

**Town of Knightdale, North Carolina
Annual Operating Budget Ordinance
For the Fiscal Year Ending June 30, 2016**

BE IT ORDAINED by the Town Council of the Town of Knightdale, North Carolina that the following anticipated fund revenues and departmental expenditures, together with certain fees and charges schedules, and with 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 1, 2015 and ending June 30, 2016.

Summary

General Fund	\$12,161,399
Capital Projects Funds	
General Capital Reserve Fund	641,030
Enterprise Funds	
Storm Water Fund	332,000
Water and Sewer Utility Fund	811,265
Total Annual Operating Budget Ordinance	\$ 13,945,694

Section 1: General Fund - Fund 10

Anticipated Revenues by Category:

Ad-valorem taxes	\$ 6,304,338
Local Option Sales Tax	2,416,617
Other taxes and licenses	86,762
Unrestricted intergovernmental revenues	762,205
Restricted intergovernmental revenues	755,036
Permits and fees	170,000
Sales and services	
Sanitation revenues	687,828
Parks and Recreation revenues	427,150
Investment earnings	14,000
Miscellaneous	57,463
Other Financing Sources:	
Interfund transfers in	240,000
Fund Balance Appropriated	
Undesignated Fund Balance	240,000
Total revenues and other financing sources	\$ 12,161,399

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Authorized Expenditures By Department:

Town Manager's Office	\$	172,825
Communications		118,974
Administrative Services Department		
Legislative		259,122
Human Resources		175,876
General		603,796
Information Technology		204,839
Public Safety		
Police		3,275,848
Fire		1,013,675
Public Works		
Buildings Maintenance		698,413
Grounds Maintenance		520,667
Streets - Powell Bill		472,260
Sanitation		766,936
Development Services		788,935
Parks, Recreation and Cultural Programs		1,191,185
Donations to Other Agencies		98,239
Debt service		1,509,185
Other Financing Uses:		
Interfund transfers out		<u>290,625</u>
Total expenditures and other financing uses	\$	<u>12,161,399</u>

Section 2: Storm Water Fund - Fund 60

Anticipated Revenues by Category:

Sales and Services	\$	271,872
Investment earnings		128
Fund Balance Appropriated		<u>60,000</u>
Total revenues and other financing sources	\$	<u>332,000</u>

Authorized Expenditures By Department:

Storm Water Administration	\$	48,092
Storm Water Maintenance		<u>283,908</u>
Total expenditures and other financing uses	\$	<u>332,000</u>

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Section 3: Water and Sewer Utility Fund - Fund 61

Anticipated Revenues by Category:

City of Raleigh Debt Service Contribution	\$ 381,765
Operating Revenues	
Permits and Fees	393,500
Non-Operating Revenues:	36,000
Total revenues and other financing sources	\$ 811,265

Authorized Expenditures By Department:

Debt Service	\$ 381,765
Transfer to City of Raleigh	429,500
Total expenditures and other financing uses	\$ 811,265

Section 4: General Capital Reserve Fund - Fund 70

Anticipated Revenues by Category:

Other taxes and licenses	\$ 103,593
Permits and fees	4,000
Sales and services	6,500
Investment earnings	3,312
Other Financing Sources:	
Interfund transfers in	290,625
Fund Balance Appropriated	233,000
Total revenues and other financing sources	\$ 641,030

Authorized Expenditures By Department:

Other Financing Uses:

Interfund transfers out	\$ 641,030
Total expenditures and other financing uses	\$ 641,030

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Section 5: Grand Totals - All Funds

Revenues	\$ 12,882,069
Other Financing Sources:	
Operating transfers in	530,625
Fund balance appropriated	533,000
Total revenues and other financing sources	\$ 13,945,694
Expenditures	\$ 13,014,039
Other Financing Uses:	
Operating transfers out	931,655
Total expenditures and other financing uses	\$ 13,945,694

Section 6: Levy of Taxes

There is hereby levied, for Fiscal Year 2016, the following Ad Valorem Tax Rate per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2015, for the purpose of raising the revenue from Ad Valorem 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 **\$1,467,805,034**

General Fund	\$ <u>0.43</u>
Total Rate per \$100 of valuation of taxable property	\$ <u>0.43</u>

Section 7: Fees and Charges

There is hereby established, for Fiscal Year 2016, various fees and charges as contained in Attachment A located in the appendix section of this document. Utility fees that may be collected on behalf of the City of Raleigh are also located in Attachment A.

