



CITY OF CREEDMOOR

P.O. BOX 765
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CREEDMOOR, NC 27522
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(919) 528-3332

MAYOR
DARRYL D. MOSS

CITY MANAGER
MICHAEL P. BONFIELD

COMMISSIONERS
ERNE ANDERSON
THOMAS C. JACKSON
DEL MIMS
HERMAN B. WILKERSON
ARCHER WILKINS

June 7, 2016

Honorable Mayor and City Commissioners:

I am pleased to submit the Fiscal Year 2017 operating budget for the City of Creedmoor detailing the \$4.5 million in revenue and expenditures projected for the coming year. The budget development is a year round process, with City departments constantly reviewing revenue and expenditures.

GENERAL FUND

Revenues

The FY2017 budget provides for no change to the tax rate of 66.5 cents. Slight decreases in revenue are expected from zoning/building permit and interest earnings. Slight increases in revenues are expected from property tax revenue and franchise/utility tax. All other revenues remain very similar to the previous year.

Expenses

The FY2017 budget provides for a City-wide 2.5% cost of living adjustment/merit increase for all employees. Pension costs are expected to rise by \$14,522 due to an increase from the State of North Carolina to stabilize the pension fund as a result of recent market volatility. These rates are reviewed annually and adjusted as needed to keep the funds financially healthy. Employee health insurance costs are budgeted to increase by 5% but we are working with our broker to switch providers which hopefully will actually result in a small reduction.

The following is a summary of the changes by department:

- *Business Development*
 1. Eliminate carryover - (\$18,000)
 2. Reduction in marketing - (\$3,500)
- *Board of Commissioners*
 1. Reduce appointed board costs - (\$1,100)
 2. Eliminate election costs - (\$9,000)
 3. Increase Dues and Memberships - \$1,060
 4. Rearrange various expenditures relating to beautification/decorations - (\$9,000)
- *City Manager*
 1. Adjust budget to be consistent with employment agreement
- *City Clerk*
 1. Add Other Contractual Services for assistance with charter/code revisions - \$10,000

- *Administrative Services*
 1. Move Special Events Coordinator to Recreation Fund
 2. Reduce costs related to CM search - (\$20,800)
 3. Reduce hardware/software costs - (\$5,000)
 4. Consolidate phone and internet costs - \$4,000
 5. Move CDO Office Rental from Public Works - \$25,224
 6. Reduce Worker's Comp costs - (\$9,500)
 7. Reduce capital outlay costs - (\$30,000)
- *City Attorney*
 1. Increase budget - \$5,000
- *Finance*
 1. Increase auditors fees - \$4,000
 2. Move Other Contract Services to Administrative Services budget - (\$10,160)
 3. Increase in bank charges - \$3,500
 4. Eliminate transfer from Stormwater Fund for portion of director pay - \$15,476
- *Police*
 1. Increase in overtime and reserve officer costs - \$10,000
 2. Increase in equipment - \$7,000
- *Fire (Contract with CVFD)*
 1. Funding request from CVFD decreased - (\$10,940)
- *Building Inspections*
 1. Eliminate allocation to Stormwater
- *Public Works*
 1. Add Public Works Director - \$85,432 (15% allocated to stormwater)
 2. OT reduced - (\$4,500)
 3. Cleaning services increased with new vendor - \$6,600
 4. CDO office rental moved to Administrative Services - (\$22,500)
- *Planning and Development*
 1. Eliminate Programs Director Position - (\$77,436)
 2. Add PT Code Enforcement Officer (16 hours per week) - \$14,759
 3. Contract services increased for GIS - \$5,000

STORMWATER FUND

Revenues

- Increased revenue to be received from assessment - \$5,000
- Fund Balance Appropriated - \$71,352 (will utilize nearly all of the available fund balance)
- Transfer from GF - \$120,000

Expenditures

- Eliminate payment to GF for Finance Director costs - (\$14,000)
- Increase funding for drainage maintenance - \$180,000

POWELL BILL FUND

Revenues

- Revenues are determined by General Assembly and are being budgeted at FY16 levels.

Expenses

- Expenditures are being budgeted at FY 16 levels.

RECREATION FUND

We are consolidating what was previously budgeted as Recreation Programming, Senior Center, Harris Park, Gym and Activities Center, Greenways and Ballfields into just Recreation. Lake Rogers Park is budgeted separately as it functions more like an enterprise operation.

Revenues

- Requesting \$18,768 from Granville Co. for programming - \$18,768
- Transfer from GF for monopole is eliminated - (\$250,000)
- Fund balance appropriation - \$59,751

Expenses

- Moved PT Events Coordinator from GF
- Other expenditures have been combined and streamlined based upon past experience and anticipated needs

Lake Rogers

Revenues

- Revenues budgeted as previous years
- Fund balance appropriation - \$40,150

Expenditures

- R&M Bldgs., Docks, Playgrounds reduced due to completion of dock project - (\$18,000)
- Other R&M costs reduced due to anticipated needs - (\$5,000)

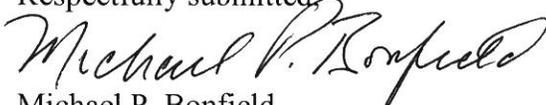
CONCLUSION

Local governments have three primary responsibilities: (1) directing provision of municipal services; (2) maintenance of municipal infrastructure; and (3) planning, coordinating and providing for ongoing community improvements. The extent to which these three areas are balanced is critical to the ongoing quality of life for residents. The FY2017 budget reflects such an effort.

The City of Creedmoor has very few revenue sources and a large percentage of the tax base coming from residential properties. As costs and service demands continue to increase, we will be challenged to find adequate funding unless we are able to grow the residential property valuation and increase commercial development. We are fortunate to have very strong reserve accounts which affords some time to make improvements in these areas. It will take a concerted joint effort on the part of residents, property and business owners, elected officials, and staff to successfully make this happen by building on recent spending and planning decisions.

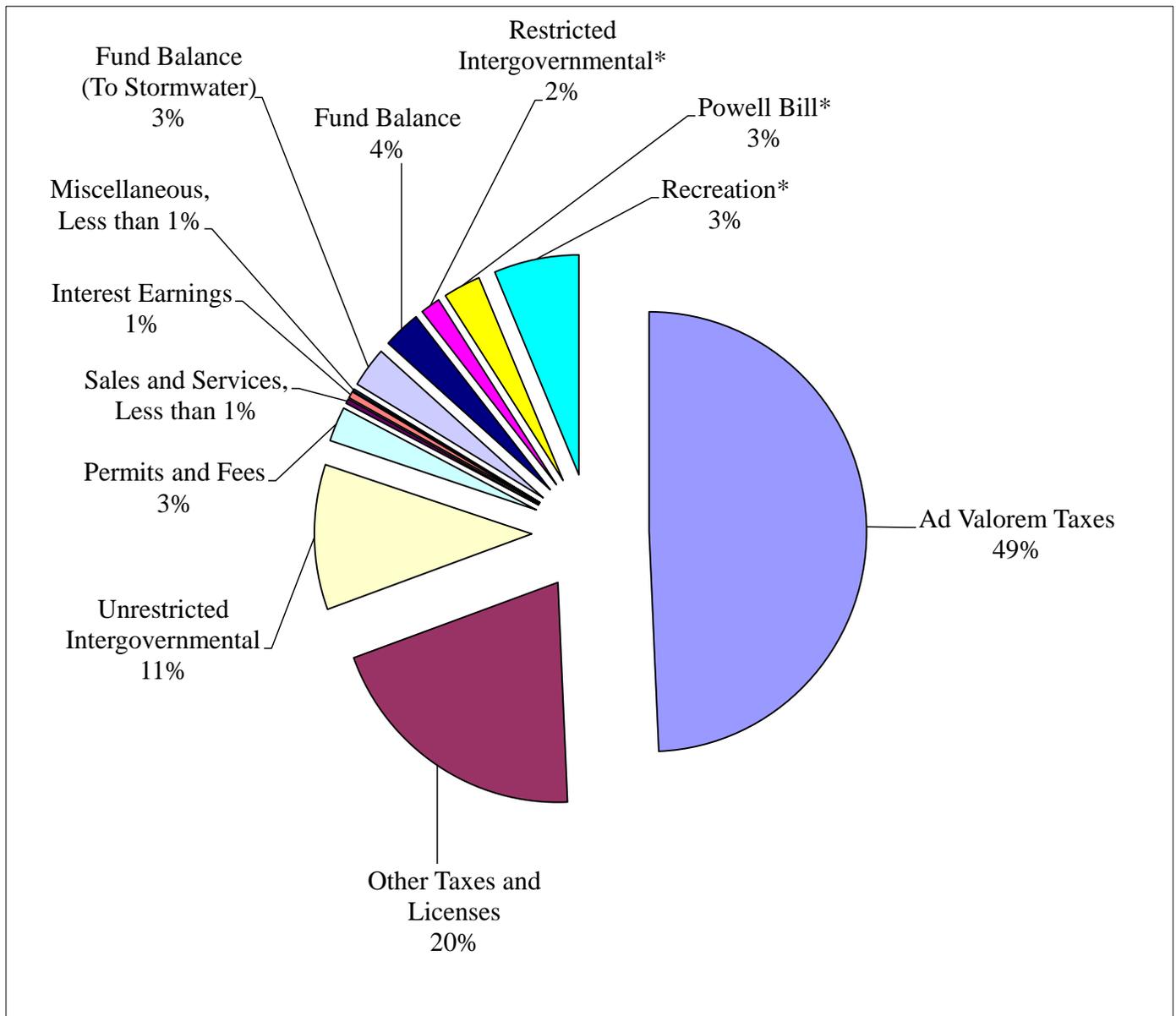
I wish to thank the Mayor and Board of Commissioners for your ongoing support and guidance in helping develop this budget. In addition, I wish to acknowledge and thank the Finance, Administration, and Intergovernmental Relations Committee for the time spent reviewing this document and their input. Special appreciation is extended to all City employees who participated in preparing this document.

Respectfully submitted,



Michael P. Bonfield
City Manager

<u>General Fund</u>	<u>Revenue</u>
General Fund	
Ad Valorem Taxes	\$ 1,999,655
Other Taxes and Licenses	\$ 816,790
Unrestricted Intergovernmental	\$ 433,000
Permits and Fees	\$ 103,730
Sales and Services	\$ 13,893
Interest Earnings	\$ 20,000
Miscellaneous	\$ 6,050
Fund Balance (To Stormwater)	\$ 120,000
Fund Balance (Operations)	\$ 113,995
Restricted Intergovernmental*	\$ 60,000
Powell Bill*	\$ 113,140
Recreation*	\$ 256,419
General Fund Total	\$ 4,056,672
Unrestricted Revenue and Funding Source	\$ 3,627,113
Restricted Revenue*	\$ 429,559
Enterprise Funds	
Water	\$ -
Sewer	\$ -
Stormwater Management	\$ 484,452
Enterprise Funds Total	\$ 484,452
Total 2016-2017 Budget	\$4,541,124

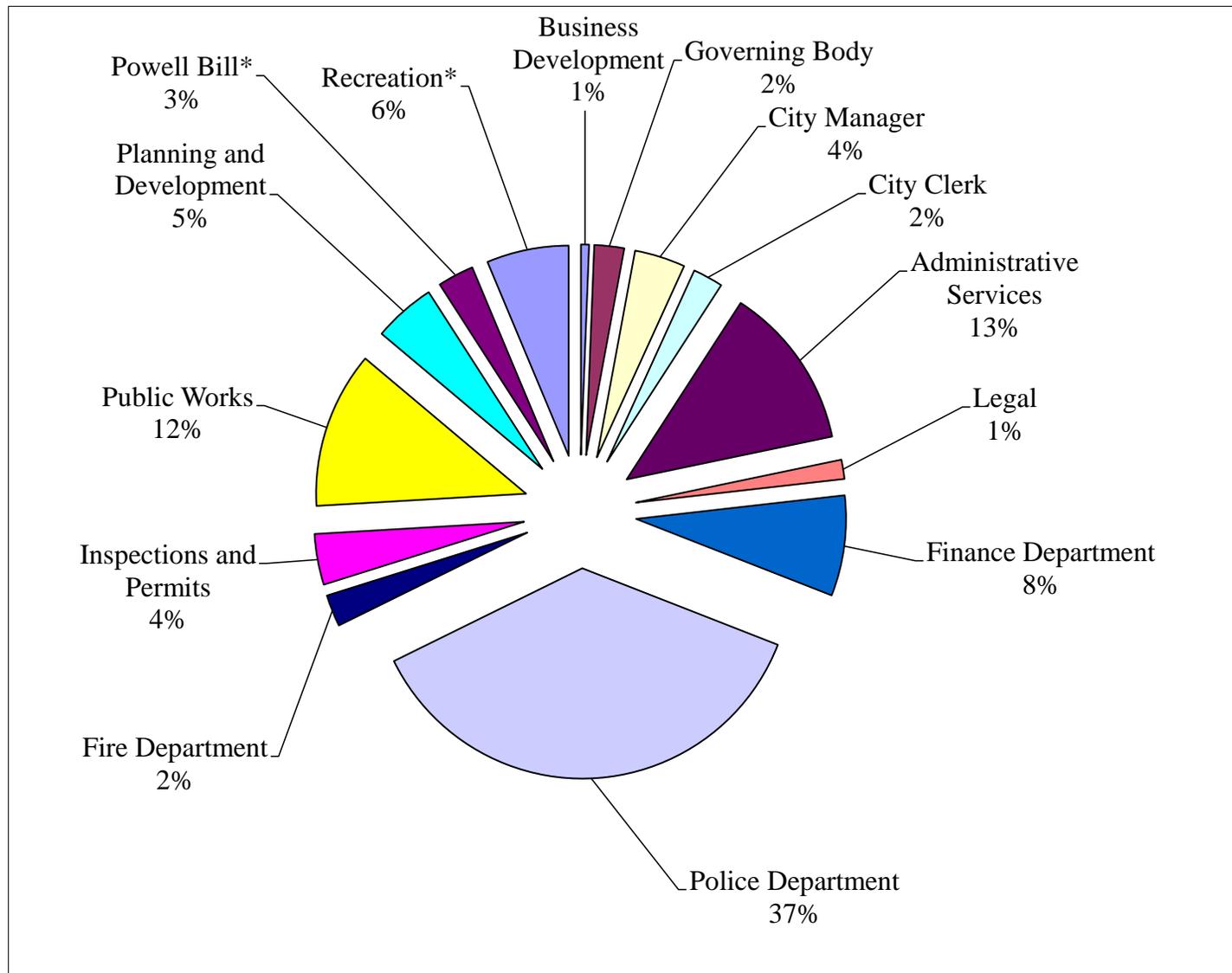


City of Creedmoor

FY17 Budget // Revenues, All Annual Governmental Funds

* Restricted Funds (Limited as to purpose by outside agencies or board policy)

<u>General Fund</u>	<u>Expenditure</u>
Non-Restricted	
Business Development	\$ 25,000
Governing Body	\$ 93,183
City Manager	\$ 158,282
City Clerk	\$ 94,408
Administrative Services	\$ 510,563
Legal	\$ 60,000
Finance Department	\$ 313,151
Police Department	\$ 1,492,725
Fire Department	\$ 99,015
Inspections and Permits	\$ 158,595
Public Works	\$ 488,472
Planning and Development	\$ 193,719
Powell Bill*	\$ 113,140
Recreation*	\$ 256,419
General Fund Total	\$ 4,056,672
Enterprise Funds	
Water	\$ -
Sewer	\$ -
Stormwater Management	\$ 484,452
Enterprise Funds Total	\$ 484,452
Total 2016-2017 Budget	\$4,541,124



City of Creedmoor

FY17 Budget // Expenditures, All Annual Governmental Funds

*Restricted Funds (Limited as to spending by outside agencies or board policy)



