

Ordinance #O-26-17

BUDGET ORDINANCE**AN ORDINANCE MAKING APPROPRIATIONS FOR CERTAIN EXPENSES,
CAPITAL IMPROVEMENTS AND INDEBTEDNESS OF
THE CITY OF HENDERSONVILLE, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2026, AND ENDING JUNE 30, 2027**

WHEREAS, the City of Hendersonville is approaching the conclusion of its current fiscal year and will enter fiscal year 2026-2027 (FY27) on July 1, 2026; and,

WHEREAS, it is necessary and required that prior to entering a new fiscal year a budget must be passed and adopted for the operation of the city government; and,

WHEREAS, the FY27 budget and budget message were submitted to the Hendersonville City Council by the budget officer, the City Manager, on May 22, 2026, as required by N.C.G.S. § 159-11(b); and,

WHEREAS, a copy of the FY27 budget was filed with the Hendersonville City Clerk on May 22, 2026, as required by N.C.G.S. § 159-12(a); and,

WHEREAS, a duly advertised public hearing and a work session has been held wherein the public has been notified and invited to be present.

**THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
HENDERSONVILLE, NORTH CAROLINA:**

SECTION 1: That the following amounts are hereby appropriated for the following governmental, special revenue, proprietary, and capital reserve funds for the fiscal year beginning July 1, 2026, and ending June 30, 2027, with the estimated, budgeted revenues and other financing for each fund being as stated:

GOVERNMENTAL FUNDS**General Fund**

Budgeted Revenues	(30,518,905)
Ad Valorem Taxes	(18,380,000)
Other Taxes & Licenses	(7,500)
Unrestricted Intergovernmental	(9,953,000)
Restricted Intergovernmental	(969,055)
Sales & Services	(346,000)
Permits & Fees	(647,350)
Investment Earnings	(210,000)
Miscellaneous	(6,000)
Budgeted Expenditures	32,545,871
General Government	5,789,161
Community Development	1,047,616
Fire	7,454,962
Police	9,163,909
Public Works	4,900,473
Debt Service	4,189,750
Other Financing (Sources)/Uses	(2,026,966)
Proceeds of Debt	-
Sale of Capital Assets	-
Transfers (In)	-
Transfers Out	1,408,468
Fund Balance Appropriated	(3,435,434)
Sub-Total Revenues & Other Financing	(33,954,339)
Sub-Total Appropriations	33,954,339

NON-MAJOR GOVERNMENTAL FUNDS**Main Street MSD Fund**

Budgeted Revenues	(742,300)
Ad Valorem Taxes	(301,750)
Other Taxes & Licenses	-
Unrestricted Intergovernmental	(420,000)
Restricted Intergovernmental	-
Permits & Fees	(2,500)
Sales & Services	-
Investment Earnings	(100)
Miscellaneous	(17,950)
Budgeted Expenditures	934,390
Downtown Program	886,590
Debt Service	47,800
Other Financing (Sources)/Uses	(192,090)
Transfers (In)	(192,090)
Fund Balance Appropriated	-
Sub-Total Revenues & Other Financing	(934,390)
Sub-Total Appropriations	934,390

Seventh Avenue MSD Fund

Budgeted Revenues	(146,450)
Ad Valorem Taxes	(57,350)
Other Taxes & Licenses	-
Unrestricted Intergovernmental	(84,000)
Restricted Intergovernmental	-
Permits & Fees	-
Sales & Services	(5,000)
Investment Earnings	(100)
Miscellaneous	-
Budgeted Expenditures	278,184
Downtown Program	275,877
Debt Service	2,307
Other Financing (Sources)/Uses	(131,734)
Transfers (In)	(76,468)
Fund Balance Appropriated	(55,266)
Sub-Total Revenues & Other Financing	(278,184)
Sub-Total Appropriations	278,184

SPECIAL REVENUE FUNDS**Governmental Special Revenue Fund**

Budgeted Revenues	-
Miscellaneous	-
Budgeted Expenditures	31,000
Community Fund	11,500
Fire	-
Police	19,500
Other Financing (Sources)/Uses	(31,000)
Fund Balance Appropriated	(31,000)
Sub-Total Revenues & Other Financing	(31,000)
Sub-Total Appropriations	31,000

Housing Fund

Budgeted Revenues	-
Miscellaneous	-
Budgeted Expenditures	295,874
Housing	295,874
Other Financing (Sources)/Uses	(295,874)
Fund Balance Appropriated	(295,874)
Transfers (In)	-
Transfers Out	-
Sub-Total Revenues & Other Financing	(295,874)
Sub-Total Appropriations	295,874

PROPRIETARY FUNDS**Water & Sewer Fund**

Budgeted Revenues	(29,671,000)
Sales & Services	(27,669,500)
Permits & Fees	(1,476,500)
Water & Sewer Taps	(350,000)
Investment Earnings	(125,000)
Miscellaneous	(50,000)
Budgeted Expenditures	31,573,900
General Business	9,864,914
Water Facilities	1,545,632
Water Treatment	2,955,246
Water Operations	1,277,488
Water Distribution	4,390,799
Wastewater Facilities Maintenance	525,409
Wastewater Treatment	1,852,523
Wastewater Operations Support	403,494
Wastewater Collection	2,505,845
Debt Service	6,252,550
Other Financing (Sources)/Uses	(1,902,900)
Insurance Proceeds	-
Transfers (In)	-
Transfers Out	1,265,000
Fund Balance Appropriated	(3,167,900)
Sub-Total Revenues & Other Financing	(32,838,900)
Sub-Total Appropriations	32,838,900

