

W. Town of Wingate

Annual Budget Message FY2015-2016

Mayor
Bill Braswell

Board of Commissioners

Gary Hamill
Barry Green
Peggy Taylor
John Magnum
Brent Moser

Prepared By:
Town Manager
Patrick K. Niland



Pursuant to Section 159-11 of the North Carolina General Statutes, the Town of Wingate’s proposed budget for the fiscal year beginning July 1st 2015 and ending June 30th 2016 is submitted for your consideration.

During FY2014-2015 Union County underwent a countywide revaluation. Typically when revaluations are conducted the town would experience an increase in total tax base. This is unfortunately not the case for the most recent valuation. Our total taxable tax base for 2014-2015 was \$129,563,506.00, this consisted of \$116,490,827 for real property, and \$13,072,679 for motor vehicle value. The results of the most recent valuation had the total taxable base decrease to \$123,716,046; \$110,064,181 for real property, and \$13,651,865 for motor vehicle. This means that if we keep our tax rate at \$.39 per 100, our total tax revenue would be lower than it was in the previous year. By keeping the same tax rate the town would also see a decrease in both franchise utility tax, and sales tax revenue. To collect an equivalent amount that we did in the previous year, we would need to set a revenue neutral tax rate of \$.413. This proposed budget has a tax rate of \$.42 per \$100 of valuation. The reason for the slightly higher than revenue neutral rate is to provide additional funding for the Fire Department/Town Hall project. It is also to begin the process of making Police Department salaries more competitive with surrounding agencies.

General Fund

Revenue

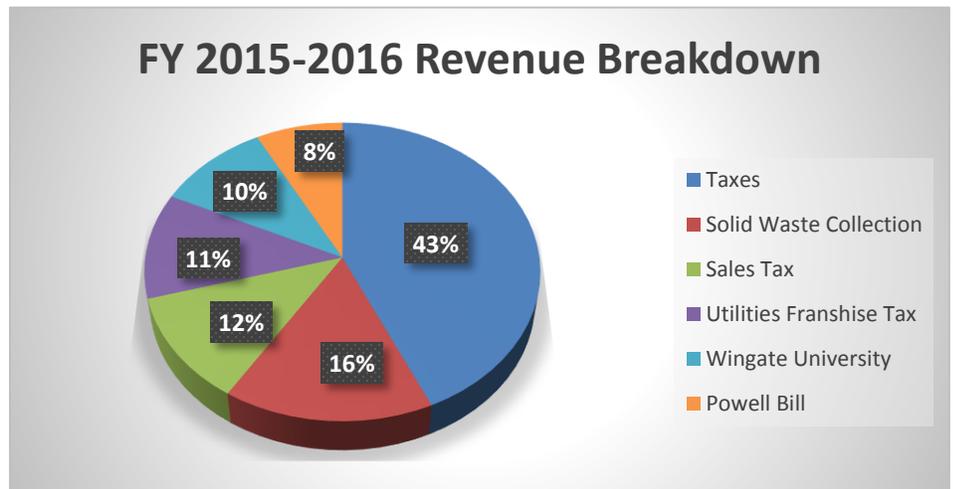
The town’s four largest revenue streams are Property Tax, Sales and Use Tax, Franchise Utility Tax, and Wingate University’s Contribution. At this time, the only project increase to any of these is the property tax. With the revenue neutral rate of \$.413 and the \$.007 increase for the Fire Department/Town, we expense property tax collections to be about \$7,000 higher than they were in FY2014-2015.

