16,284,720
2014-15	\$3,759,730,020	2.70%			RNTR @ Average Growth Rate	Estimated Levy @ RNTRe
2015-16	\$3,971,882,812	5.60%				
Average Growth Rate		4%			0.3845	\$ 16,924,933

The Town is not required to adjust the tax rate to RNTR. Adoption of the RNTR also does not suggest that a property owner will not see an adjustment to their annual tax bill, which takes into account both the change in the tax rate and the individual change in assessed property value. In addition, the RNTR reflects only the Town of Morrisville portion of the property tax rate, excluding the Wake County component of the overall tax rate. When property values increase, additional revenue capacity is generated to support programs and services for a municipality. The Town has been fortunate to benefit from continued growth over the past eight-year cycle and relatively stable overall assessed property value. As a result, we are able to effectively meet identified budget priorities substantially from natural growth, which allows the Town to minimize the impact on property owners of increased taxes related to higher property value assessments. For property owners who experienced a decrease in value, the related tax burden also decreases.

Reductions to the tax rate below the RNTR are not recommended. During the North Carolina General Assembly 2016 long session, legislation authorizing a builder's exclusion to residential and commercial property for unsold inventory will

² Tax rate was rounded to \$0.39 by Town Council upon adoption.

change the amount and timing of bringing developed property into taxable status. The impacts of this provision are unknown at this time, but are likely to impact the Town's annual growth rate. Wake County has also recently approved a change in the revaluation cycle from an eight-year cycle to a four-year cycle, which will reduce the disparity between market and assessed values and resulting impact on property tax rate changes. The next revaluation will take effect January 1, 2020, with reappraisal of property in 2019. The property tax base is projected to remain constant in the upcoming year, with conservative growth forecast over the next five years.

Town of Morrisville property owners benefit from one of the lowest tax rates and costs for service in Wake County. With the exception of a rounding adjustment of \$0.0235 to the tax rate from \$0.3665 to \$0.039 in Fiscal Year 2014, the Town has not increased taxes in more than 25 years other than to support bond debt for voter approved capital projects in 2012. The Town has demonstrated its commitment to living with available resources for operations and management. However, the changing dynamics and expectations of our residents suggest this approach also limits options and opportunities to enhance and develop new programs on their behalf. Growth in the tax base supports opportunity to fulfill some unmet needs.

With respect to the \$0.04 adjustment to the tax rate for voter approved bond debt (\$0.02 in 2014 and \$0.02 in 2016) the funds generated from the additional tax increment have been used to cash flow upfront costs for the McCrimmon Parkway Extension capital project for which they were approved. The funds have not been used to offset any ongoing operational costs of the annual budget. To date, the Town has collected approximately \$3.1 million in additional tax revenues from this tax increment, and will expend an estimated \$4.4 million in project development costs prior to the issuance of bonds. Once the bonds are issued, these pre-construction costs will become part of the debt repayment obligation, and will restore cash flow capacity needed for other critical projects. A reduction of this tax increment would hinder our ability to make progress in completing the second phase of the bond projects (Parks and Recreational Projects). We anticipate partial issuance of bonds during Fiscal Year 2017, with the remainder of the bonds for Phase 2 of this project in early Fiscal Year 2018.

The General Fund Ad Valorem revenue for Fiscal Year 2017 is estimated at \$16,902,300³ and represents 58% of the total budget. This estimate is based on a 99% collection rate. Overall, the Ad Valorem revenue is anticipated to increase approximately 7% as compared to the Original Budget of Fiscal Year 2016.

The Vehicle Decal Fee was increased in Fiscal Year 2015 and remains at \$15. Expanded authority allows municipalities 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. An adjustment to the vehicle tax may be best considered after evaluation of the results of the additional road maintenance funding for preventive maintenance is evaluated in the next Pavement Condition Report (PCR) report.

Sales and Use Tax

Sales Tax growth projections exceeded Fiscal Year 2016 estimates by 9% and have averaged 9% over the past two 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 approximately 5.5% to \$4,741,000 for Fiscal Year 2017 as compared to anticipated actuals for Fiscal Year 2016. Sales Tax revenues represent our second largest revenue source at 16% of the total budget. Future Sales Tax growth will be favorably impacted by the special census, and potentially negatively impacted by the Builders' Inventory Exclusions approved by the North Carolina General Assembly in 2016.

Other Major Revenues

- *Utility Franchise Tax* is projected to increase approximately 4% over Fiscal Year 2016 actual estimates, but over 35% more than Fiscal Year 2016 budget projections. This additional capacity has been captured in the proposed

³ The Ad Valorem revenue for FY2017 was adjusted to \$17,122,300 upon adoption as a result of rounding the tax rate to \$0.39.

Fiscal Year 2017 budget based on legislative changes to a general sales tax distribution formula and due to our rate of development remaining at a higher level than in other areas of Wake County. However, this is also a weather dependent source of revenue and can be unpredictable. This revenue source represents 5.4% of the total budget.

- *Development Services Permits and Fees* (Planning, Engineering and Building Inspections) remain strong, but Fiscal Year 2017 anticipates a less than 1% decrease as compared to Fiscal Year 2016 budget to reflect reduced construction in Park West Village and the delay in commercial development anticipated after completion of the McCrimmon Parkway Extension. Residential housing unit development has also continued to be strong during Fiscal Year 2016, but new projects may be more limited in Fiscal Year 2017 as we approach build-out. These revenues account for 3% of the total budget.
- *Parks and Recreation Programs and Facility Revenues* are projected to remain stable, however are budgeted with approximately a less than 1% reduction as compared for Fiscal Year 2016. This reduction is primarily due to the Cedar Fork Elementary School starting its own after school program. The current projected revenues represent 3% of the proposed Fiscal Year 2017 budget. Recommendations to enhance revenue streams from recreational activities will be more readily available as facilities become more available to support these programs.
- *Video Programming fees* remain consistent from the Fiscal Year 2016 budget at \$664,000, but may likely become a declining revenue source as the loss of landlines resulting from cellphone and other technology advancements will continue.
- *Other intergovernmental revenues* (Powell Bill, Wake County Fire Tax, Beer & Wine, Rental Vehicle and Sold Waste Disposal) remain comparable to current year budget estimates.
- *Stormwater ERU revenues* are increased by 7% over the Fiscal Year 2016 budget based on growth during Fiscal Year 2016 and modest growth assumptions for Fiscal Year 2017. Stormwater permit fees 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 2017 budget development process, departments evaluated fee structures and rates for market comparability, value for service provided, and cost recovery, where appropriate. Changes in these fees for service have been recommended and are illustrated in the User Fee Schedule included in the budget document.

Modest, incremental changes to development permit and approval fees are recommended to reflect the complexity of submission and time and effort spent in the various types of services provided. Changes to building inspections fees, (last changed three years ago), have also been recommended this year. Fire inspection fees have also been changed for consistency.

Parks and Recreation fees have previously been excluded from the proposed operating budget document since they are periodically adjusted to market outside of the annual budget review cycle. While market adjustment consideration for these fees will continue, a comprehensive list of fees has been included in the Fiscal Year 2017 budget document for transparency and consistency with other fee disclosure purposes. Some minor market adjustments are predicted at this time, but will vary depending on program and market conditions.

Operational Expenditures

The base budget funding approach used since the Fiscal Year 2014 budget development process continues to be the most efficient and effective way for both staff and Town Council to consider and evaluate budget requests. Basic routine

services and recurring expenses (excluding transfers, contributions and grants, and capital outlay) are approximately \$23.6 million annually at current operational service levels.

The proposed Fiscal Year 2017 budget includes minor adjustments to the base budget (excluding requests for additional personnel) of \$60,000 to reflect the additional accumulated recurring costs to provide the same basic levels of service as performed in Fiscal Year 2016.

The Fiscal Year 2017 budget provides additional funding above the base operating budget to fund \$6 million in priorities identified directly and indirectly by Town Council during discussions of strategic priorities, expected service delivery and customer service levels, and are related to the efficient and effective management of the Town.⁴

Approximately \$4.9 million of the recommended expenditures may be considered non-routine (discretionary levels of services as designated by Town Council) and/or one-time budget appropriations to address specific projects. Of this amount, \$1.2 million are carryover budget appropriations of prior years' commitments and re-appropriations for designated projects. Additionally, \$650,000 is appropriated for categorical allocations aligned with Council strategic priorities. Personnel expenses (including merit pay) and additional minor operational recurring expenses account for the remaining \$1.1 million of programmed expenditures over the Fiscal Year 2016 base budget. There is no anticipated use of fund balance needed to fund recommended Fiscal Year 2017 budget needs.

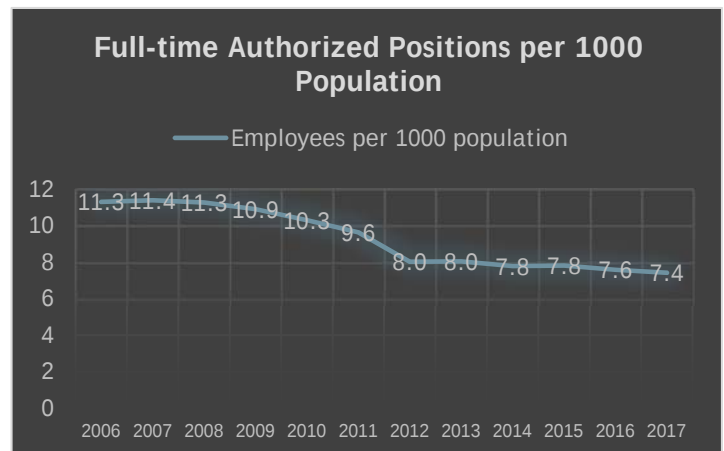
Debt service expenditures have been adjusted to reflect the changes in the 2012 voter approved bond debt issuance schedule. The initial debt service payment (interest only) is included in the proposed Fiscal Year 2017 budget for Phase I of the McCrimmon Parkway Extension project. Debt service reflects the net impact of retired debt from current obligations and the addition of new debt.

Programmatic expenditures have been categorized into major 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. Expenditures are subsequently included in Department Budget Profiles to reflect placement within the operating budget framework.

Personnel Expenditures

The Town of Morrisville has historically maintained a very low staffing level per capita. Actual staffing rates per capita are even more pronounced when considering the actual population level captured by the special census, and the ongoing growth throughout the year. The chart provided offers a graphic snapshot of the Town's historical staffing levels. Even with the addition of 8 staff positions, the per capita employee base had continued to decline.

The true impact of lower staffing levels is the reduced ability to be responsive to requests and concerns while performing required tasks and responsibilities. Over the past ten years, only sixteen additional positions have been authorized, of which six are related to the implementation of the Fire Department Quint Staffing Plan. This increase (excluding the Firefighters) correlates to a less than 7% increase in staffing levels as compared to over 75% population growth in the same timeframe. No police officers



⁴ Additional funding for items above a base budget increased by \$2,275,000 upon adoption. Adjustments to both revenues and expenditures directed by Town Council included the removal of the Contingency funds, removal of the Traffic Management Allocation, and reduction of proposed Wifi improvements in addition to rounding the tax rate from RNTR to \$0.39 and appropriating Unassigned Fund Balance to fund an additional Capital Reserve Fund for Roadway and Transportation needs, pay for right-of-way and other land acquisitions for Morrisville-Carpenter Road Project and create a new Capital Project for the Historic Christian Church Parking Lot Expansion CIP project.

have been added since Fiscal Year 2008. Expansion of services to meet the needs of existing and new facilities, equipment and programs are limited. Response times to customer requests continues to lengthen, and the ability to meet increasing workload demands within the organization overall is difficult. Non-critical work gets delayed and backlogged. Most importantly, the essential time to plan and prepare for strategic and long-range projects is hampered by daily/routine tasks.

The Town of Morrisville has implemented a process where continuous assessment of operational and organizational efficiency is utilized to support strategic priorities and maximize use of the wealth of talent demonstrated by staff. Departments are challenged to seek creative and innovative ways to accomplish goals and objectives before seeking additional employees. This work will continue, however in some areas of operations, there is a pressing and immediate need for additional staffing resources.

The Fiscal Year 2017 budget includes requests for 8 additional full-time staff as follows:

- *Four (4) Sworn Police Officers*
- *One (1) Police Records Clerk*
- *One (1) Project Manager (Major Projects, including McCrimmon Parkway Extension)*
- *One (1) Inspector (Building and/or Fire TBD)*
- *One (1) Administrative Support (Public Information/Communications and Town Clerk)*

A summary of these requests with a brief justification narrative is provided as a part of the Budget Summary. Expenditures are subsequently included in Department Budget Profiles to reflect placement within the operating budget framework.

Other requests for staff have been deferred for continued review and analysis prior to a recommendation for inclusion in a proposed operating budget request. However, as we continue to evaluate expanding workloads on staff, a general forecast of position requirements suggest that future positions may be necessary in most departments, including Information Technology (including GIS), Planning (including Transportation), Engineering (including Stormwater), Parks and Recreation, Police and Fire (in addition to Quint staffing). Position requests can and will be fully vetted and scrutinized prior to future requests to add staffing.

In addition to full-time position requests, minor adjustments to part-time staffing levels for programming and routine operational needs have been included in the Parks and Recreation and Public Works budgets, respectively. In part, these requests allow for support for some programs to be handled more efficiently through dedicated part-time resources that allows full-time staff to devote more time to other responsibilities.

Health Care Costs

Health care costs have continued to increase, a trend observed in many municipalities and due in some part to requirements of the Affordable Care Act. The Town funds 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) as a cost containment strategy to help manage overall healthcare costs.

While the Town's claim history has improved (in part due to the closure of a high cost claim), the initial rate increase estimates remained over 15%. Initial negotiation with Blue Cross Blue Shield reduced the proposed increase to under 10%, however this is still above where the Town felt comparable to historical claims experience. The Town authorized its broker, Hill Chesson Woody, to seek comparable rate proposals from other insurance carriers, as well as to determine quotes based on some plan design modifications that would minimize cost increases. We were successful in reducing the net increased cost to slightly less than 5%, with some plan modifications to reduce the impact on the Town while not increasing employee premiums. Our future ability to avoid passing costs onto employees is uncertain and unlikely, but options will be explored during the upcoming year to proactively address health care costs impacts.

The Town has sponsored voluntary wellness programming for several years, and is based on the premise that preventive care and health knowledge and awareness is an essential approach to avoiding costly chronic conditions in the future. In

Fiscal Year 2016, the Town began offering an incentive to employees who participated in defined wellness activities. Although still voluntary, employees not participating began contributing to the cost of health care premiums mid-year at the rate of \$15.00 per month. The participation rate jumped significantly. Employees will be encouraged to continue their commitment to the wellness plan in exchange for no cost share for health premiums. Employees opting not to participate will begin paying \$30 per month for health care insurance. The empirical evidence supporting attention to wellness programming as important to reduced risk in future chronic health condition medical costs should be recognized over time as we work to control health care costs for the Town and its employees. It is likely a move toward a required set of wellness activities and/or employee contributions to health care costs that may have to be considered in the future if costs continue to escalate.

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. It also 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 2016 will be completed by June 30, 2016. An approximate 3.25% merit pay award for Fiscal Year 2016 performance (estimated cost \$405,000) has been included in the proposed Fiscal Year 2017 budget, subject to Town Council approval based on industry benchmarks for performance assessment ratings, historical ratings and trends for the Town of Morrisville. In addition, an adjustment of 3% to pay ranges is recommended to reflect rates of pay offered in the recruitment market and competing jurisdictions to ensure the Town can continue to attract and retain qualified and skilled employees. Pay range adjustments do not adjust existing employee salaries unless they fall below the adjusted beginning pay range. This typically has a minimal budgetary impact.

As a part of the modified compensation strategy, staff committed to a comprehensive review of the Town's pay ranges and salary structure during Fiscal Year 2016, with completion of the review prior to January 1, 2016. The full implementation of the revised compensation strategy for Fiscal Year 2016 removed the urgency of completing the review by January 2016, however the commitment to evaluating the job classification grades and salary ranges remained an integral part of evaluating our compensation strategy. Employee turnover has increased this year. Although not significant or a major concern, this can typically become more frequent as the economy rebounds and job availability increases. Employees make choices to leave employment due to a number of factors, one of which is compensation. Based on experience in recent recruiting efforts and feedback from some employees, higher pay is sometimes a barrier not only to attracting employees, but also to retaining valuable and skilled employees. The desire and need for succession plan development is also correlated to the longevity of key employees. Work on the market pay review has been underway and will be complete and ready for review by Town Council this summer. A recommendation may potentially include out-of-cycle pay adjustments, which would be considered separately from the Fiscal Year 2017 proposed budget. This review is not intended to be a vehicle for comprehensive salary adjustment for all employees, but only where market conditions substantiate an increase.

The part-time employee merit pay plan review and related performance evaluation process was scheduled for completion during Fiscal Year 2016. Recommendations for changes will be provided to Town Council as a part of the Personnel Policy updates. However, there are also a significant number of part-time positions, primarily seasonal or program employees for which the starting rates of pay have not been adjusted for several years. This may result in a competitive disadvantage for attracting and maintaining employees for essential positions such as lifeguards, officials, scorekeepers and center and recreation aides. A summary of proposed rate adjustments is provided in the Budget Summary. The total impact of these changes is estimated to be \$25,000 annually.

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.

Rate stabilization will require an increase in the employer contribution rate for Fiscal Year 2017 to 7.25% for general employees and 8.0% for law enforcement officers (LEOs). This is an increase of 0.58% and 0.85%, respectively for each of these plans over last year. After Fiscal Year 2017, both rates will 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 continuing to keep the local retirement system 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.

Community Investment Program Expenditures

The sale of the 2004 voter authorized \$4 million Parks and Recreation General Obligations Bonds occurred in June 2013 to fund the Church Street Park (formerly RTP Park) Capital Improvement Project. Construction is substantially complete; the park is open for use. The project fund is expected to close out during Fiscal Year 2017 after remediation of stormwater pond issues and completion of work and purchases related to irrigation and maintenance of the multi-purpose field. Full debt service for Church Street Park is incorporated in the Fiscal Year 2017 budget and will continue until 2034.

As of June 30, 2014, the Town has a total of \$20,000,000 in authorized, but unissued bonds outstanding. The voter approved bonds related to 2012 Street Improvement Bonds of \$14,300,000 and the 2012 Park Improvements Bonds of \$5,700,000 approved for the Morrisville Aquatics Fitness Center (MAFC) renovation project and Morrisville Community Park Phase II approximately 2018.

Design phase for the Street Improvement Bonds began in Fiscal Year 2014 for the project, now designated as the McCrimmon Parkway Extension Project. Design work is being cash flowed by the General Fund with property tax increments approved in 2014 and 2016 until bonds are issued; the tax increment will then be dedicated to debt service. Design work for Phase I is nearing completion and work on Right-of-Way acquisition is underway. Letting of bids and start of construction for Phase I of this project are anticipated in Fiscal Year 2017. Partial bond issuance is projected for fall/winter 2016. The remaining street improvement bonds will be issued for Phase II.

The 2012 voter approved Park Improvement Project design activities were scheduled to commence in Fiscal Year 2016, but have been delayed as options for the MAFC renovation project are evaluated by Town Council in light of the cost of the project. Work continues to define the project and establish a scope of renovations. Debt issuance will also be delayed.

The Church Street Walking Loop (Historic Trail) and Morrisville-Carpenter Road/Progress Energy roadway and sidewalk improvement projects are included in the Fiscal Year 2017 budget (carried over from Fiscal Year 2014). A second Church Street Walking Loop project was identified and approved for CDBG funding through Wake County. The required match of \$92,000 was paid in Fiscal Year 2016; construction of the sidewalk is scheduled for Fiscal Year 2017.

As previously discussed, the Capital Investment Program (CIP) Policy was updated in March 2015 by Town Council. Project profiles have been updated, leading to a prioritized list of ten projects for consideration in an initial draft CIP five-year plan. There are no new CIP projects designated for debt financing or bond referendum for Fiscal Year 2017. A proposed capital reserve allocation of \$200,000 annually to build future capacity to design or support debt service for projects has been included in the proposed Fiscal Year 2017 operating budget.

