



# TOWN OF LA GRANGE

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## FISCAL YEAR 2019 – 2020 PROPOSED BUDGET ORDINANCE FOR THE TOWN OF LA GRANGE, NORTH CAROLINA

The Town Council of the Town of La Grange will conduct a public hearing on June 3, 2019, at 6:00 pm in the Town Hall to receive public comment and to consider the proposed FY2019-2020 budget.

**BE IT ORDAINED** by the Town Council of the Town of La Grange, North Carolina:

**SECTION 1:** 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, 2019 and ending June 30, 2020 in accordance with the following departmental breakdowns:

### EXPENDITURES

General Government	\$136,742
Administration	99,573
Building Inspections	56,694
Police – Contracted Services	595,246
Fire – Contracted Services	40,650
Street	273,876
Powell Bill	86,000
Sanitation	294,805
Recreation	107,250
Cemetery	65,987
Library	18,500
Council on Aging	3,575
Scout Facility	4,000
<b>TOTAL GENERAL FUND:</b>	<b>\$1,782,898</b>

**SECTION 2:** There is hereby levied a tax rate of fifty-three and two tenths cent (\$0.532) per one hundred dollars (\$100) valuation of property listed as of January 1, 2018 for the purposes of raising revenue included in “Ad Valorem Taxes-Current Year” in the General Fund. There are no proposed changes to current tax rates.

**SECTION 3:** The following amounts are hereby appropriated in the Utility Funds for the operation of Town Government and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020 in accordance with the following fund breakdown:

### EXPENDITURES

Electric Fund	\$3,674,534
Water – Distribution	234,975
Water – Supply	341,257
Wastewater Treatment/Sewer	380,714
Wastewater Collection	443,620

Capital Project – Wastewater Collections System	6,924,000
Capital Project – Water Supply & Distribution System	<u>3,287,000</u>

**TOTAL UTILITY FUNDS: \$15,286,100**

The Town shall not transfer more than \$150,000 from the revenues of the Electric Fund to the operating revenues of the General Fund unless by Ordinance of the Town Council. The operating transfer amount does provide the General Fund with a return on investment and the Town shall adhere to limits established by North Carolina General Statute 159B-39. The Town shall budget a payment in lieu of taxes in the amount of \$14,000 from the Electric Fund to the General Fund which approximates the amount of ad valorem taxes that would have been paid to the Town had electric services been provided by an investor owned utility.

In addition to normal operating expenditures within the enterprise funds, the Town of La Grange will be beginning two (2) multi-year Capital Projects. The first Capital Project is a \$6,924,000 Wastewater Collections System Improvements Project, and the second is a \$3,287,000 Water Supply & Distribution Project. The projects are funding by a 40-year loan and a \$2,913,000 grant from the United States Department of Agriculture - Rural Development and \$103,000 of the Town’s Funds. The cumulative cost of the two capital projects is \$10,211,000.

**SECTION 4:** There are no recommended changes to any fees within the General Fund.

**SECTION 5:** The Utility Fund Revenues include a 18.5% decrease in water rates compared to the rates included in the FY18-19 Budget, and a 22.2% increase in sewer rates. The rate changes represent a reallocation of costs from Water Operations to Sewer Operations as the costs to operate each system have changed as a result of the upcoming sewer project and reduced operating costs associated with Water Operations. The utility rate that are changed are as follows:

<u>RATE CODE</u>	<u>DESCRIPTION</u>	<u>FLAT CHARGE</u>	<u>PER HUNDRED (Over 2,000 gallons)</u>
SW-S01	Sewer; in town – residential	\$32.00	\$0.422
SW-S02	Sewer; in town – commercial	\$32.00	\$0.422
SW-S04	Sewer; Hazelwood apartments (flat rate is based on 24 customers at flat rate)	\$768.00	\$0.422
SW-S05	Sewer; outside town – residential	\$48.27	\$0.764
SW-S06	Sewer; outside town – commercial	\$48.27	\$0.764
SE-S02	Sewer; un-metered residential (\$32.00 flat rate + 5,000 gallons usage @ \$0.422/100)	\$53.10	N/A
SE-S03	Sewer; commercial (availability charge only; usage metered and charged on another account)	\$32.00	N/A
SM-SM1	Sewer metered – out of town	\$48.27	\$0.764

<b><u>DESCRIPTION</u></b>	<b><u>FLAT CHARGE</u></b>	<b><u>PER HUNDRED</u></b>
<b>IN TOWN RESIDENTIAL OR COMMERCIAL USERS (RATE CODES: WA-W01; WA-W08; WA-W10)</b>		
0-2,000 Gallons	\$24.70	\$0
2,001-5,000 Gallons		\$0.205
5,001-10,000 Gallons		\$0.220
10,001-15,000 Gallons		\$0.257
15,001-20,000 Gallons		\$0.265
Over 20,001 Gallons		\$0.282
<b>OUT OF TOWN RESIDENTIAL OR COMMERCIAL USERS (RATE CODES: WA-W05, WA-W06)</b>		
0-2,000 Gallons	\$32.82	\$0.000
2,001-5,000 Gallons		\$0.302
5,001-10,000 Gallons		\$0.310
10,001-15,000 Gallons		\$0.363
15,001-20,000 Gallons		\$0.375
Over 20,001 Gallons		\$0.396
<b>HAZELWOOD APARTMENTS (RATE CODE WA-W04)</b>		
0-48,000 Gallons	\$507.70	\$0.000
48,001-120,000 Gallons		\$0.205
120,001-240,000 Gallons		\$0.220
240,001-360,000 Gallons		\$0.257
360,001-480,000 Gallons		\$0.265
Over 480,001 Gallons		\$0.282
<b>IRRIGATION - RESIDENTIAL OR COMMERCIAL USERS (RATE CODE: WA-W07)</b>		
0-2,000 Gallons	\$34.75	\$0.185
2,001-5,000 Gallons		\$0.265
5,001-10,000 Gallons		\$0.306
10,001-15,000 Gallons		\$0.347
15,001-20,000 Gallons		\$0.387
Over 20,001 Gallons		\$0.428

Otherwise the FY19-20 Budget includes no other changes to any other Utility Rates or Fees from the FY18-19 Rate Schedule.

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

- A. He may transfer amounts of up to \$50,000 within and between departments, including contingency appropriations, within the same fund. He must make an official report on such transfers at the next regular meeting of the Town Council.
- B. He may not transfer any amount between funds, except as approved by the Town Council in the Budget Ordinance as amended.

**SECTION 7:** The Budget Officer may make cash advances between funds for periods not to exceed sixty (60) days without reporting to the Town Council. The Town Council must approve any advances that extend beyond sixty (60) days. The Town Council must approve all advances that will be outstanding at the end of the fiscal year.

**SECTION 8:** Copies of the Budget Ordinance shall be furnished to the Town Clerk and the Budget Officer to be kept on file by them for their disbursement of funds.

Adopted this the 3<sup>rd</sup> day of June, 2019.

Town Seal

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Woodard H. Gurley  
Mayor

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Wendy S. Morton  
Town Clerk