Expenditures

Fire Department/Town Hall

The most significant project the town is currently working on is our combination Fire Department/Town Hall. We have worked for the past four years to move the fire

department into a facility that is adequate for modern firefighting. We have worked with Union County to formulate a long term funding solution for the Wingate Volunteer Fire Department; while there has been discussion no formal plan has yet to be implemented by Union County Board of Commissioners. The town has decided to take on this responsibility and provide the necessary facilities to ensure the



Wingate Volunteer Fire Department has the space they need. The proposed budget for this project is approximately \$3.5 million. At the time of writing this we have fully designed and permitted this facility. The plan is to send the project out to bid on this by the end of May, with construction commencing sometime in the fall of 2015. The annual debt service payment for this building will be approximately \$186,000. Of this payment, \$150,000 will come out of the general fund, and \$36,000 will come from that water and sewer fund. In this proposed budget, there is a surplus of approximately \$83,000. While this sounds like a large surplus it does not take into account the debt service payment for the Town Hall/Fire Department. Based on the current schedule, we will not have the need for a debt service payment in FY2015-2016. Our first payment would be some sometime in the 2016-2017 fiscal year. Over the next two fiscal years the town will need to increase revenue approximately \$100,000 to cover the additional debt service. There are several ways the town can raise revenue, but at this time there is a level of uncertainty on several revenue streams. The State currently has several bills that address local government revenue streams. If any one of these are passed into law, it would allow the town to increase its revenue without much impact to our citizens. Also, we continue to work with Wingate University on increasing their level of financial support.

Police Department

Two police vehicles were replaced in FY2014-2015; only one of these was planned, the other was out of necessity caused by mechanical failure. There is no plan to purchase a vehicle in FY15-16. Also included in the police department budget is \$12,000 to purchase two mobile radar units. \$9,000 of this would be grant funded with the town's responsibility being \$3,000. Various increases in police officers' salaries are also included in this budget. Recently Union County announced that it will be aggressively increasing deputy's salaries; in order to retain our skilled officers we need to keep pace with surrounding agency's to the best of our ability. This budget would include a July 1 increase and a January 1, 2016 increase. Other budget line items largely remain the same.

Administration

The largest expenditure in the administration department is \$29,000 for an Economic Development Small Area Plan. The majority of the project will be funded by a \$25,000 grant from the State. The study, which will be completed by Rose & Associates, will expand on the Downtown Development Plan that was conducted in 2012. The new plan will include additional development sites located along HWY 74 and the interchange around the proposed bypass. This document will be used to as an outline for our development efforts for the next several years.

Streets

To try and reduce the cost of the Fire Department/Town Hall a portion of that will be funded by Powell Bill Reserves. There is a section of sidewalk in front of the building that will connect Stewart Street to Main St. The project consists of 30" curb and gutter and new sidewalk. The anticipated cost of this project is \$40,000. Depending on the final cost of this project we may be able to complete the Phase 2 Main Street Project. This project would mirror the work that was done on the west side of Main Street. At this point we will need to wait until the bids are received for the section of sidewalk in front of the Fire Department/Town Hall project.

Water & Sewer Fund

Water and Sewer rates will have various increases depending on meter size. A resident with a ¾" meter that has consumption of 5,000 gallons a month will see an increase of \$2.70 for water and sewer. This would equate to

approximately 3.66%. For the past several years wastewater sales have been supplementing the water department. The proposed rate increase is the first action to have the water department eventually support itself. Water rates will increase at a higher percentage than sewer rates will. Increases are needed to pay for the additional debt service for the Phase II Waterline Project. This project will replace 98% of all



galvanized waterlines in Wingate's Water Distribution System. While the total cost of the project is approximately \$1,800,000; \$800,000 of that will be grant funded. The resulting annual debt service payment will be approximately \$40,000 a year. For FY2015-2016 we will have a partial payment depending on project completion. Along with the waterline replacement project we will also be adding several fire hydrants to areas that currently do not have them.

Other increases include \$26,000 capital purchase for a service truck. This truck will serve as the Public Works Directors primary vehicle. All of our water is purchased from Union County, and all of our Wastewater is treated by Union County. Based on communication with Union County officials, our treatment rates for both water and sewage will increase next year. We are also in the final stage negotiating a wastewater treatment contract the will providing the town with additional wastewater treatment capacity for the next 5-10 years.

Inflow and Infiltration continues to be a problem with our wastewater collection system. We have taken large steps to reduce I/I in the past several years. While these steps have solved the problem of sanitary sewer overflows, we are still observing large increases in wastewater flow during rain events. This inflow has two negative effects; we have to pay to treat this rainwater, it reduces our allocated capacity. There is a small amount of money in this budget to continue to address I/I related issues.

