

MINUTES OF THE SPECIAL MEETING OF MAYOR AND COUNCIL HELD
FISCAL YEAR 2017-2018 BUDGET WORK SESSION
MAY 14, 2018

BUDGET WORK SESSION

The Mayor and City Council of the City of Goldsboro, North Carolina, called a Special Meeting to discuss the proposed 2018-2019 Fiscal Year Budget in the Large Conference Room on the second floor of the City Hall Addition, 200 North Center Street, Goldsboro at 9:00 a.m. on May 14, 2018 with attendance as follows:

Present: Mayor Chuck Allen, Presiding
Mayor Pro Tem David Ham
Councilmember Antonio Williams
Councilmember Bill Broadaway
Councilmember Mark Stevens
Councilmember Bevan Foster
Councilmember Gene Aycock

Call to Order. Mayor Allen called the meeting to order at 9:00 a.m.

Mr. Stevens shared we had not programmed this for Facebook Live, staff is set-up for that, we wanted Council to let us know if they would like to turn it on. Councilmembers Foster and Williams stated they would like it on, however, majority of Council did not want it live at this time as there will be a public hearing at a later date when citizens could speak on the proposed budget.

Adoption of the Agenda. Upon motion of Councilmember Broadaway, seconded by Councilmember Stevens and unanimously carried, Council adopted the agenda.

Ms. Kaye Scott, Finance Director, presented the following information on the proposed Budget for FY 2018-19:

TOTAL BUDGET

<u>FISCAL YEAR 2017-18</u>	<u>FISCAL YEAR 2018-19</u>	
<u>ADOPTED</u>	<u>RECOMMENDED</u>	<u>DIFFERENCE</u>
\$59,307,303	\$61,446,562	\$2,139,239

BREAKDOWN BY FUNDS

<u>Funds</u>	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>Difference</u>
General Fund	\$40,582,032	\$40,805,271	\$ 223,239
Stormwater Fund	\$ 1,073,672	\$ 1,504,000	\$ 430,328
Utility Fund	\$16,574,693	\$18,013,088	\$1,438,395
Downtown District Fund	\$ 71,326	\$ 72,470	\$ 1,144
Occupancy Tax Fund	<u>\$ 1,005,600</u>	<u>\$ 1,051,733</u>	<u>\$ 46,133</u>
Totals	\$59,307,323	\$61,446,562	\$2,139,239

Summary

FY 2018-19 Budget

Category	General	Stormwater	Utility	DGDC	Occupancy Tax	Total
Salary/Benefits	\$ 25,876,541	\$ 543,184	\$ 3,709,976		\$ 158,034	\$ 30,287,735
Operational Costs	9,055,501	539,836	8,289,045	72,470	551,699	\$ 18,508,551
Debt Service	4,929,905	129,980	3,267,979		342,000	8,669,864
Vehicle/Capital Outlay	943,324	291,000	2,746,088			3,980,412
Total	\$ 40,805,271	\$ 1,504,000	\$ 18,013,088	\$ 72,470	\$ 1,051,733	\$ 61,446,562

Operational Costs Summary
FY 2018-19 Budget

Category	General	Stormwater	Utility	DGDC	Occupancy Tax	Total
Gasoline/Diesel Costs	\$ 860,000					\$ 860,000
Auto Repairs/Parts	\$ 647,250					\$ 647,250
Utilities/Telephone	1,164,126		830,212			\$ 1,994,338
Agencies	448,129				15,000	\$ 463,129
Auto/Liab. Prem.	255,779		281,322			\$ 537,101
Service Fees to GF			2,869,532			\$ 2,869,532
Chemicals			879,500			\$ 879,500
Rent					9,275	
Advertising				20,230	119,500	\$ 139,730
Other Op Costs	5,680,217	539,836	3,428,479	52,240	407,924	\$ 10,108,696
Total	\$ 9,055,501	\$ 539,836	\$ 8,289,045	\$ 72,470	\$ 551,699	\$ 18,508,551

