

FY2022

Relaunch

Annual Operating Budget & Capital Investment Program

Town of

Morrisville

www.townofmorrisville.org





FY2022 Adopted Annual Operating Budget

Prepared by: Martha Paige, Town Manager

Morrisville



2021



Morrisville

Live connected. Live well.

To Our Readers:

We appreciate your support and interest in the Town of Morrisville’s proposed annual plan for continuing to provide quality core services to the community as well as leveraging your tax dollars for future investments that improve and enhance your quality of life and safety.

This document has been modified since the Town Manager’s original recommendations presented on May 4, 2021 resulting from Town Council deliberations and directed changes prior to adoption on June 8, 2021. Any updates are notated in the document by footnotes to explain the modifications. This document is the full published version of the adopted budget.

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Footnote: In accordance with Town Council’s direction the recommended budget has been adjusted to establish a dedicated capital reserve fund for future parks and recreational assets and amenities. Appropriate adjusted sections are indicated by a footnote and include “updated” in title. This was accomplished within the existing proposed tax rate leveraging alternative adjustments.
5/25/2021/jh



Organization

STRATEGIC PLAN

ORGANIZATIONAL CHART

ELECTED & APPOINTED OFFICIALS & STAFF



Town Hall Drive Campus

Strategic Plan

Morrisville adopted a Strategic Plan, the first in its history, in April of 2018. Town Council, citizens, community stakeholders and staff embarked on a year-long process of engagement culminating into the affirmation of the Mission, Vision and Values that serve as the core guiding principles of our work and service to Morrisville.

Mission Statement

Connecting our diverse community to an enhanced quality of life through innovative programs and services.

Vision Statement

A sustainable and thriving community that celebrates diversity and inclusion while enhancing the well-being of people who live, work, and play in Morrisville.

Values

Dedication – Integrity – Courtesy – Innovation

Connect Morrisville



The six pillars that are the framework of the Strategic Plan

Footnote: Since the presentation and adoption of this budget, Town Council has since adopted updates to the Strategic plan. The goal alignment remains the same, however several objectives may have been modified.

GOALS & OBJECTIVES

Note: Connect Morrisville Strategic Plan alignment is provided for the current Strategic Plan Objectives at the time the budget was prepared.



GOAL 1: Improved transportation mobility - Enhance transportation options through improved accessibility, connectivity and collaboration

- Obj. 1.1: Manage traffic congestion at targeted locations and targeted times of day
- Obj. 1.2: Leverage resources through partnerships with other government entities and the private sector
- Obj. 1.3: Improve mobility options for non-drivers



GOAL 2: Thriving, livable neighborhoods - Enrich the quality of life through the preservation of natural resources, well-planned development and strengthened neighborhood vitality

- Obj. 2.1: Provide a mix of housing options that meet the current & future needs of the community
- Obj. 2.2: Create a sense of place through insightful development that balances commercial & residential growth
- Obj. 2.3: Be responsible stewards of the natural environment
- Obj. 2.4: Establish a planned approach for redevelopment and revitalization
- Obj. 2.5: Plan and provide for current and future infrastructure



GOAL 3: Engaged, inclusive community - Enrich the quality of life through programs, events, amenities and services valued by the community

- Obj. 3.1: Offer events & programs that meet the needs & interests of the community
- Obj. 3.2: Increase awareness of activities and opportunities for engagement
- Obj. 3.3: Effectively maintain assets & make the most of existing resources
- Obj. 3.4: Provide opportunities for meaningful public engagement & collaboration



GOAL 4: Public safety readiness - Provide a safe and secure community through prevention, education, readiness and response

- Obj. 4.1: Provide educational opportunities & encourage preparedness
- Obj. 4.2: Be operationally ready
- Obj. 4.3: React responsively to the public safety needs of the community
- Obj. 4.4: Meet demands for service



GOAL 5: Operational excellence - Deliver exceptional service with an engaged workforce that effectively manages public assets and promotes transparency

- Obj. 5.1: Promote financial integrity through effectively & efficiently managing public assets
- Obj. 5.2: Deliver customer-focused service
- Obj. 5.3: Require the highest professional standards
- Obj. 5.4: Attract, develop & retain a diverse, high-performing workforce
- Obj. 5.5: Align priorities with resources
- Obj. 5.6: Leverage the use of technology to maximize results

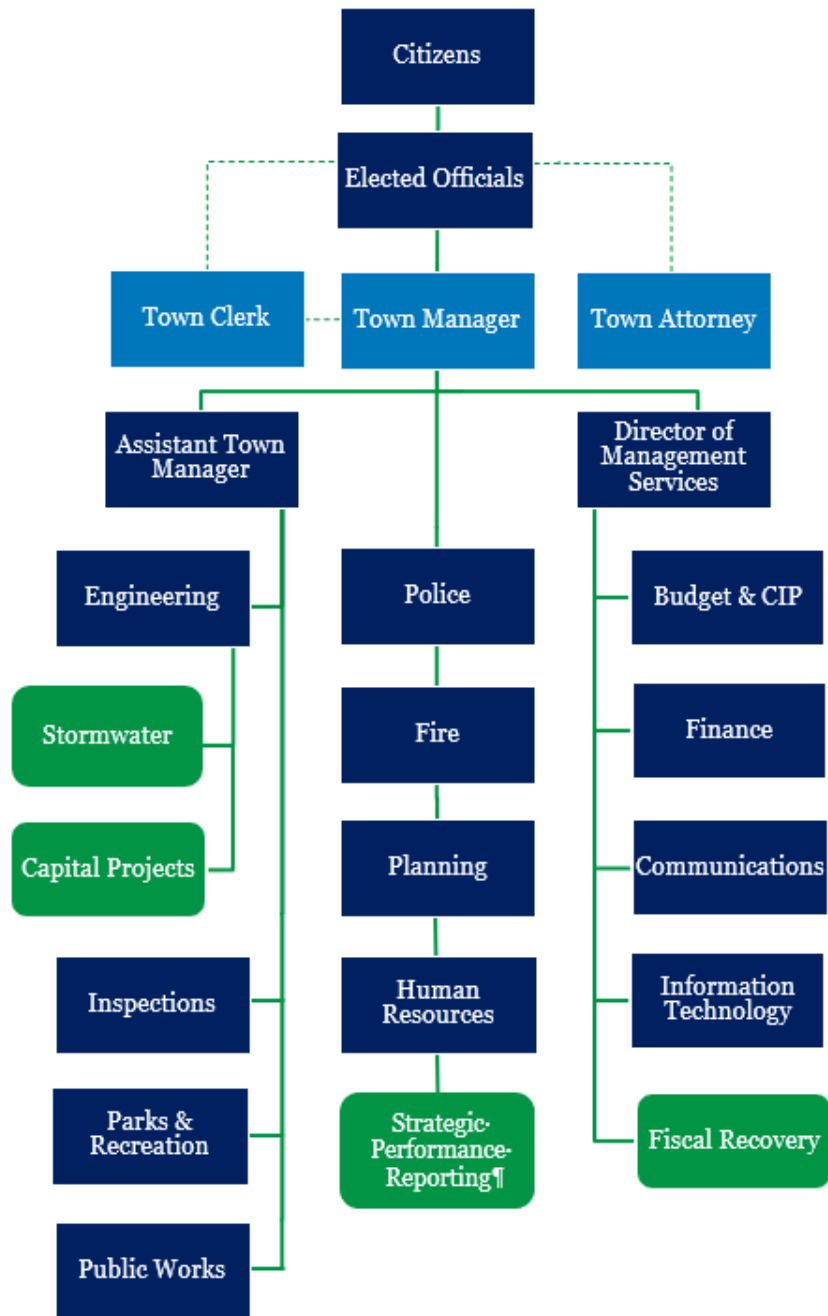


Goal 6: Economic prosperity - Promote a business-friendly environment to diversify the economic base and create job opportunities for an educated, ready workforce

- Obj. 6.1: Attract and retain businesses that provide a diverse tax base
- Obj. 6.2: Support new and existing businesses by streamlining processes & minimizing complexities
- Obj. 6.3: Understand business needs in order to supply a ready workforce
- Obj. 6.4: Maximize partnership opportunities with the Morrisville Chamber of Commerce, regional & educational partners
- Obj. 6.5: Develop an advocacy plan to address public education needs

Footnote: Since the presentation and adoption of this budget, Town Council has since adopted updates to the Strategic plan. The goal alignment remains the same, however several objectives may have been modified.

Organizational Chart - Adopted FY2022



Elected & Appointed Officials & Staff

Mayor and Town Council



Pictured from left to right: Council Member Anne Robotti, Council Member Vicki Scroggins-Johnson, Council Member Steve Rao, Mayor TJ Cawley, Mayor Pro-Tem Liz Johnson, Council Member Donna Fender, & Council Member Satish Garimella

Mayor	TJ Cawley
Mayor Pro-Tem	Liz Johnson
Council Member	Donna Fender
Council Member	Satish Garimella
Council Member	Steve Rao
Council Member	Anne Robotti
Council Member	Vicki Scroggins-Johnson

Appointed Officials and Staff

Town Manager	Martha Paige
Town Attorney	Frank Gray
Assistant Town Manager	Brandon Zuidema
Director of Management Services.....	Jeanne Hooks
Chief Information Officer.....	Rick Ralph
Communications & Outreach Director.....	Wil Glenn
Finance Director	Nancy Emslie
Fire Chief.....	Scott Criddle
Fiscal Recovery Officer	Vacant
Human Resources Director.....	Lauri Shedlick
Inspections Director.....	Shandy Padgett
Parks and Recreation Director	Randy Little
Planning Director	Michele Stegall
Police Chief.....	Patrice Andrews
Public Works Director	Giselle Rodriguez-Villanueva
Stormwater Engineer Manager	Ben Mills
Strategic Performance Manager	Erin Hudson
Town Clerk	Eric Smith
Town Engineer	Mark Spanioli



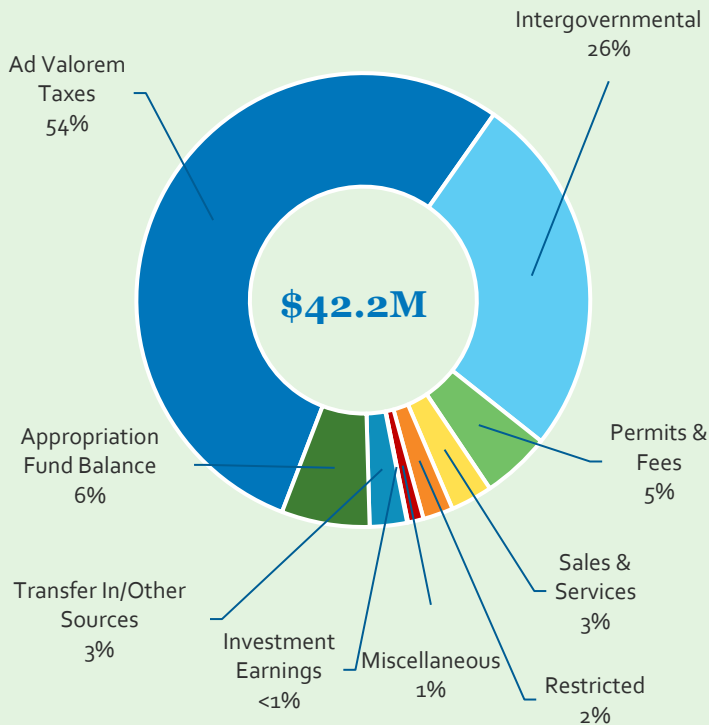
Budget Summary

- BUDGET SNAPSHOT
- BUDGET MESSAGE
- BUDGET PRIORITIES SUMMARY
- BUDGET ORDINANCES & RESOLUTIONS

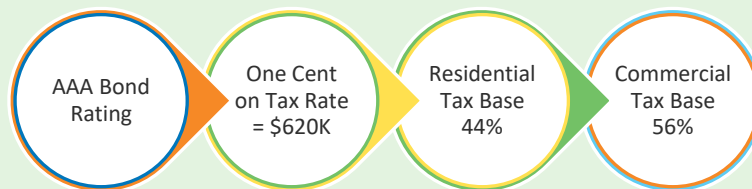


Budget Snapshot * *Relaunch*

Where the money comes from



What the money works for



BUDGET & CIP PRIORITIES

- Bond Referendum
- Public Safety & Responsiveness
- Transportation & Sidewalk Mobility
- Future Parks & Open Space
- Land Use Plan UDO Update
- Affordable Housing Plan
- Sustainability Program Expansion
- Smart City Program Expansion
- Smart Shuttle Operations
- Outreach & Engagement
- Small Business Program Development

KEY HIGHLIGHTS

- Tax Rate Remains at \$0.36
- Stormwater Fee Remains \$25 per ERU
- Vehicle Fee Remains \$30 per Vehicle
- Conservative Revenue Projections
- New Positions (public safety, general services, public works & parks)
- Moderate User Fee Adjustments
- Use of Fund Balance Reserves
- Proactive Asset Maintenance
- Operational Optimization

Budget Message

May 4, 2021

Mayor Cawley and Members of Town Council:

INTRODUCTION

I write this budget message introducing the proposed FY 2022 operating budget and capital investment program (CIP) filled with hope and optimism for the coming year. As we relaunch/reinvigorate our daily programs/activities and make progress on work tasks, FY 2022 is envisioned to be transformative, with brisk activity in a variety of core programmatic areas in addition to new emerging interests. These areas of focus, along with the update of the Town's strategic plan, *Connect Morrisville*, the highly anticipated bond referendum in November 2021 to support the Town's capital needs, and implementation of related policy statements adopted by Town Council in FY 2021 will frame our internal work priorities and our service success to the stakeholders in our town for years to come. Externally, the anticipated development along the McCrimmon Parkway corridor and Town Center, the recent adoption of the land use plan, and UDO amendments to enhance development in alignment with Town Council's vision for the community all will help shape the look and feel of our community. As staff implements policies that espouse Council's desired direction for future Town amenities and appearance, we can bring our good work together to attain our desired outcomes.

While optimistic, we must not ignore the challenges we face in the coming years. To support expanded workload, service expectations by the community, desired program development, and new initiatives, our recurring human capital and operating needs continue to grow. Many of those needs are addressed in this proposed operating budget but are forecast to affect future budget development cycles as well. Revenue enhancement options, always limited, must balance the property tax rate with the services it provides the community. We will need to continue to look within our own budget framework to find ways to balance expenditures to revenues. As programmable budget capacity continues to dwindle – i.e. the difference between anticipated revenues and recurring expenditures, there will be less opportunity to support one-time requests without some structural change to add capacity. I anticipate this will be an important conversation in FY 2022 and subsequent budget years.

As was anticipated during the development of the current year's budget, revenues, most notably Parks and Recreation facilities and programs, were impacted by the pandemic. Our relatively conservative approach to forecasting revenues helped mitigate these effects, but the unforeseen length of facility closures and program interruptions have significantly reduced earned revenues this year. Fortunately, sales tax revenues have been less influenced by the virtual shut-down than anticipated, and Morrisville's development activity has continued at a relatively normal pace. We have "weathered the storm" well.

The FY 2022 proposed annual operating budget has been developed with consideration given to the factors discussed above and without a proposed tax increase, which will be discussed later in this budget message. The proposed budget has also recognized anticipated distributions to Morrisville from the American Rescue Plan Act (ARPA) recently approved at the federal level to mitigate pandemic related revenue losses and allow for support of some proposed expenditures. The ability to replace lost revenues and offset some expenditures allowed for inclusion of many budget requests that would likely have been

deferred or foregone in this year's budget proposal. Expanded explanation of the ARPA and a strategic plan for effectively utilizing these funds is provided more in depth in that section of this message.

Submitted for your discussion and deliberation are the proposed Town of Morrisville annual operating budgets for the General and Stormwater Funds. Associated Debt Service, Special Revenue, Capital Reserve and Capital Project Funds also are presented for review. The proposed budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act. The budget message outlines the key focus areas and provides important information that frames the budget requests.

- [Budget Priorities Overview with Strategic Plan Alignment](#)
- [Budget Ordinance/Resolutions](#)
- [General Fund Detail \(abbreviated\)](#)
- [Capital Investment Program \[CIP\] \(summary only\)](#)
- [Position and Pay Grade Classification Schedule](#)
- [User Fee Schedule and Fee Change Recommendations](#)

The proposed budget document has been streamlined to highlight essential areas of attention for budget presentation and analysis. The adopted budget document will include expanded content such as related information and supporting materials including:

- [Town Organizational Chart](#)
- [Elected and Appointed Officials Listing](#)
- [Budget Snapshot](#)
- [Department Budget Schedules](#)
- [CIP Project Concepts](#)
- [Budget Process Narrative](#)
- [Basis of Budget Narrative](#)
- [Policy Narrative](#)
- [Long-Range Forecast](#)
- [Glossary](#)

Note: The Budget Snapshot and Long-Range Forecast will be included and discussed as part of the budget presentation.

BUDGET OVERVIEW

The proposed tax rate for FY 2022 remains at \$.36 per \$100 of property valuation, which was adopted last year. Use of the ARPA resources, the recommended consideration of a solid waste fee in FY2023 and, most notably, the proposed \$.03 cent tax rate request to support Town infrastructure and community amenity needs in the planned November 2021 bond referendum are the primary reasons justifying this recommendation. The stormwater Equivalent Residential Unit (ERU) fee also remains at \$25 per ERU, pending review of the stormwater operations and capital infrastructure studies that will better inform recommendations for FY 2023.

An appropriation of \$ 2,574,550 of the Town's fund balance is proposed to support important one-time General Fund expenditures. ARPA funds have been utilized to support budget requests that are

anticipated to be authorized in ARPA guidance currently being formulated by the federal government. The FY 2022 budget addresses deferred items and allocations not included in the FY 2021 budget. Additional discussion of the fund balance and ARPA is included in those sections of the budget message. The Capital Investment Program (CIP) has been updated to reflect Town Council priorities, policy direction, and updated project cost estimates. The anticipated capital budget items proposed in the FY 2022 budget are pending the successful outcome of the November 2021 bond referendum.

The proposed budget requests full-year authorization for all items. An internally managed approach to timing of projects and initiatives to initiate some implementation triggers for authorized budget expenditures later in the year will ensure fiscal accountability and responsibility without delaying projects.

Only one balanced budget scenario is presented for Town Council consideration. Staff will be prepared to discuss adjustments and discuss impacts of changes as discussions with Town Council proceed.

The total proposed operating budget for FY 2022 is \$42,200,000 for the following annually adopted funds:

General Fund	\$ 41,500,000
Stormwater Fund	\$ 700,000

The proposed FY 2022 General Fund Budget excluding transfers (\$33,757,350) reflects an approximate 3.6% overall increase as compared to the original FY 2021 budget of \$32,572,150. Growth can be observed primarily in the public safety, information technology, planning and public works departmental budgets for FY 2022 over FY 2021. The influx is directly attributable to resources necessary to meet expanded services and programs such as sustainability and smart city programs, land use plan updates, affordable housing development, maintenance and care of existing and new facilities, essential equipment replacements, material inflationary factors to provide critical core services (landscaping, utilities and solid waste) and added workforce necessary to meet those growing demands. Higher base budget growth is expected to continue in future years.

For FY 2022, the available capacity between revenues and base budget expenditures is approximately \$3.5 million. Recurring expenditures requested in the FY 2022 proposed operating budget closely approximate available capacity.

Basic routine services and recurring expenses (excluding transfers, contributions and grants, and one-time capital outlay) are approximately \$34.8 million at current fiscal year’s operational service levels. Proposed additions to recurring and routine expenditures to the base operating budget are \$3,308,700 for FY 2022 and represent a 9.5% increase to the base operating budget. Of this amount, approximately \$2.5 million represents additional investment in human capital that is essential to meet workload demand, and approximately \$.8 million is for operational initiatives and ongoing costs.

Beyond the increase in recurring and routine expenditures, the FY 2022 budget proposes an additional \$3,321,950 to support targeted programs and initiatives that enhance accomplishment of the strategic plan, maintain, and improve Town infrastructure, support priorities of Town Council, and the expectations of a growing community.

All recurring/routine and non-routine items are more fully described in the *Budget Priorities Summary*. Many of these items relate to a need to refurbish, replace, or repair/maintain existing assets and equipment necessary for programs and services. FY 2022 proposed operating budget recommendations for personnel, debt, and use of fund balance are described in more detail in following sections of this budget message.

Capital Reserve allocations of \$1.7 million are proposed for future spending in key areas of roadway and transportation improvements, fire apparatus purchases and toward the remaining Municipal Service District project. An allocation towards resolution of prepaid acreage fee commitments is proposed this year in lieu of a contribution to the Capital Investment Program Reserve. There is no new debt service added for FY 2022.

Together, the targeted programs and initiatives and capital reserve allocations totaling \$5,001,950 account for 60% of the \$8,310,650 of the budget requests identified in the proposed FY 2022 operating budget.

Other non-operating budgets for FY 2022 include obligations related to NC pension plan and post-employment obligations:

Retirement Health Care Fund (OPEB)	\$ 408,600
Retirement LEO Separation Allowance Fund	\$ 98,850

Capital Project Funds with approved project ordinances are on multi-year budget schedules and are not related to the annual operating budget ordinance unless through planned interfund transfer(s) or debt obligation(s).

Outlook

Development of the current FY 2021 budget was difficult in light on many uncertainties and unknown impacts of COVID-19. However, as COVID-19 restrictions reached well into the current fiscal year, extending beyond a year of impacts in March, the Town of Morrisville fared well, with sales tax revenues being far less affected than anticipated. Parks and Recreation revenues have suffered the most, but we are hopeful they will be able to rebound and grow in FY 2022. We made difficult decisions for FY 2021 and yet we have continued to provide excellent services and programs to our community, and we are prepared for a strong FY 2022.

The proposed FY 2022 budget reflects resumption of normal natural revenue growth patterns but demonstrates unmet and burgeoning needs for personnel and operating support at higher levels than can be accommodated by that natural growth in the future. The proposed implementation of a solid waste fee for FY 2023 would return approximately 2.5 cents of available capacity to be used for other programming and aligning service expenditures with those who utilize and directly benefit from those services, while still allowing the Town of Morrisville to provide one of the lowest cost of services in Wake County.

Unlike many other communities, even with redevelopment, Morrisville will have to face the limited growth of future property assessed worth that has previously grown the tax increment value. Expanded programs and innovative services require continued support and people to perform the work. We can and will serve our community as we **Relaunch Morrisville** in FY 2022.

Acknowledgement

Preparing the budget message and working with the departments to put together a reasonable and balanced approach to many requests and opportunities is both rewarding and sobering at the same time. While we work together collaboratively throughout the year, the budget document captures collectively the vision for the future – both in the current year and for what lies beyond. Town Council’s guidance, direction and expectations are also visible in the requests from the departments. As the FY 2022 budget review and discussion illustrate, we work together to develop a strong budget and roadmap for the coming year.

Our department heads and employees are fully committed to the Town and its work. Departmental budget requests are reasonable but aggressive in striving to achieve the mission, vision and goals espoused in our strategic plan and daily work activities. I appreciate their support in understanding not all requests can be met in one year.

Thank you to each department head and their staff for balanced and thoughtful requests, and for recognizing budget limitations. Brandon Zuidema continues to learn and grow his budget knowledge and has helped assess and evaluate many of the needs and priorities across the organization. Thank you in advance to Town Council for considering the budget in positive and productive discussions.

Jeanne Hooks continues to be my strength and sounding board as we come together to formulate the proposed operating budget each year. In addition to the budget, Jeanne has tackled bond referendum, CIP, and special revenue topics this year to help inform and aid our future budget development. I would not want to partner with anyone else but her in this important and meaningful part of my job. I’d also like to recognize Dawn Raab who has helped Jeanne put together schedules and spreadsheets that have helped us both manage massive amounts of input and information.

Budget Deliberation Timeline

The budget will be available to the public by May 3 and will be formally presented to Town Council and the community at the May 4, 2021 Town Council Work Session. Formal presentation of the budget will be followed by more in-depth discussion of its development and core components. The budget portal will open for public input, feedback, and comment on May 5. An additional work session is planned for May 20. In-meeting work sessions during regularly scheduled meetings will occur on May 11, May 25, and June 8. The Public Hearing will be held on May 25. If budget discussion’s wrap-up early, the budget may be adopted on June 8. If more time is needed, an additional work session will be held on June 10,

with adoption planned for June 22. In accordance with state law, a balanced budget must be adopted before July 1.

A Frequently Asked Questions (FAQ) tool will be utilized throughout deliberations to supplement information included in presentations to provide expanded detail and clarification of budget requests for the FY 2022 proposed budget.

Summary

The FY 2022 proposed budget is grounded in a return to addressing current and future needs with limited deferral of critical staff or program needs and is balanced with our ability to deliver intended and intentional results. The ARPA reimbursement plays a significant role in our ability to put forward the FY 2022 proposed budget in a careful, responsible, and deliberate manner. Town financial policies and related performance indicators and ratios continue to demonstrate our strong positioning in both fiscally responsible budgeting and performance, which will be critical as we pursue a bond referendum in November. We are at the launching pad for moving our town and many capital projects forward. We are prepared and ready to go for **Relaunch in 2022**. Thank you for your commitment to the Town of Morrisville. Let's get busy.

Sincerely,

A handwritten signature in blue ink that reads "Martha Paige". The signature is written in a cursive style.

Martha Paige
Town Manager/Budget Officer

BUDGET PLANNING AND DEVELOPMENT

Budget planning, development and implementation is a year-round focus for Town Council and staff. Careful attention to revenue forecasting, management of expenditures, and key projects and initiatives facilitates recognition of and capitalizing on opportunities as they become available.

During FY 2021, scrutiny and oversight were even more robust, intentionally monitoring revenue projections that were influenced by economic conditions associated with the pandemic (notably sales tax revenues, collection rates and development fees) and those heavily impacted by state-wide restrictions that changed/closed programs and activities, primarily in our Parks and Recreation programming. Additionally, increased expenditures to address pandemic related activities (equipment, cleaning, signs, etc.) were monitored to proactively submit claims for eligible reimbursements through FEMA and/or Wake County.

The forethought to incorporate a cautious, yet effective strategy with the FY 2021 budget adoption established a budget authority contingent on the Town's financial condition as reported by the FY 2020 Comprehensive Annual Financial Report (CAFR) and fund balance, in addition to a mid-year financial assessment of FY 2021 before proceeding with implementation of several FY 2021 budget requests. Both of those reports provided a favorable financial outlook and mid-year implementation items advanced as budgeted.

Quarterly financial reports were implemented in FY 2021. Town Council receives administrative reports each quarter to provide more accountability and financial transparency to financial status and condition.

Town Council also heard directly from departments about operational successes, challenges, needs and goals through Departmental Updates provided in an October 2020 work session. The perspective of the practitioners increases understanding and awareness of the everyday challenges and needs that help Town Council during budget deliberations.

Capital investment planning continues to be a major focus of efforts for projects in design and development, and for future community amenities and needs. Prioritization exercises completed by Town Council have helped define projects for consideration in a bond referendum and for long-range planning in the Capital Investment Plan (CIP). The CIP policies adopted in FY 2021 – Town Center, Land Acquisition, Greenways, Affordable Housing, and Transit Oriented Development – have helped reinforce priorities and provide a pathway toward accomplishing policy goals desired by Town Council. The highly anticipated November 2021 bond referendum has been strongly influenced by Council's aspirational future vision for the Town.

Each step of the budget cycle is based on the guidance and understanding of Town Council, attention to community priorities, and an emphasis on historical context, trend analysis, benchmarking, forecasting, and continuous process improvement.

Budget kickoff occurred in January 2021 to assess mid-year results and project FY 2022 needs. Pre-budget meetings were held with departments in February that helped formulate the mid-year budget report and FY 2022 budget preview provided to Town Council in March. Formal budget requests were submitted in mid-March and meetings with each department were held to aid in understanding, awareness, and establishment of priorities in departmental requests. Departments do an excellent job of providing justification of need and rationale behind each budget request. The challenge always remains to prioritize at an organizational level in a way that maintains core services, fulfills desired

programmatic and service goals, supports existing debt obligations, and advances goals and priorities in the current budget and in the future within realistic and reasonable anticipated resources.

Several factors have influenced FY 2022 proposed operating budget capacity available to incorporate new or expanded programs:

- *Reduced revenue growth due to the pandemic that not only influenced FY 2020 actual revenues, but projected growth for FY 2021.*
- *Extended impacts contributing to the inability to provide group activities and events has not influenced two fiscal years and will likely impact FY 2022 as well.*
- *Delayed reopening of MAFC due to COVID-19 and capacity restrictions have resulted in continued conservative revenue projections where faster growth was originally anticipated for an expanded facility.*
- *Purposefully reduced excess fund balance capacity to support capital projects in prior years.*
- *\$2.2 million in recurring expenses added in the FY 2021 budget to support operational programs and personnel costs. Six FTE (full-time equivalent) positions were added (two at mid-year), and merit/market pay adjustments and related benefit costs for existing staff account for a major portion of increased base budget (recurring) needs. The Smart Shuttle operations costs also account for approximately \$502,000 of the additional recurring expenses.*
- *Evaluation and modification of some user fees for FY2022 where justified for the cost and time required to provide these services.*

These factors have reduced available capacity to program new initiatives. Use of ARPA funds, where appropriate, has allowed for the ability to continue advancement of initiatives begun in FY 2021, meet base budget needs and support staff needs and plan for future needs. ARPA recovery funds will also help fill that gap over the next several years as Town Council grapples with those priorities and decisions that inform future budgetary needs and requests.

Available capacity (i.e., excess of projected revenues over routine [base budget] expenditures) continues to decline as base budget has grown. Growth in the base budget has been essential and directly linked to expanded program and service expectations. The need to identify alternative revenue sources to support goals and aspirations will be necessary in the near future to support both additional recurring needs and advance strategic goals and objectives for one-time programs and opportunities.

The Town has illustrated budget development through a base budget framework to highlight recurring expenditures since Fiscal Year 2015 to monitor and evaluate overall budget growth. Using this approach, available capacity for new initiatives and one-time funding requests is more readily evident. Additions to the base budget due to changes in programs, services and personnel are highlighted to demonstrate the effect on decisions that influence future budget development and available budget capacity. Once established, programs and services that add to the base budgets are future year commitments unless there is a corresponding program or service reduction.