Patrick K. Niland
Town Manager

BE IT ORDAINED by the Governing Board of the Town of Wingate, North Carolina:

SECTION 1: It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016:

Ad Valorem Taxes, Penalties & Interest	\$527,000
Miscellaneous Income	\$3,000
Park Facility Rental and Concession Sales	\$13,000
Solid Waste Collection	\$192,500
Intergovernmental Revenues	\$159,000
Parking Tickets	\$1,500
Concession Sales	\$300
Cemetery Fund Income	\$1,200
Interest Income	\$1,350
ABC Contribution	\$4,000
Festival Sponsorship	\$10,000
ABC Law Enforcement	\$4,000
Utility Franchise Tax	\$140,000
Court Fees	\$1,200
Drug Seizures	\$5,000
Cable Franchise Fees & Taxes	\$2,600
Police Grants	\$9,500
Zoning Fees	\$3,000
Wingate University	\$124,000
Powell Bill	\$95,000
	\$1,297,150

SECTION 2: The following amounts are hereby appropriated in the General Fund for the operation of the Town government and its activities for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016:

Elected Officials	\$96,127.34
Administration	\$154,643.30
Planning	\$5,175
Public Services	\$264,500
Police Department	\$554,700.91
Community Outreach	\$24,600
Parks & Recreation	\$102,403.45
Streets	\$95,000
	\$1,297,150

SECTION 3: It is estimated that the following revenues will be available in the Water and Sewer Fund for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016:

Water Sales	\$640,000
Penalties & Reconnect Fees	\$25,000
Water Tap Fees	\$10,000
Interest, Water	\$500
Property Rental	\$24,000
Wastewater Sales	\$895,000
Sewer Tap Fees	\$10,000
Interest Income, Sewer	\$500
	\$ 1,605,000



SECTION 4: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016:

<u>Water Department</u>	
Salaries	\$237,454.33
Maintenance & Repair	\$15,000
Water Purchased	\$245,000
Professional Services	\$1,000
Tank Repair	\$18,300.01
Operations	\$77,400
Capital Outlay	\$13,000
Debt Service	\$121,820
	\$728,974.34

<u>Sewer Department</u>	
Salaries	\$237,454.33
Maintenance & Repair	\$17,000
Wastewater Treatment	\$438,360.33
Professional Services	\$7,500
Capital Outlay	\$13,000
Operations	\$66,250
Debt Service	\$96,461
	\$876,025.66

Total Water & Sewer Fund Expenditures **\$1,605,000.00**

SECTION 5: There is hereby levied a tax at the rate of thirty-nine cents (\$.42) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2015, for the purpose of raising the revenue listed as “Ad Valorem Taxes” in the General Fund in Section 1 of this ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$123,716,046 and an estimated rate of collection of 98%.

SECTION 6: The Town Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

- A. He may transfer amounts between objects of expenditure within a department without limitations. If the transfer exceeds \$3,000, then the Town Manager shall report the transfer to the Board of Commissioners at the first regular meeting that occurs after the transfer takes place.
- B. He may transfer amounts up to \$1,000 between departments of the same fund with an official report of such transfers being given at the first regular meeting of the Board of Commissioners that occurs after the transfer takes place.
- C. There may not be a transfer of any amounts between funds, from a contingency fund, or any non-appropriated expenditures within any fund without approval from the Board of Commissioners.

SECTION 7: The Town of Wingate Schedule of Fees as shown on Attachment A is hereby adopted in conjunction with the 2015 – 2015 Fiscal Year Budget. The Town of Wingate Schedule of Fees shall remain in effect until amended or repealed by the Board of Commissioners. The Board of Commissioners may amend the Town of Wingate Schedule of from time to time as it sees fit.



SECTION 8: Copies of this Budget Ordinance shall be furnished to the Finance Officer and to the Budget Officer of this Town to keep on file by them for their direction in the disbursement of funds.

