

TOWN OF CARY
OPERATING BUDGET ORDINANCE

BE IT ORDAINED by the Town Council of the Town of Cary, North Carolina, that the following anticipated fund revenues and expenditures by function, together with a financial plan for Internal Service Funds, certain Fee and Charge Schedules, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of Town Government and its activities for the Fiscal Year beginning July 1, 2008, and ending June 30, 2009.

SECTION 1. GENERAL FUND

ANTICIPATED REVENUES

Current Year Ad Valorem Taxes	\$62,809,799
Prior Year Taxes	\$300,000
Penalties & Interest on Taxes	\$70,000
ABC Revenue	\$407,330
Wake County Sales Tax - 1 Cent (Article 39)	\$11,980,858
Wake County Sales Tax - 1/2 Cent (Articles 40 & 42)	\$8,658,698
Wake County Sales Tax - 1/2 Cent (Article 44)	\$4,677,804
Privilege Licenses	\$1,484,339
Occupancy Tax	\$764,513
Pet Licenses	\$5,500
Utility Franchise Taxes	\$2,586,480
Wine and Beer Tax	\$530,287
Wireless E911 Fund	\$0
Gov's Highway Program Grant	\$54,297
Wireless Communications Sales Tax	\$1,629,755
Rental Vehicle Tax	\$74,222
High School Resource Officer Reimbursement	\$151,352
Other Restricted/Grants	\$515,190
Building Permits	\$3,520,161
Pavement/Curb Cuts	\$20,691
Rezoning/Variance Request Fees	\$48,595
Site/Final Plan Review Fees	\$114,522
Bldg./Elect./Mech./Plumbing Inspections Fees	\$819,101
Sign Permits	\$24,136
Fire Permits	\$31,322
Watershed Maint. Fees	\$400,211
Traffic Impact Analysis Reimbursement	\$677,000
Grading Permits	\$254,662
Sanitation Fees	\$6,550,252
Used Appliance Disposal	\$25,000
Recreation Program Fees	\$759,825
Recreation Retail Sales	\$43,461
Dog Park	\$42,000
Skate Park	\$141,000
Ticket Sales	\$33,600
Athletic Fees	\$617,000
USA Baseball	\$313,105
Tennis	\$772,000
Arts & Crafts Fees	\$279,000
Soccer Park	\$529,000
Festivals	\$122,525
Recreation Facility Rentals	\$269,693
Cultural Arts Rentals	\$45,000
Rents-Fire	\$222,226
Hazardous Waste Reimbursement	\$5,000
Interest Earned	\$1,980,220
Miscellaneous Revenues	\$400,000
Cable TV Franchise Fees	\$722,190
Court Costs	\$15,157
Donations	\$47,200
Recycled Goods	\$108,000
Red Light Ticket	\$15,000
Cellular Tower Lease Proceeds	\$528,888
DMV Rental Revenue	\$47,850
Appropriation From Fund Balance	\$1,385,812
Total Anticipated Revenues	\$118,630,829

SECTION 1. GENERAL FUND (continued)**AUTHORIZED EXPENDITURES/TRANSFERS OUT**

General Government	\$29,889,614
Public Safety	\$35,245,664
Parks, Recreation and Cultural Resources	\$10,727,712
Public Works	\$26,563,862
Departmental Allocation Accounts	(\$1,317,533)
Class & Pay Study	\$43,530
Market Adjustment on Pay Schedule	\$25,000
Installment Purchase / Related Fees	\$704,767
Long Term Debt / Related Fees	\$13,567,448
Reimbursement from Utility Fund - Indirect Costs	(\$2,133,223)
Reimbursement from Internal Service Fund	(\$205,542)
Subtotal - Expenditures	<u>\$113,111,299</u>
Inter-Fund Transfers:	
Capital Project Funds	\$4,087,778
Transit Fund	\$1,466,490
Self-Insurance Fund	(\$231,533)
Transfer to Health & Dental	\$321,795
Sale of Assets	(\$125,000)
Subtotal - Transfers (net)	<u>\$5,519,530</u>
Total Authorized Expenditures/Transfers	<u>\$118,630,829</u>