From Fiscal Year 2015 to Fiscal Year 2021, the adopted annual operating budget has grown approximately 38%, or an average of 5.4% annually. Much of this growth has been attributed to two areas of significant growth:

- *Introduction of allocations to various reserves to prepare and plan for future investments in capital projects, including some specifically dedicated to roadways and transportation.*
- *Increase in debt service costs, primarily related to the 2012 Bond Referendum projects in Streets and Parks and Recreation improvements.*

Other notable growth has been predominantly influenced by the development of a Communications and Outreach department (from 1 person in 2015 to 4 in 2021), significant investments in technology (152% growth over the seven years) and Parks and Recreation program expansion, along with continued investments in Public Safety.

In all years prior to the FY 2022 proposed budget, additions to the base budget have been lower than one-time requests, capital projects, and reserves. FY 2022 represents a transition to addressing pent-up demands for additional staff and resources to support core Town operations and activities that was only exacerbated in FY 2021 by the need to delay and defer Town needs. The balancing of natural revenue growth with base budget capacity, desired capacity to add new programs and services, address strategic priorities, and plan and prepare for future capital investments will be a major policy discussion and organizational strategy emphasis.

Recurring operational costs continue to increase as the Town's footprint and service needs increase, programs grow and expand, and costs escalate due to inflation. Examples are solid waste services (recycling has stabilized this year), additional landscaped areas, utilities due to expanded or new facilities, more computers and phones, vehicle/equipment replacements and repairs/maintenance, and insurance costs.

Budget priorities and the rationale and logic for revenue forecasts and use of the anticipated ARP funds will be discussed during the budget workshops.

A fund balance appropriation to balance the budget is incorporated in the FY 2022 budget. Some capacity to address unanticipated needs or opportunities is a foundational aspect of a strong financial rating and was considered. This is more important than ever as we move towards a bond referendum and debt issuance.

Allocations to several reserve funds are restored in the proposed operating budget for future year planning purposes. A contribution to a reserve fund to plan for resolution of prepaid acreage fees is recommended in lieu of a Capital Investment Plan reserve.

As in past years, each budget recommendation has as its fundamental justification a connection to the Town's strategic plan, and is aligned with goals and objectives of ***Connect Morrisville***:



FY2021 RECAP

Although COVID-19 affected many aspects of the Town's work, retaining essential services and productive work has been achieved in a substantially virtual office setting. Yet again, the commitment and resilience of our staff has been repeatedly demonstrated in many ways. Amongst the many highlights are:

- *Public Safety response continued uninterrupted at a high level of service even with the additional risk of COVID-19 exposure.*
- *Building inspection services adapted to remote video technology.*
- *Parks and Recreation programs and activities nimbly moved to alternate service delivery models even as conditions and needs changed multiple times.*
- *Public Works maintenance of facilities and buildings, including extra efforts and adaptations for social distancing and cleanliness.*
- *Planning's spearheading of the recently adopted Land Use Plan update, a variety of UDO text amendments, and sustained heavy plan review workload that was not significantly reduced by the pandemic.*
- *Engineering and Stormwater's oversight of multiple key initiatives, including sidewalk design, an intersection study, the stormwater master plan and notably, launch of the long-awaited Morrisville-Carpenter Road project.*
- *Finance and Information Technology Departments' ongoing implementation and integration of Munis and EnerGov to support more efficient transaction processing for multiple departments and services.*
- *Town Administration support of virtual Town Council and Advisory Committee meetings, strategic plan update, CIP policy placeholder development, bond referendum planning, and property acquisition program development.*
- *Communications and Outreach, who handled both regular Town messaging and increased demand for community messaging about Town response to COVID-19, alternative programs, planning of virtual events, and small business outreach. And, staff still found time to launch Engage Morrisville, and put Morrisville in the running as an All-America City.*
- *Human Resources, who provided unflinching support to our employees throughout the pandemic and supported COVID-19 response while still hiring employees, implementing a new HR information management system, and moving vital succession planning efforts forward.*

Major Projects completed or underway during FY 2021 include:

- *Morrisville Aquatics and Fitness Center renovation and reopening of that facility.*
- *Senior Center construction and opening.*
- *Historic Christian Church parking lot completed.*
- *Crabtree Hatcher Creek Greenway connection opened.*
- *Parks/Greenways Amenity and ADA improvements.*
- *Morrisville Community Park playground updates.*
- *Fire Station land purchase and design for the Town's future fire station.*
- *Public Works/Wake County Convenience Center design.*

- *Green/Fairview Drive Drainage project.*
- *Morrisville Community Park Phase 3 design.*
- *Crabtree Creek Nature Park design.*
- *Airport Boulevard Extension Phase I Design.*
- *Morrisville-Carpenter Road Improvements.*
- *Town Center RFP issuance for this next transformational project for our Town.*

Other Key Programs and Initiatives initiated in FY 2021 are:

- *Stewardship program launch.*
- *Sustainability initiatives, including the Town's first solar array project.*
- *Smart City initiatives, including the Open Data Portal. The Smart City Steering Committee held its first meeting in March.*
- *Smart Shuttle, which will provide public transportation services in Town next fiscal year.*

Substantial work is also evident in several key areas that enhance capital investment planning. CIP Policy placeholders included in the CIP in 2020 have been transformed into policy guidance for incorporation in quantifiable ways. Ongoing work to plan and prepare for a future bond referendum postponed from November 2020 due to COVID-19 has continued. Town Council and staff are prepared to work with community stakeholders to share information and help them be informed as we strive to align resource needs with essential community needs.

The formative and foundational work in FY 2021 is the launching pad for many of the requests in the proposed FY 2022 operating budget. Several FY 2022 requests, most notably staff positions that were deferred in FY 2021, are repeat requests in FY 2022.

All this work allows us to **Relaunch Morrisville** quickly, efficiently, and effectively. We are **all** ready to move into FY 2022.

FY 2022 BUDGET HIGHLIGHTS

The FY 2022 proposed annual operating budget is framed around ensuring the stability of existing core programs and services, supplementing those with additional resources, particularly personnel, addressing growth in workload and community service demand and cost, advancing policy and strategic plan driven initiatives begun in FY 2021, and allocations toward specific reserve funds to plan for the future.

GENERAL FUND OVERVIEW

Ad Valorem Taxes (Property Tax/Motor Vehicle Tax)

The Fiscal Year 2022 property tax rate is recommended to remain the same as the current rate established in FY2021 of \$0.36 per \$100 of property valuation.

The General Fund Ad Valorem revenue for Fiscal Year 2022 is estimated at \$22,753,000 and represents 55% of the total budget. This estimate is based on a 99.8 % collection rate.

In addition to the influences on the development of the proposed budget reasons mentioned in the Budget Overview section of this message, a tax rate increase is not proposed in FY 2022 due to several additional considerations:

- 1) *The tax rate was adjusted last year to three and a half cents over the revenue neutral tax rate. Town Council carefully deliberated about the balance of tax rate and budgeted programs and services.*
- 2) *The near-term transition out of the pandemic and stabilization of people's personal and professional lives and assessment of any residual or long-term impacts.*
- 3) *Comprehensive evaluation of potential tax rate capacity models relating to alternative solid waste and stormwater fee scenarios proposed for continued discussion in FY 2022.*

Revenues collectively reflect the increased assessed property value from the natural growth in the tax base (3%) and from stable revenues in other categories. Real revenue growth (from sources other than transfers and carryover items) approximates 4%, compared to 1.5% projected last year. Discussion of revenue sources still being impacted by COVID-19 is provided in the COVID-19 Impacts section.

The Town has been fortunate to benefit from continued, stable real property growth over many years and has utilized natural revenue growth to support both recurring and one-time budgetary initiatives. This has allowed the Town to minimize the impact on property owners from increased taxes related to higher property value assessments. Projected near-term development in the McCrimmon Parkway Extension corridor is anticipated to retain those property value trends in the short-term. A longer-range analysis of projected property value growth trends and how they will change as the Town approaches build-out will better inform future tax rate discussions.

Town of Morrisville property owners continue to benefit from one of the lowest tax rates and costs for service in Wake County. The tax rate for the Town of Morrisville has only changed twice in the last eight years; on both occasions the tax adjustment followed a property revaluation year and adjustment in relation to the revenue neutral tax rate. The Town has demonstrated its ability to manage increased needs and new programs within available resources for operations and management.

In the future, it will be even more necessary to closely monitor the impact of development activity and growth has on assessed property values and other revenues related to development. Natural growth in revenues driven primarily by growth in the tax base may not keep up with community needs and expectations. Development activity in FY 2022 is expected to provide insight into residential and commercial growth patterns that can be used to model future tax rate scenarios with more confidence in estimates and projections.

The motor vehicle tax fee of \$30 per vehicle approved in FY 2019 is the maximum levy authorized and remains at that level for FY 2022, with \$20 of that tax used toward public street maintenance and improvement as required by state statute. Of the remaining \$10, \$5 may be used for any lawful purpose and \$5 supports public transportation system costs.

Sales and Use Tax

Sales tax revenues were impacted in FY 2021 by COVID-19, although not as significantly as projected. These impacts are more fully described in the COVID-19 impacts section below. Sales tax revenues are forecast at \$6,980,700, a 4% increase over FY 2021 estimated actuals. This is a conservative growth

assumption as the economy rebounds from pandemic influences. Sales tax revenues are 17% of the General Fund revenues and the second largest revenue source for the Town.

Other Major Revenues

Other major revenue sources for the Town include the Utility Franchise Tax, the Wake County Fire Tax and Video Programming Fees:

- *Utility Sales Tax is projected to generate \$1,656,400, which is 1% growth over estimated FY 2021 revenues and is 4 % of total General Fund Revenues. Utility Sales assumptions are relatively static with a minor growth factor. Underlying factors such as weather, energy prices, population expansion and technology changes primarily contribute to shifts in utility consumption.*
- *The Wake County Fire Tax projected revenues of \$782,000 represents the Town of Morrisville's cost share allocation from Wake County for fire protection and mutual aid. This allocation has been reduced by approximately 3% from the FY 2021 allocation of \$806,000 and was expected due to the expiration of the hold harmless commitment from fire service district alignment. The Morrisville Fire Chief and staff remain actively engaged in advocating for the MFRD service area to protect fire tax revenues. Future fire station location discussions are a critical part of this revenue distribution allocation.*
- *Video Programming revenues of \$659,500 reflect 2% growth over estimated FY 2021 projections and are approximately 1.5% of total revenues. This resource reflects the change in the consumer market from cable TV to streaming services.*

Development Services Permits and Fees (Planning, Engineering and Building Inspections) remain strong, and have been increased 8% over FY 2021 budget based on assumptions resulting from strong permitting activity in commercial development, while recognizing a slowing trend in residential permits. This budget projection remains more conservative than other revenues to safeguard against the unpredictability of construction activity.

Parks and Recreation Programs and Facility Revenues are projected conservatively for FY 2022, primarily due to continued capacity restrictions for events and programs, especially at the Morrisville Aquatics and Fitness Center. Membership growth strategies have not been fully activated in order to reasonably assess real growth in sales and services in FY 2021, although a business plan and associated marketing plan are developed and ready for launch.

Other intergovernmental revenues (Powell Bill, Beer & Wine, Rental Vehicle and Solid Waste Disposal) remain comparable to current year budget estimates.

User Fees

The Town assesses a variety of User Fees for Town services including administrative fees, inspection permits, police alarm fees, fire department services, and permit fees. During the FY 2022 budget development process, departments evaluated fee structures and rates for market comparability, value for services 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.

Operational Expenditures

Expenditures have been categorized into major types and focus areas to assist in review of budget requests in the Budget Priorities summary narrative to provide detail and justification.

Significant FY 2022 operational request include:

- ✓ Bond Referendum Costs
- ✓ Sustainability Program Expansion
- ✓ Smart City Program Expansion
- ✓ Smart Shuttle Full-Year Operations
- ✓ Land Use Plan UDO Update
- ✓ Affordable Housing Plan Development
- ✓ Small Business Program Development

Other, smaller scale but impactful items are also part of this year's request:

- ✓ Wayfinding Phase 2
- ✓ Touchless Fixture Installation Phase 2
- ✓ Website Design and Functionality Assessment
- ✓ National Citizen Survey and Benchmarking
- ✓ Property Acquisition Program Services
- ✓ Council Chambers Audio Visual Replacement

The General Fund includes three capital reserve funds: Fire Apparatus, CIP, and Roadway and Transportation Funds. The proposed FY 2022 budget includes allocations to the Roadway and Transportation Capital Reserve and Fire Apparatus Capital Reserve. A transfer of an equivalent of one cent (\$0.01) on the tax rate has been transferred to the Roadway and Transportation Reserve in all years since 2017. In 2021, an approximate \$300,000 in additional funds (beyond the one cent on the tax rate) were allocated to this reserve. For FY 2022, the proposed transfer is \$620,000 (returning to one cent on the tax rate). Resources from this fund have previously been used to move the NC54 Traffic Mitigation and Vehicle Traffic Preemption projects forward. The Roadway and Transportation Reserve has a current balance of approximately \$1.2 million, including investment earnings. There are no projects proposed that use these reserves in FY 2022.

The Fire Apparatus Capital Reserve allocation for FY 2022 is proposed to be \$750,000. This increased amount (compared to FY 2020) follows a year of no allocation to this reserve and an adjustment to the fire apparatus replacement plan to reflect adjusted replacement costs and a shorter life cycle for the

equipment. The next major purchase is anticipated to be a Station 1 Quint/Aerial in FY 2024 estimated to cost \$1.6M including upfit replacement.

An allocation of \$110,000 towards the Municipal Service District Fund has been included in the proposed budget.

The proposed FY 2022 budget includes an allocation of \$200,000 to reserve fund in lieu of an allocation to the CIP reserve. As land is now accessible for development in the McCrimmon Parkway Extension area, the resolution of this almost forty-year-old commitment/liability will be necessary. A plan for settlement of the value of these prepaid fees is in the process of being shared and discussed with stakeholders, including reasonable mechanisms for payment of claims over time. While a more immediate cashflow management issue for the Town, the anticipated future tax income from development in this area will ultimately positively benefit Town property tax revenues long-term.

The establishment of the Debt Service Fund in FY 2021 allows for more effective management of financial transactions related to debt service, especially as bond sale proceeds, retired debt and debt service reserves work together to support maximum capacity for projects. Existing debt service levels of \$3.5 million annually will be used to service existing debt. Proceeds from a tax increment authorized by voters will be captured in the General Fund and transferred to the Debt Service Fund for payment of debt service and related costs.

Personnel Expenditures

The Town needs appropriate levels of staff to meet desired goals, objectives, and service expectations. New position requests are always carefully and thoughtfully considered by our departments and then organizationally in the preparation of the budget since they impact future available budget capacity and increase the growth of future operating budgets. Performance metrics and work deadlines are compromised when staff needed to successfully achieve goals and outcomes are not considered when adding programs and services.

The FY 2022 budget includes requests for 13 full-time staff positions. An additional three-quarter position (30 hours) is requested for Parks and Recreation at MAFC, which will be partially offset by existing funds in the part-time staffing budget. Six of these positions were requested and deferred in FY 2021, and one position is currently being filled by use of an existing vacant position. Position requests include:

- *Senior Center Community Supervisor Currently filled against vacant position*
- *Fire Captains (3 Positions) Deferred from FY 2021*
- *MPD Traffic Unit (2 Positions) Deferred from FY 2021*
- *Financial Systems Manager (formerly Enterprise System Administrator) Deferred from FY 2021*
- *Fiscal Recovery Officer (Administration)*
- *Social Media Coordinator*
- *Police Lieutenant (Police)*

- *Facilities Maintenance Technician*
- *Grounds Maintenance Technician II*
- *Smart City Program Manager*
- *MAFC Community Center Customer Service Representative (3/4)*

New position requests have been incorporated into the Town's pay plan according to job description, classification, and level of responsibility. A review and discussion of the need for these investments in personnel will be shared with Town Council during presentations and work sessions. An authorized FTE per capita trend analysis will also be shared during a work session.

Employee Compensation/Merit Pay

In FY 2021, as a budget balancing measure, Town employees received a 3% pay adjustment in lieu of performance merit awards. Demand for knowledgeable, experienced, and skilled employees continues to influence recruitment and retention of our people. A meaningful performance adjustment is an essential component of market and peer community competitiveness. The FY 2022 proposed budget restores the merit pay benefit for all staff. Job Classification pay grade reclassifications are recommended for several staff positions. The proposed budget also incorporates the additional state required LGERS (Local Government Employees Retirement System) employer funding contribution increase and health care cost adjustments.

Proposed merit awards for FY 2021 performance evaluation ratings are recommended to be 3%, 4.5% and 6% for Meets Expectations, Exceeds Expectations and Far Exceeds Expectations, respectively, with a projected estimated average of 4.5%. Recognition of Far Exceeds Expectations performance in FY 2020 that was not recognized through the market adjustment has been incorporated into the FY 2021 performance evaluation process. These merit award factors are changed from 2%, 4% and 6% for FY 2019 merit awards (paid in FY 2020) to better recognize employee performance and allow for better alignment of actual employee salary with market-based competitors and enhance retention opportunities for the Town.

The one-third review of job classification positions resumed in FY 2021, including Police and Fire, who comprise over one-half of our employees. Market comparisons have noted aggressive pay policies by nearby communities with whom the Town of Morrisville competes for employees. For Police, advertised entry level salaries have reached \$50,000, with offers to match competitors for experienced officers. This market competition is being observed in Morrisville through continued recruitment struggles and loss of staff to other communities. As of March 31, 2021, there were five vacancies in the Fire Department and seven in Police. Both departments continue to actively seek qualified staff, but an adjustment to the job classification and starting pay is essential to supporting their efforts. Based on market analysis, a two-grade classification change for sworn police officers and a one-grade classification change for certified firefighter positions is recommended (department heads are not graded and thus not included in this recommendation.) Recommended adjustments to some positions in other departments that were included as part of the 1/3 study have also been incorporated into the updated Pay Grade Classification Schedule. In addition to the pay grade classification changes described above, a 2% adjustment to all pay

ranges is recommended to reflect rate adjustments to starting pay levels. Salaries for employees that fall below the new minimum pay for any pay grade will be automatically adjusted to the minimum prior to adjustments for pay grade classification changes and merit pay awards.

Total funds requested to support the merit pay adjustment and adjustments to the minimum pay grades are estimated to be approximately \$950,000 (total compensation). Job classification change adjustments can be absorbed through existing lapse salaries from vacant positions experienced in FY 2021 and will become part of future ongoing compensation forecasts.

This investment in our employees is significant but is critical to attracting qualified new staff and for retaining staff whom we have invested in training, and who have the knowledge and experience to keep pace with expanded workload and job expectations.

Part-time pay plan rates have also been evaluated and streamlined as a part of the Munis HR/Payroll upgrade. There is no significant impact on the budget from these recommendations.

Other Employee Benefits

The Local Government Employees Retirement System (LGERS) Board employer contribution rate for FY 2022 is 11.35% for non-LEO employees and 12.10% for LEO employees. This is an increase of 1.2% from FY 2021. The cost of this increase is estimated to be \$172,000 and has been included in personnel total compensation costs.

Further increases in the base rates will be effective July 1, 2022 and beyond. These projected rate increases have been included in future year forecasts.

Health Care Costs

The Town belongs to the North Carolina Health Insurance Pool (NChip) which allows for the sharing (pooling) of medical claim costs over a certain amount to smooth and minimize the fluctuations in plan renewal based on a relatively smaller number of covered lives and large claims that sometimes occur. It also allows the Town to stabilize health care costs over time. The pool has continued to grow (now 17 members) and will continue to allow for more spread of both administrative costs and large claims across a greater number of covered lives. Rate increase comparisons to our previous non-self-insured plan bears out the benefits of the pooled structure.

For FY 2022, health care costs are projected to increase 5% (compared to 6% for FY 2021). This reduction in premium rate increases has been achieved despite the Town having several high-cost claimants with ongoing health care needs. Plan design remains substantially the same, other than a transition from the Health Savings Account to reduced deductible limits for the buy-up plan that the employee can receive directly at the time of medical expense (versus reimbursement). The Town's basic dental care plan, offered through the North Carolina League of Municipalities, reflects a 2% decrease. No change to employee premiums is proposed. To effectively manage current premiums and position the Town better

to potentially mitigate future rate escalations, a Healthcare Premium Fund (or sub-fund of the General Fund) will be established. This will logistically account for the processing of monthly premium benefit payments and allow for the retaining of unused balances that may be applied in future years to mitigate future rate increases.

Debt

The Town's debt policy is being updated to more accurately reflect the calculation of debt service utilized by credit rating agencies and that is part of our financial management guidelines. The 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 \$2,816,717 in FY 2022 is 6.7% of the proposed budget as compared to 9% of the original budget for FY 2021. Of the \$3,500,000 baseline annual debt commitment strategy to support the Town's total debt capacity model, \$683,000 in debt retired is recognized in FY 2022 and will be maintained in the Debt Reserve Fund (total debt obligation of 8.4%). There is no new debt added for FY 2022.

Fund Balance

The recommended budget includes total general fund balance appropriations of \$2,574,550, or 6% of expenditures. Fund balance appropriations support requested non-recurring or one-time expenses. The unassigned fund balance is projected to be at approximately \$10.4 million, or 30.9% of General Fund expenditures as of June 30, 2021 accounting for anticipated appropriations to FY 2022.

An additional \$2,045,300 of one-time expenses are supported through use of American Rescue Plan Act (ARPA) allocations. A sub-fund of the General Fund will be established to separate the tracking and utilization of the relief funds for compliance purposes in accordance to guidelines provided by the Treasury Department. A long-range plan for use of additional ARPA funds will be developed during FY 2022 and managed by the Fiscal Recovery Officer. The interrelationship between these funds and the maintenance of a healthy fund balance for unknown impacts (as was experienced during the COVID-19 pandemic), adequate cash flow, identified projects described in this budget message requiring fund balance appropriations and credit rating agency review will be evaluated and used to support long range revenue and expenditure forecasts. Careful monitoring continues to be essential to meeting our commitments and obligations during FY 2022 and beyond.

There are no proposed appropriations from Parkland Payment-in-Lieu (PPIL) to retain these funds for prioritized Parks and Recreation projects in conjunction with anticipated bond referendum proceeds. Policy development for use of Streets PIL is underway and will better inform the best ways to contribute those restricted assets toward intersection and other traffic mitigation projects. The estimated fiscal year-end balance for PPIL is \$4.0 million. Staff estimates approximately \$215,000 in PPIL contributions in FY 2022.

OTHER TOPICS

COVID-19 Impacts on FY2021 Revenues and FY2022 Projections

When COVID-19 initially invaded our everyday lives more than a year ago, staff was working through the same process to develop an annual budget as we are now. Many factors at that time were relatively unknown leaving budget development and more importantly, understanding of potential impacts to revenue projections in a precarious state. There are a number of revenues that are sensitive to economic uncertainties, most notably Sales Tax (the Town's second largest resource) in addition to other state distributed revenues, parks program fees and interest earnings. At that time, guidance from the North Carolina League of Municipalities encouraged a strong conservative approach to revenue projections as was applied to FY 2021 in addition to other financial management strategies to safeguard the Town's fiscal strength. As time passed, it became clearer the pandemic situation was not abating quickly, economic conditions shifted and in some way's consumer behavior adjusted to the circumstances out of necessity. As a result, some revenues such as Sales Tax fared better than expected due primarily to the adaptive changes in consumer spending. With that said, other sources identified above were impacted and remain restrained due to pandemic limitations and restrictions.

The outcome of actual revenue losses attributed directly to the pandemic in FY 2020 totals approximately \$790,000 (budget to actual comparison) and anticipated losses in FY 2021 are estimated at \$1.1 million. These figures have been adjusted for revenue losses associated with the renovation of MAFC.

Conversely, unforeseen expenditure resulting from mitigating the onset and duration of COVID-19 preparedness and safety totaled approximately \$275,000 in FY 2020 and are currently reported in FY 2021 as potential eligible expenses \$625,000. Through an established FEMA Team, their diligence in tracking pandemic related cost and applying for reimbursements, the Town has received back approximately \$486K in reimbursements through the CARES Act and \$25K from FEMA with another \$172,000 reimbursement applications in progress.

American Rescue Plan Act (ARPA)

The American Rescue Plan Act (ARPA) became law on March 11, 2021. For the first time, municipal governments will receive direct, non-competitive federal grant money to help stabilize operations from impacts of the COVID-19 pandemic. As of this writing, the estimated influx of funds to the Town of Morrisville is projected to be \$8.4 million dollars. Funds will be distributed in two tranches, with the first allocation anticipated sometime between May 11 – July 11, 2021. The second tranche is scheduled for one year after the distribution of the first tranche. The Town has until December 31, 2024 to utilize these funds.

Much detail about ARP and guidance for use of the funds remains uncertain. The US Treasury Department is balancing speed with accuracy in developing guidance to share with grantee agencies by the initial May 11 availability date. I am participating in weekly conference calls to remain up-to-date and

ready to proceed as guidance becomes available. There are four areas of eligible expenditures currently identified for use of funds:

- *Response to public health emergency, including community assistance (such as small businesses). Expenditures must still be related to authorized expenditures of public money (i.e. not just handouts).*
- *Response to workers performing essential work during public health emergency (premium pay).*
- *Revenue replacement to the extent of revenue reductions experienced during COVID-19.*
- *Investments in water, sewer, or broadband infrastructure.*

Beyond this preliminary guidance, there are some established principles and initial interpretations from industry experts that support proceeding on several key projects in the proposed budget (sustainability and smart city initiatives, as examples) that will help us achieve identified Town of Morrisville priorities now.

Of the approximate \$4.2 million anticipated in the near term, the FY 2022 proposed budget includes \$1,000,000 in estimated replacement revenues (mostly Parks and Recreation fees) from both the FY 2020 and 2021 budgets that can be used to restore some capacity to fund one-time needs. Another \$1,045,300 is allocated to primarily one-time expenditures, including small business development programs, and to establishing a Fiscal Recovery Officer to help the Town manage and comply with the various ARPA planning tasks, record keeping and related initiatives that will be associated with these funds, and to support the small business program development referenced above. More detail about this position can be found in the Budget Priorities summary and will be explored in depth during the budget presentation and workshops.

This approach to including ARPA funds in the proposed FY 2022 budget is both aggressive and conservative at the same time. Planning ahead by authorizing funds for established community priorities avoids delays in these program initiatives, and each request has been scrutinized in consideration of anticipated likely guidance still to come. Establishing the Fiscal Recovery Officer position now allows us to help create the comprehensive needs assessment for both the Town and the overarching community. The Fiscal Recovery Officer will also develop our strategy and plan, monitor execution, and ensure compliance with documentation and record keeping. Allocating only 25% of these anticipated \$4.2 million distributions in the first tranche allows for validation of expenditures that have been included in the proposed FY 2022 budget. Alignment with the guidance being provided by the federal government to manage expectations, evaluate community needs, and develop sustainable programs and initiatives that help the community recover and move forward can also be affirmed before additional spending. As more definitive guidance and information comes forward, it will be shared with Town Council during the budget review and deliberation process.

(Note: there are other components of the American Rescue Plan Act, including the American Jobs Plan and American Families Plan that are not discussed here as the Town will not receive direct funding from those programs.)

Long Range Staffing Projections

In addition to positions requested for FY 2022, each department provides a snapshot of anticipated future needs. This information is not vetted or evaluated beyond awareness for response to added workload and budget forecasting. Preliminary long-range staffing plans suggest these staff needs for the next four years:

<u>Fiscal Year</u>	<u>Public Safety</u>	<u>Other</u>
FY 2023	4	7
FY 2024	5	3
FY 2025	1	2
FY 2026	3	0
Total	13	12

The other positions include Public Works and Parks and Recreation operations staff, and support functions in Finance, Information Technology and Administration

Municipal Service District

The Municipal Service District (MSD) budget for FY 2022 continues to assess 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 street standards. Five of six original MSD projects are complete. The Gables is the final project remaining. With an estimated cost of more than \$1.3 million dollars, the current rate of accumulation of tax increment revenues, and the Town’s regular matching allocation, this project will not occur until FY 2024 unless the Town elects to accelerate funding through an increased allocation. Public Works and Finance staff are evaluating whether road paving funds may be used to accelerate this project.

Six original MSD neighborhoods approved an assessment of a special tax rate annually, beginning in FY 2014. The tax rate will continue to be levied for all six neighborhoods until the cost of all improvements for all projects is complete. The MSD tax increment is anticipated to generate approximately \$119,000 at an estimated 99% collection rate in FY 2022. The General Fund has provided for an annual transfer to the MSD Fund of \$110,000 to accelerate funding for these projects and will be repaid by the MSD tax increment over time, even after all projects are complete. The repayment timeline is approximately 25 or more years and 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.

STORMWATER ENTERPRISE FUND

The Stormwater Fund, an Enterprise Fund, is funded primarily by stormwater revenues based on an equivalent residential unit (ERU) fee (currently set at \$25 per ERU), permit fees, and any grant revenues received for stormwater projects. The stormwater ERU fee has not changed since FY 2016. In FY 2020, a stormwater program review study was completed that evaluated programming and administrative/operating components of the Stormwater Program. In FY 2021, a stormwater master plan

study to compile an inventory and estimated costs of future capital projects and maintenance needs for the stormwater utility was commissioned and is underway. Both studies will better inform the level of self-sustaining stormwater fee necessary to support long-term operating and capital needs. No fee adjustment is proposed for FY 2022 pending the completion of the master plan study and discussion with Town Council.

CAPITAL INVESTMENT PROGRAM (CIP)/CAPITAL OUTLAY

The Town has invested in several major capital projects over recent years. A synopsis and status for those projects is provided below.

