

City of Lenoir
Budget Ordinance
Fiscal Year July 1, 2021– June 30, 2022

BE IT ORDAINED by the Lenoir City Council in regular session assembled on June 1st, 2021.

Section 1. That the following amounts are hereby appropriated for the operation of the government of the City of Lenoir and its activities for the fiscal year beginning July 1, 2021, and ending June 30, 2022.

<u>Fund</u>	<u>Estimated Revenues</u>	<u>Fund Balance Appropriated</u>	<u>Total Budget</u>	<u>Appropriated</u>
General	\$ 18,594,890	\$ -	\$ 18,594,890	\$ 18,594,890
Water & Wastewater	\$ 9,629,744	\$ -	\$ 9,629,744	\$ 9,629,744
Total	\$ 28,224,634	\$ -	\$ 28,224,634	\$ 28,224,634

Section 2. That for said fiscal year there is hereby appropriated as expenditures of the General Fund the following:

Legislative	\$ 360,035
Administrative	\$ 612,787
Finance	\$ 765,379
Planning	\$ 435,006
Police	\$ 6,112,425
Fire	\$ 4,255,092
Recreation	\$ 1,897,921
Public Works	
Administrative	\$ 237,993
Cemetery & Grounds	\$ 379,091
Building Maintenance	\$ 335,242
Sanitation	\$ 808,898
Streets	\$ 2,110,116
Vehicle Services	\$ 284,906
Total	\$ 18,594,890

2021-2022 is a property revaluation year and it has been eight (8) years since the last property revaluation. The Revenue Neutral Rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current rate if no reappraisal had occurred including growth. Based on the information from Caldwell County, the estimated revenue-neutral property tax rate for 2021 equals 62.83¢ per \$100. Due to fluctuations in refunded business personal property and the delayed impact of improvements being included in assessed values, staff made revenue-neutral calculations excluding refunded business property taxes as well as with only real property values. The average of all these calculations is a tax rate of 57¢ per \$100 of assessed value, which is what is recommended in the budget and reflects the net revenue-neutral rate.

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Section 3. That for said fiscal year there is hereby appropriated as expenditures of the Water & Wastewater Fund the following:

<u>DEPARTMENT/DIVISIONS</u>	<u>APPROPRIATION</u>
Admin/Engineering	\$ 394,256
Utilities Maintenance	\$ 345,125
Rhodhiss Water Treatment Plant	\$ 2,801,674
Water Distribution	\$ 1,953,981
Wastewater Collection	\$ 1,440,222
Wastewater Pretreatment	\$ 176,811
Gunpowder Wastewater Plant	\$ 1,279,002
Lower Creek Wastewater Plant	\$ 1,238,673
Total	<u>\$ 9,629,744</u>

Section 4. There is hereby levied for the fiscal year ending June 30, 2022, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2021, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property as set forth in the foregoing estimates of the General Fund revenues and in order to finance the foregoing General Fund appropriations.

General Fund.....\$.57 cents tax rate per one hundred dollars assessed valuation.

Rescue Readiness Tax.....\$.0085 cents tax rate per one hundred dollars assessed valuation.

Said General Fund tax rates are based on an estimated total appraisal value of real and personal property for the purpose of taxation of \$2,287,000,000 with an assessment ratio of one hundred percent (100%) of appraised value and estimated collection rate of 96.2%. Said collection rates are based on the actual 2019-2020 collection rates.

Section 5. That for said fiscal year there is hereby appropriated as expenditures of the special Downtown Tax District Fund for the operation of the Economic Development/Main Street Lenoir program and Tourism Development.

Fund	<u>Estimated Revenues</u>	<u>Fund Balance Appropriated</u>	<u>Total Budget</u>	<u>Appropriated</u>
Special Downtown District	\$ 184,638	\$ -	\$ 184,638	\$ 184,638
Tourism Development	\$ 80,000	\$ -	\$ 80,000	\$ 80,000
TOTAL	<u>\$ 264,638</u>	<u>\$ -</u>	<u>\$ 264,638</u>	<u>\$ 264,638</u>

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Section 6. There is hereby levied for the fiscal year ending June 30, 2022, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2021, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property set forth in the foregoing estimates of Special Downtown District Fund revenues and in order to finance the foregoing Special Downtown District Fund appropriations.

Special Downtown District.....\$.20 cents tax rate per one hundred dollars assessed valuation.

Said Special Downtown District tax is based on an estimated total appraised value of property for the purpose of taxation of \$ 18,079,600 with an assessment ratio of one hundred percent (100%) of appraised and registered real and personal property value. The estimated collection rate is 96.20%.

The proposed Downtown Municipal Service District budget is balanced with the reduced property tax rate of 20¢ per \$100 of assessed district property value. This is a reduction of 5¢ per \$100 from the FY 2020-21 Downtown tax rate of 25¢ per \$100. The revenue neutral calculation was performed with total values as well excluding the impact of improvements not included in the year they were made. The average of all these calculations is a tax rate of 20¢ per \$100 of assessed value, which is what is recommended in the budget and reflects the net revenue-neutral rate.

Section 7. It is estimated that \$80,000 in revenue will be available in the Tourism Development Fund for the fiscal year beginning July 1, 2021 and ending June 30, 2022.

Section 8. Water & Sewer rates are established to be effective July 1, 2021 according to the following schedule:

Water Inside Corporate Limits	
0 -1,000 gallons	\$10.75
Over 1,000 gallons	\$3.40 per 1,000 gallons
Sewer Inside Corporate Rates	
1 - 1,000 gallons	\$9.42
Over 1,000 gallons	\$3.99 per 1,000 gallons
Water Outside Corporate Limits	
0 - 1,000 gallons	\$21.50
Over 1,000 gallons	\$6.80 per 1,000 gallons
Sewer Outside Corporate Limits	
0 -1,000 gallons	\$18.86
Over 1,000 gallons	\$7.99 per 1,000 gallons
Resale Water	
\$2.26 per 1,000 gallons	
Resale Sewer	
\$3.94 per 1,000 gallons	

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Section 9. Salaries & wages accounts provide for funding of all budgeted employee positions and City Council.

Section 10. The City Manager and Finance Director shall notify the City Council of any items of over-expenditure or shortfalls in revenue on a timely basis throughout the fiscal year. Request for appropriations not contained in the Budget Ordinance will be presented to Council after a review of the necessary revenue sources to offset the expenditure has been conducted by the Finance Director. Recommended budget amendments will be presented to the Council at the time the request for appropriation is submitted by the Finance Director.

Section 11. Copies of this Budget Ordinance shall be furnished to the Finance Director and the City Manager of the City of Lenoir, North Carolina, to be kept on file by them for their direction in the collection of revenues and the expenditures of amounts appropriated.

Section 12. The City Manager is authorized to amend the budget by transfer of appropriations within each fund. All amendments affecting revenues or total fund appropriations shall be approved by ordinance by the City Council, to be acted on at any regular or special meeting and approved by a simple majority of those present and voting, a quorum being present. Only one reading will be required and a public hearing or publication of notice is not necessary unless requested by Council.

Adopted this 1st day of June, 2021.

SEAL

Joseph L. Gibbons, Mayor

ATTEST:

Shirley M. Cannon, City Clerk