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 \$1,627,000 in Fiscal Year 2017 is 5.5% of the proposed budget as compared to 7.8% of the original budget for Fiscal Year 2016. Significant new debt will be limited without property tax rate adjustments or debt service allocations to pay associated costs for capital improvements or without sustained growth in annual operating revenues.

No new debt was introduced in Fiscal Year 2016. Fiscal Year 2017 anticipates an additional partial debt obligation payment of \$200,000 for the 2012 Street Improvement Bonds based on the timing of the bond sale, resulting in a net change to debt service of \$169,500 (offset by minor retirement from existing debt obligations as compared to prior year). Full debt service for Phase I of the project will be incorporated in the Fiscal Year 2018 budget. Future debt service payments for Phase II of the McCrimmon Parkway Extension project and the 2012 Park Improvement Bonds are scheduled to begin in Fiscal Year 2019 or later.

Fund Balance

The recommended budget includes an appropriation of \$250,000 from Streets Improvement Payment-in-Lieu for the carryover Morrisville-Carpenter/Progress Energy project.

The Town has a policy of maintaining 25% - 45% unassigned fund balance. Unassigned fund balance is important to allowing the Town to maintain the cash flow necessary for regular operations and projects requiring outlay of resources for related reimbursable expenditures. A robust fund balance also protects the Town from lost revenue resources and unknown impacts from economic downturn, significant unforeseen expenditures (such as weather related activities) and potential legislative actions.

⁵ There is no projected use of unassigned fund balance to balance the proposed Fiscal Year 2017 budget. Excess unassigned fund balance as of the end of Fiscal Year 2015 may be allocated to one-time capital projects approved by Town Council. The forecasted fund balance at the end of Fiscal Year 2017 based on this scenario is 56%, based on 100% execution of the proposed budget.

Future Outlook

The proposed Fiscal Year 2017 operating budget provides an opportunity to address operational and personnel needs while still providing major emphasis on use of the discretionary capacity to create opportunities to address both short-term and long-term needs. Town needs have been balanced carefully and purposely in strategic areas to provide the pathway for staying on track while continuing to move forward.

We are a small Town, but we have big aspirations. With our progressive philosophy we recognize that we can safeguard and maintain existing infrastructure and equipment, provide more programs and services, and develop desirable and in demand community amenities in a balanced and responsible way. A focus on transportation and parks and recreation development will continue to dominate our budgetary choices. The proposed budget is also an action plan that emphasizes the diversity of community amenities that make the Town of Morrisville a great place to call home, enhance community satisfaction and create more opportunities in the future.

We are a changing Town, and we can control our destiny through our vision, mission, and commitment to strategic planning and implementation of the plan. Sustained commitment and acknowledgement that some risk comes with that vision can make us stronger.

⁵ Town Council approved the onetime appropriation of Unassigned Fund Balance in excess of the Policy to fund the right-of-way and other land acquisition for the Morrisville-Carpenter Road Improvement Project and the Historic Christian Church Parking Lot Expansion CIP project. The appropriation totaled \$2,055,000.

We are a collaborative Town, however strong enough to showcase our unique place in Wake County. The celebration of our friendly, welcoming atmosphere and the inclusiveness in which we live and work continue to be the hallmarks by which we make strategic budget choices. We learn from others, but have our own story to tell.

We are proud. We are strong. We are eager to embrace the challenges and opportunities that lie before us. The Town of Morrisville continues to move forward...

Acknowledgement

It is always a pleasure to acknowledge and recognize those who participate in the development of the annual operating budget. It is also easy, since everyone in the Town plays a role. Our commitment to meeting the needs of our community is evident in every aspect of what we do, from day-to-day activities, progress meetings, project management, and comprehensive efforts to engage in long-range planning for the Town. These efforts involve not only staff, but Town Council, Advisory Boards and Commissions, Business and Community leaders, and our citizens. Together, the fabric of the Town's vision and mission are integrated into the annual operating budget proposal. Moreover, the underlying spirit of collaboration and cooperation, even when we don't agree, serves us well. My greatest reward as Town Manager is the people I work with and serve.

Special thanks to the Management Team, comprised of Department and Division Heads, who facilitate the flow of information throughout the organization and represent their staff in identifying ways to work within our means, while also seeking continuous process improvement. Their flexibility and cross-departmental communication are essential ingredients that play an integral part in our overall success.

Our employees continue to be our greatest asset, and are the most critical component of our ability to perform and serve. The care and attention to the needs of staff are addressed throughout the year by our Human Resources Department. As we explored our workforce needs more in-depth for this budget proposal, Human Resources Director Lauri Shedlick, managed the process of considering personnel requests and appropriate placement within the Pay Classification structure. She provided the necessary guidance and objectivity essential to making tough choices amongst many legitimate requests.

The opportunity to develop and present a budget that reflects a reasonable and balanced approach to meeting the needs of the community is a labor of love. It is not just a series of numbers—there is an art to weaving the requests into the collective story of the Town's values and goals. Jeanne Hooks, Budget Manager, brings much more than knowledge and skill to her work. She understands the historical context, the departmental perspective, attention to organizational oversight, and the long-term impact that help staff and senior management to evaluate requests. She helps me illustrate the story we want to share with Town Council and our citizens. I value and respect Jeanne and her insight that helps me tell our story.

My last thanks are saved for Tony Chiotakis, Assistant Town Manager. For over twenty-five years, Tony has served the Town in various capacities, including Town Manager. He has watched the Town grow and has been a part of virtually every piece of the Town's development. He recognizes and understands the difficult choices that must be made in developing the budget, and always provides valuable input into decisions that must be made. I have learned much from him, and as he enters retirement, I wish him well and pledge to love the Town of Morrisville as much as he has.

Conclusion

Fiscal Year 2016 has been exciting and rewarding. Town Council has spent significant time and effort in discussing long-term strategic vision for many major projects, including Town Center and our Capital Investment Program. Difficult choices remain ahead, but I am confident this approach will reap benefits in making tough decisions and allow for progress in meeting unaddressed needs and providing long awaited community amenities.

The Fiscal Year 2017 proposed operating budget conservatively programs our natural revenue growth toward continuation of programs and services, and a carefully selected set of other basic needs and other recommendations that convey our desire to meet community expectations. Continued emphasis on long-term capacity and resource allocation remain a hallmark of this budget request.

Presentation of the budget at the May 10 Town Council meeting will provide an overview that will set the stage for more in depth discussion of components of the budget at budget work sessions on May 17 and May 31. The budget portal will be open to promote public input, and the public hearing will be held on May 24, 2016. We look forward to a positive and productive discussion with you.

Sincerely,



Martha Paige
Town Manager/Budget Officer





Fiscal Year 2017 Annual Operating Budget

Ordinance 2016-038A

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, 2016 and ending June 30, 2017.

Section 1. **GENERAL FUND**

ANTICIPATED REVENUES/TRANSFERS IN

Ad Valorem Taxes	17,122,300
Intergovernmental	7,373,100
Sales & Services	1,149,200
Permits & Fees	971,200
Restricted Intergovernmental	969,300
Other Taxes & Licenses	939,400
Miscellaneous	367,000
Investment Earnings	42,000
Transfers (In)	-
Appropriation Streets PIL Fund Balance	250,000
Appropriation Unassigned Fund Balance	2,055,000
Total General Fund Revenues	\$ 31,238,500

AUTHORIZED EXPENDITURES/TRANSFERS OUT

Public Safety

Police	4,203,200
Fire	5,096,700
Total	\$ 9,299,900

Public Works & Facility Management

Public Works & Facility Management	6,411,700
Powell Bill	547,000
Fleet	523,000
Total	\$ 7,481,700

General Government

Governing Body	3,904,300
Administration	1,666,400
Human Resources	403,300
Finance	663,900
Information Technology	1,295,100
Total	\$ 7,933,000

Economic & Development

Inspections	628,600
Planning	1,390,200
Total	\$ 2,018,800

Recreation & Cultural Resources

Parks & Recreation	1,953,600
Total	\$ 1,953,600

Engineering

Engineering	923,900
Total	\$ 923,900

Debt Service

	1,627,600
Total	\$ 1,627,600

Total Expenditures	\$ 31,238,500
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Section 2. MUNICIPAL SERVICE DISTRICT FUND**ANTICIPATED REVENUES**

Ad Valorem Special District Tax	93,700
Investment Earnings	0
Transfer from General Fund	0
Total Anticipated Revenues	\$ 93,700

AUTHORIZED EXPENDITURES

Operations	93,700
Total Anticipated Expenditures	\$ 93,700

Section 3. STORMWATER FUND**ANTICIPATED REVENUES**

Stormwater ERU Fees	547,500
Stormwater Review Fees	25,000
Transfers from General Fund	114,900
Total Anticipated Revenues	\$ 687,400

AUTHORIZED EXPENDITURES

Personnel	277,300
Operations	335,100
Capital Outlay	75,000
Total Anticipated Expenditures	\$ 687,400

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

ANTICIPATED REVENUES

Transfer from General Fund	288,100
Interest	2,000
Total Anticipated Revenues	\$ 290,100

AUTHORIZED EXPENDITURES

Net Assets in Trust	276,161
OPEB Benefits Paid	13,939
Total Expenditures	\$ 290,100

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

ANTICIPATED REVENUES

Transfer from General Fund	73,310
Interest	600
Total Anticipated Revenues	\$73,910

AUTHORIZED EXPENDITURES

Net Assets in Trust	19,496
Law Enforcement Benefits Paid	54,414
Total Expenditures	\$73,910

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

- A. Under authority of GS 160A-209 there is hereby levied for Fiscal Year 2017 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, 2016, 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 \$4,402,100,000. **The equivalent estimated value of 1 Cent on the tax rate will be dedicated annually to the Roadway and Transportation Reserve Fund.**
- 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 2017 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 2017 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 2017 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, 2016, 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 2017 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 eight (8) new positions approved for the Fiscal Year 2017. The Authorized Positions Profile will increase to 170 Fulltime positions with an estimated 40.8 Part-time positions are 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 2017 Town of Morrisville Full-time Pay Plan describing the approved position classifications, grades, and pay ranges. The Fiscal Year 2017 Full-time Pay Grades and Ranges list is located in the Budget Summary Section of the Annual Budget for Fiscal Year 2017.
- B. There is hereby an authorized Merit Pay Plan effective July 1, 2016. The Performance Evaluation Year is 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:

0 Does Not Meet Expectations	0%
0 Meets Expectations	2%
0 Exceeds Expectations	3%
0 Far Exceeds Expectations	4%

- C. There is hereby an authorized Fiscal Year 2017 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 2017.

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 2017, 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 \$210 per hour. When appropriate, assignment of legal matters to associate attorneys will occur and charges applied per hour based on a rate range of \$180 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 usage will be subsequently reported to Town Council in accumulative increments of \$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 2017. 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.

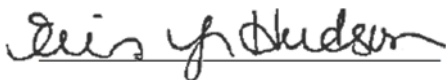
Section 17. **Re-appropriation of Funds Encumbered in FY 2016**

Operating funds encumbered on the financial records as of June 30, 2016, are hereby re-appropriated to Fiscal Year 2017.

Adopted this 14th day of June 2016


Mark Spohlman, Mayor

ATTEST:



Erin Hudson, Town Clerk



RESOLUTION 2016-038B OF 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.

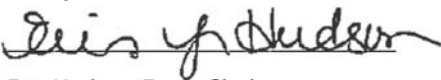
WHEREAS, the Town of Morrisville adopted Fiscal Year 2017 Annual Budget Ordinance prescribes and establishes such taxes and fees:

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 2017 Adopted Annual Budget Ordinance.

Adopted this the 14th day of June 2016.


Mark Spohlman, Mayor

ATTEST:


Erin Hudson, Town Clerk



100 Town Hall Drive, Morrisville, NC 27560

RESOLUTION 2016-038C OF THE MORRISVILLE TOWN COUNCIL PERTAINING ESTABLISHMENT OF A CIP CAPITAL RESERVE FUND

WHEREAS, Town Council has made great strides toward the development of a comprehensive Capital Investment Program (CIP) that identifies prioritized project concepts and various potential funding strategies; and

WHEREAS, it is Town Council's interest to realize the execution of the CIP projects prioritized within the plan adding value to the community; and

WHEREAS, Capital Reserve Funds are a common best practice for local governments in conjunction with capital programs that are intended for long-term capital investments that improve existing assets or create future assets; and

WHEREAS, incrementally accumulated reserve funds provide a means to offset expenses associated with constructing capital investment projects such as design, land acquisition/easements, site work, and/or debt service; and

WHEREAS, Town Council intends to annually contribute to build the Capital Reserve Fund through the consideration of the annual operating budget; and

WHEREAS, it is at Town Council's discretion annually if the designated annual funding is affordable in order to manage unforeseen economic circumstances that may negatively impact future operating budgets; and

WHEREAS, the Town would like to establish a Capital Reserve Fund to be utilized to construct the projects prioritized within the CIP; and

WHEREAS, any transfer of monies to and withdrawals from the Capital Reserve Fund must be approved by resolution or ordinance; and

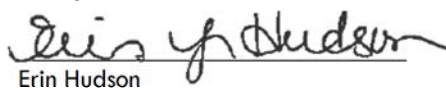
WHEREAS, any cash balance in capital reserve will accrue interest; and

WHEREAS, no withdrawal may be authorized for any other purpose than what this resolution has defined:

NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby adopts this resolution establishing a CIP Capital Reserve Fund.

Adopted this the 14th day of June 2016.

ATTEST:


Erin Hudson


Mark Sohlman, Mayor



RESOLUTION 2016-038D OF THE MORRISVILLE TOWN COUNCIL PERTAINING ESTABLISHMENT OF A ROADWAY AND TRANSPORTATION CAPITAL RESERVE FUND

WHEREAS, Town Council has worked annually to address growing roadway and transportation needs facing our community through increased roadway maintenance allocations annually, active capital improvement projects to improve transportation infrastructures and by proactively competing for federal and state grant funding opportunities; and

WHEREAS, it is Town Council's interest to invest additional funding resources annually toward future roadway and transportation improvements by building dedicated reserves; and

WHEREAS, Capital Reserve Funds are a common best practice for local governments in conjunction with capital programs that are intended for long-term capital investments that improve existing assets or create future assets; and

WHEREAS, incrementally accumulated reserve funds provide a means to offset expenses associated with constructing capital investment projects such as design, land acquisition/easements, site work, grant matching and/or debt service; and

WHEREAS, Town Council intends to annually contribute to build the Capital Reserve Fund by dedicating the equivalent estimated value of 1 cent on the tax base specifically to roadway and transportation improvements; and

WHEREAS, it is at Town Council's discretion annually if the designated annual funding solution is affordable in order to manage unforeseen economic circumstances that may negatively impact future operating budgets; and

WHEREAS, any transfer of monies to and withdrawals from the Capital Reserve Fund must be approved by resolution or ordinance; and

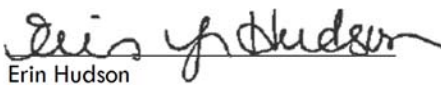
WHEREAS, any cash balance in capital reserve will accrue interest; and

WHEREAS, no withdrawal may be authorized for any other purpose than what this resolution has defined:

NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby adopts this resolution establishing a Roadway and Transportation Capital Reserve Fund with a dedicated 1 cent on the tax rate annually as the primary funding mechanism.

Adopted this the 14th day of June 2016.

ATTEST:


Erin Hudson


Mark Sohlman, Mayor



CAPITAL PROJECT ORDINANCE 2016-038E OF THE MORRISVILLE TOWN COUNCIL ESTABLISHING THE HISTORIC CHRISTIAN CHURCH PARKING LOT EXPANSION 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 2016-038 Historic Christian Church Parking Lot Expansion Capital Project Ordinance:

Section 1: The project authorized is for the purpose to design and construct a parking lot adding 35-40 parking space between the Historic Christian Church and Page Street building so functions may be expanded for the church facility that may enhance safety for users of facility, expand program uses and address space for dedicated senior programs. The project scope may become more refined as the design progresses.

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>
Capital Outlay - Infrastructure (includes construction & contingency)	\$375,000
Professional Services (includes construction administration, monitoring & reporting)	80,000
Total	\$455,000

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	\$455,000

Section 5: The project is a Pay-as-Go project and 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.

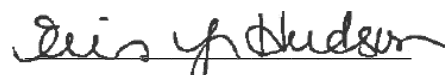
Section 8: Copies of this capital project ordinance shall be furnished to the Town Clerk, Finance Officer, and the Budget Officer for direction in carrying out the project.

This the 14th day of June, 2016.



Mark Stohlman, Mayor

ATTEST:



Erin L. Hudson, Town Clerk



100 Town Hall Drive, Morrisville, NC 27560

CAPITAL PROJECT ORDINANCE 2016-038F OF THE MORRISVILLE TOWN COUNCIL AMENDING THE MORRISVILLE-CARPENTER ROAD IMPROVEMENT 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 amended from the original 2015-092 Morrisville-Carpenter Road Improvement Capital Project Ordinance:

Section 1: The project authorized is for the purpose of design and permitting of a four-lane, median divided section for Morrisville-Carpenter Road (S.R. 3014) between the North Carolina Railroad (NCRR) right-of-way adjacent to Chapel Hill Road (NC 54), and Davis Drive (S.R. 1613).

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/Engineering/Permitting	\$ 804,000
Land Acquisition (\$1M ROW & \$600K Go Triangle Property)	\$1,600,000
Total	\$2,404,000

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 (Already anticipated within Original Adopted Budget)	\$ 620,000
Transfer from General Fund Engineering Dept. Budget	\$ 10,000
Prior Fund Balance Appropriation General Fund	\$ 174,000
Fund Balance Appropriation General Fund (\$1M ROW & \$600K Go Triangle Property)	\$1,600,000
Total	\$2,404,000

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.

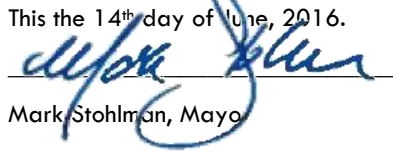
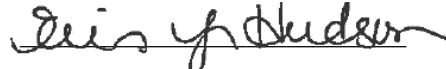
Section 6: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the financing agreement(s).

Section 7: Reimbursement requests should be made to the granting agencies and the General Fund in an orderly and timely manner if necessary.

Section 8: 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 9: 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.

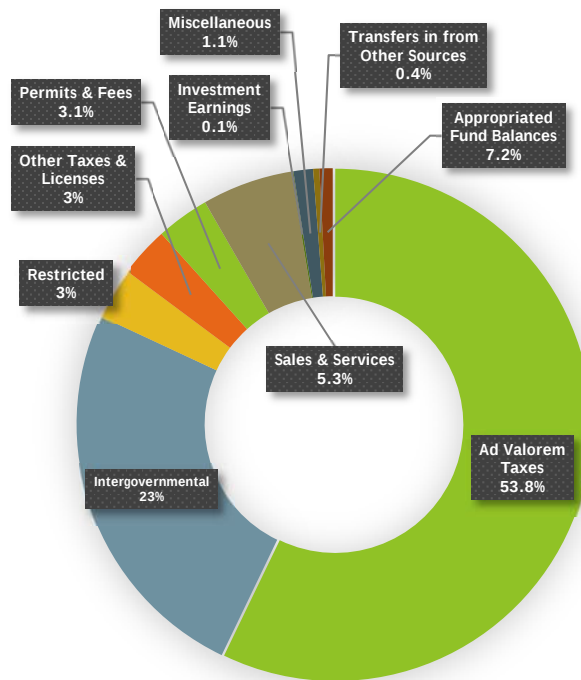
This the 14th day of June, 2016.


