

5.7.2024



TOWN *of*  
WAKE FOREST

# FY 2024 – 2025 Proposed Budget

*Presented by*

*Kip Padgett, Town Manager*



## *Our* MISSION

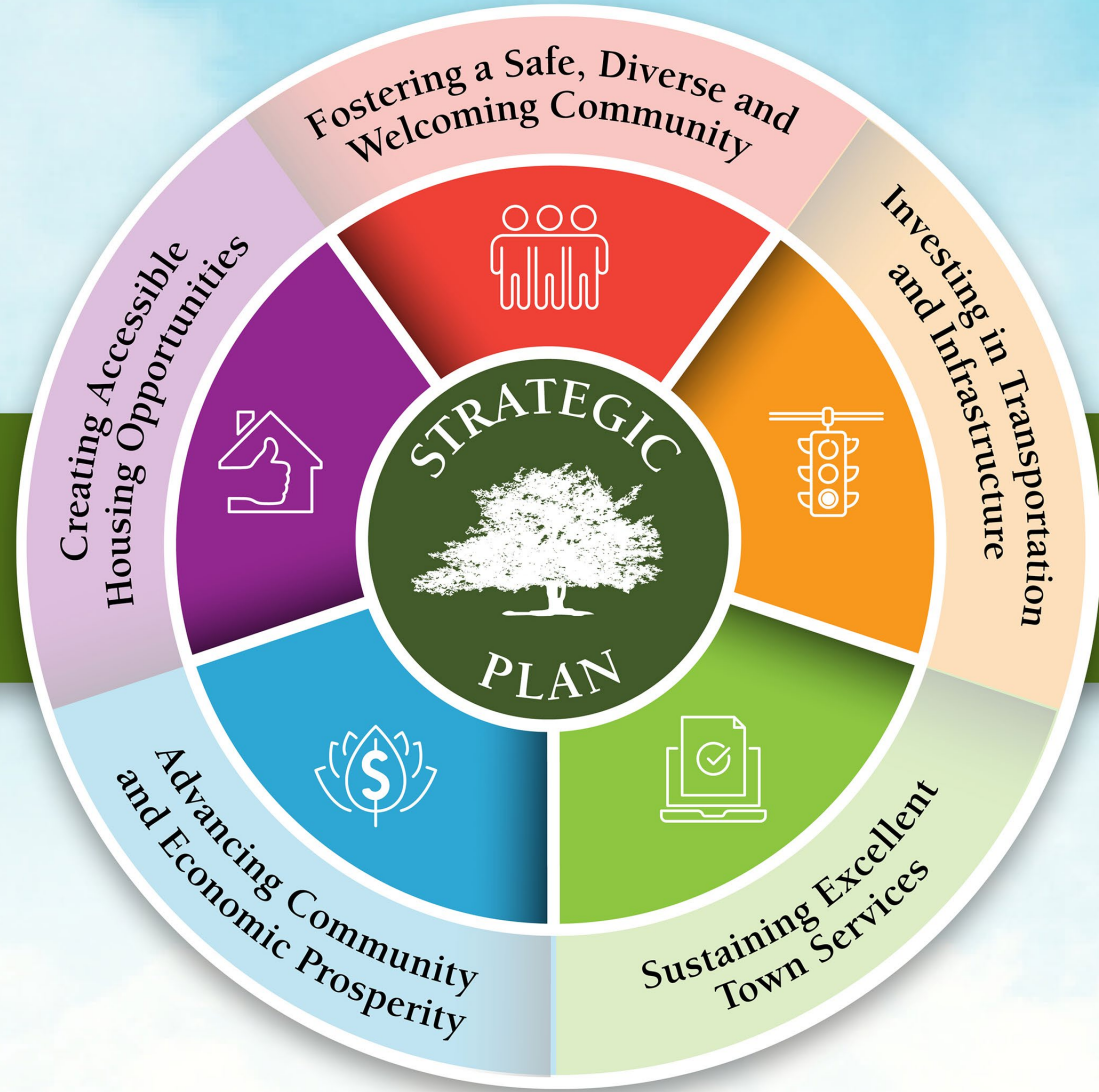
The Town of Wake Forest is committed to  
delivering superior services and  
celebrating the diversity of our organization.