SECTION 2. UTILITY FUND**ANTICIPATED REVENUES/TRANSFERS IN**

Interest Earned	\$1,625,141
Miscellaneous Revenues	\$70,000
Proceeds from Sale of Assets	\$10,000
Utility Inspection Fees	\$502,318
Water Service Fees	\$20,864,930
Sewer Service Fees	\$24,050,949
Connection Fees	\$400,000
Reconnection Fees	\$45,000
Water Capacity Charges-RDU/Chatham Co.	\$285,391
Cross Connection Program Fees	\$360,000
Reinstallation Fees	\$20,000
New Account Service Charge	\$200,000
Bulk Water/Hydrants	\$156,560
Water Wholesale Sales	\$117,963
Raw Water Sales	\$111,534
Sewer Extension Permits	\$15,000
Pretreatment Program	\$65,000
FOG Fees	\$50,000
Returned Check Charge	\$5,150
Late Payment Charge	\$163,000
Total Anticipated Revenues	<u>\$49,117,936</u>

AUTHORIZED EXPENSES/TRANSFERS OUT**(TRANSFERS IN) BY DEPARTMENT**

Water Conservation	\$844,182
Pretreatment	\$385,669
Utility Systems Maintenance	\$3,053,075
North Cary WRF	\$6,665,867
South Cary WRF	\$3,675,506
Cary/Apex Water Plant	\$5,555,120
Reimbursement from Apex	(\$1,122,988)
Finance Department: Customer Accounting Division	\$2,157,357
Allocation Account	(\$75,000)
Self-Insurance	\$221,333
Long Term Debt	\$12,606,762
Bond Proceeds	\$150,000
Reimbursement to General Fund - PW/UT Dept.	\$10,008,032
Reimbursement to General Fund - Indirect Costs	\$2,133,223
Capital Projects - Open Space and Parkland Acquisition	\$1,000,000
Transfer to Utility Capital Reserve	\$1,114,817
Appropriation From (To) Fund Balance	\$744,981
Total Authorized Expenditures/Transfers	<u>\$49,117,936</u>

SECTION 3. TRANSIT FUND

ANTICIPATED REVENUES	
Transfer from General Fund	\$1,466,490
Fees/Vehicle License Fee	\$469,186
Federal Transit Grant	\$1,100,000
State Grant	\$240,000
Transportation / C - Tran Tickets	\$247,639
Appropriation From Fund Balance	\$300,000
<u>Total Anticipated Revenues</u>	<u>\$3,823,315</u>
AUTHORIZED EXPENDITURES	
Operating Expenses	\$3,823,315
<u>Total Anticipated Expenditures</u>	<u>\$3,823,315</u>

SECTION 4. COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant (CDBG) is a multi-year award from the US Department of Housing and Urban Development (HUD). Under HUD regulations, CDBG funds must be expended within five years of award. The CDBG budgets will remain effective and will not expire for the entire five year period.

ANTICIPATED REVENUES	
Federal Grant	\$450,746
<u>Total Anticipated Revenues</u>	<u>\$450,746</u>
AUTHORIZED EXPENDITURES	
Unallocated Expenses	\$450,746
<u>Total Anticipated Expenditures</u>	<u>\$450,746</u>

SECTION 5. ECONOMIC DEVELOPMENT STRATEGIC FUND

ANTICIPATED REVENUES	
Appropriation from Fund Balance	\$930,000
<u>Total Anticipated Revenues</u>	<u>\$930,000</u>
AUTHORIZED EXPENDITURES	
Operating Expenses	\$930,000
<u>Total Anticipated Expenditures</u>	<u>\$930,000</u>

SECTION 6. POLICE SEPARATION ALLOWANCE FUND

ANTICIPATED REVENUES	
Transfer from General Fund	\$242,853
<u>Total Anticipated Revenues</u>	<u>\$242,853</u>
AUTHORIZED EXPENDITURES	
Police Separation Allowance	\$242,853
<u>Total Anticipated Expenditures</u>	<u>\$242,853</u>