Adopted this the 30th day of June 2015

Bill G. Braswell, Mayor

Attest:

Karen Wingo, Town Clerk

[SEAL]





**Fiscal Year 2015-2016 Fee Schedule
Attachment A**

Utility Fees

Water

	<u>Inside</u>	<u>Outside</u>
Base Monthly Charge		
¾" Meter	\$12.00	\$24.00 Includes 1 st 2,000 gallons
1" Meter	\$19.00	\$38.00 Includes 1 st 2,000 gallons
1 ½" Meter	\$42.00	\$84.00 Includes 1 st 2,000 gallons
2" Meter	\$70.00	\$140.00 Includes 1 st 2,000 gallons
3" Meter	\$187.00	\$374.00 Includes 1 st 2,000 gallons
4" Meter	\$390.00	\$780.00 Includes 1 st 2,000 gallons
6" Meter	\$530.00	\$1,060 Includes 1 st 2,000 gallons
Fire Protection	\$12.00	\$24.00 Includes 1 st 2,000 gallons

All Meter Sizes

Usage Fee	\$4.50	\$9.00 Per 1,000 gallons; 2,001 – 9,999 gallons
	\$5.75	\$11.50 Per 1,000 gallons; 10,000-19,999 gallons
	\$6.75	\$13.50 Per 1,000 gallons; over 20,000 gallons

Water Tap Fee

¾" Meter	\$500	N/A
1" Meter	\$650	N/A
1 ½" Meter	\$3000	N/A
2" or Larger	Material Cost plus 10%	

Water Capacity Fee

¾" Meter	\$600	N/A
1" Meter	\$1,500	N/A
1 ½" Meter	\$3,000	N/A
2" Meter	\$4,800	N/A
3" Meter	\$13,500	N/A
4" Meter	\$30,060	N/A
6" Meter	\$42,060	N/A



**Fiscal Year 2015-2016 Fee Schedule
Attachment A**

Sewer

Base Monthly Charge (based on the size of the water meter and the nature of the service that is provided)

¾" Meter	\$28.50	\$57.00
1" Meter	\$44.00	\$88.00
1 ½" Meter	\$86.00	\$172.00
2" Meter	\$147.00	\$294.00
3" Meter	\$390.00	\$780.00
4" Meter	\$870.00	\$1740.00
6" Meter	\$1,230	\$2,460.00

All Meter Sizes Usage Fee \$4.50 \$9.00 Per 1,000 gallons

Sewer Tap Fee
4" Service Connection \$630.00
Larger than 4" Material Cost plus 10%

Sewer Capacity Fee

¾" Meter	\$2,783	N/A
1" Meter	\$7,009	N/A
1 ½" Meter	\$13,939	N/A
2" Meter	\$22,286	N/A
3" Meter	\$62,711	N/A
4" Meter	\$139,361	N/A
6" Meter	\$195,116	N/A

Miscellaneous Utility Fees

Late Payment Fee	\$ 10.00	
Delinquency Fee for Non-Payment	\$ 30.00	
Utility Deposit		
Residential Account	\$0 - \$150	Depending on credit check
Commercial Account		Deposit based on credit check
Meter Tampering Fee	\$ 100.00	
Temporary Service (72 hours or less)	\$ 30.00	Plus per gallon charge for water and sewer usage
Suspend Account (up to 3 months)	\$ 30.00	
Pool Meter Late Fee	\$2.00 per day	



**Fiscal Year 2015-2016 Fee Schedule
Attachment A**

Parks & Recreation Fees

Park Rental	Park reserved in 4-hour increments and can not be consecutive periods	
	<u>In-Town Residents</u>	<u>Out-of Town Residents</u>
Deposit	\$50.00	\$ 50.00
Playing Field	\$25.00	\$100.00
Picnic Shelter	\$25.00	\$100.00

<u>Community Center</u>	<u>Private Use</u>
Deposit	\$100.00
2-Hour Rental	\$75.00
3-Hour Rental	\$125.00
4-Hour Rental	\$250.00
Per Hour After First Four Hours	\$ 50.00

The town will refund deposits if facilities require no cleanup or repair. Fees and deposits apply per use. One advance registration allowed per facility. All revenues received will be used for park operations and maintenance.