TOWN *of*  
WAKE FOREST

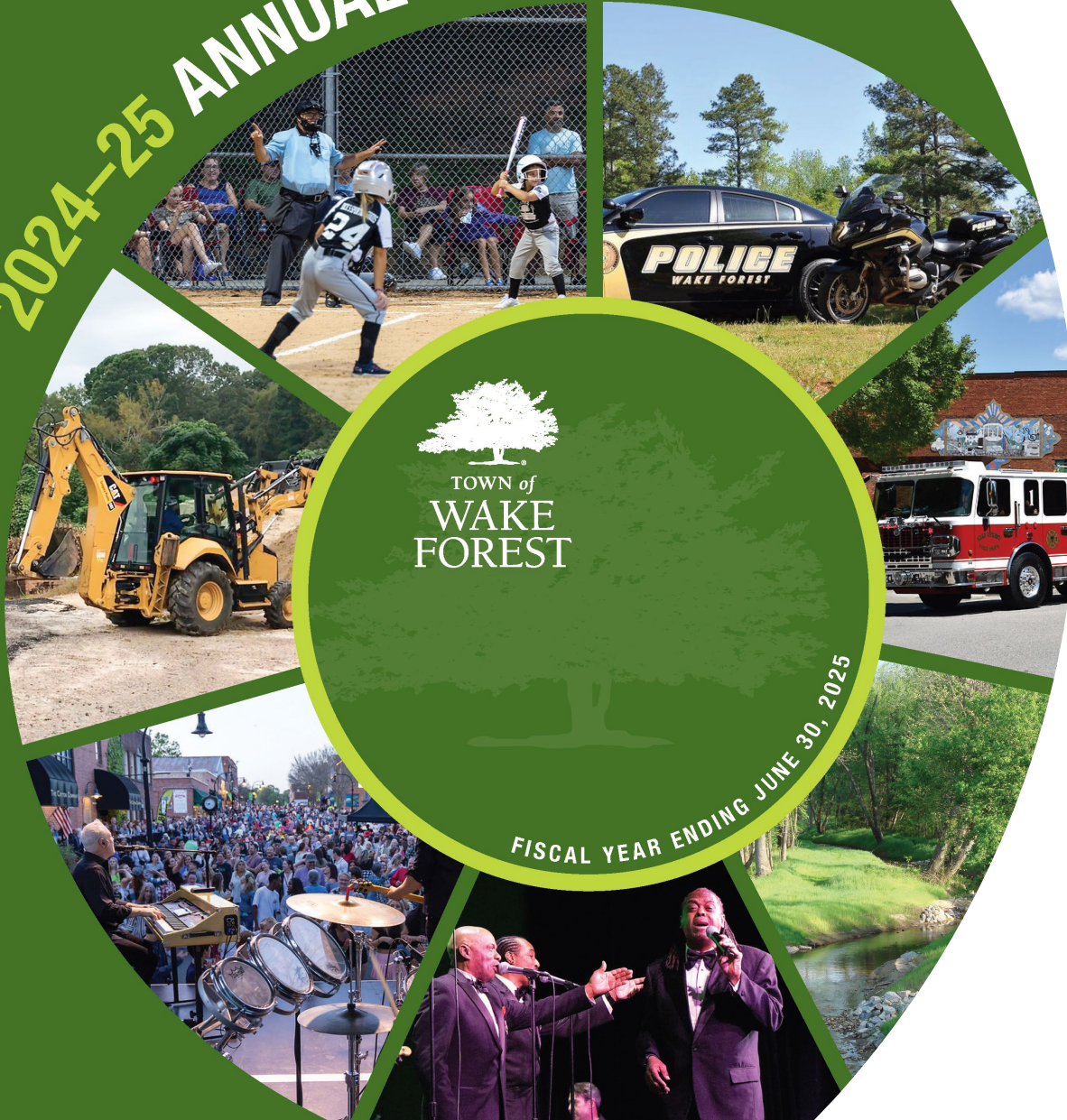
# STRATEGIC PLAN

## Our GOALS





# 2024-25 ANNUAL BUDGET



## Budget Highlights

- GFOA Award – FY 2023-2024
- Balanced per NC General Statutes
- Three Major Operating Funds
  - General Fund
  - Debt Service Fund
  - Electric Fund
  - Stormwater Utility Fund
- Other Funds



# Tax Rates & User Fees

- ❖ Tax Rate - \$ .42
  - Estimated Tax Base = \$11,725,317,100
- ❖ Residential Solid Waste Fee = \$ 23.00
- ❖ DMSD Tax Rate - \$ .14
- ❖ Vehicle Fee - \$30.00
- ❖ Electric Rate adjustments approved September 2024
  - 2.5% increase - impact included in proposed budget
- ❖ Stormwater Fee approved November 2024
  - Tier 1 - \$44 (1 ERU)
  - Tier 2 - \$121 (2.75 ERUs)
  - Tier 3 - \$231 (5.25 ERUs)
  - Impact included in proposed budget



# What is Revaluation?

The process of updating real property values to reflect fair market value as of January 1, 2024.

