

**TOWN OF
BOILING SPRINGS | NC**



**ANNUAL BUDGET
FISCAL YEAR 2018-2019**

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FY18/19 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	\$ 1,049,000
Sales & Use Taxes	\$ 415,000
Franchise Taxes	\$ 217,200
Solid Waste User Fees	\$ 261,800
Powell Bill Allocation	\$ 131,200
Other Revenues	\$ 163,650
Reserve Appropriation	\$ 300,000
TOTAL REVENUES	\$ 2,537,850

B. Expenditures Authorized by Department

Administration	\$ 633,000
Police	\$ 741,100
Fire Service	\$ 244,125
Street Non Powell	\$ 47,000
Streets Powell Bill	\$ 131,200
Solid Waste	\$ 540,925
Recreation	\$ 200,500
TOTAL EXPENDITURES	\$ 2,537,850

SECTION II. WATER & SEWER FUND

A. Revenues Anticipated

Water Charges	\$ 950,000
Sewer Charges	\$ 533,000
Lattimore System Charges	\$ 45,000
Other Revenues	\$ 73,000
Reserve Appropriation	\$ -
TOTAL REVENUES	\$ 1,601,000

B. Expenditures Authorized by Department

Water & Sewer Administration	\$ 347,300
Water Operations	\$ 716,400
Sewer Operations	\$ 496,900
Lattimore System	\$ 40,400
TOTAL EXPENDITURES	\$ 1,601,000

SECTION III. TAXES, RATES, FEES & CHARGES ESTABLISHED

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

FY 2018-19 General Schedule of Taxes, Fees & Charges	
Ad Valorem Tax Rate	\$0.38 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	\$350
Zoning Compliance Permit	\$25*
Zoning Compliance Letter	\$25*
Tower Permit	\$500
Site Plan Review	\$50*
Board of Adjustment Review	\$350
Preliminary Subdivision Plat Review	\$50 plus \$5 for each lot over 10*
Annexation Petition	\$300*
Street Closing Petition	\$600*
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
Garbage Inside	\$10.50
Garbage Outside	\$15.00
Garbage Commercial	\$13.00
Recycling Inside	\$3.50
Recycling Outside	\$5.00
Can Damage Fee	\$20 for second repair in any 12-month period
Facility Rentals	Set Administratively

FY 2018-19 Water & Sewer Rate Schedule		
Description	Inside	Outside
Minimum Water Rate 0-2,000 gallons	\$18.00	\$30.00
Volumetric Water Rate 2,000-15,000 gallons	\$5.50 per 1000	\$8.50 per 1000
Volumetric Water Rate over 15,000 gallons	\$6.50 per 1000	\$10.00 per 1000
Minimum Sewer Rate		
Minimum Sewer Rate 0-2,000 gallons	\$18.00	\$30.00
Volumetric Sewer Rate 2,000-15,000 gallons	\$5.50 per 1000	\$8.50 per 1000
Volumetric Sewer Rate over 15,000 gallons	\$6.50 per 1000	\$10.00 per 1000
Sewer Only		
Sewer Only 0-2,000 gallons	NA	\$30.00
Sewer Only 2,000-15,000 gallons	NA	\$8.50 per 1000
Sewer Only over 15,000 gallons	NA	\$10.00 per 1000
Lattimore Sewer Rate		
Lattimore Sewer Rate 0-2,000 gallons	\$22.00	
Lattimore Sewer Rate 2,000-15,000 gallons	\$6.50 per 1000	
Lattimore Sewer Rate over 15,000 gallons	\$7.50 per 1000	
Bulk Water Rate		
Bulk Water Rate 0-2,000 gallons	\$30.00	
Bulk Water Rate 2,000-15,000 gallons	\$8.50 per 1000	
Bulk Water Rate over 15,000 gallons	\$10.00 per 1000	

FY 2018-19 Water & Sewer Schedule of Fees & Charges		
Description	Inside	Outside
Water Deposit	\$100	\$125
Sewer Deposit	\$50	\$50
Water & Sewer Deposit	\$150	\$175
Water Tap 3/4 inch*	\$850	\$1,050
Water Tap 1 inch*	\$1,050	\$1,250
Water Tap 1.5 inch*	\$2,050	\$2,550
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*	\$500 (Irrigation Only)	\$500
Service Bill Monthly Late Fee	\$10	\$10
Service Disconnection	\$25	\$25
After-Hours Service Charge (4pm, Weekends, & Holidays)	\$50	\$50
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 \$1,000 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 2018-19. 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 ___ Councilmembers voting "aye."

With ___ Councilmembers voting "no."

Adopted this the 26th day of June 2018.

[TOWN SEAL]

Bill Ellis
Mayor

Kim Greene
Town Clerk

BUDGET MESSAGE

The Honorable Bill Ellis, Mayor
Members of the 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 2018-19 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 \$0.37 to \$0.38 per \$100 valuation. This increase is driven by the Town's administrative needs and to improve services provided.

Under the new tax rate, the owner of a \$175,000 home will pay \$665 in property taxes to the Town. The Town's \$0.38 tax rate will be applied to this year's estimated total tax base of \$279,000,000. This new valuation reflects a 0% increase from the previous year. Each cent of the tax rate is projected to yield \$27,567 in revenue.

Increases to garbage and recycling fees are being proposed including a \$0.40 increase to the residential recycling fee and a \$1.60 increase to the residential garbage fee. These increases will equate to a \$24 increase in annual solid waste fees for an average household and a \$18 increase for an average apartment. These increases are primarily driven by the need for a new leaf vacuum truck and to further improve systems and services.

General Fund Expenses

This year's budget funds a Cost-of-Living Adjustment (COLA) of 2% and a merit system awarding up to 3% increases in base salary for all employees. Last year, the budget funded a merit system awarding up to 4.3% but did not fund a COLA. Management reviewed employee compensation and retention levels. Accordingly, this budget funds salary increases to boost employee retention and enhance recruitment efforts when competing with neighboring entities.

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.

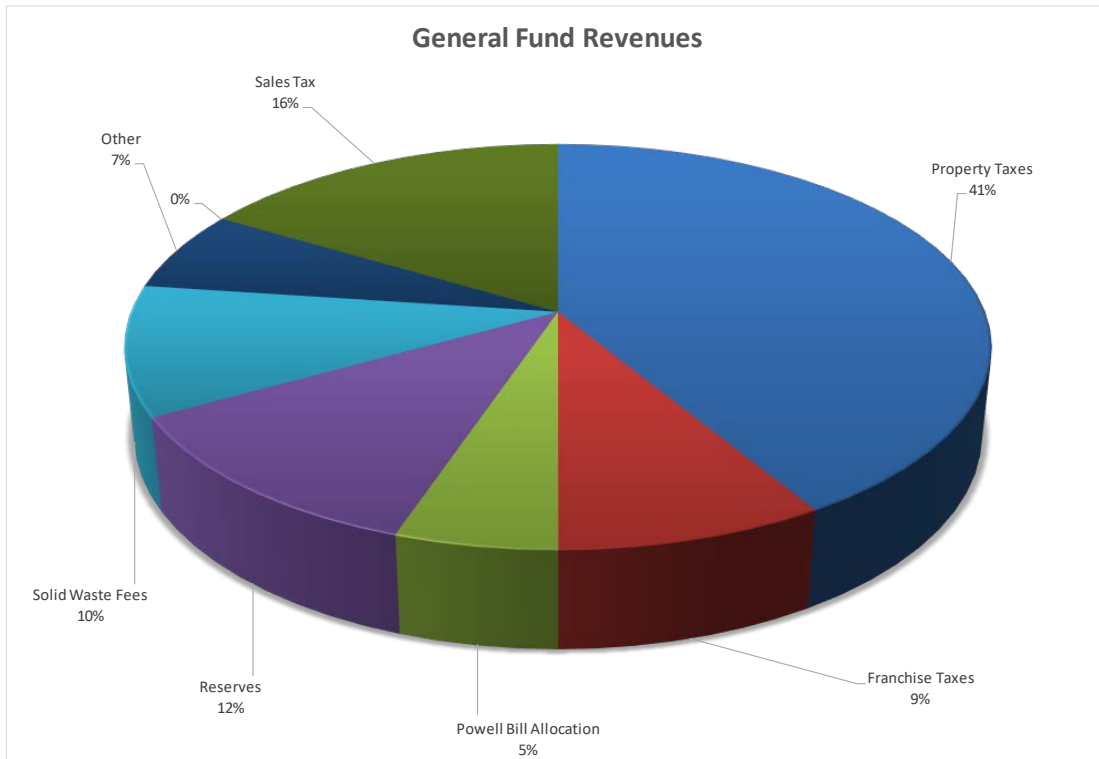
Water / Sewer Fund

Water and sewer rate increases are recommended. The City of Shelby, from whom the Town purchases water, is not proposing an increase to their governmental rate. However, water and sewer rates have remained unchanged since FY14/15 and the budget funds infrastructure maintenance and expansion recommendations per the 2018 Water/Sewer Capital Improvement Plan. A new rate for Lattimore was established to cover phone and utility expenses.

Respectfully submitted,

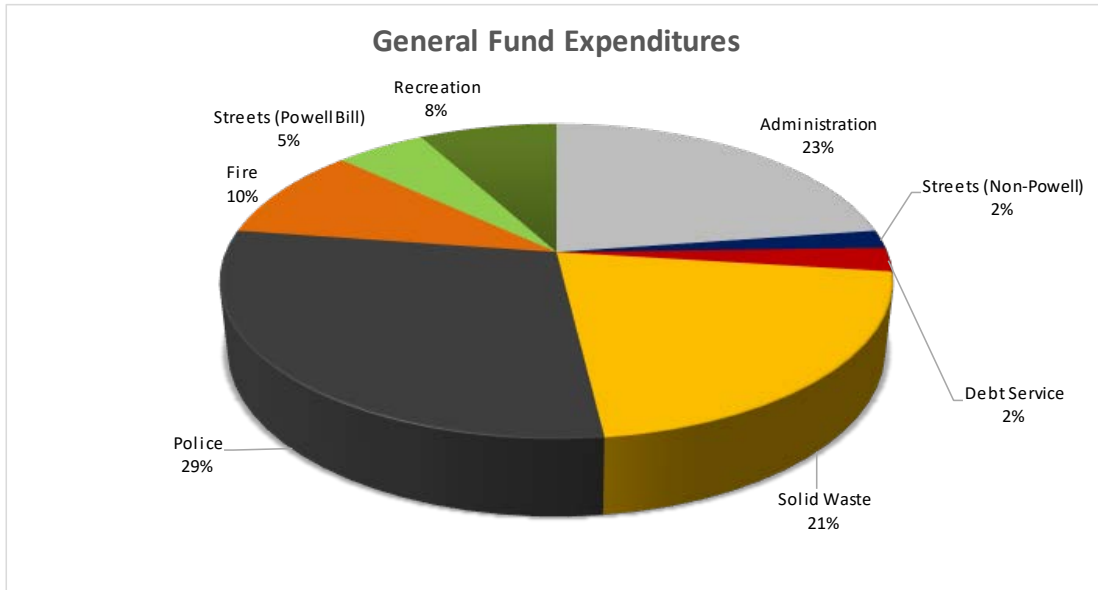
Lucas A. Shires, MUD, PLA
Town Manager

GENERAL FUND REVENUES



<u>Description</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Property Taxes - Prior Years	11,000	3,795.24	3,000	4,818.56	4,000	33%
Property Tax Penalties less Discounts	1,000	(987.25)	1,000	(556.83)	1,000	0%
Property Taxes - Current Year	875,000	920,276.38	1,020,000	1,020,809.68	1,044,000	2%
Court Costs, Fee and Charges	1,000	619.50	1,000	650.00	1,000	0%
Privilege Licenses						
Library Donations	11,000	11,000.00	12,000	12,000.00	12,000	0%
LEO Grants	1,000		1,000			
Powell Bill Allocation	130,000	131,546.09	130,000	177,396.03	128,200	-1%
SPR Grant					40,000	
Solid Waste Disposal Tax	3,000	3,212.14	3,000	3,305.19	3,500	17%
Utilities Franchise Tax	235,000	217,899.34	225,000	217,100.00	217,200	-3%
Local Option Sales and Use Taxes	364,000	374,561.55	377,000	393,300.00	415,000	10%
Recycling Charges	46,500	47,654.00	49,000	49,737.40	56,400	15%
Investment Income - General Fund	2,500	4,557.26	4,000	5,958.77	8,000	100%
Investment Income - Powell Bill	1,500	2,632.14	1,500	3,030.39	3,000	100%
Profit/(Loss) on Sale of Fixed Assets	1,000	7,418.50	2,000		3,000	50%
Zoning Charges	1,500	1,285.00	1,500	1,200.00	2,500	67%
Shop With A Cop Donations	5,500	5,540.00	5,000	4,250.00	5,000	0%
Donations and Fundraising	15,000	14,915.00	10,000			-100%
Solid Waste Charges	163,000	167,533.00	173,500	176,452.27	205,400	18%
Cleveland County Recreation Grant	76,000	72,986.94	76,000	75,772.66	76,650	1%
Miscellaneous Revenue	11,000	10,517.32	11,000	1,519.92	12,000	9%
Powell Bill Reserve Appropriation	205,300	205,300.00	1,000			
Reserve Appropriation	11,000	11,000.00	45,000	45,000.00	300,000	
Total	2,171,800	2,213,262.15	2,152,500	2,191,744.04	2,537,850	18%

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 2.5 million dollars. Debt service, paying down principal and interest on loans, accounts for 2% of expenses in the general fund this year.

ADMINISTRATION DEPARTMENT

<u>Administration</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Salary and Wages	169,700	169,639.48	177,800	148,093.29	193,100	9%
Governing Body Salaries	8,500	8,400.00	8,500	8,200.00	8,400	-1%
401k	8,400	8,445.00	8,700	7,405.00	9,500	9%
Payroll Tax	13,600	13,454.29	14,300	11,956.44	15,500	8%
Retirement	12,600	12,540.17	12,800	11,847.46	13,900	9%
Group Insurance	19,800	19,723.32	18,500	18,344.90	24,000	30%
Professional Services	15,000	14,160.00	14,000	13,977.50	15,000	7%
Maint to Building and Grounds	12,600	12,372.74	12,000	10,104.48	22,000	83%
Maintenance/Repair Vehicle	-	-	-	-	-	
Supplies and Materials	8,500	8,302.30	10,000	9,526.64	11,500	15%
Training	3,300	3,298.73	6,000	4,252.32	5,000	-17%
Travel	-	-	-	-	-	
Telephone	6,000	5,381.16	7,000	5,159.81	5,500	-21%
Utilities	10,200	10,075.03	11,200	9,787.12	10,000	-11%
Postage	1,200	1,000.00	1,500	1,400.00	1,400	-7%
Maintenance to Equipment	1,500	751.74	1,500	830.40	4,500	200%
Gasoline	-	-	-	-	-	
Advertising	3,200	3,161.86	3,000	2,148.48	3,000	0%
Dues and Subscriptions	17,950	17,908.80	17,000	17,038.98	17,000	0%
Property Tax Collection	20,800	20,261.03	23,000	22,301.24	23,000	0%
Contracted Services	14,050	11,895.46	49,000	29,639.78	62,000	27%
Insurance and Bonds	64,500	64,384.00	65,500	73,002.00	74,000	13%
Depreciation	-	-	-	-	-	
Debt Service	62,200	62,149.57	62,200	59,600.00	62,200	0%
Transfer to Capital Reserve	20,000	20,000.00				
Contingency	15,000		15,000			-100%
Miscellaneous	3,900	3,407.94	5,500	4,488.23	2,500	-55%
Capital Outlay	-	-	-	-	-	
Non-capital equipment purchases	5,600	5,542.46	5,000	4,761.89		-100%
Uptown/Pedestrian Study					50,000	
Total	518,100	496,255	549,000	473,866	633,000	15%

Administration Department Highlights

The administration budget contains several notable items. The contracted services line item includes \$30,000 to hire a private firm to significantly streamline and rewrite the Town's land use ordinances (zoning). The Uptown/Pedestrian Study line item represents a \$40,000 grant received from Federal State Planning and Research Funds and a \$10,000 matching contribution from the Town. There is also an increase in salaries and related payroll expenses to fund a new, full-time position to be split between the Administration and Water/Sewer Departments.

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
Town Manager (.75)	3/26/2018	0	-
Town Clerk	1/17/1990	28	18
Finance Officer	7/26/2004	14	24
Public Works Director (.25)	6/17/2006	12	25
Utility Billing Clerk (.50)	2/12/2018	0	12

POLICE DEPARTMENT

Police Department	FY 16-17 Budget	FY 16-17 Actual	FY 17-18 Budget	FY 17-18 Projected	FY 18-19 Recommend	Change
Salary and Wages	291,100	281,925.44	327,300	338,421.53	377,000	15%
Part-time/Reserve Wages	15,000	6,822.42	15,000	2,588.13	7,000	-53%
Separation allowance	12,200	12,173.72	12,200	12,173.72	12,200	0%
Retirement	24,900	20,932.76	26,200	25,990.77	30,200	15%
401k	15,600	12,977.00	16,400	16,921.00	18,900	15%
Payroll Tax	27,100	23,064.43	28,400	26,087.24	31,600	11%
Group Insurance	59,300	53,580.21	55,100	56,684.14	60,000	9%
Uniforms	-					
Maint to Building and Grounds	1,500	537.23	1,500	598.36	1,400	-7%
Maintenance/Repair Vehicle	20,000	18,093.50	18,000	13,514.80	13,800	-23%
Supplies and Materials	15,000	13,073.62	12,000	12,608.25	16,000	33%
Training	1,900	1,894.50	2,000	380.23	2,000	0%
Travel	-					
Telephone	7,500	7,041.26	7,500	7,083.32	7,200	-4%
Utilities	8,500	6,638.40	8,500	5,877.29	6,000	-29%
Maintenance to Equipment	1,500	319.00	1,500	949.77	1,000	-33%
Gasoline	21,000	17,000.82	20,000	21,478.47	22,000	10%
Contracted Services	26,200	26,154.71	24,000	23,994.52	24,000	0%
Miscellaneous	1,000	322.18	1,000	414.79	500	-50%
Shop With A Cop Expenses	5,500	5,272.09	5,000	4,046.31	5,000	0%
Fundraising Expenses	15,000	15,062.63	10,000	-		
Capital Outlay	38,000	37,331.36	38,000	37,331.14	76,000	100%
Non-capital equipment purchases	29,100	17,026.32	22,000	11,808.67	29,300	33%
Total	636,900	577,243.60	651,600	618,952.45	741,100	14%

Police Department Highlights

The Police Department's operations remain largely unchanged with the exception of salaries and related expenses. In order to retain officers, it is necessary to increase officer pay in order to remain competitive with local jurisdictions. The budget funds two 2018 Chevrolet Tahoes 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. Two new laptops and a desktop computer are also budgeted to replace aging equipment.

The budget also allocates \$7,000 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 2018-2019 Fiscal Year. Significant technical, legal, and policy issues need resolution 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	19	25
Police Investigator	10/9/2003	15	17
Police Lieutenant	8/1/2012	6	21
Police Officer	3/10/2010	8	15
Police Officer	6/1/2015	3	15
Police Officer	7/1/2012	6	15
Police Officer	11/14/2016	1	14
Police Officer	6/26/2017	1	14
Police Officer	5/16/2016	2	14

Police Department Vehicles

2018 Chevrolet Tahoe (PROPOSED)	2012 Dodge Charger (Marked Patrol)
2018 Chevrolet Tahoe (PROPOSED)	2011 Dodge Charger (Unmarked Chief)
2017 Chevrolet Tahoe (Marked Patrol)	2011 Dodge Charger (Marked Patrol)
2016 Chevrolet Tahoe (Marked Patrol)	2010 Dodge Charger (Marked Patrol)
2015 Chevrolet Tahoe (Marked Patrol)	2009 Dodge Charger (Spare Vehicle)
2015 Chevrolet Tahoe (Marked Patrol)	2009 Dodge Charger (Spare Vehicle)
2014 Chevrolet Tahoe (Unmarked Investigator)	2007 Dodge Charger (Town Administration)
2012 Dodge Charger (Marked Slicktop)	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 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Contracted Services	135,000	134,858.00	241,200	244,125.00	244,125	1%
Total	135,000	134,858.00	241,200	244,125.00	244,125	1%

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. The county fire tax rate is 8.75 cents.

STREETS

<u>Streets (Non-Powell)</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Supplies and Materials	10,000	9,768.30	2,000	1,193.00	1,000	-50%
Street Lighting	45,000	44,258.96	45,000	44,500.00	45,000	0%
Street Contracted Services	2,000					
Street Name Signs	1,000	581.94	1,000	862.12	1,000	0%
Total	58,000	54,609.20	48,000	46,555.12	47,000	-2%

Department Highlights

The street department budget consists primarily of street lighting costs paid to 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 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Part-time Wages						
Part-time Benefits (FICA)						
Professional Services	10,000	76.25				
Maintenance/Repair Streets	2,300				10,000	0%
Maintenance/Repair Vehicle						
Supplies and Materials	4,000	1,838.50	1,000	996.19		-100%
Maintenance to Equipment						
Gasoline						
Contracted Services	50,000	22,200.00	126,500	52,875.00	118,700	-6%
Insurance and Bonds	2,200	2,150.00	2,500	2,414.00	2,500	0%
Transfer to Reserves	257,300	196,300.00	1,000	1,000.00		
Capital outlay						
Total	325,800	222,564.75	131,000	57,285.19	131,200	0%

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 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>Change</u>
Salary and Wages	75,500	74,241.03	80,300	80,275.71	97,300	21%
Part-time Wages	10,000	9,119.00	10,000	7,377.33	25,000	
401k	4,700	2,949.00	3,500	2,881.00	6,200	77%
Payroll Tax	7,000	6,327.01	7,400	6,705.46	8,100	9%
Retirement	5,250	4,377.16	5,000	4,548.45	7,100	42%
Group Insurance	17,550	17,517.56	17,500	18,201.14	18,000	3%
Uniforms	3,500	3,165.00	3,000	2,355.30	2,500	-17%
Maint to Building and Grounds	500	202.55	500		5,500	1000%
Maintenance/Repair Vehicle	23,500	23,478.97	24,000	28,451.83	26,825	12%
Supplies and Materials	4,500	4,136.38	11,000	12,254.73	5,000	-55%
Telephone	1,500	1,483.75	1,600	2,096.91	2,100	31%
Utilities	1,000	736.13	1,000	812.37	800	-20%
Maintenance to Equipment	3,800	2,227.15	6,000	8,319.96	5,000	-17%
Gasoline	11,700	11,595.69	15,000	12,661.44	15,000	0%
Contracted Services	93,000	92,628.95	101,500	93,068.00	101,500	0%
Capital Outlay					190,000	0%
Non-capital equipment purchases			2,500	1,932.20		
Debt Service - Principal and Interest	29,900	29,834.80				0%
Capital reserve - trash truck			25,000	25,000.00	25,000	0%
Total	292,900	284,020.13	314,800	306,941.83	540,925	72%

Solid Waste Highlights

The most notable item about the solid waste department budget is the purchase of a leaf vacuum truck. This vehicle will replace an aging leaf machine and can be operated by one employee.

The Town made the last debt payment on the 2012 Lodal garbage collection truck in 2016-2017. The debt payment for that vehicle was \$30,000. The budget allocates \$25,000 to reserves to save for the next truck purchase in 2019-2020. This is the second year the Town has allocated \$25,000 to reserves for a new trash truck.

Solid Waste Personnel

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
SW Worker	1/24/2002	16	9
SW Worker	11/6/2017	0	9
SW Worker	4/6/2017	1	9

Solid Waste Equipment

2018 ODB Leaf Vacuum Truck (PROPOSED)	2004 Lodal Garbage Truck (Spare)
2013 Leaf Vacuum Trailer	1999 International Dump Truck (Spare)
2012 Lodal Garbage Truck	1996 Wood Chipper Trailer
2011 Ford Dump Truck	1990 Leaf Vacuum Trailer (Declare Surplus)