SECTION 7. SELF INSURANCE (WORKMAN'S COMP & SMALL CLAIMS) FUND

ANTICIPATED REVENUES	
Transfer from General Fund	\$943,467
Transfer from Utility Fund	\$221,333
Transfer from ISF Fleet Management	\$10,200
<u>Total Anticipated Revenues</u>	<u>\$1,175,000</u>
AUTHORIZED EXPENDITURES	
Expenditures	\$1,175,000
<u>Total Anticipated Expenditures</u>	<u>\$1,175,000</u>

SECTION 8. SELF INSURANCE (HEALTH & DENTAL) FUND

ANTICIPATED REVENUES	
Transfer from General Fund	\$6,034,880
Transfer from Utility Fund	\$1,415,750
Transfer from ISF Fleet Management	\$65,242
Retiree Coverage	\$321,795
Dependent Premium Revenue	\$2,313,662
<u>Total Anticipated Revenues</u>	<u>\$10,151,329</u>
AUTHORIZED EXPENDITURES	
Expenditures	\$10,151,329
<u>Total Anticipated Expenditures</u>	<u>\$10,151,329</u>

SECTION 9. 911 FUND

ANTICIPATED REVENUES	
Wireless E911 Fund	\$232,217
Wired E911 Fund	\$190,215
<u>Total Anticipated Revenues</u>	<u>\$422,432</u>
AUTHORIZED EXPENDITURES	
Expenditures	\$308,573
Appropriation To Fund Balance	\$113,859
<u>Total Anticipated Expenditures</u>	<u>\$422,432</u>

SECTION 10. FLEET MANAGEMENT FUND

ANTICIPATED REVENUES	
Parts	\$113,475
Fuel	\$376,002
Labor	\$600,000
Outsourcing Fee	\$21,926
Interest	\$20,000
<u>Total Anticipated Revenues</u>	<u>\$1,131,403</u>
AUTHORIZED EXPENSES	
Operating Expenses	\$880,926
Transfer to Self Insurance	\$215,742
Appropriation To Fund	\$34,735
<u>Total Authorized Expenses</u>	<u>\$1,131,403</u>

SECTION 11. UTILITY FEES AND CHARGES

A. There is hereby established, for the Fiscal Year 2009, Utility Fees as scheduled herewith:

WATER RATES:

<u>Base Charges:</u> (for water and irrigation services)	<u>Meter Size</u>	<u>Cary*</u>	<u>Morrisville*</u>
	5/8" & 3/4"	\$3.07	\$5.00
	1"	\$6.61	\$6.61
	1 1/2"	\$21.71	\$21.71
	2"	\$26.41	\$26.41
	3"	\$71.08	\$71.08
	4"	\$107.70	\$107.70
	6"	\$132.94	\$132.94
 <u>Residential Charge (per 1,000 gallons)</u>		 <u>Cary*</u>	 <u>Morrisville*</u>
	Tier 1 (usage 0 - 5,000 gal.)	\$3.28	\$3.87
	Tier 2 (usage 5,001 - 8,000 gal.)	\$3.75	\$3.87
	Tier 3 (usage 8,001 - 23,000 gal.) or up to water budget amount	\$5.33	\$5.49
	Tier 4 (usage > 23,000 gallons) or over water budget amount	\$10.83	\$11.17
 <u>Non-Residential & Multifamily Charge (per 1,000 gallons)</u>			
	Tier 1 (usage 0 - Water Budget Amount)	\$3.75	\$3.87
	Tier 2 (usage > than Water Budget Amount)	\$11.88	\$12.26
 <u>Single-Family Potable Irrigation (per 1,000 gallons)</u>			
	Tier 1 (usage 0 - 15,000 gallons) or up to water budget amount	\$5.33	\$5.49
	Tier 2 (usage > 15,000 gallons) or over water budget amount	\$10.83	\$11.17
 <u>Non-Residential & Multifamily Irrigation (per 1,000 gallons)</u>			
	Tier 1 (usage 0 - Water Budget Amount)	\$6.38	\$6.58
	Tier 2 (usage > than Water Budget Amount)	\$11.88	\$12.26
	 <u>Reclaimed Water Rate (Non-potable Irrigation) (per 1,000 gallons)</u>	 \$3.28	 \$3.87

SEWER RATES:

<u>Base Charges:</u>	<u>Meter Size</u>	<u>Cary*</u>	<u>Morrisville*</u>
	5/8" & 3/4"	\$3.07	\$5.00
	1"	\$6.61	\$6.61
	1 1/2"	\$21.71	\$21.71
	2"	\$26.41	\$26.41
	3"	\$71.08	\$71.08
	4"	\$107.70	\$107.70
	6"	\$132.94	\$132.94
	 <u>Volume Charge - All Users (per 1,000 gallons)</u>	 \$5.77	 \$7.34

*For retail utility customers outside the corporate limits of the Town of Cary or the Town of Morrisville, the respective charges for water and/or sewer shall be triple the charges herein established.