All units required to reevaluate property minimum of eight (8) years. Wake County conducts every four (4) years.



# Revenue Neutral Tax Rate

- ❖ NC General Statute 159-11 (e) requires calculation of revenue neutral property tax rate
- ❖ Rate for fiscal year 2024-2025 that will produce revenue equal to prior year adjust for average growth



# Revenue Neutral Rate History

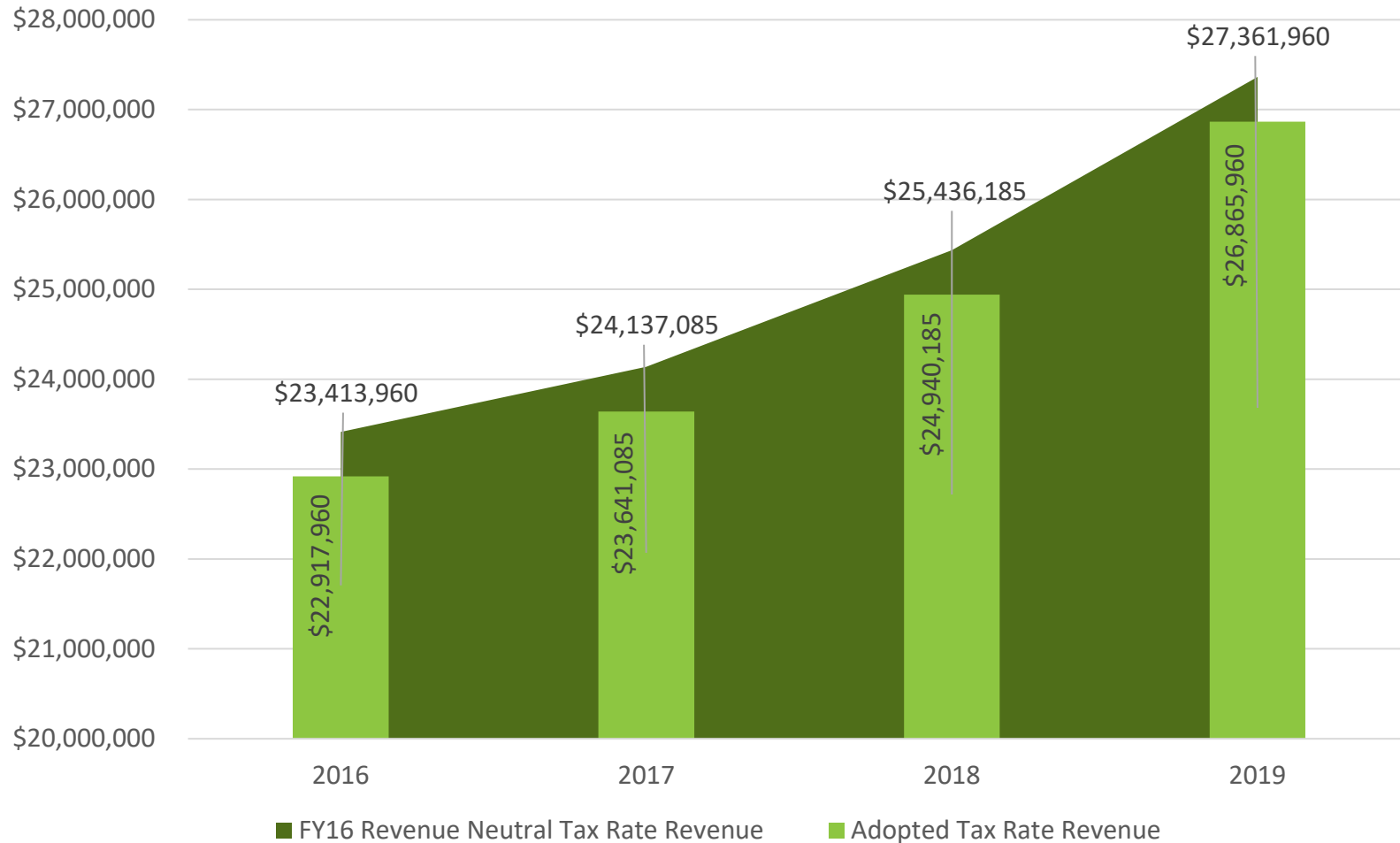
	2008	2016	2020	2024
% Change from Revaluation	35%	5%	20%	49.27%
Revenue Neutral Rate	.4500	.5310	.4613	.3460
Tax Rate Adopted/Proposed	.5100	.5200	.4950	.4200





