

CHANGES TO FISCAL YEAR 2018 RECOMMENDED BUDGET

Operating Budget

Market Adjustment

1. Change Section 18 of the ordinance to state that the market adjustment is 4% rather than 1.5%. The final adjustment was not determined at the time the recommended budget was submitted.

General Fund

1. Adjust FY 2018 revenue budgets by the following amounts to reflect updated revenue estimates:
 - a. Increase ABC revenue by \$30,642
 - b. Increase Wine & Beer Tax revenue by \$5,677
 - c. Increase Telecommunication Sales Tax revenue by \$49,822
 - d. Decrease Wake County Disposable Rebate revenue by \$53,900
 - e. Increase various PRCR revenues by \$46,000
 - f. Increase Investment Earnings by \$23,120
2. Decrease expenditures for various General Fund divisions by a total of \$137,883 due to the change in the market adjustment.
3. Decrease various General Fund division expenditures by a total of \$56,373 due to change in Local Government Retirement System (LGRS) contribution rate.
4. Decrease the Utility Fund reimbursements to Public Works divisions by \$407,236 to correct for double counting of some expenses.
5. Adjust the following reimbursements between departments to reflect current estimates:
 - a. Decrease reimbursement to Police from Downtown Operations by \$4,700
 - b. Decrease reimbursement to Public Works for Downtown Special Events by \$22,100
 - c. Decrease reimbursement to Public Works for Tennis by \$16,000
6. Make adjustments in revenue and expenditures for Tennis and USA Baseball to reflect restoration of collegiate tournaments, which results in no net effect on the General Fund.
7. Decrease the General Fund Transfer to the Emergency Telephone System (911) Special Revenue Fund by \$72,833 to reflect final funding from the State 911 Board, which will cover eligible expenses.
8. Increase Donation revenue by \$50,000 to reflect the donation made by JM Thompson for Downtown Marketing efforts, and increase expenses in the Town Manager's Office (Downtown) by \$50,000.
9. Add a fee of \$125 for installing a stage cover at the Cary Theater to protect the stage during dance performances.
10. Increase the fee for use of the gym floor covering at Herb Young Community Center from \$200 to \$300 to reflect the cost of service.
11. The Recommended Budget included an Appropriation from Fund Balance of \$13,471,148 as a revenue, which was the net of a \$14,855,551 appropriation from fund balance for capital projects, and \$1,384,403 in operating revenue left unspent. It is more appropriate to show these amounts separately. Based on the changes in the General Fund listed above, the Operating Budget Ordinance now includes a \$1,303,247 Appropriation to Fund Balance as an expenditure, and an Appropriation from Fund Balance of \$14,855,551 for capital as a revenue.

Utility Fund

1. Decrease interest earnings by \$347,300 to reflect correct allocation of interest between funds.
2. Decrease various Utility Fund division expenses by \$2,168 due to the change in the market adjustment.

3. Decrease various Utility Fund division expenses by \$8,396 due to change in the LGERS rate.
4. Decrease Utility Fund expense reimburse the General Fund by \$407,236 to correct for double counting of some expenses, and increase the Appropriation to Fund Balance accordingly.
5. Correct the Utility Fees and Charges to reflect the change made in July 2016 to eliminate the water budgets and penalty rates for multifamily and nonresidential utility accounts.
6. The Recommended Budget included an Appropriation from Fund Balance of \$32,332,034 as a revenue, which was the net of a \$41,666,455 appropriation from fund balance for capital projects, and \$9,334,421 in operating revenue reserved for future capital costs. It is more appropriate to show these amounts separately. Based on the changes in the Utility Fund listed above, the Operating Budget Ordinance includes a \$9,404,922 Appropriation to Fund Balance as an expenditure, and an Appropriation from Fund Balance of \$41,666,455 for capital as a revenue.

Fleet Fund

1. Increase Fleet Fund expenses by \$388 due to the change in the market adjustment.
2. Decrease Fleet Fund expenses by \$656 due to change in the LGERS rate.

Transit Fund

1. Decrease Transit Fund expenses by \$181 due to the change in the market adjustment.
2. Decrease Transit Fund expenses by \$249 due to change in the LGERS rate.

Health and Dental Fund

1. Increase the Transfer In from General Fund for OPEB and the Appropriation to Fund Balance by \$14,738 each to correctly reflect the OPEB contribution for new positions.

Emergency Communications (911) Fund

1. Increase 911 Wireless revenue by \$176,454 to reflect the final State 911 Board distribution.
2. Decrease Transfer In from the GF by \$72,833 due to increased state distribution.
3. Decrease the Appropriation from Fund Balance by \$81,445, and increase Appropriation to Fund Balance by \$22,176, to reflect final funding from the State 911 Board.

Capital Budget

General

1. Adjust FY 2018 revenues by the following amounts to reflect updated revenue estimates:
 - a. Decrease Vehicle License Fees by \$115,030
 - b. Increase Interest Income by \$66,325
 - c. Increase Transportation Development Fees by \$90,388
2. Appropriate an additional \$20,000 of anticipated FY 2018 Powell Bill revenue to the Sidewalk and Pedestrian Improvement project bringing total FY 2018 appropriations to this project to \$1,000,000.

Utility

1. Adjust FY 2018 revenues by the following amounts to reflect updated revenue estimates:
 - a. Increase Water Development Fees by \$172,532
 - b. Increase Sewer Development Fees by \$388,262
 - c. Increase Interest Income by \$473,050