TOWN OF ZEBULON, NORTH CAROLINA

FISCAL YEAR 2026-2027 BUDGET ORDINANCE

ORDINANCE NO. 2026-46

BE IT ORDAINED by the Board of Commissioners of the Town of Zebulon, North Carolina, that the following appropriations and revenues are hereby established for the Fiscal Year beginning July 1, 2026, and ending June 30, 2027, in accordance with the North Carolina Local Government Budget and Fiscal Control Act.

SECTION 1. GENERAL FUND APPROPRIATIONS

Department / Function	Appropriation Type	Amount
Governing Body		
	Operating	$892,190
Budget & Finance		
	Operating	$748,429
Human Resources		
	Operating	$807,059
Administration		
	Operating	$582,017
	Capital	$7,500
Innovation & Technology		
	Operating	$975,790
Communications		
	Operating	$303,115
Stadium		
	Capital	$750,000
Planning		
	Operating	$1,330,033

	Capital	$15,000
Public Works - Prop & Const. Mgmt		
	Operating	$896,668
	Capital	$125,000
	Debt Service	$246,450
Police		
	Operating	$5,648,083
	Capital	$64,400
Public Works -- Operations		
	Operating	$1,711,073
	Capital	$270,300
	Debt Service	$122,050
Fire		
	Operating	$4,482,031
	Capital	$6,250
	Debt Service	$512,700
Public Works - Property Mgmt		
	Operating	$398,819
Powell Bill		
	Operating	$20,000
	Capital	$740,000
Public Works - Administration		
	Operating	$2,618,644
Stormwater		
	Operating	$221,412
Parks & Recreation		

	Operating	$2,660,226
	Capital	$441,200
Economic Development		
	Operating	$392,705
FY27 Base Authorized Expenditures		**$27,989,144.39**

FY26 Carryover / Reappropriated Project Appropriations

Judd / Arendell Signal	Reappropriation	$1,911,900
Stadium Improvements	Reappropriation	$89,500
Small Area Plan	Reappropriation	$265,000
Space Study and Stabilization Plan	Reappropriation	$150,000
Public Works Spec Book	Reappropriation	$112,500
Total FY26 Carryover / Reappropriated Projects		**$2,528,900**
Total FY27 Ordinance Authority		**$30,518,044.39**

SECTION 2. GENERAL FUND REVENUES

Revenue / Funding Source	Amount
Property Taxes-Current Year	$16,380,000
Property Taxes-Prior Years	$29,500
Tax Penalty & Interest	$27,500
Rental Vehicle Taxes	$17,500
Privilege License Taxes	$500
Motor Vehicle Decal Fees	$260,000
Wake County Sales Tax - 1 Cent (Article 39)	$1,205,000
Wake County Sales Tax - 1/2 Cent (Articles 40 & 42)	$1,215,000
Wake County Sales Tax - 1/2 Cent (Article 44)	$450,000
NC Utilities Franchise Taxes	$965,000

NC Video Programming Taxes	$25,500
NC Beer & Wine Taxes	$37,500
PEG Channel Funds	$85,000
NC Powell Bill Funds	$320,000
Wake County Fire Tax Distribution	$1,381,600
Additional Fire Tax Revenue	$20,000
Solid Waste Disposal Tax	$6,000
Interest Earnings-General Fund	$850,000
Officer & Jail Fees	$2,500
Zoning Permits & Fees	$250,000
Street & Sidewalk Inspection Fees	$40,000
PW Inspection Fees	$7,500
Stormwater Mapping Fees	$10,000
Fire Inspection Fees	$20,000
Refuse Collection Fees	$1,300,000
Youth Athletic League Fees	$75,000
Recreation Program Sponsorships	$2,500
Recreation Class Fees	$35,000
Park Facility Rental Fees	$17,500
Community Center Rental Fees	$20,000
Recreation Camp Fees	$25,000
Lease Payments-Stadium	$37,500
Lease Payments-Cell Towers	$95,000
Miscellaneous Revenues	$10,000
Wake County ABC Distribution	$57,500
Fund Balance Appropriated for FY27 Budget Stabilization	$1,858,244.39

Restricted, Committed, and Dedicated Capital Funding Sources	
FY26 Powell Bill Restricted Funding	$440,000
Recreation Impact Fee Reserve Allocation	$400,000
Fleet Improvements Committed Reserve	$10,300
Total Restricted, Committed, and Dedicated Capital Funding Sources	**$850,300**
FY27 Base Revenues & Funding Sources	**$27,989,144.39**
FY26 Carryover / Reappropriated Project Funding	$2,528,900
Total FY27 Ordinance Funding Sources	**$30,518,044.39**

Additional budget stabilization measures include the return of selected inactive or delayed prior-year capital project appropriations to unassigned fund balance. The FY 2027 ordinance classifies the portion needed to balance the FY 2027 base budget as fund balance appropriated, improving transparency and aligning the budget ordinance with Finance Department presentation guidance.