Section 8: Budget Officer Restrictions

The Budget Officer shall not have any authority to appropriate fund balance or to increase total appropriations. All interfund and interdepartmental transfers, except as noted in Section 9 and 10, shall be accomplished only with specific advanced approval of the Knightdale Town Council.

Section 9: Special Authorization of the Budget Officer

- A. The Budget Officer shall be authorized to reallocate any appropriations within departments.
- B. The Budget Officer shall be authorized to execute interfund and interdepartmental transfers in emergency situations.
- C. The Budget Officer shall be authorized to effect interdepartmental transfers in the same fund, not to exceed 10 percent of the appropriated monies for the department whose allocation is needed.

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- D. Notification of all transfers and budget amendments approved by the Budget Officer shall be made to the Town Council at its meeting following the transfer.

Section 10: Re-Appropriation of Funds Encumbered in Fiscal Year 2016.

Operating funds encumbered on the financial records as of June 30, 2015 are hereby re-appropriated to Fiscal Year 2016.

Section 11: Classification and Pay Plan

There is hereby established, for Fiscal Year 2016, certain positions, job titles and salary ranges for all authorized Town employees, as contained in Attachment B. The Town Manager is hereby authorized to fill such positions, when such are vacant, at the grade stated for each position and within the first twenty steps. The Town Council shall approve any deviation in advance.

There is hereby established, for Fiscal Year 2016, certain limited service positions, job titles and salary ranges, as contained in Attachment C. The Town Manager is hereby authorized to fill such positions at at the grade stated for each position.

Section 12: Expected Spending in Capital Projects and Improvements Fund

The Town's Capital Improvement Plan continues to become a more realistic guide and plan for municipal capital projects. During Fiscal Year 2016, certain capital improvement activities over \$50,000 were reclassified from the General Fund to this fund. The goal is to show more operational expenses more clearly in the General Fund and to show those infrequent but significant projects / activities together. During Fiscal Year 2016, the following projects and initiatives are expected to be active. Note that the amounts cited below are the best estimates of spending for the respective projects.

Knightdale Park Phase III	\$ 1,224,029
Smithfield Road Sidewalks CDBG	340,000
Smithfield Road Knightdale Blvd. Turn Lane CMAQ	750,000
Smithfield Road improvements STP-DA	551,000
Main Street Improvements CDBG	378,600
John Rex Endowment Grant	210,000
Street Resurfacing - Powell Bill funds	200,000
Knightdale Blvd. Street Lights - LED	200,000

Section 13: Utilization of Budget Ordinance

This ordinance shall be the basis of the financial plan for the Knightdale municipal government during the 2015-2016 fiscal year. The Budget Officer shall administer the Annual Operating Budget and shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the budget.

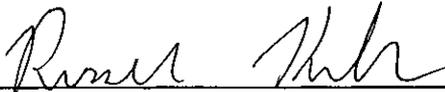
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Section 14: Funding of the General Capital Reserve Fund.

- A. Following the delivery of the audited financial statements to the Town Council, the Finance Officer will calculate the fund balance available for appropriation in the General Fund (FBA). FBA is defined as the sum of cash and investments less the liabilities of the General Fund, less Reserve for Encumbrances at year end and less any deferred revenues arising from cash receipts, e.g. prepaid taxes or grants received before earned. The Finance Officer will subtract any restricted funds from Fund Balance Available. That amount will be divided by the sum of General Fund expenditures and General Fund transfers to other funds, less the proceeds of installment debt. If the resulting percentage is over 40%, the excess of FBA% over what the FBA would have been at 40% will be transferred to the General Capital Reserve Fund for future capital needs.
- B. Additionally, the amount calculated by the Finance Officer to equal two (2) cents of the tax rate shall be transferred to the General Capital Reserve Fund for future capital needs. This amount is determined as (i) the estimated tax base for the coming year, (ii) less an allowance for uncollected taxes, (iii) divided by \$100, (iv) multiplied by \$0.02. this amount will be identified as "General Fund Contribution to Capital Improvement Plan.
- C. It shall be the policy of the Town to place the proceeds of the sale of assets and "windfall" income, unbudgeted or unexpected revenue, from any source into the General Capital Reserve Fund for future capital needs when such amounts exceed \$100,000.
- D. Transfers to the General Capital Reserve Fund shall be made on or before February 1 each year by the Finance Officer.

The Finance Officer shall establish and maintain all records, which are in consonance with this ordinance, and the appropriate state statutes of the State of North Carolina.

Adopted this the 17th day of June 2015.



Russell B. Killen, Mayor



Seth Lawless, Town Manager / Budget Officer