

**Town of Knightdale, North Carolina
Proposed Annual Operating Budget Ordinance
For the Fiscal Year Ending June 30, 2012**

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, 2011 and ending June 30, 2012.

Summary

General Fund	\$10,496,344
Special Revenue Funds	
Short Term Suspension Grant Fund	-
East Wake Television Fund	-
Capital Projects Funds	
General Capital Reserve Fund	956,650
Enterprise Funds	
Storm Water Fund	63,660
Water and Sewer Utility Fund	<u>864,659</u>
 Total Annual Operating Budget Ordinance	 <u>\$ 12,381,312</u>

Section 1: General Fund - Fund 10

Anticipated Revenues by Category:

Ad-valorem taxes	\$ 5,221,195
Local Option Sales Tax	1,897,462
Other taxes and licenses	129,777
Unrestricted intergovernmental revenues	678,760
Restricted intergovernmental revenues	755,421
Permits and fees	107,500
Sales and services	
Sanitation revenues	604,376
Parks and Recreation revenues	376,420
Investment earnings	16,000
Miscellaneous	72,783

Other Financing Sources:

Proceeds of debt issuance	108,000
Interfund transfers in	316,650
Fund Balance Appropriated	<u>212,000</u>

Total revenues and other financing sources	<u>\$ 10,496,344</u>
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Authorized Expenditures By Department:

General Government

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Legislative - Town Council	\$	379,262
Administration		174,261
Finance		610,784
Public Safety		
Police		2,510,181
Fire		1,279,595
Public Works		
Buildings and Grounds		955,903
Streets - Powell Bill		514,067
Sanitation		607,876
Engineering		406,100
Economic Development		
Planning		482,606
Donations to Other Agencies		95,575
Parks and Recreation		1,021,396
Debt service		1,210,011
Other Financing Uses:		
Interfund transfers out		<u>248,728</u>
Total expenditures and other financing uses	\$	<u>10,496,343</u>

Section 2: Short Term Suspension Grant Fund - Fund 21

Anticipated Revenues by Category:		
Restricted intergovernmental revenues	\$	-
Investment earnings		-
Miscellaneous revenues		-
Other Financing Sources:		
Interfund transfers in		-
Fund Balance Appropriated		<u>-</u>
Total revenues and other financing sources	\$	<u>-</u>
 Authorized Expenditures By Department:		
Short Term Suspension	\$	-
Other Financing Uses:		
Interfund transfers out		<u>-</u>
Total expenditures and other financing uses	\$	<u><u>-</u></u>

Section 3: East Wake Television Fund - Fund 22

Anticipated Revenues by Category:		
Restricted intergovernmental revenues	\$	-

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Sales and services	-
Miscellaneous revenues	-
Other Financing Sources:	
Interfund transfers in	-
Fund Balance Appropriated	-

Total revenues and other financing sources **\$ -**

Authorized Expenditures By Department:

East Wake Television	\$ -
Other Financing Uses:	
Interfund transfers out	-

Total expenditures and other financing uses **\$ -**

Section 4: General Capital Reserve Fund - Fund 70

Anticipated Revenues by Category:

Other taxes and licenses	\$ 83,553
Permits and fees	-
Investment earnings	7,869
Other Financing Sources:	
Interfund transfers in	268,728
Fund Balance Appropriated	596,500

Total revenues and other financing sources **\$ 956,650**

Authorized Expenditures By Department:

Capital Reserve	\$ -
Other Financing Uses:	
Interfund transfers out	956,650
Contribution to Fund Balance	(0)

Total expenditures and other financing uses **\$ 956,650**

Section 5: Storm Water Fund - Fund 60

Anticipated Revenues by Category:

Restricted intergovernmental revenues	\$ -
Sales and Services	#REF!
Permits and fees	-
Investment earnings	-
Other Financing Sources:	
Interfund transfers in	63,660

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Proceeds of debt issuance	-
Fund Balance Appropriated	-

Total revenues and other financing sources	#REF!
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Authorized Expenditures By Department:

Phase II Administration	\$ 63,660
Capital Outlay	-
Debt Service	-

Other Financing Uses:

Interfund transfers out	-
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Total expenditures and other financing uses	\$ 63,660
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Section 6: Water and Sewer Utility Fund - Fund 61

Anticipated Revenues by Category:

City of Raleigh Debt Service Contribution	\$ 420,459
Operating Revenues	
Permits and Fees	93,200
Non-Operating Revenues:	351,000
Investment earnings	-
Miscellaneous Revenues	-

Other Financing Sources:

Proceeds of debt issuance	-
Interfund transfers in	-

Fund Balance Appropriated

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Total revenues and other financing sources	\$ 864,659
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Authorized Expenditures By Department:

Debt Service	\$ 420,459
Infrastructure Reimbursements	-
City of Raleigh Fees	444,200

Other Financing Uses:

Interfund transfers out	-
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Total expenditures and other financing uses	\$ 864,659
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Section 7: Grand Totals - All Funds

Revenues	#REF!
Other Financing Sources:	
Operating transfers in	649,038

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Proceeds of debt issuance	108,000
Fund balance appropriated	<u>808,500</u>
Total revenues and other financing sources	<u><u>#REF!</u></u>
Expenditures	\$ 11,175,934
Other Financing Uses:	
Operating transfers out	1,205,378
Transfer to fund balance	<u>(0)</u>
Total expenditures and other financing uses	<u>\$ 12,381,312</u>

Section 8: Levy of Taxes

There is hereby levied, for Fiscal Year 2012, the following Ad Valorem Tax Rate per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2011, 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 **\$1,282,100,852**

General Fund	<u>\$ 0.41</u>
Total Rate per \$100 of valuation of taxable property	<u><u>\$ 0.41</u></u>

Section 9: Fees and Charges

There is hereby established, for Fiscal Year 2012, various fees and charges as contained in Attachments A through ____ 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 ____ .

Section 10: Restrictions on Budget Officer

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 11 and 12, shall be accomplished only with specific advanced approval of the Knightdale Town Council. The Budget Officer shall not be authorized to charge expenditures against a contingency without advanced approval of the Knightdale Town Council.

Section 11: 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 12: Re-Appropriation of Funds Encumbered in Fiscal Year 2012.

Operating funds encumbered on the financial records as of June 30, 2011 are hereby re-appropriated to Fiscal Year 2012.

Section 13: Classification and Pay Plan

The Budget Ordinance includes a cost of living raise of 1.5% for all Town officials and employees for Fiscal Year 2012.

There is hereby established, for Fiscal Year 2012, 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 2012, certain temporary positions, job titles and salary ranges, as contained in Attachment C. The Town Manager is hereby authorized to fill such positions, when such are vacant, at the grade stated for each position.

Section 14: 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 the Fiscal Year 2011, 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 the Fiscal Year 2012, 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.

Section 15: Utilization of Budget Ordinance

This ordinance shall be the basis of the financial plan for the Knightdale municipal government during the 2011-2012 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.

Section 16: Funding of the General Capital Reserve Fund.

- A. Following the delivery of the audited financial statements to the Town Council, the Finance Director 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 Director will divide that amount 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 Finance Director will determine the difference between the FBA% and what the FBA would have been at 40%. That difference will be transferred to the General Capital Reserve Fund for future capital needs.
- B. Additionally, the amount calculated by the Finance Director to equal two (2) cents of the tax rate shall be

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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 Director.

The Finance Director 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 15th day of June 2011.

Russell B. Killen, Mayor

James C. Overton, Finance Director