Mark Stohlman, Mayor
Erin L. Hudson, Town Clerk

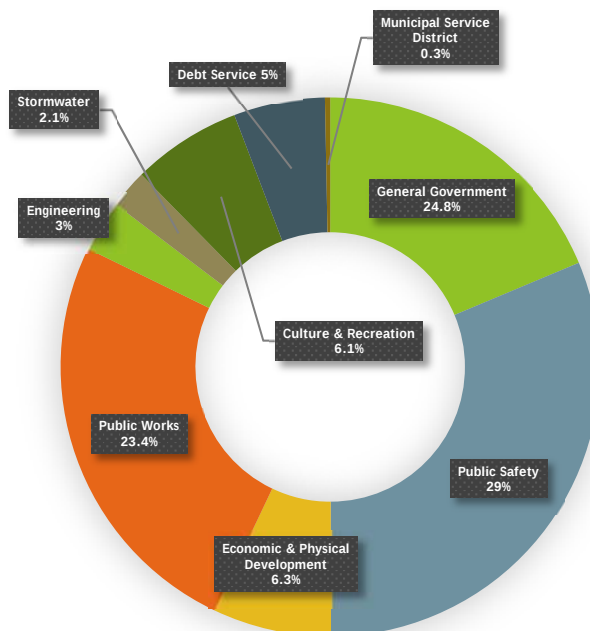
Operating Fund Summary

Charts below illustrate in aggregate all revenues and expenditures for annual operating funds: General Fund, Capital Reserve Funds, Municipal Service District Fund and Storm Water Fund.

Operating Revenues



Operating Expenditures



Total Revenues by Fund Classification

	2014 Actual	2015 Actual	2016 Estimated	2017 Proposed
General Fund				
Ad Valorem Taxes	\$ 14,511,449	\$ 14,690,768	\$ 16,285,000	\$ 17,122,300
Intergovernmental	\$ 5,574,758	\$ 6,563,000	\$ 7,068,200	\$ 7,373,100
Sales & Services	\$ 1,103,864	\$ 1,163,701	\$ 1,111,946	\$ 1,149,200
Permits & Fees	\$ 1,071,184	\$ 1,217,778	\$ 1,589,600	\$ 971,200
Restricted Intergovernmental	\$ 522,498	\$ 545,077	\$ 654,836	\$ 969,300
Other Taxes & Licenses	\$ 1,761,049	\$ 1,731,429	\$ 924,000	\$ 939,400
Miscellaneous	\$ 359,158	\$ 298,680	\$ 346,600	\$ 367,000
Transfers in from Other Fund Sources	\$ 1,707,209	\$ 310,958	\$ 316,300	\$ -
Investment Earnings	\$ 16,474	\$ 16,949	\$ 40,000	\$ 42,000
Proceeds	\$ -	\$ 1,000,000	\$ -	\$ -
Appropriation of Unassigned Fund Balance	\$ -	\$ -		\$ 2,305,000
Total General Fund Revenues	\$ 26,627,643	\$ 27,538,340	\$ 28,336,482	\$ 31,238,500

Non-Major Governmental Appropriated Revenues

Municipal Service District Fund

Ad Valorem Taxes	\$ 92,179	\$ 91,500	\$ 92,400	\$ 93,700
Investment Earnings	\$ 140	\$ 100	\$ 315	\$ -
Transfer in from General Fund	\$ -	\$ 110,000	\$ 242,100	\$ -
Appropriation of Fund Balance	\$ -	\$ 122,736	\$ -	\$ -
Total Municipal Service District Fund Revenues	\$ 92,319	\$ 324,336	\$ 334,815	\$ 93,700

Proprietary Appropriated Revenues

Stormwater Enterprise Fund*

Sales & Services	\$ 446,804	\$ 512,370	\$ 543,000	\$ 547,500
Permits & Fees	\$ 22,428	\$ 27,786	\$ 60,000	\$ 25,000
Restricted Intergovernmental	\$ 337,640	\$ 342,093	\$ 100,600	\$ -
Investment Earnings	\$ -	\$ -	\$ -	\$ -
Transfer in from General Fund*	\$ -	\$ -	\$ 126,200	\$ 114,900
Total Stormwater Fund Revenues	\$ 806,872	\$ 882,249	\$ 829,800	\$ 687,400

Total Revenues - All Operating Funds **\$ 27,526,834** **\$ 28,744,925** **\$ 29,501,097** **\$ 32,019,600**

Note: *For demonstration purposes, the historical stormwater revenues have been restated prior to FY2016 when the Stormwater Fund was established.

Total Expenditures by Fund Classification

	2014 Actual	2015 Actual	2016 Estimated	2017 Proposed
General Fund by Function				
Public Safety*	\$ 7,309,203	\$ 8,696,947	\$ 8,580,270	\$ 9,299,900
Public Works	\$ 6,101,531	\$ 5,551,740	\$ 5,821,501	\$ 7,481,700
General Government	\$ 4,497,392	\$ 4,787,997	\$ 5,301,704	\$ 7,933,000
Economic & Physical Development	\$ 1,702,396	\$ 2,103,470	\$ 1,725,848	\$ 2,018,800
Culture & Recreation	\$ 1,660,349	\$ 1,736,608	\$ 1,663,256	\$ 1,953,600
Engineering	\$ 472,810	\$ 507,688	\$ 514,520	\$ 923,900
Debt Service	\$ 1,516,701	\$ 1,716,606	\$ 1,458,100	\$ 1,627,600
Total General Fund Expenditures	\$ 23,260,382	\$ 25,101,056	\$ 25,065,199	\$ 31,238,500

Non-Major Governmental Appropriated Expenditures

Municipal Service District Fund

Operations	\$ 83,148	\$ 322,836	\$ 334,000	\$ 93,700
Transfer to General Fund	\$ -	\$ -	\$ -	\$ -
Total Municipal Service District Fund Expenditures	\$ 83,148	\$ 322,836	\$ 334,000	\$ 93,700

Proprietary Appropriated Expenditures

Stormwater Enterprise Fund**

Operations	\$ 397,418	\$ 411,647	\$ 546,407	\$ 612,400
Capital Outlay	\$ 326,586	\$ 7,753	\$ 120,000	\$ 75,000
Transfer out to Capital Project	\$ -	\$ -	\$ -	\$ -
Total Stormwater Fund Expenditures	\$ 724,004	\$ 419,400	\$ 666,407	\$ 687,400

Total Expenditures - All Operating Funds **\$ 24,067,534** **\$ 25,843,292** **\$ 26,065,606** **\$ 32,019,600**

Note: *Organizational re-structure shifted some cost between report function, historical cost have been restated for demonstration purposes.

**The historical stormwater expenditures have been restated prior to FY2016, when the Stormwater Fund was established.

Budgetary Priorities List by Type

Operations (Base Budget Adjustments)		Town Manager Recommendation	Council Adjustments
Public Works	Parks and Grounds Additional Maintenance	17,000	
Public Works	Parks and Recreation Building Maintenance	15,000	
Parks	Special Events Programs	13,000	
Public Works	Police Vehicle Maintenance Warranties	10,000	
Planning	Training Support	4,200	
	TOTAL	\$ 59,200	\$59,200
Operations (Non-Routine/One-Time)			
Planning	Rex Grant (Offset by Grant Revenues)	104,500	
Governing Body	Contingency	100,000	<100,000>
Parks	Master Plan Update	80,000	
Fire	Station Location Study	55,000	
Information Tech	IT Replacement Plan	54,400	
Administration	Space Modifications Allowance	50,000	
Governing Body	Website Redesign	50,000	
Fire	Personal Protective Equipment	49,200	
Public Works	Traffic Signal Maintenance (Town of Cary)	45,000	
Administration	Branding Campaign Rollout	43,000	
Public Works	Telemetrics	35,000	
Fire	Water System Modeling	32,400	
Public Works	Ben's Bargain Barn Demolition	30,000	
Planning	Sign Ordinance Update	25,000	
Planning	GIS Core Investment	25,000	
Information Tech	Parks and Recreation - Various Internet/WiFi Connections	23,800	<20,000>
Public Works	Fire Station 2 Kitchen/Radio Room Renovations	23,500	
Fire	Medical Stress Tests	22,500	
Governing Body	Civic HR (NEOGov Alternatives)	20,000	
Public Works	Parks Maintenance Shop Fire Alarm System	15,700	
Public Works	House Burn - 124 Scoggins Avenue	15,000	
Information Tech	Remote Application Access	15,000	
Parks	Cultural Program Allowance	13,500	
Public Works	Fire Station 2 Maintenance Items (Ice Breakers)	12,900	
Parks	Special Event Enhancement	12,000	
Public Works	PSMS Maintenance Items (Ice Breakers)	8,800	
Fire	Local Public Safety Training Center Study	7,500	
Police	Police Officer Equipment	6,000	
Inspections	Inspector Equipment	5,500	
	TOTAL	\$ 980,200	\$ 860,200

Capital (Non-Routine/One-Time)		Town Manager Recommendation	Council Adjustments
Fleet	Fleet Replacement	278,000	
Fleet	Police Officer Vehicles (Addition)	220,000	
Police	In-Car Camera System (All Police Vehicles)	159,100	
Information Tech	IT Replacement Plan	127,000	
Public Works	PSMS Building Roof Replacement	83,200	
Public Works	Police Department Modifications	81,000	
Engineering	Morrisville Parkway Signal Light/Sidewalks	41,500	
Fire	Fire Replacement Equipment	28,100	
Administration	Branding Rollout	25,000	
Fleet	Inspector Vehicle	25,000	
	TOTAL	\$ 1,067,900	\$ 1,067,900
Operations/Capital (Category Allocation)			
Public Works	Road Maintenance	300,000	
Public Works	Pedestrian Safety Enhancements	100,000	
Engineering	Sidewalk Prioritization Plan	100,000	
Planning	Traffic Management Projects	100,000	<100,000>
Engineering	Project Design	50,000	
	TOTAL	\$ 650,000	\$ 550,000
Operations (Recurring)			
Governing Body	Agenda Management Software	10,000	
Human Resource	Wellness Program	8,000	
Information Tech	Remote Application Access	2,700	
Information Tech	Parks and Recreation - Various Internet/WiFi Connections	1,200	
Public Works	Parks Maintenance Shop Fire Alarm System	900	
	TOTAL	\$ 22,800	\$ 22,800
Personnel			
Police	Police Officers (4)	286,800	
Engineering	Project Manager	84,400	
Inspections	Inspector	81,700	
Police	Records Clerk	62,900	
Administration	Administrative Staff Support (Town Clerk/PIO)	56,700	
Parks	Part-time Staff Increase	25,000	
Parks	Aquatics Aide Additional Hours	11,900	
Parks	MAFC Expanded Hours	9,000	
	TOTAL	\$ 618,400	\$ 618,400

Operations/Capital Carryover

		Town Manager Recommendation	Council Adjustments
Public Works	Morrisville-Carpenter Road Progress Energy Project	347,900	
Public Works	Church Street Walking Loop	227,000	
Public Works	Sidewalk Projects	200,000	
Planning	Rex Endowment Grant (Prior Year)	101,500	
Public Works	Pedestrian Enhancements (MC Road Streetlights)	100,000	
Engineering	Sidewalk Funds (FY 2016)	100,000	
Public Works	Pedestrian Crossing (McCrimmon Parkway)	78,000	
Finance	Enterprise Software Implementation (formerly One Solution)	50,000	
TOTAL		\$ 1,204,400	\$ 1,204,400

Interfund Transfers /Debt

Debt Service	McCrimmon Parkway Bonds	200,000	
Governing Body	Fire Apparatus Replacement Reserve	652,000	
Governing Body	CIP Capital Reserve	200,000	
Governing Body	Roadway & Transportation Capital Reserve		440,000
Governing Body	Morrisville-Carpenter Road Improvement Capital Project ROW		1,000,000
Governing Body	Morrisville-Carpenter Road Improvement Capital Project – Go Triangle Land Acquisition		600,000
Governing Body	Historic Christian Church Parking Lot Expansion CIP Project		455,000
TOTAL		\$ 1,052,000	\$ 3,547,000
Grand Total		\$ 5,654,900	\$ 7,929,900

Note: Merit is not shown in list above, but is approximately \$405,000.

Narrative Summary of Budget Priorities

Operations (Base Budget Adjustments)

Parks and Grounds Additional Maintenance Additional properties being serviced include two new parks (Church Street and Northwest), Shiloh Greenway, the Greer Property, Scoggins Property, and Carolina Property. Servicing includes seeding, fertilizer, herbicides, pesticides, top dressing and tree spray.	\$ 17,000
Parks and Recreation Building Maintenance Maintenance primarily related to the MAFC pool, but also related to ongoing maintenance as a result of its aging condition. Identified needs include carpet, safety parts for the elevator, pool bubble door panic hardware, and replacement of rusting lockers.	\$ 15,000
Special Events Programs Funding to maintain existing special events at the service levels established in 2015 and 2016. In Fiscal Year 2016 there was significant growth in several special events, particularly the Halloween and Holiday Tree Lighting programs. Changes in these events were well received by the community and internally. In addition, based on the success of the SpringFest in 2015, we continue to look for ways to improve the program and meet the anticipated growth in attendance.	\$ 13,000
Police Vehicle Maintenance Warranties Twenty-three of the police vehicles are Chargers nearing the end of their warranty period but not ready for replacement. This allocation of funds would be used to cover additional cost of future repairs.	\$ 10,000
Training Support (Planning) Additional training and travel expense for staff, offset by reductions in the number of national and state conferences attended by staff. This change is necessitated due to the departure of Planning Director Ben Hitchings, who received complimentary travel to both state and national planning conferences in relation to his role as NC-APA President. New staff will also require classes and continuing education to receive/retain certifications necessary to the job.	\$ 4,200

Operations (Non-Routine/One-Time)

Rex Grant The third year of grant funding for development of the Food Hub. This expenditure is offset by the receipt of grant revenues of \$103,500 from the John Rex Endowment and \$1,000 from Western Wake Farmers Market.	\$104,500
Contingency <i>Removed at Adoption</i> Undesignated appropriations to allow the Town Manager flexibility to mitigate unforeseen circumstances or maximize opportunities.	\$100,000
Master Plan Update (Parks and Recreation) The original master plan was produced in 2001. Since then, the last two updates (2006 and 2011) were performed by department staff. It is important for a community growing as rapidly as Morrisville to perform a comprehensive update externally, and is consistent with department accreditation standards. The master plan will serve as a guide for future physical resources and their operations in a detailed analysis of the community's social characteristics, physical characteristics, and recreation inventory compared to the established and/or desired level of services. The update will include community engagement and input.	\$ 80,000

- **Station Location Study (Fire)**

\$ 55,000

The study will assess opportunities to maximize ISO credit and improve services to the citizens, with a goal of improving the Town's ISO rating from Class 3 to Class 1. The study will review where fire service demands impact the Town and correlate to fire response times, and will help Town Council continue its discussions related to placement of Fire Station 3.

- **IT Replacement Plan (Operations)**

\$ 54,400

- **IT Replacement Plan (Capital)**

\$127,000

The replacement plan was updated for Fiscal Year 2016 to reflect longer life cycles on some equipment. The schedule for Fiscal Year 2017 includes replacement of various laptop, desktop and rugged laptop computers, servers, core and standard network switches, and Smart Boards in various departments.

- **Space Modifications Allowance**

\$ 50,000

Funds set aside to provide minor modifications to various Town buildings (Town Hall, Parks and Recreation and PSMS) to enhance the work environment, meeting space access and related customer service, accommodate staff and Town records, and address functional issues (noise and HVAC). Some departments are beyond capacity and require some movement of staff and work functions.

- **Website Redesign**

\$ 50,000

Complete overhaul of the existing website to improve functionality and accuracy. CivicPlus is the industry best standard for management and oversight of local government websites and includes the analytic tools and modules that will enhance internal production and improved customer experience. Included is the addition of a program (SiteImprove) to identify broken links, spelling errors, and stale content, to improve the overall quality of the website. The CivicReady module will assist with providing information during emergencies and automated alerts and aide in communications protocols. The website will also be able to incorporate future billing portals if needed.

- **Personal Protective Equipment (Fire)**

\$ 49,200

Provision of a second set of turn out gear for firefighters in compliance with National Fire Protection standards. Currently, with only one set of gear, firefighters must wear contaminated gear when it becomes soiled. Industry best practices recommend soiled gear be washed immediately to avoid firefighters being exposed to harmful products that could negatively impact their long-term health.

- **Traffic Signal Maintenance (Town of Cary)**

\$ 45,000

Agreement with the Town of Cary for maintenance of two traffic signals. Locations are Perimeter Park at Paramount Parkway and Paramount Parkway at Carrington Mill Boulevard. The contract is currently in the process of being renegotiated. The Town of Cary is requesting a one-time fee of \$25,000 for costs related to software upgrades and a recurring fee of \$20,000 for general maintenance. The Town does not have the expertise or infrastructure to maintain the traffic signals in-house.

- **Branding Campaign Rollout (Operations)**

\$ 43,000

- **Branding Campaign Rollout (Capital)**

\$ 25,000

Continuation of the branding campaign rollout upon selection of a logo. An inventory of logo placements and a phased execution of the launch are in development. The first priority would be replacement of the Town of Morrisville sign at the intersection of Morrisville-Carpenter Road and Town Hall Drive. Building signage, welcome markers, an unveiling event, general promotion, local media outreach and related collateral materials are included in the funding request.

Telemetrics	\$ 35,000
<i>Telemetrics software and hardware will assist with monitoring Town vehicle maintenance and tracking, as well as enhance workforce routing analysis and compliance with Town safety policies. On Board Diagnostics (OBD) warnings would alert drivers and fleet mechanics that vehicles are due for service before excess wear and tear can cause damage. OBD also monitors driver behavior and could aid in vehicle accident investigation. Fuel monitoring will also assist in ensuring vehicles are fueled where fuel cards are accepted. This request is for one-half of Town vehicles.</i>	
Water System Modeling	\$ 32,400
<i>Creates a hydraulic model of available water supply, which is required by ISO. Approximately 400 fire flow tests are conducted each year in a five-year cycle (total 2,000 hydrants). The annual flow process results in a minimum of 330,000 gallons of water wasted. This modeling will eliminate the need to conduct hydrant flow tests in the field, reducing work hours spent in the field, equipment wear and tear, improve firefighter safety, and reduce water waste. After this initial outlay, the cost of this service will be divided over the five-year cycle.</i>	
Ben's Bargain Barn Demolition	\$ 30,000
<i>Once the building is vacated, asbestos and fuel tanks will be removed. The Fire Department will use this building for training prior to demolition. Demolition will occur as quickly as possible following training activities.</i>	
Sign Ordinance Update	\$ 25,000
<i>Professional services to draft revisions to the UDO sign regulations, including a legal review of the draft revisions. In 2015, the US Supreme Court made a ruling in the case Reed v. Town of Gilbert, AZ that state and local government sign requirements cannot differentiate between signs based on the message content of the sign. This represents a major change to the legal framework governing this issue, and necessitates an overhaul to the Town's sign requirements in order to bring them into compliance with the latest federal case law. Delay of this process makes the Town vulnerable to legal challenges.</i>	
GIS Core Investment	\$ 25,000
<i>A package of Geographic Information System (GIS) resources to expand and improve the use of GIS throughout the Town. This investment in GIS is needed to provide additional software capabilities, to hire a consultant to assist with development of a database structure and file naming system, to enhance staff skills, and provide equipment in order to begin the implementation of a GIS upgrade for the Town. Benefits include enhanced data management, quality and consistency, data editing and analysis, and GIS support for departments town-wide.</i>	
Parks and Recreation – Various Internet/Wi-Fi Connections	\$ 3,800
<i>Provision of public wireless services at Church Street Park and Luther Green. Costs include cabling, conduit and access points for both areas and the addition of a second wireless LAN controller to help manage the devices and provide backup functionality. This request does not include Morrisville Community Park due to the need for dedicated conduit from Morrisville Parkway to the MCP office, which is currently cost prohibitive. Cedar Fork, MAFC and the Historic Christian Church already have public wireless capability.</i>	
Fire Station 2 Kitchen/Radio Room Renovations	\$ 23,500
<i>The kitchen cabinets are original to the building (17 years old) and are worn due to a higher than normal usage due to the 24 hour/7day a week usage, along with a high volume of staff. The counter top and sink will also need replaced. The NFPA wants fire stations to install non-porous counter tops. Cabinets will be refaced rather than replaced. The Formica</i>	

countertops in the radio room are peeling and chipping and need replacement. The cabinets are outdated and need to be refaced (a less expensive alternative to replacing them).