Budget Sections

- 1. Revenues (General, Stormwater & Utility Funds)
- 2. Agency Support
- 3. Debt Service
- 4. Positions
- 5. Salary and Employee Benefits
- 6. Departmental Requests
- 7. Vehicle/Capital Requests
- 8. DGDC/Occupancy Tax Fund
- 9. Fund Balance

General Fund Revenues

	FY 17-18 Adopted Budget	FY 18-19 Recommended Budget	Difference
Taxes	\$16,338,000	\$16,432,843	\$94,843
Licenses & Permits	365,400	382,650	17,250
Business Registration Fee	35,000	34,000	(1,000)
Permits	329,500	346,100	16,600
Revenue Other Agencies	17,796,802	17,955,338	158,536
State-Collected Revenues			
Sales Tax	8,587,792	9,200,876	613,084
Utility Franchise Tax	2,850,800	2,737,866	(112,934)
Powell Bill	953,056	944,444	(8,612)
Transportation (NCDOT)	240,000	414,598	174,598
NCDOT Signal Reimbursement	202,000	215,000	13,000
Charges for Services	4,629,630	4,694,440	64,810
Refuse Service Charges	3,250,000	3,260,000	10,000
Parks & Recreation Fees	127,400	116,000	(11,400)
Golf Course Fees	553,800	571,800	18,000
Paramount Theatre	170,000	170,000	0
Event Center Rentals	92,000	95,000	3,000

	Adopted Budget	Recommended Budget	Difference
Capital Returns	304,200	138,500	(165,700)
Investment Earnings	19,000	38,500	19,500
Sale of Property	245,000	50,000	(195,000)
Equipment Sales	40,000	50,000	10,000
Miscellaneous	1,148,000	1,201,500	53,500
Salaries/Payroll Attrition/Health	850,000	900,000	50,000
Fund Balance Withdrawal	0	0	0
Total	\$40,582,032	\$40,805,271	\$223,239

General Fund Revenue Growth

2017-18	40,582,032
2016-17	36,626,690
2015-16	34,061,753
2014-15	34,445,298
2013-14	33,427,350
2012-13	32,018,589
2011-12	32,546,580
2010-11	30,250,840
2009-10	28,943,152
2008-09	29,000,621
2007-08	28,322,096

AD VALOREM TAXES

	<u>Adopted FY 17-18</u>	<u>Recommended FY 18-19</u>
1. REAL ESTATE	\$ 14,278,400	\$ 14,235,599
2. VEHICLE	\$ 1,460,000	\$ 1,500,000
3. ONE-CENT TAX EQUALS	\$ 220,000	\$ 220,000
4. COLLECTION PERCENTAGE	97.81%	97.88%
5. TAX RATE PER \$100	\$.65	\$.65

Utility Fund Revenues

	<u>FY 17-18 Adopted Budget</u>	<u>FY 18-19 Recommended Budget</u>	<u>Difference</u>
Charges for Services	\$15,640,500	\$16,778,500	\$1,138,00
Current Water Charges	5,850,000	6,779,000	929,000
Current Sewer Charges	7,900,000	7,800,000	<100,000>
Late Payment Fees	225,000	235,000	10,000
Service Penalty	110,000	130,000	20,000
Taps	30,000	30,500	500
Compost Revenue	35,000	60,000	25,000
Backflow Inspection Fees	-0-	4,500	4,500
Capital Returns	21,193	37,900	16,707
Investment Earnings	13,293	31,000	17,707
TIGER V Grant Reimb.	0	238,688	238,688
Gen. Loan Repayment	250,000	-0-	<250,000>
Miscellaneous	200,000	430,000	230,000
Proceeds from Loan	463,000	528,000	65,000
Fund Balance Withdrawal	-0-	-0-	-0-
Total	\$16,574,693	\$18,013,088	\$1,438,395

Utility & Refuse Rates

WATER RATES (No Increase)

(Per CCF) (Residential/Commercial)	\$ 2.15	\$ 2.15
(Per CCF) (Industrial)	1.59	3.18
(Per 1000 Gallons) Residential/Commercial)	2.87	2.87
(Per 1000 Gallons) (Industrial)	2.13	4.25
Base Fee Increase (No Increase)	\$ 12.14	\$12.14

SEWER RATES (No Increase)

(Per CCF) (Residential/Commercial)	\$ 4.65	\$ 4.65
(Per CCF) (Industrial)	1.59	3.18

(Per 1000 Gallons) Residential/Commercial)	4.17	8.34
(Per 1000 Gallons) (Industrial)	5.57	11.15

REFUSE RATES

Residential	\$22.00	\$22.00
Commercial (Dumpster)	\$ 5.50/Cu.Yd.	\$ 5.50/Cu. Yd.
Commercial (Roll-Out Containers)	\$40.50	\$40.50
(Additional Cart)	\$15.00	\$15.00
Reconnection Fee	\$10.00	\$10.00

**NOTE: City is working with consultant on Industrial Water and Sewer Rate Assessment and will bring the results back to Council along with their recommendation on rates.*

Water/Sewer Rates Comparisons

Average Consumption (5,000 gallons)				Monthly
Municipality	Water	Sewer	Total	Residential Refuse Fee
Kinston	\$ 41.86	\$ 38.33	\$ 80.19	\$ 27.03
Wilson	\$ 33.87	\$ 45.00	\$ 78.87	\$ 17.50
Smithfield	\$ 30.79	\$ 46.22	\$ 77.01	\$ 16.00
Mt. Olive	\$ 22.81	\$ 51.00	\$ 73.81	\$ 16.60
Jacksonville	\$ 25.94	\$ 47.05	\$ 72.99	\$ 5.00
Greenville	\$ 27.80	\$ 40.00	\$ 67.80	\$ 15.75
Goldsboro	\$ 26.48	\$ 31.02	\$ 57.50	\$ 22.00
Rocky Mt.	\$ 21.57	\$ 28.50	\$ 50.07	
Average Cost	\$ 28.89	\$ 40.89	\$ 69.78	
Wayne Water	\$ 36.27		\$ 36.27	

Stormwater Utility Fund

Stormwater fee is used to repair and maintain drainage facilities that convey storm water; thereby, improving drainage flow, and in many cases the water quality of storm water. The City started billing for single family residential units at \$4.50 per month in July 2017 with most multi-family and businesses being billed based on their individual impervious area or ERU in May 2018.

Number of ERUs	Monthly Rate Per ERU
First 60 (Includes Residential)	\$ 4.50
61 to 100	\$ 3.00
101 to 150	\$ 2.00
Above 150	\$ 1.00

User Fees Self-Sufficiency

Revenues/Expenditures/Debt	FY 2016-17	FY 2017-18	FY 2018-19	Over/Under
Water	101.33%	100.79%	111.61%	841,272
Water Reclamation	90.08%	88.52%	92.39%	(754,750)
Refuse	105.82%	99.29%	103.76%	118,041
Golf Course	99.20%	79.26%	89.54%	(66,829)
Paramount (WITHOUT DEBT SVC.)	34.87%	36.56%	35.70%	(306,133)
Goldsboro Event Center (without debt)	38.32%	62.60%	66.02%	(48,890)

AGENCY SUPPORT

FY 2018-19 Agency Requests							
Fund	Code			Agency	FY 17-18 Allocation	FY 18-19 Requested Amount	FY 18-19 Recommended Amount
General	11	7310	4916	Chamber of Commerce	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
	11	7310	4917	Wayne County Alliance	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
	11	7310	4932	Literacy Connections	\$ 7,000.00	\$ 10,000.00	\$ 10,000.00
	11	7310	4970	Butterball Economic Incentive	\$ 4,320.00	\$ -	\$ -
	11	7310	6993	Boys & Girls Club	\$ -	\$ 15,000.00	\$ -
	11	7310	6994	Arts Council	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
	11	7310	9933	WAGES - Nutrition for the Elderly	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
	11	7310	9933	WAGES - Senior Companion Prog.	\$ -	\$ 20,000.00	\$ -
	11	7310	9937	W.A.T.C.H.	\$ 20,000.00	\$ 60,000.00	\$ 20,000.00
	11	7310	9947	Wayne County Historical Museum	\$ 15,000.00	\$ 20,000.00	\$ 15,000.00
	11	7310	9951	Wayne Uplift	\$ -	\$ 10,000.00	\$ -
	11	7310	9952	Communities in Schools	\$ 15,000.00	\$ 20,000.00	\$ 15,000.00
	11	7310	9979	Waynesborough Park	\$ 25,000.00	\$ 42,950.00	\$ 25,000.00
	11	7310	9980	Goldsboro/Wayne Transportation	\$ 250,000.00	\$ 258,129.00	\$ 258,129.00
	11	7310	9996	W.I.S.H.	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00
				\$ 436,320.00	\$ 561,079.00	\$ 448,129.00	
Community Development	22			Boys & Girls Club	\$ 8,000.00		
				Literacy Connections	\$ 5,000.00		
				Consumer Credit Counseling	\$ 5,000.00		
				W.I.S.H.	\$ 15,000.00		
				WAGES	\$ 20,000.00		
				Wayne Uplift	\$ 5,000.00		
				Wayne Community College (WORKS	\$ 8,000.00		
				Rebuilding Broken Places	\$ 4,425.00		
					\$ 70,425.00	\$ -	\$ -
			TOTALS	\$ 506,745.00	\$ 561,079.00	\$ 448,129.00	

Council discussed agency requests. The following changes were discussed:

- Reducing the Arts Council to \$25,000
- Reducing the Wayne County Museum to \$10,000
- Reducing Waynesborough Park to \$20,000
- Look at appropriating \$5,000 each to Rebuilding Broken Places, Boys & Girls Club, and HGDC Community Crisis Center.

DEBT PAYMENTS AND BALANCES

FY 2018-19

		Principal/Interest Payment	Outstanding Balance (7-1-18)
1	SANITARY SEWER BONDS	\$ 1,424,145	\$ 9,223,600
2	STREET BONDS	735,044	4,806,400
3	RECREATION BONDS	166,813	2,850,000
4	STATE REVOLVING LOAN PROGRAM – WATER PLANT	600,650	6,909,938
7	STONE CREEK (SRF) LOAN	228,125	3,193,623
8	PHASE 4 SEWER REHAB. (SRF) LOAN	117,846	6,268,382
8	CITY HALL	232,386	742,800
9	CITY HALL – PHASE II/STREETSCAPE/AMR	397,382	1,388,000
10	CAPITAL EQUIPMENT LOAN	249,564	347,599
11	COUNTY OF WAYNE LOAN (MULTI-SPORTS)	242,000	2,800,000
12	PARAMOUNT THEATRE	409,273	1,308,200
13	TIGER LOAN (Streetscape/Transfer Facility/Police HVAC)	350,877	3,649,000
14	SETTLEMENT LOAN (\$1.7M)	196,053	1,190,000
15	W.A. FOSTER/GCC LOAN	655,479	5,824,000
16	EASTERN REGIONAL LOAN (County)	127,375	127,375
17	AMI SYSTEM/VEHICLE LOAN	895,676	6,804,000
18	EQUIPMENT LOAN (2015)	369,208	725,000
19	EQUIPMENT LOAN (2016)	325,158	947,000
20	EQUIPMENT LOAN (2017)	499,925	2,225,000
21	IT/RADIOS/SOFTWARE LEASES	509,418	1,579,506
22	POLICE EVIDENCE/FIRE STATION RENOV.	87,467	-
23	TOTAL DEBT	\$ 8,819,864	\$ 62,909,423

Debt Payment Funding

Fund	Amount
General Fund	\$4,929,905
Stormwater Fund	129,980
Utility Fund	3,267,979
Occupancy Tax Fund	342,000

CDBG	150,000
Total	\$ 8,819,864

Possible New Debt Service
General Fund

- Police Evidence Room

\$3,500,000

Issuance: August 2018 (FY 2018-19)
Amortization: 15 Year Level Principal
Interest Rate: 4.00%
First Interest: FY 2019
First Principal: FY 2020
- Replace Fire Station #4 (Building Renovations)

\$ 500,000

Issuance: August 2018 (FY 2018-19)
Amortization: 15 Year Level Principal
Interest Rate: 4.00%
First Interest: FY 2019
First Principal: FY 2020
- Street Improvements Bonds

\$4,500,000

(Bond Sale planned for July 2018)
- IT Lease

\$ 400,000

(Planned for August 2018)

(Approximate Cost)

Utility Fund

- Water System Improvements

\$3,610,000

Funding Date: TBD
Rate: 1.82%
Amortization: 20 Year Level Principal
- Wastewater System Improvements

\$1,235,100

Funding Date: FY TBD
Rate: 1.82%
Amortization: 20 Year Level Principal
- Water Plant Expansion (Plate Setters)

\$2,325,000

The City intends to submit an application for an SRF loan to fund this process.
Funding Date: FY TBD
Rate: 2.50%
Amortization: 20 Year Level Principal

FY 18-19 (General/Utility Fund)

- Equipment Loan

\$819,234

	Vehicle Loan List		
Department	Description	Amount	
Bldg Maint.	(1) Bucket Truck	120,000	
Solid Waste	(1) Crew Cab Pick-Up Truck	29,000	
Solid Waste	(1) Dump Truck	90,000	
Fire	(1) Air Compressor	52,234	
Dist. & Coll.	(1) Tandem Dump Truck	140,000	
Compost	(1) Trommel Screen	235,000	
Compost	(1) Heavy Duty Wheel Loader	153,000	
	Total	\$ 819,234	

5 year loan – 1ST Yr. (GF – \$62,650) (UF – \$116,350)
3% Estimated Interest Rate

NEW POSITIONS - RECOMMENDED

GENERAL FUND:

Position	Department	Salary and Benefits
1. Senior Planner	Planning	\$63,452
		80% NCDOT Reimbursement

2.	Stormwater Maint. Tech.	Stormwater	\$39,645
3.	Biosolid Operator/Driver	Compost	\$43,080
4.	Comm. & Creative Svc. Mgr.	Travel & Tourism	\$24,453 (1/2 Yr.)

POSITIONS NOT RECOMMENDED

Position	Department	Salary and Benefits
1. Sr. HR Analyst	Human Resources	\$69,327
2. Adm. Asst. III	IT	\$39,820
3. Computer Sys. Adm. I	IT	\$63,452
4. Computer Sys. Adm. II	IT	\$72,486
5. Sr. Fleet Mechanic	Garage	\$51,043
6. Bldg. & Grounds Super.	Bldg. & Grounds	\$63,452
7. Sign Technician	Engineering	\$44,928
8. Sr. Rec. Asst. – Adaptive	Parks & Rec.	\$44,928
9. Sr. Program Manager	Parks & Rec.	\$48,904
10. Rec. Center Asst.	Parks & Rec.	\$43,080
11. Athletics Manager	Parks & Rec.	\$48,904
12. Sr. Park Technician	Parks & Rec.	\$44,928
13. Park Technician	Parks & Rec.	\$38,050
14. Park Technician	Parks & Rec.	\$38,050

Recommended				
	Position (From)	Position (To)	Department	Salary (Savings) Increase
1	Web Dev./Comm. Sys Adm	Programmer Analyst	IT	\$ 3,737.00
2	Serve/DBA Adm.	Asst. IT Director	IT	\$ 7,468.00
3	Heavy Equip. Operators (3)	Sr. Heavy Equip. Operators	Solid Waste	\$ 14,764.00
4	Equip. Operators (6)	Heavy Equip. Operators	Solid Waste	\$ 26,611.00
5	Adm. Asst. III	Executive Asst.	Fire	\$ 4,796.00
6	Finance Specialist	Procurement & Coll. Specialist	Finance	\$ -
7	Acctg. Specialist	Sr. Accounting Specialist	Finance	\$ 5,409.00
Not Recommended				
	Position (From)	Position (To)	Department	Salary (Savings) Increase
1	Theater Service Coordinator	Theater Service Coordinator	Parmount Theater	\$ 7,318.00
2	Computer Sys. Adm. I	Computer Sys. Adm I	IT	\$ 2,731.00
3	Computer Sys. Adm. II	Computer Sys. Adm II	IT	\$ 2,208.00
4	Network Administrator	Network Engineer	IT	\$ 3,473.00
5	Social Media/Help Desk Tech.	Social Media/Help Desk Tech.	IT	\$ 2,245.00
6	Administrative Asst. III	Executive Assistant	Parks & Rec.	\$ 4,952.00
7	Marketing/Spec. Events Leader	Marketing/Spec. Events Leader	Parks & Rec.	\$ 5,596.00
8	Multi-Sports Manager	Multi-Sports Coordinator	Parks & Rec.	\$ 4,414.00

Authorized Positions

	Public	Non-Public		Stormwater	Utility	Occupancy	
Fiscal Year	Safety	Safety	Total	Fund	Fund	Fund	Total
2011-12	209	209	418		60	2	480
2012-13	207	199	406		62	2	470
2013-14	201	181	382		59	2	443
2014-15	202	182	384		61	2	447
2015-16	203	176	379		61	2	442
2016-17	203	180	383		63	2	448
2017-18	204	185	389	2	63	2	456
2018-19	204	182	386	10	64	3	463

Note: Max. Authorized Positions in FY 2011-12 – 480

Salary/Benefit Costs

	<u>General Fund</u>	<u>Stormwater Fund</u>	<u>Utility Fund</u>	<u>Occupancy Fund</u>	<u>Total</u>
Salaries	19,477,866	399,849	2,748,993	118,239	22,744,947
Social Security	1,491,557	30,340	210,298	9,045	1,741,240
Retirement	1,464,980	30,584	213,686	9,202	1,718,452
Health Insurance	2,394,546	61,320	392,448	15,330	2,863,644
401(K)	718,822	13,995	95,518	4,113	832,448
COLA/Merit	328,770	7,096	49,033	2,105	387,004
Total	\$25,876,541	\$543,184	\$3,709,976	\$158,034	\$30,287,735

Salary Adjustment/Benefits

■ <u>Salary Adjustments</u>		
1% Cost of Living Increase (July 2018)		\$256,734
1% Merit Adjustment (January 2019)		<u>\$130,270</u>
Total Cost		\$387,004
■ <u>401(K) Contribution</u>		
Non-Sworn Employees (3% to 4% January 2019) and Sworn Employees (5%)		
Non-Sworn Employees		\$567,977
Sworn Employees		\$264,472
Employer Increase		\$ 82,067
■ <u>Retirement Rates:</u>	<u>FY 2017-18</u>	<u>FY 2018-19</u>
General Employees	7.58%	7.82%
Law Enforcement Employees	8.25%	8.50%
Employer Contribution Increase:		\$76,123
■ <u>Health Insurance:</u>		
Employer Increase		\$188,530

Health Insurance Rates

North Carolina State Health Plan Rates						
January - December 2018				January - December 2019		
	Employer Monthly Cost	Employee Monthly Cost		Employer Monthly Cost	Employee Monthly Cost Estimated	
		80/20	70/30		80/20	70/30
Employee	\$ 498.68	\$ 50.00	\$ 25.00	\$ 513.64	\$ 50.00	\$ 25.00
Emp/Child	\$ 498.68	\$ 305.00	\$ 218.00	\$ 513.64	\$ 314.15	\$ 224.54
Emp/Spouse	\$ 498.68	\$ 700.00	\$ 590.00	\$ 513.64	\$ 721.00	\$ 607.70
Family	\$ 498.68	\$ 720.00	\$ 598.00	\$ 513.64	\$ 741.60	\$ 615.94

Health Insurance:

Council's Health Insurance Coverage (7 members for 12 months)	\$42,924
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Departmental Requests

General Fund Expenditures

■ <u>Mayor/Council (\$392,437)</u>	
City Attorney Fees	\$120,000
Consultant Fees (Friends of Seymour)	75,000
Health Insurance Costs	42,924
■ <u>City Manager (\$1,166,118)</u>	
Salary Reserve (Cola/Merit)	328,601
Communication and Marketing	15,000
Air Show	15,000
Contract Services (Landscaping/Maint. contracts)	32,450

■ <u>Human Resources (\$595,637)</u>	
Health Maintenance Program	88,500
Employee Appreciation Day/Health Fair	13,650
■ <u>Community Relations (\$161,085)</u>	
Summer Youth Program	30,000
■ <u>Paramount Theatre (\$476,133)</u>	
Performance Series	53,000
■ <u>Event Center (\$143,890)</u>	
■ <u>Inspections (\$817,196)</u>	
Demolition	200,200
House Securement	5,000
■ <u>DGDC (\$444,198)</u>	
Downtown Projects	112,000
■ <u>Information Technology (\$1,244,897)</u>	
Software License Fees	400,000
Telephone	200,000
■ <u>Public Works – Admin. (\$471,569)</u>	
Electricity	115,000
■ <u>Garage (\$2,285,658)</u>	
Gasoline	\$500,000
Diesel Fuel	360,000
Tires and Tubes	175,000
Automotive Parts	351,000
Outside Repairs	100,000
■ <u>Building & Grounds (\$764,578)</u>	
Building Maintenance	45,000
■ <u>Cemetery (\$320,549)</u>	
■ <u>Finance (\$1,267,341)</u>	
Tax Listing Fees	270,000
Consultant Fees	50,000
Audit (General Fund Portion)	29,400
■ <u>Planning (\$1,367,536)</u>	
Clean and Cut Lots	\$ 35,620
Tree Service	60,000
Maintenance of Enhancement Areas	45,000
Transportation Planning (80% NCDOT Reimb.)	400,000
■ <u>Streets & Storms (\$774,112)</u>	
Sidewalk/Street Repairs	50,000
■ <u>Streets & Storms - Utilities (\$475,200)</u>	
Street Lights	450,000
■ <u>Street Paving (None)</u>	
Resurfacing (Street Improvement Bonds)	\$2,500,000
■ <u>Solid Waste (\$2,919,924)</u>	
Landfill Charges (\$31.50/Ton)	335,000
Replacement Garbage/Recycling Containers/Dumpsters	70,000
■ <u>Engineering (\$992,926)</u>	
Traffic Signal Electricity	15,000
Traffic Maintenance Materials	45,000
■ <u>Fire Department (\$6,186,100)</u>	
Medical Exams	25,000
Fire Hose	7,500
Air Packs	50,000
■ <u>Police Department (\$9,608,204)</u>	
Uniforms	\$ 70,000
BLET Program	20,000
Police ShotSpotter Fees	204,750
■ <u>Special Expense (\$5,762,822)</u>	
Agency Support (Chart)	448,129
Debt Service Payments	4,929,903
■ <u>Parks & Recreation (\$3,247,532)</u>	
Consultant Fees	\$ 50,000

Capital Requests/Recommended
FY 2018-19

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>Difference</u>
VEHICLES/ROLLING STOCK			
GENERAL FUND			
Requests	\$2,014,581	\$1,849,238	(\$165,343)
Recommended	16,401	261,457	245,056
(Equip. Loan)	1,089,715	239,000	(850,715)

STORMWATER FUND			
Requests	\$	\$ 116,000	\$116,000
Recommended		116,000	116,000

UTILITY FUND			
Requests	\$ 627,000	\$ 507,500	(\$119,500)
Recommended	120,000	209,500	89,500
(Equip. Loan)	463,000	293,000	(170,000)

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>Difference</u>
CAPITAL OUTLAY			
GENERAL FUND			
Requests	\$2,128,417	\$2,197,596	\$ 69,179
Recommended	311,389	390,633	79,244
(Equip. Loan)	225,838	52,234	(173,604)

STORMWATER FUND			
Requests		\$ 175,000	\$ 175,000
Recommended		175,000	175,000

UTILITY FUND			
Requests	\$8,480,146	\$5,372,900	(\$3,107,246)
Recommended	809,100	2,008,588	1,199,488
(Equip. Loan)		235,000	235,000

DOWNTOWN DISTRICT			
	<u>FY 17-18</u>	<u>FY 18-19</u>	
	Budgeted	Recommended	
Revenues:			
Taxes	\$71,236	\$72,155	
Investment Earnings	90	315	
Total	\$71,326	\$72,470	

Expenditures:	\$71,326	\$72,470
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*Business Incentive Program - \$15,000– 21% of Budget

* *Municipal Service District Rate: 23.5 cents per \$100 of valuation

OCCUPANCY TAX FUND			
	<u>FY 17-18</u>	<u>FY 18-19</u>	
	Budgeted	Recommended	
Distribution of Occupancy Tax Revenues			
80% Civic Center	\$ 675,000	\$ 690,000	
20% Travel & Tourism	165,000	170,000	
County of Wayne (1%)	165,000	170,000	
Investment Earnings	600	1,050	

Totals	\$1,005,600	\$1,031,050
Fund Balance Withdrawal		\$ 20,683
Totals	\$1,005,600	\$1,051,733
Expenditures:		
Civic Center Programs	675,500	690,800
Travel & Tourism	330,100	360,933
Operations and Marketing		
Totals	\$1,005,600	\$1,051,733

Current levy is 5% for local hotel and motel occupancy
County of Wayne’s funding of the 1% occupancy tax

FUND BALANCES

Fund Balance

As the following chart shows, there was no allocation of the recommended budget being financed through the City’s fund reserves. In order to maintain an adequate fund balance, any increased expenditure must be accompanied by either new sources of additional revenue or a reduction of existing appropriations. Failure to act along these lines could result in reduced service levels in the future. The following chart describes the City’s fund balances:

	Balance (Audit)	Ending Balance	Appropriations	Beginning Balance
	FY 2017-18	FY 2017-18	FY 2018-19	FY 2018-19
General Fund	\$ 7,811,298	\$ 7,272,422	\$ -	\$ 7,272,422
Stormwater Fund	-			
Utility Fund	6,664,289	6,490,261	-	6,490,261
Downtown District	82,896	71,573	-	71,573
Occupancy Tax Fund				-
Civic Center	1,145,619	399,928	-	399,928
Travel & Tourism	73,812	73,812	20,683	53,129
Total	\$ 15,777,914	\$ 14,307,996	\$ 20,683	\$ 14,287,313

Summary
FY 2018-19 Budget

Category	General	Stormwater	Utility	DGDC	Occupancy Tax	Total
Salary/Benefits	\$ 25,876,541	\$ 543,184	\$ 3,709,976		\$ 158,034	\$ 30,287,735
Operational Costs	9,055,501	539,836	8,289,045	72,470	551,699	\$ 18,508,551
Debt Service	4,929,905	129,980	3,267,979		342,000	8,669,864
Vehicle/Capital Outlay	943,324	291,000	2,746,088			3,980,412
Total	\$ 40,805,271	\$ 1,504,000	\$ 18,013,088	\$ 72,470	\$ 1,051,733	\$ 61,446,562

Next Steps

1. What additional information/discussion do you need from staff?
2. Public Hearing Schedule for May 21, 2018. Letters have been sent to Agencies
3. Scheduling any additional budget work sessions.
4. Recommend Adoption of FY 18-19 Budget at June 4 meeting.

Additional discussion included:

- Councilmember Williams stated a Master Plan for District 1 is needed. Sidewalks are needed along George Street and William Street. Councilmember Williams stated he was disappointed that there was no funding included for Summer in the Zone.

- Mayor Pro Tem Ham and Councilmember Stevens advocated for a City-wide Master/Strategic Plan.
- Reduction in Council Benefits/Salary. Mayor Pro Tem Ham made a motion to reduce Council's salary. Councilmember Broadaway seconded the motion. Council discussed and agreed to have further discussion at a future meeting. Mayor Pro Tem Ham and Councilmember Broadaway withdrew their motions.
- Councilmember Foster suggested cutting meals and travel expenses.
- Mayor Allen requested a utilization report for vehicles/equipment (mowers) to include vehicle year and usage.
- The need for a mowing plan was also discussed.
- Elmwood Cemetery Expansion
- CDBG Funding
- Additional Park Lighting and Needs
- Status of Equalization Basins
- Budget Work Session on May 22nd at 9:00 am on Facebook Live
- Councilmember Williams shared concerns regarding a couple of meetings that appeared to be edited. Mr. Stevens stated they should not have been edited and requested Councilmember Williams share those dates with Scott Williams.

There being no further business, the meeting adjourned at 11:43 a.m.

Chuck Allen
Mayor

Melissa Corser, MMC
City Clerk