# 2016 Fiscal Impact

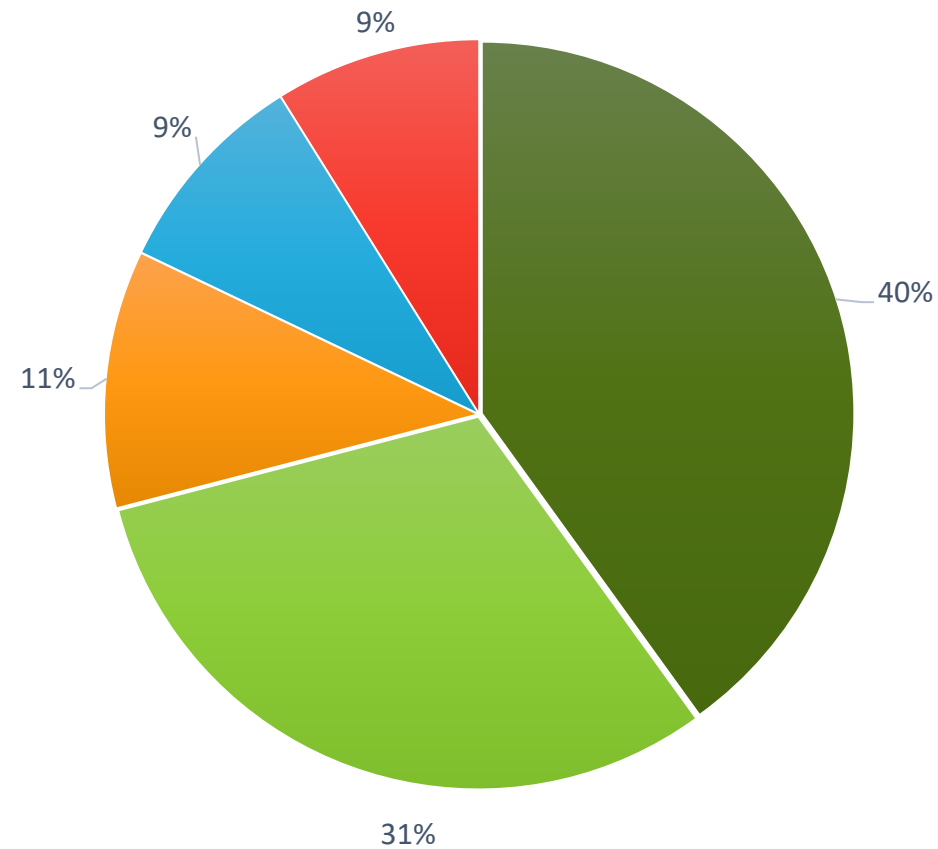
## Adopted Tax Rate Below Revenue Neutral



Total Revenue  
Loss =  
\$1.984 million



# Total Proposed Budget - \$128,668,100



■ Personnel Costs ■ Operating Costs ■ Purchase for Power ■ Debt Service ■ Capital Outlay/Transfers



# Personnel

- ❖ Thirteen (13) new positions
  - ❖ 12 General Fund
  - ❖ 1 Stormwater Utility Fund
- ❖ Performance pay (merit) and pay and classification study
- ❖ Health Insurance Premiums – ***no increase***
  - ❖ Sixth consecutive year since transition to NCHIP
- ❖ Retirement – increase - \$ 635,000
  - 12.93% to 13.67% - General and Fire
  - 14.29% to 15.04% - LEO



# Major Impacts

- ❖ New positions - \$825,000
- ❖ Debt service fund - \$11.1 million
  - ❖ Future debt service - \$ 3.2 million
    - ❖ 2022 Bond Referendum
    - ❖ Public Safety - Fire Station 6, warehouse and engines
- ❖ Capital Funding Plan - \$11.4 million
  - ❖ \$8.6 million – General Fund
  - ❖ \$1.4 million – Electric Fund
  - ❖ \$1.4 million – Stormwater Utility Fund
- ❖ \$2,070,665 Appropriated Fund Balance – one-time capital items



# What's Next



TOWN *of*  
WAKE FOREST

- **Public Hearing – Tuesday, May 21**
- **Work Session - Tuesday, June 4**
- **Approve Budget – Tuesday, June 18**



# Future Impacts

- ❖ GO Bond Issuance – August 2024 – \$22 million
- ❖ Stormwater Utility Implementation
- ❖ Fire Station 6 Construction
- ❖ Future Land Acquisition Considerations





---

TOWN *of*  
WAKE FOREST

*Where Innovation Meets Opportunity*