Deposit and rental fees will be refunded minus \$25.00 if rental is cancelled at least 3 business days before reservation.

Concessions

Concession prices shall be set by the Recreation Director and approved by the Town Administrator. However the Board of Commissioners reserves the right to adjust prices at their discretion.

Solid Waste

	<u>In-Town Residents</u>	<u>Out-of Town Residents</u>
Garbage & Recycling	\$18.91	\$36.00 Per month
Bulk Garbage Pickup	\$35.00	N/A Plus landfill tipping fee

Zoning Fees



Fiscal Year 2015-2016 Fee Schedule

Attachment A

Zoning Permit Application	Residential - \$75 Commercial - \$250
Accessory Building Permit	\$25
Zoning Use Permit	\$25
Zoning Verification Letter	\$25
Air Quality Letter	\$25
Rezoning Application	0 – 2 acres - \$300 2 – 10 acres - \$500 10+ acres - \$1000 + \$25 per acre (rounded to the nearest acre)
Zoning Text Change	\$400
Conditional Use Permit Application	\$350
Parallel Conditional Use Rezoning Application	\$700 + \$2.50 per adjacent owner
Telecommunication Tower Plan & Supporting Doc Review Fee	\$3,500
Variance Application	\$300
Zoning Appeal	\$200
Major Development Permit Application	\$250
Minor Subdivision Permit Application	\$150 + \$50 per lot
Major Subdivision Permit Application	0 – 10 acres - \$1000 + \$150 per acre (rounded to the nearest acre) 10+ acres - \$1500 + \$150 per acre (rounded to the nearest acre)
Final Subdivision Plat Review	\$250 + \$10 per lot
Surcharge for Planned/Cluster Developments	\$1,000
Surcharge for Traffic Impact Analysis	\$700 deposit – Deposit will be applied to actual costs with applicant paying all actual costs
Bond Renewal	\$50
Bond Release or Reduction	\$100
Sign Permit Application	\$50
Temporary Sign/Banner	\$10
Reinspection Fee	\$60
Sketch Plan Review	\$150
Permit Revision	Minor - \$100 Major - \$500
Engineer Review & Inspection Fee	\$100 per hour (minimum of one hour)
Attorney Fee	\$200 per hour or actual costs if higher
Construction Inspection Testing Fee	\$50 per lot with minimum charge of \$750
Application for Annexation	\$500
Request for Special Board of Adjustment Meeting	\$475



Fiscal Year 2015-2016 Fee Schedule

Attachment A

Request for Special Planning Board Meeting	\$475
Copy of Land Use Ordinance	\$35
Copy of Zoning Map	\$5 – small \$15 – large
Subdivision Ordinance	\$10
Copy Comprehensive Land Use Plan	\$50

Miscellaneous Fees

Mowing

Mow or weed eat at the request of the property owner	\$100.00 per hour	Minimum of 1 hour
Bush hog at the request of the owner	\$150.00 per hour	Minimum of 1 hour
Mow and/or weed eat as a result of code enforcement	\$150.00 administrative fee	Plus \$125.00 per hour; minimum of 1 hour
Bush hog as a result of code enforcement	\$150.00 administrative fee	Plus 150.00 per hour; minimum of 1 hour

Returned Check Charge \$25.00

Copy Charge	\$0.25 per page
Credit Card Usage Fee	\$2.00 per transaction
Notary Charge	Free for in-town residents \$5.00 for out-of-town residents
Fax Charge	\$1.00 per page outgoing \$0.25 per page incoming

Cemetery

Plots – sold in pairs	\$600 for in-town residents \$1,200 for out-of-town residents
Grave Marking Fee	\$100 during business hours \$200 after business hours
Cremation Lot	\$100.00
Grave Marking	\$25.00
Copy of Accident Report	\$2.00