Parking Fund

Budgeted Revenues	(1,147,675)
Sales & Services	(1,065,000)
Permits & Fees	-
Investment Earnings	(2,500)
Miscellaneous	(80,175)
Budgeted Expenditures	1,347,585
Parking	537,385
Debt Service	810,200
Other Financing (Sources)/Uses	(199,910)
Proceeds of Debt	-
Transfers (In)	(199,910)
Transfers Out	-
Fund Balance Appropriated	-
Sub-Total Revenues & Other Financing	(1,347,585)
Sub-Total Appropriations	1,347,585

Stormwater Fund

Budgeted Revenues	(1,906,050)
Sales & Services	(1,905,000)
Permits & Fees	(1,000)
Investment Earnings	(50)
Miscellaneous	-
Budgeted Expenditures	1,456,050
Stormwater	1,382,000
Debt Service	74,050
Other Financing (Sources)/Uses	450,000
Proceeds of Debt	-
Transfers (In)	-
Transfers Out	450,000
Fund Balance Appropriated	-
Sub-Total Revenues & Other Financing	(1,906,050)
Sub-Total Appropriations	1,906,050

Environmental Services Fund

Budgeted Revenues	(2,394,000)
Sales & Services	(2,393,000)
Permits & Fees	-
Investment Earnings	(300)
Miscellaneous	(700)
Budgeted Expenditures	2,464,670
Sanitation	2,251,205
Debt Service	213,465
Other Financing (Sources)/Uses	(70,670)
Proceeds of Debt	-
Transfers (In)	(70,670)
Transfers Out	-
Fund Balance Appropriated	-
Sub-Total Revenues & Other Financing	(2,464,670)
Sub-Total Appropriations	2,464,670

CAPITAL RESERVE FUNDS**Water & Sewer Capital Reserve Fund**

Budgeted Revenues	-
Budgeted Expenditures	-
Other Financing (Sources)/Uses	-
Transfers (In)	(950,000)
Transfers Out	950,000
Sub-Total Revenues & Other Financing	(950,000)
Sub-Total Appropriations	950,000

Stormwater Capital Reserve Fund

Budgeted Revenues	-
Budgeted Expenditures	-
Other Financing (Sources)/Uses	-
Transfers (In)	(150,000)
Transfers Out	150,000
Sub-Total Revenues & Other Financing	(150,000)
Sub-Total Appropriations	150,000
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Total Revenues & Other Financing	(75,150,992)
Total Appropriations	75,150,992

SECTION 2: That the attached detailed budget document reflects the estimated revenues, revenue contributions, and budget appropriations of the City of Hendersonville, North Carolina, for the period beginning July 1, 2026, and ending June 30, 2027. A copy of the budget document shall be furnished to the City Clerk, City Manager and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

SECTION 3: That the financial plan supporting the Internal Service Fund as required by N.C.G.S. § 159-13.1 is approved. The *Financial Plan* for the Internal Service Fund is incorporated herein by reference and shall be placed on file in the office of the City Clerk.

SECTION 4: That no appropriations for salaries shall be changed unless authorized by the Council. Appropriations between departments, divisions, or projects within one fund, other than salaries, including contingency appropriations, may be transferred therein by the City Manager for the purpose of equalizations, when necessary, if the original total appropriated balance for the fund is not changed. Appropriations within a department, other than salaries, may be transferred by the department head to make equalizations when necessary.

SECTION 5: That there is hereby levied a tax at the rate of fifty-two cents (\$0.52) per one hundred dollars (\$100.00) valuation of property. This rate is based on an estimated total valuation of property for the purpose of taxation of \$3,576,470,398 and estimated collection rate of 98.60%.

SECTION 6: That there is hereby levied a tax at the rate of twenty-one cents (\$0.21) per one hundred dollars (\$100.00) valuation of property, for the Main Street Municipal Service District formed upon a petition of some of the property owners, established for the purpose of infrastructure improvements and special events in the district. This rate is based on an estimated total valuation of property for the purpose of taxation of \$146,656,375 and an estimated collection rate of 98.60%.

SECTION 7: That there is hereby levied a tax at the rate of twenty-one cents (\$0.21) per one hundred dollars (\$100.00) valuation of property, for the Seventh Avenue Municipal Service District formed upon a petition of some of the property owners, established for the purpose of

infrastructure improvements and special events in the district. The rate is based on an estimated total valuation of property for the purpose of taxation of \$27,426,271 and an estimated collection rate of 98.60%.

SECTION 8: That there is hereby adopted an official Fee Schedule listing specific fees, licenses, and utility rates charged by the City of Hendersonville for the use of City facilities and equipment for the purposes of making them available to public, specific utility rates the proceeds of which are for the maintenance and expansion of its utility systems, the reproduction of public records and other miscellaneous services to cover the actual cost of producing these documents and information under the provision of NCGS §132-6.2, and other various fees associated with enhanced direct services provided by the City. The *Fee Schedule* is incorporated herein by reference and shall be placed on file in the office of the City Clerk.

SECTION 9: That the City's Position Allocation to Salary Range which provides all jobs and associated pay bands be adopted as the official Pay and Classification Schedule of the City of Hendersonville. The *Pay and Classification Schedule* is incorporated by reference and shall be placed on file in the office of the City Clerk.

SECTION 10: This ordinance shall become effective on and after July 1, 2026.

SECTION 11: That all ordinances and parts of ordinances in conflict herewith be and the same hereby repealed.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 4th day of June 2026.

ATTEST:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney