

**AN ORDINANCE ADOPTING A BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA FOR THE
FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina, meeting in open session this 24th day of June, 2019, that the following fund revenues and departmental expenditures, together with certain restrictions and authorizations are hereby adopted.

SECTION I – GENERAL FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Ad Valorem taxes	\$ 27,267,110
Sales taxes	10,500,000
Intergovernmental	6,552,238
Miscellaneous	5,703,652
Appropriated Fund Balance	<u>6,000</u>
TOTAL	<u>\$50,029,000</u>

SECTION II - WATER AND SEWER FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Charges for Services	\$17,325,000
Other Revenues	1,950,000
TOTAL	<u>\$19,275,000</u>

SECTION III – STORM WATER FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Storm Water Fees	\$ 3,050,000
Miscellaneous	<u>0</u>
TOTAL	<u>\$ 3,050,000</u>

SECTION IV – ENVIRONMENTAL FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

User Fees	\$ 3,275,000
Transfer from Other Funds	845,700
Solid Waste Disposal Tax	<u>32,300</u>
TOTAL	<u>\$ 4,153,000</u>

SECTION V – PUBLIC TRANSIT SYSTEM FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Motor Vehicle Privilege Tax	\$ 760,000
Transfer from General Fund	<u>104,000</u>
TOTAL	<u>\$ 864,000</u>

SECTION VI – SEPARATION PAY FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Transfer from General Fund	\$ 490,000
TOTAL	<u>\$ 490,000</u>

SECTION VII – DOWNTOWN FUND: The City Council does estimate that the following revenues will be available during the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Property Leases	\$ 757,824
Transfer from Other Funds	\$ 6,145,376
Miscellaneous	\$ 100,800
TOTAL	<u>\$ 7,004,000</u>

SECTION VIII - GENERAL FUND: A total of \$50,029,000 is hereby authorized to be expended from the departmental accounts of the General Fund as follows:

General Government	\$ 6,755,102
Community Development	771,326
Police	8,833,987
Fire	8,253,291
Parks and Recreation	2,915,200
Public Works, incl. Powell Bill	4,421,075
Other	7,728,750
Contingency	365,140
Debt Service	<u>9,985,130</u>
TOTAL	<u>\$50,029,000</u>

SECTION IX - WATER AND SEWER FUND: A total of \$19,275,000 is hereby authorized to be expended from the Water and Sewer Fund as follows:

General Management Services Fee	\$1,765,800
Billing and Collections – Water and Sewer	928,721
Distribution - Water and Sewer	2,842,216
WSACC – Sewage Treatment	3,185,467
Water Treatment Plant	3,004,814
Transfer to Other Funds	1,926,824
Debt Service	<u>5,621,158</u>
TOTAL	<u>\$19,275,000</u>

SECTION X – STORM WATER FUND: A total of \$3,050,000 is hereby authorized to be expended from the Storm Water Fund as follows:

Personnel	\$ 900,157
Operations	629,600
Debt Service	1,201,641
General Management Services Fee	<u>318,602</u>
TOTAL	<u>\$ 3,050,000</u>

SECTION XI – ENVIRONMENTAL FUND: A total of \$4,153,000 is hereby authorized to be expended from the Environmental Fund as follows:

Personnel	\$ 306,334
Operations	3,614,631
Debt Service	232,035
General Management Services Fee	<u>0</u>
TOTAL	<u>\$ 4,153,000</u>

SECTION XII – PUBLIC TRANSIT SYSTEM FUND: A total of \$864,000 is hereby authorized to be expended from the Public Transit System Fund as follows:

Contracted Services	\$ <u>864,000</u>
TOTAL	\$ <u>864,000</u>

SECTION XIII - SEPARATION PAY FUND: A total of \$490,000 is hereby authorized to be expended from the Separation Pay Fund as follows:

Salaries-Separation Pay	\$ <u>490,000</u>
TOTAL	\$ <u>490,000</u>

SECTION XIV - DOWNTOWN FUND: A total of \$7,004,000 is hereby authorized to be expended from the Downtown Fund as follows:

Operations	\$ 2,693,422
Debt Service	\$ 4,310,578
TOTAL	\$ <u>7,004,000</u>

SECTION XV - TAX RATE ESTABLISHED: An Ad Valorem Tax Rate of \$0.63 per \$100 property valuation is hereby established as the official tax rate for the City of Kannapolis for the fiscal year 2019-2020. This rate is based on an estimated valuation of \$4,337,823,300 and an estimated 98 percent collection rate, which was at least the collection rate experienced during the 2018-2019 fiscal year. Allocation of the 2019-2020 tax rate will be as follows:

GENERAL FUND	\$.63
TOTAL TAX RATE	\$.63

SECTION XVI - SPECIAL AUTHORIZATION - CITY MANAGER:

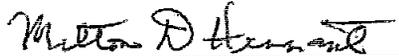
a. The City Manager is hereby authorized to transfer funds from one line item to another line item within each Fund of said budget with the exception of the general contingency account. Utilization of any contingency appropriation shall be accomplished with City Council approval only.

b. Authorization is hereby given to the City Manager to withhold or postpone the expenditure of any funds appropriated in this ordinance when it appears to the City Manager that it would be in the best interest of the City for such expenditure to be withheld. This provision shall not in any way limit or restrict the right of the City Council to direct immediate disbursement of any appropriated funds when City Council is of the opinion that the funds should be expended regardless of the position taken by the City Manager.

SECTION XVII - SPECIAL AUTHORIZATION – STAFFING AUTHORIZATION:

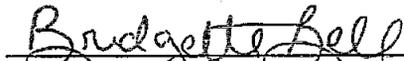
Funds allocated in this budget ordinance are meant to fund the employment of 367 Full Time positions for fiscal year 2020.

This Ordinance is approved and adopted this 24th day of June, 2019.



Milton D. Hinnant, Mayor

ATTEST:



Bridgette Bell, MMC, NCCMC
City Clerk