- **Medical Stress Tests (Fire)**

\$ 22,500

The purpose of the stress tests is to establish baseline medical condition to move forward with annual physical agility tests for firefighters. The Fire Department desires to reinstate annual physical agility testing (PAT) in Fiscal Year 2018. The PAT is demanding and, in an effort to reduce injury before testing, a medical stress test is advisable. The goal of the program is to ensure firefighters are physically capable of performing their duties.

- **Civic HR (NEOGov Alternatives)**

\$ 20,000

Civic HR is a module related to the Website design that would allow for the replacement of several Human Resources services that are currently provided by NEOGov and that are ineffective and inefficient. The enhancements would assist with applicant tracking, employee onboarding and performance management.

- **Parks Maintenance Shop Fire Alarm System**

\$ 15,700

Install fire alarms in the parks maintenance offices at Morrisville Community Park and Church Street Park. Cost includes parts and labor. A recent fire at the Morrisville Community Park office demonstrated the need to add fire alarm systems to these buildings in order to protect the facility and its contents. Plans for the installation will be reviewed by the Fire Marshal. Recurring costs are shown separately.

- **House Burn – 124 Scoggins Avenue**

\$ 15,000

The Town must demolish this building in a timely manner due to the liability issues associated with this property. The septic tank and wells will be removed. The Fire Department will train in this building during the first part of Fiscal Year 2017; the building will be demolished following training activities.

- **Remote Application Access (IT)**

\$ 15,000

Provides a secure, dedicated environment for remote access. Town mobile devices will be able to have a direct connection to the Town's internal network and separate our data from public traffic. This is important for both personnel and public safety reasons. The project will also help with coverage in isolated dead spots and areas with marginal signal strength.

- **Cultural Program Allowance**

\$ 13,500

The Town currently offers limited cultural arts programs in areas such as visual art, music, dance, acting or other art forms. This allocation would allow for expanded program opportunities in these areas through offering instructional classes and partnering with outside groups to present cultural opportunities. Funds could be used for part-time and contracted instructors as well as costs associated with program elements. Some additional revenue may be possible from the offering of these programs.

- **Fire Station 2 Maintenance Items (Ice Breakers)**

\$ 12,900

Ice breakers are needed to prevent ice or snow sliding off the roof onto visitors and employees. This is a current safety issue.

- **Special Event Enhancement**

\$ 12,000

Enhancements for a package of improvements for several different events, including July fireworks, Easter Egg Hunt, Movies in the Park, SpringFest and the holiday events in October and December. Examples of enhancements include additional signage and shuttles that aid in our ability to advertise the events and provide for larger attendance.

- **PSMS Maintenance Items (Ice Breakers)**

\$ 8,800

Ice breakers are needed to prevent ice or snow sliding off the roof onto visitors and employees. This is a current safety issue. (Cost of this item is offset by MCCOA contributions.)

- Local Public Safety Fire Training Center Study** **\$ 7,500**

This study will evaluate public safety training needs, costs, potential site locations, and governance guidelines for a shared facility with the Town of Apex and the Town of Cary. The Town of Morrisville share is 10% and the participation in the study does not commit the Town to future involvement in the project.

- Police Office Equipment (Addition)** **\$ 6,000**

Uniforms and miscellaneous personal protective equipment (PPE) for four new officers.

- Inspector Equipment** **\$ 5,500**

Uniforms and equipment to support additional personnel.

Capital (Non-Routine/One-Time)

- Fleet Replacement** **\$278,000**

Replacement of 8 vehicles, including one Suburban, one Explorer, one Impala, one Ford F-250 and four Chargers.

- Police Vehicles (Addition)** **\$220,000**

Four additional vehicles to support additional personnel. The request includes the vehicle and all related equipment upfit.

- In-Car Camera System (All Police Vehicles)** **\$159,100**

Replacement of in-car camera equipment for all assigned and spare police vehicles. The current in-car system is almost ten years old and is well beyond the anticipated useful life. Currently, only five of the 25 existing systems are fully functional and parts are no longer available due to its age. Staff also has difficulty in downloading information since automatic downloading and sound/volume issues impair the recordings. The lack of adequate information also adds to difficulty in investigating complaints.

- PSMS Building Maintenance Items (Roof/Stucco)** **\$ 83,200**

The building is 13 years old. This is the first major work done on the building. The rubber roof portion of the building has continual leaks and needs replacement to prevent future damage and increasing repairs. Stucco on the Morrisville Chamber of Commerce fascia needs repair. (Cost of this item is offset by MCCOA contributions.)

- Police Department Modifications** **\$ 81,000**

Necessary modifications to the Police Department portion of the PSMS building were identified in FY 2016, but were deferred pending further evaluation of needs. Identified issues are three-fold: modifications to interview areas to allow for interviews of multiple persons and, in particular children, the installation of a drop ceiling to dampen voice transfer and ensure confidentiality to both officers and persons needing police assistance, and expansion of the evidence room. The current evidence room lacks the space and equipment necessary to maintain required evidence for pending police cases. Cabinets do not lock and an industrial refrigerator is needed to store DNA evidence. The current room does not meet CALEA standards for storage of firearms, money, drugs and valuables. The cost estimate includes design and modifications for all three areas. Modifications are anticipated to meet needs for the next 10 years.

• Morrisville Parkway Signal Light and Sidewalks <i>Estimated betterments costs approved by Town Council (2013-070) for traffic signal mast arms at the intersection of Morrisville Parkway and Crabtree Crossing, and sidewalks on both the north and south side of the road. Costs of the wider south side sidewalk were designated to be paid from Parkland Payment-in-Lieu.</i>	\$ 41,500
• Fire Replacement Equipment <i>Various replacement equipment for extrication, completing the physical fitness equipment replacement plan, completing the CPAT equipment purchasing, and replacing a thermal imaging camera.</i>	\$ 28,100
• Inspector Vehicle <i>Vehicle to support additional personnel.</i>	\$ 25,000

Operations/Capital (Category Allocation)

• Road Maintenance <i>Continued additional allocation of funding toward proactive road maintenance. An updated Pavement Condition Report (PCR) is expected in fall 2016. Proposed streets to be repaired in FY 2017 are Perimeter Park Drive, Kudrow Lane, Millet Drive, Rama Court, Green Drive, Stella Drive and Clements Drive.</i>	\$300,000
• Pedestrian Safety Enhancements <i>An allocation of funds to address identified pedestrian safety enhancement requests. Funds could be used for crosswalk, signals, signs, or combined with other projects (such as sidewalks or McCrimmon Parkway pedestrian crossing).</i>	\$100,000
• Sidewalk Prioritization Plan <i>An allocation of funds reserved to design and construction of sidewalks in gap areas identified as a part of the sidewalk prioritization policy approved by Town Council in FY 2016. Funds can be combined with carryover sidewalk funds to increase the number of projects or pay for more expensive segments.</i>	\$100,000
• Traffic Management Projects Removed at Adoption <i>An allocation of funds set aside to accommodate requests for miscellaneous traffic management expenditures. Examples could include signs, signals and/or minor modifications to roadways than enhance traffic management.</i>	\$100,000
• Project Design <i>An allocation of funds for small project design services to enhance the ability to complete projects in a timely manner.</i>	\$ 50,000

Operations (Recurring)

• Agenda Management Software <i>Two products have been reviewed by the Town Clerk and key users. Both are SaaS products (Software as a Service) and require annual license and maintenance fees. Agenda management software will streamline preparing briefing items and the overall agenda development process for public meetings and make it easier for both Town Council and the public to access information. Additional tools are also available to streamline management of boards/committees.</i>	\$ 10,000
• Wellness Program <i>Funding for wellness program associated with the Town's health care benefits. Blue Cross Blue Shield has discontinued its program as an incorporated component of our health care plan. Investment in the wellness initiative is anticipated to assist</i>	\$ 8,000

in offsetting cost increases in future renewal quotes if chronic health conditions are avoided through preventive wellness activities. Employees not participating in the wellness are required to contribute towards their health care premiums.

- Remote Application Access** **\$ 2,700**
Annual recurring costs associated with remote application access.
- Parks and Recreation – Various Internet/Wi-Fi Connections** **\$ 1,200**
Internet service for Luther Green Center provided through Time Warner Cable.
- Parks Maintenance Shop Fire Alarm System** **\$ 900**
Annual alarm monitoring costs.

Personnel

- Police Officers (4)** **\$286,800**
One additional police officer to each patrol shift to provide the needed resources to address the current inability to respond to traffic complaints/issues and increase community service activities in the Town. In addition, a DDACTS team could be formed to concentrate on traffic areas and other areas where criminal activity is taking place. This request includes some adjustments to sergeant and lieutenant positions to provide the appropriate reporting structure alignment. The addition of staff would also assist in addressing staffing shortages due to court time, vacations and sickness.
- Project Manager** **\$84,400**
As Phase I of the McCrimmon Parkway Extension project nears award of a construction bid and Phase II design work continues the need for a dedicated project manager has been identified as a critical need to manage the cost and timeline for the project. In addition, as sidewalk, traffic, pedestrian, and other projects are identified and scheduled for construction, resources at a higher level of expertise are necessary to oversee these projects effectively. Our current project coordinator is managing day-to-day activities with Google, AT&T and other infrastructure projects and cannot absorb additional work.
- Inspector (Inspections/Fire)** **\$ 81,700**
Both the Inspections Department and Fire Department have indicated a need for additional staff to support the level of permit and inspection requests and to assist with plan review in a framework that provides responsiveness to customer needs within expected timelines. Inspections has an additional need for succession planning to prepare for anticipated retirements in the department, and the Fire Department needs additional support in education, training and Fire Marshal related activities. A collaborative effort to identify priorities and processes to address anticipated needs for both departments will be performed prior to alignment in the organization and recruitment for the position.
- Police Records Clerk** **\$ 62,900**
Administrative staff support person to handle the daily workload associated with reviewing and assigning cases in OSSI. There are four elements: daily records review, name candidating, geo-verification and case management. Customer service level expectations are to make records available within 48 hours. We are not meeting the desired level of performance. Currently, the workload involves three staff members and is an additional duty that takes away from other responsibilities and delays access to information by customers and follow-up by departmental staff. The Town of Morrisville is the only community in Wake County of our size without a police records clerk.
- Administrative Staff Support (Town Clerk/PIO)** **\$ 56,700**
This position would provide specialized administrative support to both the Town Clerk and Public Information Officer. The primary job duties would relate to management of day-to-day tasks that impede progress on larger scale, strategic

initiatives and citizen engagement. The position would become responsible for social media content and management, development of citizen outreach collateral materials and other communication mechanisms, as well as assisting with Town Council support and related activities.

- **Part-time Staff Increase (Parks and Recreation)**

\$ 25,000

Hourly wage pay rate adjustments based on comparable positions in peer municipalities in the local area and region of the state. The current part-time pay plan was instituted in 2012; there have been no adjustments to the rates since that time. Lifeguards and youth counselors are well below market rate and account for 80% of the request. Several other positions account for the remainder of the request.

- **Aquatics Aide Additional Hours**

\$ 11,900

The additional costs to develop a ¾ time staff position that would serve as both a lifeguard and swim instructor during daytime hours when many part-time staff are not available. The funding request is primarily related to a slightly higher rate of pay and partial benefits to recruit and retain an employee that will be available during these hard to fill hours. Often, due to a limited labor pool for lifeguards during the day, full-time staff must fill in to avoid cancelling classes or closing the pool, which indirectly relates to additional cost of full-time staff in overtime and comp-time. Approximately 80% of the additional cost of this position is offset by anticipated revenues from the ability to offer additional swim classes in demand during the day.

- **MAFC Expanded Hours**

\$ 9,000

The Morrisville Aquatics and Fitness Center reduced some operating hours and pool times in 2009 in response to tight budgets at that time. The facility has seen an increase in users in recent years and staff is receiving requests to be open more and have more use of the pool. The request would allow for opening one hour earlier on Saturdays, expanded pool operating hours on two days per week and the addition of a senior exercise class during the week.

Operations/Capital Carryover

- **Morrisville-Carpenter Road Progress Energy Project**

\$347,900

Sidewalk and roadway gap improvements along Morrisville-Carpenter Road at the Progress Energy site, including some pedestrian improvements at the Davis Drive intersection are primarily complete. NCDOT is working to conclude some outstanding claim issues, but should be finished by Fiscal Year 2017.

- **Church Street Walking Loop**

\$227,000

Construction of the Historic Walking Trail on the lower part of Church Street. Design was delayed due to Right of Way negotiations with property owners and easement acquisition. Construction is expected in Fiscal Year 2017. Cost of the project is offset by LAPP funds of \$110,000.

- **Sidewalk Projects**

\$200,000

Construction costs for two sidewalk segments: NC 54 between Keybridge Drive and Oaks at Weston and a Cary Parkway. Design is complete; easement acquisition is underway. The cost of the projects is offset by grants from NCDOT.

- **Rex Endowment Grant**

\$101,500

Year two (Fiscal Year 2016) funding from the John Rex Endowment for development of the Food Hub.

- **Pedestrian Enhancements (Morrisville Carpenter Road Streetlights)**

\$100,000

Staff has been working with Duke Progress Energy to obtain a quote for the installation of LED street lights on Morrisville-Carpenter Road at Misty Grove and on Davis Drive between Morrisville Parkway and Lake Grove Road to address safety

concerns, particularly for pedestrians, related to inadequate lighting. The quote has taken longer than expected. This funding allocation would be used to install lights and associated costs. Proposed improvements on Morrisville-Carpenter Road would not impact this project. Additional recurring costs of approximately \$20,000 would be anticipated in future years' budgets. Any funds not used for this project could be allocated to existing appropriations related to a pedestrian crossing at McCrimmon Parkway.

- Sidewalk Funds (FY 2016 Carryover)**

\$100,000

An allocation of funds reserved to design and construction of sidewalks in gap areas identified as a part of the sidewalk prioritization policy approved by Town Council in FY 2016. Use of these funds to perform design work for prioritized projects is recommended.

- Pedestrian Crossing (McCrimmon Parkway)**

\$ 78,000

This allocation was originally a portion of the cost for a pedestrian signal project/sidewalk collaboration with the Town of Cary. The sidewalk is not currently included in the list of funded projects by the Town of Cary due to the cost of the project. The Town of Morrisville continues to identify the project as needed to enhance safety, but a pedestrian crossing without the sidewalk does not resolve the problem. This funding can be combined with sidewalk funds as authorized by Town Council as a part of the Sidewalk Prioritization plan.

- Enterprise Software Implementation (formerly One Solution)**

\$ 50,000

The Finance Director and Information Technology Director will jointly plan and execute a reboot of the needs assessment and definition and scope for determining the future, long-term needs from a financial management enterprise software solution. This is a request to rollover the funds appropriated in FY 2016 to support project management costs.

Interfund Transfers

- McCrimmon Parkway Bond Debt Service**

\$200,000

Continued refinement of the McCrimmon Parkway Extension project and partnership with NCDOT has enhanced the overall road project, but delayed issuance of the bonds. A partial issuance of bonds (Phase I) is anticipated in winter 2016. The first debt payment, typically interest only, would be made later in the fiscal year. A full year of debt service for Phase I would be scheduled in Fiscal Year 2018. Phase II of the debt is anticipated for Fiscal Year 2018.

- Fire Apparatus Replacement**

\$652,000

Reserve funding for future Replacements of fire vehicles in Fiscal Years 2018 and 2019. Fiscal Year 2018 scheduled replacement is the Station 3 Quint (\$1.2M) and in Fiscal Year 2018 the Station 2 Quint (\$1.4M). Both of these items have reached the end of the life cycle.

- CIP Capital Reserve**

\$200,000

Initial capital reserve transfer to establish CIP Capital Reserve Fund. Funds can be used and/or accumulated in accordance with Town Council's development of the Capital Investment Plan.

- Roadway & Transportation Capital Reserve**

Added at Adoption
\$440,000

Establishment of a capital reserve fund with an annual dedicated funding resource for the purpose of investing in roadway and transportation infrastructure improvements.

- Morrisville-Carpenter Road Improvement ROW**

Added at Adoption
\$1,000,000

Onetime appropriation from Unassigned Fund Balance to purchase the necessary right-of-way to advance the project.

- **Morrisville-Carpenter Road Improvement Go Triangle Acquisition** *Added at Adoption* **\$600,000**
Onetime appropriation from Unassigned Fund Balance to purchase the Go Triangle property to advance the project.

- **Historic Christian Church Parking Lot Expansion CIP Project** *Added at Adoption* **\$455,000**
Onetime appropriation for a pay-as-go funding solution to expand the current Historic Christian Church parking lot to improve the safety and functionality of the existing facility for various programs and address dedicated space for senior programs.

Grand Total **\$7,929,900**

Other Funds Summary

Fiduciary funds are used to account for assets held by the Town in a trustee capacity on behalf of outside parties, including other governments. The Town has two (2) such funds budgeted annually.

- *Retirement Health Care Fund (OPEB)* – A Fiduciary Fund type used as a trust fund established to account for collection of assets to be expended for medical coverage for retired Morrisville employees up to the age of Medicare eligibility.
- *LEO Separation Allowance Fund* – A Fiduciary Fund type used to account for assets held by the Town in an agency capacity for the purpose of supporting the public employee retirement system for qualifying sworn law enforcement officers.

OPEB Total Contributions & Net Assets

Assets	2014 Actual	2015 Actual	2016 Estimated	2017 Proposed
Total Assets				
Cash and cash equivalents	\$ 1,754,801	\$ 2,025,627	\$ 2,290,152	\$ 2,566,313
Change in Net Assets				
Obligations				
Total Liabilities	\$ -	\$ -	\$ -	\$ -
Net Assets				
Held in trust for pension benefits	\$ 1,754,801	\$ 2,025,627	\$ 2,290,152	\$ 2,566,313

Fund	2014 Actual	2015 Estimated	2016 Proposed	2017 Proposed
Additions				
Contributions - Employee	\$ 263,842	\$ 275,622	\$ 274,300	\$ 288,100
Investment Earnings	1,480	1,620	3,500	2,000
Total additions	\$ 265,322	\$ 277,242	\$ 277,800	\$ 290,100
Deductions				
Benefits Paid to Plan Members	\$ 3,068	\$ 6,416	\$ 13,275	\$ 13,939
Total deductions	\$ 3,068	\$ 6,416	\$ 13,275	\$ 13,939
Change in Net Assets	\$ 262,254	\$ 270,826	\$ 264,525	\$ 276,161
Net Assets				
Beginning of Year	\$ 1,492,548	\$ 1,754,801	\$ 2,025,627	\$ 2,290,152
Net Assets				
End of Year	\$ 1,754,801	\$ 2,025,627	\$ 2,290,152	\$ 2,566,313

LEO Total Contributions & Net Assets

Assets

	2014 Actual	2015 Actual	2016 Estimated	2017 Proposed
Total Assets				
Cash and cash equivalents	\$ 319,326	\$ 326,781	\$ 345,324	\$ 364,820
Change in Net Assets				
Obligations				
Total Liabilities	\$ 5,018	\$ -	\$ -	\$ -
Net Assets				
Held in trust for pension benefits	\$ 314,308	\$ 326,781	\$ 345,324	\$ 364,820

Fund

	2014 Actual	2015 Estimated	2016 Proposed	2017 Proposed
Additions				
Contributions - Employees	\$ 55,965	\$ 57,481	\$ 69,816	\$ 73,310
Investment Earnings	279	280	550	600
Total additions	\$ 56,244	\$ 57,761	\$ 70,366	\$ 73,910
Deductions				
Benefits Paid to Plan Members	\$ 35,631	\$ 45,288	\$ 51,823	\$ 54,414
Total deductions	\$ 35,631	\$ 45,288	\$ 51,823	\$ 54,414
Change in Net Assets	\$ 20,613	\$ 12,473	\$ 18,543	\$ 19,496
Net Assets				
Beginning of Year	\$ 293,695	\$ 314,308	\$ 326,781	\$ 345,324
Net Assets				
End of Year	\$ 314,308	\$ 326,781	\$ 345,324	\$ 364,820



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Fund Balance Summary

Revenues, Expenditures & Changes in Fund Balance is a snapshot estimate and illustrates total fund balances and a projected unassigned fund balance as of June 30, 2016. Estimates can vary by fiscal year end. ⁶

Projected Fiscal Year-End 2016

Snapshot as of April 30, 2016

Type of Fund	All Other Funds Governmental/Proprietary						
	General Fund	MSD Fund*	Capital Reserv e Fund*	McCrimmon Parkway Extension CP	Morrisville- Carpenter Road CP	Church Street Park	Fire Station 1 CP
	Major Gov ernmental	Consolidated in GF	Consolidated in GF	Major Gov ernmental	Non-Major Gov ernmental	Non-Major Gov ernmental	Non-Major Gov ernmental
AUTHORIZED PROJECT BUDGETS	\$ 28,781,601	\$ 334,500	\$ -	\$ 14,650,000	\$ 804,000	\$ 6,427,940	\$ 120,425
REVENUES	\$ 28,020,182	\$ 92,715	\$ -	\$ 2,221	\$ 752	\$ 4,614	\$ 117
EXPENDITURES	\$ 23,722,899	\$ 334,496	\$ -	\$ 1,707,334	\$ 738,662	\$ 281,601	\$ -
Revenues over (under) expenditures	\$ 4,297,283	\$ (241,781)	\$ -	\$ (1,705,113)	\$ (737,910)	\$ (276,987)	\$ 117
OTHER FINANCING SOURCES (USES)							
<u>Transfers in (out)</u>							
General fund**	\$ (4,542,300)	\$ 242,100	\$ 170,000	\$ -	\$ 804,000	\$ -	\$ -
Capital Reserve fund	\$ 316,300	\$ -	\$ (316,300)	\$ -	\$ -	\$ -	\$ -
Parkland Payment in Lieu fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Improvements CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Northwest Park CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shiloh Greenway CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Facilities CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hatcher Creek Greenway fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (4,226,000)	\$ 242,100	\$ (146,300)	\$ -	\$ 804,000	\$ -	\$ -
Net change in fund balance	\$ 71,283	\$ 319	\$ (146,300)	\$ (1,705,113)	\$ 66,090	\$ (276,987)	\$ 117
FUND BALANCES - Beginning of year	\$ 20,481,074	\$ 23,464	\$ 747,441	\$ (1,014,061)	\$ -	\$ 955,360	\$ 71,874
FUND BALANCES - End of year	\$ 20,552,357	\$ 23,783	\$ 601,141	\$ (2,719,174)	\$ 66,090	\$ 678,369	\$ 71,991
Assigned, Restricted, Committed, Non-Spendable	\$ 7,858,262	\$ -	\$ -	\$ (2,719,174)	\$ 66,090	\$ 678,369	\$ 71,991
Unassigned Fund Balance							
% of Major Governmental Expenditures							

Note: *The MSD and Capital Reserve Fund per GASB are consolidated in the General Fund for purposes of Fund Balance calculations.

**The General Fund includes an assumption that \$3.2M would be transferred out for onetime items in excess of FY2015 reported Unassigned Fund Balance above 45% for the purposes of illustrating impacts.

⁶ Adoption note – based on Town Council's adopted modifications the projection snapshot above will change. Staff will re-evaluate projection of fund balance at the conclusion of the FY2016 audit to capture the most current data for the purposes of continued discussions with Town Council on usage of Unassigned Fund Balance in excess of the 45% Policy at a future work session.

Continued

Projected Fiscal Year-End 2016

Snapshot as of April 30, 2016

All Other Funds Governmental/Proprietary	Parkland Fund	Hatcher Creek Greenway CP	Northwest Park CP	Shiloh Sewer CP	Stormwater RetroFit CP	Stormwater Fund	Total
Type of Fund	Non-Major Governmental	Non-Major Governmental	Non-Major Governmental	Non-Major Governmental	Non-Major Proprietary	Proprietary	
AUTHORIZED PROJECT BUDGETS	\$ -	\$ 4,816,892	\$ 1,733,903	\$ 2,032,464	\$ 125,000	\$ 821,700	\$ 60,648,425
REVENUES	\$ 295,761	\$ 435,068	\$ 1,506	\$ 2,014	\$ -	\$ 669,681	\$ 29,524,631
EXPENDITURES	\$ -	\$ 1,632,336	\$ 1,234,410	\$ -	\$ -	\$ 486,206	\$ 30,137,944
Revenues over (under) expenditures	\$ 295,761	\$ (1,197,268)	\$ (1,232,904)	\$ 2,014	\$ -	\$ 183,475	\$ (613,312)
OTHER FINANCING SOURCES (USES)							
<u>Transfers in (out)</u>							
General fund**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,200	\$ (3,200,000)
Capital Reserve fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parkland Payment in Lieu fund	\$ -	\$ 849,378	\$ 1,733,903	\$ -	\$ -	\$ -	\$ 2,583,281
Street Improvements CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stormwater CP fund	\$ -	\$ -	\$ -	\$ -	\$ 23,923	\$ (23,923)	\$ -
Northwest Park CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shiloh Greenway CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Facilities CP fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hatcher Creek Greenway fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 849,378	\$ 1,733,903	\$ -	\$ 23,923	\$ 102,277	\$ (616,719)
Net change in fund balance	\$ 295,761	\$ (347,890)	\$ 500,999	\$ 2,014	\$ 23,923	\$ 285,752	\$ (1,230,031)
FUND BALANCES - Beginning of year	\$ 1,651,177	\$ -	\$ -	\$ 1,237,112	\$ -	\$ 542,679	\$ 24,702,075
FUND BALANCES - End of year	\$ 1,946,938	\$ (347,890)	\$ 500,999	\$ 1,239,126	\$ 23,923	\$ 828,431	\$ 23,466,085
Assigned, Restricted, Committed, Non-Spendable	\$ 1,946,938	\$ (347,890)	\$ 500,999	\$ 1,239,126	\$ 23,923	\$ 828,431	\$ 10,147,066
Unassigned Fund Balance							\$ 13,319,020
% of Major Governmental Expenditures							56.1%

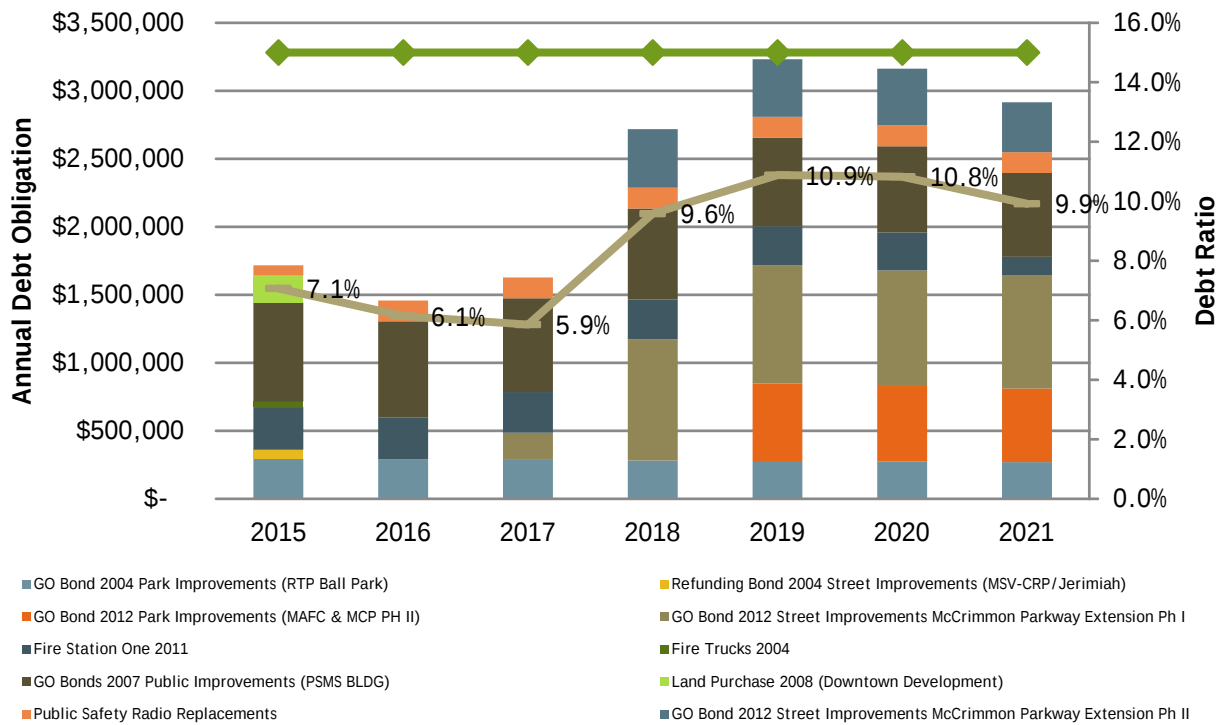
Debt Summary

Debt Service Impact Analysis

Debt Service Items	2015	2016	2017	2018	2019	2020	2021	status
GO Bond 2004 Park Improvements (RTP Ball Park)	\$ 293,600	\$ 289,600	\$ 285,600	\$ 281,600	\$ 277,600	\$ 273,600	\$ 269,600	continues to 2034
Refunding Bond 2004 Street Improvements (MSV-CRP/Jeremiah)	\$ 67,275	\$ -	\$ -					retired
GO Bond 2012 Park Improvements (MAFC & MCP PH II)	\$ -	\$ -	\$ -	\$ -	\$ 570,000	\$ 555,800	\$ 541,500	continues to 2037
GO Bond 2012 Street Improvements McCrimmon Parkway Extension Ph I	\$ -	\$ -	\$ 200,000	\$ 890,000	\$ 870,000	\$ 850,000	\$ 830,000	continues to 2035
GO Bond 2012 Street Improvements McCrimmon Parkway Extension Ph II				\$ 430,000	\$ 423,500	\$ 416,700	\$ 366,500	
Fire Station One 2011	\$ 313,552	\$ 306,700	\$ 299,600	\$ 292,700	\$ 285,700	\$ 278,700	\$ 137,800	continues to 2021
Fire Trucks 2004	\$ 40,651	\$ -	\$ -	\$ -	\$ -	\$ -		retired
GO Bonds 2007 Public Improvements (PSMS BLDG)	\$ 727,743	\$ 708,300	\$ 688,900	\$ 669,500	\$ 651,800	\$ 634,100	\$ 616,200	continues to 2027
Land Purchase 2008 (Downtown Development)	\$ 197,060	\$ -	\$ -	\$ -	\$ -	\$ -		retired
Public Safety Radio Replacements	\$ 76,726	\$ 153,500	\$ 153,500	\$ 153,500	\$ 153,500	\$ 153,500	\$ 153,300	continues to 2022
Total Debt Service	\$ 1,716,607	\$ 1,458,100	\$ 1,627,600	\$ 2,717,300	\$ 3,232,100	\$ 3,162,400	\$ 2,914,900	
Current Debt	\$ 1,716,607	\$ 1,458,100	\$ 1,427,600	\$ 1,397,300	\$ 1,368,600	\$ 1,339,900	\$ 1,176,900	
Retiring Per Year Compared to Prior Year	\$ (199,906)	\$ 258,507	\$ 30,500	\$ 30,300	\$ 28,700	\$ 28,700	\$ 163,000	
New Debt	\$ -	\$ -	\$ 200,000	\$ 1,320,000	\$ 1,863,500	\$ 1,822,500	\$ 1,738,000	
Retiring Per Year Compared to Prior Year	\$ (199,906)	\$ 258,507	\$ (169,500)	\$ (1,089,700)	\$ (514,800)	\$ 69,700	\$ 247,500	
Tax Base	\$ 3,759,730,020	\$ 3,971,882,812	\$ 4,402,100,000	\$ 4,534,163,000	\$ 4,670,187,890	\$ 4,810,293,527	\$ 4,954,602,333	
Total Expenditures*	\$ 24,268,027	\$ 23,722,899	\$ 27,778,400	\$ 28,335,900	\$ 29,705,000	\$ 29,205,900	\$ 29,588,700	
Debt Service as % of expenditures - Policy 5% or less	7.3%	6.3%	5.9%	9.6%	10.9%	10.8%	9.9%	

* Expenditures less Transfers

Debt Schedule



Personnel Summary

FY2017 Fulltime Pay Grades – Effective July 1, 2016

GRADE	Beginning	End	CLASSIFICATION TITLE
10	\$27,295	\$43,672	(RESERVED FOR FUTURE USE)
11	\$28,660	\$45,856	RECEPTIONIST
12	\$30,093	\$48,149	ADMINISTRATIVE SUPPORT ASSISTANT PARKS & GROUNDS TECHNICIAN I STREET MAINTENANCE TECHNICIAN I
13	\$31,598	\$50,556	(RESERVED FOR FUTURE USE)
14	\$33,178	\$53,084	HEAVY EQUIPMENT OPERATOR PARKS & GROUNDS TECHNICIAN II DEVELOPMENT SERVICES CUSTOMER SERVICE REPRESENTATIVE PLANNING ASSISTANT POLICE RECORDS CLERK SENIOR ADMINISTRATIVE SUPPORT ASSISTANT STREET MAINTENANCE TECHNICIAN II
15	\$34,837	\$55,738	FACILITIES MAINTENANCE TECHNICIAN
16	\$36,578	\$58,525	ACCOUNTING TECHNICIAN ADMINISTRATIVE SUPPORT SPECIALIST
17	\$38,407	\$61,451	FIREFIGHTER PAYROLL ADMINISTRATOR
18	\$40,328	\$64,524	ADMINISTRATIVE SERVICES MANAGER AQUATICS SPECIALIST ATHLETICS PROGRAM SPECIALIST DEVELOPMENT SERVICES COORDINATOR FITNESS PROGRAM SPECIALIST POLICE OFFICER RECREATION PROGRAM SPECIALIST
19	\$42,344	\$67,750	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	\$44,461	\$71,137	ATHLETICS SUPERVISOR CODE ENFORCEMENT OFFICER FIRE ENGINEER MARKETING & EVENTS SPECIALIST
21	\$46,684	\$74,694	BUILDING CODES INSPECTOR II DEPUTY FIRE MARSHAL ENVIRONMENTAL SPECIALIST ENGINEERING INSPECTOR HUMAN RESOURCES ANALYST PLANNER I SENIOR POLICE OFFICER
22	\$49,018	\$78,429	FIRE LIEUTENANT PROJECTS COORDINATOR TOWN CLERK

Note: Market range adjustments/reclassifications were made based on recommendations from our consultant (Billings & Associates) during the annual position study. 5% spread between each grade, 60% spread within each range (minimum to maximum.) Pay Grade ranges includes an adjustment of 3%.

GRADE	Beginning	End	CLASSIFICATION TITLE
23	\$51,469	\$82,350	COMMUNITY CENTER SUPERVISOR
			ENGINEERING TECHNICIAN
			PARKS AND GREENWAY PLANNER
			PLANNER II
			SENIOR BUILDING CODES INSPECTOR
24	\$54,043	\$86,468	ASSISTANT BUILDING CODES ADMINISTRATOR
			FIRE CAPTAIN
			GENERAL SERVICES SUPERINTENDENT
			INFORMATION TECHNOLOGY ANALYST
			PARKS & GROUNDS SUPERINTENDENT
			POLICE SERGEANT
			PROJECT MANAGER
			PUBLIC INFORMATION OFFICER
			PURCHASING & CONTRACT MANAGER
			RISK MANAGER
			STORMWATER ENGINEER
25	\$56,745	\$90,791	STREETS SUPERINTENDENT
			SENIOR PLANNER
			TRANSPORTATION PLANNER
26	\$59,582	\$95,331	IT SYSTEMS ANALYST
			POLICE CAPTAIN
			RECREATION SUPERINTENDENT
			SPECIAL PROJECTS COORDINATOR
27	\$62,561	\$100,097	BATTALION CHIEF
			BUDGET MANAGER
			CURRENT PLANNING MANAGER
			FIRE MARSHAL
			GIS MANAGER
			SENIOR IT ANALYST
			STORMWATER ENGINEER MANAGER
28	\$65,689	\$105,102	CONTROLLER
29	\$68,973	\$110,357	(RESERVED FOR FUTURE USE)
30	\$72,422	\$115,875	(RESERVED FOR FUTURE USE)
31	\$76,043	\$121,668	(RESERVED FOR FUTURE USE)
32	\$79,845	\$127,752	HUMAN RESOURCES DIRECTOR
			INSPECTIONS DIRECTOR
			PARKS & RECREATION DIRECTOR
33	\$83,837	\$134,139	FINANCE DIRECTOR
			FIRE CHIEF
			INFORMATION TECHNOLOGY DIRECTOR
			PLANNING DIRECTOR
			POLICE CHIEF
			PUBLIC WORKS DIRECTOR
			TOWN ENGINEER
34	\$88,029	\$140,846	(RESERVED FOR FUTURE USE)
35	\$92,430	\$147,889	(RESERVED FOR FUTURE USE)
36	\$97,052	\$155,283	(RESERVED FOR FUTURE USE)
37	\$101,900	\$163,048	ASSISTANT TOWN MANAGER

Note: Market range adjustments/reclassifications were made based on recommendations from our consultant (Billings & Associates) during the annual position study. 5% spread between each grade, 60% spread within each range (minimum to maximum.) Pay Grade ranges includes an adjustment of 3%.

Part-time Pay Plan – Effective July 1, 2016

Grade	Skill Level	Hourly Rates	Titles
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

Note: Part-time Pay Plan was market adjusted in FY2013 and is schedule for evaluation in FY2017.

Position Changes Summary

Full-time	2014	2015	2016	2017	POSITION CHANGES
General Government					
ADMINISTRATION*	8	8	7	8	1
HUMAN RESOURCES	2	2	3	3	0
FINANCE*	5	5	5	5	0
INFORMATION TECHNOLOGY	4	4	4	4	0
	19	19	19	20	1
Public Safety					
POLICE	36	36	36	41	5
FIRE	46	49	49	49	0
	82	85	85	90	5
Economic & Physical Development					
INSPECTIONS	5	5	5	6	1
PLANNING	11	11	11	11	0
	16	16	16	17	1
Public Works					
PUBLIC WORKS	20	21	21	21	0
	20	21	21	21	0
Engineering					
ENGINEERING	5	5	5	6	1
	5	5	5	6	1
Stormwater					
STORMWATER*	2	3	3	3	0
	2	3	3	3	0
Culture and Recreation					
PARKS & RECREATION	13	13	13	13	0
	13	13	13	13	0
GRAND TOTAL FULL-TIME	157	162	162	170	8
Part-time	2014	2015	2016	2017	POSITION CHANGES
INFORMATION TECHNOLOGY	0	0	0.5	0.5	0.00
FIRE	16	16	18	18	0.00
POLICE	1.08	1.08	1.3	1.3	0.00
PLANNING	0.16	0.16	0.2	0.2	0.00
PUBLIC WORKS	2	2	2	2	0.00
PARKS & RECREATION	18.78	18.78	18.55	18.8	0.25
GRAND TOTAL PART-TIME	38.02	38.02	40.55	40.8	0.25
TOTAL ALL POSITIONS	195.02	200.02	202.55	210.8	8.25

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.

Fund Details



General Fund - Annual Operating Budget

Stormwater Fund – Proprietary Fund for Stormwater Management Program

Municipal Service District Fund –Conversion of private residential streets to public streets and is consolidated in the General Fund for reporting.

Capital Reserve Funds - Capital Reserve Fund is consolidated in the General Fund. Fire Apparatus Replacement Planning, CIP Reserve and Roadway & Transportation Reserve for future capital investments.

Capital Investment Program Capital Reserve Fund - Capital Reserve Fund is consolidated in the General Fund for reporting. CIP related cost.

General Fund

General Fund Revenue Detail by Classification

	2014 Actual	2015 Actual	2016 Estimate	2017 Proposed
Ad Valorem Taxes				
Current Year	\$ 14,380,589	\$ 14,633,462	\$ 16,240,000	\$ 17,055,000
Prior Years	\$ 79,542	\$ 32,188	\$ 25,000	\$ 35,000
Penalties & Interest	\$ 51,318	\$ 25,118	\$ 20,000	\$ 32,300
Total	\$ 14,511,449	\$ 14,690,768	\$ 16,285,000	\$ 17,122,300
Intergovernmental				
Local Option Sales Tax	\$ 3,612,208	\$ 4,095,031	\$ 4,500,000	\$ 4,741,000
Utility Franchise Tax	\$ 991,030	\$ 1,456,779	\$ 1,530,000	\$ 1,590,000
Beer & Wine Tax	\$ 88,203	\$ 98,979	\$ 105,000	\$ 107,000
Wake County Fire District	\$ 794,122	\$ 831,306	\$ 840,000	\$ 840,000
Rental Vehicle Tax	\$ 75,100	\$ 67,513	\$ 80,000	\$ 81,600
Solid Waste Disposal	\$ 14,095	\$ 13,392	\$ 13,200	\$ 13,500
Total	\$ 5,574,758	\$ 6,563,000	\$ 7,068,200	\$ 7,373,100
Sales & Services				
Rents	\$ 156,009	\$ 131,097	\$ 132,416	\$ 134,400
Recreation	\$ 947,855	\$ 1,032,604	\$ 979,530	\$ 1,014,800
Total	\$ 1,103,864	\$ 1,163,701	\$ 1,111,946	\$ 1,149,200
Permits & Fees				
Building Permits	\$ 790,833	\$ 898,518	\$ 742,600	\$ 683,200
Planning & Zoning Fees	\$ 80,362	\$ 178,053	\$ 506,000	\$ 85,000
Engineering Fees	\$ 135,869	\$ 69,986	\$ 260,000	\$ 130,000
Fire Department Fees	\$ 56,160	\$ 43,680	\$ 60,000	\$ 52,000
Officer Fees	\$ 7,960	\$ 27,541	\$ 21,000	\$ 21,000
Total	\$ 1,071,184	\$ 1,217,778	\$ 1,589,600	\$ 971,200
Restricted Intergovernmental				
Powell Bill	\$ 489,215	\$ 502,929	\$ 546,236	\$ 547,000
Grants & Reimbursements	\$ 33,283	\$ 42,148	\$ 108,600	\$ 422,300
Total	\$ 522,498	\$ 545,077	\$ 654,836	\$ 969,300
Other Taxes & Licenses				
Motor Vehicle Decals	\$ 223,623	\$ 248,636	\$ 267,000	\$ 275,400
Privilege License Tax	\$ 865,296	\$ 830,123	\$ -	\$ -
Video Programming Tax	\$ 672,129	\$ 652,670	\$ 657,000	\$ 664,000
Total	\$ 1,761,049	\$ 1,731,429	\$ 924,000	\$ 939,400

	2014 Actual	2015 Actual	2016 Estimate	2017 Proposed
Miscellaneous				
ABC Revenue	\$ 108,542	\$ 126,793	\$ 130,000	\$ 133,000
Surplus Property	\$ 143,263	\$ 62,172	\$ 60,000	\$ 50,000
Miscellaneous Revenue	\$ 48,233	\$ 21,616	\$ 30,300	\$ 137,000
Insurance Claims	\$ 6,580	\$ 42,578	\$ 40,000	\$ -
Fines & Forfeitures	\$ 3,144	\$ 6,309	\$ 24,500	\$ -
Wake County Landfill	\$ 41,806	\$ 29,937	\$ 46,800	\$ 47,000
Donations/Sponsorships	\$ 7,590	\$ 9,275	\$ 15,000	\$ -
Total	\$ 359,158	\$ 298,680	\$ 346,600	\$ 367,000
Investment Earnings	\$ 16,474	\$ 16,949	\$ 40,000	\$ 42,000
Total	\$ 16,474	\$ 16,949	\$ 40,000	\$ 42,000
Transfer from Other Fund Sources	\$ 1,707,209	\$ 310,958	\$ 316,300	\$ -
Total	\$ 1,707,209	\$ 310,958	\$ 316,300	\$ -
Proceeds	\$ -	\$ 1,000,000		
Total	\$ -	\$ 1,000,000	\$ -	\$ -
Appropriated Fund Balance Sources	\$ -	\$ -	\$ -	\$ 2,305,000
Total	\$ -	\$ -	\$ -	\$ 2,305,000
Total Revenue Sources	\$ 26,627,643	\$ 27,538,340	\$ 28,336,482	\$ 31,238,500

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

General Fund Expenditure Detail by Function

	2014 Actual	2015 Actual	2016 Estimate	2017 Proposed
Public Safety				
Police	\$ 3,140,765	\$ 3,855,336	\$ 3,241,640	\$ 4,203,200
Fire	\$ 4,168,438	\$ 4,841,611	\$ 5,338,630	\$ 5,096,700
Total	\$ 7,309,203	\$ 8,696,947	\$ 8,580,270	\$ 9,299,900
Public Works				
Public Works & Facility Management	\$ 4,261,374	\$ 4,853,053	\$ 4,784,665	\$ 6,411,700
Powell Bill	\$ 532,721	\$ 494,508	\$ 546,236	\$ 547,000
Fleet	\$ 1,307,436	\$ 204,179	\$ 490,600	\$ 523,000
Total	\$ 6,101,531	\$ 5,551,740	\$ 5,821,501	\$ 7,481,700
General Government				
Governing Body	\$ 998,479	\$ 1,655,616	\$ 1,958,744	\$ 3,904,300
Administration*	\$ 1,489,009	\$ 1,415,529	\$ 1,483,570	\$ 1,666,400
Human Resources	\$ 257,020	\$ 234,003	\$ 316,900	\$ 403,300
Finance*	\$ 525,293	\$ 555,771	\$ 480,190	\$ 663,900
Information Technology	\$ 1,227,591	\$ 927,078	\$ 1,062,300	\$ 1,295,100
Total	\$ 4,497,392	\$ 4,787,997	\$ 5,301,704	\$ 7,933,000
Economic & Physical Development				
Inspections	\$ 498,537	\$ 503,232	\$ 513,751	\$ 628,600
Planning*	\$ 1,203,859	\$ 1,600,238	\$ 1,212,097	\$ 1,390,200
Total	\$ 1,702,396	\$ 2,103,470	\$ 1,725,848	\$ 2,018,800
Engineering	\$ 472,810	\$ 507,688	\$ 514,520	\$ 923,900
Total	\$ 472,810	\$ 507,688	\$ 514,520	\$ 923,900
Culture & Recreation	\$ 1,660,349	\$ 1,736,608	\$ 1,663,256	\$ 1,953,600
Total	\$ 1,660,349	\$ 1,736,608	\$ 1,663,256	\$ 1,953,600
Debt Service	\$ 1,516,701	\$ 1,716,606	\$ 1,458,100	\$ 1,627,600
Total	\$ 1,516,701	\$ 1,716,606	\$ 1,458,100	\$ 1,627,600
Total Expenditures	\$ 23,260,382	\$ 25,101,056	\$ 25,065,199	\$ 31,238,500

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 proposed Stormwater Enterprise Fund.

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 supports.

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.

Strategic Priorities



Quality of Life



Superior Services



Community Safety



Growth Management



Economic Development

Budget Notes

New Initiatives & Priorities	Cost Value
Morrisville-Carpenter Roadway Improvement Capital Project ROW & Land Acquisition Transfer	1,600,000
Historic Christian Church Parking Lot Expansion CIP Project Transfer	455,000
Roadway & Transportation Reserve (new Capital Reserve Fund)	440,000
Fire Apparatus Replacement Capital Reserve Funding (future Fire Apparatus replacements scheduled in FY2018 & FY2019)	652,000
CIP Reserve Funding (new Capital Reserve Fund)	200,000
Web Redesign	50,000
Civic HR (NeoGov Alternatives)	20,000
Agenda Management Software	10,000
Total	\$3,427,000

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
GOVERNING BODY				
Total Salary and Benefits	\$ 79,782	\$ 79,516	\$ 85,745	\$ 97,900
Operations	\$ 418,485	\$ 221,540	\$ 530,699	\$ 346,300
Capital Outlay	\$ 75,212	\$ 102,131	\$ -	\$ -
Transfers out of General Fund	\$ 425,000	\$ 1,252,429	\$ 1,342,300	\$ 3,460,100
Total Expenditures	\$ 998,479	\$ 1,655,616	\$ 1,958,744	\$ 3,904,300
Year Over Year % Change Total	-39.5%	65.8%	18.3%	99.3%
Year Over Year \$s Change Total	\$ (650,920)	\$ 657,137	\$ 303,128	\$ 1,945,556

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.

Positions

	2017 Proposed
Town Manager	1
Assistant Town Manager	1
Budget Program Manager	1
Public Information Officer	1
Receptionist	1
Senior Admin. Asst.	1
Special Projects Coordinator	1
Town Clerk	<u>1</u>
Full-Time Department Total	8

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 Implementation (\$25,000 is carryover from FY16)	68,000
Senior Admin Assistant - Public Information/Town Clerk	56,700
Space Modification Funds	<u>50,000</u>
Total	\$174,700

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
ADMINISTRATION				
Total Salary and Benefits	\$ 843,852	\$ 900,741	\$ 909,470	\$ 957,900
Operations	\$ 645,157	\$ 514,788	\$ 574,100	\$ 708,500
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,489,009	\$ 1,415,529	\$ 1,483,570	\$ 1,666,400
Year Over Year % Change Total	10.0%	-4.9%	4.8%	12.3%
Year Over Year \$s Change Total	\$ 134,940	\$ (73,480)	\$ 68,041	\$ 182,830

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.

Positions

	2017 Proposed
Human Resource Director	1
Human Resource Specialist	1
Risk & Safety Manager	<u>1</u>
Full-Time Department Total	3

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
Wellness Program	\$8,000

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
HUMAN RESOURCES				
Total Salary and Benefits	\$ 219,328	\$ 189,852	\$ 244,700	\$ 332,000
Operations	\$ 37,692	\$ 44,151	\$ 72,200	\$ 71,300
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 257,020	\$ 234,003	\$ 316,900	\$ 403,300
Year Over Year % Change Total	4.8%	-9.0%	35.4%	27.3%
Year Over Year \$s Change Total	\$ 11,730	\$ (23,017)	\$ 82,897	\$ 86,400

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.

Positions

	2017 Proposed
Finance Director	1
Accounting Technician	1
Controller	1
Contracts & Purchasing Manager	1
Payroll Administrator	<u>1</u>
Full-Time Department Total	5



Budget Notes

New Initiatives & Priorities	Cost Value
Enterprise Software Implementation (formerly One Solution)	\$50,000

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
FINANCE				
Total Salary and Benefits	\$ 380,562	\$ 401,591	\$ 297,700	\$ 484,700
Operations	\$ 144,731	\$ 154,180	\$ 182,490	\$ 179,200
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 525,293	\$ 555,771	\$ 480,190	\$ 663,900
Year Over Year % Change Total	3.6%	5.8%	-13.6%	38.3%
Year Over Year \$s Change Total	\$ 18,040	\$ 30,478	\$ (75,581)	\$ 183,710

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.

Positions

	2017 Proposed
Information Tech. Director	1
Senior IT Analyst	1
Systems Analyst	1
IT Analyst	<u>1</u>
Full-Time Department Total	4
Part-Time IT Resources	<u>0.5</u>
Total	4.5

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
IT Replacement Plan Items (desktops, laptops, standard servers, core & standard switches, Smartboard audio/projectors, & network firewall)	181,400
WiFi Connection at Luther Green Center	5,000
Remote Access Project	<u>17,700</u>
Total	\$204,100

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
INFORMATION TECHNOLOGY				
Total Salary and Benefits	\$ 422,736	\$ 323,538	\$ 319,650	\$ 531,100
Operations	\$ 510,781	\$ 508,826	\$ 589,650	\$ 637,000
Capital Outlay	\$ 294,074	\$ 94,714	\$ 153,000	\$ 127,000
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,227,591	\$ 927,078	\$ 1,062,300	\$ 1,295,100
Year Over Year % Change Total	-8.9%	-24.5%	14.6%	21.9%
Year Over Year \$s Change Total	\$ (119,594)	\$ (300,513)	\$ 135,222	\$ 232,800

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.

Positions

	2017 Proposed
Planning Director	1
Code Enforcement Officer	1
Current Planning Manager	1
Development Svc. Coordinator	1
Development Cust. Svc. Rep.	1
GIS Manager	1
Planner II	2
Planner I	1
Senior Admin Support Assistant	1
Transportation Planner	<u>1</u>
Full-Time Department Total	11
Part-Time Resources	<u>0.2</u>
Total	11.2

Budget Notes

New Initiatives & Priorities	Cost Value
Rex Endowment Grant Year 3 *	104,500
Rex Endowment Grant Year 2 (Prior Year) *	101,500
Sign Ordinance Update	25,000
GIS Core Investment	25,000
Training Support	<u>4,200</u>
Total	\$260,200
Note: * offset by grant revenues	

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
PLANNING				
Total Salary and Benefits	\$ 956,044	\$ 1,253,273	\$ 883,715	\$ 1,003,200
Operations	\$ 247,815	\$ 341,885	\$ 328,382	\$ 387,000
Capital Outlay	\$ -	\$ 5,080	\$ -	\$ 50,000
\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,203,859	\$ 1,600,238	\$ 1,212,097	\$ 1,390,200
Year Over Year % Change Total	0.8%	32.9%	-24.3%	14.7%
Year Over Year \$s Change Total	\$ 9,875	\$ 396,379	\$ (388,141)	\$ 178,103

Note: For demonstration purposes, the historical expenditures have been restated prior to FY2016 due to re-organization.

Engineering

Mission

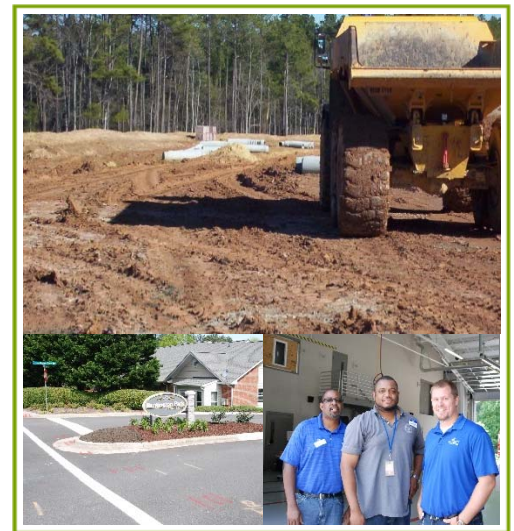
The mission of the Engineering Department is to represent the interests of the Town of Morrisville's residents and taxpayers in the activities related to planning, inspection, construction, and maintenance of the Town's infrastructure and to endeavor to provide engineered systems that enhance the standard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

Positions

	2017 Proposed
Town Engineer	1
Project Manager	1
Engineering Technician	3
Engineering Inspector	<u>1</u>
Full-Time Department Total	6

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
Sidewalk Prioritization Plan Funding	100,000
Sidewalk Funds (FY 2016 Carryover)	100,000
Project Manager Position	84,400
Project Design	50,000
Morrisville Parkway Grade Separation Signal Pole & Sidewalk Betterments	<u>41,500</u>
Total	\$375,900

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
ENGINEERING				
Total Salary and Benefits	\$ 405,139	\$ 429,581	\$ 455,800	\$ 562,700
Operations	\$ 67,671	\$ 78,107	\$ 58,720	\$ 119,700
Capital Outlay	\$ -	\$ -	\$ -	\$ 241,500
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 472,810	\$ 507,688	\$ 514,520	\$ 923,900
Year Over Year % Change Total	-4.4%	7.4%	1.3%	79.6%
Year Over Year \$s Change Total	\$ (21,510)	\$ 34,878	\$ 6,832	\$ 409,380

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.

Positions

	2017 Proposed
Inspections Director	1
Asst. Building Codes Administrator	1
Senior Building Codes Inspector	2
Building Codes Inspector II	1
Building Codes Inspector I	<u>1</u>
Full-Time Department Total	6



Budget Notes

New Initiatives & Priorities	Cost Value
Senior Buildings Inspector Position with Equipment (a \$25,000 new vehicle allocation included in Fleet Budget)	\$ 87,200

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
INSPECTIONS				
Total Salary and Benefits	\$ 477,247	\$ 481,559	\$ 490,606	\$ 596,600
Operations	\$ 21,290	\$ 21,673	\$ 23,145	\$ 32,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 498,537	\$ 503,232	\$ 513,751	\$ 628,600
Year Over Year % Change Total	0.7%	0.9%	2.1%	22.4%
Year Over Year \$s Change Total	\$ 3,604	\$ 4,695	\$ 10,519	\$ 114,849

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.



Positions

	2017 Proposed
Public Works Director	1
General Services Superintendent	1
Parks & Grounds Superintendent	1
Streets Superintendent	1
Administrative Services Manager	1
Facilities Maint. Tech.	1
Parks & Grounds Maint. Tech. I	3
Parks & Grounds Maint. Tech. II	2
Projects Coordinator	1
Senior Admin Support Assistant	1
Senior Facilities Maint. Tech.	1
Senior Mechanic	1
Streets Maint Tech. I	2
Streets Maint. Crew Leader	1
Streets Maint. Tech. II	1
Turf & Landscape Specialist	2
Full-Time Department Total	21
Part-Time Resources	2
Total	23

Budget Notes

New Initiatives & Priorities	Cost Value
Public Works	
NCDOT Morrisville-Carpenter Road/Progress Energy Project (partial offsetting revenue \$250,000 Streets PIL Fund Balance)	347,900
Road Maintenance	300,000
Church Street Walking Loop CAMPO Grant Project (partial offsetting revenue \$110,000)	227,000
NCDOT NC54/Cary Parkway Sidewalk Projects (full offsetting revenue)	200,000
Pedestrian Enhancements (Morrisville-Carpenter Road Streetlights)	100,000
Pedestrian Enhancement (FY2016 Carryover)	100,000
PSMS Building Maintenance Items (New Roof, Ice Breakers, & Stucco Repairs full offsetting revenue anticipated from MCCOA)	92,000
Police Department Modifications	81,000
Pedestrian Crossing (McCrimmon Parkway)	78,000
Traffic Signal Maintenance Agreement (Town of Cary)	45,000
Fire Station 2 Maintenance Items (Roof Ice Breakers, Roof, Kitchen Replacement, Radio Room Renovations)	36,400
Telemetrics System	35,000
Ben's Bargain Barn Demolition	30,000
Parks and Grounds Additional Maintenance Costs	17,000
Parks Maintenance Shop Fire Alarm System	16,600
Parks and Recreation Building Maintenance	15,000
House Burn – 124 Scoggins Avenue	15,000
Police Vehicle Maintenance Warranties	10,000
Total	\$1,745,900

New Initiatives & Priorities	Cost Value
Fleet	
Fleet Replacement	278,000
Police Officer Vehicles (Addition)	220,000
Inspector Vehicle (Addition)	<u>25,000</u>
Total	\$ 523,000

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
POWELL BILL				
Operations	\$ 32,454	\$ 471,697	\$ 546,236	\$ 547,000
Capital Outlay	\$ 500,267	\$ 22,811	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 532,721	\$ 494,508	\$ 546,236	\$ 547,000
Year Over Year % Change Total	2.9%	-7.2%	10.5%	0%
Year Over Year \$s Change Total	\$ 15,225	\$ (38,213)	\$ 51,728	\$ 764

FLEET				
Total Salary and Benefits	\$ -	\$ -	\$ -	\$ -
Operations	\$ 11,652	\$ 968	\$ -	\$ -
Capital Outlay	\$ 1,295,784	\$ 203,211	\$ 490,600	\$ 523,000
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,307,436	\$ 204,179	\$ 490,600	\$ 523,000
Year Over Year % Change Total	49.6%	-84.4%	140.3%	6.6%
Year Over Year \$s Change Total	\$ 433,346	\$ (1,103,257)	\$ 286,421	\$ 32,400

PUBLIC WORKS				
Total Salary and Benefits	\$ 1,346,973	\$ 1,388,425	\$ 1,452,100	\$ 1,550,500
Operations	\$ 2,383,757	\$ 3,254,487	\$ 3,202,565	\$ 3,522,300
Capital Outlay	\$ 530,644	\$ 210,141	\$ 130,000	\$ 1,338,900
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 4,261,374	\$ 4,853,053	\$ 4,784,665	\$ 6,411,700
Year Over Year % Change Total	-3.4%	13.9%	-1.4%	34.0%
Year Over Year \$s Change Total	\$ (151,860)	\$ 591,679	\$ (68,388)	\$ 1,627,035

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.

Positions

	2017 Proposed
Police Chief	1
Police Captain	2
Police Sergeant	7
Senior Police Officer	3
Master Officer	8
Accreditation/Crimes Analyst	1
Police Officer I	17
Senior Admin Support Asst.	1
Records Clerk	1
Full-Time Department Total	41
Part-Time Resources	1.3
Total	42.3

Budget Notes

New Initiatives & Priorities	Cost Value
Police Officers (4) total compensation & PPE (a \$220,000 new vehicle allocation is included in Fleet Budget for each position)	292,800
In-Car Camera System (all Police vehicles)	159,100
Police Records Clerk	62,900
Total	\$514,800

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
POLICE				
Total Salary and Benefits	\$ 2,820,380	\$ 2,929,917	\$ 2,878,500	\$ 3,633,400
Operations	\$ 209,133	\$ 535,363	\$ 348,140	\$ 410,700
Capital Outlay	\$ 111,252	\$ 390,056	\$ 15,000	\$ 159,100
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 3,140,765	\$ 3,855,336	\$ 3,241,640	\$ 4,203,200
Year Over Year % Change Total	6.6%	22.8%	-15.9%	29.7%
Year Over Year \$s Change Total	\$ 194,250	\$ 714,571	\$ (613,696)	\$ 961,560

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.

Positions

	2017 Proposed
Fire Chief	1
Battalion Chief	3
Fire Marshal	1
Deputy Fire Marshal	1
Fire Captain	9
Fire Lieutenant	3
Fire Engineer	12
Master Firefighter	9
Firefighter	9
Admin. Support Specialist	<u>1</u>
Full-Time Department Total	49
Part-Time Resources	<u>18</u>
Total	67

Budget Notes

New Initiatives & Priorities	Cost Value
Station Location Study	55,000
Personal Protective Equipment	49,200
Water System Modeling	32,400
Fire Replacement Equipment	28,100
Medical Stress Tests	22,500
Local Public Safety Training Center Study	<u>7,500</u>
Total	\$194,700

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
FIRE				
Total Salary and Benefits	\$ 3,674,054	\$ 3,930,029	\$ 4,133,200	\$ 4,398,400
Operations	\$ 412,904	\$ 762,127	\$ 809,792	\$ 670,200
Capital Outlay	\$ 81,480	\$ 149,455	\$ 395,638	\$ 28,100
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 4,168,438	\$ 4,841,611	\$ 5,338,630	\$ 5,096,700
Year Over Year % Change Total	4.4%	16.1%	10.3%	-4.5%
Year Over Year \$s Change Total	\$ 177,250	\$ 673,173	\$ 497,019	\$ (241,930)

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.



Positions

	2017 Proposed
Parks & Recreation Director	1
Recreation Superintendent	1
Parks & Greenways Planner	1
Community Center Supervisor	2
Athletics Supervisor	1
Admin. Support Specialist	1
Aquatics Specialist	1
Athletics Program Specialist	1
Fitness Program Specialist	1
Marketing & Special Events	1
Recreation Program Specialist	1
Senior Admin Support Assistant	1
Full-Time Department Total	13
Permanent - Part-time	4
Part-Time Resources	14.8
Total	31.8

Budget Notes

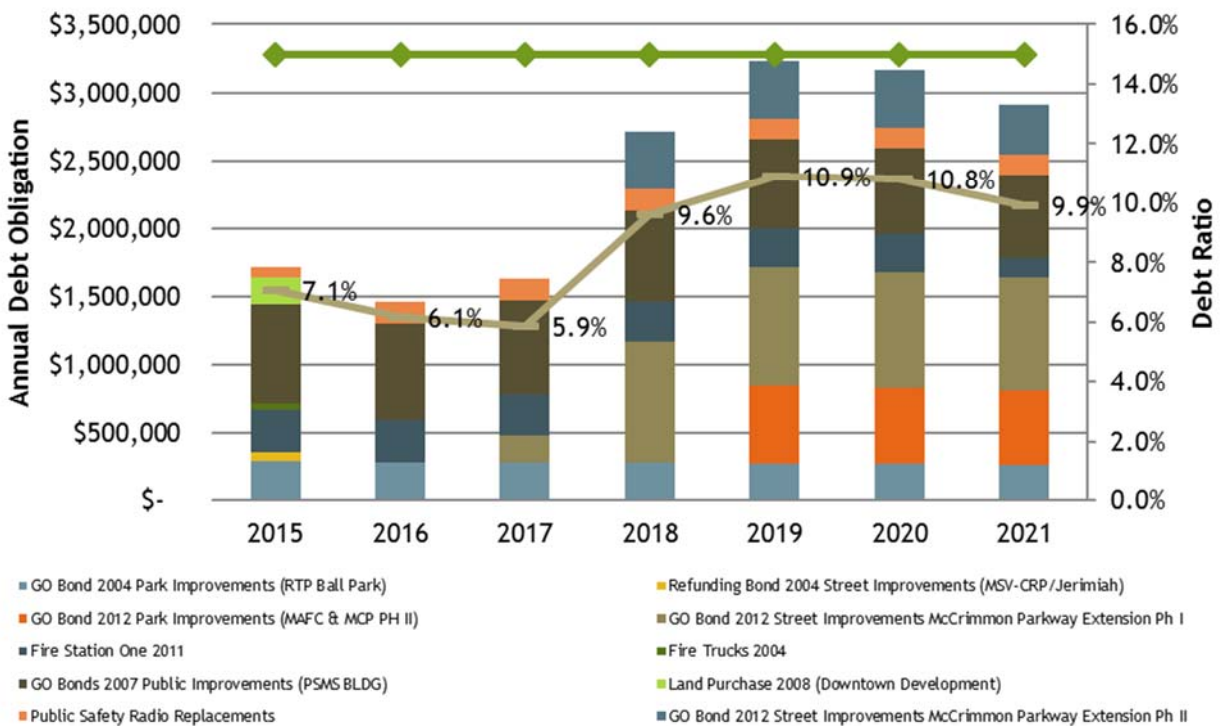
New Initiatives & Priorities	Cost Value
Master Plan Update	80,000
Part-time Staff Increases	25,000
Cultural Program Enhancements	13,500
Special Events Program Costs	13,000
Special Events Enhancement	12,000
Aquatics Aide Additional Hours	11,900
MAFC Expanded Hours	9,000
Total	\$164,400

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
PARKS				
Total Salary and Benefits	\$ 1,282,855	\$ 1,393,858	\$ 1,357,605	\$ 1,538,000
Operations	\$ 321,024	\$ 326,462	\$ 305,651	\$ 415,600
Capital Outlay	\$ 56,470	\$ 16,288	\$ -	\$ -
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,660,349	\$ 1,736,608	\$ 1,663,256	\$ 1,953,600
Year Over Year % Change Total	6.9%	4.6%	-4.2%	17.5%
Year Over Year \$s Change Total	\$ 107,473	\$ 76,259	\$ (73,352)	\$ 290,344

Debt

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
DEBT SERVICE				
Debt Service	\$ 1,516,701	\$ 1,716,606	\$ 1,458,100	\$ 1,627,600
Year Over Year % Change Total	-5.9%	13.2%	-15.1%	12%
Year Over Year \$s Change Total	\$ (94,879)	\$ 199,905	\$ (258,506)	\$ 169,500

Debt Schedule



Budget Notes

New Initiatives & Priorities	Cost Value
McCrimmon Parkway Extension Phase I (Partial Debt)	\$200,000

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.

Positions

	2017 Proposed
Stormwater Engineer Manager	1
Stormwater Engineer	1
Environmental Specialist	<u>1</u>
Full-Time Department Total	3

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 engineering design and support; and project management and oversight



Budget Notes

New Initiatives & Priorities	Cost Value
No Additional Request	-

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
Revenues				
Stormwater ERU Fees	\$ 446,804	\$ 512,370	\$ 543,000	\$ 547,500
Stormwater Review Fees	\$ 22,428	\$ 27,786	\$ 60,000	\$ 25,000
Restricted Intergovernmental	\$ 337,640	\$ 342,093	\$ 100,600	\$ -
Transfer in from General Fund*	\$ -	\$ -	\$ 126,200	\$ 114,900
Total Revenues	\$ 806,872	\$ 882,249	\$ 829,800	\$ 687,400
Expenditures				
Total Salary and Benefits	\$ 152,871	\$ 207,855	\$ 234,362	\$ 277,300
Operations	\$ 244,547	\$ 203,792	\$ 312,045	\$ 335,100
Capital Outlay	\$ 326,586	\$ 7,753	\$ 120,000	\$ 75,000
Transfers out of General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 724,004	\$ 419,400	\$ 666,407	\$ 687,400
Year Over Year % Change Total	103.7%	-42.1%	58.9%	3.2%
Year Over Year \$s Change Total	\$ 368,665	\$ (304,604)	\$ 247,007	\$ 20,993

Municipal Services 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.



Revenues	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
Ad Valorem Service District Taxes	\$ 92,179	\$ 91,500	\$ 92,400	\$ 93,700
Investment Earnings	\$ 140	\$ 100	\$ 315	\$ -
Transfer in from General Fund	\$ -	\$ 110,000	\$ 242,100	\$ -
Appropriation of Fund Balance	\$ -	\$ 122,736	\$ -	\$ -
Total Revenues	\$ 92,319	\$ 324,336	\$ 334,815	\$ 93,700
Expenditures				
Operations	\$ 83,148	\$ 322,836	\$ 334,000	\$ 93,700
Transfer to General Fund	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 83,148	\$ 322,836	\$ 334,000	\$ 93,700

Fire Apparatus Capital Reserve Fund

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.



	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
Beginning Balance	\$ 1,190,373	\$ 496,830	\$ 747,441	\$ 601,141
Interest Earnings	\$ 454	\$ 611	\$ -	\$ -
Transfer in from General Fund	\$ 425,000	\$ 555,000	\$ 170,000	\$ 652,000
Transfer out to General Fund	\$ (1,118,997)	\$ (305,000)	\$ (316,300)	\$ -
Ending Balance	\$ 496,830	\$ 747,441	\$ 601,141	\$ 1,253,141

CIP Capital Reserve Fund

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.



	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
Beginning Balance	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -	\$ -
Transfer in from General Fund	\$ -	\$ -	\$ -	\$ 200,000
Transfer out to Capital Projects	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ 200,000

Roadway & Transportation Capital Reserve Fund

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.

	2014 Actuals	2015 Actuals	2016 Estimated Actual	2017 Proposed Budget
Beginning Balance	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -	\$ -
Transfer in from General Fund	\$ -	\$ -	\$ -	\$ 440,000
Transfer out to Capital Projects	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ 440,000



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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 looks to evaluate how decisions today might impact future budgets; and to take action executing the budget with a high degree of proficiency.

Assessment Phase

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

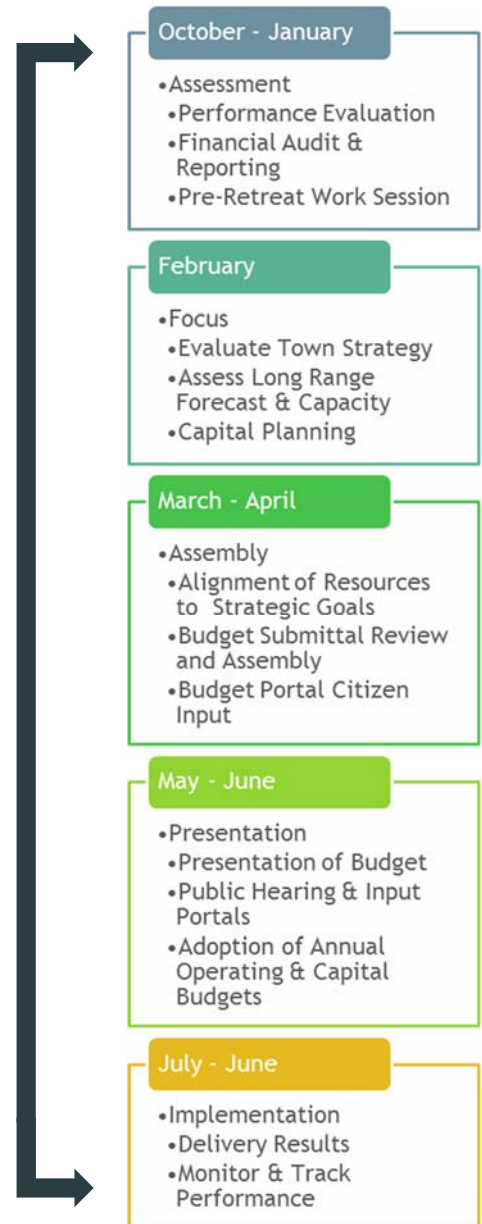
Focus Phase

In February, the Council conducts an annual planning retreat 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

Budget Calendar



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 briefing 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.

The Budget

- *The primary objective is to provide the highest level of service to residents without impairing the Town's sound financial condition.*
- *The budget must be balanced for each fund; total projected revenues and funding sources must equal total anticipated expenditures.*
- *The 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 assurance and compliance that overall budgetary objectives are met.*

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
General Fund 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
Capital Reserve Funds 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
Municipal Service District Fund 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
Stormwater Enterprise Fund is a proprietary fund to create a separate accounting and reporting for which fees are charged in	• Stormwater ERU Fee • Stormwater Review Fees	• Stormwater systems & programs to improve water quality	Annual

exchange for a utility type service. Annually adopted budget.

Retirement Health Care Fund 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.

Separation Allowance Fund 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.

Capital Project Funds 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.

Restricted Fees	Compliance with state water resource management mandates	
3% of Gross Wages	Retiree supplemental medical coverage	Annual
3% of Law Enforcement Gross Wages	Law Enforcement supplemental retirement	Annual
- 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 Policy Guidelines

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 Tax:

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.

- a) *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.*
- b) *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.*
- c) *Cash Flows will be forecasted and investments will be made to mature when funds are projected to be needed to meet cash flow requirements.*
- d) *Liquidity: No less than 20% of funds available for investment will be maintained in liquid investments at any point in time.*
- e) *Maturity: All investments will mature in no more than thirty-six (36) months from their purchase date.*
- f) *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).*
- g) *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.*
- h) *Diversification: No more than 5% of the Town's investment funds may be invested in a specific company's commercial paper and no more than 20% of the Town's investment funds may be*

invested in commercial paper. No more than 25% of the Town's investments may be invested in any one US Agency's Securities.

- i) Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Finance Director.*
- j) Reporting: The Town Council will receive a report summarizing the Town's investment holdings on a monthly basis.*

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

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.

Fiscal Monitoring:

Monthly 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.

Long-Range Forecasting

Major Forecast Assumptions

Major Category	2017	2018	2019	2020	2021
Revenues					
Revenues	- Conservative \$0.385 Tax Rate - Ad Valorem collection rate 99% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 5% growth (special census) 3% average growth - Revaluation impact	- Conservative \$0.385 Tax Rate - Ad Valorem collection rate 99% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 5% growth 1% average growth	- Conservative \$0.385 Tax Rate - Ad Valorem collection rate 99% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth	- Conservative \$0.385 Tax Rate - Ad Valorem collection rate 99% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth	- Conservative \$0.385 Tax Rate - Ad Valorem collection rate 99% \$15 Vehicle Decal \$25 Stormwater ERU - Sales Tax 4% growth 3% average growth
Transfers In	None	Capital Reserve Fund - Quint	Capital Reserve Fund - Quint	None	None
Expenditures					
Personnel	- Merit average 3.25% 8 New Positions - Part-time Increases - Insurance 7% increase 401k 5% - LGERS 12.6% General/13.35%LEO - OPEB 3% - LEO Separation 3%	- Merit average 2% - Insurance 7% increase 401k 5% - LGERS 12.85% General/13.60% LEO - OPEB 3% - LEO Separation 3%	- Merit average 2% 3-Firefighters - Insurance 7% increase 401k 5% - LGERS removed 5.35% Buy Back - General 7.75%/8.5%LEO - OPEB 3% - LEO Separation 3%	- Merit average 2% - Insurance 7% increase 401k 5% - LGERS decrease 12.35% General 8%/8.75% LEO - OPEB 3% - LEO Separation 3%	- Merit average 2% - Insurance 7% increase 401k 5% - LGERS 8.25% General/9% LEO - OPEB 3% - LEO Separation 3%
Operations	- Inflationary Adjustments - Operations Reserve - IT Replacements - Expanded Base Budget – Maintenance, Events, Training - Facility Improvements - Branding & Website - System Improvements - Sign Ordinance & Parks Master Plan Updates	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements - IT Software Licensing Plan - Bond Sale Cost	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements - Bond Sale Cost	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements	- Inflationary Adjustments - Operations Reserve - Fire Inspections Billing - IT Replacements
Capital Outlay	- IT & Other Replacements - Higher Street Maintenance - Sidewalk Funds - Pedestrian Enhancements - In-Car Camera Systems - Vehicle Replacements - Traffic Management Funds - Project Design Funds	- Fire Apparatus/ Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Sidewalk Funds	- Fire Apparatus/ Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Sidewalk Funds	- Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Sidewalk Funds	- Vehicle Replacements - IT & Other Replacements - Higher Street Maintenance - Sidewalk Funds
Debt Service	- Minor Retiring Debt 2012 Bond Debt McCrimmon Ext PH1 Partial	- Minor Retiring Debt 2012 Bond Debt McCrimmon Ext PH1 & PH 2 Full	- Minor Retiring Debt 2012 Bond Debt MAFC/MCPHII	Minor Retiring Debt	Fire Station One Retiring Debt after FY2021
Transfers Out	- 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	- Capital Reserve Funding - MSD Funding - Stormwater Subsidy
Cash Flow Demands	2012 McCrimmon Ext. PH1/PH2 - Hatcher Creek - Morrisville-Carpenter Road Improvements - Sidewalk Grant Projects	2012 Park Bond Project Design - Hatcher Creek - Morrisville-Carpenter Road Improvements	2012 Park Bond Projects		

Adoption Note: The Long-Range Forecast and assumptions are as presented with the Town Manager's recommendation and do not include modifications as a result of Town Council changes at adoption. At the conclusion of the FY2016 Audit we will re-evaluate long-range forecast using updated data.

5-Year Long-Range Forecast Analysis Summary

General Fund

actual 2014⁵actual 2015⁵estimated 2016³forecast 2017forecast 2018forecast 2019forecast 2020forecast 2021

Revenues by type

Ad Valorem	\$	14,511,449	\$	14,690,768	\$	16,285,000	\$	16,902,300	\$	17,357,000	\$	17,875,000	\$	18,405,000	\$	18,955,000	
Intergovernmental Revenues Total	\$	5,574,758	\$	6,563,000	\$	7,068,200	\$	7,373,100	\$	7,656,700	\$	7,924,900	\$	8,238,900	\$	8,539,900	
Intergovernmental Restricted Revenues Total	\$	522,498	\$	545,077	\$	654,836	\$	969,300	\$	560,300	\$	565,800	\$	571,300	\$	577,800	
Other Taxes & Licenses Total	\$	1,761,049	\$	1,731,429	\$	924,000	\$	939,400	\$	952,500	\$	965,900	\$	978,900	\$	991,700	
Permits & Fees Total	\$	1,431,252	\$	1,587,657	\$	1,589,600	\$	971,200	\$	937,200	\$	983,500	\$	977,000	\$	985,000	
Sales & Services Total	\$	1,550,669	\$	1,676,071	\$	1,111,946	\$	1,149,200	\$	1,171,300	\$	1,249,600	\$	1,286,700	\$	1,298,200	
Investment Earnings	\$	16,474	\$	16,949	\$	40,000	\$	42,000	\$	42,000	\$	42,500	\$	43,300	\$	42,000	
Miscellaneous	\$	359,158	\$	298,680	\$	346,600	\$	367,000	\$	279,000	\$	283,000	\$	287,000	\$	291,000	
Proceeds	\$	-	\$	1,000,000			\$	-	\$	-	\$	-	\$	-	\$	-	
Transfers In from Other Fund Sources	\$	1,707,209	\$	310,958	\$	316,300	\$	-	\$	1,170,200	\$	1,387,200	\$	-	\$	-	
Appropriation of Fund Balance	\$	-	\$	-	\$	-	\$	250,000	\$	-	\$	-	\$	-			
Total Revenues	\$	27,434,516	\$	28,420,589	\$	28,336,482	\$	28,963,500	\$	30,126,200	\$	31,277,400	\$	30,788,100	\$	31,680,600	
Total Revenues without Transfers	\$	25,727,307	\$	27,109,631	\$	28,020,182	\$	28,713,500	\$	28,956,000	\$	29,890,200	\$	30,788,100	\$	31,680,600	
Overall Revenue Growth (not including interfund transfers)		9%		5%		3.4%		2.5%		1%		3%		3%		3%	
Overall Revenue Growth (includes interfund transfers)		10%		4%		0%		2%		4%		4%		-2%		3%	
Revenue Per Capita	<i>Less Transfers</i>	\$	1,275.90	\$	1,306.30	\$	1,310.82	\$	1,253.10	\$	1,226.90	\$	1,229.59	\$	1,229.65	\$	1,240.48

Expenditures by type

Personnel Service	\$	13,061,823	\$	13,909,735	\$	13,508,791	\$	15,686,400	\$	16,018,000	\$	16,134,800	\$	16,444,800	\$	16,808,000	
Operations	\$	5,820,345	\$	7,434,835	\$	7,571,770	\$	8,216,800	\$	7,609,300	\$	7,810,300	\$	7,768,400	\$	7,851,300	
Capital Outlay	\$	3,160,517	\$	1,206,851	\$	1,184,238	\$	2,467,600	\$	1,991,300	\$	2,527,800	\$	1,830,300	\$	2,014,500	
Interfund Transfers ⁶	\$	425,000	\$	1,252,429	\$	4,542,300	\$	965,100	\$	1,074,100	\$	1,062,000	\$	904,700	\$	905,300	
Debt	\$	1,516,701	\$	1,716,606	\$	1,458,100	\$	1,627,600	\$	2,717,300	\$	3,232,100	\$	3,162,400	\$	2,914,900	
Total Expenditures	\$	23,984,386	\$	25,520,456	\$	28,265,199	\$	28,963,500	\$	29,410,000	\$	30,767,000	\$	30,110,600	\$	30,494,000	
Total Expenditures without Transfers	\$	23,559,386	\$	24,268,027	\$	23,722,899	\$	27,998,400	\$	28,335,900	\$	29,705,000	\$	29,205,900	\$	29,588,700	
Overall Expenditure Growth (not including interfund transfers)		5%		3%		-2%		18%		1%		5%		-2%		1%	
Overall Expenditure Growth (includes interfund transfers)		2%		6%		11%		2%		2%		5%		-2%		1%	
Expenditures Per Capita	Less Transfers	\$	1,168.39	\$	1,169.37	\$	1,109.79	\$	1,221.89	\$	1,200.62	\$	1,221.98	\$	1,166.46	\$	1,158.57

Transfers (In/Out)
other Sources

Transfers In	\$	1,707,209	\$	1,310,958	\$	316,300	\$	-	\$	1,170,200	\$	1,387,200	\$	-	\$	-
Transfers out	\$	425,000	\$	1,252,429	\$	4,542,300	\$	965,100	\$	1,074,100	\$	1,062,000	\$	904,700	\$	905,300
Claims/Settlements	\$	225,000														
Total Transfers	\$	1,057,209	\$	58,529	\$	(4,226,000)	\$	(965,100)	\$	96,100	\$	325,200	\$	(904,700)	\$	(905,300)
Total Revenues (all sources)	\$	27,434,516	\$	28,420,589	\$	28,336,482	\$	28,963,500	\$	30,126,200	\$	31,277,400	\$	30,788,100	\$	31,680,600
Total Expenditure (all sources)	\$	23,984,386	\$	25,520,456	\$	28,265,199	\$	28,963,500	\$	29,410,000	\$	30,767,000	\$	30,110,600	\$	30,494,000
Surplus/(deficit) - includes transfers in/out effect	\$	3,450,130	\$	2,900,133	\$	71,283	\$	-	\$	716,200	\$	510,400	\$	677,500	\$	1,186,600

Adoption Note: The Long-Range Forecast and assumption are as presented with the Town Manager's recommendations and do not include modifications as a result of Town Council changes at adoption. At the conclusion of the FY2016 Audit, staff will re-evaluate long-range projections using updated data. Council will revisit further usage of Unassigned Fund Balance in excess of policy at that time .

General Fund

actual 2014⁵actual 2015⁵estimated 2016³forecast 2017forecast 2018forecast 2019forecast 2020forecast 2021

Debt Outlay Analysis

Maximum debt outlay annually within Policy ¹	\$	3,370,153	\$	3,570,578	\$	4,021,065	\$	4,100,385	\$	4,003,905	\$	4,130,235	\$	4,042,230	\$	4,136,865
Retiring Debt from previous year	\$	94,879	\$	(199,905)	\$	258,506	\$	30,500	\$	30,300	\$	28,700	\$	28,700	\$	163,000
Existing Long-term Debt	\$	1,516,701	\$	1,716,606	\$	1,458,100	\$	1,427,600	\$	1,397,300	\$	1,368,600	\$	1,339,900	\$	1,176,900
New CIP Debt Service	\$	-	\$	-	\$	-	\$	200,000	\$	1,320,000	\$	1,863,500	\$	1,822,500	\$	1,738,000
Total Long-term Debt Service (including New Debt)	\$	1,516,701	\$	1,716,606	\$	1,458,100	\$	1,627,600	\$	2,717,300	\$	3,232,100	\$	3,162,400	\$	2,914,900
Debt Service Ratio Performance Indicator	Debt outlay as % of prior year expenditures indicates the service flexibility within the amount of expenditures committed to annual debt service. 15% or higher exceeds Town Policy.															
		7%		7%		6%		6%		10%		11%		11%		10%

Tax Rate Analysis

Current and Projected Tax Rate		0.3900		0.3900		0.4100		0.3850		0.3850		0.3850		0.3850		0.3850
Tax Base	\$	3,660,598,315	\$	3,759,730,020	\$	3,971,882,812	\$	4,402,100,000	\$	4,534,163,000	\$	4,670,187,890	\$	4,810,293,527	\$	4,954,602,333
Tax Base Growth		4.0%		2.7%		5.6%		10.8%		3.0%		3.0%		3.0%		3.0%
Population		20,164		20,753		21,376		22,914		23,601		24,309		25,038		25,539
Per Penny	\$	372,088	\$	376,686	\$	397,195	\$	439,021	\$	450,831	\$	464,286	\$	478,052	\$	492,338
Expenditures Per Capita	\$	1,189.47	\$	1,229.72	\$	1,322.29	\$	1,264.01	\$	1,246.13	\$	1,265.66	\$	1,202.60	\$	1,194.02

Fund Balance Analysis - CAFR Exhibit 5

Beginning Total Fund Balance	\$	13,212,761	\$	16,662,886	\$	20,481,074	\$	20,552,357	\$	20,552,357	\$	21,268,557	\$	21,778,957	\$	22,456,457
Revenues based on Current Tax Rate	\$	25,727,307	\$	27,109,631	\$	28,020,182	\$	28,963,500	\$	28,956,000	\$	29,890,200	\$	30,788,100	\$	31,680,600
Expenditures with New CIP	\$	23,334,386	\$	24,268,027	\$	23,722,899	\$	27,998,400	\$	28,335,900	\$	29,705,000	\$	29,205,900	\$	29,588,700
Surplus/(deficit) ¹	\$	3,450,125	\$	2,900,133	\$	71,283	\$	-	\$	716,200	\$	510,400	\$	677,500	\$	1,186,600
Non-Spendable; Restricted; Committed; Assigned Fund Balance	\$	5,601,834	\$	7,078,737	\$	7,858,261.58	\$	6,353,184.19	\$	6,576,885.49	\$	6,697,687.53	\$	6,722,805.35	\$	7,186,742.68
Prior Period Adjustment			\$	918,055	\$	-										
Assigned/Unassigned	\$	16,662,886	\$	20,481,074	\$	20,552,357	\$	20,552,357	\$	21,268,557	\$	21,778,957	\$	22,456,457	\$	23,643,057
Capital Reserve Fund Balance (consolidated) ²	\$	496,830	\$	747,441	\$	601,141	\$	1,253,112	\$	734,985	\$	100,811	\$	762,269	\$	762,269
MSD Fund Balance (consolidated - new 2014) ²	\$	122,573	\$	23,661	\$	23,783	\$	117,483	\$	322,083	\$	529,583	\$	737,083	\$	944,583
Assigned / Unassigned Fund Balance including Capital Reserve Fund	\$	17,282,289	\$	21,252,176	\$	21,177,281	\$	21,922,952	\$	22,325,625	\$	22,409,351	\$	23,955,809	\$	25,349,909
Impact of Anticipated Usage for Onetime Items in FY2016 ⁶					\$	3,200,000										
Unassigned Fund Balance ⁴	\$	11,680,455	\$	14,173,439	\$	13,319,020	\$	15,569,767	\$	15,748,740	\$	15,711,664	\$	17,233,004	\$	18,163,166
Unassigned Fund Balance Performance Indicator	Percentage of expenditures indicates Morrisville's ability to handle long-term obligations - 25% or less fails to meet Policy. Over 45% may indicate flexibility for onetime outlays.															
		49.9%		57.7%		56.1%		55.6%		55.6%		52.9%		59.0%		61.4%
Fund Balance High Policy		45%		45%		45%		45%		45%		45%		45%		45%
Fund Balance Low Policy		25%		25%		25%		25%		25%		25%		25%		25%

- notes:
- 1 - Deficit indicates potential to use Fund Balance to balance revenues to expenditures, cut operations, or raise revneues / Surplus indicates revenues in excess of expenditures should current tax rate be held the same.
- 2 - Change in Fund Balance Reporting can limit year to year comparison in previous years. - MSD & CRF are now required to be consolidated in General Fund.
- 3 - 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.
- 4 - 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 procduced to reasonably understand potential impacts of budgetary decisions.
- 5 - Stormwater Fund as of FY2016 does not appear within the forwardanalysis. The Stormwater enterprise fund will have its own long-range forecast tool going forward.
- 6 - FY2016 includes an assumption to transfer out of Fund Balance an estimated \$3.2M for funds above 45% as measured with FY2015 Unassigned Fund Balance to demonstrated potential impacts to future Fund Balance.

Adoption Note: The Long-Range Forecast and assumption are as presented with the Town Manager's recommendations and do not include modifications as a result of Town Council changes at adoption. At the conclusion of the FY2016 Audit, staff will re-evaluate long-range projections using updated data. Council will revist further usage of Unassigned Fund Balance in excess of policy at that time .

Fee Schedule

Administration Fee Description	Adopted Fee
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>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
Files on Disk/CD Rom	
CD Rom	\$6.00
DVD	\$8.00
Digital Copies	
All documents & maps, except custom, sent via email or FTP site	No Charge
Copies from Plotter (Maps)	
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
Custom Map	
Fee includes One digital version and one hard copy from plotter	Base map fee + \$130.00 per hour
Development Plans and Documents	
Land Use Plan – Current Version (updated March 24, 2009)	\$20
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

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

Planning Fee Description	Adopted Fee
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	
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	
Specific Sign Types - Ground, Wall Mounted, Projection, Awning-Mounted & Marquee	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)
Specific Sign Types - Bracket Mounted	\$6
Specific Sign Type - Sandwich board	\$25
Special Purpose Sign - Address (Ground mounted)	\$25
Special Purpose Sign - Address (Wall Mounted)	No Fee
Special Purpose Sign - Contractor/Construction Signs	\$5 per sqft
Special Purpose Sign - Residential Development Identification Signs	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)
Special Purpose Sign - Directional Signage	\$6 per sqft
Special Purpose Sign - Directory Signs	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)
Temporary Sign - Home Garden Produce Sale Sign	\$25
Temporary Sign - Real Estate (Commercial Only)	\$25
Temporary Sign - Promotional Event Signs	\$65 per calendar year
Temporary Sign - Temporary Directional Signage associated with Special Events Permit	\$25 per sign

Planning Fee Description	Adopted Fee
Temporary Sign - Temporary Directional Signage associated with Residential Developments	\$75 per sign
Temporary Sign - Light Pole Banner	\$6 per pole (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)
Temporary Sign - Banner Signs on Ground-mounted Signage:	\$25 per sign (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)
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
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

Planning Fee Description	Adopted Fee
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	\$2,030 per space
Parkland Payment Appraisal	Actual Cost of the Appraisal
Parkland Payment-in-Lieu (Multi-Family)	\$1,851 per unit
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
Request to Waive Limitation on Subsequent Similar Applications	\$255
Road Closing	\$2,160
Road Name Change	\$560
Special Event Permit	Tier I - \$100 Tier II- \$25
Special Use Permit	\$750 + \$30/acre
Special Use Permit: Minor Amendment	\$510
Stockpiling Permit	\$105
Street Vendor Permit	\$105
Structures in the Right-of-way (See Section 2.5.24 Right-of-Way Encroachment Agreement Approval)	\$510
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

Disclaimers:

The Town Manager or designee 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, changing from one brick color to another or correcting review mistakes.

Engineering & Stormwater Fee Description	Adopted Fee
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)	
Record Drawing Review - Includes 2 Reviews. Note: Morrisville Only, See Town of Cary for fees related to utility As-Builts	\$250
Re-submittal Record Drawing - 3rd Review and each Thereafter	\$150
Stormwater As-Builts - includes 2 reviews	\$250 per BMP
Stormwater As-Builts - 3rd Review and each Thereafter	\$125
Miscellaneous Fees	
Administrative Appeal (EDCM)	\$610
Alternative Standard (EDCM) - Request for alternative standard	\$150 per request standard
Bulletin Drawing Review - per review	\$150
Interpretation (EDCM)	\$205
<u>Retaining Wall/Other Structures Submittal</u>	
1st Review	\$150
2nd Review and each Thereafter	\$100
Riparian Buffer Variance	
Stream Buffer Determination	\$250 per Stream
Stormwater ERU Fee - Per Equivalent Residential Unit (ERU) and billed by Wake County	\$25 per ERU
Stormwater Variance	\$500
Infrastructure Fees	

Engineering & Stormwater Fee Description	Adopted Fee
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
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
Stormwater Facility(ies) Inspection (includes 1 inspection and 1 re-inspection)	\$250 per facility
Stormwater Facility(ies) Re-inspection	\$100 per inspection

Disclaimers:

The Town Manager or designee 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, changing from one brick color to another or correcting review mistakes.

Inspections Fee Description	Adopted Fee
Residential	
New Single Family & Duplex up to 1,200 sqft per dwelling	\$550
New Single Family & Duplex 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
\$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

Inspections Fee Description	Adopted Fee
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
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 (3 hour minimum)
Miscellaneous / Courtesy Inspection	\$80 per trade

Disclaimers:

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.

Police Fee Description	Adopted Fee
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	Adopted Fee
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
2,501 - 5,000 sqft	\$65.00
5,001 - 10,000 sqft	\$80.00
10,001 - 25,000 sqft	\$100.00
25,001 - 50,000 sqft	\$125.00
50,001 - 100,000 sqft	\$150.00
100,001 - 500,000 sqft	\$200.00
>500,000 sqft	\$300.00
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

Fire Fee Description	Adopted Fee
If violations corrected - no fee. If violations still exist 2nd warning (time TBD by inspector) assess fee (below).	
3rd Re - Inspection Fee	
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
5,001 - 10,000 sqft	\$500.00

Fire Fee Description	Adopted Fee
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>Apartments, Hotel/Motel and Condominiums</u>	
Inspection Fee	
3 - 9 Units	\$40.00
10 - 19 Units	\$90.00
20 - 29 Units	\$140.00
30 - 49 Units	\$175.00
50 -99 Units	\$200.00
100 Units	\$225.00
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	
<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.	

Fire Fee Description	Adopted Fee
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
<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 Fee Description	Adopted Fee
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

Disclaimers:

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.

Parks Fee Description	Adopted Fee
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
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

Parks Fee Description	Adopted Fee
Shotokan Karate for Adults or Youth	Res \$53 / Non \$79 Res \$40 / Non \$59 (peak sessions)
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	
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
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	
<u>Athletics - Winter Sports Leagues per season</u>	
MVP Sponsor	\$750 1 league / 16 or more Teams
All-Star Sponsor	\$625 1 league / 11-15 teams
Team Captain Sponsor	\$475 1 league / 6-10 teams
Home Run Sponsor	\$300 1 league / 5 or less teams

Parks Fee Description	Adopted Fee
<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
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
Morrisville Community Park Shelter	Res \$66 / Non \$100 1/2 day Res \$132 / Non \$200 all day
Nathaniel Mayo Shelter	Res \$66 / Non \$100 1/2 day Res \$132 / Non \$200 all day
Indian Creek Trailhead Shelter	Res \$56 / Non \$85 1/2 day Res \$112 / Non \$170 all day
<u>Athletic Field Rentals (per field)</u>	
Deposit (all fields)	\$100 per field
Field Prep (all fields)	\$40.00
Light Fee (all fields)	\$25.00
Church Street Park Fields	Res \$50 / Non \$65
Crabtree Nature Park Field	Res \$25 / Non \$35

Parks Fee Description	Adopted Fee
Morrisville Community Park Fields Shiloh Park Fields Cedar Fork District Park Fields	Res \$40 / Non \$50
Other	
Administrative Refund Fee	\$5
Membership Replacement Fee	\$5

Disclaimers:

The Parks and Recreational Fees follow guidelines set by the Parks, Recreation and Cultural Resources Fees and Charges Policy. Fees are subject to change throughout the year depending on the cost recovery goals and market based assessments conducted annually. Please refer to the Parks and Recreation Programs Brochure for current fees. Fees are listed here for comparative and budget development purposes.

The fees above represent the fees and charges for the Town's standard programs. Throughout a fiscal year and depending on demand, various ad hoc programs and partnered providers may add to the offerings advertised by Parks and Recreation.

Glossary

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.

Long Range Financial Forecast – The Town of Morrisville's forecast evaluates decisions on a multiyear level guiding the annual budget process. This tool has been developed to provide for capital improvements, staff and facility growth to meet community needs. It is

used to measure the long-term financial impact of all annual budget and capital project proposals.

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. A government needs to make sure that is aware of the distinction between satisfying the statutory definition and achieving a true structurally balanced budget.

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

Morrisville NC

Annual Operating Budget

Fiscal Year 2017



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