**CITY OF CREEDMOOR
ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2017**

BE IT ORDAINED by the Board of Commissioners of the City of Creedmoor, North Carolina, a municipal corporation in the State of North Carolina, that the following anticipated fund revenues and departmental expenditures, together with certain fees and charges schedules, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

SUMMARY

General Fund	\$ 3,687,113
Stormwater Fund	484,452
Powell Bill Fund	113,140
Recreation Fund	256,419
	\$ 4,541,124

Section 1 General Fund

Forecasted Revenues by Category-	
Ad Valorem Taxes	\$ 1,999,655
Other Taxes and Licenses	816,790
Unrestricted Intergovernmental	433,000
Restricted Intergovernmental	60,000
Permits and Fees	103,730
Sales and Service	13,893
Interest Earnings	20,000
Miscellaneous	6,050
Fund Balance, To Stormwater	120,000
Fund Balance, Operations	113,140
Total	\$ 3,687,113

Authorized Expenditure by Department	
Business Development	\$ 25,000
Governing Body	93,183
City Manager	158,282
City Clerk	94,408
Administrative Services	510,563

Legal	60,000
Finance	313,151
Police	1,492,725
Fire	99,015
Inspections and Permits	158,595
Public Works	488,472
Planning and Development	193,719
Total	\$3,687,113

Section 2 Stormwater Fund

Forecasted Revenue and Funding Source by Category

Stormwater Fees	\$ 292,925
Interest Earnings	175
Transfer from General Fund	120,000
Fund Balance Appropriated	71,352
Total	\$ 484,452

Authorized Expenditure by Department

Stormwater Management	\$ 484,452
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Section 3 Powell Bill Fund

Forecasted Revenue and Funding Source by Category

Restricted Intergovernmental	\$ 113,120
Interest Earnings	20
Total	\$ 113,140

Authorized Expenditure by Department

Powell Bill Department	\$ 113,140
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Section 4 Recreation Fund

Forecasted Revenue and Funding Source by Category

Cell Tower Leases	\$ 110,000
Concessions, Rents and Fees	12,050
Donations (Fireworks & Music Festival)	15,500
Granville County RAC Funding	18,768
Fund Balance Appropriated	99,901
Interest Earnings	200
Total	\$ 256,419

Authorized Expenditure by Department

Recreation Department	\$ 256,419
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Section 5 Levy of Taxes

There is hereby levied, for Fiscal Year 2017, an Ad Valorem tax rate of **66 1/2¢** per one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2016, for the purpose of raising the revenue from Ad Valorem Taxes as set forth in the foregoing estimates of revenues, and in order to finance the foregoing applicable appropriations. This tax rate is based on an estimated valuation of \$307,881,904.

Section 6 Restrictions on Budget Officer

Interfund and interdepartmental transfer of moneys, except as noted below, shall be accomplished only with specific advanced approval of the Creedmoor Board of Commissioners.

Special Authorizations of the Budget Officer

- A. The Budget Officer shall be authorized to reallocate any appropriation within departments.
- B. The Budget Officer shall be authorized to execute interfund and interdepartmental transfers in emergency situations. Notification of all such transfers shall be made to the Board of Commissioners at the next meeting following the transfer.

Section 7 Re-appropriation of Funds Encumbered in Fiscal Year 2016

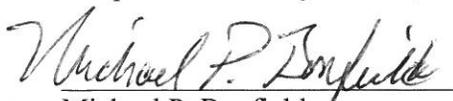
Operating funds encumbered by an outstanding purchase order as of June 30, 2016 are hereby re-appropriated to Fiscal Year 2017. Re-appropriation will be by a budget amendment at the July Board of Commissioners meeting (July 19, 2016).

Section 8 Utilization of the Budget Ordinance

This ordinance shall be the basis of the financial plan for the City of Creedmoor municipal government during the fiscal year beginning July 1, 2016 and ending June 30, 2017. The Budget Officer shall administer the Annual Operating Budget and shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the budget.

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

Adopted this 7th day of June, 2016.


Michael P. Bonfield
City Manager/Budget Officer


Darryl D. Moss
Mayor

ATTEST:


Kathleen J. McCorkle
City Clerk

