

# TOWN OF **BOILING SPRINGS**



## **ANNUAL BUDGET** FISCAL YEAR 2017-2018

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## FY17/18 BUDGET ORDINANCE

BE IT ORDAINED by the Boiling Springs, North Carolina Town Council, that the following fund revenues and departmental expenditures, together with certain restrictions and authorities are adopted:

### SECTION I. GENERAL FUND

#### A. Revenues Anticipated

Ad Valorem Property Taxes	\$ 1,024,000
Sales & Use Taxes	\$ 377,000
Franchise Taxes	\$ 225,000
Solid Waste User Fees	\$ 222,500
Powell Bill Allocation	\$ 130,000
Other Revenues	\$ 128,000
Reserve Appropriation	\$ 45,000
TOTAL REVENUES	\$ 2,151,500

#### B. Expenditures Authorized by Department

Administration	\$ 549,000
Police	\$ 651,600
Fire Service	\$ 241,200
Street Non Powell	\$ 48,000
Streets Powell Bill	\$ 130,000
Solid Waste	\$ 314,800
Recreation	\$ 216,900
TOTAL EXPENDITURES	\$ 2,151,500

**SECTION II. WATER & SEWER FUND**

**A. Revenues Anticipated**

Water Charges	\$ 880,000
Sewer Charges	\$ 500,000
Lattimore System Charges	\$ 47,600
Other Revenues	\$ 61,000
Reserve Appropriation	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 1,488,600</b>

**B. Expenditures Authorized by Department**

Water & Sewer Administration	\$ 276,500
Water Operations	\$ 674,050
Sewer Operations	\$ 490,450
Lattimore System	\$ 47,600
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,488,600</b>

**SECTION III. TAXES, RATES, FEES & CHARGES ESTABLISHED**

The following taxes, rates, fees and charges are adopted:

<b>FY 2017-18 General Schedule of Taxes, Fees &amp; Charges</b>	
Ad Valorem Tax Rate	\$0.37 per \$100 of valuation
Returned Check Fee	\$25 per occurrence
Document Copying Fee	\$0.25 first page + \$0.10 each additional*
Admin Record Charge	Billed @ actual cost or copy fee*
Rezoning Application	\$260*
Zoning Compliance Permit	\$25*
Zoning Compliance Letter	\$25*
Tower Permit	\$500
Site Plan Review	\$50*
Board of Adjustment Review	\$260*
Preliminary Subdivision Plat Review	\$50 plus \$5 for each lot over 10*
Annexation Petition	\$200*
Street Closing Petition	\$500*
Police Report Fee	\$5 + \$0.10 pages over 10
Fingerprinting Fee	Free for Residents   \$20 Non-Resident
Civil Citation Parking	\$20 + \$50 penalty for every 30 days unpaid
Civil Citation Fire Lane	\$50
Yard Waste	\$0.00
Garbage Inside	\$8.90
Garbage Outside	\$13.35
Garbage Commercial	\$10.90
Recycling Inside	\$3.10
Recycling Outside	\$4.65
Can Damage Fee	\$20 for second repair in any 12 month period
Facility Rentals	Set Administratively

<b>FY 2017-18 Water &amp; Sewer Rate Schedule</b>		
<u>Description</u>	<u>Inside</u>	<u>Outside</u>
Minimum Water Rate 0-2,000 gallons	\$17.00	\$25.00
Volumetric Water Rate 2,000-15,000 gallons	\$5.00 per 1000	\$7.50 per 1000
Volumetric Water Rate over 15,000 gallons	\$6.00 per 1000	\$8.50 per 1000
Minimum Sewer Rate 0-2,000 gallons	\$17.00	\$25.00
Volumetric Sewer Rate 2,000-15,000 gallons	\$5.00 per 1000	\$7.50 per 1000
Volumetric Sewer Rate over 15,000 gallons	\$6.00 per 1000	\$8.50 per 1000
Sewer Only 0-2,000 gallons	NA	\$26.00
Sewer Only 2,000-15,000 gallons	NA	\$7.50 per 1000
Sewer Only over 15,000 gallons	NA	\$8.50 per 1000
Bulk Water Rate 0-2,000 gallons	\$25.00	
Bulk Water Rate 2,000-15,000 gallons	\$7.50 per 1000	
Bulk Water Rate over 15,000 gallons	\$8.50 per 1000	

<b>FY 2017-18 Water &amp; Sewer Schedule of Fees &amp; Charges</b>		
<u>Description</u>	<u>Inside</u>	<u>Outside</u>
Water Deposit	\$60	\$75
Sewer Deposit	\$50	\$60
Water & Sewer Deposit	\$100	\$125
Water Tap 3/4 inch*	\$700	\$900
Water Tap 1 inch*	\$900	\$1,100
Water Tap 1.5 inch*	\$1,200	\$1,400
Water Tap over 1.5 inch*	At Cost	At Cost
Water Tap Inspection*	\$330	\$490
Sewer Tap Inspection*	\$330	\$490
Meter Installation 3/4 inch*	\$370	\$470
Meter Installation 1 inch*	\$490	\$590
Additional Road Bore Fee*	\$400 (Irrigation Only)	\$400
Service Bill Monthly Late Fee	\$10	\$10
Service Disconnection	\$25	\$25
After-Hours Service Charge (4pm, Weekends, & Holidays)	\$25	\$25
Residential Meter Testing Fee *	\$100	\$100
Commercial or Oversize Meter Testing Fee	At Cost	At Cost
Meter Tampering Fee	\$200	\$200

**SECTION IV. SPECIAL AUTHORIZATIONS**

The Budget Officer shall be authorized to reallocate fund appropriations within departments and move funds up to \$1000 between departments within the same fund provided that it is reported to the Town Council at their next regularly scheduled meeting so long as it does not increase or decrease the total budget for any fund.

**SECTION V. USE OF BUDGET DOCUMENT AND ORDINANCE**

This Ordinance and the budget document shall be the basis for the financial plan of the Town of Boiling Springs for Fiscal Year 2016-17. The Budget Officer shall administer the Budget and the Finance Officer shall establish records which are in agreement with the budget, this ordinance, and the statutes of the State of North Carolina.

**SECTION VI. DISTRIBUTION**

Copies of this ordinance shall be furnished to the Budget Officer, Finance Officer, and Town Clerk so that they may keep this ordinance on file for their direction and disbursement of funds.

Motion made by:


Motion seconded by:

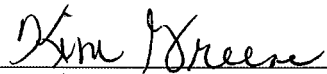
With 5 Councilmembers voting "aye."

With 0 Councilmembers voting "no."

Adopted this the 29<sup>th</sup> day of June 2017.



