

SPECIAL MINUTES OF THE MEETING OF MAYOR AND COUNCIL HELD
FISCAL YEAR 2017-2018 BUDGET WORK SESSION
MAY 15, 2017

BUDGET WORK SESSION

The Mayor and Council of the City of Goldsboro, North Carolina, called a Special Meeting on May 15, 2017 at 3:00 p.m. to conduct a Budget Work Session in the Large Conference Room, City Hall Addition with attendance as follows:

Present:

- Mayor Chuck Allen, Presiding
- Mayor Pro Tem Bevan Foster
- Councilmember Antonio Williams
- Councilmember Bill Broadaway
- Councilmember Mark Stevens
- Councilmember David Ham
- Councilmember Gene Aycock
- Scott Stevens, City Manager
- Laura Getz, Deputy City Clerk
- Randy Guthrie, Assistant City Manager
- Kaye Scott, Finance Director
- Kim Dawson, Assistant Finance Director
- Shycole Simpson-Carter, Community Relations Director
- Jimmy Rowe, Planning Director
- Pamela Leake, Interim HR Director
- Scott Barnard, Parks & Recreation Director
- Felicia Brown, Parks & Recreation
- Scott Williams, IT Director
- James Farfour, Assistant Fire Chief
- Christie Langley, Fire Dept. Admin. Assistant
- Mike West, Police Chief
- Sherry Archibald, Paramount Theatre Director
- Rick Fletcher, Public Works Director
- Julie Metz, DGDC Director
- Allen Anderson, Chief Building Inspector
- Ed Cianfara, Citizen
- Carl Martin, Citizen
- Lawrence Merritt, Citizen
- Rochelle Moore, News Argus Reporter

Call to Order. Mayor Allen called the meeting to order at 3:00 p.m.

Budget Presentation. Mr. Scott Stevens stated it is his pleasure to offer for Council's consideration, the recommended annual budget of \$59,307,323 for Fiscal Year 2017-18 for the City of Goldsboro. He stated he would turn the presentation of the proposed budget over to Ms. Kaye Scott. Ms. Scott reviewed the handouts provided to Council with the following information:

TOTAL BUDGET

| | | |
|-------------------|--------------------|-------------------|
| FISCAL YEAR 16-17 | FISCAL YEAR 17-18 | |
| <u>ADOPTED</u> | <u>RECOMMENDED</u> | <u>DIFFERENCE</u> |
| \$57,967,925 | \$59,307,323 | \$1,339,398 |

BREAKDOWN BY FUNDS

| <u>Funds</u> | <u>FY 2016-17</u> | <u>FY 2017-18</u> | <u>DIFFERENCE</u> |
|------------------------|-------------------|---------------------|-------------------|
| General Fund | \$40,521,799 | \$40,582,032 | \$ 60,233 |
| Stormwater Fund | -0- | \$ 1,073,672 | \$ 1,073,672 |
| Utility Fund | \$16,573,439 | \$16,574,693 | \$ 1,254 |
| Downtown District Fund | \$ 73,898 | \$ 71,326 | \$ <2,572> |
| Occupancy Tax Fund | <u>\$ 798,789</u> | <u>\$ 1,005,600</u> | <u>\$ 206,811</u> |
| Totals | \$57,967,925 | \$59,307,323 | \$ 1,339,398 |

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

REVENUES

General Fund Revenues

| | FY 16-17 Adopted Budget | FY 17-18 Recommended Budget | Difference |
|------------------------------------------|----------------------------------------|--------------------------------------------|-------------------|
| Taxes | \$16,403,300 | \$16,338,000 | (\$65,300) |
| Licenses & Permits | 401,200 | 365,400 | (35,800) |
| <i>Business Registration Fee</i> | <i>50,000</i> | <i>35,000</i> | <i>(15,000)</i> |
| <i>Permits</i> | <i>350,300</i> | <i>329,500</i> | <i>(20,800)</i> |
| Revenue Other Agencies | 17,729,556 | 17,796,802 | 67,246 |
| <i>State-Collected Revenues</i> | | | |
| <i>Sales Tax</i> | <i>8,130,000</i> | <i>8,587,792</i> | <i>457,792</i> |
| <i>Utility Franchise Tax</i> | <i>2,970,000</i> | <i>2,850,800</i> | <i>(119,200)</i> |
| <i>Powell Bill</i> | <i>978,912</i> | <i>953,056</i> | <i>(25,856)</i> |
| <i>Transportation (NCDOT)</i> | <i>438,000</i> | <i>240,000</i> | <i>(198,000)</i> |
| <i>NCDOT Signal Reimbursement</i> | <i>204,000</i> | <i>202,000</i> | <i>(2,000)</i> |
| Charges for Services | 4,550,543 | 4,629,630 | 79,087 |
| <i>Refuse Service Charges</i> | <i>3,250,000</i> | <i>3,250,000</i> | <i>0</i> |
| <i>Parks & Recreation Fees</i> | <i>140,000</i> | <i>127,400</i> | <i>(12,600)</i> |
| <i>Golf Course Fees</i> | <i>568,200</i> | <i>553,800</i> | <i>(14,400)</i> |
| <i>Paramount Theatre</i> | <i>155,000</i> | <i>170,000</i> | <i>15,000</i> |
| <i>Event Center Rentals</i> | <i>42,963</i> | <i>92,000</i> | <i>49,037</i> |
| | | | |
| | | | |
| | Adopted Budget | Recommended Budget | Difference |
| Capital Returns | 337,200 | 304,200 | (33,000) |
| <i>Investment Earnings</i> | <i>12,000</i> | <i>19,000</i> | <i>7,000</i> |
| <i>Sale of Property</i> | <i>290,000</i> | <i>245,000</i> | <i>(45,000)</i> |
| <i>Equipment Sales</i> | <i>35,000</i> | <i>40,000</i> | <i>5,000</i> |
| | | | |
| Miscellaneous | 1,100,000 | 1,148,000 | 48,000 |
| <i>Salaries/Payroll Attrition/Health</i> | <i>900,000</i> | <i>850,000</i> | <i>(50,000)</i> |
| | | | |
| Fund Balance Withdrawal | 0 | 0 | 0 |
| | | | |
| Total | \$40,521,799 | \$40,582,032 | \$60,233 |

Ad Valorem Taxes

| | <u>Adopted FY 16-17</u> | <u>Recommended FY 17-18</u> |
|---------------------------------|-------------------------|-----------------------------|
| 1. REAL ESTATE | \$ 14,550,000 | \$ 14,558,400 |
| 2. VEHICLE | \$ 1,460,000 | \$ 1,464,500 |
| 2. ONE-CENT TAX EQUALS | \$ 220,000 | \$ 220,000 |
| 3. COLLECTION PERCENTAGE | 97.97% | 97.81% |
| 5. TAX RATE PER \$100 | \$.65 | \$.65 |