SECTION 12. SANITATION FEES

There is hereby established, for Fiscal Year 2009, a Sanitation Fee of \$14.00 per month.

SECTION 13. UTILITY CONNECTION FEES SCHEDULE

There are hereby established, for Fiscal Year 2009, Utility Connection Fees as contained in Attachment A.

SECTION 14. FEES SCHEDULE

There is hereby established, for Fiscal Year 2009, various fees as contained in Attachment A.

SECTION 15. LEVY OF TAXES

There is hereby levied, for Fiscal Year 2009, an Ad Valorem Tax Rate of \$0.33 per One Hundred Dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2008, 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. This rate of tax is based on an estimated assessed valuation of \$19,497,885,003.

SECTION 16. LEVY OF TAXES

There is hereby levied, for Fiscal Year 2009, a Tax on Gross Receipts derived from retail short-term motor vehicle leases or rentals of one and one-half percent (1 1/2%) 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 17. AUTHORIZED POSITIONS

- A. There is hereby established, for Fiscal Year 2009, a schedule of authorized positions, as contained in Attachment B.
- B. Position authorizations (new positions) are initially established by the annual budget ordinance.
- C. Any new positions needed during the fiscal year outside of the annual budget process must be approved by the Town Council.
- D. Any changes to non-exempt positions may occur during the fiscal year as authorized by the Town Manager.
- E. Any changes to exempt positions (other than grade increases) may occur during the fiscal year as authorized by the Town Manager.
- F. Any grade increases to exempt positions must be approved by the Town Council.

SECTION 18. MARKET ADJUSTMENT

There is hereby authorized for Fiscal Year 2009, a market adjustment increase of 3% to the Town's pay table, as included in Attachment C.

SECTION 19. SPECIAL AUTHORIZATION - BUDGET OFFICER

- A. The Budget Officer shall be authorized to reallocate appropriations within functions, and amounts of various line accounts not organized by departments, as deemed necessary.
- B. The Budget Officer shall be authorized to execute interfunctional and interdepartmental transfers within the same fund.
- C. Utilization of appropriations contained in contingencies may be accomplished by the Town Manager and notification of all such transfers shall be made to the Town Council at its next meeting following the date of transfer.
- D. The Budget Officer shall be authorized to make interfund loans as necessary to meet cash flow needs. The Budget Officer may make advances to the various Internal Service Funds, for working capital purposes, without additional approval from the Town Council.
- E. Interfund transfers, established in the Budget Ordinance, may be accomplished without additional approval from the Town Council.

SECTION 20. SPECIAL AUTHORIZATION - BUDGET OFFICER

Interfund and Interdepartmental transfer of monies, except as noted in Section 19, paragraphs C, and D, and Section 22, paragraphs A and B, shall be accomplished by Town Council authorizations only.

SECTION 21. UTILIZATION OF BUDGET ORDINANCE

- A. This ordinance shall be the basis of the financial plan for the Cary Municipal Government during the 2008-2009 Fiscal Year. The 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 22. SPECIAL AUTHORIZATION - TOWN MANAGER

A. The Town Manager shall have the power to authorize the transfer of funds out of the employee pay plan accounts in the General Fund, Utility Fund and Fleet Management Fund, into departmental accounts to fund performance award and reclassification increases for individual employees.

B. The Town Manager shall have the power to authorize the transfer of funds out of the departmental allocation accounts in the General Fund and Utility Fund into departmental accounts.

SECTION 23. REAPPROPRIATION OF FUNDS ENCUMBERED IN FY 2008

Operating funds encumbered on the financial records as of June 30, 2008, are hereby reappropriated to this budget.