



**TOWN OF COATS, NORTH CAROLINA
FISCAL YEAR 2022-2023 BUDGET ORDINANCE**

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF COATS, NORTH CAROLINA, that the following ordinance establishing revenues, setting expense appropriations and Project Funds is hereby adopted and effective July 1, 2022 through June 30, 2023.

SECTION I. (10) GENERAL FUND

The following General Fund revenues totaling **\$1,492,709** are hereby raised through fees, charges, and other means and are hereby approved from the following sources:

Ad Valorem Taxes (Current and Prior)	\$752,619
State Shared Revenues	\$104,600
Local Option Sales Tax	\$435,000
Other Revenues	\$100,490
Unappropriated Surplus	\$100,000
Total General Fund Revenue:	\$1,492,709

A total of **\$1,492,709** is hereby authorized to be expended from departmental accounts of the General Fund as follows:

Governing Body	\$51,370
General Management	\$314,363
Police / Public Safety	\$582,628
SRO	\$62,892
Street	\$168,063
Zoning	\$143,750
Library	\$36,038
Recreation	\$133,605
Total General Fund Expenses:	\$1,492,709

SECTION II. (20) POWELL BILL FUND

The following Powell Bill revenues totaling \$70,000 are hereby raised through fees, charges, and other means and are hereby approved from the following sources:

State Street Aid	\$70,000
Total Powell Bill Fund Revenues:	\$70,000

A total of \$70,000 is hereby authorized to be expended from account of the Powell Bill Fund as follows:

Contracted Services	\$70,000
Total Powell Bill Fund Expenses:	\$70,000

SECTION III. (31) SOLID WASTE FUND

The following new Solid Waste Fund revenues totaling \$239,130 are hereby raised through fees, charges, and other means and are hereby approved from the following sources:

Furniture/Yard Waste Revenue	\$55,630
Garbage Revenue	\$183,500
Total Solid Waste Fund Revenue:	\$239,130

A total of \$239,130 is hereby authorized to be expended from account of the Solid Waste Fund as follows:

Salaries/Benefit/FICA	\$63,530
Tipping Fees	\$14,600
Contracted Services	\$161,000
Total Solid Waste Fund Expenses:	\$239,130

SECTION IV. (60) WATER FUND

The following Water Fund revenues totaling \$519,945 are hereby raised through fees, charges, and other means and are hereby approved from the following sources:

Interest Earned	\$300
Basic Service Charges	\$420,000
Tap fees	\$15,000
Late & Reconnect fees	\$42,000
Unappropriated Surplus	\$41,645
Miscellaneous	\$1,000
Total Water Fund Revenue:	\$519,945

A total of \$519,945 is hereby authorized to be expended from account of the Water Fund as follows:

Salaries/Wages/FICA	\$159,612
Operation & Maintenance	\$295,732
Capital Improvement	\$64,601
Total Water Fund Expenses:	\$519,945

SECTION V. (72) CEMETERY FUND

The following Cemetery Fund revenues totaling \$1,900 are hereby raised through fees, charges, and other means and are hereby approved from the following sources:

Cemetery Sales	\$1,000
Cemetery Permits	\$500
Appropriation from General Fund	\$390
Other Revenues	\$10
Total Cemetery Fund Revenue:	\$1,900

A total of \$1,900 is hereby authorized to be expended from account of the Cemetery Fund as follows:

Cemetery Caregiver	\$800
Electricity	\$400
Repairs	\$700
Total Cemetery Fund Expenses:	\$1,900

SECTION VI. SPECIAL AUTHORIZATIONS

The Town Manager, as Budget Officer, under the N. C. Budget and Fiscal Control Act, is authorized to:

- A. The Budget Officer shall be authorized to reallocate appropriations within departments and among various line accounts, as deemed necessary.
- B. The Budget Officer shall be authorized to execute interdepartmental transfers, within the same fund, not to exceed thirty percent (30%) of the appropriated moneys for the department whose allocation is reduced. Notification of all such transfers shall be made to the Town Board of Commissioners at its next meeting following the date of transfer.
- C. The Budget Officer shall be authorized to make inter-fund loans for a period of not more than ninety (90) days; notification of such loan shall be given to the Town Board of Commissioners at its next meeting following the date of the loan.