- ✓ **NC54 Corridor Congestion Mitigation Project** - Engineering design work for the Airport Boulevard Extension from the intersection of Garden Square Boulevard to Church Street continues. LAPP (Locally Administered Public Projects) funding was approved in FY 2021 for construction. A public meeting to share information about the project with residents occurred in April. Right-of-way plans are projected to be complete by December 2021, with construction award in July 2022.

- ✓ **Public Safety Improvement Projects**

Harris Mill Road Site: Design plans are well underway and will be used to develop design level cost estimates and reconcile costs with the estimated budget. Sustainability and energy conservation enhancements are being evaluated as a part of the base design. The design phase is estimated to be complete in the next 30-60 days. Final construction drawings will follow for a future project award.

Paramount Parkway Site: Due diligence work has been completed for the purchase of this parcel for a future fire station.

- ✓ **Parks & Greenway Improvement Projects**

Morrisville Community Park Phase 3: Design is nearing completion. Building and stormwater permits applications have been submitted. Construction award is anticipated in November 2021.

Crabtree Creek Nature Park: The design process has been delayed due to an existing issue with the floodplain and work done on the site prior to Town acquisition of the property. Staff is working with Wake County and Natural Resources Conservation Service (NRCS) to resolve the issue so design work can resume.

These projects have been prioritized as a part of the Capital Investment Program and with Town of Morrisville funding to support getting these projects ready for construction in anticipation of the bond referendum planned in November 2021.

Other Active Projects

- *Morrisville-Carpenter Road construction is underway. This NCDOT road project enhances east/west connectivity through the center of town. The Town is managing this approximately \$9 million project, for which a \$6.3 million grant will offset project cost. Debt service for the \$2.7 million Town cost was included beginning in the FY 2020 approved operating budget.*

- *Design work on the Public Works facility (collaboratively with Wake County for an expanded convenience center) continues. Projected construction is planned in the FY 2023 planning year. This will be ahead of the NCDOT planned expansion of Aviation Parkway, which is delayed.*
- *Five sidewalk segment projects have been designed and are currently being bid for construction award. Existing Sidewalk/Pedestrian Enhancement Capital Project Fund balances, supplemented by fund balance appropriations, if needed, will be utilized for construction of these projects. Staff is also working on updates to policy criteria and sidewalk prioritization that will guide the next phase of sidewalk projects. The Airport Boulevard sidewalk project (joint with NCDOT) design is in the final stages. Future sidewalk projects are included in the proposed bond referendum for acceleration of completion of those segments and the approved NCDOT cost shares where applicable.*
- *The Indian Creek Greenway Connector construction is slated to begin this month and be complete in 90 days.*
- *The Green Drive/Fairview Avenue Stormwater project will start in spring 2021.*
- *Staff have also initiated design on two projects – Shiloh Park improvements and the Morrisville Community Park sidewalk segment to establish construction cost estimates for project award and/or inclusion in the CIP.*

Completed projects include the McCrimmon Parkway Extension (both Phases I and II) and the Town Center regional stormwater control measure (SCM). The renovation of Morrisville Aquatics and Fitness Center and reopening was slowed by COVID-19, but the facility reopened in August. Debt service for the McCrimmon Parkway Extension and MAFC were incorporated into the FY 2020 budget.

The Senior Center at McCrimmon Corners opened in March despite COVID-19 delays. The facility is being actively used at appropriately socially distanced levels. Program expansion in this larger dedicated facility is expected in FY 2022.

Future CIP Needs

Town Council issued a Town Center Core Demonstration Project Request for Proposal for public-private partnership developers in November 2020, with responses from three prospective partners. Town Council is in the initial stages of evaluating these proposals to determine next steps in the development of the future Town Center and related CIP priorities. The Morrisville Community Library is open and serving the Morrisville community.

Consideration of Church Street Park expansion is underway and may include the opportunity for a minor league cricket franchise and tournament events that require additional amenities and facilities. Proposals are currently being vetted by staff for future discussion with Town Council. Debt service of \$4 million for bonds issued in 2013 for Church Street Park is included in debt service commitments.

There are two studies underway that will better inform future capital outlay needs for intersection improvements and stormwater infrastructure. Once these studies are complete (anticipated in the next six months), project costs will be incorporated into CIP planning and operating budget requests.

Town Council has invested significant time and effort in evaluating CIP projects and priorities over the past two years to establish a long-range plan for financing these substantial needs. The Town is preparing to request support of voters in November 2021 for up to \$37 million in tax supported debt to facilitate completion of these projects and address CIP identified priorities, including land acquisition, in particular for parks and open space. As a AAA-rated agency, general obligation bonds, which are approved by voters, are the most cost-effective way to borrow money for projects that cannot be managed within the town's operating budget limitations. Town Council has also reprioritized the next wave of projects for future development and is testing out future project concepts through provision of "pop-up" programs for a dog park and disc golf. The CIP is a long-range planning tool that effectively allows the Town to align resources meeting both capacity and affordability factors that serve to maintain existing assets while meeting emerging needs that enhance the economy, improve quality of life and safeguard safety expectations from the community.

The Capital Investment Program (CIP) has been updated to reflect Town Council priorities, policy direction, and updated project cost estimates. The anticipated capital budget items proposed in the FY 2022 budget are pending the successful outcome of the November 2021 bond referendum. A capital budget ordinance will be prepared following the results of the referendum to appropriate anticipated funds at that time.

The CIP is an integral part of the budget discussion and **Relaunch** envisions in FY 2022 and beyond. CIP projects and concepts will be explored further during budget work sessions.

Footnote: The Budget Message is as presented on May 4 to Council. Council directed changes adjusted some budget priorities to dedicate funds towards the establishment of a Parks and Recreation Capital Reserve Fund without increasing the total budget. Town Council adjustments at adoption are noted in the Budgetary Priorities Summary section.

Updated Budgetary Priorities Summary

Note: Connect Morrisville Strategic Plan alignment was based on the previous Strategic Plan Objectives. Town Council has since updated as of July 13, 2021 many of the objectives used in preparing this document however, the Strategic Plan Goal alignment remains the same.

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Fire Captains (3): Three firefighters that are part of the long-range Quint concept plan approved in 2012. The addition of these officer positions (one per shift) for the promotion of existing staff to captain and subsequent promotions to hire three new firefighters, increases safety. The addition of the officer positions provides the necessary staffing to keep smaller rescue units in service that are not always available now because of current staffing levels and reduces the need to holdover staff to meet minimum staffing. Requested but not authorized in FY2021. Connect Morrisville > Public safety readiness and Operational excellence Multiple Objectives.</p>	290,000	-
<p>MPD Traffic Unit (Sergeant and Patrol Officer – Total 2): Reinstatement of the Morrisville Police Department Traffic Unit, which existed until 2010. Their sole function was to respond to major traffic collisions, coordinate traffic initiatives, participate in Governor’s Highway Safety Program initiatives and conduct educational seminars focused on traffic safety. As the Town and roadway infrastructure has grown, patrol officers are not able to keep up with the demand for traffic safety enforcement due to 911 calls for service and other service requests. One officer (out of an original request of 4 officers) was authorized mid-year in FY 2021 to initiate the unit. This request expands the development and capacity of the program. One additional officer from the original request in FY2021 remains deferred to a future year to allow for assessment of the unit’s operations. Connect Morrisville > Public safety readiness and Operational excellence Multiple Objectives.</p>	175,800	-
<p>Senior Center Community Center Supervisor: Supervisory level position providing oversight and management of programs, staff, and the Senior Center facility. This position will also manage Healthy Food Hub programs and support cricket events and relationships. Oversight of work will be provided under the direction of Parks and Recreation management and the Assistant Town Manager. Connect Morrisville > Engaged, inclusive community and Operational excellence Multiple Objectives.</p>	117,800	-
<p>Fiscal Recovery Officer: Professional position primarily related to implementation of American Rescue Plan (ARP) funding. Core principles of ARP funding will include developing and implementing an assessment program of government operations and community needs, serving as a liaison for program information and communicating with stakeholders, maintaining documentation, tracking, reporting, monitoring success and providing primary support for Small Business Programs. This position will be housed in Administration and will also provide support to other community development activities, property acquisition research and analysis, and other key work initiatives. This position will initially be supported by use of ARP funds and incorporated into the recurring operating budget in future years. Connect Morrisville > All Goals and Objectives.</p>	110,300	-

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Police Lieutenant: Command Staff position in Support Services to provide audit and performance measurement oversight that are vital to improving police services and enhancing community trust and partnership. This position would centralize and streamline these functions currently performed by multiple staff. The current non-centralized approach creates overlap in tasks and takes away from the primary roles and responsibilities of personnel tasked with these additional duties. The proposed position will provide better focus and accountability to the critical support tasks performed by personnel within the department and enhance the department’s overall efficiency. Connect Morrisville Public safety readiness and Operational excellence Multiple Objectives.</p>	108,100	-
<p>Smart City Program Manager: Technical position responsible for managing the implementation of new Smart City projects and supporting programs already implemented. The momentum of the Smart City program has accelerated the need for the addition of this position, which was originally expected to occur in FY 2023. The Smart City Strategic Plan momentum has identified many initiatives in the next 3-5 years. Work has been absorbed by current staff in FY2021, but success cannot be maintained at a high level without direct and expanded support for development of new programs and maintenance of existing projects. Connect Morrisville > Engaged, inclusive community and Operational excellence Multiple Objectives.</p>	101,000	-
<p>Financial Systems Manager: Finance Department position performing professional, technical, and administrative work ensuring the reliable performance and optimum usage of the Town’s financial and business management systems. The position will require comprehensive knowledge of Munis and EnerGov systems dedicated to managing daily activities, workflows, and alignment of processes to effectively utilize financial accounting and reporting systems and programs. Other finance functions include centralized accounts receivable billing and collection for various Town services, PCI compliance, and management of financial and technical dates. This position was requested in FY 2021 as an Enterprise Systems Administrator but has been revised to ensure emphasis on essential finance related responsibilities and tasks. Connect Morrisville > Operational excellence Multiple Objectives.</p>	101,000	-
<p>Social Media Coordinator: Professional position primarily dedicated to managing multiple social media platforms to strategically plan for the timely, orderly, and most appropriate delivery of information. Currently these duties are handled by multiple Communications Department staff after other primary duties. Increasing needs for continuous engagement and monitoring of heavy social media activity is essential to a growing town for this primary messaging mechanism. The addition of this position also allows for enhanced alignment and use of the right tools for sharing information in collaboration with the website, newsletters, and events. Connect Morrisville > Engaged, inclusive community Objective 3.2: Increase awareness of activities and opportunities for engagement.</p>	92,600	-

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Facilities Maintenance Technician: Additional position to support expanded facility needs due to growth such as renovated Morrisville Aquatics and Fitness Center, the new Senior Center, and increased safety and security inspections and enhanced cleanliness efforts for all facilities, including park buildings. As the Town continues to grow, attention to an increased number of work orders and proactive maintenance will enhance longevity, enjoyment, and satisfaction with facilities for both visitors and employees. Connect Morrisville > Operational excellence Multiple Objectives.</p>	71,800	-
<p>Grounds Maintenance Technician II: Additional position to support expanded grounds maintenance needs for a growing inventory of parks and grounds assets that must be maintained. This position is requested for the Community Enhancement Division of Public Works to provide a higher level of appearance and quality on Town grounds, greenways, and rights-of-way. This position will have a lead focus on plant selection, aesthetics, and level of service. Connect Morrisville > Thriving, livable neighborhoods, and Operational excellence Multiple Objectives.</p>	60,900	-
<p>Center Aide (3/4 MAFC): Additional position to provide consistent and reliable service to the MAFC front desk. Early morning and evening shifts are more difficult to fill. Full-time staff is needed to support program development and implementation, resulting in a need for a regularly scheduled staff member with facility knowledge providing customer service and response to needs at a more enhanced level than available with part-time staff. The position is estimated at \$56,000 and is offset by \$30,000 available in the part-time salaries of the existing base budget. The “net” cost impact is reflected here. Connect Morrisville > Engaged, inclusive community and Operational excellence Multiple Objectives.</p>	26,000	-
<p>Merit/Market Adjustments: Proposed merit salary adjustments based on FY 2021 performance evaluation ratings. A performance pay plan was implemented in FY 2016 linking the amount of merit pay award to performance ratings. The actual merit pay award in FY 2020 was 3.52%; in FY 2021, all employees received a 3% market adjustment in lieu of performance evaluations due to the COVID-19 pandemic. The proposed budget allocation for merit pay provides for a tiered merit increase of 3%, 4.5% and 6% for meets, exceeds, and far exceeds expectations, respectively. Use of this capacity allocation will work strategically with realized lapse salary available within the budget year to effectively provide for merit, address identified market conditions and essential pay grade adjustments for some positions, most notably public safety, resulting from the job classification review in January 2021. Additional discussion can be found in the budget message. Connect Morrisville > Operational Excellence Objective 5.4: Attract, develop, and retain a diverse, high-performing workforce.</p>	950,000	-
<p>Local Government Employee Retirement System Contributions: North Carolina Department of State Treasurer mandated increases in employer contributions to the state employees’ retirement plan. These escalations are expected to continue for the next 3-5 years, although at a lower basis point increase. Connect Morrisville > Operational Excellence Objective 5.4: Attract, develop, and retain a diverse, high-performing workforce.</p>	172,000	-

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Health Insurance Costs: Increased cost of medical and dental insurance premiums for employees and their dependents. NChip has stabilized overall medical premium increases each year since we joined the pool. Overall cost increase for FY 2022 is 5% over current fiscal year costs. Premium increases are not proposed to be passed on to the employee. Connect Morrisville > Operational excellence Objective 5.4: Attract, develop, and retain a diverse, high-performing workforce.</p>	129,000	-
<p>Risk and Workers Compensation Liability Insurance Increase: Increased costs for additional employees and new facilities due to service growth factors in addition to regularly anticipated premium escalation. Connect Morrisville > Operational excellence Objective 5.4: Attract, develop, and retain a diverse, high-performing workforce.</p>	34,200	-
<p>Public Works Contracted Service Increases: Funding for the expansion of Town service contracts due to growth or enhanced services beyond regularly anticipated inflationary adjustments. Additional contract costs include landscaping, solid waste, athletic court maintenance, janitorial, pest control, generator maintenance, fire/security, traffic lights, and park disinfection. Connect Morrisville > Operational excellence Multiple Objectives.</p>	221,500	-
<p>Information Technology Service Agreements/Leases: Annual support costs for information technology equipment and services. Connect Morrisville > Operational excellence Objective 5.6: Leverage the use of technology to maximize results.</p> <ul style="list-style-type: none"> • <i>Software Maintenance</i> • <i>Smart City Initiatives</i> • <i>Central Square (Police Department CAD Software)</i> • <i>Virus Software (Pre/Post Incident Protection)</i> • <i>Computer Leases</i> • <i>Server Data Center</i> • <i>Council Chamber Audio Visual Equipment</i> • <i>Facility Security Cameras</i> 	169,000	-

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Parks and Recreation Program Support: Programmatic items for several key programs and initiatives to be incorporated into base budget/ongoing operations. Connect Morrisville > Engaged inclusive community and Operational excellence Multiple Objectives.</p> <ul style="list-style-type: none"> MAFC Utility Increase – Increased utilities beyond normal inflation for expanded MAFC operations footprint and use. E-Sports Programs – Implementation of a new e-sports program in collaboration with the IT Department that offers community partnerships/sponsorship potential in future. The program would include individual play, competitive play, and tournaments for this fast-emerging sport. Mid-year implementation is anticipated once activity space is identified. <i>The cost of this initiative is offset by new program revenue.</i> MAFC Fitness Equipment – Replacement of two pieces of equipment annually. Equipment is being catalogued, along with age and maintenance information to develop program management benchmarks. Shiloh Park Lease – Allows for continued use of the front half of the athletic field between the church and the park entrance, the Luther Green Building, and the entrance to the park from Church Street. The original long-standing lease of \$1 per year expired in November. The new 10-year lease is \$9,000 annually. MAFC Marketing Support – Appropriation of printing and advertising funds to support comprehensive communications/marketing and membership recruitment. 	<p>144,800 -22,800 Program Revenue</p>	<p>-</p>
<p>Smart Shuttle Operations Costs: Additional annual operating costs for Smart Shuttle operations for a full year of service and established operating costs. One half of the annual costs are covered by anticipated Wake Transit CFAP Revenue. Connect Morrisville > Improved transportation mobility and Operational Excellence Multiple Objectives.</p>	<p>130,700 -65,350 Wake Transit Grant</p>	<p>-</p>
<p>Fire Department Operating Cost Increases: Funding for the increased costs of Morrisville Fire and Rescue operations beyond regularly anticipated inflationary adjustments. Additional costs include vehicle repairs and maintenance for large fire apparatus, and insurance and bonds. Connect Morrisville > Public safety readiness Objective 4.2 Be operationally ready and Objective 4.4 Meet demands for service.</p>	<p>53,000</p>	<p>-</p>
<p>Property Acquisition Program Support: Allocation of funds to support preliminary land acquisition expenses such as surveys, appraisals, and environmental assessments, including broker fees, if necessary. These fees are typically expended prior to a capital purchase. Connect Morrisville > Thriving, livable neighborhoods Objective 2.5: Plan and provide for current and future infrastructure.</p>	<p>25,000</p>	<p>-</p>
<p>Litter Program Expansion: Increase in allocation toward litter deployment program implemented in FY 2020 to provide more frequent service along major roadway corridors and other public areas. Connect Morrisville > Thriving, livable neighborhoods Objective 2.3: Be responsible stewards pf the natural environment.</p>	<p>15,000</p>	<p>-</p>

Operating Impacts (Routine or Recurring Annually)	Town Manager Requests	Town Council Adjusted
<p>Miscellaneous Software Technologies: Annual license costs for additional Munis software modules to support efficient and effective work of Town departments. (Note: One-time software costs are captured separately.) Connect Morrisville > Operational Excellence Objective 5.6: Leverage the use of technology to maximize results.</p> <ul style="list-style-type: none"> • <i>CAFR Builder and Performance Evaluation Modules - ERP System (Finance & HR)</i> • <i>Professional Excellence and Accountability Software (Police)</i> 	9,200	-
TOTAL RECURRING EXPENDITURES	\$3,308,700	-

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Vehicle Replacements: Projected replacement of vehicles that could be retired because they meet the Town’s vehicle replacement criteria. Scheduled replacements include six (6) police vehicles [five patrol and one sedan] and the Parks and Recreation Activity Bus. The Vehicle Replacement Policy is currently being evaluated and updated to consider the quality and condition ratings of vehicles in addition to level of usage and life of our rolling stock. This qualitative and quantitative methodology will apply a more practical replacement approach that serves to stabilize the annual appropriation required for vehicle replacements. Currently scheduled vehicles will be reassessed under the new policy to determine actual replacements. Vehicle replacements deferred in FY2021 have been reincorporated into this budget request.</p> <p>Connect Morrisville > Operational Excellence Objective 5.1: Promote financial integrity through effectively and efficiently managing public assets.</p>	504,300	-79,000 (Reduced pending revised replacement policy)
<p>Bond Referendum Costs (November 2021): Financial advisory, bond counsel, Local Government Commission (LGC) and credit rating fees related to bond referendum and issuance of proposed \$37 million in general obligation bonds for public safety, parks and recreation and streets and sidewalk needs. Referendum election costs are also included in this request and are in addition to regular election costs. Connect Morrisville > Improved transportation mobility, Public safety readiness and Engaged, inclusive community Multiple Objectives.</p>	307,500	-150,000 (Reduced in lieu of using Potential Bond Premiums)
<p>Road Paving Projects: Proactive road maintenance to maintain acceptable road conditions and reduce the percentage of deficiencies. This allocation adds to the available Powell Bill funds to accelerate the amount of annual roadwork. Connect Morrisville > Thriving, livable neighborhoods Objective 2.5: Plan and provide for current and future infrastructure.</p>	300,000	-
<p>New Vehicles: Three (3) fully equipped police vehicles related to request for MPD Traffic Unit (2 officers) and a Police Lieutenant. Connect Morrisville > Public safety readiness Objective 4.2: Be operationally ready.</p>	216,000	-216,000 (Defer to FY2023)
<p>Small Business Program Development: Allocation of resources to support direct outreach and support for small businesses. Goals of the program could include financial support and assistance through grants, incentives and Town provided programs such as events, networking activities, marketing and communication support, and establishment/refinement of a business registry database of information to enhance regular and ongoing engagement with this segment of our community. These initial start-up resources could transform into an ongoing budgetary supported program annually. The FY 2022 initial request is aligned with anticipated revenues from the American Recovery Plan (ARP). Connect Morrisville > Operational excellence Multiple Objectives.</p>	200,000	-

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Smart City Initiatives: Multiple Smart City Initiatives as outlined in the Smart Morrisville strategic plan. Connect Morrisville > Operational excellence Objective 5.2: Deliver customer-focused service and Objective 5.6: Leverage the use of technology to maximize results.</p> <ul style="list-style-type: none"> • <i>Mobile App Development: Phase 1 of mobile application development. The discovery phase that includes stakeholder engagement, design planning and roadmap development is currently underway in FY2021 and will be the basis for development.</i> • <i>Connected Parks Initiative 1: Installation of IoT sensors, electric gates and digital signage at Morrisville Community Park and Church Street Park to help Public Works more effectively manage the parks. Replacement of an additional manual gate at Cedar Fork District Park is also included.</i> • <i>Connected Parks Initiative 2: Installation of IoT sensors to gather park usage data for analytical purposes and citizen use. The anonymized data would be published to our citizen IoT dashboard so that citizens can view the status of park amenities.</i> • <i>Smart Waste Initiative: Sensors on outdoor waste bins to allow Public Works to manage Town waste bins and collection more effectively. Through an analysis, this project was estimated to save 50-70% of man hours for these collection tasks by streamlining the collection process.</i> 	185,000	-
<p>Information Technology Innovations: Strategic initiatives to expand and advance the Information Technology program. Connect Morrisville > Operational excellence Objective 5.6: Leverage the use of technology to maximize results.</p> <ul style="list-style-type: none"> • <i>Security Cameras at Town Facilities. Phase 2 of implementation of a centralized video management system for both interior and exterior cameras at Town facilities, including PSMS, Cedar Fork Community Center and to be determined parks. Cameras will provide live and recorded content to further protect employees and patrons/visitors to these buildings and grounds.</i> • <i>Council Chamber Audio Visual Equipment: Replacement of the Council Chambers video system, streaming set up and production. The current system is older and needs to be updated with modern high-definition video technology. Production of meetings would also be brought in house for better control over meeting production and dedicated AV support during meetings.</i> • <i>Computer Equipment Replacement: Thermal printers, Council laptops (election year officials), computer accessories (docks and monitors) and iPads.</i> • <i>Server Migration: Phase 1 of the migration of on-premises virtual services to a hosted datacenter. This project will reduce cost of datacenter hardware and maintenance and improve redundancy.</i> • <i>FortiEDR Implementation: Endpoint security allowing for the automation of incident response and remediation of potential threats in real time. An example is a ransomware attack that stops the attack and isolates the machine until remediation is completed.</i> 	178,500	-

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Land Use Plan – UDO Update: Alignment of the UDO with the recommendations in the updated Land Use Plan. The project will include a front to back review of the various standards in the UDO, including but not limited to a review of the principal use table, design guidelines, landscape requirements and other standards. Staff is also recommending a form-based code be developed for the Transit Oriented Development (TOD) area. The extent of the workload generated by the project cannot be absorbed at current staffing levels and completed within a reasonable timeframe. In addition, outside expertise is needed for the development of the form-based code elements. There are additional benefits drawing from the expertise and fresh eyes a consultant with experience working in multiple communities brings. The project is expected to take more than a year to complete. Connect Morrisville > Thriving, livable neighborhoods, All Objectives.</p>	150,000	-
<p>Public Works Heavy Equipment Replacements: Replacement of public works equipment needed for regular operations and special service response. Connect Morrisville > Operational excellence Multiple Objectives</p> <ul style="list-style-type: none"> • <i>4-Ton and 1-Ton Replacement Rollers – needed to maintain the Church Street Park cricket pitch at a playable level. Current equipment is 15+ years old and is no longer dependable.</i> • <i>Toro Workman Utility Vehicle – Equipment used daily by Community Enhancement Division and often borrowed by other departments for special events. The existing 15+ year old vehicle can no longer handle day to day use.</i> • <i>Zero Turn Replacement Mowers (2) – Engine hour meters had met the 2,200 hours operation threshold. Both mowers have wear and tear issues that affect their reliability and future maintenance costs.</i> • <i>Salt/Sand Spreader – The Streets Division currently has a 10-year-old salt/sand spreader for use in inclement weather events that needs to be replaced. The combination of the abrasiveness of the sand and the corrosiveness of the salt wears out the moving parts on the spreaders very quickly.</i> • <i>Standing Core Aerator – Equipment needed to service smaller areas in parks and on Town grounds. Currently there are numerous turf areas that cannot be core aerated because the existing equipment is too large to fit in the area. The addition of a smaller aerator will allow the staff to enhance the quality of these turf areas.</i> • <i>Tow Behind Blower – An additional high turbine blower that can be towed behind a tractor, utility vehicle or truck is needed to assist with the maintenance of the athletic fields and park turf areas.</i> 	144,400	-

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Facility System Replacement Program: Purchase and replacement of essential systems and equipment for Town Buildings. Connect Morrisville > Engaged, inclusive community Objective 3.3: Effectively maintain assets and make the most of existing resources.</p> <ul style="list-style-type: none"> • <i>Roof replacement for the roof on the Chamber of Commerce. The roof has shingles that have fallen off around the edges exposing the underlayment. A portion of the cost of this roof replacement will be reimbursed from the MCCOA reserve fund.</i> • <i>Roof replacement for the Cedar Fork District Park bathroom building which also has shingles missing and needs replacement to protect the understructure of the building.</i> • <i>HVAC System Replacements: One at Town Hall, one at the Connector Building and one at the Public Safety Building (fire administration area).</i> 	<p>140,000 -68,000</p> <p>MCCOA Reserve</p>	<p>-</p>
<p>Affordable Housing Plan Implementation: In FY2020, the Town engaged a consultant to complete an affordable housing study for the Town. The study evaluated affordable housing needs in Morrisville and identified three recommendations for implementing affordable housing initiatives. Council adopted an Affordable Housing Policy that outlines critical goals and guidance. This request would build off the plan and policy direction combined with Town Council preferred options by engaging a consultant to help with implementation of the desired options. The project, planned in two parts, would consist of developing a package of development incentives and some limited, related UDO amendments, as well as preliminary research on the Community Servant Housing Choice Program and a survey of Town staff and local public schools which serve Town of Morrisville students. Part 2 would be implementation of the programs. Connect Morrisville > Thriving, livable neighborhoods, Objective 2.1: Provide a mix of housing options that meet the current and future needs of the community.</p>	<p>125,000</p>	<p>-</p>
<p>Branding – Wayfinding Phase 2: Fifteen (15) wayfinding signs focusing on the Morrisville Parkway and Davis Drive corridors and a few remaining NC54 South locations. Connect Morrisville > Engaged inclusive community Multiple Objectives.</p>	<p>125,000</p>	<p>-125,000 (Defer to FY2023)</p>
<p>Staffing Operations Costs: Required uniforms, equipment, training/evaluation, and computer/electronic equipment for three police officers, three fire captains, a fiscal recovery officer, social media coordinator, smart city program manager, financial systems manager, facilities maintenance technician and grounds maintenance technician. Connect Morrisville > Operational Excellence Objective 5.4: Attract, develop, and retain a diverse, high-performing workforce.</p>	<p>123,000</p>	<p>-</p>

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Sustainability Projects: In an effort for the Town to be more sustainable, projects that are part of the master plan development are being proposed for the next fiscal year. Connect Morrisville > Thriving, livable neighborhoods Objective 2.3: Be responsible stewards of the natural environment, Engaged, inclusive community Objective 3.3: Effectively maintain assets and make the most of existing resources and Operational Excellence Objective 5.1: Promote financial integrity through effectively and efficiently managing public assets.</p> <ul style="list-style-type: none"> <i>Solar Array Installation – Addition of a second solar array that will allow the Town to expand the self-generation of electricity, reduce greenhouse gas emissions, and increase operational efficiencies for town buildings through cost savings.</i> <i>Electric Vehicle (EV) Assessment and 2 Additional Electric Charging Stations – The EV assessment will provide a roadmap for expanding the Town’s EV infrastructure by developing an EV-friendly corridor of chargers at additional public facilities. Future grant opportunities may be available for cost share match of equipment.</i> <i>Building Automation System (BAS) Implementation and Ionization Systems Implementation of BAS and the addition of HVAC ionization systems in 58 of the Town’s units will continue efforts started in FY2021.</i> 	120,000	-
<p>Touchless Fixture Conversion: Continued conversion of plumbing fixtures to a touchless environment in Town building bathrooms, kitchens, and park facilities to improve health and safety of Town employees and residents. Connect Morrisville > Public safety readiness Objective 4.3: React responsively to the public safety needs of the community.</p>	100,000	-
<p>Public Works Asset Maintenance Projects: Care and maintenance of existing Town assets (sidewalks and grounds) to support long-term quality and community aesthetics. Connect Morrisville > Thriving, livable neighborhoods Objective 2.5: Plan and provide for current and future infrastructure.</p> <ul style="list-style-type: none"> <i>Sidewalk Assessment- Evaluation of existing sidewalk network to identify areas of improvement for ADA compliance and to preserve pedestrian safety. The assessment will focus on higher traveled/used routes.</i> <i>Landscaping Improvements – Renovating the poor-quality landscaping at MAFC for aesthetics, maintenance, and sustainability. The current landscaping will be removed and replanted.</i> 	100,000	-50,000 (Shift Landscape Renovation Cost to MAFC Project Fund contingency)

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Parks and Recreation Program and Facility Support: Enhancement of existing facilities and addition of innovative programming for parks and recreation program participants. Connect Morrisville > Engaged inclusive community Objective 3.1: Offer events and programs that meet the needs and interests of the community.</p> <ul style="list-style-type: none"> <i>E-Sports Equipment – Gaming PCs, chairs and related peripheral equipment and games to launch new program. There are potential grant opportunities and/or partnerships being explored to offset these costs.</i> <i>Greenway Enhancements – Purchase and installation of additional benches, trash cans and picnic tables to be placed along the Town’s greenways. This will provide more convenient places for people to rest and enjoy the natural surroundings.</i> <i>MCP Playground Upgrades – Additional equipment to maximize use of available play space. The equipment is planned to be ground level units that are more accessible to children of different ages and physical ability levels.</i> 	86,000	-
<p>Communications/Outreach Programs: Strategic initiatives to expand and advance Communications and Outreach programs. Connect Morrisville > Engaged, inclusive community Multiple Objectives.</p> <ul style="list-style-type: none"> <i>Website Assessment & Enhancement - Professional assistance from a website consultant to address inefficiencies with the website’s search engine and to strategically redesign and enhance the information on multiple pages. An external “expert” will allow the Town to audit the entire site and evaluate back-end search configuration more efficiently.</i> <i>National Community Survey – The Town conducts a national community survey every three to five years. The last survey was done in 2017. This is a turnkey, statistically constructed survey to assess satisfaction with Town services and customer service. The survey is slated to be conducted in February 2022 and includes both a mail-in and online version to enhance participation.</i> 	65,400	-
<p>Fire Apparatus Equipment (Ladder 22): Additional funds needed to purchase essential equipment for new apparatus Ladder 22 that will be delivered by the end of the fiscal year. Some equipment from a vehicle to be surplusd will be used as well. Connect Morrisville > Public safety readiness Objective 4.2: Be operationally ready.</p>	50,000	-
<p>2021 Municipal Elections: Estimated cost of 2021 municipal election costs provided by Wake County and Durham County. This estimate is based on projected precinct staffing, polling location costs and cost for ballots/forms for elections scheduled in November 2021. It does not include any early voting locations in Morrisville. Several factors could alter this estimate, including a probable delay in elections by Cary and Raleigh. Full detailed costs will not be known until after the elections and could change if Morrisville elections are delayed. Bond referendum costs are captured separately. Connect Morrisville > Engaged, inclusive community Objective 3.4: Provide opportunities for meaningful public engagement and collaboration.</p>	39,000	-

Onetime Operating or Capital Impacts (Non-Routine)	Town Manager Requests	Town Council Adjusted
<p>Miscellaneous Software Technologies: One-time cost associated with purchase of software packages to support efficient and effective work of Town departments. (Recurring annual license costs is captured separately.) Connect Morrisville > Operational Excellence Objective 5.6: Leverage the use of technology to maximize results.</p> <ul style="list-style-type: none"> • <i>CAFR Builder and Performance Evaluation Modules - ERP System (Finance & HR)</i> • <i>Professional Excellence and Accountability Software (Police)</i> 	31,600	-
<p>Smart Shuttle Bus Node Construction: Construction of one additional standard bus node (location to be determined). Bus node construction is phased over five years. Connect Morrisville > Improved transportation mobility and Operational Excellence Multiple Objectives.</p>	31,250	-
TOTAL ONE-TIME EXPENDITURES	\$3,321,950	-\$620,000

Transfers and Capital Reserves	Town Manager Requests	Town Council Adjusted
<p>Fire Apparatus Capital Reserve Fund: Allocation and transfer to Capital Reserve an amount reserved to prepare for future apparatus replacement. This allocation amount has been adjusted to reflect more accurate replacement timelines and vehicle cost. This amount compensates for no allocation in FY2021. Connect Morrisville > Public safety readiness Objective 4.2 Be operationally ready.</p>	750,000	
<p>Roadway & Transportation Capital Reserve: Allocation and transfer to Capital Reserve Fund equivalent to one cent (\$0.01) of the tax rate for future roadway and transportation projects identified by Town Council. Connect Morrisville > Improved transportation mobility Multiple Objectives.</p>	620,000	
<p>(NEW) Parks & Recreation Capital Reserve: Allocation and transfer to Capital Reserve Fund equivalent to one cent (\$0.01) of the tax rate for future parks and open space projects identified by Town Council. Connect Morrisville > Thriving, livable neighborhoods Objective 2.5 Plan and provide for current and future infrastructure.</p>		620,000
<p>Prepaid Acreage Fee Reserve: Allocation and transfer to existing Shiloh Water and Sewer Reserve fund to address anticipated future needs for resolution of prepaid acreage fees. Connect Morrisville > Operational Excellence Multiple Objectives.</p>	200,000	
<p>Municipal Service District: Town allocation of funds to support the completion of Municipal Service District Projects. The final project, The Gables, is projected for construction in FY 2024. Connect Morrisville > Thriving, livable neighborhoods Objective 2.5: Plan and provide for current and future infrastructure.</p>	110,000	
TOTAL TRANSFERS AND RESERVES	\$1,680,000	\$620,000
Budgetary Priorities Total	\$8,310,650	\$620,000

Budgetary Priorities Total	\$8,310,650
Use of ARP Funds	1,045,300
Use of ARP Funds to Replace Lost Revenues in General Fund	1,000,000
Use of MCCOA Funds	68,000
Use of Wake Transit Grant	65,350
Use of Offsetting New Revenue	\$22,800
Use of Fund Balance (General Fund & Stormwater)	2,649,200
Net Total Capacity	\$3,460,000

**Items are anticipated to be absorbed by existing resources or anticipated restricted sources.*

Footnote: The recommended budget priorities have been adjusted in accordance to Town Council's direction to establish a dedicated capital reserve fund for future parks and recreational assets and amenities. This was accomplished within the existing proposed tax rate leveraging alternative adjustments. 5/20/2021/jh

American Rescue Plan Fund Summary**\$2,045,300**

Small Business Programs	\$200,000
Smart City Initiatives	185,000
Affordable Housing Plan	125,000
Sustainability Solar & EV Stations	120,000
Fiscal Recovery Officer (1-year expenses)	119,300
Touchless Fixture Conversion (phases 2, 3 & 4)	100,000
Council Chamber AV Upgrades	60,000
Sidewalk Assessment	50,000
E-Sports Program Development	36,000
Morrisville Community Park Playground Upgrades	15,000
Morrisville Greenway Enhancements	35,000
General Fund Revenue Replacement	1,000,000
Total	\$2,045,300

Note: A separate fund will be established to account for and track appropriate use of American Rescue Plan funds in accordance with Treasury guidelines for eligible expenses.

Ordinance & Resolutions - Adopted

TOWN OF MORRISVILLE * 100 TOWN HALL DRIVE * MORRISVILLE, NC 27560



ORDINANCE 2021-183-A OF MORRISVILLE TOWN COUNCIL TO APPROVE FISCAL YEAR 2022 ANNUAL OPERATING BUDGET & CAPITAL INVESTMENT PROGRAM

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, 2021 and ending June 30, 2022.

Section 1. General Fund

ANTICIPATED REVENUES/TRANSFERS IN

Ad Valorem Taxes	22,753,000
Intergovernmental	10,939,200
Permit & Fees	1,448,350
Sales & Services	1,262,510
Restricted Intergovernmental	906,350
Miscellaneous	471,740
Investment Earnings	25,000
<i>Transfers (In)</i>	1,119,300
Appropriation Fund Balance	2,574,550
Total General Fund Revenues	\$41,500,000

AUTHORIZED EXPENDITURES/TRANSFERS OUT

General Government

Governing Body	8,776,900
-Administration	1,743,900
Communications & Outreach	839,600
Human Resources	524,700
Finance	818,500
Information Technology	2,732,800

Total **\$15,436,400**

Economic & Development

Engineering	927,300
Inspections	960,300
Planning	2,105,800

Total **\$3,993,400**

Public Works & Facility Management

Public Works & Facility Management	6,821,700
Powell Bill	590,000
Fleet	425,300

Total **\$7,837,000**

Public Safety

Police	4,920,400
Fire	6,651,100

Total **\$11,571,500**

Recreation & Cultural Resources

Parks & Recreation	2,661,700
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Total **\$2,661,700**

Total Expenditures **\$41,500,000**

Section 2. Healthcare Premium Fund

ANTICIPATED REVENUES

Transfer from General Fund	\$2,255,152
Transfer from Stormwater Fund	30,990
Appropriation of Fund Balance	-
Total Anticipated Revenues	\$2,286,142

AUTHORIZED EXPENDITURES

Operations – Healthcare Premiums	2,286,142
Total Anticipated Expenditures	\$2,286,142

Section 3. Municipal Service District Fund

ANTICIPATED REVENUES

Ad Valorem Special District Tax	119,000
Transfer from General Fund	110,000
Total Anticipated Revenues	\$229,000

AUTHORIZED EXPENDITURES

Operations	229,000
Total Anticipated Expenditures	\$229,000

Section 4. Debt Service Fund

ANTICIPATED REVENUES

Ad Valorem	-
Transfer from General Fund	3,657,500
Total Anticipated Revenues	\$3,657,500

AUTHORIZED EXPENDITURES

Debt Service Principal	1,869,720
Debt Service Interest	947,005
Issuance Cost	157,500
Debt Reserve	683,275
Total Anticipated Expenditures	\$3,657,500

Section 5. American Rescue Plan Act (ARPA) Fund

ANTICIPATED REVENUES

ARPA Funds	2,045,300
Appropriation Fund Balance	
Total Anticipated Revenues	\$2,045,300

AUTHORIZED EXPENDITURES

Operations	926,000
Transfer to General Fund	1,119,300
Total Anticipated Expenditures	\$2,045,300

Section 6. Stormwater Fund

ANTICIPATED REVENUES

Permits, Sales and Fees	625,000
Appropriation Fund Balance	75,000
Total Anticipated Revenues	\$700,000

AUTHORIZED EXPENDITURES

Personnel	307,110
Operations	307,900
Capital Outlay	54,000
Transfer out to Healthcare Premium Fund	30,990
Total Anticipated Expenditures	\$700,000

Section 7. Other Post-Employment Benefits (OPEB) Fund

ANTICIPATED REVENUES

Transfer from General Fund	406,600
Interest	2,000
Total Anticipated Revenues	\$408,600

AUTHORIZED EXPENDITURES

Net Assets in Trust	340,930
OPEB Benefits Paid	67,670
Total Expenditures	\$408,600

Section 8. Law Enforcement Separation Allowance Fund

ANTICIPATED REVENUES

Transfer from General Fund	98,600
Interest	250
<hr/> Total Anticipated Revenues	<hr/> \$98,850

AUTHORIZED EXPENDITURES

Net Assets in Trust	-
Law Enforcement Benefits Paid	98,850
<hr/> Total Expenditures	<hr/> \$98,850

Section 9. Levy of Taxes and Fees General Fund

- A. Under authority of GS 160A-209 there is hereby levied for Fiscal Year 2022 an Ad Valorem Tax Rate of \$0.36 per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 01, 2021, 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 \$6,361,200,000.
- B. Under the authority of GS 20-97, there is hereby levied an annual License Tax of thirty dollars (\$30.00) 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 ERU Fee as prescribed by the Fiscal Year 2022 Fee Schedule on behalf of the Town of Morrisville as a contracted billing service. The fee shall appear on the Annual Tax Bills. The ERU 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 ERU 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 2022 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 10. Levy of Taxes Municipal Service District

Under authority of GS 160A-536(a)(6), Session Law 2011-072 there is hereby levied for Fiscal Year 2022 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, 2021, 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 11. Fee Schedule

There is hereby established for Fiscal Year 2022 various fees as contained in the Town of Morrisville's User Fee Schedule located in the Additional Information Section.

Section 12. Authorized Positions

- A. There are hereby 13 new fulltime positions and 1 three-quarter time position approved for the Fiscal Year 2022. The Authorized Positions Profile will increase to 215 fulltime positions with an estimated 38.6 part-time positions 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 13. Pay & Merit Plans

- A. Fiscal Year 2022 restores the merit pay benefit for all Staff. Merit awards for FY2021 Performance Evaluation Rating shall be 3%, 4.5% and 6% for Meets Expectations, Exceeds Expectations and Far Exceeds Expectations, accordingly. The average anticipated merit is projected at 4.5% overall.
- B. Job Classification adjustments resulting from the one-third annual review of positions include recognized market condition adjustments to classification. Specifically, Sworn Officers positions will be adjusted by two grade classifications, and Certified Fire Positions will be adjusted by one grade classification excluding department heads. Other positions identified within the review have also been adjusted.
- C. Provide for market adjustments necessary to remain competitive and address continued recruitment and retention issues susceptible position types.
- D. There is hereby established an authorized Fiscal Year 2022 Pay Grade Classification Schedule describing the approved positions, classifications, grades, and pay ranges as referenced in the Additional Information Section. The schedule includes an overall adjustment to the grade pay ranges of 2%. Salaries for existing employees that fall below the new minimum for their designated pay grade will be automatically adjusted to the minimum prior to adjustments to other changes and/or merit awards.
- E. There is hereby established an authorized Fiscal Year 2022 Town of Morrisville Part-time Pay Plan describing the approved position classifications, grades, and pay rates ranges as referenced in the Additional Information section.
- F. Stipends for Town Council will be adjusted annually at the same effective percentage increase as the Town's full-time employees.

Section 14. Federally Forfeited Property (DAG-71)

As it is the intent of any Federally Forfeited Property to enhance law enforcement, these funds 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 15. 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 five-thousand dollars (\$5,000) including capital outlay purchases.

Section 16. Retirement 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 17. Healthcare Premium Fund

As it is the intent of the Town to maintain and manage the cost of rising healthcare and dental premiums, the Town will transfer anticipated employer healthcare and dental cost annually from the General Fund and direct accumulated employee contributions from the payroll system to a sub-fund of the General Fund to pay monthly premiums and retain any unused balances that may be used to offset future premium increases..

Section 18. Legal Services

There is hereby authorized for Fiscal Year 2022, an agreement with the Town Attorney for legal services establishing a monthly general legal retainer rate of \$800 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 \$220 per hour. When appropriate, assignment of legal matters to associate attorneys will occur and charges applied per hour based on a rate range of \$190 per hour for associates and \$95 per hour for paralegals. In addition, other reimbursements will include certain annual dues to professional organizations and registration/hotel fees for attending specific annual conferences.

Section 19. Special Authorization – Town Manager/Budget Officer or His/her Designee

A. Budget Transfer Authority

1. 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.
2. May process interfund transfers as anticipated by the Budget Ordinance without additional approval by the Town Council.
3. May reallocate funds accrued because of personnel lapse salary for the purposes of providing the Town Manager with reasonable flexibility to mitigate unforeseen circumstances or effectively advance priorities operationally without unnecessarily appropriating from fund balance. The Town Manager will provide a formal mid-year report annually in January on the usage overall within the first six months and thereafter report 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.
4. 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.
5. May reallocate personnel lapse salary to address recruitment and retention issues within job classifications including market conditions and assessment centers.

B. Contract and/or Grants as Authority

1. 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 appropriations.
 2. May approve the application and execution of grant agreements to or from public and nonprofit organizations unless a grantor organization requires execution by the Town Council.
 3. May execute contracts as the lessor or lessee of real property for a maximum duration of five years or less.
- C. Special Appropriation Authorization
1. May recognize and appropriate cost share reimbursements or other reimbursement types and direct said funds back to the appropriate Departmental Budget.
 2. May recognize and appropriate donations received for restricted or special designations.
 3. 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.
- D. Inter-fund Loan Authorization
1. 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 other agreements.

Section 20. Utilization of Budget Ordinance

- A. This ordinance shall be the basis of the financial plan for the Morrisville Municipal Government during Fiscal Year 2022. 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 21. Re-appropriation of Funds Encumbered in FY 2021


Operating funds encumbered on the financial records as of June 30, 2021, are hereby re-appropriated to Fiscal Year 2022.

Adopted this 8th day of June 2021.



TJ Cawley, Mayor

ATTEST:



Eric W. Smith II, Town Clerk

Footnote: The recommended budget ordinances & resolutions have been adjusted in accordance to Town Council's direction to establish a dedicated capital reserve fund for future parks and recreational assets and amenities. This was accomplished within the existing proposed tax rate leveraging alternative adjustments. 5/25/2021/jh



Resolution 2021-183-B

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; and

WHEREAS, the Town of Morrisville adopted Fiscal Year 2022 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 2022 Adopted Annual Budget Ordinance.

Adopted this the 8th day of June 2021.

ATTEST:



Eric W. Smith II, Town Clerk



TJ Cawley, Mayor



Resolution 2021-183 - C

THE MORRISVILLE TOWN COUNCIL INTENT TO ESTABLISH AN AMERICAN RESCUE PLAN ACT (ARPA) FUND

WHEREAS, the American Rescue Plan Act (ARPA) (H.R. 1319) was signed into law March 11, 2021 providing for \$1.9 trillion in aid packages overall, with \$350 billion earmarked specifically for State and Local governments; and

WHEREAS, the funds are non-competitive federal grant monies meant to stabilize operations from the impacts of the COVID-19 pandemic; and

WHEREAS, the Town is projected to receive approximately a total of \$8.4 million dollars distributed in two allocations with the first distribution to be received sometime between May 11 and July 11, 2021 with the second following one year after; and

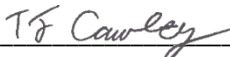
WHEREAS, the deadline to utilize these funds must occur by December 31, 2024 and Staff is actively participating in weekly discussion groups to remain current on the developing guidance from the US Treasury Department; and

WHEREAS, Staff has proactively aligned within the recommended Fiscal Year 2022 Budget one-time initiatives that leverage American Rescue Plan (ARPA) resources that serves to recover loss of current and past fiscal year revenues and support transformational outcomes expected from use of ARPA funds; and

WHEREAS, the creation of a separate fund will effectively establish a dedicated framework for tracking the utilization of the relief funds for compliance and transparency purposes:


NOW, THEREFORE, BE IT RESOLVED THAT THE MORRISVILLE TOWN COUNCIL hereby establishes an American Rescue Plan Fund to appropriately account for the accumulation of limited federal grant resources to manage expectations, evaluate community needs, and develop sustainable programs that spur community recovery in accordance with guidance as defined by the US Treasury Department.

Adopted this 8th day of June 2021.



TJ Cawley, Mayor

ATTEST:



Eric W. Smith II, Town Clerk



Resolution 2021-183 - D

THE MORRISVILLE TOWN COUNCIL INTENT TO ESTABLISH A PARKS AND RECREATION CAPITAL RESERVE FUND

WHEREAS, Town Council has worked annually to address growing parks and recreation infrastructure and asset growth and management needs facing our community annually through capital outlay allocations from the General Fund and Parkland-Payment-In-Lieu or capital reserves and by proactively seeking and competing for grant funding opportunities; and

WHEREAS, it is in the Town Council's interest to invest additional funding resources annually toward future parks and recreation investments 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, future uses of funds accumulated in the Parks and Recreation Capital Reserve Fund are intending to support impactful increases in parks and recreation assets and amenities and not serve as a resource for operational repair or maintenance projects; 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 rate specially to parks and recreation improvements; and

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

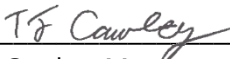
WHEREAS, any transfer of monies to and withdrawals from the Capital Reserve Fund must be approved by resolution or ordinance; and

WHEREAS, any cash balance in a 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 Parks and Recreation Capital Reserve Fund with a dedicated allocation of 1 cent on the tax rate annually as the primary funding mechanism.

Adopted this 8th day of June 2021.



TJ Cawley, Mayor

ATTEST:



Eric W. Smith II, Town Clerk

Footnote: The recommended budget ordinance & resolutions have been adjusted in accordance to Town Council's direction to establish a dedicated capital reserve fund for future parks and recreational assets and amenities. This was accomplished within the existing proposed tax rate leveraging alternative adjustments. 5/25/2021/jh



Budget Details

FUND SUMMARIES REVENUE & EXPENDITURES

OPERATING FUNDS DEPARTMENT PROFILES

OTHER FUND DETAILS

RESERVE FUNDS



Small Business Outreach

Fund Summaries Revenue/Expenditures - Adopted

Revenues summarized by CATEGORY

Ad Valorem	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Current & Prior Years	\$ 18,806,953	\$ 19,552,315	\$ 22,128,667	\$ 22,703,000
Penalty & Interest	\$ 34,564	\$ 32,740	\$ 62,000	\$ 50,000
Total Ad Valorem	\$ 18,841,516	\$ 19,585,055	\$ 22,190,667	\$ 22,753,000
Year Over Year % Change Total	6%	4%	13%	3%
Year Over Year \$\$ Change Total	\$ 986,342	\$ 743,539	\$ 2,605,612	\$ 562,333
Intergovernmental				
Video Programming/Telecom	\$ 649,314	\$ 589,633	\$ 646,546	\$ 659,500
Vehicle Decal Fees	\$ 528,334	\$ 569,225	\$ 600,000	\$ 600,000
Wake County Fire Tax	\$ 854,943	\$ 846,120	\$ 796,656	\$ 782,000
Fire Reimbursements	\$ 901	\$ -	\$ 10,000	\$ 15,000
Beer & Wine	\$ 109,066	\$ 112,004	\$ 115,600	\$ 119,000
Utility Sale Tax Distribution	\$ 1,727,243	\$ 1,688,487	\$ 1,640,000	\$ 1,656,400
Sales Tax Distribution	\$ 5,757,210	\$ 6,047,027	\$ 6,712,199	\$ 6,980,700
Rental Vehicle Tax	\$ 110,104	\$ 100,532	\$ 105,525	\$ 107,600
Solid Waste Disposal Tax	\$ 18,754	\$ 18,154	\$ 18,200	\$ 19,000
Total Intergovernmental	\$ 9,755,869	\$ 9,971,181	\$ 10,644,726	\$ 10,939,200
Year Over Year % Change Total	9%	2%	7%	3%
Year Over Year \$\$ Change Total	\$ 802,808	\$ 215,312	\$ 673,545	\$ 294,474
Restricted				
Powell Bill	\$ 579,013	\$ 589,678	\$ 582,737	\$ 590,000
Grants	\$ 60,253	\$ 73,557	\$ 778,449	\$ 316,350
Total Restricted	\$ 639,266	\$ 663,235	\$ 1,361,186	\$ 906,350
Year Over Year % Change Total	-32%	4%	105%	-33%
Year Over Year \$\$ Change Total	\$ (298,854)	\$ 23,969	\$ 697,952	\$ (454,836)
Permits & Fees				
Fire Department Fees	\$ 64,581	\$ 62,164	\$ 61,200	\$ 63,750
Building Permits	\$ 964,413	\$ 1,274,196	\$ 1,027,500	\$ 924,600
Engineering Fees	\$ 108,058	\$ 130,547	\$ 100,000	\$ 130,000
Planning & Zoning Fees	\$ 718,878	\$ 916,356	\$ 415,000	\$ 315,000
Officer/Civil Fees	\$ 69,790	\$ 31,307	\$ 15,000	\$ 15,000
Total Permits & Fees	\$ 1,925,719	\$ 2,414,569	\$ 1,618,700	\$ 1,448,350
Year Over Year % Change Total	4%	25%	-33%	-11%
Year Over Year \$\$ Change Total	\$ 68,546	\$ 488,850	\$ (795,869)	\$ (170,350)
Sales & Services				
Recreation	\$ 680,119	\$ 297,459	\$ 232,681	\$ 1,135,350
Rents	\$ 158,884	\$ 127,263	\$ 127,158	\$ 127,160
Total Sales & Services	\$ 839,002	\$ 424,721	\$ 359,839	\$ 1,262,510
Year Over Year % Change Total	-22%	-49%	-15%	251%
Year Over Year \$\$ Change Total	\$ (241,103)	\$ (414,281)	\$ (64,882)	\$ 902,671
Miscellaneous Revenues				
Miscellaneous Revenues	\$ 42,699	\$ 162,043	\$ 71,025	\$ 111,840
ABC Revenues	\$ 210,932	\$ 204,163	\$ 208,500	\$ 212,400
Surplus Property	\$ 52,805	\$ 74,704	\$ 50,000	\$ 80,000
Wake County Landfill	\$ 67,828	\$ 70,204	\$ 60,000	\$ 60,000
Sponsorships	\$ 8,750	\$ 7,150	\$ -	\$ 7,500
Total Miscellaneous Revenues	\$ 383,014	\$ 518,264	\$ 389,525	\$ 471,740
Year Over Year % Change Total	7%	35%	-25%	21%
Year Over Year \$\$ Change Total	\$ 25,089	\$ 135,250	\$ (128,739)	\$ 82,215

Investment Earnings	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Investment Earnings	\$ 400,023	\$ 247,027	\$ 13,500	\$ 25,000
Year Over Year % Change Total	36%	-38%	-95%	85%
Year Over Year \$\$ Change Total	\$ 106,571	\$ (152,996)	\$ (233,527)	\$ 11,500
Transfers In				
Transfers from Capital Reserves	\$ -	\$ 1,250,000	\$ -	\$ -
Transfers from Other Fund	\$ 570,000	\$ -	\$ -	\$ 1,119,300
Total Transfers	\$ 570,000	\$ 1,250,000	\$ -	\$ 1,119,300
Year Over Year % Change Total	-54%	119%	-100%	100%
Year Over Year \$\$ Change Total	\$ (673,617)	\$ 680,000	\$ (1,250,000)	\$ 1,119,300
Fund Balance				
Streets PIL Fund Balance	\$ -	\$ -	\$ -	\$ -
General Fund Fund Balance	\$ -	\$ -	\$ -	\$ 2,574,550
Total Fund Balance Appropriations	\$ -	\$ -	\$ -	\$ 2,574,550
Year Over Year % Change Total	0%	0%	0%	100%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ -	\$ 2,574,550
General Fund Total	\$ 33,354,411	\$ 35,074,053	\$ 36,578,144	\$ 41,500,000
HEALTHCARE PREMIUMS FUND				
Transfer from General Fund	\$ -	\$ -	\$ -	\$ 2,286,142
Total Revenues	\$ -	\$ -	\$ -	\$ 2,286,142
Year Over Year % Change Total	0%	0%	0%	100%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ -	\$ 2,286,142
Healthcare Premiums Fund Total	\$ -	\$ -	\$ -	\$ 2,286,142
DEBT SERVICE				
Transfer from General Fund	\$ -	\$ -	\$ 3,518,700	\$ 3,657,500
Total Revenues	\$ -	\$ -	\$ 3,518,700	\$ 3,657,500
Year Over Year % Change Total	0%	0%	100%	4%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ 3,518,700	\$ 138,800
Debt Service Total	\$ -	\$ -	\$ 3,518,700	\$ 3,657,500
AMERICAN RESCUE PLAN ACT FUND				
Grant Funds	\$ -	\$ -	\$ -	\$ 2,045,300
Total Revenues	\$ -	\$ -	\$ -	\$ 2,045,300
Year Over Year % Change Total	0%	0%	0%	100%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ -	\$ 2,045,300
American Rescue Plan Act Fund Total	\$ -	\$ -	\$ -	\$ 2,045,300
STORMWATER ENTERPRISE				
Permits, Sales and Fees	\$ 694,177	\$ 747,000	\$ 725,000	\$ 615,000
Investment Earnings	\$ 28,907	\$ 18,000	\$ 2,000	\$ 10,000
Transfers from General Fund	\$ 57,800	\$ -	\$ -	\$ -
Appropriation SW Fund Balance	\$ -	\$ 755,900	\$ 197,000	\$ 75,000
Total Revenues	\$ 780,884	\$ 1,520,900	\$ 924,000	\$ 700,000
Year Over Year % Change Total	-17%	95%	-39%	-24%
Year Over Year \$\$ Change Total	\$ (154,589)	\$ 740,016	\$ (596,900)	\$ (224,000)
Stormwater Enterprise Total	\$ 780,884	\$ 1,520,900	\$ 924,000	\$ 700,000

Expenditures Summarized by DEPARTMENT

GENERAL GOVERNMENT

Governing Body

	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 109,028	\$ 109,722	\$ 127,800	\$ 86,098
Operations	\$ 412,157	\$ 369,189	\$ 505,885	\$ 478,150
Capital Outlay	\$ 570,000	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ 6,612,800	\$ 1,160,600	\$ 4,528,700	\$ 8,212,652
Total Expenditures	\$ 7,703,985	\$ 1,639,511	\$ 5,162,385	\$ 8,776,900
Year Over Year % Change Total	12%	-79%	215%	70%
Year Over Year \$\$ Change Total	\$ 812,246	\$ (6,064,474)	\$ 3,522,874	\$ 3,614,515

FY22 Budget Priorities

Fire Apparatus Reserve Allocation	\$ 750,000
Roadway & Transportation Allocation	\$ 620,000
Parks & Recreation Reserve Allocation (NEW)	\$ 620,000
Bond Referendum Cost Transfer (Reduced)	\$ 157,500
Prepaid Acreage Reserve Allocation	\$ 200,000
Municipal Service District Allocation	\$ 110,000
Municipal Elections	\$ 39,000

Administration

Total Salary and Benefits	\$ 932,780	\$ 899,322	\$ 902,400	\$ 1,029,450
Operations	\$ 1,052,398	\$ 1,072,833	\$ 1,176,950	\$ 714,450
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,985,178	\$ 1,972,154	\$ 2,079,350	\$ 1,743,900
Year Over Year % Change Total	11%	-1%	5%	-16%
Year Over Year \$\$ Change Total	\$ 195,027	\$ (13,024)	\$ 107,196	\$ (335,450)

FY22 Budget Priorities

Wayfinding Phase 2 (Deferred to FY2023)	\$ -
Insurance & Workers Compensation Premium Increases	\$ 34,200
Property Acquisition Support	\$ 25,000

Communications

Total Salary and Benefits	\$ -	\$ 266,092	\$ 404,600	\$ 473,230
Operations	\$ -	\$ 63,042	\$ 184,140	\$ 366,370
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ 329,134	\$ 588,740	\$ 839,600
Year Over Year % Change Total	-	0%	79%	43%
Year Over Year \$\$ Change Total	\$ -	\$ 329,134	\$ 259,606	\$ 259,860

FY22 Budget Priorities

Social Media Coordinator	\$ 92,600
Website Assessment & Enhancement	\$ 38,000
2021 National Community Survey	\$ 27,400

Human Resources

Total Salary and Benefits	\$ 308,520	\$ 348,801	\$ 420,900	\$ 436,200
Operations	\$ 76,666	\$ 117,810	\$ 108,200	\$ 88,500
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 385,186	\$ 466,611	\$ 529,100	\$ 524,700
Year Over Year % Change Total	-4%	21%	13%	-1%
Year Over Year \$\$ Change Total	\$ (15,261)	\$ 81,425	\$ 62,489	\$ (4,400)

FY22 Budget Priorities

None	\$ -
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Finance

Total Salary and Benefits	\$ 423,052	\$ 448,788	\$ 505,250	\$ 572,480
Operations	\$ 435,445	\$ 190,944	\$ 221,050	\$ 246,020
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 858,497	\$ 639,732	\$ 726,300	\$ 818,500
Year Over Year % Change Total	34%	-25%	14%	13%
Year Over Year \$\$ Change Total	\$ 215,896	\$ (218,765)	\$ 86,568	\$ 92,200

FY22 Budget Priorities

Financial Systems Manager	\$ 101,000
CAFR Builder & Performance Evaluation Modules (ERP Phase 2)	\$ 32,700

Information Technology	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 376,189	\$ 680,479	\$ 811,500	\$ 921,000
Operations	\$ 888,664	\$ 1,226,546	\$ 1,732,900	\$ 1,811,800
Capital Outlay	\$ 354,154	\$ 267,921	\$ 100,000	\$ -
Total Expenditures	\$ 1,619,007	\$ 2,174,945	\$ 2,644,400	\$ 2,732,800
Year Over Year % Change Total	13%	34%	22%	3%
Year Over Year \$\$ Change Total	\$ 187,228	\$ 555,938	\$ 469,455	\$ 88,400
FY22 Budget Priorities	Smart City Program Manager		\$	101,000
	Security Cameras at Town Facilities		\$	96,500
	Annual Service Agreements/Lease Inflationary Cost		\$	77,000
	Hardware Replacements		\$	54,500
	Asure VM Hosting		\$	25,000
	Smart City Initiatives		\$	24,500
	Council Chamber AV Upgrades		\$	10,000
General Government Total	\$ 12,551,853	\$ 7,222,087	\$ 11,730,275	\$ 15,436,400
DEVELOPMENT				
Engineering				
Total Salary and Benefits	\$ 492,063	\$ 587,329	\$ 906,255	\$ 849,600
Operations	\$ 53,696	\$ 91,601	\$ 511,300	\$ 77,700
Capital Outlay	\$ 29,630	\$ 12,270	\$ 186,000	\$ -
Total Expenditures	\$ 575,389	\$ 691,199	\$ 1,603,555	\$ 927,300
Year Over Year % Change Total	-18%	20%	132%	-42%
Year Over Year \$\$ Change Total	\$ (127,698)	\$ 115,810	\$ 912,356	\$ (676,255)
FY22 Budget Priorities	None		\$	-
Inspections				
Total Salary and Benefits	\$ 664,708	\$ 781,238	\$ 895,600	\$ 895,800
Operations	\$ 47,326	\$ 38,428	\$ 33,400	\$ 64,500
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 712,034	\$ 819,666	\$ 929,000	\$ 960,300
Year Over Year % Change Total	10%	15%	13%	3%
Year Over Year \$\$ Change Total	\$ 62,695	\$ 107,632	\$ 109,334	\$ 31,300
FY22 Budget Priorities	None		\$	-
Planning				
Total Salary and Benefits	\$ 1,154,769	\$ 1,014,581	\$ 1,017,200	\$ 1,117,550
Operations	\$ 446,084	\$ 310,947	\$ 259,511	\$ 957,000
Capital Outlay	\$ -	\$ -	\$ 425,000	\$ 31,250
Total Expenditures	\$ 1,600,853	\$ 1,325,527	\$ 1,701,711	\$ 2,105,800
Year Over Year % Change Total	29%	-17%	28%	24%
Year Over Year \$\$ Change Total	\$ 355,919	\$ (275,326)	\$ 376,184	\$ 404,089
FY22 Budget Priorities	Land Use Plan - UDO Update		\$	150,000
	Smart Shuttle Node Construction & Operational Increases		\$	161,950
Development Total	\$ 2,888,276	\$ 2,836,393	\$ 4,234,266	\$ 3,993,400

PUBLIC WORKS & FACILITY MAINTENANCE

Public Works	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 1,231,213	\$ 1,557,057	\$ 1,626,400	\$ 1,840,831
Operations	\$ 2,933,320	\$ 3,389,803	\$ 3,862,548	\$ 4,628,469
Capital Outlay	\$ 92,244	\$ 402,248	\$ 397,000	\$ 352,400
Total Expenditures	\$ 4,256,777	\$ 5,349,108	\$ 5,885,948	\$ 6,821,700
Year Over Year % Change Total	-21%	26%	10%	16%
Year Over Year \$s Change Total	\$ (1,124,645)	\$ 1,092,331	\$ 536,839	\$ 935,752

FY22 Budget Priorities	Proactive Roadway Maintenance		\$	300,000
	Contracted Services Increases		\$	221,500
	Heavy Equipment Replacements		\$	144,400
	Facility System Replacement Program		\$	140,000
	MAFC Utility Increases		\$	80,000
	Facilities Maintenance Technician		\$	71,800
	Grounds Maintenance Technician II		\$	60,900
	<u>Asset Maintenance Projects - Landscaping (Moved to Capital Project)</u>		\$	-
	Litter Program Expansion		\$	15,000

Powell Bill

Operations	\$ 341,900	\$ 238,100	\$ 181,600	\$ 590,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 341,900	\$ 238,100	\$ 181,600	\$ 590,000
Year Over Year % Change Total	-40%	-30%	-24%	225%
Year Over Year \$s Change Total	\$ (227,820)	\$ (103,800)	\$ (56,500)	\$ 408,400

FY22 Budget Priorities	None		\$	-
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Fleet

Operations	\$ -	\$ 200	\$ -	\$ -
Capital Outlay	\$ 447,135	\$ 844,563	\$ 551,806	\$ 425,300
Total Expenditures	\$ 447,135	\$ 844,763	\$ 551,806	\$ 425,300
Year Over Year % Change Total	-11%	89%	-35%	-23%
Year Over Year \$s Change Total	\$ (54,940)	\$ 397,628	\$ (292,957)	\$ (126,506)

FY22 Budget Priorities	Vehicle Replacements (Reduced)		\$	425,300
	New Vehicles to Support New Positions (Defer to FY2023)		\$	216,000

Public Works Total	\$ 5,045,812	\$ 6,431,971	\$ 6,619,354	\$ 7,837,000
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PUBLIC SAFETY**Fire**

Total Salary and Benefits	\$ 4,744,880	\$ 5,302,737	\$ 5,720,300	\$ 5,748,498
Operations	\$ 723,283	\$ 775,373	\$ 748,489	\$ 852,602
Capital Outlay	\$ 128,138	\$ 2,410,288	\$ 90,000	\$ 50,000
Total Expenditures	\$ 5,596,301	\$ 8,488,397	\$ 6,558,789	\$ 6,651,100
Year Over Year % Change Total	10%	52%	-23%	1%
Year Over Year \$s Change Total	\$ 502,184	\$ 2,892,096	\$ (1,929,608)	\$ 92,311

FY22 Budget Priorities	Fire Captains (3)		\$	290,000
	Operating Cost Increases		\$	53,000
	Equipment for Ladder 22		\$	50,000

Police	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 3,298,353	\$ 3,774,688	\$ 3,967,860	\$ 4,332,800
Operations	\$ 511,253	\$ 337,263	\$ 483,700	\$ 587,600
Capital Outlay	\$ -	\$ -	\$ 33,900	\$ -
Total Expenditures	\$ 3,809,606	\$ 4,111,952	\$ 4,485,460	\$ 4,920,400
Year Over Year % Change Total	1%	8%	9%	10%
Year Over Year \$\$ Change Total	\$ 42,923	\$ 302,346	\$ 373,508	\$ 434,940
FY22 Budget Priorities	Traffic Safety Unit (2)			\$ 175,800
	Police Lieutenant (1)			\$ 108,100
	Professional Excellence & Accountability Software			\$ 8,100
Public Safety Total	\$ 9,405,907	\$ 12,600,349	\$ 11,044,249	\$ 11,571,500
PARKS & RECREATION				
Parks				
Total Salary and Benefits	\$ 1,390,840	\$ 1,339,815	\$ 1,686,575	\$ 1,995,600
Operations	\$ 238,385	\$ 280,862	\$ 422,294	\$ 666,100
Capital Outlay	\$ 29,454	\$ 1,400	\$ -	\$ -
Total Expenditures	\$ 1,658,679	\$ 1,622,077	\$ 2,108,869	\$ 2,661,700
Year Over Year % Change Total	-13%	-2%	30%	26%
Year Over Year \$\$ Change Total	\$ (251,550)	\$ (36,602)	\$ 486,792	\$ 552,831
FY22 Budget Priorities	Senior Center Community Services Supervisor			\$ 117,800
	Center Aide 3/4 MAFC			\$ 26,000
	E-Sport Programs			\$ 22,800
	Fitness Equipment Replacement			\$ 21,000
	MAFC Marketing Support			\$ 12,000
	Shiloh Park & Luther Green Center Lease			\$ 9,000
Parks & Recreation Total	\$ 1,658,679	\$ 1,622,077	\$ 2,108,869	\$ 2,661,700
General Fund Total	\$ 31,550,527	\$ 30,712,877	\$ 35,737,013	\$ 41,500,000
HEALTHCARE PREMIUMS				
Personnel	\$ -	\$ -	\$ -	\$ 2,286,142
Transfers	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ 2,286,142
Year Over Year % Change Total	0.0%	0.0%	0.0%	100%
Year Over Year \$\$ Change Total	\$ -	\$ -	\$ -	\$ 2,286,142
FY22 Budget Priorities	Healthcare Premiums Increase			\$ 129,000
Healthcare Premiums Total	\$ -	\$ -	\$ -	\$ 2,286,142
DEBT SERVICE				
Principle/Interest	\$ 2,130,414	\$ 3,492,066	\$ 3,144,290	\$ 2,816,725
Administrative Cost	\$ -	\$ -	\$ 26,500	\$ 157,500
Reserve	\$ -	\$ -	\$ 347,910	\$ 683,275
Total Expenditures	\$ 2,130,414	\$ 3,492,066	\$ 3,518,700	\$ 3,657,500
Year Over Year % Change Total	-2.6%	63.9%	0.8%	3.9%
Year Over Year \$\$ Change Total	\$ (56,966)	\$ 1,361,652	\$ 26,634	\$ 138,800
FY22 Budget Priorities	Bond Referendum Cost (Reduced)			\$ 157,500
Debt Service Total	\$ 2,130,414	\$ 3,492,066	\$ 3,518,700	\$ 3,657,500

AMERICAN RESCUE PLAN ACT FUND	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Operations	\$ -	\$ -	\$ -	\$ 926,000
Transfers	\$ -	\$ -	\$ -	\$ 1,119,300
Total Expenditures	\$ -	\$ -	\$ -	\$ 2,045,300
Year Over Year % Change Total	0.0%	0.0%	0.0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ 2,045,300

FY22 Budget Priorities	General Fund Revenue Replacements	\$ 1,000,000
	Small Business Programs	\$ 200,000
	Smart City Initiatives	\$ 185,000
	Affordability Housing Plan	\$ 125,000
	Sustainability Solar & EV Stations	\$ 120,000
	Fiscal Recovery Officer (1-Year Expenses Transferred to General Fund)	\$ 110,300
	Touchless Fixture Conversion (phase 2, 3 & 4)	\$ 100,000
	Council Chambers AV Upgrades	\$ 60,000
	Sidewalk Assessment	\$ 50,000
	E-Sports Program Development	\$ 36,000
	Morrisville Greenway Enhancements	\$ 35,000
	Morrisville Community Park Playground Upgrades	\$ 15,000

American Rescue Plan Act Fund Total	\$ -	\$ -	\$ -	\$ 2,045,300
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STORMWATER ENTERPRISE

Total Salary and Benefits	\$ 256,976	\$ 267,630	\$ 325,660	\$ 307,110
Operations	\$ 228,947	\$ 195,869	\$ 108,300	\$ 307,900
Capital Outlay	\$ -	\$ -	\$ 10,000	\$ 54,000
Transfers out to capital project	\$ 475,000	\$ 984,250	\$ -	\$ 30,990
Total Expenditures	\$ 960,923	\$ 1,447,749	\$ 443,960	\$ 700,000
Year Over Year % Change Total	161%	51%	-69%	58%
Year Over Year \$s Change Total	\$ 592,715	\$ 486,826	\$ (1,003,789)	\$ 256,040

FY22 Budget Priorities	None	\$ -
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Stormwater Enterprise Total	\$ 960,923	\$ 1,447,749	\$ 443,960	\$ 700,000
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Note: Debt previously reported within the General Fund has been shifted to a separate Debt Service Fund as of FY2021. Funds necessary to fund the first year are shown through the General Fund as a transfer out to the Debt Service Fund.

Note: Merit awards, retirement increases and upfit cost for new positions were not called out specifically in this illustration. Cost are distributed across departments.

Footnote: The FY2022 Projected Budgets (revenues & expenditures) have been adjusted in accordance to Town Council's direction to establish a dedicated capital reserve fund for future parks and recreational assets and amenities. Deferred, reduced, or removed Budget Priorities are indicated with underlined text. 5/25/2021/jh

Operating Funds Department Profiles

Governing Body

Mission

Connecting our diverse community to an enhanced quality of life through innovative programs and services.

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Fire Apparatus Reserve Allocation	750,000
Roadway & Transportation Capital Reserve	620,000
Parks & Recreation Reserve Allocation (NEW)	620,000
Prepaid Acreage Reserve Allocation	200,000
<u>Bond Referendum Cost Transfer (Reduced)</u>	157,500
Municipal Service District Fund Subsidy	110,000
Municipal Elections	39,000
Total	\$2,496,500

Governing Body	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 109,028	\$ 109,722	\$ 127,800	\$ 86,098
Operations	\$ 412,157	\$ 369,189	\$ 505,885	\$ 478,150
Capital Outlay	\$ 570,000	\$ -	\$ -	\$ -
Transfers out of General Fund	\$ 6,612,800	\$ 1,160,600	\$ 4,528,700	\$ 8,212,652
Total Expenditures	\$ 7,703,985	\$ 1,639,511	\$ 5,162,385	\$ 8,776,900
Year Over Year % Change Total	12%	-79%	215%	70%
Year Over Year \$s Change Total	\$ 812,246	\$ (6,064,474)	\$ 3,522,874	\$ 3,614,515

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, & in addition to aiding in collaborative & effective program and service delivery.

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; & ensuring the local, state and federal laws and regulations are met.

Budget Notes

New Initiatives & Priorities	Cost Value
Insurance & Workers Compensation Premium Increases	34,200
Property Acquisition Support	25,000
<u>Wayfinding Phase 2 (Deferred to FY2023)</u>	
Total	\$59,200

Administration	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 932,780	\$ 899,322	\$ 902,400	\$ 1,029,450
Operations	\$ 1,052,398	\$ 1,072,833	\$ 1,176,950	\$ 714,450
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,985,178	\$ 1,972,154	\$ 2,079,350	\$ 1,743,900
Year Over Year % Change Total	11%	-1%	5%	-16%
Year Over Year \$s Change Total	\$ 195,027	\$ (13,024)	\$ 107,196	\$ (335,450)

7 – Full-time Employees

Communications

Mission

The Communications Department is responsible for the production and dissemination of information about Town operations and business to both the public at large and to Town employees. The department focuses on community outreach and engagement, media relations, public relations and signature special events.

Service to Community

Our chief purpose is to build relationships with those who live, work, play and travel within the Town of Morrisville, through ongoing, effective, and open communications.

Budget Notes

New Initiatives & Priorities	Cost Value
Social Media Coordinator	92,600
Website Assessment & Enhancement	38,000
2021 National Community Survey	27,400
Total	\$158,000

Communications	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ -	\$ 266,092	\$ 404,600	\$ 473,230
Operations	\$ -	\$ 63,042	\$ 184,140	\$ 366,370
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ 329,134	\$ 588,740	\$ 839,600
Year Over Year % Change Total	-	0%	79%	43%
Year Over Year \$s Change Total	\$ -	\$ 329,134	\$ 259,606	\$ 250,860

5 – Full-time Employees

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.

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 workplace 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
None	
Total	

Human Resources	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 308,520	\$ 348,801	\$ 420,900	\$ 436,200
Operations	\$ 76,666	\$ 117,810	\$ 108,200	\$ 88,500
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 385,186	\$ 466,611	\$ 529,100	\$ 524,700
Year Over Year % Change Total	-4%	21%	13%	-1%
Year Over Year \$s Change Total	\$ (15,261)	\$ 81,425	\$ 62,489	\$ (4,400)

4 – Full-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Financial Systems Manager	101,000
CAFR Builder & Performance Evaluation Modules (ERP Phase 2)	32,700
Total	\$133,700

Finance	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 423,052	\$ 448,788	\$ 505,250	\$ 572,480
Operations	\$ 435,445	\$ 190,944	\$ 221,050	\$ 246,020
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 858,497	\$ 639,732	\$ 726,300	\$ 818,500
Year Over Year % Change Total	34%	-25%	14%	13%
Year Over Year \$s Change Total	\$ 215,896	\$ (218,765)	\$ 86,568	\$ 92,200

6 – Full-time Employees

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.

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
Smart City Program Manager	101,000
Security Cameras at Town Facilities	96,500
Annual Service Agreements/Lease Inflationary Cost	77,000
Hardware Replacements	54,500
Azure VM Hosting	25,000
Smart City Initiatives	24,500
Council Chamber AV Upgrades	10,000
Total	\$338,500

Information Technology	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 376,189	\$ 680,479	\$ 811,500	\$ 921,000
Operations	\$ 888,664	\$ 1,226,546	\$ 1,732,900	\$ 1,811,800
Capital Outlay	\$ 354,154	\$ 267,921	\$ 100,000	\$ -
Total Expenditures	\$ 1,619,007	\$ 2,174,945	\$ 2,644,400	\$ 2,732,800
Year Over Year % Change Total	13%	34%	22%	3%
Year Over Year \$s Change Total	\$ 187,228	\$ 555,938	\$ 469,455	\$ 88,400

8 – Full-time Employees

0.5 – Part-time Employees

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.

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
None	
Total	

Engineering	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 492,063	\$ 587,329	\$ 906,255	\$ 849,600
Operations	\$ 53,696	\$ 91,601	\$ 511,300	\$ 77,700
Capital Outlay	\$ 29,630	\$ 12,270	\$ 186,000	\$ -
Total Expenditures	\$ 575,389	\$ 691,199	\$ 1,603,555	\$ 927,300
Year Over Year % Change Total	-18%	20%	132%	-42%
Year Over Year \$s Change Total	\$ (127,698)	\$ 115,810	\$ 912,356	\$ (676,255)

8 – Full-time Employees

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 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.

Budget Notes

New Initiatives & Priorities	Cost Value
None	
Total	\$-

Inspections	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 664,708	\$ 781,238	\$ 895,600	\$ 895,800
Operations	\$ 47,326	\$ 38,428	\$ 33,400	\$ 64,500
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 712,034	\$ 819,666	\$ 929,000	\$ 960,300
Year Over Year % Change Total	10%	15%	13%	3%
Year Over Year \$s Change Total	\$ 62,695	\$ 107,632	\$ 109,334	\$ 31,300

10 – Full-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Smart Shuttle Node Construction & Operational Increases	161,950
Land Use Plan - UDO Update	150,000
Total	\$311,950

Planning	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 1,154,769	\$ 1,014,581	\$ 1,017,200	\$ 1,117,550
Operations	\$ 446,084	\$ 310,947	\$ 259,511	\$ 957,000
Capital Outlay	\$ -	\$ -	\$ 425,000	\$ 31,250
Total Expenditures	\$ 1,600,853	\$ 1,325,527	\$ 1,701,711	\$ 2,105,800
Year Over Year % Change Total	29%	-17%	28%	24%
Year Over Year \$s Change Total	\$ 355,919	\$ (275,326)	\$ 376,184	\$ 404,089

12 – Full-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Proactive Street Maintenance	300,000
Contracted Services Increases	221,500
Heavy Equipment Replacements	144,400
Facility System Replacement Program	140,000
MAFC Utility Increases & Litter Program Expansion	95,000
Facilities Maintenance Technician	71,800
Grounds Maintenance Technician II	60,900
Total	\$1,033,600

Public Works	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 1,231,213	\$ 1,557,057	\$ 1,626,400	\$ 1,840,831
Operations	\$ 2,933,320	\$ 3,389,803	\$ 3,862,548	\$ 4,628,469
Capital Outlay	\$ 92,244	\$ 402,248	\$ 397,000	\$ 352,400
Total Expenditures	\$ 4,256,777	\$ 5,349,108	\$ 5,885,948	\$ 6,821,700
Year Over Year % Change Total	-21%	26%	10%	16%
Year Over Year \$s Change Total	\$ (1,124,645)	\$ 1,092,331	\$ 536,839	\$ 935,752

Powell Bill

Operations	\$ 341,900	\$ 238,100	\$ 181,600	\$ 590,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 341,900	\$ 238,100	\$ 181,600	\$ 590,000
Year Over Year % Change Total	-40%	-30%	-24%	225%
Year Over Year \$s Change Total	\$ (227,820)	\$ (103,800)	\$ (56,500)	\$ 408,400

Fleet

Operations	\$ -	\$ 200	\$ -	\$ -
Capital Outlay	\$ 447,135	\$ 844,563	\$ 551,806	\$ 425,300
Total Expenditures	\$ 447,135	\$ 844,763	\$ 551,806	\$ 425,300
Year Over Year % Change Total	-11%	89%	-35%	-23%
Year Over Year \$s Change Total	\$ (54,940)	\$ 397,628	\$ (292,957)	\$ (126,506)

25 – Full-time Employees

2 – Part-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Fire Captains (3)	290,000
Operating Cost Increases	53,000
Equipment for Ladder 22	50,000
Total	\$393,000

Fire	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 4,744,880	\$ 5,302,737	\$ 5,720,300	\$ 5,748,498
Operations	\$ 723,283	\$ 775,373	\$ 748,489	\$ 852,602
Capital Outlay	\$ 128,138	\$ 2,410,288	\$ 90,000	\$ 50,000
Total Expenditures	\$ 5,596,301	\$ 8,488,397	\$ 6,558,789	\$ 6,651,100
Year Over Year % Change Total	10%	52%	-23%	1%
Year Over Year \$s Change Total	\$ 502,184	\$ 2,892,096	\$ (1,929,608)	\$ 92,311

61 – Full-time Employees

3 – Part-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Traffic Safety Unit (2)	175,800
Police Lieutenant (1)	108,100
Professional Excellence & Accountability Software	8,100
Total	\$292,000

Police	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 3,298,353	\$ 3,774,688	\$ 3,967,860	\$ 4,332,800
Operations	\$ 511,253	\$ 337,263	\$ 483,700	\$ 587,600
Capital Outlay	\$ -	\$ -	\$ 33,900	\$ -
Total Expenditures	\$ 3,809,606	\$ 4,111,952	\$ 4,485,460	\$ 4,920,400
Year Over Year % Change Total	1%	8%	9%	10%
Year Over Year \$s Change Total	\$ 42,923	\$ 302,346	\$ 373,508	\$ 434,940

49 – Full-time Employees

2.3 – Part-time Employees

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.

Budget Notes

New Initiatives & Priorities	Cost Value
Senior Center Community Services Supervisor	117,800
Center Aide 3/4 MAFC	26,000
E-Sport Programs	22,800
Fitness Equipment Replacement	21,000
MAFC Marketing Support	12,000
Shiloh Park & Luther Green Center Lease	9,000
Total	\$208,600

Parks	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 1,390,840	\$ 1,339,815	\$ 1,686,575	\$ 1,995,600
Operations	\$ 238,385	\$ 280,862	\$ 422,294	\$ 666,100
Capital Outlay	\$ 29,454	\$ 1,400	-	-
Total Expenditures	\$ 1,658,679	\$ 1,622,077	\$ 2,108,869	\$ 2,661,700
Year Over Year % Change Total	-13%	-2%	30%	26%
Year Over Year \$s Change Total	\$ (251,550)	\$ (36,602)	\$ 486,792	\$ 552,831

17 – Full-time Employees

30.80 – Part-time Employees

Stormwater

Mission

The mission of the Stormwater Program is to represent the interests of the residents and taxpayers through stormwater management systems enhancing the quality of life and minimizing the impact to the environment.

Service to Community

- Evaluating and responding to drainage concerns and complaints
- Providing site plan & construction reviews, stream determinations; & construction inspections
- Implementing a stormwater management program which complies with the 6 minimum measures of the Town's NPDES Phase II permit, Jordan Lake Rules, and Neuse Buffer Rules
- Providing review & technical support for floodplain management, in-house design & project oversight

Budget Notes

	New Initiatives & Priorities	Cost Value
None		
Total		

Stormwater	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Total Salary and Benefits	\$ 256,976	\$ 267,630	\$ 325,660	\$ 307,110
Operations	\$ 228,947	\$ 195,869	\$ 108,300	\$ 307,900
Capital Outlay	\$ -	\$ -	\$ 10,000	\$ 54,000
Transfers out to capital project	\$ 475,000	\$ 984,250	\$ -	\$ 30,990
Total Expenditures	\$ 960,923	\$ 1,447,749	\$ 443,960	\$ 700,000
Year Over Year % Change Total	161%	51%	-69%	58%
Year Over Year \$s Change Total	\$ 592,715	\$ 486,826	\$ (1,003,789)	\$ 256,040

3 – Full-time Employees

Other Fund Details

Debt Fund

Mission

The mission of the Debt Fund is to account for the accumulation of resources for expenditures associated with the principle, interest, and other fees for short and long-term debt obligations annually.

Service to Community

- Provides separate tracking outside of the general fund
- Allows for the accumulation of retired debt reserves annually to be reapplied to future debt
- Provides for strategic leveraging of resources

Budget Notes

New Initiatives & Priorities	Cost Value
New Debt Service:	-
<u>Bond Referendum Cost (Reduced)</u>	157,500
Total	\$157,500

Revenues	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Transfer from General Fund*	\$ 2,130,414	\$ 3,492,066	\$ 3,518,700	\$ 3,657,500
Total Revenues	\$ 2,130,414	\$ 3,492,066	\$ 3,518,700	\$ 3,657,500
Year Over Year % Change Total	-3%	64%	1%	4%
Year Over Year \$s Change Total	\$ (56,967)	\$ 1,361,652	\$ 26,634	\$ 138,800
Expenditures				
Principle/Interest	\$ 2,130,414	\$ 3,492,066	\$ 3,144,290	\$ 2,816,725
Administrative Cost	\$ -	\$ -	\$ 26,500	\$ 157,500
Reserve	\$ -	\$ -	\$ 347,910	\$ 683,275
Total Expenditures	\$ 2,130,414	\$ 3,492,066	\$ 3,518,700	\$ 3,657,500
Year Over Year % Change Total	-2.6%	63.9%	0.8%	3.9%
Year Over Year \$s Change Total	\$ (56,966)	\$ 1,361,652	\$ 26,634	\$ 138,800

Note: *New fund FY2021; previously reported within general fund, FY2019 - FY2020 restated.

Healthcare Premium Fund

Mission

The mission of the Healthcare Premium Fund is to maintain and manage the cost of rising healthcare and dental premiums.

Service to Community

- Provides separate tracking outside of the general fund for greater process efficiencies
- Allows for the accumulation of reserves annually to be used to offset future premium escalations
- Provides for strategic leveraging of resources

Budget Notes

New Initiatives & Priorities	Cost Value
Healthcare Premiums Increase	129,000
Total	\$129,000

Revenue	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Transfer from General Fund	\$ -	\$ -	\$ -	\$ 2,286,142
Total Revenues	\$ -	\$ -	\$ -	\$ 2,286,142
Year Over Year % Change Total	0%	0%	0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ 2,286,142
Expenditures				
Personnel	\$ -	\$ -	\$ -	\$ 2,286,142
Transfers	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ 2,286,142
Year Over Year % Change Total	0.0%	0.0%	0.0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ 2,286,142

Note: New fund FY2022

American Rescue Plan Act Fund

Mission

The purpose of the American Rescue Plan Act Fund is established to appropriately and transparently account for the accumulation of limited federal grant resources to manage expectations, evaluate community needs, and develop sustainable programs that spur community recovery in accordance with guidance as defined by the US Treasury Department.

Service to Community

Leverage our resources by re-investing and transforming the community.

Budget Notes

New Initiatives & Priorities	Cost Value
General Fund Revenue Replacements	1,000,000
Small Business Programs	200,000
Smart City Initiatives	185,000
Affordability Housing Plan	125,000
Sustainability Solar & EV Stations	120,000
Fiscal Recovery Officer (1-Year Expenses Transferred to General Fund)	119,300
Touchless Fixture Conversion (phase 2, 3 & 4)	100,000
Council Chambers AV Upgrades	60,000
Sidewalk Assessment	50,000
E-Sports Program Development	36,000
Morrisville Greenway Enhancements	35,000
Morrisville Community Park Playground Upgrades	15,000
Total	\$2,045,300

Revenues	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Grant Funds	\$ -	\$ -	\$ -	\$ 2,045,300
Total Revenues	\$ -	\$ -	\$ -	\$ 2,045,300
Year Over Year % Change Total	0%	0%	0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ 2,045,300
Expenditures	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Operations	\$ -	\$ -	\$ -	\$ 926,000
Transfers	\$ -	\$ -	\$ -	\$ 1,119,300
Total Expenditures	\$ -	\$ -	\$ -	\$ 2,045,300
Year Over Year % Change Total	0.0%	0.0%	0.0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ 2,045,300

Note: New fund FY2022

Municipal Service District Fund

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.