Utility Fund Revenues

| | FY 16-17 Adopted Budget | FY 17-18 Recommended Budget | Difference |
|--------------------------------|-------------------------------|-----------------------------------|-------------------|
| Charges for Services | \$15,651,688 | \$15,640,500 | (\$11,188) |
| Current Water Charges | 5,833,800 | 5,850,000 | 16,200 |
| Current Sewer Charges | 7,894,888 | 7,900,000 | 5,112 |
| Late Payment Fees | 225,000 | 225,000 | -0- |
| Service Penalty | 108,000 | 110,000 | 2,000 |
| Taps | 21,500 | 30,000 | 8,500 |
| Compost Revenue | 35,000 | 35,000 | -0- |
| Backflow Inspection Fees | 45,000 | -0- | (45,000) |
| Capital Returns | 9,000 | 21,193 | 12,193 |
| Investment Earnings | 9,000 | 13,293 | 4,293 |
| General Loan Repayment | 250,000 | 250,000 | -0- |
| Miscellaneous | 205,000 | 200,000 | (5,000) |
| Proceeds from Loan | 273,000 | 463,000 | 190,000 |
| Fund Balance Withdrawal | 184,751 | -0- | (184,751) |
| Total | 16,573,439 | 16,574,693 | (\$1,254) |

Utility & Refuse Rates

| | <u>CURRENT</u> | <u>PROPOSED</u> |
|-----------------------------------------|-------------------|-------------------|
| <u>WATER RATES (No Increase)</u> | | |
| (Per CCF) (Residential/Commercial) | \$ 2.15 | \$ 2.15 |
| Base Fee Increase (No Increase) | \$12.14 | \$12.14 |
| <u>SEWER RATES (No Increase)</u> | | |
| (Per CCF) (Residential/Commercial) | \$ 4.65 | \$ 4.65 |
| <u>REFUSE RATES</u> | | |
| Residential | \$22.00 | \$22.00 |
| Commercial (Dumpster) | \$ 5.50/Cubic Yd. | \$ 5.50/Cubic Yd. |
| Commercial (Roll-Out Containers) | \$40.50 | \$40.50 |
| (Additional Cart) | \$15.00 | \$15.00 |
| Reconnection Fee | \$10.00 | \$10.00 |

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 | |

Council and staff discussed salary, attrition and compost revenue.

Stormwater Utility Fund

Stormwater fee would be 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. All developed property within the city limits would be charged \$4.50 per month beginning July 1, 2017. Beginning January 1, 2018, it is recommended that single family residential units pay \$4.50 per month with most multi-family and businesses being billed based on their individual impervious area or ERU.

| ERU Area (Sq Ft) | ERU Rate (\$) | Single Family Residential (9,668 units) | Commercial/Non-Profit/Multi-Family (65.5M Sq Ft / 2,813 Bldgs) | Estimated Projected Revenue |
|------------------|---------------|-----------------------------------------|----------------------------------------------------------------|-----------------------------|
| 3,000 | \$4.50 | \$522,072 | \$551,600 | \$1,073,672 |

NOTE: Impervious area for multi-family properties (apartments, etc.) will be divided proportionally vs. each family paying for one ERU

User Fees Self-Sufficiency

| Revenues/Expenditures/Debt | FY 2017-18 | Over/Under | FY 2016-17 | FY 2015-16 |
|---------------------------------------|------------|-------------|------------|------------|
| Water | 100.79% | 53,241 | 101.33% | 104.30% |
| Water Reclamation | 88.52% | (1,178,641) | 90.08% | 90.36% |
| Refuse | 99.29% | (23,341) | 105.82% | 100.25% |
| Golf Course | 79.26% | (144,948) | 99.20% | 67.31% |
| Paramount (WITHOUT DEBT SVC.) | 36.56% | (294,980) | 34.87% | 36.35% |
| Goldsboro Event Center (without debt) | 62.60% | (54,961) | 38.32% | |

Council and staff discussed the Stormwater Utility Fund.

Agency Support

| Fund | Code | Agency | FY 16-17 Allocation | FY 17-18 Requested Amount | FY 17-18 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 | \$ 7,000.00 | \$ 7,000.00 |
| | 11 7310 4970 | Butterball Economic Incentive | \$ 8,640.00 | \$ 4,320.00 | \$ 4,320.00 |
| | 11 7310 6993 | Boys & Girls Club | \$ - | \$ - | \$ - |
| | 11 7310 6994 | Arts Council | \$ 30,000.00 | \$ 30,000.00 | \$ 30,000.00 |
| | 11 7310 9922 | MLFL, Inc. | \$ - | \$ 15,000.00 | \$ - |
| | 11 7310 9930 | Four Day Movement | \$ - | \$ 7,400.00 | \$ - |
| | 11 7310 9933 | WAGES - Nutrition for the Elderly | \$ 20,000.00 | \$ 25,000.00 | \$ 20,000.00 |
| | 11 7310 9933 | WAGES - Senior Companion Prog. | \$ - | \$ 20,000.00 | \$ - |
| | 11 7310 9937 | W.A.T.C.H. | \$ 20,000.00 | \$ 40,000.00 | \$ 20,000.00 |
| | 11 7310 9947 | Museum | \$ 15,000.00 | \$ 20,000.00 | \$ 15,000.00 |
| | 11 7310 9951 | Wayne Uplift | \$ 5,000.00 | \$ 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 | \$ 40,000.00 | \$ 25,000.00 |
| | 11 7310 9980 | Goldsboro/Wayne Transportation | \$ 244,386.00 | \$ 274,130.00 | \$ 250,000.00 |
| | 11 7310 9996 | W.I.S.H. | \$ 5,000.00 | \$ 10,000.00 | \$ 5,000.00 |
| | | | \$ 440,026.00 | \$ 567,850.00 | \$ 436,320.00 |
| Community Development | 22 | Boys & Girls Club | \$ 10,000.00 | \$ 20,500.00 | \$ 8,000.00 |
| | | Literacy Connections | \$ 5,000.00 | \$ 14,000.00 | \$ 5,000.00 |
| | | Consumer Credit Counseling | \$ 5,000.00 | \$ 5,750.00 | \$ 5,000.00 |
| | | W.I.S.H. | \$ 14,589.00 | \$ 25,000.00 | \$ 15,000.00 |
| | | WAGES | \$ - | \$ 70,000.00 | \$ 20,000.00 |
| | | Wayne Uplift | \$ 20,000.00 | \$ 20,000.00 | \$ 5,000.00 |
| | | Wayne Community College (WORKS) | \$ 8,000.00 | \$ 10,140.00 | \$ 8,000.00 |
| | | Rebuilding Broken Places | \$ 4,000.00 | \$ 5,000.00 | \$ 4,425.00 |
| | | | \$ 66,589.00 | \$ 170,390.00 | \$ 70,425.00 |
| TOTALS | | | \$ 506,615.00 | \$ 738,240.00 | \$ 506,745.00 |

Council and staff discussed the various agencies the City supports and those requesting support.

Debt Payments and Balances FY 2017-18

| | <u>Principal/Interest Payment</u> | <u>Outstanding Balance (7-1-17)</u> |
|----|---------------------------------------|-----------------------------------------|
| 1 | \$ 1,191,333 | \$ 10,258,402 |
| 2 | 540,636 | 5,299,598 |
| 3 | 158,750 | 3,000,000 |
| 4 | | |
| | PROGRAM – WATER PLANT | |
| | 609,049 | 7,392,998 |
| 5 | 1,025,500 | 1,000,000 |
| 6 | 224,228 | 218,609 |
| 7 | 218,339 | 2,891,068 |
| 8 | 240,888 | 966,256 |
| 9 | 411,771 | 1,767,000 |
| 10 | 258,595 | 586,270 |
| 11 | 243,125 | 3,000,000 |
| 12 | 424,246 | 1,701,744 |
| 13 | 358,526 | 3,878,000 |
| 14 | 198,008 | 1,360,000 |
| 15 | 250,000 | 250,000 |
| 16 | 669,621 | 6,310,000 |
| 17 | 127,694 | 254,750 |
| 18 | 894,999 | 7,532,000 |
| 19 | 369,729 | 1,081,000 |
| 20 | 324,732 | 1,253,000 |
| 21 | 485,112 | 1,104,574 |
| 22 | \$ 9,224,881 | \$ 61,105,269 |

Debt Payment Funding

| <u>Fund</u> | <u>Amount</u> |
|--------------------|---------------------|
| General Fund | \$4,705,315 |
| Utility Fund | 4,126,441 |
| Occupancy Tax Fund | 243,125 |
| CDBG | <u>150,000</u> |
| Total | \$ 9,224,881 |

Possible New Debt Service

General Fund

- **Police Evidence Room** **\$3,500,000**
 Issuance: September 2017 (FY 2018-19)
 Amortization: 15 Year Level Principal
 Interest Rate: 4.00%
 First Interest: FY 2019
 First Principal: FY 2019

- **Replace Fire Station #4 (Building Renovations)** **\$ 500,000**
 Issuance: September 2017 (FY 2018-19)
 Amortization: 15 Year Level Principal
 Interest Rate: 4.00%
 First Interest: FY 2019
 First Principal: FY 2019

- **Street Improvements Bonds** **\$4,500,000**
 (Bond Sale planned for May 2018)

Possible New Debt Service

Utility Fund

- **Sanitary Sewer Rehab (Phase IV) \$6,268,382**

City received a letter of authorization for this loan from the LGC.
 Funding Date: FY 2018-19
 Rate: 2.50%
 Amortization: 20 Year Level Principal
 First Interest: November 1, 2019
 First Principal: May 1, 2020

- **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 2020-21
 Rate: 2.50%
 Amortization: 20 Year Level Principal
 First Interest: November 1, 2020
 First Principal: May 1, 2021

**Possible New Debt Service
 FY 17-18 (General/Utility Fund)**

- **Equipment Loan \$1,778,553**

| <u>Department</u> | <u>Description</u> | <u>Amount</u> |
|-------------------|-------------------------------------------|---------------------|
| Inspections | (1) Pick-up Truck | \$ 20,000 |
| Garage | (1) Jeep | 30,000 |
| Bldg Maint. | (1) Utility Vehicle | 35,000 |
| Planning | (1) Extended Cab Pick-up Truck | 25,000 |
| Sts & Stms. | (1) Front End Loader | 197,000 |
| Solid Waste | (1) Limb Loader Truck | 143,000 |
| Engineering | (1) Compact Pick-up Truck | 23,000 |
| Fire | (1) Adm. Vehicle | 18,500 |
| Police | (8) Line Cars | 187,856 |
| Police | (4) SUV K9 Vehicles | 113,612 |
| Police | Equipment for Police Vehicles | 225,838 |
| Parks & Rec. | (1) Field Rake (Multi-Sports) | 14,000 |
| Parks & Rec. | (1) Utility Club Cart (Multi-Sports) | 10,600 |
| Parks & Rec. | (1) Heavy Duty Mower (Multi-Sports) | 78,889 |
| Parks & Rec. | (1) Crew Cab Pick-up Truck (Multi-Sports) | 28,500 |
| Parks & Rec. | (1) 1 Ton Pick-Up Truck (Multi-Sports) | 47,500 |
| Parks & Rec. | (1) Riding Mower (Multi-Sports) | 33,347 |
| Parks & Rec. | (1) Reel Mower (Multi-Sports) | 57,411 |
| Golf | (1) Crew Cab Pick-up Truck | 26,500 |
| Dist. & Coll. | (1) Backhoe | 115,000 |
| Dist. & Coll. | (1) Tandem Dump Truck | 170,000 |
| Water Plant | (1) Compact Pick-up Truck | 26,000 |
| Compost | (1) Heavy Duty Wheel Loader | 152,000 |
| | Total | \$ 1,778,553 |

5 year loan – 1ST Yr. (GF – \$287,257) (UF – \$5,677)
 10 year loan – 1st Yr. (GF – \$39,858) (UF – \$51,230) (Highlighted in Green)
 3% Estimated Interest Rate

Councilmember Foster questioned the cost related to the vehicles proposed from Parks and Recreation. Mr. Stevens also discussed the proposed loan for Police Department vehicles added to this year’s budget.

Proposed Golf Fees

| | PROPOSED NEW RATES | | |
|----------------------------|---------------------------|--------------------------|-------------------------|
| Fees | Current | Non-Resident Rate | Resident Rate |
| Green Fees | \$4 - \$24 | \$4 - \$24 | 10% Discount |
| Carts Fees | \$12 | \$13 | \$13 |
| | | | |
| | Current | Non-Resident Rate | Resident Rate |
| Membership (Annual) | (Annual/Monthly) | (Annual/Monthly) | (Annual/Monthly) |
| Regular | \$740/\$61.67 | \$960.00/\$80.00 | \$864.00/\$72.00 |
| Senior | \$620/\$51.67 | \$800.00/\$66.67 | \$720.00/\$60.00 |
| Junior | \$620/\$51.67 | \$684.00/\$57.00 | \$624.00/\$52.00 |

Council and staff discussed membership rates and cart fees for the Golf Course.

POSITIONS

New Positions—Recommended

GENERAL FUND:

| <u>Position</u> | <u>Department</u> | <u>Salary and Benefits</u> |
|---------------------------------------|--------------------|----------------------------|
| 1. Senior Fleet Mechanic | Garage | \$50,058 |
| 2. Administrative Asst. I | Fire | 44,041 |
| 3. Park Technician | Parks & Recreation | 37,273 |
| 4. Park Technician | Parks & Recreation | 18,636 (1/2 Yr.) |
| 5. Asst. Superintendent - Sports Turf | Parks & Recreation | 18,636 (1/2 Yr.) |
| 6. Multi-Sports Complex Mgr. | Parks & Recreation | 47,953 |

Positions Eliminated/Not Recommended

GENERAL FUND:

| <u>Position</u> | <u>Department</u> | <u>Salary and Benefits</u> |
|---------------------------|---------------------|----------------------------|
| 1. Administrative Asst. I | Community Relations | \$44,041 |

NEW POSITIONS NOT RECOMMENDED

| <u>Position</u> | <u>Department</u> | <u>Salary and Benefits</u> |
|----------------------------|----------------------|----------------------------|
| 1. Computer Sys. Adm. I | Information Tech. | \$59,581 |
| 2. Fleet Maint. Supervisor | Garage | 59,581 |
| 3. Bldg. Maint. Supervisor | Building Maintenance | 64,501 |
| 4. Sign Technician | Engineering | 44,041 |
| 5. Park Technician | Parks & Recreation | 37,273 |
| 6. Specialized Rec. Coord. | Parks & Recreation | 42,223 |
| 7. Specialized Rec. Coord. | Parks & Recreation | 42,223 |
| 8. Athletic Coordinator | Parks & Recreation | 42,223 |

Positions /Reclassifications

General Fund:

| <u>Recommended</u> | | | | |
|------------------------|-------------------------------|-------------------------------|-------------------|----------------------------------|
| | <u>Position (From)</u> | <u>Position (To)</u> | <u>Department</u> | <u>Salary (Savings) Increase</u> |
| 1 | Park Technician | Senior Park Technician | Parks & Rec. | \$ 5,398.00 |
| <u>Not Recommended</u> | | | | |
| | <u>Position (From)</u> | <u>Position (To)</u> | <u>Department</u> | <u>Salary (Savings) Increase</u> |
| 1 | Theater Service Coordinator | Theater Service Coordinator | Parmount Theater | \$ 5,705.00 |
| 2 | Office Assistant | Administrative Asst. I | DGDC | \$ 3,634.00 |
| 3 | Server/Database Adm. | Assistant IT Director | Information Tech. | \$ 7,349.00 |
| 4 | Web Developer/CSA | Programmer Analyst | Information Tech. | \$ 10,370.00 |
| 5 | Network Administrator | Network Engineer | Information Tech. | \$ 6,800.00 |
| 6 | Social Media/Help Desk Tech. | Social Media/Help Desk Tech. | Information Tech. | \$ 4,441.00 |
| 7 | Administrative Asst. III | Business Manager | Parks & Rec. | \$ 4,989.00 |
| 8 | Marketing/Spec. Events Leader | Marketing/Spec. Events Leader | Parks & Rec. | \$ 4,251.00 |
| 9 | Golf & Turf Superintendent | Golf & Turf Superintendent | Parks & Rec. | \$ 8,600.00 |
| 10 | Administrative Asst. I | Administrative Asst. II | Travel & Tourism | \$ 3,949.00 |

Authorized Positions

| | <u>Public</u> | <u>Non-Public</u> | | <u>Stormwater</u> | <u>Utility</u> | <u>Occupancy</u> | |
|--------------------|---------------|-------------------|--------------|-------------------|----------------|------------------|--------------|
| <u>Fiscal Year</u> | <u>Safety</u> | <u>Safety</u> | <u>Total</u> | <u>Fund</u> | <u>Fund</u> | <u>Fund</u> | <u>Total</u> |
| 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 |

Note: Max. Authorized Positions FY 11-12 - 480

****Moved (2) Full-Time Street Sweeping Positions from Streets and Storms to Stormwater Department**

Council and staff discussed positions. Mayor Allen asked staff to review the Parks and Recreation Department taking care of downtown with the possibility of subbing or hiring it out, freeing up staff and equipment to do other things. Mayor Allen also stated we need to look at needing all this equipment for the Multi-Sports Complex right now. He thinks we need a sports turf crew that goes to fields, golf course and Multi-Sports Complex, use resources better and combine equipment. Mr. Scott Stevens stated that staff will review contractor’s downtown, using staff to save money but staff is here a lot. Mr. Stevens stated we are happy to get pricing. He also stated that the mowers are currently being used globally.

Mayor Allen asked Mr. Scott Barnard to get a reasonable estimate of manpower and cost of materials. He also asked for a list of mowers they have and where they are used, and the manpower and where they are assigned. Councilmember Aycock asked to see pictures of proposed mowers.

EMPLOYEE BENEFITS

Salary/Benefit Costs

| | <u>General Fund</u> | <u>Stormwater Fund</u> | <u>Utility Fund</u> | <u>Occupancy Fund</u> | <u>Total</u> |
|-----------------------|---------------------|------------------------|---------------------|-----------------------|-------------------|
| Salaries | 19,148,810 | 106,882 | 2,695,521 | 98,391 | 22,049,604 |
| Social Security | 1,464,067 | 8,176 | 206,207 | 7,527 | 1,685,977 |
| Retirement | 1,398,712 | 7,208 | 204,590 | 7,468 | 1,617,978 |
| Health Insurance | 2,305,537 | 15,257 | 369,684 | 11,736 | 2,702,214 |
| 401(K) | 643,715 | 2,849 | 80,866 | 2,952 | 730,382 |
| COLA/Merit/Comp. Adj. | 322,699 | 1,704 | 47,772 | 1,751 | 373,926 |
| Total | \$25,283,541 | 142,076 | \$3,604,640 | \$129,825 | 29,160,081 |

Salary Adjustment/Benefits

- **Salary Adjustments**
 - 1% Cost of Living Increase (July 2017) \$248,456
 - 1/2% Compression Adjustment (July 2017) \$125,470
 - Total Cost \$373,926
- **401(K) Contribution**
 - Non-Sworn Employees (3%) and Sworn Employees (5%)**
 - Non-Sworn Employees \$469,146
 - Sworn Employees \$261,236
- **Retirement Rates:**

| | | |
|---------------------------|-------------------|-------------------|
| | FY 2016-17 | FY 2017-18 |
| General Employees | 7.34% | 7.59% |
| Law Enforcement Employees | 8.00% | 8.25% |

 - Employer Contribution Increase: \$138,852
- **Health Insurance:**
 - Employer Increase \$443,394

Mayor/Council Salary Comparison

| Municipality | Population | Mayor | Mayor Pro-Tem | Councilmember |
|--------------|------------|----------------|----------------|----------------|
| | | Actual/Average | Actual/Average | Actual/Average |
| New Bern | 29,889 | \$ 12,039 | \$ 8,976 | \$ 8,099 |
| Wake Forest | 32,360 | \$ 8,500 | | \$ 6,190 |
| Monroe | 33,708 | \$ 10,044 | \$ 8,268 | \$ 7,092 |
| Mooresville | 35,156 | \$ 11,854 | \$ 8,551 | \$ 7,773 |
| Goldsboro | 35,489 | \$ 11,400 | \$ 9,075 | \$ 9,000 |
| Hickory | 40,216 | \$ 15,170 | \$ 10,502 | \$ 10,502 |
| Apex | 40,918 | \$ 10,159 | \$ 8,028 | \$ 8,028 |
| Kannapolis | 43,769 | \$ 11,100 | \$ 7,107 | \$ 6,451 |
| Wilson | 49,094 | \$ 11,400 | \$ 5,400 | \$ 5,400 |

Note: Data compiled by NCLM

Health Insurance Rates

| North Carolina State Health Plan Rates | | | | | | | | |
|----------------------------------------|-----------------------|-----------------------|-----------|-----------|-------------------------|-----------------------|-----------|-----------|
| January - December 2016 | | | | | January - December 2017 | | | |
| | Employer Monthly Cost | Employee Monthly Cost | | | Employer Monthly Cost | Employee Monthly Cost | | |
| | | CDHP | 80/20 | 70/30 | | CDHP | 80/20 | 70/30 |
| Employee | \$ 463.68 | \$ 50.00 | \$ 65.00 | \$ 50.00 | \$ 479.48 | \$ - | \$ 15.04 | \$ - |
| Emp/Child | \$ 463.68 | \$ 189.82 | \$ 240.00 | \$ 210.92 | \$ 479.48 | \$ 196.32 | \$ 305.18 | \$ 218.14 |
| Emp/Spouse | \$ 463.68 | \$ 478.00 | \$ 478.00 | \$ 478.00 | \$ 479.48 | \$ 505.90 | \$ 683.52 | \$ 562.10 |
| Family | \$ 463.68 | \$ 520.96 | \$ 685.22 | \$ 578.86 | \$ 479.48 | \$ 538.82 | \$ 723.76 | \$ 598.70 |

| | |
|-----------------------------------------------------------------------------------------------------------------------|------------------------|
| <p>Health Insurance: Council's Health Insurance Coverage (7 members for 12 months)</p> | <p>\$41,076</p> |
|-----------------------------------------------------------------------------------------------------------------------|------------------------|

Council Members Health Insurance Options In Other Cities

| CITY | OFFER BENEFITS (YES/NO) | TYPE OF BENEFIT |
|----------------------|---------------------------------------------------------------------------------------|-----------------------------------|
| Cary | Yes; At cost to active Council Members for member and dependents | Health, Dental, FSA |
| Carolina Beach | Yes; 80% paid by Town (Single coverage only) Presented for budget approval every year | Health and Dental |
| City of Greenville | Yes | Health |
| City of Jacksonville | Yes | Health |
| City of Kinston | No | |
| City of New Bern | Yes; 100% paid by City (Single coverage only) Family coverage paid by Commissioners | Health, Vision, Dental |
| City of Rocky Mount | Yes; 100% paid by Council | Health, Dental, Vision and Cancer |
| City of Wilson | No | |
| Town of Mount Olive | No | |
| Wayne County | Yes | Health |

Source: NC League of Municipalities Salary Survey 2016 and UNC School of Government 2016

DEPARTMENTAL REQUESTS

General Fund Expenditures

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| ■ <u>Mayor/Council (\$399,707)</u> | |
| City Attorney Fees | \$120,000 |
| Consultant Fees (Friends of Seymour) | 85,000 |
| Health Insurance Costs | 41,076 |
| ■ <u>City Manager (\$1,094,585)</u> | |
| Salary Reserve | 323,086 |
| Communication and Marketing | 20,000 |
| Contract Services (Landscaping/Maint. contracts) | 29,500 |
| ■ <u>Human Resources (\$597,269)</u> | |
| Health Maintenance Program | 94,750 |
| Employee Appreciation Day/Health Fair | 9,700 |
| ■ <u>Community Relations (\$137,539)</u> | |
| Summer Youth Program | 15,000 |
| ■ <u>Paramount Theatre (\$464,980)</u> | |
| Performance Series | 48,500 |
| ■ <u>Event Center (\$146,961)</u> | |
| ■ <u>Inspections (\$896,273)</u> | |
| Demolition | 275,000 |
| House Securement | 10,000 |
| ■ <u>DGDC (\$334,473)</u> | |
| Downtown Projects | 7,500 |
| Match for Tiger VIII (\$537,500) & NCDOT Match for Union Station Repairs (\$266,424) and James Street Improvements (\$50,000) Removed from Recommended Budget but will be presented to Council for funding approval once contracts are finalized. | |
| ■ <u>Information Technology (\$1,166,372)</u> | |
| Software License Fees | 400,000 |
| Telephone | 146,860 |
| ■ <u>Public Works – Admin. (\$444,115)</u> | |
| Electricity | 108,000 |
| ■ <u>Garage (\$2,136,957)</u> | |
| Gasoline | \$389,640 |
| Diesel Fuel | 289,640 |
| Tires and Tubes | 175,000 |
| Automotive Parts | 400,000 |
| Outside Repairs | 65,000 |
| ■ <u>Building Maintenance (\$531,899)</u> | |
| LED Upgrade Holly Street Water Tower | 5,500 |
| Equipment Shelter (Replacement Public Works) | 21,000 |
| ■ <u>Cemetery (\$318,511)</u> | |
| Elmwood Cemetery Expansion | 5,000 |
| ■ <u>Finance (\$1,301,783)</u> | |
| Tax Listing Fees | 270,000 |
| Consultant Fees | 92,800 |
| Audit (General Fund Portion) | 28,200 |

| | |
|------------------------------------------------------------------------|-------------|
| ■ <u>Planning (\$1,219,943)</u> | |
| Clean and Cut Lots | \$ 35,000 |
| Tree Service | 60,000 |
| Maintenance of Enhancement Areas | 42,680 |
| Transportation Planning (80% NCDOT Reimb.) | 300,000 |
| ■ <u>Streets & Storms (\$1,515,240)</u> | |
| Sidewalk/Street Repairs | 50,000 |
| Storm Drainage Improvements moved to Stormwater Division (\$23,000) | |
| ■ <u>Streets & Storms - Utilities (\$529,200)</u> | |
| Street Lights | 500,000 |
| ■ <u>Street Paving (None)</u> | |
| Resurfacing (Street Improvement Bonds) | \$2,500,000 |
| ■ <u>Solid Waste (\$2,880,963)</u> | |
| Landfill Charges (\$31.50/Ton) | 320,000 |
| Replacement Garbage/Recycling Containers | 100,000 |
| ■ <u>Engineering (\$959,354)</u> | |
| Traffic Signal Electricity | 15,000 |
| Traffic Maintenance Materials | 50,000 |
| ■ <u>Fire Department (\$6,069,751)</u> | |
| Medical Exams | 25,000 |
| Fire Hose | 7,000 |
| Air Packs | 61,832 |
| ■ <u>Police Department (\$9,562,932)</u> | |
| Uniforms | \$ 70,000 |
| Emergency Response Team | 47,739 |
| Police ShotSpotter Fees | 195,000 |
| ■ <u>Special Expense (\$5,332,716)</u> | |
| Agency Support (Chart) | 436,320 |
| Debt Service Payments | 4,705,315 |
| Employee Membership Benefit (Gym) | 65,000 |

Land/Property Acquisition (\$150,000) will be presented to Council for funding once finalized for purchase for NCDOT project to realign Royall Ave. and Central Heights Road.

| | |
|----------------------------------------------------|-----------|
| <u>Parks & Recreation (\$3,551,105)</u> | |
| Consultant Fees | \$ 10,000 |
| HV Brown Shelters | 120,000 |
| Sidewalks | 10,000 |
| Playground Play Surface | 25,000 |

| | |
|---------------------------------------|-----------|
| <u>Golf Course (\$678,404)</u> | |
| Equipment Rent (includes cart lease) | \$ 90,000 |
| Advertising | 15,000 |
| Pro-Shop Expense | 40,000 |

Stormwater Fund Expenditures

■ **Stormwater Department (\$1,073,672)**

| | |
|------------------------------------|-----------|
| Salaries/Fringes for (2) Positions | \$142,076 |
| Consultant Fees | 53,000 |
| Stormwater Drainage Improvements | 23,000 |
| Contingency | 743,111 |

Utility Fund Expenditures

■ **Distribution and Collections Division (\$3,427,502)**

| | |
|---------------------------------------|-----------|
| Water Meters & Boxes | \$ 50,000 |
| Fire Hydrants/Water Valve Replacement | 110,000 |
| Loan Payment (AMI) | 752,103 |
| Lease Purchase Payment | 105,889 |

■ **Water Treatment Plant (\$4,281,018)**

| | |
|--------------------------|---------|
| Chemicals | 620,000 |
| Neuse River Dredging | 79,000 |
| Debt Svc Payments | 609,049 |
| Mach./Equip. Maintenance | 301,850 |

■ **Distribution and Collections Division (\$3,427,502)**

| | |
|---------------------------------------|-----------|
| Water Meters & Boxes | \$ 50,000 |
| Fire Hydrants/Water Valve Replacement | 110,000 |
| Loan Payment (AMI) | 752,103 |
| Lease Purchase Payment | 105,889 |

■ **Water Treatment Plant (\$4,281,018)**

| | |
|--------------------------|---------|
| Chemicals | 620,000 |
| Neuse River Dredging | 79,000 |
| Debt Svc Payments | 609,049 |
| Mach./Equip. Maintenance | 301,850 |

■ **Water Reclamation Facility (\$7,216,961)**

| | |
|----------------------------|-----------|
| Chemicals | \$104,585 |
| Mach/Equipment Maintenance | 586,040 |
| Debt Svc Payments | 2,659,400 |

■ **Utility Fund (Capital) (\$818,772)**

| | |
|-----------------------|---------|
| Salary Reserve | 47,772 |
| Water Tank Painting | 561,000 |
| Water Plant Expansion | 200,000 |

■ **Compost Facility (\$830,440)**

| | |
|----------------------------|---------|
| Equipment Fuel | 36,000 |
| Mach/Equipment Maintenance | 105,000 |
| Building Maintenance | 85,000 |

VEHICLES AND CAPITAL OUTLAY

General Fund Vehicles/Equipment - Requested/Recommended

| DEPT. | ITEM | REQUESTED | | | RECOMMENDED | | |
|-----------------------------|-------------------------------------------------------------------------------------------------------|-----------|------------|------------|-------------|------------|------------|
| | | QTY. | AMOUNT | TOTAL | QTY. | AMOUNT | TOTAL |
| VEHICLES | | | | | | | |
| Inspections | | | | | | | |
| 11-1024-5412 | Pick-Up Truck (Replacements) (2) 2001 - 130,988; 154,879 Miles | 2 | 20,000.00 | 40,000.00 | 1 | 20,000.00 | 20,000.00 |
| Garage | | | | | | | |
| 11-1114-5452 | Jeep (Replacement) 1998 - | 1 | 30,000.00 | 30,000.00 | 1 | 30,000.00 | 30,000.00 |
| Building Maintenance | | | | | | | |
| 11-1133-5632 | Utility Vehicle (Replacement) 1998 - | 1 | 40,000.00 | 40,000.00 | 1 | 35,000.00 | 35,000.00 |
| Planning | | | | | | | |
| 11-3151-5436 | Extended Cab Pick-Up Truck (Replacement) 2000 - 117,988 Miles | 1 | 25,000.00 | 25,000.00 | 1 | 25,000.00 | 25,000.00 |
| Streets & Storms | | | | | | | |
| 11-4134-5480 | Mower Trailer (Replacement) Built In-House | 1 | 6,000.00 | 6,000.00 | 1 | 6,000.00 | 6,000.00 |
| 11-4134-5494 | Front End Wheeled Loader (Replacement) 1992 Case | 1 | 197,000.00 | 197,000.00 | 1 | 197,000.00 | 197,000.00 |
| Solid Waste | | | | | | | |
| 11-4143-5488 | Limb Loader Grappler Truck (Replacement) 2000 | 1 | 143,000.00 | 143,000.00 | 1 | 143,000.00 | 143,000.00 |
| Engineering | | | | | | | |
| 11-4172-5412 | Compact Pick-Up Truck (Replacement) 2000 S-10 - 179,491 miles 1999 S-10 - 78,110 miles | 2 | 25,000.00 | 50,000.00 | 1 | 23,000.00 | 23,000.00 |
| Fire | | | | | | | |
| 11-5120-5401 | Administrative Vehicle (Replacements) 2000 Explorer - 138,000 Miles 2004 Taurus - 119,000 Miles | 2 | 18,500.00 | 37,000.00 | 1 | 18,500.00 | 18,500.00 |
| DEPT. | ITEM | REQUESTED | | | RECOMMENDED | | |
| | | QTY. | AMOUNT | TOTAL | QTY. | AMOUNT | TOTAL |
| VEHICLES | | | | | | | |
| Police | | | | | | | |
| 11-6121-5404 | Line Cars (Replacements) - Chargers (2) 2002, (1) 2004, (3) 2005, (3) 2006, (1) 2010 Fords | 10 | 23,482.00 | 234,820.00 | 8 | 23,482.00 | 187,856.00 |
| 11-6121-5482 | Sports Utility Vehicle (Replacements) 2001 Chevrolets | 4 | 27,961.00 | 111,844.00 | 4 | 26,403.00 | 113,612.00 |
| Parks & Rec. | | | | | | | |
| 11-7460-5077 | Field Rake (New - Multi-Sports Complex) | 1 | 14,000.00 | 14,000.00 | 1 | 14,000.00 | 14,000.00 |
| 11-7460-5083 | Utility Club Cart (New - Multi-Sports Complex) | 1 | 10,600.00 | 10,600.00 | 1 | 10,600.00 | 10,600.00 |
| 11-7460-5303 | Heavy Duty Mower (New - Multi-Sports Complex) | 1 | 78,889.00 | 78,889.00 | 1 | 78,889.00 | 78,889.00 |
| 11-7460-5423 | Crew Cab Pick-Up Truck (New - Multi-Sports) | 1 | 28,500.00 | 28,500.00 | 1 | 28,500.00 | 28,500.00 |
| 11-7460-5431 | Mower (Replacement) 2011 | 1 | 10,401.00 | 10,401.00 | 1 | 10,401.00 | 10,401.00 |
| 11-7460-5470 | 1 Ton Pick-Up Truck (New - Multi-Sports Complex) | 1 | 47,500.00 | 47,500.00 | 1 | 47,500.00 | 47,500.00 |
| 11-7460-5571 | Riding Mower (New - Multi-Sports Complex) | 1 | 33,347.00 | 33,347.00 | 1 | 33,347.00 | 33,347.00 |
| 11-7460-5688 | Reel Mower (New - Multi-Sports Complex) | 1 | 57,411.00 | 57,411.00 | 1 | 57,411.00 | 57,411.00 |
| Golf Course | | | | | | | |
| 11-7461-5423 | Crew-Cab Pick-Up Truck (Replacement) 2000 Dodge - 87,000 Miles | 1 | 26,500.00 | 26,500.00 | 1 | 26,500.00 | 26,500.00 |

Utility Fund Vehicles/Equipment - Requested/Recommended

| DEPT. | ITEM | REQUESTED | | | RECOMMENDED | | |
|--------------------|--------------------------------------------------------------------|-----------|------------|------------|-------------|------------|------------|
| | | QTY. | AMOUNT | TOTAL | QTY. | AMOUNT | TOTAL |
| VEHICLES | | | | | | | |
| Maintenance | | | | | | | |
| 61-4175-5410 | Backhoe (Replacement) 2002 John Deere | 1 | 135,000.00 | 135,000.00 | 1 | 115,000.00 | 115,000.00 |
| 61-4175-5420 | Tandem Dump Truck (Replacement) 2003 Sterling - 120,000 Miles | 1 | 170,000.00 | 170,000.00 | 1 | 170,000.00 | 170,000.00 |
| 61-4175-5632 | Utility Vehicle (Replacement) 2008 Ford | 1 | 55,000.00 | 55,000.00 | 1 | 55,000.00 | 55,000.00 |
| Water Plant | | | | | | | |
| 61-4176-5412 | Compact Pick-Up Truck (Replacement) 1996 Ranger - 201,993 Miles | 1 | 26,000.00 | 26,000.00 | 1 | 26,000.00 | 26,000.00 |
| Compost | | | | | | | |
| 61-4179-5508 | Heavy Duty Wheel Loader (Replacement) | 1 | 152,000.00 | 152,000.00 | 1 | 152,000.00 | 152,000.00 |

General Fund Capital Outlay Projects – Requested/Recommended

| DEPT. | ITEM | REQUESTED | | | RECOMMENDED | | |
|-----------------------------------------|--------------------------------------------|-----------|------------|------------|-------------|------------|------------|
| | | QUANT. | AMOUNT | TOTAL | QUANTITY | AMOUNT | TOTAL |
| OTHER CAPITAL | | | | | | | |
| Building Maintenance | | | | | | | |
| 11-1133-5087 | LED Light Upgrade Holly Street Water Tower | 1 | 6,000.00 | 6,000.00 | 1 | 5,500.00 | 5,500.00 |
| 11-1133-5801 | Equipment Shelters - Repairs | 1 | 25,000.00 | 25,000.00 | 1 | 21,000.00 | 21,000.00 |
| Cemetery | | | | | | | |
| 11-1142-5999 | Elmwood Cemetery Expansion | 1 | 10,000.00 | 10,000.00 | 1 | 5,000.00 | 5,000.00 |
| Streets & Storms | | | | | | | |
| 11-4134-5085 | Topsoil/Rock Screener (New) | 1 | 10,000.00 | 10,000.00 | 1 | 10,000.00 | 10,000.00 |
| Streets & Storms - Utilities | | | | | | | |
| 11-4135-5993 | Railroad Signals | 1 | 10,000.00 | 10,000.00 | 1 | 5,000.00 | 5,000.00 |
| Fire | | | | | | | |
| 11-5120-5521 | Fire Hose | 1 | 10,725.00 | 10,725.00 | 1 | 7,000.00 | 7,000.00 |
| 11-5120-5735 | Air Packs | 1 | 66,132.00 | 66,132.00 | 1 | 61,832.00 | 61,832.00 |
| 11-5120-5925 | Turn-Out Gear Washer | 1 | 8,300.00 | 8,300.00 | 1 | 8,300.00 | 8,300.00 |
| Parks & Rec. | | | | | | | |
| 11-7460-5100 | Park House Restoration | 1 | 140,000.00 | 140,000.00 | 1 | 32,757.00 | 32,757.00 |
| 11-7460-5160 | Playground Play Surface | 1 | 75,000.00 | 75,000.00 | 1 | 25,000.00 | 25,000.00 |
| 11-7460-5837 | Picnic Shelters - HV Brown | 1 | 150,000.00 | 150,000.00 | 1 | 120,000.00 | 120,000.00 |
| 11-7460-5947 | Sidewalks - Parks (4) | 1 | 50,000.00 | 50,000.00 | 1 | 10,000.00 | 10,000.00 |

Stormwater and Utility Funds Capital Outlay Projects – Requested/ Recommended

| DEPT. | ITEM | REQUESTED | | | RECOMMENDED | | |
|-------------------------------|---------------------------------------------------|-----------|--------------|--------------|-------------|------------|--------------------|
| | | QUANT. | AMOUNT | TOTAL | QUANTITY | AMOUNT | TOTAL |
| OTHER CAPITAL | | | | | | | |
| Stormwater | | | | | | | |
| 15-4137-5991 | Storm Drainage Improvements | 1 | 23,000.00 | 23,000.00 | 1 | 23,000.00 | 23,000.00 |
| Waste Treatment | | | | | | | |
| 61-4177-5527 | Miscellaneous Equipment (Refrigerated Sampler) | 1 | 5,500.00 | 5,500.00 | 1 | 5,500.00 | 5,500.00 |
| 61-4177-5838 | Portable Generator (Pump Station) Replacement | 1 | 58,000.00 | 58,000.00 | 1 | 25,000.00 | 25,000.00 |
| 61-4177-5807 | Light Fixtures - Treatment Basin Lights - Phase 3 | 1 | 17,600.00 | 17,600.00 | 1 | 17,600.00 | 17,600.00 |
| Utility Fund - Capital | | | | | | | |
| 61-4178-5912 | Repaint Center & Holly Water Tank | 1 | 561,000.00 | 561,000.00 | 1 | 561,000.00 | 561,000.00 |
| 61-4178-5957 | Water Plant Expansion | 1 | 200,000.00 | 200,000.00 | 1 | 200,000.00 | 200,000.00 |
| 61-4178-5968 | Sewer Improvements - 2015 Priority Phase III | 1 | 2,000,000.00 | 2,000,000.00 | 1 | 830,000.00 | 830,000.00 |
| | | | | | | | Sewer Bonds |

Capital Requests/Recommended FY 2017-18

| | <u>FY 2016-17</u> | <u>FY 2017-18</u> | <u>Difference</u> |
|--------------------------------------|--------------------------|--------------------------|--------------------------|
| <u>VEHICLES/ROLLING STOCK</u> | | | |
| <u>GENERAL FUND</u> | | | |
| Requests | \$2,945,629 | \$2,014,581 | (\$931,048) |
| Recommended | 290,670 | 16,401 | (\$274,269) |
| (Equip. Loan) | 1,362,371 | 1,089,715 | (\$272,656) |
| | | | |
| <u>UTILITY FUND</u> | | | |
| Requests | \$ 524,600 | \$ 627,000 | \$102,400 |
| Recommended | 78,200 | 120,000 | 41,800 |
| (Equip. Loan) | 273,000 | 463,000 | 190,000 |
| | | | |
| <u>CAPITAL OUTLAY</u> | | | |
| <u>GENERAL FUND</u> | | | |
| Requests | \$2,569,410 | \$2,128,417 | (\$440,993) |
| Recommended | 537,735 | 311,389 | (508) |
| (Equip. Loan) | | 225,838 | |
| | | | |
| <u>UTILITY FUND</u> | | | |
| Requests | \$ 5,064,160 | \$8,480,146 | \$3,415,986 |
| Recommended | 2,470,000 | 809,100 | (1,660,900) |

DGDC OCCUPANCY TAX FUNDS

Downtown District

| | FY 16-17 <u>Budgeted</u> | FY 17-18 <u>Recommended</u> |
|---------------------|-----------------------------|--------------------------------|
| Revenues: | | |
| Taxes | \$73,833 | \$71,236 |
| Investment Earnings | 65 | 90 |
| Total | \$73,898 | \$71,326 |
| Expenditures: | \$73,898 | \$71,326 |

*Facade Grant and Business Incentive Program - \$11,200– 16% of Budget

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

Occupancy Tax Fund

| | FY 16-17 Budgeted | FY 17-18 Recommended |
|------------------------------------------------------|------------------------------|---------------------------------|
| <u>Distribution of Occupancy Tax Revenues</u> | | |
| 80% Civic Center | \$529,600 | \$675,000 |
| 20% Travel & Tourism | 132,400 | 165,000 |
| County of Wayne (1%) | 132,400 | 165,000 |
| Investment Earnings | 600 | 600 |
| Totals | \$798,789 | \$1,005,600 |
| Fund Balance Withdrawal | | \$ -0- |
| General Fund Transfer | \$ 3,789 | \$ -0- |
| Totals | \$798,789 | \$1,005,600 |
| <u>Expenditures:</u> | | |
| Civic Center Programs | 530,080 | 675,500 |
| Travel & Tourism Operations and Marketing | 268,709 | 330,100 |
| Totals | \$798,789 | \$1,005,600 |

- *Current levy is 5% for local hotel and motel occupancy*
- *County of Wayne's funding of the new 1% occupancy tax*

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:

| | Beginning Balance (Audit) | Projected Ending Balance | Appropriations | Revised Beginning Balance |
|--------------------|------------------------------|-----------------------------|----------------|------------------------------|
| | FY 2016-17 | FY 2016-17 | FY 2017-18 | FY 2017-18 |
| General Fund | \$ 7,585,797 | \$ 7,123,747 | \$ - | \$ 7,123,747 |
| Stormwater Fund | \$ - | | | |
| Utility Fund | 5,577,583 | 4,876,143 | \$ - | 4,876,143 |
| Downtown District | 66,512 | 89,725 | \$ - | 89,725 |
| Occupancy Tax Fund | | | | - |
| Civic Center | 1,290,411 | 592,000 | \$ - | 592,000 |
| Travel & Tourism | 14,548 | 10,200 | \$ - | 10,200 |
| Total | \$ 14,534,851 | \$ 12,691,815 | \$ - | \$ 12,691,815 |

Summary FY 2017-18 Budget

| Category | General | Stormwater | Utility | DGDC | Occupancy Tax | Total |
|------------------------|----------------------|---------------------|----------------------|------------------|----------------------|----------------------|
| Salary/Benefits | \$ 25,283,541 | \$ 142,076 | \$ 3,604,640 | | \$ 129,825 | \$ 29,160,082 |
| Operational Costs | 9,178,671 | 931,596 | 7,451,512 | 71,326 | 875,775 | 18,508,880 |
| Debt Service | 4,705,315 | | 4,126,441 | | | 8,831,756 |
| Vehicle/Capital Outlay | 1,414,505 | | 1,392,100 | | | 2,806,605 |
| Totals | \$ 40,582,032 | \$ 1,073,672 | \$ 16,574,693 | \$ 71,326 | \$ 1,005,600 | \$ 59,307,323 |

Discussion included the following:

Council and staff also discussed the following: DGDC budget, the upgrade of Banner Financial Software, park shelter replacement cost, compost revenue (staff to bring back a synopsis of how much has been sold and the prices), requested vehicles for Parks and Recreation and the Garage, generators and Hurricane Matthew funding and reimbursement from the State of North Carolina.

Council and staff discussed the following in detail: Painting of the Holly Street water tank. Councilmember Williams questioned if the tank needed to be painted now. Scott Stevens explained the importance of maintaining the water tower. Marty Anderson, City Engineer, explained that the pinnacle was off the tower, last time it was painted was 2009-2010, they need to be kept at a 10-year cycle for painting and the cost includes stripping old paint. Mr. Anderson also shared that this water tower has a spiral staircase, is in bad shape and rusting. He explained that the painting will be put out for bid. Mr. Stevens stated that staff will bring back cost comparisons.

Mayor Allen suggested studying the cost of running the compost facility. He stated it cost a lot to operate compared to what we get out of it, very little return. Scott Stevens stated you have to dispose of those things somewhere, that the city gets looks at the compost facility in terms of people being impressed with what Goldsboro has done, you do pay a little bit for that notoriety and it is thought of as an environmentally good way to dispose of bio solids and debris. Mr. Stevens stated we would this bring back for discussion.

Scott Stevens also discussed employee benefits.

Scott Stevens shared the proposed date for the next budget work session on Monday, June 22, 2017 at 3:00. Notice will be sent to Council and the media.

As there was no further business, the meeting was adjourned at 4:45 p.m.

 Chuck Allen
 Mayor

 Laura Getz, CMC/NCCMC
 Deputy City Clerk