  
\_\_\_\_\_  
Max J. Hamrick  
Mayor

  
\_\_\_\_\_  
Kim Greene  
Town Clerk

## **BUDGET MESSAGE**

*Honorable Mayor  
Town Council  
Town of Boiling Springs, North Carolina*

In compliance with the Local Government Budget and Fiscal Control Act and NCGS-159-11, the proposed Annual Budget for Fiscal Year 2017-18 is submitted for your consideration. This budget is inclusive of all financial obligations, all municipal services remain funded, and revenues and expenditures are projected realistically. The highlights of the proposed budget are as follows.

### **General Fund Revenues**

Staff recommend the ad valorem tax rate increase from 33 cents to 37 cents per \$100 valuation. This increase is driven by the Town's contract for fire protection services with Boiling Springs Fire & Rescue. The contract stipulates the Town provide funding to Boiling Springs Fire Rescue equivalent to the fire district tax levied by the County. After comprehensive study, Cleveland County is raising the fire tax rate 3.75 cents, from 5 cents to 8.75 cents.

Under the new tax rate, the owner of a \$175,000 home will pay \$647 in property taxes to the Town. The Town's \$0.37 tax rate will be applied to this year's estimated total tax base of \$279,000,000. This new valuation reflects 3% increase from the previous year. Each cent of the tax rate is projected to yield \$27,567 in revenue.

Several small increases to garbage and recycling fees are being proposed including a 10 cent increase to the residential recycling fee and a 40 cent increase to the residential garbage fee. These increases will equate to a \$6 increase in annual solid waste fees for an average household. These increases are primarily driven by a 15% increase in tipping fees at the County landfill and will also help implement a work order and productivity software for the solid waste crew. The garbage fee was last raised in 2010 when it was raised from \$8.00 to \$8.50 and the recycling fee has not increased from \$3.00 since the recycling program was started in 2013.



### **General Fund Expenses**

This year's budget funds a merit system awarding up to 4.3% increases in base salary for all employees. Health insurance premiums for the fiscal year are dropping 7%. Management, along with a subcommittee of Town Council members have explored employee compensation focusing on regional pay data and the retention of entry level employees. Accordingly, this budget funds targeted salary increases to entry level positions.

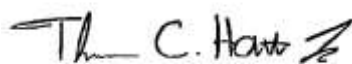
### **Powell Bill Fund**

Powell Bill revenues are expected to remain the same. The budget funds repaving based on the Resurfacing CIP, small patching projects, and pedestrian projects.

### **Water / Sewer Fund**

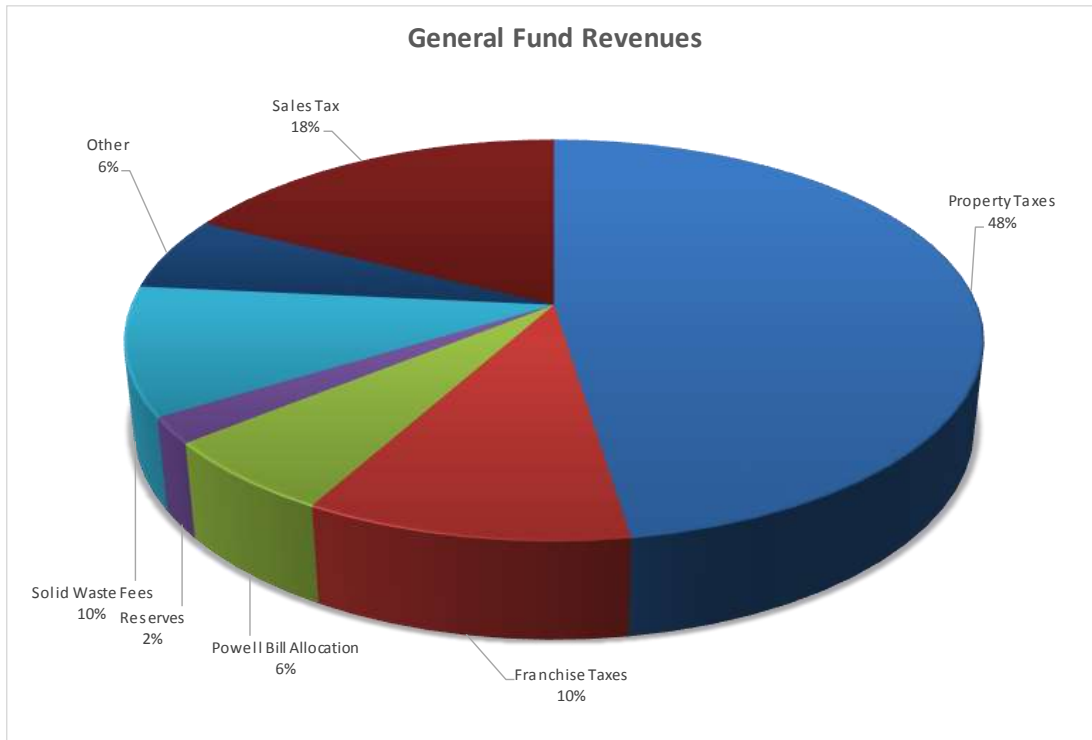
Water and sewer rates are recommended to remain unchanged. The City of Shelby, from whom the Town purchases water, is not proposing an increase to their governmental rate. The budget funds an asset maintenance contract for the Town's water tower and the installation of a new UV disinfection system at the sewer treatment plant. Water and sewer rates have remained unchanged since FY14/15. The state will require the Town to submit an updated Water/Sewer Capital Improvement Plan in 2018 and it is reasonable to assume that CIP may recommend rate increases in FY18/19 to fund infrastructure maintenance and expansion.

Respectfully submitted,

A handwritten signature in black ink that reads "Tom C. Hart" followed by a stylized flourish.

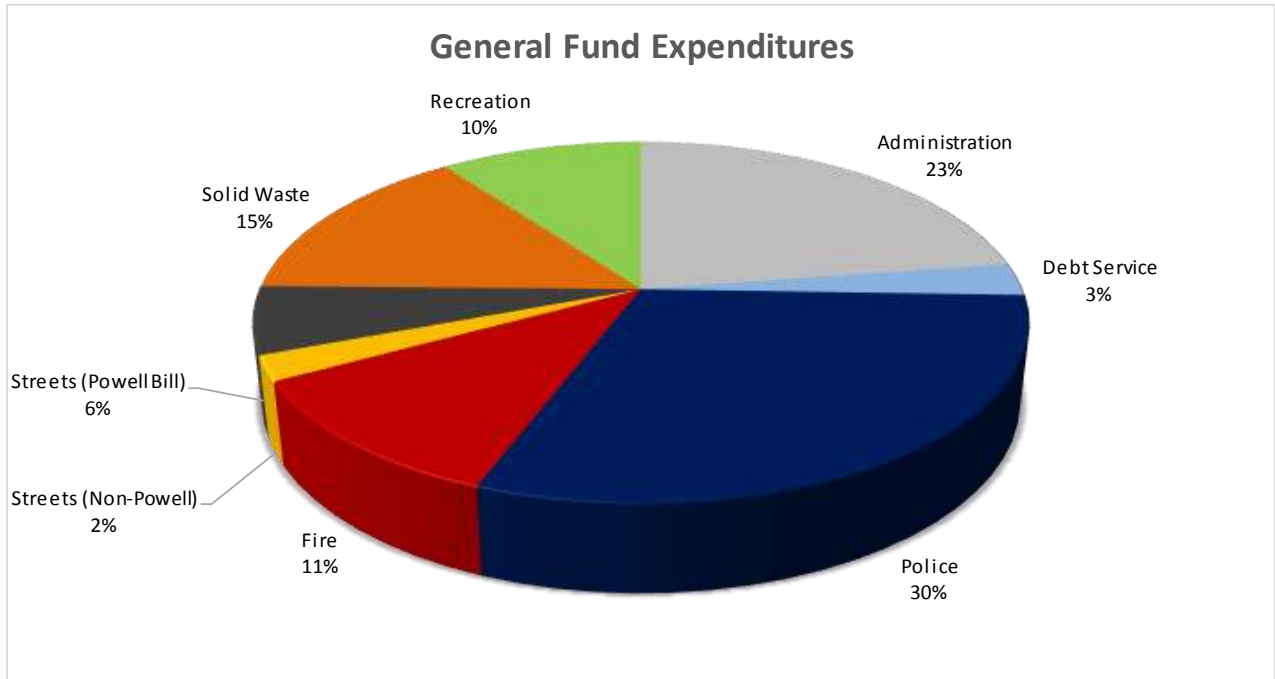
Tom Hart  
Town Manager

# GENERAL FUND REVENUES



<u>Description</u>	<u>FY 15-16 Budget</u>	<u>FY 15-16 Actual</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Projected</u>	<u>FY 17-18 Recommend</u>	<u>Change</u>
Property Taxes - Prior Years	10,000	11,586.72	11,000	3,000.00	3,000	-73%
Property Tax Penalties less Discounts	1,000	535.70	1,000	200.00	1,000	0%
Property Taxes - Current Year	867,000	896,657.52	875,000	915,527.34	1,020,000	17%
Court Costs, Fee and Charges	2,000	497.00	1,000	700.00	1,000	0%
Privilege Licenses						
Library Donations	10,000	10,083.00	11,000	11,000.00	12,000	9%
LEO Grants			1,000		1,000	
Powell Bill Allocation	130,000	133,171.32	130,000	131,546.09	130,000	0%
Solid Waste Disposal Tax	3,000	3,004.09	3,000	3,261.19	3,000	0%
Utilities Franchise Tax	229,000	226,513.68	235,000	224,830.00	225,000	-4%
Local Option Sales and Use Taxes	327,000	341,771.77	364,000	361,975.00	377,000	4%
Recycling Charges	46,500	47,152.50	46,500	47,546.67	49,000	5%
Investment Income - General Fund	2,000	2,381.93	2,500	4,550.83	4,000	60%
Investment Income - Powell Bill	1,300	1,651.05	1,500	2,598.13	1,500	0%
Profit/(Loss) on Sale of Fixed Assets		3,868.89	1,000	8,020.00	2,000	100%
Zoning Charges	1,500	955.00	1,500	1,400.00	1,500	0%
Shop With A Cop Donations				5,540.00	5,000	
Donations and Fundraising				14,915.00	10,000	
Solid Waste Charges	162,500	165,705.70	163,000	167,153.33	173,500	6%
Cleveland County Recreation Grant	71,000	71,354.55	76,000	74,456.94	76,000	0%
Miscellaneous Revenue	10,000	13,078.69	11,000	11,018.32	11,000	0%
Powell Bill Reserve Appropriation				196,300.00		
Reserve Appropriation	21,000	21,000.00		20,000.00	45,000	
<b>Total</b>	<b>1,894,800</b>	<b>1,950,969.11</b>	<b>1,935,000</b>	<b>2,205,538.84</b>	<b>2,151,500</b>	<b>11%</b>

## GENERAL FUND EXPENSES



### GENERAL FUND OVERVIEW

The general fund consists of conventional general government services like public safety, streets, parks, and garbage collection. The general fund is sustained by revenue streams such as local ad valorem property taxes, local option state sales tax, franchise taxes, etc. The operating budget for the general fund is just over 2 million dollars. Debt service, paying down principal and interest on loans, accounts for 3% of expenses in the general fund this year.

## ADMINISTRATION DEPARTMENT

Administration	FY 15-16	FY 15-16	FY 16-17	FY 16-17	FY 17-18	Change
	Budget	Actual	Budget	Projected	Recommend	
Salary and Wages	161,600	162,420.18	169,000	167,652.68	177,800	5%
Governing Body Salaries	8,400	8,400.00	8,500	8,400.00	8,500	0%
401k	7,900	8,027.50	8,300	8,383.00	8,700	5%
Payroll Tax	13,100	12,721.63	13,600	12,825.43	14,300	5%
Retirement	11,300	10,990.47	12,100	12,456.59	12,800	6%
Group Insurance	20,350	20,436.84	19,800	19,723.32	18,500	-7%
Professional Services	18,000	17,775.99	15,000	13,610.00	14,000	-7%
Maint to Building and Grounds	3,000	5,409.26	10,000	10,553.80	12,000	20%
Maintenance/Repair Vehicle	-	-	-	-	-	-
Supplies and Materials	10,500	11,161.06	10,000	8,305.39	10,000	0%
Training	3,000	1,410.61	3,000	3,473.93	6,000	100%
Travel	-	-	-	-	-	-
Telephone	7,500	7,140.67	8,000	5,546.16	7,000	-13%
Utilities	11,100	11,330.69	11,200	10,304.73	11,200	0%
Postage	1,000	1,400.00	1,000	1,200.00	1,500	50%
Maintenance to Equipment	1,500	638.43	1,500	1,002.32	1,500	0%
Gasoline	-	-	-	-	-	-
Advertising	1,800	3,007.53	1,800	2,443.51	3,000	67%
Dues and Subscriptions	16,000	16,812.20	16,500	16,536.00	17,000	3%
Property Tax Collection	18,600	19,535.49	17,800	20,666.87	23,000	29%
Contracted Services	18,800	13,004.80	18,000	14,543.68	49,000	172%
Insurance and Bonds	62,000	60,576.00	63,600	64,484.00	65,500	3%
Depreciation	-	-	-	-	-	-
Debt Service	63,500	63,455.44	62,200	62,149.59	62,200	-
Transfer to Capital Reserve	-	-	-	20,000.00	-	-
Contingency	7,000	-	15,000	-	15,000	0%
Miscellaneous	5,000	2,220.81	6,000	3,901.96	5,500	8%
Capital Outlay	8,000	7,896.00	-	-	-	-
Non-capital equipment purchases	33,800	39,789.97	6,200	4,644.29	5,000	-19%
<b>Total</b>	<b>512,750</b>	<b>505,561.57</b>	<b>498,100</b>	<b>492,807.25</b>	<b>549,000</b>	<b>10%</b>

### Administration Department Highlights

The administration budget contains several notable items. The contracted services line item shows a 172%. The increase funds \$30,000 to hire a private firm to significantly streamline and rewrite the Town's land use ordinances (zoning).

Funded Positions	Date Hired	Yrs Svc	Pay Grade
Town Manager (.75)	7/2/2012	5	-
Town Clerk	1/17/1990	27	18
Finance Officer	7/26/2004	13	24
Public Works Director (.25)	6/17/2006	11	25

## POLICE DEPARTMENT

Police Department	FY 15-16	FY 15-16	FY 16-17	FY 16-17	FY 17-18	Change
	Budget	Actual	Budget	Projected	Recommend	
Salary and Wages	285,800	269,560.80	310,300	295,967.60	327,300	5%
Part-time/ Reserve Wages	20,850	20,820.29	15,000	11,951.56	15,000	0%
Separation allowance	8,000	7,023.30	12,200	6,555.08	12,200	0%
Retirement	23,100	20,493.84	24,900	21,837.06	26,200	5%
401k	15,900	14,163.00	15,600	14,984.00	16,400	5%
Payroll Tax	28,400	22,648.83	27,100	23,627.28	28,400	5%
Group Insurance	61,050	55,724.88	59,300	56,951.52	55,100	-7%
Uniforms	4,100	2,625.09	-	2,349.11		
Maint to Building and Grounds	1,500	1,230.64	1,500	1,355.64	1,500	0%
Maintenance/Repair Vehicle	20,000	11,411.84	20,000	10,051.44	18,000	-10%
Supplies and Materials	6,250	6,247.51	11,000	6,108.83	12,000	9%
Training	1,000	648.48	1,000	563.48	2,000	100%
Travel	-		-			
Telephone	7,550	7,548.12	7,500	7,418.86	7,500	0%
Utilities	8,500	8,187.93	8,500	8,412.14	8,500	0%
Maintenance to Equipment	1,500	863.00	1,500	1,236.00	1,500	0%
Gasoline	20,200	14,861.08	21,000	15,752.44	20,000	-5%
Contracted Services	27,900	27,872.83	24,000	20,254.85	24,000	0%
Miscellaneous	750	300.00	1,000	600.00	1,000	0%
Shop With A Cop Expenses					5,000	
Fundraising Expenses					10,000	
Capital Outlay	38,600	38,186.25	38,000	37,068.20	38,000	0%
Non-capital equipment purchases	16,940	16,925.59	17,000	13,723.45	22,000	29%
<b>Total</b>	<b>597,890</b>	<b>547,343.30</b>	<b>616,400</b>	<b>556,768.54</b>	<b>651,600</b>	<b>6%</b>

### Police Department Highlights

The Police Department's operations remain largely unchanged. The budget funds a new Tahoe for patrol. The Tahoe has proven to be low maintenance and are 3 to 4 miles per gallon more fuel efficient than the older sedans they are replacing in the fleet. Three speed measuring radar units are scheduled for replacement this year which will ensure all radar units are compliant with state requirements.

The budget allocates \$5,000 for the purchase of body worn cameras. Boiling Springs Police Department is the largest law enforcement agency in Cleveland County without a body camera program. The department will be moving towards implementation of a body worn camera program during the 2017-2018 Fiscal Year. Significant technical, legal, and policy issues that remain prior to full implementation a body camera program.

## Police Department Personnel

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
Police Chief	5/3/1999	18	25
Police Investigator	10/9/2003	14	16
Police Lieutenant	8/1/2012	5	21
Police Officer	3/10/2010	7	13
Police Officer	6/1/2015	2	13
Police Officer	7/1/2012	5	13
Police Officer	11/14/2016	0	13
Police Officer	3/6/2017	0	13
Police Officer	5/16/2016	1	13

## Police Department Vehicles

2017 Chevrolet Tahoe (PROPOSED)	2011 Dodge Charger (Unmarked Chief)
2016 Chevrolet Tahoe (Marked Patrol)	2011 Dodge Charger (Marked Patrol)
2015 Chevrolet Tahoe (Marked Patrol)	2010 Dodge Charger (Marked Patrol)
2015 Chevrolet Tahoe (Marked Patrol)	2009 Dodge Charger (Spare Vehicle)
2014 Chevrolet Tahoe (Unmarked Investigator)	2009 Dodge Charger (Spare Vehicle)
2012 Dodge Charger (Marked Slicktop)	2007 Dodge Charger (Town Administration)
2012 Dodge Charger (Marked Patrol)	2006 Dodge Charger (Declare Surplus)

The police department maintains take home vehicles for all sworn personnel, two spare vehicles, and a vehicle assigned to the Town's administration department.

## FIRE PROTECTION

<u>Fire Department</u>	<u>FY 15-16</u> <u>Budget</u>	<u>FY 15-16</u> <u>Actual</u>	<u>FY 16-17</u> <u>Budget</u>	<u>FY 16-17</u> <u>Projected</u>	<u>FY 17-18</u> <u>Recommend</u>	<u>Change</u>
Contracted Services	137,200	137,200.00	135,000	137,200.00	241,200	79%
<b>Total</b>	<b>137,200</b>	<b>137,200.00</b>	<b>135,000</b>	<b>137,200.00</b>	<b>241,200</b>	<b>79%</b>

## Department Highlights

The Town contracts with Boiling Springs Fire & Rescue for fire protection services. The contract stipulates the Town provide funding equivalent to the fire district tax levied by the County. Funding is increasing 81% driven by an increase in the county fire tax rate from 5 cents to 8.75 cents.

## STREETS

<u>Streets (Non-Powell)</u>	<u>FY 15-16 Budget</u>	<u>FY 15-16 Actual</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Projected</u>	<u>FY 17-18 Recommend</u>	<u>Change</u>
Supplies and Materials	3,000	1,364.30	6,000	1,193.00	2,000	-67%
Street Lighting	44,500	42,544.71	45,000	44,500.00	45,000	0%
Street Contracted Services			6,000			
Street Name Signs	1,000	978.83	1,000	862.12	1,000	0%
<b>Total</b>	<b>48,500</b>	<b>44,887.84</b>	<b>58,000</b>	<b>46,555.12</b>	<b>48,000</b>	<b>-17%</b>

### Department Highlights

The street department budget consists primarily of street lighting costs paid to the Duke Energy. It also includes modest funding for continued LED retrofits to the Town's holiday lights.

## POWELL BILL

<u>Streets (Powell Bill)</u>	<u>FY 15-16 Budget</u>	<u>FY 15-16 Actual</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Projected</u>	<u>FY 17-18 Recommend</u>	<u>Change</u>
Part-time Wages						
Part-time Benefits (FICA)						
Professional Services	500	198.75	10,000	198.75		-100%
Maintenance/Repair Streets	2,000		2,300			-100%
Maintenance/Repair Vehicle						
Supplies and Materials	3,450	988.12	4,000	752.60		-100%
Maintenance to Equipment						
Gasoline						
Contracted Services	42,000	11,184.50	50,000	8,588.50	127,500	155%
Insurance and Bonds	2,050	2,019.00	2,200	2,016.00	2,500	14%
Transfer to Reserves	80,000		61,000	80,000.00		
Capital outlay						
<b>Total</b>	<b>130,000</b>	<b>14,390.37</b>	<b>129,500</b>	<b>91,555.85</b>	<b>130,000</b>	<b>0%</b>

### Powel Bill Highlights

The town receives approximately \$130,000 in Powell Bill funding from the state. Guidance issued by the state indicates that 80% of that funding should be used for street resurfacing efforts. Accordingly, \$94,000 is allocated to resurface streets as prioritized by the Street CIP completed in FY16/17. \$9,500 is provided for patching and other repairs identified throughout the year. 20% or \$24,500 is allocated for sidewalk extensions.

CIP Resurfacing	\$94,000
Surface Patching	\$9,500
Sidewalk Projects	\$24,500

## SOLID WASTE

<u>Solid Waste</u>	<u>FY 15-16</u> <u>Budget</u>	<u>FY 15-16</u> <u>Actual</u>	<u>FY 16-17</u> <u>Budget</u>	<u>FY 16-17</u> <u>Projected</u>	<u>FY 17-18</u> <u>Recommend</u>	<u>Change</u>
Salary and Wages	72,600	72,992.36	82,500	72,102.66	88,300	7%
Part-time Wages			10,000		10,000	
401k	3,700	3,040.00	4,700	2,994.00	5,000	6%
Payroll Tax	9,900	9,834.71	7,000	9,853.24	7,400	6%
Retirement	4,200	4,172.46	6,000	4,126.30	6,500	8%
Group Insurance	18,750	18,719.37	19,800	18,065.59	18,500	7%
Uniforms	3,500	2,920.96	3,000	2,845.54	3,000	0%
Maint to Building and Grounds	500	62.50	500	125.00	500	0%
Maintenance/Repair Vehicle	19,900	19,891.61	13,000	11,622.98	13,000	0%
Supplies and Materials	5,000	4,083.09	5,000	4,733.70	11,000	120%
Telephone	1,000	643.93	1,000	664.78	1,600	60%
Utilities	1,000	668.51	1,000	633.36	1,000	0%
Maintenance to Equipment	4,550	4,538.47	4,500	4,270.53	5,000	11%
Gasoline	11,750	11,709.00	15,000	12,603.22	15,000	0%
Contracted Services	89,750	89,708.20	90,000	88,972.84	101,500	13%
Capital Outlay						
Non-capital equipment purchases	6,500	6,422.70			2,500	
Debt Service - Principal and Interest	30,000	29,834.75	29,900	29,834.75		-100%
Capital reserve - trash truck					25,000	
<b>Total</b>	<b>282,600</b>	<b>279,242.62</b>	<b>292,900</b>	<b>263,448.49</b>	<b>314,800</b>	<b>7%</b>

### Solid Waste Highlights

The Town has made the last debt payment on the 2012 Lodal garbage collection truck. The debt payment for that vehicle was \$30,000. The budget allocates \$25,000 to reserves to start saving for the next truck purchase in 2019.

The budget includes approximately \$6,500 to implement a work order system for solid waste crews. The system has been implemented in Shelby for many years. Computer tablets will be installed in the solid waste vehicles and will provide increased communication between office staff and the crews in the field. The system will allow management to make more data driven decisions, reduce complaints, and generally improve service to residents.

The County is raising tipping fees at the landfill 15%. This is projected to cost the Town \$6,000 over the course of the fiscal year. A 40 cent increase to residential and commercial garbage fee is recommended to cover the cost.



**Solid Waste Personnel**

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
SW Worker	1/24/2002	15	9
SW Worker	9/22/2014	3	9
SW Worker	4/6/2017	0	9

**Solid Waste Equipment**

2013 Leaf Vacuum Trailer	1999 International Dump Truck
2012 Lodal Garbage Truck	1996 Wood Chipper Trailer
2011 Ford Dump Truck	1990 Leaf Vacuum Trailer
2004 Lodal Garbage Truck (Spare)	

## RECREATION

Recreation	FY 15-16	FY 15-16	FY 16-17	FY 16-17	FY 17-18	%Change
	Budget	Actual	Budget	Projected	Recommend	
Salary and Wages	67,000	67,955.83	69,800	66,771.22	71,700	3%
Part-time Wages	-	-	-	-	-	-
401k	3,400	3,348.00	3,500	3,338.00	3,600	3%
Payroll Tax	5,150	5,119.23	5,800	5,107.82	5,900	2%
Retirement	4,800	4,594.49	5,100	4,601.52	5,200	2%
Group Insurance	6,850	6,832.68	6,600	6,832.68	6,125	-7%
Uniforms	1,200	1,128.25	1,000	936.98	1,000	0%
Maint. to Buildings and Grounds	500	432.76	1,000	777.14	4,500	350%
Maintenance/Repair Vehicle	2,000	1,927.40	2,000	978.08	2,000	0%
Supplies and Materials	1,500	1,497.35	2,000	681.40	3,000	50%
Telephone	1,050	1,006.67	1,000	935.34	1,000	0%
Utilities	1,600	1,432.37	1,600	1,588.24	1,700	6%
Maintenance to Equipment	1,650	1,573.70	1,500	708.94	1,500	0%
Gasoline	2,200	1,921.67	3,000	2,036.96	2,500	-17%
Greenway Request	2,500	941.70	2,600	547.96	4,000	54%
Contracted Services - YMCA	54,390	54,086.00	57,600	54,336.00	57,600	0%
Contracted Services	-	-	15,000	-	15,000	-
Library Expenses	20,270	20,250.00	20,000	20,000.00	22,000	10%
Museum Expenses	300	291.28	1,000	291.28	575	-43%
Miscellaneous	8,600	8,582.52	5,000	4,929.86	8,000	60%
Capital Outlay	-	-	-	-	-	-
Non-capital equipment purchase	900	871.50	-	871.50	-	-
<b>Total</b>	<b>185,860</b>	<b>183,793.40</b>	<b>205,100</b>	<b>176,270.92</b>	<b>216,900</b>	<b>6%</b>

### Department Highlights

The Town is negotiating a new recreation services agreement with the YMCA. This agreement creates a partnership between the Town and YMCA providing recreation and wellness services and programs to residents for free or reduced pricing.

Last year the Town funded a Park Master Plan. As that planning process wraps up, this year the budget allocates \$15,000 for an application for funding from the Parks and Recreation Trust Fund (PART-F). PART-F funding will require a future 50% match on any funds used from PART-F. The \$15,000 spent preparing the application will be eligible as part of the Town's 50% match.

### Recreation Personnel

Funded Positions	Date Hired	Yrs Svc	Pay Grade
Park Ranger	8/2/2001	16	12
Maintenance Worker	4/21/2007	10	9

### Recreation Vehicles

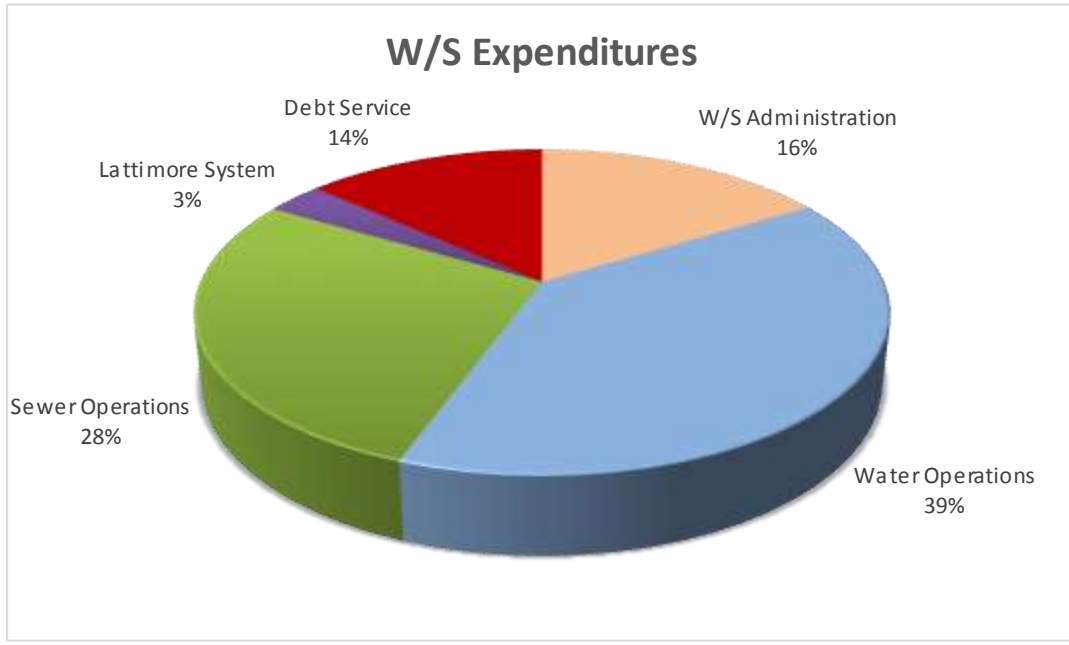
2007 Ford F150 (General Maintenance)	
1996 Chevrolet Pickup (Park Ranger)	

## ENTERPRISE FUND REVENUES



<u>W/S Revenues</u>	<u>FY 15-16 Budget</u>	<u>FY 15-16 Actual</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Projected</u>	<u>FY 17-18 Proposed</u>	<u>Change</u>
Late and Reconnect Fees	\$ 30,000	\$ 38,387.50	\$ 35,000	\$ 37,620.00	36,000	3%
New Connection Fees	\$ 5,000	\$ 2,870.00	\$ 2,000	\$ 4,200.00	3,000	50%
Water Charges	\$ 835,000	\$ 933,754.87	\$ 840,000	\$ 902,972.63	880,000	5%
Wastewater Charges	\$ 500,000	\$ 492,211.18	\$ 500,000	\$ 510,410.37	500,000	0%
Lattimore Charges	\$ 35,000	\$ 33,311.87	\$ 35,000	\$ 37,786.97	35,000	0%
Lattimore Reimburse	\$ 12,600	\$ 15,145.30	\$ 12,600	\$ 21,846.37	12,600	0%
Investment Income	\$ 1,800	\$ 1,936.05	\$ 2,000	\$ 1,514.92	2,000	0%
Profit/(Loss) on Sale of Fixed Assets	\$ 30,780	\$ (324,648.49)		\$ 8,673.00		
Miscellaneous Revenue	\$ 20,000	\$ 21,066.27	\$ 20,000	\$ 22,880.03	20,000	0%
Reserve Appropriation	\$ 540,701	\$ 540,701.00		\$ 297,200.00		
<b>Total</b>	<b>\$ 2,010,881</b>	<b>\$ 1,754,735.55</b>	<b>\$ 1,446,600</b>	<b>\$ 1,845,104.29</b>	<b>1,488,600</b>	<b>3%</b>

## ENTERPRISE FUND EXPENSES



### ENTERPRISE FUND OVERVIEW

The public enterprise fund consists of the Town's water and sewer utilities. The Town's enterprise fund is commercial in nature and is financially self-supporting. The Town purchases water from the City of Shelby and distributes it to customers through its own water distribution system. The Town also operates a sewer collection system and its own sewer treatment plant. The operating budget for the general fund is just under 1.5 million dollars. Debt service, paying down principal and interest on loans, accounts for 14% of expenses in the enterprise fund this year.

## W&S ADMINISTRATION

W&S Administration	FY 15-16 Budget	FY 15-16 Actual	FY 16-17 Budget	FY 16-17 Projected	FY 17-18 Proposed	% Change
Salary and Wages	\$ 92,400	\$ 95,588.67	\$ 90,300	\$ 90,333.12	90,300	0%
401k	\$ 4,700	\$ 3,917.50	\$ 4,600	\$ 4,517.00	4,600	0%
Payroll Tax	\$ 7,600	\$ 7,248.20	\$ 7,400	\$ 6,910.48	7,400	0%
Retirement	\$ 6,700	\$ 5,475.37	\$ 6,600	\$ 6,711.75	6,600	0%
Group Insurance	\$ 13,600	\$ 13,056.87	\$ 13,200	\$ 13,148.88	12,250	-7%
Professional Services	\$ 9,500	\$ 5,000.00	\$ 6,000	\$ 5,000.00	6,000	0%
Maintenance to Buildings and Grounds	\$ 1,300	\$ 1,169.52	\$ 14,000	\$ 10,524.81	5,500	-61%
Supplies and Materials	\$ 9,000	\$ 8,963.97	\$ 9,000	\$ 5,799.35	9,000	0%
Training	\$ 650	\$ 605.39	\$ 1,000	\$ 50.00	1,000	0%
Travel						
Telephone	\$ 4,500	\$ 4,359.11	\$ 4,500	\$ 5,013.36	4,500	0%
Utilities	\$ 7,000	\$ 6,979.73	\$ 6,500	\$ 5,761.68	6,500	0%
Postage	\$ 10,150	\$ 10,149.39	\$ 10,000	\$ 10,611.28	11,000	10%
Maintenance to Equipment	\$ 3,300	\$ 3,283.93	\$ 1,000	\$ 6,028.97	1,000	0%
Advertising	\$ 450	\$ 198.28	\$ 500		500	0%
Dues and Subscriptions	\$ 6,750	\$ 6,744.12	\$ 5,000	\$ 3,953.66	5,000	0%
Contracted Services	\$ 16,000	\$ 15,170.50	\$ 32,000	\$ 23,687.23	27,000	-16%
Insurance and Bonds	\$ 38,400	\$ 38,365.00	\$ 40,000	\$ 40,871.00	42,000	5%
Depreciation						
Bad debt expense						
Contingency						
Miscellaneous					350	
Capital Outlay	\$ 37,530	\$ 38,769.30				
Non-capital equipment purchases	\$ 31,500	\$ 23,682.67	\$ 2,000	\$ 1,883.50	2,000	0%
Capital Reserve						
Debt Service	\$ 34,200	\$ 34,168.33	\$ 33,500	\$ 33,465.16	34,000	1%
Transfer to Capital Project	\$ 555,701	\$ 555,701.00		\$ 282,200.00		
<b>Total</b>	<b>\$ 890,931</b>	<b>\$ 878,596.85</b>	<b>\$ 287,100</b>	<b>\$ 556,471.23</b>	<b>276,500</b>	<b>-4%</b>

### Department Highlights

The Water/Sewer Administration department covers the managerial and billing functions for the Town's water and sewer utilities. There are no notable or non-routine items in the department this year.

### W&S Administration Personnel

Funded Positions	Date Hired	Yrs Svc	Pay Grade
Public Works Director (.75)	6/17/2006	11	25
Town Manager (.25)	7/2/2012	5	-
Utility Billing Clerk	11/23/2015	1	12

### W&S Administration Equipment

2016 Ford F150 (PW Director)	2008 Ford Ranger (Spare Vehicle)
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# WATER OPERATIONS

<u>Water Operations</u>	<u>FY 15-16</u> <u>Budget</u>	<u>FY 15-16</u> <u>Actual</u>	<u>FY 16-17</u> <u>Budget</u>	<u>FY 16-17</u> <u>Projected</u>	<u>FY 17-18</u> <u>Proposed</u>	<u>% Change</u>
Salary and Wages	\$ 66,000	\$ 65,599.31	\$ 67,900	\$ 67,617.90	67,900	0%
Part-time Wages						
401k	\$ 3,300	\$ 3,250.00	\$ 3,400	\$ 3,381.00	3,400	0%
Payroll Tax	\$ 5,500	\$ 4,975.55	\$ 5,600	\$ 5,172.77	5,600	0%
Retirement	\$ 4,700	\$ 4,498.11	\$ 5,000	\$ 5,024.01	5,000	0%
Group Insurance	\$ 13,650	\$ 13,624.56	\$ 13,200	\$ 13,148.88	12,250	-7%
Uniforms	\$ 3,200	\$ 2,609.68	\$ 3,000	\$ 3,023.43	3,000	0%
Maintenance to Building and Grounds		\$ -	\$ -		15,000	
Maintenance/Repair Vehicle	\$ 2,800	\$ 2,785.60	\$ 2,000	\$ 1,479.33	2,000	0%
Supplies and Materials	\$ 18,700	\$ 18,669.73	\$ 18,000	\$ 23,840.69	18,000	0%
Water Purchases - City of Shelby	\$ 358,250	\$ 358,236.45	\$ 355,000	\$ 359,269.73	355,000	0%
Training	\$ 750	\$ 726.79		\$ 125.00		
Telephone	\$ 2,000	\$ 1,505.26	\$ 1,600	\$ 1,436.27	1,600	0%
Utilities	\$ 2,600	\$ 2,247.46	\$ 2,000	\$ 2,450.93	2,000	0%
Maintenance to Equipment	\$ 5,550	\$ 5,511.30	\$ 4,000	\$ 5,849.15	4,000	0%
Gasoline	\$ 6,700	\$ 5,226.51	\$ 8,000	\$ 5,311.47	8,000	0%
Contracted Services	\$ 13,400	\$ 12,000.00	\$ 30,400	\$ 37,478.00	54,000	78%
Capital Outlay - Equipment				\$ 5,011.91	6,000	
Non-capital equipment purchases	\$ 10,200	\$ 10,153.05		\$ 1,247.18	2,700	
Capital Outlay - Lines	\$ 62,100	\$ 10,854.24	\$ 30,000	\$ 29,112.00	20,000	
Capital Reserve - Water Tank outside						
Water Debt Service (Principal and Interest)	\$ 88,600	\$ 88,541.82	\$ 88,600	\$ 88,541.82	88,600	0%
<b>Total</b>	<b>\$ 668,000</b>	<b>\$ 611,015.42</b>	<b>\$ 637,700</b>	<b>\$ 658,521.47</b>	<b>674,050</b>	<b>6%</b>

## Water Operation Highlights

Repainting the elevated water tank has represented a looming expense for several years. The inside of the tank was recoated in 2012 to ensure water quality but the exterior of the tank is showing wear. If the existing coating is allowed to deteriorate further, the cost to repaint will rise exponentially. Staff propose the Town enter into an asset maintenance program with Utility Service Group. Utility Service Group will repaint and make several overhaul repairs to the water tower in FY17/18 and take over all maintenance and record keeping on the Town's water tank.

## Water Operations Personnel

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
Utilities Maint Worker	11/4/2002	15	9
Utilities Maint Worker	2/4/1993	24	9

## Water Operations Equipment

2011 Ford F250 (Utility Body)	1995 Ford Backhoe
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## SEWER OPERATIONS

Sewer Operations	FY 15-16		FY 16-17		FY 17-18	
	Budget	Actual	Budget	Projected	Proposed	% Change
Salary and Wages	\$ 71,900	\$ 84,579.85	\$ 123,200	\$ 108,153.73	123,200	0%
Part-time Wages	\$ 12,400	\$ 2,233.00				
401k	\$ 3,900	\$ 3,354.00	\$ 6,200	\$ 5,408.00	6,200	0%
Payroll Tax	\$ 6,200	\$ 6,443.97	\$ 10,200	\$ 8,273.76	10,200	0%
Retirement	\$ 5,100	\$ 4,542.00	\$ 9,000	\$ 8,035.82	9,000	0%
Group Insurance	\$ 20,450	\$ 20,437.64	\$ 19,800	\$ 24,836.77	18,350	-7%
Uniforms	\$ 3,050	\$ 3,014.98	\$ 4,000	\$ 3,569.23	4,000	0%
Maintenance to Buildings and Grounds	\$ 600	\$ 584.81	\$ 700	\$ 2,257.88	1,000	43%
Maintenance/Repair Vehicle	\$ 19,300	\$ 19,233.38	\$ 10,000	\$ 9,566.08	10,000	0%
Supplies and Materials	\$ 21,000	\$ 20,985.73	\$ 20,000	\$ 28,908.31	20,000	0%
Maintenance to Sewer System	\$ 6,250	\$ 6,225.00	\$ 16,000	\$ 6,904.00	16,000	0%
Training	\$ 1,250	\$ 1,222.08	\$ 2,100	\$ 1,378.39	2,000	-5%
Travel						
Telephone	\$ 6,750	\$ 6,725.62	\$ 8,500	\$ 5,772.96	6,500	-24%
Utilities	\$ 59,550	\$ 59,542.71	\$ 62,000	\$ 57,418.81	62,000	0%
Maintenance to Equipment	\$ 14,400	\$ 14,339.48	\$ 20,000	\$ 20,565.49	19,000	-5%
Gasoline	\$ 4,500	\$ 4,473.61	\$ 5,000	\$ 5,627.70	6,000	20%
Contracted Services	\$ 36,500	\$ 36,388.56	\$ 22,000	\$ 27,374.00	22,000	0%
Capital Outlay - Equipment	\$ 29,700	\$ 29,595.00	\$ 53,500	\$ 57,888.84	72,000	35%
Non-capital equipment purchase	\$ 5,450	\$ 5,410.57	\$ 7,000	\$ 5,821.38	7,000	0%
Capital Outlay - Infrastructure						
Sewer Debt Service (Principal and Interest)	\$ 76,100	\$ 76,057.44	\$ 74,700	\$ 74,650.82	76,000	2%
<b>Total</b>	<b>\$ 404,350</b>	<b>\$ 405,389.43</b>	<b>\$ 473,900</b>	<b>\$ 462,411.97</b>	<b>490,450</b>	<b>3%</b>

### Sewer Operation Highlights

In FY16/17 and \$25,000 was budgeted for upgrading the UV disinfection system at the treatment plant. The upgrade was revealed to actually cost \$55,000 which has been allocated in FY17/18. The UV system is the final cleansing step of the wastewater before it is discharged back into nature and having an updated system is paramount to our continued compliance with environmental regulations.

### Sewer Operations Personnel

Funded Positions	Date Hired	Yrs Svc	Pay Grade
WW Supervisor (ORC)	2/9/2015	2	21
WW Operator I	4/30/2012	5	10
WW Operator I	2/9/2010	7	10
Utilities Maint Worker	8/15/2016	1	9

### Sewer Operations Equipment

2016 Ford F150 (ORC Vehicle)	2005 Dodge Pickup (Towing Vehicle)
2008 Ford Ranger (General Maintenance)	1989 Ford (Septic Pump Truck)
2006 International (Septic Pump Truck)	

## LATTIMORE SEWER OPERATIONS

<u>Lattimore Sewer Operations</u>	<u>FY 15-16</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>% Change</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Proposed</u>	
Salary and Wages	\$ 20,200	\$ 20,136.43	\$ 21,300	\$ 21,555.52	21,300	0%
401k	\$ 1,100	\$ 1,005.00	\$ 1,100	\$ 1,078.00	1,100	0%
Payroll Tax	\$ 1,700	\$ 1,538.30	\$ 1,800	\$ 1,649.00	1,800	0%
Retirement	\$ 1,500	\$ 1,421.67	\$ 1,600	\$ 1,601.58	1,600	0%
Maintenance to Buildings and Grounds						
Supplies and Materials	\$ 4,800	\$ 809.57	\$ 8,500	\$ 660.00	8,200	
Maintenance to Sewer System	\$ 1,000		\$ 1,000		1,000	0%
Telephone	\$ 4,200	\$ 2,744.53	\$ 3,000	\$ 3,004.09	3,000	0%
Utilities	\$ 6,550	\$ 6,601.86	\$ 6,600	\$ 5,571.45	6,600	0%
Maintenance to Equipment	\$ 2,050	\$ 2,041.22	\$ 3,000	\$ 6,183.19	3,000	0%
Gasoline		\$ 4,250.00				
Capital Outlay - Sewer						
Non-capital equipment purchase	\$ 4,500			\$ 4,255.37		
<b>Total</b>	<b>\$ 47,600</b>	<b>\$ 40,548.58</b>	<b>\$ 47,900</b>	<b>\$ 45,558.20</b>	<b>\$ 47,600</b>	<b>0%</b>

### Lattimore Highlights

The Town maintains the sewer system in Lattimore. Phone and utility expenses as well as capital costs are directly reimbursed by the Town of Lattimore. Operating expenses are recouped through the collection of monthly utility bills and availability fees from customers.



## POSITION CLASSIFICATION & PAY PLAN

FLSA	Grade	Class	Position	Probation	Minimum	Maximum
N	9	Worker	General Maintenance Worker	\$ 20,800	\$ 22,048	\$ 34,395
N			Solid Waste Worker			
N			Utility Maintenance Worker			
N	10	Specialist	Wastewater Operator I	\$ 21,736	\$ 23,040	\$ 35,943
N	11	Specialist	Water Operator I	\$ 22,714	\$ 24,077	\$ 37,560
N	12	Specialist	Park Ranger	\$ 23,736	\$ 25,160	\$ 39,250
N			Utility Billing Clerk			
N			Wastewater Operator II			
N	13	Specialist	Police Officer	\$ 24,804	\$ 26,293	\$ 41,017
N			Water Operator II			
	14	Specialist		\$ 25,921	\$ 27,476	\$ 42,862
	15	Specialist		\$ 27,087	\$ 28,712	\$ 44,791
N	16	Specialist	Police Investigator	\$ 28,306	\$ 30,004	\$ 46,807
N	17	Specialist	Police Sergeant	\$ 29,580	\$ 31,354	\$ 48,913
N	18	Supervisor	Town Clerk	\$ 30,911	\$ 32,765	\$ 51,114
	19	Supervisor		\$ 32,302	\$ 34,240	\$ 53,414
	20	Supervisor		\$ 33,755	\$ 35,781	\$ 55,818
E	21	Supervisor	Police Lieutenant	\$ 35,274	\$ 37,391	\$ 58,330
E			Wastewater Supervisor ORC			
	22	Supervisor		\$ 36,862	\$ 39,073	\$ 60,954
	23	Management		\$ 38,520	\$ 40,832	\$ 63,697
E	24	Management	Finance Officer	\$ 40,254	\$ 42,669	\$ 66,564
E	25	Management	Police Chief	\$ 42,065	\$ 44,589	\$ 69,559
E			Public Works Director			