Budget Notes

New Initiatives & Priorities	Cost Value
None	\$0.00

Revenue	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Ad Valorem Special District Tax	\$ 96,317	\$ 95,014	\$ 118,000	\$ 119,000
Interest Earnings	\$ 8,537	\$ 1,732	\$ 200	\$ -
Transfer from General Fund	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000
Total Revenues	\$ 214,854	\$ 206,746	\$ 228,200	\$ 229,000
Year Over Year % Change Total	3%	-4%	10%	0%
Year Over Year \$s Change Total	\$ 5,384	\$ (8,108)	\$ 21,454	\$ 800
Expenditures				
Operating	\$ 2,780	\$ 1,990	\$ 2,208	\$ -
Capital	\$ 467,228	\$ 171,259	\$ -	\$ 229,000
Transfers	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 470,008	\$ 173,249	\$ 2,208	\$ 229,000
Year Over Year % Change Total	243427.0%	-63.1%	-98.7%	10271%
Year Over Year \$s Change Total	\$ 469,815	\$ (296,759)	\$ (171,041)	\$ 226,792

Reserve Funds

Fire Apparatus CRF

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 provides the means to ensure fire safety equipment is mission ready to protect the safety and wellbeing of the community.

Budget Notes

	New Initiatives & Priorities		Cost Value	
None			\$0.00	
	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Beginning Balance	\$ 494,149	\$ 907,560	\$ 14,440	\$ 14,450
Interest Earnings	\$ 13,411	\$ 6,880	\$ 10	\$ -
Transfer in from General Fund	\$ 400,000	\$ 350,000	\$ -	\$ 750,000
Transfer out to General Fund	\$ -	\$ (1,250,000)	\$ -	\$ -
Ending Balance	\$ 907,560	\$ 14,440	\$ 14,450	\$ 764,450
Year Over Year % Change Total	84%	-98%	0%	5190%
Year Over Year \$s Change Total	\$ 413,411	\$ (893,120)	\$ 10	\$ 750,000

Capital Investment Program CRF

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.

Budget Notes

	New Initiatives & Priorities			Cost Value	
None				\$0.00	
	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget	
Beginning Balance	\$ 404,263	\$ 4,326,388	\$ 1,019,817	\$ 368,546	
Interest Earnings	\$ 52,125	\$ 43,429	\$ 591	\$ -	
Transfer in from General Fund	\$ 3,870,000	\$ 200,000	\$ -	\$ -	
Transfer out to Capital Project Fund	\$ -	\$ (3,550,000)	\$ (651,862)	\$ -	
Ending Balance	\$ 4,326,388	\$ 1,019,817	\$ 368,546	\$ 368,546	
Year Over Year % Change Total	970%	-76%	-64%	0%	
Year Over Year \$s Change Total	\$ 3,922,124	\$ (3,306,571)	\$ (651,271)	\$ -	

Roadway & Transportation CRF

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.

Budget Notes

New Initiatives & Priorities	Cost Value
None	\$0.00

	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Beginning Balance	\$ 909,540	\$ 1,406,009	\$ 560,909	\$ 1,210,320
Interest Earnings	\$ 21,469	\$ 14,900	\$ 595	\$ -
Transfer in from General Fund	\$ 475,000	\$ 490,000	\$ 900,000	\$ 620,000
Transfer out to Capital Project Fund	\$ -	\$ (1,350,000)	\$ (215,184)	\$ -
Ending Balance	<u>\$ 1,406,009</u>	<u>\$ 560,909</u>	<u>\$ 1,246,320</u>	<u>\$ 1,830,320</u>
Year Over Year % Change Total	55%	-60%	122%	47%
Year Over Year \$s Change Total	\$ 496,470	\$ (845,100)	\$ 685,411	\$ 584,000

Parks & Recreation CRF

Mission

The purpose of the Parks & Recreation Capital Reserve Fund is to set aside funds annually to address the growing parks and recreational infrastructure needs facing the community. The funds may be utilized for expenses associated with constructing capital projects such as design, land acquisition/easements, site work, grant matching and/or debt obligations related to future parks & recreation 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.

Budget Notes

	New Initiatives & Priorities				Cost Value
None					\$0.00
	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget	
Beginning Balance	\$ -	\$ -	\$ -	\$ -	-
Interest Earnings	\$ -	\$ -	\$ -	\$ -	-
Transfer in from General Fund	\$ -	\$ -	\$ -	\$ -	620,000
Transfer out to Capital Project Fund	\$ -	\$ -	\$ -	\$ -	-
Ending Balance	\$ -	\$ -	\$ -	\$ -	620,000
Year Over Year % Change Total	0%	0%	0%	0%	100%
Year Over Year \$s Change Total	\$ -	\$ -	\$ -	\$ -	620,000

Parkland Payment in Lieu Reserve

Mission

The purpose of the Parkland Payment in Lieu Fund, to accumulate and track funds received annually from a development for the acquisition or development of recreation, park, or open space sites. The funds may be utilized for new facilities and improvements that may include preliminary design, construction or other related capital expense that qualify as a reasonable use for the restricted source.

Service to Community

Leverage our resources by re-investing in the community.

Budget Notes

	New Initiatives & Priorities	Cost Value
None		\$0.00

	2019 Actuals	2020 Actuals	2021 Estimated Actual	2022 Projected Budget
Beginning Balance	\$ 3,255,085	\$ 4,817,105	\$ 3,732,434	\$ 3,773,679
Interest Earnings	\$ 73,401	\$ 52,326	\$ 2,609	\$ -
Parkland Payment in Lieu Fees	\$ 2,058,619	\$ 701,903	\$ 34,610	\$ 226,321
Transfer in from Capital Projects	\$ -	\$ -	\$ 4,026	\$ -
Transfer out to General Fund	\$ (570,000)	\$ -	\$ -	\$ -
Transfer out to Capital Project Fund	\$ -	\$ (1,838,900)	\$ -	\$ -
Ending Balance	\$ 4,817,105	\$ 3,732,434	\$ 3,773,679	\$ 4,000,000
Year Over Year % Change Total	48%	-23%	1%	6%
Year Over Year \$s Change Total	\$ 1,562,020	\$ (1,084,671)	\$ 41,245	\$ 226,321

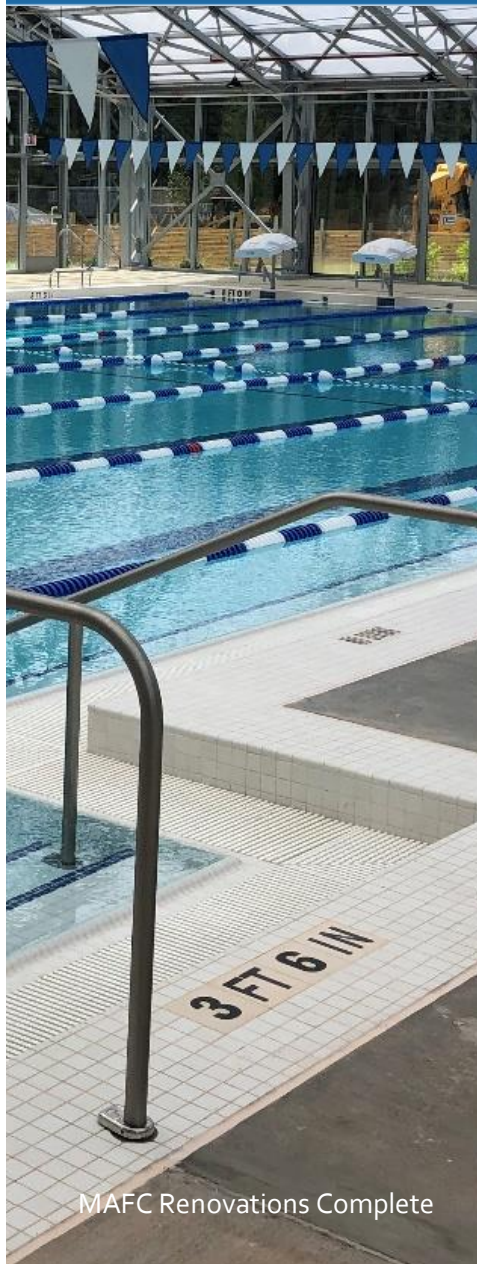


Capital Investment Program

CIP – 5-YEAR PROGRAM

CIP ACTIVE PROJECT PROFILES

CIP FUTURE CONCEPTUAL PROJECT SUMMARY



MAFC Renovations Complete

Capital Investment Program (CIP)

The CIP is a long-range planning tool that provides strategic guidance to effectively align potential resources and potential financing illustrating how priority projects may be implemented within a 5-Year period. The CIP demonstrates Active Projects, Future Conceptual Projects, proposed Funding Plan and anticipated Debt Obligation. The anticipated capital budget in this CIP will be appropriated following a successful 2022 Bond Referendum. The CIP and project alignment is evaluated annually.

Included in the CIP are Council's recent reprioritized ranking of projects largely considered unfunded to begin planning for the next wave of projects.

The CIP Chart below exhibits planned "Active Projects" having some level of designated funding or planned use of debt. (Larger format provided.)

Anticipated Capital
Future Planning Years
Rank Key: H=High, M=Medium, L=Low

Active Projects	Council Ranking	Prior Years 2021	FY2022	FY2023	FY2024	FY2025	FY2026	Future	TOTAL
Bicycle & Pedestrian									
Sidewalk Connectivity & NCDOT Betterments*	Active		1,000,000	2,000,000					\$ 3,000,000
Parks & Recreation									
Crabtree Creek Nature Park*	Active	500,000		4,000,000					\$ 4,500,000
Church Street Park Expansion & Cricket Field Upgrades (NEW)	7			2,300,000	2,450,000				\$ 4,750,000
Dog Park (without land purchase)	4			1,400,000					\$ 1,400,000
Future Town Park Sites*	Active		2,300,000	2,100,000	2,900,000			4,000,000	\$ 11,300,000
Morr Comm Park Phase 3*	Active	700,000	2,000,000						\$ 2,700,000
Public Facility									
Fire Station 3 - Harris Mill*	Active	2,500,000	5,500,000						\$ 8,000,000
Fire Station 2 - Relocation	3	300,000						6,300,000	\$ 6,600,000
Emergency Traffic Pre-emption	Active	350,000							\$ 350,000
Public Works Facility**	Active	1,300,000		16,000,000					\$ 17,300,000
Transportation									
NC54 Traffic Congestion Mitigation - Airport Boulevard Ext Ph I *	Active	1,000,000	7,000,000						\$ 8,000,000
Other NC54 Traffic Congestion Mitigation Projects*	Active						5,500,000		\$ 5,500,000
Total Active Projects		6,650,000	17,800,000	27,800,000	5,350,000	-	5,500,000	10,300,000	73,400,000

The CIP Chart below exhibits "Future Conceptual Projects" that primarily are considered under development. These project concepts are largely unfunded until resource capacity and/or debt affordability can be identified in order to activate these future capital investment projects. (Larger format provided.)

		Council								
Future Conceptual Projects		Ranking	Prior Years	FY2022	FY2023	FY2024	FY2025	FY2026	Future	TOTAL
		2021								
Bicycle & Pedestrian										
Crabtree Creek Greenway South Loop	14							100,000	593,000	\$ 693,000
Sawmill Creek Greenway & Stream Restoration	13								7,455,000	\$ 7,455,000
Parks & Recreation										
Cedar Fork Elementary Field	15						769,000			\$ 769,000
Cedar Fork District Park Field Improve	8						850,000	1,300,000	1,550,000	\$ 3,700,000
Cedar Fork District Park General Improvements	10						1,100,000	1,100,000		\$ 2,200,000
Historic Page Homesite	17								900,000	\$ 900,000
Recreation Center in Town Center	19								13,800,000	\$ 13,800,000
Shiloh Park Improvements (NEW)	TBD								653,000	\$ 653,000
Town Green	12								1,500,000	\$ 1,500,000
Public Facility										
Pugh House	TBD								-	\$ -
Town Center Parking Lot	20								1,500,000	\$ 1,500,000
Town Hall Replacement	16								-	\$ -
Town Multi-Purpose Meeting Space	9								-	\$ -
Train Depot	21								625,000	\$ 625,000
Transportation										
Church Street North Bypass	11								11,300,000	\$ 11,300,000
International Drive Extension	18								3,140,000	\$ 3,140,000
Total Future Conceptual Projects			-	-	-	-	2,719,000	2,500,000	43,016,000	\$ 48,235,000
Total Capital Investment Program			6,650,000	17,800,000	27,800,000	5,350,000	2,719,000	8,000,000	53,316,000	\$ 121,635,000

Notes: * Potential Bond Project(s); ** Potential Installment Financing Project(s). Cost shown above are based on estimates, include contingencies and cost modifier for inflationary adjustments over time. Cost are subject to change.

The following Fund Plan and anticipated Debt Obligation demonstrate how Active and Future Projects may be funded utilizing forms of debt financing, and/or combinations of other resources. Projects not funded are identified in the plan.

FUNDING PLAN	Prior Years	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Future	TOTAL
Parkland Payment in Lieu Anticipated Reserves	1,200,000		3,700,000					\$ 4,900,000
Other Reserve Funds	2,950,000							\$ 2,950,000
LAPP Grant Funds		3,800,000						\$ 3,800,000
Bond Referendum (Proposed)	2,500,000	14,000,000	8,100,000	2,900,000		5,500,000	4,000,000	\$ 37,000,000
Other Financing			16,000,000					\$ 16,000,000
Not Funded				2,450,000	2,719,000	2,500,000	49,316,000	\$ 56,985,000
Total Funding Assumptions	6,650,000	17,800,000	27,800,000	5,350,000	2,719,000	8,000,000	53,316,000	\$ 121,635,000

DEBT OBLIGATION as Annual Debt Service	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Current Annual Debt Service	\$ 2,816,717	\$ 2,693,571	\$ 2,615,630	\$ 2,533,839	\$ 2,459,248	\$ 2,384,557
New Proposed Debt		\$ 1,615,000	\$ 3,265,850	\$ 3,591,345	\$ 3,593,528	\$ 4,769,460
Total Debt	\$ 2,816,717	\$ 4,308,571	\$ 5,881,480	\$ 6,125,184	\$ 5,962,776	\$ 7,154,017
Tax Increment to Support New Debt Service @ 0.03		\$ 1,973,274	\$ 2,032,472	\$ 2,093,446	\$ 2,156,250	\$ 2,220,937
General Fund	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Use of Debt Reserve						
Surplus/(Deduction)	683,283	1,164,703	(349,008)	(531,738)	(306,526)	(1,433,080)
Debt Reserve Fund Balance	\$ 1,039,124	\$ 2,203,827	\$ 1,854,819	\$ 1,323,081	\$ 1,016,555	\$ (416,525)

Notes: Annual Debt Service is projected based on current assumptions to dedicate a 3 Cent tax increment to pay for planned debt, applying a 3% annual growth factor for existing revenues and utilizes level principle amortization.

CIP Active Project Profiles

Active projects are those prioritized having some level of designated funding and/or planned use of debt.

Bicycle & Pedestrian

CIP Project: Sidewalk Connectivity/NCDOT Betterments Project Category: Engineering

Site: Various locations throughout Town

Description: To design and construct sidewalk gap segments and other NCDOT betterments to improve pedestrian mobility and connectivity across Town based on prioritization.

Picture/Map:



Justification: 2015 Sidewalk Program Development Policy outlines 34 prioritized segments of sidewalks/betterments across Town identifying those in progress, scheduled by NCDOT either in whole or in partnership with Town and those remaining as future Town funded segments. The Town has actively been working on several higher priority segments using existing reserves and/or grant opportunities. The remaining segments are planned through use of potential 2021 G.O. Bond funding authority.

Other Considerations: The Town is coordinating with NCDOT on LAPP and STIP funding for projects on NCDOT rights-of-ways and other partners to create a regionally connected network of sidewalks and greenways.

Preliminary Estimate \$ 3,000,000 Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Improved Transportation Mobility; Thriving and Livable Neighborhoods; Economic Prosperity

Parks & Recreation

CIP Project: Crabtree Creek Nature Park Project Category: Parks & Recreation

Site: Abuts Cedar Fork District Park & Crabtree Creek Greenway Trail, located just off NC54 at Keybridge Drive

Description: Passive recreation with nature park - includes a parking lot, a picnic shelter with restrooms, a playground, an open play green space, and walking trails through wetland and forested areas. Educational interpretive signage would be installed throughout the site to describe the different wildlife and environmental aspects of the park.

Picture/Map:



Justification: The Parks Master Plan supports a type of nature park and greenways as the #2 priority. The designated site requires no land acquisition since it is currently owned by the Town. This location has close access to NC54, a unique mix of wetland and natural forest along with utilities in close proximity to support facilities. The site would offer an additional large shelter, the Town's first fully ADA accessible playground and would be the first Town developed park on the east side of NC54.

Other Considerations: Staff would need to determine the impact of Wake County's flood easement. There is value with the ADA accessibility of this facility and it would provide a nice complementary trailhead site for Crabtree Hatcher Creek Greenway, in conjunction with a playground amenity in this area for commuters. Additionally, it would provide enhancements to Cedar Fork District Park.

Preliminary Estimate \$ 4,500,000 Includes: Design & Construction Cost

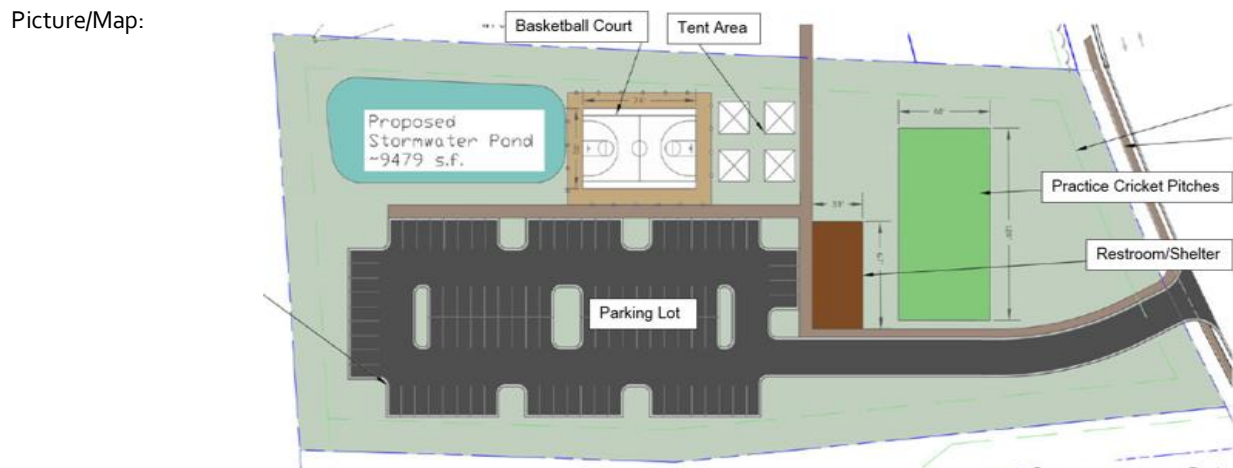
All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Thriving, Livable Neighborhoods; Engaged, Inclusive Community; Economic Prosperity

CIP Project: Church Street Park Expansion-Cricket Field Upgrades **Project Category:** Parks & Recreation

Site: 905 Church Street

Description: Expansion project to enhance the existing Church Street Park. Phase I would improve the Cricket facility by adding improved pitches; increased seating areas, safety netting, broadcasting features and other elements that support tournament level league play and partnerships. Phase II would utilize town owned property (3.4 acres) to add new amenities (i.e. practice pitches, basketball court, restroom/shelter, road improvements and sidewalk along Church St. with associated stormwater controls).



Justification: Church Street Park is a heavily used park sites hosting a variety of activities and rentals. The proposed work would improve the Town's ability to attract and host the American Cricket Enterprises (ACE) leagues and USA Cricket international matches. Expanding the number of cricket pitch lanes on the field would help reduce wear on the field by having more pitches to rotate between during play and practice times. With the proposed grandstand style bleachers, the permanent seating would increase to approx. 2,500 seats in areas that are currently grassy hills used by spectators. Other amenity additions would complement the site and support community interest.

Other Considerations: There is interest from private leagues to partner with the Town to host professional cricket leagues that will attract tourism and international matches. The partnership would include some level of shared funding.

Preliminary Estimate \$ 4,750,000 Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Thriving, Livable Neighborhoods; Engaged, Inclusive Community; Economic Prosperity

CIP Project:

Dog Park

Project Category: Parks & Recreation

Site: To be determined

Description: Construct an off-leash dog park facility of approximately 2 - 3 acres that includes separate space for small dogs and large dogs. The ideal site would include parking, restrooms, small shelters, and access-controlled gate system.

Picture/Map:



Justification: Dog parks have become increasingly popular and the master plan survey report shows strong support for this type of investment. Several other municipalities have similar facilities that help address existing issues surrounding inappropriate use of other open spaces with off leash dogs. Dog parks also provide dog owners a way to socialize their dogs, a chance to meet others with similar interests and a way for their dogs to exercise when so many people have small or no yards at their homes. Fees could be assessed to offset annual maintenance cost.

Other Considerations: Consideration for site designation must account for limitations with use of flood prone areas, potential co-location near existing park facilities or include with future park sites to save on some support infrastructure and land acquisition costs. What estimate includes will depend on site selection and scope of project. This would be a new service area to define operationally.

Preliminary Estimate \$ 1,400,000 Includes: Land Cost, Design & Construction

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Thriving, Livable Neighborhoods; Engaged, Inclusive Community; Economic Prosperity

CIP Project:

Future Town Parks/Open Space

Project Category:

Parks & Recreation

Site:

Undeveloped open space/land in Morrisville

Description:

Develop a robust park system with adequate acreage and various park classifications, equitably distributed throughout the Town. This project would only include land acquisition for future park development.

Picture/Map:



Justification:

The project aims to protect limited open space through the acquisition of park land as identified by the Parks & Recreation Master Plan over the next 10 years with a variety of park classifications contributing to the overall total acreage of parkland. This would include focus areas within the Town Center area, historic preservation and open green space.

Other Considerations:

The Master Plan indicates a service deficiency of nearly 40 acres in meeting the NRPS level of service standards (9.6 acres per 1,000 residents) for recommended acreage of parkland per population for the year 2017. To keep pace with projected population growth, the Town would need to add up to 135 acres of land over the next 10 years to meet recreational needs for a growing town and large tracts of undeveloped land are more difficult to secure.

Preliminary Estimate

\$ 11,300,000

Includes: Land Cost

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal:

Thriving, Livable Neighborhoods; Engaged, Inclusive Community; Economic Prosperity

CIP Project:

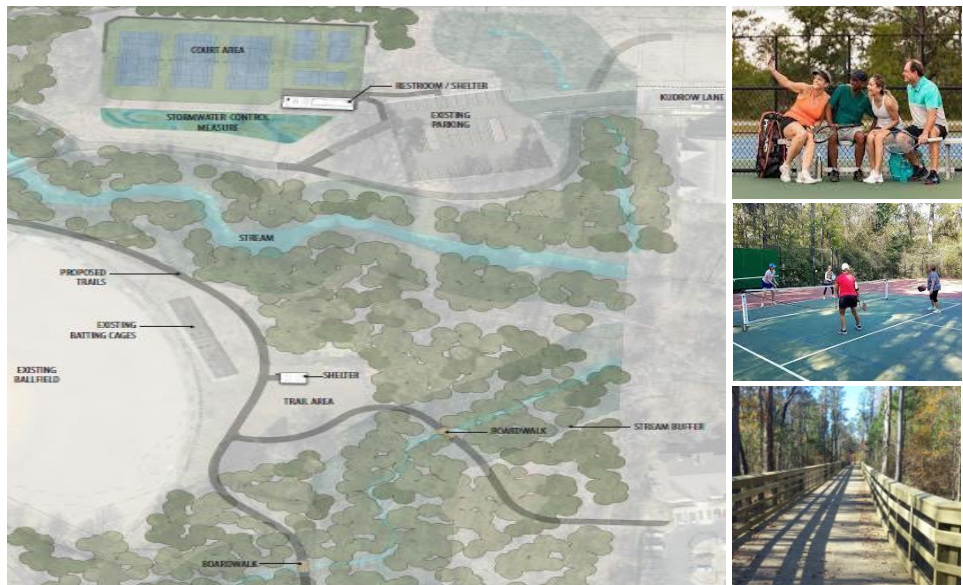
Morrisville Community Park Phase 3

Project Category: Parks & Recreation

Site: Existing Morrisville Community Park site in the area near the Kudrow Lane parking lot.

Description: Enhance recreation amenities in existing Morrisville Community Park. Construct hard surface walking trails that will connect adjacent communities to the park and the greenway system, provide tennis and pickleball courts to improve program offerings and incorporate a small shelter, and restroom for support amenities. The design of the project started in 2020.

Picture/Map:



Justification: Tennis/Pickleball courts would increase the number of courts available to the public and include lighting to extend hours available, allowing for instructional programs. Walking trails will provide passive recreation and exercise opportunities and serve as connectors to adjacent communities. The 2018 Parks and Recreation Master Plan indicates support for the amenities. The survey report also provides Priority Investment Ratings for facilities and programs and indicates greenway trails are a high priority, along with fitness opportunities and walking for exercise.


Other Considerations: Will allow for program expansion and partnership opportunities to meet the growing needs of community. Improves park access and safety.

Preliminary Estimate \$ 2,700,000 Includes: Design & Construction

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Thriving, Livable Neighborhoods; Engaged, Inclusive Community; Economic Prosperity

Public Facility

CIP Project:	Fire Station 3-Harris Mills	Project Category:	Public Safety
Site:	1021 Harris Mill		
Description:	Town has acquired 6.3 acres of land to construct a new Fire Station to relocate fire resources currently co-existing on a share site in the Town of Cary. Fire station will use 2.5 acres for the station with the remaining acres viable for a future use to be determined. Building will consist of 15,700 sqft, double deep bays with administration and personnel quarters for 27 staff, including an EMS bay on the side. Site may require some road frontage improvements. Project is currently in design.		
Picture/Map:			
Justification:	Construction of a new fire station will all the relocation of existing fire resource currently co-locating at Cary's Fire Station 7 (off Carpenter Fire Station Road) back into Town limits. This originally was a temporary arrangement from the start. This will allow for the efficient utilization of resources at the Harris Mills station where the citizens would benefit more from its central location. This is also an opportunity to effectively split fire district 2 and improve both distribution and concentration at the same time. It will allow L-22 to move farther north and east closer to some of our new high service demand areas around Slater and Shiloh. New location should result in improved service to Breckenridge, and once Town Hall is extended, improved service to Providence Place neighborhoods connected to Town Hall Drive.		
Other Considerations:	Includes land acquisition of 6 acre site on Harris Mill Blvd. The fire station will likely only use 2.5 acres with the remaining available for other needs to be determined.		
Preliminary Estimate	\$ 8,000,000	Includes: Land Cost, Design, Construction & Fixtures	
All projects include in their estimate a 25% contingency based on construction cost.			
Strategic Goal:	Public Safety Readiness; Operational Excellence; Economic Prosperity		

CIP Project:

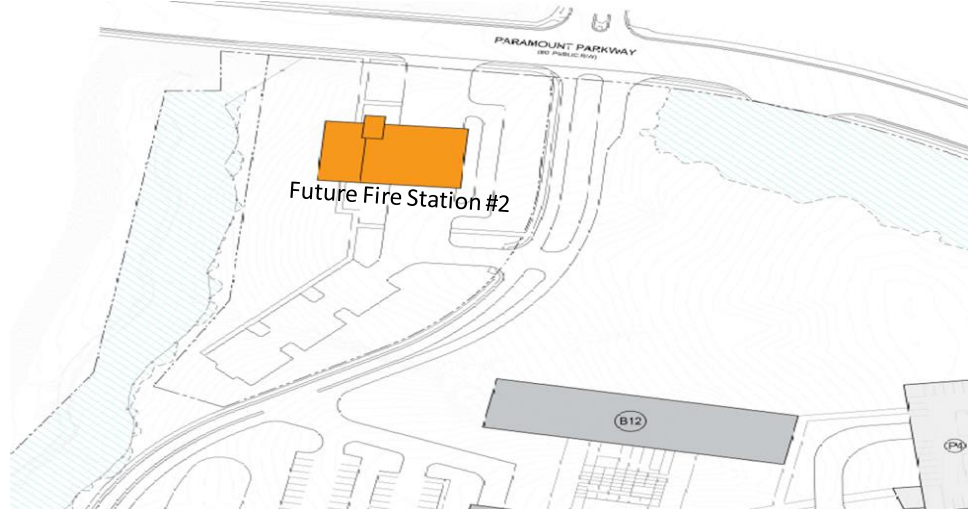
Fire Station 2-Relocation

Project Category: Public Safety

Site: Paramount Parkway on the Wake Tech Campus

Description: The Town has acquired property located at the Wake Campus site for future relocation of Fire Station #2 currently located on NC54. The project is proposed to be a 12,000 to 15,000 Sq foot, two bay station with an EMS option but no EMS facilities at this time. The site would be prepared for their participation in the future.

Picture/Map:



Justification: While NCDOT road improvements will no longer render facility unusable, the building is reaching its life expectancy. The Town has purchased land from Wake Tech and the location will allow us to improve distribution and cover a higher percentage of addresses in town within both 1.5 and 2.5 miles range which should improve first due response times and enhance fire prevention abilities.

Other Considerations: Includes land acquisition of Wake Tech property.

Preliminary Estimate \$ 6,600,000 Includes: Design, Construction, permits, furnishings:

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Public Safety Readiness; Operational Excellence; Economic Prosperity

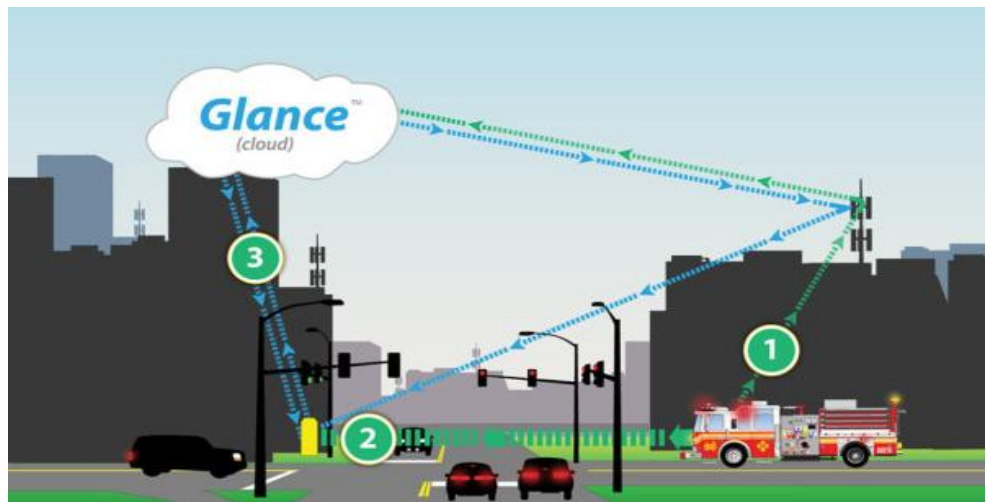
CIP Project: Emergency Traffic Pre-emption

Project Category: Public Facilities

Site: Targeted intersections near Fire Station facilities

Description: Allows emergency vehicles to safely navigate intersections by utilizing Infrared Technology to communicate with the traffic lights in intersections. As an emergency vehicle approaches the intersection, a transponder on the top of the emergency vehicle communicates with a detector installed on the traffic light and safely turns the light green for the emergency vehicle and provide it with the right of way. This service will also be added to all Police Department vehicles.

Picture/Map:



Justification: This technology is a proven hazard mitigation tool that can reduce intersection crashes between emergency vehicles and other vehicles by up to 70 percent, eliminate priority conflicts in the intersections and grant the right of way to the emergency vehicles, improve response times by up to 25 percent, and reduce the Town of Morrisville's potential liability.

Other Considerations: Coordination with other entities.

Preliminary Estimate \$ 350,000

Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

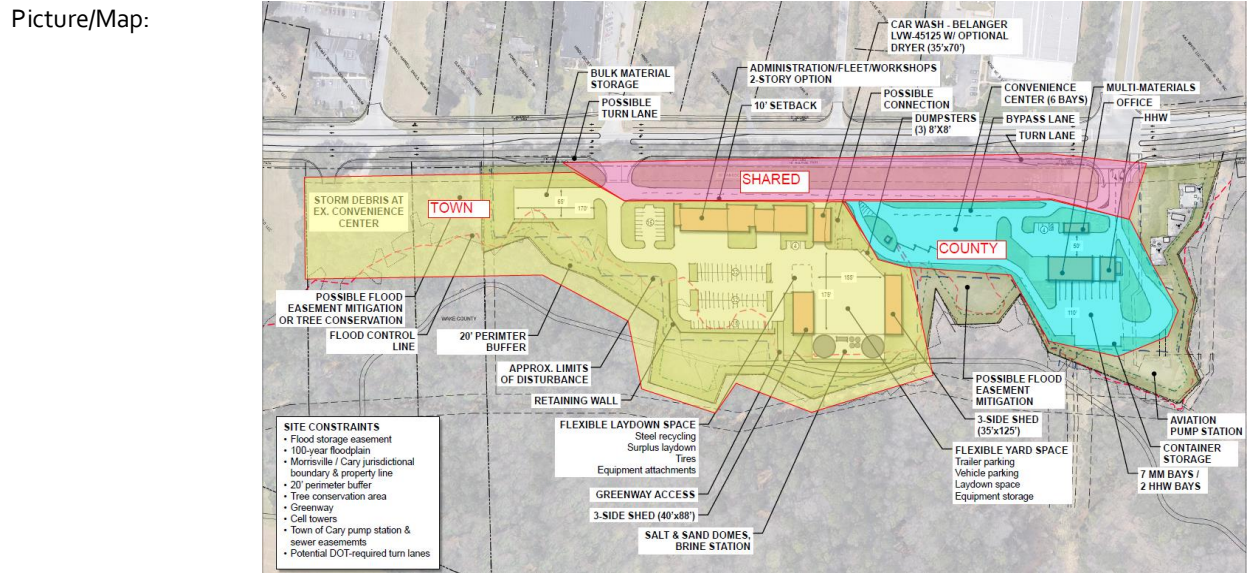
Strategic Goal: Public Safety Readiness; Improved Transportation Mobility; Operational Excellence; Economic Prosperity

CIP Project: Public Works Facility

Project Category: Public Facility

Site: 414 Aviation Parkway

Description: Construct new Public Works facilities on the existing site in partnership with Wake County Convenience Center #3 Expansion and will include an administration/fleet building, workshop/storage building and a vehicle/equipment storage building. Will also include road frontage improvements.



Justification: The existing public works facility was built in 1988 and has been expanded and renovated over the years to meet the needs of a rapidly growing town. The last major renovation occurred in 2000. The current site is 13.71 acres with Public Works utilizing approximately 3.96 acres (including cell tower space). The remaining 9.75 acres is undeveloped. NCDOT has funded in the STIP the road widening on Aviation Parkway starting in FY 2029 with Right-of-way acquisition. The proposed right-of-way for the road widening requires the relocation of these facilities.

Other Considerations: Wake County has partnered with the Town on this project to relocate their Convenience Center #3 located along the same corridor. Effective coordination will be imperative to mitigate interruption of service as construction of site in relation to future roadway improvements.

Preliminary Estimate \$ 17,300,000 Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

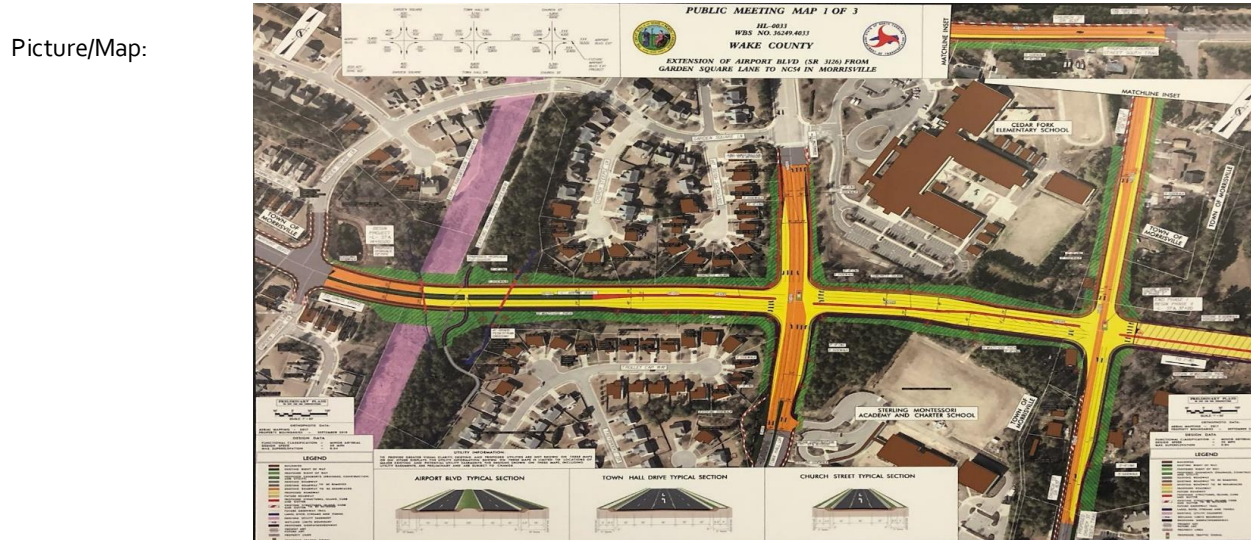
Strategic Goal: Operational Excellence; Public Safety Readiness; Thriving, Livable Neighborhoods; Economic Prosperity

Transportation

CIP Project: Airport Boulevard Extension Phase I Project Category: Administration

Site: Between the intersection of Garden Square Lane and Church Street - Phase I

Description: Design and construct Phase I of the extension of Airport Boulevard (0.77 miles) from current terminus near Garden Square Lane to Church Street. The planning-level cost estimate provided includes engineering, ROW purchase and roadway construction. The improvement would include a 4-Lane cross-section divided with a 17.5 - 31 foot-wide median, a 10-foot side path on the south side and 5-foot sidewalk on the north side with wide outside lanes.



Justification: Provides an important east-west route. The extension will also tie into a future grade separation of Airport Boulevard and the railroad/NC 54, creating an east-west connection from Davis Drive to I-40 and the airport. Most of the right-of-way was designated in prior years, only one additional parcel would be necessary to complete. The extension will qualify for LAPP funds from CAMPO; the segment is supported by the Comprehensive Transportation Plan.

Other Considerations: This project will receive LAPP funding for Federal fiscal year 2021-2022. Project will also set the future for Airport Extension phase II adding a grade separation over NC54 and the railroad. Having phase I complete will increase the score for phase II that will support NC54 congestion mitigation efforts.

Preliminary Estimate \$ 8,000,000 Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Improved Transportation Mobility; Thriving, Livable Neighborhoods; Economic Prosperity

CIP Project: NC54 Traffic Congestion Mitigation-other

Project Category: Administration

Site: Various intersections and/or betterments along and contributing to NC54 corridor

Description: Improve various intersections, turn lanes and other betterments along NC54 corridor and cross-sections that will help mitigate traffic congestion and flow issues while continuing to work through CAMPO, NCDOT and other neighboring communities for a regional solution to the larger widening project. Ten Intersections were identified in the Intersection Improvement Study and proposed projects and costs are being identified as part of the study results. Project examples include, but are not limited to signals, pedestrian, crosswalks, re-stripping and additional turn lanes.

Picture/Map:



Justification: The NC 54 & More Feasibility Study indicates significant cost (\$74M estimated by CAMPO/NCDOT SPOT 6.0 price last summer) to widen NC54 from Keybridge Drive to Perimeter Parkway. The Town recognizes traffic congestion and flow are significantly hindered across town from growth and commuter traffic. The cost exceeds the Town's capacity and must continue to apply a regional approach. Smaller impactful projects at strategic cross-sections may improve traffic flow.

Other Considerations: Request will concentrate on projects that can be completed reasonable timeframe.

Preliminary Estimate \$ 5,500,000 Includes: Design & Construction Cost

All projects include in estimate a 25% contingency based on construction cost.

Strategic Goal: Improved Transportation Mobility; Thriving, Livable Neighborhoods; Economic Prosperity

CIP Future Conceptual Project Summary

The summary provides an abbreviated narrative of supporting information about each Future Conceptual Project types largely identified as unfunded in CIP. These project types are considered important, but require additional evaluation and development.

Project Title	Location	Strategic Goal	Justification	Brief Scope	Est. Cost
Bicycle & Pedestrian					
Crabtree Hatcher Creek Greenway Loop	Along Crabtree Crossing Parkway from Morrisville Parkway to Crabtree Hatcher Creek Greenway	Improved Transportation Mobility	Serves the interest of mobility and connectivity. This would be an east side of road service enhancement. There is an existing sidewalk service on west side of road.	Improve greenway connectivity and non-vehicular transportation from Crabtree Hatcher Creek Greenway - extend an extension 0.50 miles along Crabtree Crossing from Morrisville Parkway to current stub - within existing ROW. This would be an 8 to 10 feet wide path.	\$693K
Sawmill Creek Greenway & Stream Restoration/BMP	Between Church Street and NC54 - west side of railroad tracks	Improved Transportation Mobility	To improve pedestrian options and expand greenway system to connect Town Center to Indian Creek Trailhead and to Crabtree Hatcher Creek Greenway. Close proximity to Historic Church parking lot. Stream restoration should be completed prior to or in conjunction with greenway expansion to address water and erosion control issues that currently exist. Potential grant opportunities may be possible with CMAQ, Wake County Open Space, PARTF and CWMT.	Restore 0.4 miles of Sawmill Creek stream from erosion issues and develop 1.75 miles of greenway trail running north to south along the Sawmill Creek stream and rail corridor. This will enhance greenway trail network and connectivity to other greenway systems.	\$7.5M
Parks & Recreation					
Cedar Fork Elementary Park	Town Hall Drive at Cedar Fork Community Center	Engaged, Inclusive Community	Existing field areas could accommodate additional youth, middle and adult programming. The land is part of a joint use agreement with school system, no land acquisition required. The existing Community Center provides for parking and restroom facilities.	Create a flexible Multi-purpose field at Cedar Fork Community Center to accommodate different recreational programs (youth soccer, lacrosse, etc....) with lighting to enhance programming options.	\$769k
Cedar Fork District Park Field Improvements	Aviation Parkway/NC54	Engaged, Inclusive Community	The Parks Master Plan supports enhancing existing park assets. The facility compliments Crabtree Hatcher Creek Greenway system and future Crabtree Creek Nature Park. With some improvements, the fields could support a variety of sports/tournament play. This site is leased through Wake County.	Improve irrigation, lighting, and add a secondary access point to allow the site to have versatilely, greater functionality, improved safety, and better overall flow.	\$3.7M

Project Title	Location	Strategic Goal	Justification	Brief Scope	Est. Cost
Cedar Fork District Park General Site Enhancements	Aviation Parkway/NC54	Engaged, Inclusive Community	The Parks Master Plan supports enhancing existing park assets through effective upgrades and expansions that improve maintenance and care of existing facilities that may influence programs and offerings provided by a growing community.	Improves several aesthetic and functional elements within the existing park such as landscaping, replacing restroom facility, better signage, resurfacing gravel parking lot and other amenities.	\$2.2M
Historic Page Homesite	116 South Page Street and other Town owned property in proximity across from Town Hall	Engaged, Inclusive Community	The Page House is oldest standing home in Town and is on National Historic Register and is not owned by the Town. A supported goal of the Parks Master Plan is to develop a unique open space which provides for a strong identity connecting natural features to historic elements. The Town owns the former Go Triangle site across from Town Hall and owns the historic Pugh House that are in proximity.	Create a unique heritage park with natural open space that commemorates the Town's historic and agricultural heritage. Amenities may include historic museum space, art exhibits, interpretive signage, and agricultural educational exhibits.	\$900K
Recreation Center in Town Center	Town Center Core	Engaged, Inclusive Community; Thriving, Livable Neighborhoods	To provide a variety of recreation opportunities that align to the goals of Parks Master Plan and Town Center Vision. The project scope will be impacted by the current development of the Town Center Project. This item is currently envisioned as a later phase.	Build a new Recreation Center to serve as a community focal point to improve program offerings (i.e. gym, multi-purpose rooms, senior & youth programs, indoor activities, office/storage space).	\$13.8M
Shiloh Park Improvements	922 Church Street and Barbee Road	Engaged, Inclusive Community; Thriving Livable Neighborhoods	One of the older parks with aging basketball court, drainage issues and outdated playground equipment. The design process is estimated to take about six months with another six to eight months for bidding and construction combined.	Renovation could include: Larger basketball court, fencing & lights, adding new concrete sidewalks & bleacher pads, installing code compliant accessible parking spaces using concrete wheel stops to improve ADA parking, and renovating the playground with new playground surfacing and equipment.	\$653K
Town Center Green	Town Center Core in proximity of Carolina Street and Healthy Food Hub	Engaged, Inclusive Community; Thriving, Livable Neighborhoods	To provide a unique gathering place and desired open space that compliments other vision elements of Town Center. The project scope is subject to change based on the development and direction of Town Center. The Parks Master Plan identifies need for public gathering spaces. Cost will depend on size and scale of space available.	Develop a public gathering place and open space in Town Center area for events, multi-use, and passive recreation amenities that draw people to Town Center as a destination.	\$1.5M

Project Title	Location	Strategic Goal	Justification	Brief Scope	Est. Cost
Public Facilities (Including Public Safety)					
Pugh House (NEW)	Page Street & Morrisville Carpenter Road	Engaged, Inclusive Community	Existing owned structure that has overall historic value to the Community. The Town has invested funds to secure and take care of exterior façade, but the interior is currently not habitable. The cost will vary depending on the desired programmed use of the facility. Cost will vary depending on use and condition to bring up to code.	Renovate interior and construct adequate parking to return the facility to a functional use as a small office; historic center, meeting space and/or other.	TBD
Town Center Parking Lot	Town Center Core	Economic Prosperity	To meet a growing need for additional parking in Town Center Core area for public centers, Food Hub, complementary support for private interest and space flexibility for Town events. This project will be impacted by the overall vision of the Town Center demonstration project that may impact cost.	Public parking lot to support community use and business development in the Town Center. The original concept was for surface parking, through a public-private partnership other parking structures might be more viable solutions and therefore can impacts cost.	\$1.5M
Town Hall Replacement	Town Center	Operational Excellence	Town Hall was built in 1992. The space needs within the existing Town Hall having exceeded maximum capacity. There are limited opportunities to expand the facility to meet growing needs according to space study assessments.	Build a new Town Hall in the Town Center area address both current and future space capacity needs, provide improved meeting and flexible space and recombined service departments within a central location.	TBD
Town Multi-Purpose Meeting Space	Town Center	Operational Excellence	There are limited opportunities to expand existing Town Campus facilities to meet growing needs according to space study assessments. Flexible meeting space was identified as a critical need for both employees and community gathering needs/interest.	Build a new flexible multi-purpose facility that will allow for both community program/meeting space as well as organizational meeting space for staff.	TBD
Train Depot	Corner of Morrisville Carpenter Road and NC54 - original location	Thriving, Livable Neighborhoods	The Town has a strong railroad history. A small train depot structure was an integral part of the Town's infrastructure and was once located in the vicinity of Old Fire Station One and the historic Pugh House. Alternatives may exist to combine as an amenity with other larger project concepts.	Create a replica Train Depot - to symbolize and preserve Town's unique railroad heritage. The depot can serve as an iconic gateway to Town Center in combination with Historic Page Homesite.	\$625K

Project Title	Location	Strategic Goal	Justification	Brief Scope	Est. Cost
Transportation					
Church Street North Bypass	Town Hall Drive at Harris Mill Road to Ferntree Court at New Mason Farm in Providence Place	Improved Transportation Mobility	Supported by Transportation Plan which identifies the extension as a secondary access to Church Street Park and Providence Place. Establishes an alternative north-south connection in Town to improve mobility in area. The land area is within RTP with significant topography and stream crossings.	Provide a future north-south connection on west side of Church Street between McCrimmon Parkway and NC540. Location starts at Town Hall Drive at Harris Mill Road extends north to Ferntree Court at New Mason Farm.	\$11.3M
International Drive Extension	Northern terminus of International Drive to Intersection of Airport Boulevard	Improved Transportation Mobility	The extension will likely occur with private development. The improvement may allow truck traffic to use either Airport Blvd. or Aviation Parkway to access I-40, shifting heavy truck movements in area. The Transportation Plan identifies this as a long-term project.	Extend International Drive 0.35 miles - current northern terminus to intersect with Airport Boulevard - 3-lane roadway within 80ft ROW.	\$3.1M



Additional Information

BUDGET PROCESS & BASIS OF BUDGETING

BUDGET CONTROL & FISCAL POLICIES

POSITION CHANGES

PAY GRADE CLASSIFICATIONS

USER FEE SCHEDULE

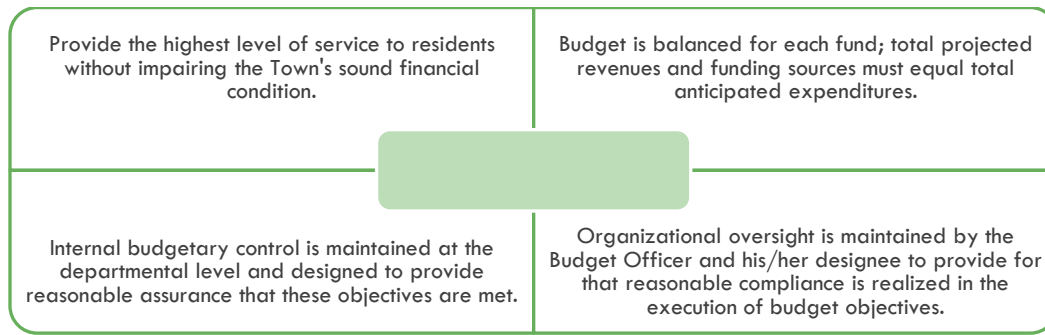
GLOSSARY OF COMMON TERMS



Town Staff at Work

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 evaluates 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 occur 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

The Council conducts an annual planning retreat in winter 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 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 Council 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.

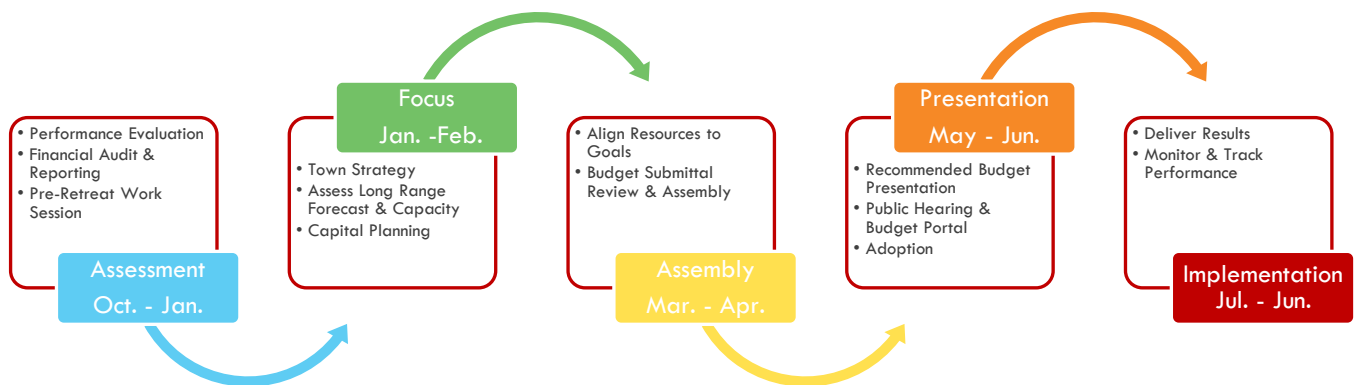
The Council reviews any public comments and adopts the operating budget by ordinance with such modifications or statements as the Council deems advisable on or before June 30th.

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.

Budget Calendar



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, while 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.	<ul style="list-style-type: none"> Property Taxes Sales Tax Local Fees & Other State Distributed Sources Interfund Transfers 	<ul style="list-style-type: none"> Public Safety Streets, Facilities & Solid Waste Parks, Recreation & Culture Economic & Development General Operations 	Annual
Sub-Funds typically related to operations. Separate funds provide for improved tracking for such unique items.	<ul style="list-style-type: none"> General Fund Transfers 	<ul style="list-style-type: none"> Debt Obligations Healthcare Premiums 	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.	<ul style="list-style-type: none"> General Fund Transfers Dedicated Value of 1Cent on Tax Rate 	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> Special District Property Tax of \$0.10/\$100 assessed property value 	<ul style="list-style-type: none"> 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 exchange for a utility type service. Annually adopted budget.	<ul style="list-style-type: none"> Stormwater ERU Fee Stormwater Review Fees Restricted Fees 	<ul style="list-style-type: none"> Stormwater systems & programs to improve water quality Compliance with state water resource management mandates 	Annual
Retirement Health Care Fund is a 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.	<ul style="list-style-type: none"> 3% of Gross Wages 	<ul style="list-style-type: none"> Retiree supplemental medical coverage 	Annual
Separation Allowance Fund is a 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.	<ul style="list-style-type: none"> 3% of Law Enforcement Gross Wages 	<ul style="list-style-type: none"> Law Enforcement supplemental retirement 	Annual
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.	<ul style="list-style-type: none"> Property Taxes Fund Balance & Reserves Debt Proceeds Grants Impact Fees 	<ul style="list-style-type: none"> 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 (MSD), Stormwater Fund, and Retirement Funds are on an annual budgetary basis. Capital Reserve Funds are consolidated and reported in the General Fund as per GASB 54 as is the MSD Fund. All Capital Project Funds operate on a multi-year budgetary basis. Multi-year 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 enough 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 Policies

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) *Contributing to the Town's ability to insulate itself from fiscal crisis,*
- b) *Enhancing short-term & long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,*
- c) *Promoting long-term financial stability by establishing clear & consistent guidelines,*
- d) *Directing attention to the total financial picture of the Town rather than single issue areas,*
- e) *Promoting the view of linking long-run financial planning with day-to-day operations, and*
- f) *Providing 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 Taxes:

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 exempted 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 and 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 consisting of the 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, achieve the highest possible credit rating, 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 (with governmental expenditures defined as ongoing governmental expenditures less capital outlay). 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.

In the event that the Town anticipates exceeding the policy requirements stated above, Town staff may request an exception from Town Council setting forth the reason and need for the exception and the length of time estimated to achieve compliance.

Whenever possible, the Town will first attempt to fund capital projects with grants, reserves, other services 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, 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 (i.e., hurricanes or other events that threaten 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.

- 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.*
- 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.*
- Cash Flows will be forecast, and investments will be made to mature when funds are projected to be needed to meet cash flow requirements.*
- Liquidity: No less than 20% of funds available for investment will be maintained in liquid investments at any point in time.*
- Maturity: All investments will mature in no more than thirty-six (36) months from their purchase date.*
- 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 investments will be held in book-entry form in the name of the Town with the Town's third-party Custodian (Safekeeping Agent).*
- 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 quarterly basis.*

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 is 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.

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

Fiscal Monitoring:

Quarterly 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.

Positions & Pay Grade Classification

Position Change Summary

Full-time	2019	2020	2021	Proposed 2022	FY Changes
General Government					
ADMINISTRATION	9	5	6	7	1
COMMUNICATIONS/OUTREACH	-	4	4	5	1
HUMAN RESOURCES	3	3	4	4	0
FINANCE	5	5	5	6	1
INFORMATION TECHNOLOGY	4	6	7	8	1
	23	23	26	30	4
Public Safety					
POLICE	45	45	46	49	3
FIRE	54	58	58	61	3
	99	103	104	110	6
Development					
INSPECTIONS	8	10	10	10	0
PLANNING	12	12	12	12	0
ENGINEERING	7	8	8	8	0
STORMWATER	3	3	3	3	0
	30	33	33	33	0
Public Works					
	20	22	23	25	2
Parks & Recreation					
	12	15	16	17	1
GRAND TOTAL FULL-TIME	184	196	202	215	13
Part-time	2019	2020	2021	Proposed 2022	FY Changes
INFORMATION TECHNOLOGY	0.25	0.25	0.25	0.5	0.25
FIRE	18	18	18	3	-15
POLICE	1.3	2.3	2.3	2.3	-
PLANNING	-	-	-	-	-
PUBLIC WORKS	2	2	2	2	-
PARKS & RECREATION	18.8	25.05	30.05	30.80	.75
GRAND TOTAL PART-TIME	40.35	47.60	52.60	38.6	0.80
TOTAL ALL POSITIONS	224.35	243.60	254.60	253.6	13.80

Fulltime Pay Grade Classification **Fy2022** – Effective July 1, 2021

Grade	Beginning	End	Classification Title
11	31,643	50,630	RECEPTIONIST (inactive)
			ADMINISTRATIVE SUPPORT ASSISTANT
12	33,225	53,160	COMMUNITY CENTER CUSTOMER SERVICE REPRESENTATIVE (30 HOUR)
			RECREATION PROGRAM LEADER (30 HOUR)
			WATER SAFETY SPECIALIST (30 HOUR)
			ATHLETIC FACILITIES MAINTENANCE TECHNICIAN I
13	34,888	55,818	GROUPS MAINTENANCE TECHNICIAN I
			STREET MAINTENANCE TECHNICIAN I
			PLANNING ASSISTANT (inactive)
14	36,631	58,610	SENIOR WATER SAFETY SPECIALIST
			ATHLETIC FACILITIES MAINTENANCE TECHNICIAN II
15	38,463	61,541	GROUPS MAINTENANCE TECHNICIAN II
			POLICE RECORDS TECHNICIAN (inactive)
			STREET MAINTENANCE TECHNICIAN II
			SENIOR ADMINISTRATIVE SUPPORT ASSISTANT
16	40,385	64,617	SENIOR ATHLETIC FACILITIES MAINTENANCE TECHNICIAN (inactive)
			ACCOUNTING TECHNICIAN
17	42,404	67,848	PAYROLL ADMINISTRATOR
			PERMIT TECHNICIAN
			ADMINISTRATIVE SUPPORT SPECIALIST
18	44,526	71,241	ATHLETICS PROGRAM SPECIALIST
			FACILITIES MAINTENANCE TECHNICIAN
			FITNESS PROGRAM SPECIALIST
			MECHANIC
			RECREATION PROGRAM SPECIALIST
			BUILDING CODES INSPECTOR I
19	46,752	74,803	DEVELOPMENT SERVICES COORDINATOR
			FIREFIGHTER
			PLANNING TECHNICIAN

Grade	Beginning	End	Classification Title
20	49,090	78,543	ATHLETICS SUPERVISOR
			CODE ENFORCEMENT OFFICER
			HUMAN RESOURCES SPECIALIST
			INSPECTIONS CUSTOMER SERVICE SUPERVISOR
			MAFC MARKETING AND MEMBERSHIP COORDINATOR
			POLICE SUPPORT SERVICE ANALYST
			SENIOR FACILITIES MAINTENANCE TECH
21	51,544	82,470	ATHLETICS FACILITIES MAINTENANCE SUPERVISOR
			AQUATICS MANAGER
			BUILDING CODES INSPECTOR II
			COMMUNITY RELATIONS LIAISON
			ENGINEERING INSPECTOR (inactive)
			GROUNDS MAINTENANCE SUPERVISOR
			MARKETING & EVENTS SPECIALIST
			MASTER FIREFIGHTER
			PLANNER I
			POLICE OFFICER I
SENIOR MECHANIC			
STREET MAINTENANCE SUPERVISOR			
22	54,120	86,593	HUMAN RESOURCES ANALYST (inactive)
			MASTER POLICE OFFICER
			TOWN CLERK
23	56,826	90,923	ENVIRONMENTAL SPECIALIST
			FIRE ENGINEER
			PARKS AND RECREATION PLANNER
			PLANNER II
			PROJECTS COORDINATOR (inactive)
			PUBLIC WORKS OPERATIONS ANALYST
			SENIOR BUILDING CODES INSPECTOR
SUSTAINABILITY PROGRAMS COORDINATOR			

Grade	Beginning	End	Classification Title
24	59,668	95,469	COMMUNITY CENTER SUPERVISOR
			FACILITIES AND FLEET SUPERINTENDENT
			FIRE LIEUTENANT
			INFORMATION TECHNOLOGY SUPPORT ANALYST I
			MANAGEMENT AND BUDGET ANALYST
			PARKS & GROUNDS SUPERINTENDENT (inactive)
			PROGRAMS COORDINATOR (inactive)
			PUBLIC INFORMATION OFFICER
			PURCHASING & CONTRACT MANAGER
			SENIOR POLICE OFFICER
25	62,651	100,243	ENGINEERING TECHNICIAN
			SENIOR HUMAN RESOURCES ANALYST
			SENIOR PLANNER
26	65,784	105,255	ASSISTANT FIRE MARSHAL
			INSPECTIONS OPERATIONS MANAGER
			FINANCIAL SYSTEMS MANAGER
			FIRE CAPTAIN
			INFORMATION TECHNOLOGY SUPPORT ANALYST II
			POLICE CORPORAL
			PUBLIC WORKS OPERATIONS MANAGER (inactive)
			RECREATION SUPERINTENDENT
RISK MANAGER			
26	65,784	105,255	SMART CITY PROGRAM MANAGER
			SPECIAL PROJECTS COORDINATOR (inactive)
			STRATEGIC PERFORMANCE MANAGER

Grade	Beginning	End	Classification Title
27	69,073	110,517	BUDGET MANAGER (inactive)
			DEPUTY FIRE MARSHAL
			DEVELOPMENT SERVICES SUPERVISOR
			FIRE TRAINING OFFICER
			GIS MANAGER
			NETWORK AND SECURITY ADMINISTRATOR
			POLICE SERGEANT
			PRINCIPAL PLANNER
			SENIOR IT ANALYST
			STORMWATER ENGINEER
28	72,526	116,043	CAPITAL PROJECTS MANAGER
			CONTROLLER
			PLANNING MANAGER
			FISCAL RECOVERY OFFICER
29	76,152	121,845	LONG RANGE PLANNING MANAGER
			ASSISTANT PLANNING DIRECTOR
			BATTALION CHIEF
30	79,960	127,938	FIRE MARSHAL
			POLICE LIEUTENANT
			ASSISTANT PUBLIC WORKS DIRECTOR
			IT OPERATIONS MANAGER
31	83,958	134,335	SENIOR CAPITAL PROJECTS MANAGER (inactive)
			STORMWATER ENGINEER MANAGER
32	88,157	141,052	POLICE CAPTAIN
			ASSISTANT FIRE CHIEF

Grade	Beginning	End	Classification Title
			ASSISTANT TOWN MANAGER
			CHIEF INFORMATION OFFICER
			COMMUNICATIONS & OUTREACH DIRECTOR
			DIRECTOR OF ENGINEERING
			DIRECTOR OF MANAGEMENT SERVICES
			FINANCE DIRECTOR
NG	MARKET	BASED	FIRE CHIEF
			HUMAN RESOURCES DIRECTOR
			INSPECTIONS DIRECTOR
			PARKS & RECREATION DIRECTOR
			PLANNING DIRECTOR
			POLICE CHIEF
			PUBLIC WORKS DIRECTOR

Part-Time Pay Grade Classification **Fy2022** – Effective July 1, 2021

Grade	Skill Level	Hourly Rates	Titles
1	Recreation Aide I	\$8.25	Scorekeeper
2	Recreation Aide II	\$9.00	Counselor* Bus Driver Center Aide I
3	Recreation Aide III	\$10.50	Field Supervisor Senior Programs Staff Lifeguard I Preschool Teacher
4	Recreation Aide IV	\$11.50	Duty Officer Lifeguard II Center Aide II Lead Counselor
5	Recreation Aide V	\$13.00	Duty Officer II
6	Market Pay	\$13/\$15 \$24 \$22.08 \$14.79 \$11.00 \$11.00	Swim Instructor Fitness Instructor Reserve Police Officer Firefighter Crossing Guard Maintenance Technician** Project/Program Assistant** Office Assistant**

Notes: *Early Arrivals add \$2.00/Critical Shift. **Unfilled – rate varies depending on job assignments.

User Fee Schedule – Effective July 1, 2021

Administration Fee Description	FY2021 Fee	Proposed Fee Change
Ad Valorem Tax	36¢ per \$100	
Ad Valorem Municipal Service District Tax (only impacts those residents located within Service District Area)	10 ¢ per \$100	
Vehicle Tag Fee	\$30.00	
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	
<i>Files on-Disk/CD-Rom</i>	-	
<i>CD-Rom</i>	\$6.00	No longer offer these
<i>DVD</i>	\$8.00	No longer offer these
Digital Copies		
All documents & maps, except custom, sent via email or FTP site	No Charge	
Documents provided via USB Flash Drive	\$6.00	
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	\$20	
Land Use Plan - Previous Version	\$5	
Town Center	\$40	

Administration Fee Description	FY2021 Fee	Proposed Fee Change
Transportation Plan – Current Version	Free	\$40
UDO	\$40	
Other Plans Not Listed Above	\$40	
Off- Site File Retrieval	\$60 per file/specific record	

Statutory authority to assess fees § 132-6.2. Provisions for copies of public records; fees. Reasonable "service fee" may be charged for defined extreme cases requiring "extensive use of IT resources or labor costs of personnel.

Planning Fee Description	FY2021 Fee	Proposed Fee Change
Comprehensive Plan Amendments		
Comprehensive Plan Amendments - Consultant Peer Review Fee	Actual Cost of Review	
Comprehensive Plan Amendments - Map Amendment	\$1,000	
Comprehensive Plan Amendments - Text Amendment	\$1,000	
Conceptual Master Plan Approval		
Conceptual Master Plan Approval / Major Modifications (includes first 3 reviews)	\$750 + \$30/acre	Text change only
Conceptual Master Plan Approval - Minor Modification (includes first 3 reviews)	\$600	
Conceptual Master Plan Approval: 4 th Review and each review thereafter	\$250	
Landscaping & Tree Preservation		
Alternative Landscape Plan	\$250 per requested alternative	
Payment in Lieu for Replacement Tree	\$305 per caliper inch	
Tree Damage Report	Actual Cost of Review	
Ordinance Amendments		
Ordinance Amendment - Conditional	\$1,000 + \$30/acre	
Ordinance Amendment - General Use	\$750 + \$30/acre	
Ordinance Amendment - Planned Development	\$2,000 + \$30/acre	
Ordinance Amendment - Planned Development: Minor Modification	\$600	
Sign Permits		
Specific Sign Types – Ground Sign A, Wall Mounted Fascia Sign, Projection Fascia Sign, Awning-Mounted Sign & Marquee Sign	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	
Specific Sign Types - Bracket Mounted	\$6 per sqft	

Planning Fee Description	FY2021 Fee	Proposed Fee Change
Yard Sign A	\$5 per sqft	
Ground Sign B	\$135 (Sign less than or equal to 30 sqft); or \$6 per sqft (Sign greater than 30 sqft)	
Ground Sign C	\$6 per sqft	
Yard Sign B	\$25	
Temporary Sign - Light Pole Banner Sign	\$25 per pole (One-time fee required for initial installation. This is necessary to ensure banner location & brackets comply with UDO standards)	
Temporary Sign - Banner Sign or Sock Sign	\$25 per sign (One-time fee required for initial installation. This is necessary to ensure signs comply with UDO standards)	
Site Plan		
Site Plan: Minor Non-Residential use and Mixed Use (includes first 3 reviews)	\$800 + \$30/acre	
Site Plan: Minor Single Family Attached and Multi-family (includes first 3 reviews)	\$800 + \$25/unit	
Site Plan: Minor Modification (includes first 3 reviews)	\$600	
Site Plan: 4 th review and each review thereafter	\$600	
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)	\$200	
Subdivision Final Plat - Determination of Subdivision Exclusion (each additional review)	\$105	
Subdivision Final Plat - Right-of-Way Dedication (includes first 3 paper reviews & mylar review)	\$200	
Subdivision Final Plat - Right-of-Way Dedication Each additional review	\$105	

Planning Fee Description	FY2021 Fee	Proposed Fee Change
Subdivision Preliminary - Type 1 / Major Modifications (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$1,000 + \$25/lot	
Subdivision Preliminary - Type 2/ Major Modifications (includes first 3 reviews) * Note: Fee not required for single family attached. See Site Plan fees	\$800 + \$25/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 Type 2: 4 th review and each review thereafter	\$600	
Temporary Uses		
Street Vendor Permit	\$50	
Special Event Permit	Tier I - \$100 Tier II - \$25	
Special Event Permit: Late Fee by Tier	Tier I - \$250 (if not submitted 60 day prior to event) Tier II - \$50 (if not submitted 21 days prior to event)	Text adjustments only
All Other Temporary General Uses		\$50
All Other Fees		
Administrative Adjustment	\$250 per requested adjustment	
Administrative Appeal (UDO)	\$610	
Alternative Equivalent of Compliance	\$750 + \$30/acre	
Accessory Structure Fee	\$155	
Annexation Petition - Voluntary Annexation	\$360	
Cross Access Waiver	\$250 per cross access point	
Development Agreement	\$1,015	
Development Name Change	\$560	
Food Truck Permit	\$50	
Grave Removal Request	\$230	
Home Occupation Fee	\$50	
Interpretation (UDO)	\$250	
Loading Space Waiver	\$250 per application	
Parking - Alternative Parking Plan	\$250	

Planning Fee Description	FY2021 Fee	Proposed Fee Change
Parking - Master Parking Payment-in-Lieu	\$2030 per space	
Parkland Payment Appraisal	Actual Cost of the Appraisal	
Parkland Payment-in-Lieu (Multi-Family)	<u>\$2,244 per unit</u>	<u>\$2,472</u>
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	
Public Notice Sign	\$30 per required sign	-
Request to Waive Limitation on Subsequent Similar Applications	\$255	
Road Closing	\$3,000	-
Road Name Change	\$560	
Security Fence Plan	\$250	
Special Use Permit	\$1,000 + \$30/acre	
Special Use Permit: Minor Amendment	\$750	
Stockpiling Permit	\$105	
Structures in the Right-of-way (See Section 2.5.24 Right-of-Way Encroachment Agreement Approval)	\$510	
Telecommunications Facility: Small Cell Antenna/DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$100 per facility (first 5)	Text change only
Telecommunications Facility: Small Cell Antenna/DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$50 per facility (next 20)	Text change only
Telecommunications Facility: Small Cell Antenna/DAS [1][2] NOTE: Fees does not apply to those in the right-of-way.	\$500 Consultant Review/Application	Text change only
Telecommunications Facility: Colocation	\$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)	\$600 per request	
Waivers to UDO requirements by the Planning Director (not otherwise identified in this fee schedule)	\$250 per requested waiver	

Planning Fee Description	FY2021 Fee	Proposed Fee Change
Vesting Determination	\$250	
Zoning Compliance Letter	\$200	
[1] The consultant review fee is included in the Total fee.		
[2] Refer to NC S.L. 2017-159 for additional detail regarding Small Wireless Facilities.		

Engineering Fee Description	FY2021 Fee	Proposed Fee Change
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	
Encroachment/ Irrigation and Drainage Plan Review		\$50
Encroachment Utility		\$50
Floodplain Development Permit		
Elevation Certificate	\$150	
Map Revision (CLOMR/LOMR)	\$1,000	
Riparian Buffer Development (No practical alternatives) Submittal		
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 SCM	
Stormwater As-Builts - 3rd Review and each Thereafter	\$125	

Engineering Fee Description	FY2021 Fee	Proposed Fee Change
Miscellaneous Fees		
Administrative Appeal (EDCM)	\$610	
Alternative Standard (EDCM) - Request for alternative standard	\$150 per request standard	\$250
Bulletin Drawing Review - <i>per review (includes 2 reviews)</i>	\$150	
Interpretation (EDCM)	\$205	
Retaining Wall/Other Structures Submittal		
1st Review	\$150	\$200
2nd Review and each Thereafter	\$100	
Riparian Buffer Variance	\$500	
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		
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)	\$6.00 per linear foot [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])	
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	

Engineering Fee Description	FY2021 Fee	Proposed Fee Change
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	

Inspections Fee Description	FY2021 Fee	Proposed Fee Change
Residential -Single Family Dwelling & Single-Family Townhome		
New Single Family & Duplex up to 1,200 sqft per dwelling	\$550	\$600
New Single Family & Duplexes over 1,200 sqft per dwelling	\$550+ \$0.25 per sqft	\$600+ \$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	

Inspections Fee Description	FY2021 Fee	Proposed Fee Change
Multi-Family Dwelling	\$500 first unit (per unit)	\$600
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/Commercial		Text adjustments
Based on total construction cost of all trades including both labor and materials, fire suppression, and alarm systems if applicable. Permits limited in project scope to change outs are based off cost of construction of highest single trade only.		Text adjustments
\$0 - \$2,500	\$200	\$250
\$2,501 - \$7,500	\$250	\$300
\$7,501 - \$15,000	\$350	\$400
\$15,001 - \$25,000	\$500	\$600
\$25,001 - \$50,000	\$750	\$850
\$50,001 - \$100,000	\$1,400	\$1,500
\$100,001 - \$200,000	\$2,800	\$3,000
\$200,001 - \$350,000	\$4,500	\$5,000
\$350,001 - \$500,000	\$6,000	\$6,500
\$500,001 - \$750,000	\$8,000	\$8,500
\$750,001 - \$1,000,000	\$10,000	\$10,500
over \$1,000,000	\$10,000 + .20% (.0020) of everything over \$1,000,000	\$10,500 + .20% (.0020) of everything over \$1,000,000
Other Fees		
Application Re-processing	\$80	
Residential Irrigation Permit Only	\$80	
Commercial Irrigation Permit Only	\$200	
Residential - New Single Family & Townhome Application Submittal Fee - Plan review fee	\$80	\$100
Commercial Application Submittal Fee - Plan Review Fee (non-refundable)	\$200	New Construction-\$200 Alterations/Upfits/Single Trade-\$100, \$50 per shop drawing added to a permit

Inspections Fee Description	FY2021 Fee	Proposed Fee Change
Re-review Fee		\$80
Re-Review / Plan Change Commercial	\$150	
Plan Change-New Residential		\$100
Plan Change-Existing Residential		\$50
Re-Inspection Fee	\$80 each trade	
Homeowner Recovery Fee	\$10	
Demolition Permit	\$200	
Temporary Electrical Power - Tree sales, etc..	\$80	
Work Without a Permit	Double Permit Fee	
Replacement Permit Card	\$10	Remove this
Replacement Certificate of Occupancy	\$10	Remove this
Plan Re-Stamp	\$50 * 24 hour turn around	Remove this
Permit Pick-up Issued	Forfeit Fees	Text adjustments
Refund Policy - Expired	Forfeit Fees	
Weekend Inspection	\$125 per hour with a minimum of 3 hours	
After Hours Inspection (Monday through Friday)	\$75 an hour with a minimum of 2 hours	
Temporary Structure	\$80	
Temporary Occupancy Request	\$200	\$250
Temporary Occupancy Request-Same Day		\$500
Safe to Stock Request	\$100	\$150
Building Plan Express Review	\$600	
Building Plan Express Review each quarter hour thereafter	\$150	
Building Plan Express cancellation fee, minimum 3-day notice required	\$200	
Change of Contractor	\$50	
Miscellaneous	\$80	
Same Day Inspection		\$125 per inspection commercial, \$80 per inspection residential (Single Family Dwelling & Single-Family Townhome)
Cancelled Inspection Fee		\$80
Stop Work Order		\$150

Police Fee Description	FY2021 Fee	Proposed Fee Change
Residential & Commercial False Alarm Fees		
1 - 3 false alarms annually along with official notification from the Chief of Police	No Charge	
4 - 5 consecutive false alarms at same address during same year	\$80.00 per false alarm	
6 - 8 consecutive false alarms at same address during same year	\$150.00 per false alarm	
9 - 10 consecutive false alarms at same address during same year	\$200.00 per false alarm	
> 10 consecutive false alarms occurrences at same address during same year	\$300.00 per false alarm	

Fire Fee Description	FY2021 Fee	Proposed Fee Change
Fire Inspection Service Fees		
Single Family attached/detached, commercial, industrial, office, etc.... based on square footage		
Inspection Fee		
1-2,500 sqft	\$50.00	
2,501 - 5,000 sqft	\$75.00	
5,001 - 10,000 sqft	\$100.00	
10,001 - 25,000 sqft	\$125.00	
25,001 - 50,000 sqft	\$150.00	
50,001 - 100,000 sqft	\$175.00	
100,001 - 500,000 sqft	\$225.00	
>500,000 sqft	\$325.00	
1st Re - Inspection Fee	No Fee	
If violations still exist issue another warning, assess fee included with initial fire inspection		
2nd & 3rd Re - Inspection Fees	2nd Re-Inspection	3rd Re-Inspection
1-2,500 sqft	\$75.00	\$100.00
2,501 - 5,000 sqft	\$75.00	\$100.00
5,001 - 10,000 sqft	\$75.00	\$100.00
10,001 - 25,000 sqft	\$75.00	\$100.00
25,001 - 50,000 sqft	\$75.00	\$100.00
50,001 - 100,000 sqft	\$75.00	\$100.00
100,001 - 500,000 sqft	\$75.00	\$100.00
>500,000 sqft	\$75.00	\$100.00

Fire Fee Description	FY2021 Fee			Proposed Fee Change
If violations corrected - no fee. If violations still exist 2 nd /3 rd warning (time TBD by inspector) assess fee (below).				
Subsequent Offense	1st	2nd	3rd	
1-2,500 sqft	\$100.00	\$200.00	\$500.00	
2,501 - 5,000 sqft	\$100.00	\$200.00	\$500.00	
5,001 - 10,000 sqft	\$100.00	\$200.00	\$500.00	
10,001 - 25,000 sqft	\$100.00	\$200.00	\$500.00	
25,001 - 50,000 sqft	\$100.00	\$200.00	\$500.00	
50,001 - 100,000 sqft	\$100.00	\$200.00	\$500.00	
100,001 - 500,000 sqft	\$100.00	\$200.00	\$500.00	
>500,000 sqft	\$100.00	\$200.00	\$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	\$50.00			
10 - 19 Units	\$100.00			
20 - 29 Units	\$150.00			
30 - 49 Units	\$200.00			
50 -99 Units	\$225.00			
100 Units	\$250.00			
1st Re-Inspection Fee	No Fee			
Subsequent 2nd & 3rd Re-Inspection Fees	2 nd Re-Inspection	3 rd Re-Inspection		
3 - 9 Units	\$75.00	\$100.00		
10 - 19 Units	\$75.00	\$100.00		
20 - 29 Units	\$75.00	\$100.00		
30 - 49 Units	\$75.00	\$100.00		
50 -99 Units	\$75.00	\$100.00		
100 Units	\$75.00	\$100.00		
Other Fire Inspection Fees				
<u>After Hours Commercial Fire Inspection</u>				
Monday - Friday	100.00 8a-5p, min. 2 hours			

Fire Fee Description	FY2021 Fee	Proposed Fee Change
Saturday - Sunday	200.00 include after hours, min. 3 hrs	
2 hours minimum if already at work and 3 hours minimum if inspector must leave from his/her residence.		
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-3rd Offenses	\$250/occurrence	
4th Offense on	\$1,000/occurrence	
False Alarm Offense (4 Complimentary per Calendar Year)	150 for 4th offense, \$300 for 5th offense and \$500 for each offense after in the same calendar year	
Fire Permit Fees		
Amusement Buildings	\$70	
Carnival & Fairs	\$70	
Combustible Dust Producing Operations	\$70	
Covered Mall Building- Certain Indoor Activities	\$70	
Exhibits & Trade Shows	\$70	
Explosive Materials/Blasting	\$70	
Flammable & Combustible Liquids	\$70	
Fogging Hazardous Chemicals	\$150	
Fumigation & Insecticidal Fogging	\$70	
Fumigation & Thermal Insecticide	\$70	
Liquid or gas vehicles inside of an Assembly building	\$70	
Pitt Burning	\$70	
Private Fire Hydrants	\$70	

Fire Fee Description	FY2021 Fee	Proposed Fee Change
Public Fireworks Display	\$150	
Pyrotechnic Special Effects Material	\$70	
Spraying or Dipping	\$70	
Tents	\$70	
Underground Tank Removal	\$150 per Tank	
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>	\$300	
<i>Resident Camp Fee</i>	\$125	
<i>Non-Resident Camp Fee</i>	\$188	

Parks Fee Description	FY2021 Fee	Proposed Fee Change	
	Adopted	Covid Market Adjusted	Proposed Covid Adjustment
MAFC Membership			
<u>Daily Passes</u>			
Adult age 15-54 Senior age 55+ Youth age 12 - 22 Children age 3-14 (under 3 free)	Res \$6 / Non \$7 Res \$5 / Non \$6 Res \$4 / Non \$5 Res \$3 / Non \$4	Res \$3 / Non \$3.50 Res \$2.50 / Non \$3 Res \$2 / Non \$2.50 Res \$1.50 / Non \$2"	Res \$5 / Non \$6 Res \$4 / Non \$5 Res \$3 / Non \$4 Res \$2 / Non \$3
<u>Punch Passes (10 daily visits)</u>			
Adult age 15-54 Senior age 55+ Youth age 12 - 22 Children age 3-14 (under 3 free)	Res \$50 / Non \$60 Res \$45 / Non \$55 Res \$35 / Non \$45 Res \$25 / Non \$35	Res \$25 / Non \$30 Res \$23 / Non \$28 Res \$18 / Non \$23 Res \$13 / Non \$18	Res \$40 / Non \$50 Res \$30 / Non \$40 Res \$20 / Non \$30 Res \$15 / Non \$25
Membership Fees - 1 year			
1-Year Membership Adult age 23-54 Adult add-on (one in the same household) Corporate Adult Senior age 55+ Young Adult age 15-22 Child Add-on age 3-14 (under 3 free)	Did not offer during FY21	Did not offer during FY21	Res \$300 / Non \$350 Res \$255 / Non \$335 Res \$255 / Non \$335 Res \$150 / Non \$200 per child

Parks Fee Description	FY2021 Fee		Proposed Fee Change
Monthly Membership Adult age 23-54 Adult add-on (one in the same household) Corporate Adult Senior age 55+ Young Adult age 12-22 Child Add-on age 3-14 (under 3 free)	Res \$34 / Non \$38 Res \$32 / Non \$36 \$36 Res \$30 / Non \$34 Res \$28 / Non \$32 Res \$14 / Non \$16 per child	Res \$25 / Non \$30 Res \$23 / Non \$28 Res \$18 / Non \$23 Res \$13 / Non \$18	Res \$32 / Non \$36 Res \$30 / Non \$33 Res \$30 / Non \$33 Res \$13 / Non \$17 per child
Monthly Membership - Bank Draft/credit card Adult age 23-54 Adult add-on (1 in the same household) Corporate Adult Senior age 55+ Young Adult age 15-22 Child Add-on age 3-14 (under 3 free)	no drafts, but continued insurance-based benefit programs		Res \$30 / Non \$35 Res \$28 / Non \$32 Res \$28 / Non \$32 Res \$12 / Non \$16 per child
Aquatics (varying age groups)			
Morning or Evening Swim Lessons	Res \$ 61 / Non \$82		
Stroke School	NA		
Adult Lessons	NA		
Parent/Tot Lessons	NA		
Athletics (varying age groups)			
Youth Soccer Programs	Res \$53 / Non \$78		
Youth Baseball Programs	Res \$53 / Non \$78		
Girls Volleyball Program	Res \$53 / Non \$78		
Youth Basketball Programs	Res \$72 / Non \$103		
Jr. Basketball Programs	Res \$53 / Non \$78		
Adult Corporate League Basketball Programs age 18+	\$460 Team Fee; plus \$25 each non-residential team member		
Fitness (varying age groups/dates/times)			
Teen Fit age 12-15	Free for members, daily visit cost or punch pass		
Shotokan Karate for Adults or Youth	Res \$53 / Non \$79 Res \$40 / Non \$59 (short sessions)		
Line Dancing age 18+	Free		
Aerobics Classes	Free for members / Nonmembers pay Daily Pass rate / insurance-based member fees		
Water Aerobics Classes	Free for members / Nonmembers pay Daily Pass rate / insurance-based member fees		
Tai Chi	Free		

Parks Fee Description	FY2021 Fee	Proposed Fee Change
Youth Programs		
Early Arrivals grades K-5	Res \$975 / Non \$1375 annual cost (monthly payment plans provided)	Rec \$20 / NR \$24 (weekly)
After School grades K-5	Res \$1,300 / Non \$1,800 annual cost (monthly payment plans provided)	Res \$25/week/program (up to 2 programs) NR \$30/week/program (up to 2 programs)
Teacher Workday Camps	Res \$37 / Non \$53 per session	
Early Release Days	Res \$15 / Non \$22 per session	
<u>Summer Camps</u>		
Deposit - nonrefundable	\$25 per session	\$50/session
Camp Wiggle Worms age 3-5	Res \$100 / Non \$125 per week session	
Camp Cedar Fork Jr. rising Kindergarteners	Res \$160 / Non \$225 per week session	
Camp Cedar Fork grades 1-5 (rising 5th graders)	Res \$140 / Non \$195 per week session	
Camp Cedar Fork Sr (rising 6 - 8 graders)	Res \$140 / Non \$195 per week session	
Counselor in Training (CIT) Camp (rising 9 graders)	Res \$140 / Non \$195 per week session	
<u>Education Classes</u>		
Academic Adventures in Kindergarten Readiness ages	Res \$150 / Non \$225 per session daily	
Ready, Set, Go A	Res \$950 / Non \$1,250 per year daily	
Ready, Set, Go B	Res \$1,500 / Non \$2,000 per year	
Senior Programs		
Senior BINGO	\$1 per card	
Senior Dominoes Night	\$1 for everyone	
Senior Friday Game Day	Free	
Senior Game Night	Free	
Senior Flex & Balance	Free for members / Nonmembers pay Daily Pass rate	
Senior Yoga	Free	
Senior Mat Yoga	Free	

Parks Fee Description	FY2021 Fee	Proposed Fee Change
Silver Sneakers Membership & Silver Sneakers Classic	Free for members / Nonmembers pay Daily Pass rate	
Arthritis Foundation Tai Chi	Free for members / Nonmembers pay Daily Pass rate	
Sponsorships		
<u>Athletics - 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	
<u>Special Events</u>	programs and fees vary	
Opportunities vary year to year		
Park Facility Rentals		
<u>Cedar Fork Community Center</u>		
Deposit (2 hours minimum)	\$100 / \$200 after hours	
Classrooms	Res \$39 per hr / Non \$59 per hr	
During hours	Res \$67 per hr / Non \$97 per hr	
After hours	\$22	
Kitchen usage fee		
Gymnasium	Res \$30 per hr / Non \$44 per hr	
1 Court during hours	Res \$57 per hr / Non \$85 per hr	
1 Court after hours	Res \$57 per hr / Non \$85 per hr	
Both courts during hours	Res \$85 per hr / Non \$126 per hr	
Both courts after hours		
Gym Floor Covering Fee (during hours only)	\$225	
Volleyball Standards Setup	\$45	
<u>Morrisville Aquatics & Fitness Center</u>		
Deposit (during hours)	\$100	
Multipurpose Room (during hours)	Res \$36 per hr / Non \$54 per hr	
<u>Historic Christian Church</u>		
Deposit (2 hours minimum)	\$200.00	
Meeting Hall (8am - 9pm)	Res \$43 per hr / Non \$64 per hr	
<u>Luther Green Community Center</u>		
Deposit (2 hours minimum)	\$100.00	
Meeting Hall (8am - 9pm)	Res \$43 per hr / Non \$64 per hr	
<u>Shelter Rentals</u>		
Deposit (all shelters)	\$100 per shelter/\$200 for event	
Church Street Park	Res \$79 / Non \$105 1/2 day Res \$158 / Non \$210 all day	
Morrisville Community Park Shelter	Res \$79 / Non \$105 1/2 day Res \$158 / Non \$210 all day	

Parks Fee Description	FY2021 Fee	Proposed Fee Change
Nathaniel Mayo Shelter	Res \$79 / Non \$105 1/2 day Res \$158 / Non \$210 all day	
Northwest Park Shelter		
Indian Creek Trailhead Shelter	Res \$64 / Non \$89 1/2 day Res \$128 / Non \$178 all day	
<u>Athletic Field Rentals (per field)</u>		
Deposit (all fields)	\$100 per field/ \$200 for special event	
Field Prep (all fields)	\$42.00	
Light Fee (all fields except Church Street)	\$27 per hr	
Church Street Park Fields	Res \$55 / Non \$75	
Church Street Park Field Light Fee	\$40 per hour	
Crabtree Nature Park Field	Res \$28 / Non \$38	
Morrisville Community Park Fields Shiloh Park Fields Cedar Fork District Park Fields	Res \$43 per hr / Non \$54 per hr	
Other		
Administrative Refund Fee	\$5	\$5 or 5% of transaction, whichever is higher
Membership Replacement Fee	\$5	

Disclaimers apply to all User Fees unless specifically designated by the disclaimer.

1. *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.*
2. *The Parks and Recreational Fees follow the guidelines for the Parks, Recreation and Cultural Resources Fees and Charges Policy.*
3. *The foregoing User Fee Schedule does not apply to local governments. Applications shall be made in accordance to processes and work will comply with UDO and inspected per Code, but not fee will be assessed.*

Glossary of Terms

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 Council 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 is 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.

Base Budget – Those resources necessary to meet established and existing routine service levels.

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 (i.e. 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 (i.e. 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.

Local Government Commission (LGC) – A division of the North Carolina Department of State Treasurer that is primarily responsible for the approval, sale, and delivery of local government bonds and notes as well as monitoring certain fiscal and accounting standards.

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.

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 services 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 Program	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



Adopted FY2022 Annual Operation Budget & Capital Investment Program

100 Town Hall Drive * Morrisville, NC 27560 * www.townofmorrisville.org

Presented by: Martha Paige, Town Manager/Budget Officer