SECTION VII. SPECIAL RESTRICTIONS

Interfund and interdepartmental transfers of money except noted in paragraphs A, B and C above shall be accomplished by the Town Board of Commissioners only.

SECTION VIII. POSITION CLASSIFICATION PLAN

The Position Classification Plan and the Authorized Employee list, as amended, are presented and included for reference (Appendix A and B).

SECTION IX. RATE AND FEE SCHEDULE

The Town of Coats Rate and Fee Schedule, as amended, is hereby adopted by the Board and becomes effective July 1, 2022 until rescinded or modified (See Appendix C).

SECTION X. AD VALOREM TAXES

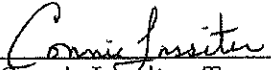
An Ad Valorem tax rate for the Town of Coats is hereby set at \$0.49 per \$100 valuation of taxable property, as listed for taxes as of January 1, 2022 is hereby levied and established as the official tax rate for the Town of Coats for the Fiscal Year 2022-2023. The rate is based on a total projected valuation of \$155,370,264 and an estimated collection rate of 98%. The purpose of the Ad Valorem tax levy is to raise sufficient revenue to finance the necessary municipal government operations in the Town of Coats.

SECTION XI. DISBURSEMENT OF FUNDS

Copies of this Budget Ordinance shall be furnished to the Clerk of the Governing Body and the Budget Officer to be kept by them for their direction in the disbursement of funds.

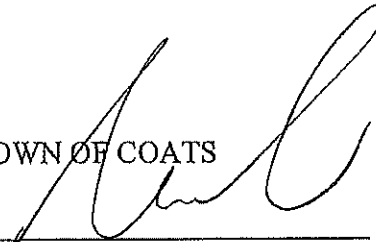
Adopted by the Coats Board of Commissioners this 9th day of June 2022:

ATTEST:



Connie Lassiter, Town Clerk

TOWN OF COATS



Chris Coats, Mayor



TOWN OF COATS
2022-23 Proposed Budget

GOVERNING BOARD

Mayor Chris Coats

Mayor Pro Tem Jerry Beasley
Commissioner Shirley Allen
Commissioner Kelvin Gilbert
Commissioner Allen Mosby
Commissioner Marc Powell

MANAGEMENT

Town Manager, Nick Holcomb
Town Attorney, Alton Bain
Town Clerk/Finance Director, Connie Lassiter
Police Chief, Ken Storicks
Public Works Director, Rodney Pleasant
Parks & Recreation Director, Mike Collins
Library Director, Teresa Brown

Budget Message Fiscal Year 2022-2023

May 12, 2022

Town of Coats Board of Commissioners:

Introduction

This proposed budget allows for several major changes for the small, but rapidly growing town of Coats.

There are two foundational pieces to this budget: 1) Departmental requests for salary increases and additional personnel and 2) Expanding revenues in the form of continued construction of residential growth, healthy sales tax increases, and a Harnett County Property Tax Re-evaluation. In addition, ARP grant funding and additional Federal and State funding coming available, puts an urgency to invest in capital planning so the Town has a plan to capitalize on this available funding.

The largest revenue line item and largest increase is the ad valorem property tax. The real and personal tax base for the Town increased 38% after Harnett County performed a county-wide parcel by parcel property re-evaluation. Staff has suggested a 10 cent tax rate decrease that would reduce the tax burden for many residents, but still allow for the following expenditures: 1) one additional police officer position, 2) a full-time position in the Parks & Rec Dept., 3) 5% Salary cost of living increases to offset higher inflation, and 4) shifting partial salaries from Powell Bill to General Fund to allow for 100% Powell revenue to be used for street resurfacing projects.