SECTION 3. PROPERTY TAX LEVY

There is hereby levied a property tax at the rate of $0.577 per one hundred dollars ($100) of assessed valuation for the purpose of raising revenue necessary to finance General Fund operations for Fiscal Year 2026-2027.

SECTION 4. FEES AND CHARGES

The Town of Zebulon FY2026-2027 Fee Schedule, as presented to the Board of Commissioners and incorporated herein by reference, is hereby adopted and shall become effective July 1, 2026, unless otherwise specified.

SECTION 5. BUDGET OFFICER AUTHORIZATION

Pursuant to N.C.G.S. 159-15, the Town Manager, as Budget Officer, is authorized to transfer appropriations from one appropriation to another within the same fund when such transfers do not increase total fund appropriations, do not require the appropriation of fund balance, do not transfer monies between funds, do not establish or eliminate positions, do not alter the authorized position classification and pay plan, and do not materially change the purpose of a Board-approved appropriation.

The Budget Officer may approve such transfers up to fifty thousand dollars ($50,000) per transaction or ten percent (10%) of the affected departmental appropriation, whichever is less, unless a more restrictive limitation is required by State law, Local

Government Commission guidance, or Board-adopted policy. Transfers exceeding this authority shall require approval by the Board of Commissioners.

Transfers between funds, increases or decreases in total fund appropriations, use of fund balance, changes involving capital projects or debt service, establishment or elimination of positions, changes to authorized personnel classifications or pay plans, and any other amendment requiring Board approval under State law or Town policy shall require approval by the Board of Commissioners.

All transfers made under this authorization shall be reported to the Board of Commissioners at its next regular meeting and entered into the minutes. The authority granted by this section shall conform to N.C.G.S. 159-15, or any successor statute, as amended from time to time; provided, however, that the Board may by ordinance or resolution impose more restrictive limitations or procedures at any time.

SECTION 6. CARRYOVER PROJECTS, REAPPROPRIATIONS, CAPITAL PROJECTS AND FUND BALANCE

The Town recognizes that certain operating projects, capital purchases, and capital improvements appropriated in Fiscal Year 2025-2026 were not completed by fiscal year-end and are intended to continue into Fiscal Year 2026-2027. The Board of Commissioners hereby reappropriates the selected FY 2025-2026 operating and capital project balances identified in the FY 2026-2027 budget for completion during Fiscal Year 2026-2027.

Projects authorized by separate capital project ordinance, grant project ordinance, or other Board-approved project ordinance shall continue in accordance with the terms of the applicable project ordinance and do not require reauthorization in this annual budget ordinance.

Any FY 2025-2026 operating or capital project balance not identified for reappropriation in the FY 2026-2027 budget, not otherwise authorized by separate project ordinance, and not required by law, contract, grant, or other binding obligation shall be returned to the appropriate fund balance or otherwise closed out in accordance with applicable law, accounting requirements, and Board direction.

As part of the FY 2027 budget stabilization process, the Town reviewed prior-year operating and capital project balances and identified selected balances for reappropriation, closeout, deferral, or return to fund balance. Returned balances shall be reflected in the Town's fund balance projections and financial reporting, as applicable.

Use of fund balance appropriated within this ordinance is intended to support one-time stabilization measures and should not be interpreted as recurring operating revenue.

SECTION 7. SALARY AND POSITION AUTHORIZATION

The FY2026-2027 Position Classification and Pay Plan, including authorized positions and approved compensation adjustments, is hereby adopted.

The FY 2027 budget includes a three percent (3%) merit-based compensation adjustment for eligible employees subject to available funding, performance management processes, and administrative implementation.

SECTION 8. RESTRICTION ON EXPENDITURES

No department, division, officer, employee, or agent of the Town shall expend any monies except in accordance with the appropriations authorized by this ordinance and applicable provisions of the North Carolina Local Government Budget and Fiscal Control Act.

SECTION 9. FUND BALANCE POLICY AND COMPLIANCE

Based on conservative FY26 year-end estimates available during budget preparation, the Town is projected to be above the minimum target established in the Town's adopted unassigned fund balance policy. The Board directs staff to continue monitoring reserve levels, distinguishing restricted and project-specific resources from unassigned fund balance, and providing periodic updates on reserve trends, expenditure controls, capital sequencing, revenue assumptions, and long-term financial sustainability.

SECTION 10. EFFECTIVE DATE

This ordinance shall become effective July 1, 2026.

Adopted this 22nd day of June, 2026.

Mayor	ATTEST: Town Clerk
Jessica D. Harrison	Jeremy Crawford

TOWN OF ZEBULON
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NORTH CAROLINA