The calculated revenue neutral rate after the re-evaluation is \$0.4272/\$100

Outlined below are some highlights for planned revenues and expenditures:

Revenues	Expenditures
Ad valorem tax decrease. \$0.59/\$100 to \$0.49/\$100	5% Cost of Living increase to keep pace with extraordinarily high inflation
No water or solid waste fee increases	New Ford F250 truck in Street Dept.
Increase in-town residential solid waste from \$19.73 to \$21.00	\$100,000 for condemnation and demolition of hazardous structures
\$100,000 from general fund balance unappropriated surplus	Additional Police Officer, allowing for 2 nd mid-shift Sergeant.
	Full-time Parks and Rec Position

As required by State law, the entire budget is balanced at \$2,323,684.

General Fund Revenues

The 2021-22 Ad Valorem Tax rate is proposed to decrease from \$0.59 per \$100 valuation to \$0.49 per \$100 valuation. The total taxable value (real and personal) increased by 38% from \$112 million to \$155 million. Using an estimated 99% collection rate the property tax at \$0.49 should result in \$753,669 of revenue. There are still some unknowns with regard to how many and how successful property appraisal appeals may be.

The four largest sales tax articles have experienced double digit gains each of the past two years. The 2020-21 actual received for the four major sales tax articles was \$383,229. For the 2022-23 projected sales tax we have estimated \$435,000, a 13.5% increase over 20-21 actual received. A continuation of online purchasing and growing population fueling more business and commercial activity should continue to grow this revenue source.

The **General Fund** revenues and expenditures are **balanced at \$1,492,709.**

General Fund Expenditures

Police Dept. Expenditures.

Two additional officers were requested to allow for a safer, better trained, and more proactive department. Personnel increases would allow for additional coverage to improve community safety and officer safety, in addition to working toward a department structure that can grow to keep pace with residential, commercial, and traffic increases throughout Town. The current budget allows for the expansion of one additional officer. \$38,000 is budgeted for the new position to allow for the possibility of hiring an officer with some experience.

The Town of Coats Police Department is requesting \$44,300 for a new vehicle. Even with the additional personnel the department can get by with the one additional vehicle purchase. No vehicles will be sold at surplus.

Street Dept. Capital Expenditures

The Street Department has decreased several line items to trim back all areas possible to allow for the purchase of a new Ford F-250 truck. The 2005 Chevrolet at 130,000 miles and 2004 Ford over 100,000 miles are no longer reliable and will both be sold.

Planning & Zoning Condemnation/Demolition

\$23,400 in Outside Contracts would continue a contract with N-Focus for assistance on Minimum Housing, Condemnation, and Demolition program. In addition, \$13,000 is required for the third installment payment for work on creating an updated Unified Development Ordinance (UDO).

The budget includes \$100,000 for the demolition of hazardous structures. This is a substantial increase over previous years, but this item is recognized as Council's top priority. This amount is a large expense, but it should cover major demolition fees in the worst case scenario of noncompliance. It is to be offset by a \$100,000 unappropriated surplus (general fund balance).

Parks & Recreation

To fully support youth programs in the Parks and Recreation department the Council has recognized more investment is needed. The creation of a new full-time position is seen as critical to this plan. The additional funding going to the department will amount to increased expectations for the department.

In addition, there is an increase of \$5,100 for the purchase of uniforms and trophies for the youth sport participants. In the fee schedule the youth participant rate has been decreased to \$40 for out of town youth participants and free for inside town limit youth participants.

The **General Fund** revenues and expenditures are **balanced at \$1,492,709.**

Water Fund

Rates

Harnett Regional Water has not recommended any fee increases to bulk water rates. The flat water rate for Coats customers will remain steady at \$14.75 for In-Town Customers and \$29.50 for Out-of-Town Customers. In the fee schedule, a rate increase of \$200 for ¾" and 1" meter taps is required in to offset rising prices of materials.

Water System Capital Expenditures

A Trailer Vacuum Pump for pumping out muddy water while working on water leaks was requested, but funding was not available with the number of other competing interests. \$50,000 for a Capital Improvement Plan/Asset Management Plan is included in order to create a work plan for the next 20 years and help prioritize projects and allocate funding sources.

The Town has completed all realistic phases of a 2008 Water Fund CIP previously outlined by an engineering firm, including: Church St. Hydraulic Loop, S Patterson St Hydraulic Loop, replacing altitude valve for Carrie St. Water Tank, and corrected pressure issues along the Abattoir Rd. The CIP will outline a strategic plan for which waterline replacement or expansion projects to pursue over the next 5-10 years and develop a plan on which projects will rank highly enough to pursue certain grants and upcoming infrastructure funding.

Equipment purchases are budgeted for a valve exerciser bat power head drive shaft and a ¾ and 2" tapping kit which together total just under \$10,000. Also, budgeted is year 3 repaying the exterior blast and containment of the Carrie St. Water Tank. This is a price of \$100,000 that has been spread over 5 years (\$20,000/year). This is a large portion of the Service Maintenance line item.

The Town is still on track to be the last route completed on Harnett Regional Waters' AMI smart meter system. This has been delayed due to supply chain issues. The AMI radio read water meter project will be accounted for in a capital project fund and is not part of this budget.

The **Water Fund** revenues and expenditures are **balanced at \$519,945.**

Remaining Funds

The **Solid Waste Fund** is **balanced at \$239,130**. Garbage rates will be increased from \$19.73/can/month to \$21/can/month for in town residents. This price includes garbage, bi-weekly recycling, bulk, and brush pick-up. A recent switch in collection service will account for approximately \$10,000 increase in the cost for residential pickup and an \$11,880 increase in town and commercial dumpster pickup. The increases passed on to the customers are a minimum amount needed to balance the fund. This fund requires no capital expenditures in the short term.

The **Powell Bill Fund** is **balanced at \$70,000**. A move was made to stop using Powell bill revenues to fund partial salaries for members of the Public Works Dept. This will allow the full estimated \$70,000 state shared revenue to be allotted to street resurfacing projects. No projects have been decided, but suggested streets for resurfacing over the next four years includes Remington, Winchester, Orange, Mason, and Durane streets.

The **Cemetery Fund** is **balanced at \$1,900**. Maintenance of the cemetery will be performed with in-house labor. After remaining lots are sold, it is recommended for General Fund to absorb the cemetery fund, as there will be no major incoming revenues to account for and expenses will fall within an "Buildings and Grounds" Department.

Summary

This proposed budget for the 2022-23 Fiscal Year is balanced in accordance with State statutes. The budget achieves some of council's top priorities of becoming more competitive with salaries, continuing code enforcement and demolition, adding one police officer to enhance officer and community safety, and to finally invest in making our Parks and Recreation program a full-time department.

I would like to express my appreciation to all Town staff for their work on the budget and making every effort to reduce expenditures. I present this proposed budget for Fiscal Year 2022-2023 to the Mayor and Town Council. We are prepared to work with the Mayor and Council to make any necessary amendments between now and the date of adoption.

Respectfully Submitted,

Nick Holcomb, Town Manager

Attachment "C"



TOWN OF COATS
SCHEDULE OF FEES
EFFECTIVE JULY 1, 2022

PERSONAL PROPERTY TAX

Tax Rate:.....\$0.49 per \$100 of assessed valuation

WATER RATES:

RESIDENTIAL RATES:

In Town: First 2,000 gallons of water (FLAT RATE).....\$14.75
Each 1,000 gallons THEREAFTER.....\$ 6.00

Out of Town: First 2,000 gallons of water (FLAT RATE).....\$29.50
Each 1,000 gallons THEREAFTER.....\$12.00

COMMERCIAL RATES:

In Town: First 2,000 gallons of water (FLAT RATE)..... \$14.75
Each 1,000 gallons THEREAFTER..... \$6.00

Out of Town: First 2,000 gallons of water (FLAT RATE)..... \$29.50
Each 1,000 gallons THEREAFTER.....\$12.00

WATER TAP FEES: (Tap Fees include \$500.00 Capacity Fee)

3/4"\$1,800.00
1" \$2,000.00
2" +..... \$2,000 + Material cost

UTILITY FEES:

Water Deposit (Owner):	\$25.00-50.00
Water Deposit (Renter):.....	\$50.00-100.00
Connection Fee:.....	\$30.00
Transfer Fee:.....	\$30.00
Cleaning Rental Units:	\$25.00
Delinquent fee: <i>(After the 18th of any month)</i>	\$20.00
Reconnection fee:.....	\$50.00
Bulk Meter Service.....	\$25.00 plus water rates
Charges for illegal cut-on of water:.....	<i>A \$50.00 fee will be assessed to customers who illegally cut on their water.</i>
Sewer Rates:.....	(deposit and rates set by Harnett Regional Water)

NEW SERVICE DEPOSITS:

All Water/Sewer Deposits are based upon your credit. Valid ID & SS # are required. Water, Sewer and Connection Fee must be paid in full before water is turned on. New accounts or delinquent accounts must be paid in full by 3:00 pm in order for water service to be cut back on.

PARKS & RECREATION FEES

PARK RENTAL

Picnic Half day.....	\$50.00
Picnic Full day.....	\$100.00
Ball Fields.....	\$25.00/hr
Ball Fields and Concession	\$250.00/day

RECREATION PROGRAMS:

Youth Participants:	
Residence Fee.....	\$0.00
Non-Resident Fee.....	\$40.00
Adult League Softball.....	\$550.00/team

Alcohol Privilege License

Beer "On-premise".....	\$15.00
Beer "Off-premise".....	\$5.00
Wine "On-premise".....	\$15.00
Wine "Off-premise".....	\$10.00

MISCELLANEOUS RATES & FEES

Copying.....	\$0.25/ Page
Driveway Piping.....	Cost of Materials
Lot Mowing.....	(one hour minimum)\$100 per/hr.
Cemetery Plots.....	\$500.00
Burial Permits.....	\$50.00
Returned Check Fee.....	\$25.00
<i>(After 2nd return check, no personal checks will be accepted)</i>	
Notary Public Fees.....	\$5.00 per document
Police Reports.....	\$5.00 each
Police Fingerprint Cards.....	In Town, No Charge \$5.00 Out of Town
Golf Cart Registration	\$40.00
Golf Cart Re-Inspection.....	\$25.00
Online Utility Convenience Fee.....	3% of total bill

SOLID WASTE FEES:

Residential & Business (In Town)	Garbage Weekly.....	\$11.00
	Recycle Bi-Weekly.....	\$5.00
	Bulk & Brush Bi-Weekly.....	\$5.00
		\$21.00 Total/Month
Residential & Business (Out of Town)	Garbage Weekly.....	\$24.00 Month
	Recycle Bi-Weekly.....	\$8.00 Month

PLANNING / ZONING

Zoning Application Permits:

Residential:

Single Family	\$50.00
Duplex	\$100.00
Multi-Family.....	\$300.00
Fences.....	\$0.00

Non-Residential/Commercial:

Structure.....	\$50.00 + zoning site plan review fee
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Building Permit Fees.....Set by Harnett County

Planning Fees (Board Approval Required):

Special Use Permit Application.....	\$500.00
Variance Request.....	\$400.00
Re-Zoning Application.....	\$400.00
Ordinance Text Amendment.....	\$400.00
Road Renaming Petition (Buying New Signs & E911 Addressing).....	\$400.00

Planning Service Fees:

Exempt or Recombination Subdivision Review.....	\$25.00
Minor Subdivision Filing Fee:	\$150.00 + \$20.00/lot
Major Subdivision Preliminary Plat.....	\$300.00 + \$10.00/lot
Construction Drawings Review Fee.....	\$500.00
Storm Drainage/Erosion Control Fee.....	\$500.00
Major Subdivision Final Plat.....	\$350.00

Zoning Site Plan Review:

Site Plan Review.....	\$300 + \$25.00/acre
Sketch Plat Review.....	\$200.00

Sign Permits:

Business Sign Permit.....	\$50.00
Temporary (Limited to 30 days/year).....	\$35.00

MANAGEMENT REIMBURSABLES

Mileage Reimbursements.....	\$0.58 per mile
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