RECREATION

<u>Recreation</u>	<u>FY 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Recommend</u>	<u>%Change</u>
Salary and Wages	68,300	67,899.44	71,700	71,208.84	75,200	5%
Part-time Wages	-		-		-	
401k	3,500	3,393.00	3,600	3,560.00	3,800	6%
Payroll Tax	5,200	5,184.16	5,900	5,447.48	6,200	5%
Retirement	5,100	5,034.94	5,200	5,874.73	5,500	6%
Group Insurance	6,600	6,594.84	6,125	6,089.84	6,000	-2%
Uniforms	1,500	1,293.58	1,000	1,379.50	1,000	0%
Maint. to Buildings and Grounds	1,000	936.80	4,500	243.45	2,000	-56%
Maintenance/Repair Vehicle	2,900	2,840.46	2,000	1,163.43	2,000	0%
Supplies and Materials	1,950	1,830.59	3,000	1,114.84	1,500	-50%
Telephone	1,800	1,762.60	1,000	1,967.11	2,000	100%
Utilities	1,100	938.15	1,700	983.48	1,000	-41%
Maintenance to Equipment	1,900	1,854.61	1,500	1,013.51	1,175	-22%
Gasoline	1,800	1,720.21	2,500	2,008.32	2,200	-12%
Greenway Request	350	320.27	4,000	2,678.64	2,000	-50%
Contracted Services - YMCA	57,050	57,002.80	57,600	57,000.00	58,425	1%
Contracted Services	15,000	12,000.00	13,500	9,066.67		
Library Expenses	20,700	20,625.00	23,500	23,500.00	23,500	0%
Museum Expenses	-		575			-100%
Miscellaneous	8,700	8,473.42	8,000	7,000.00	7,000	-13%
Capital Outlay	-					
Non-capital equipment purchase	650	640.98				
Total	205,100	200,345.85	216,900	201,299.84	200,500	-8%

Department Highlights

The Town signed a 3-year agreement with the YMCA in 2017. This agreement creates a partnership between the Town and YMCA providing recreation and wellness services and programs to residents for free or reduced pricing.

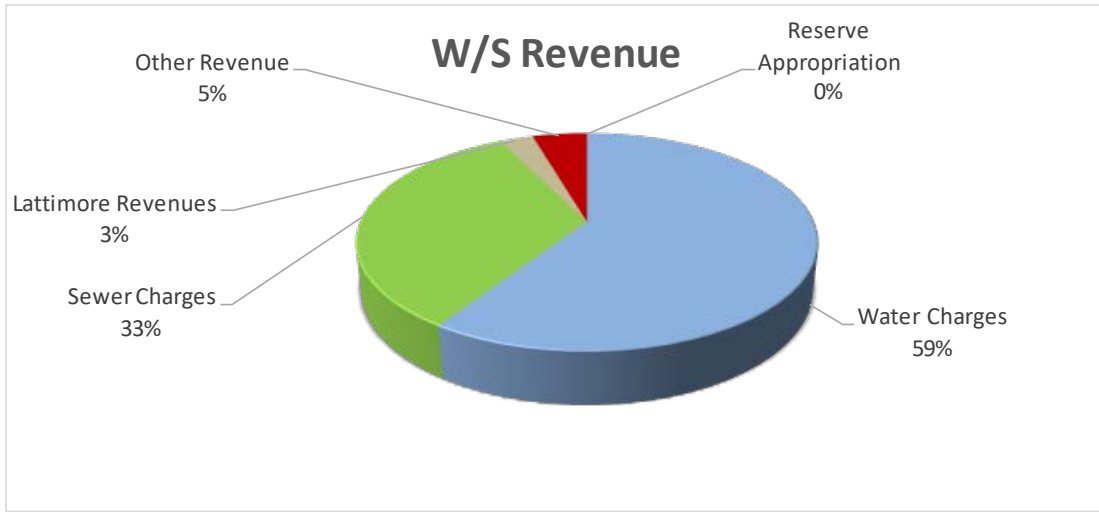
Recreation Personnel

<u>Funded Positions</u>	<u>Date Hired</u>	<u>Yrs Svc</u>	<u>Pay Grade</u>
Park Ranger	8/2/2001	17	12
Maintenance Worker	4/21/2007	11	9

Recreation Vehicles

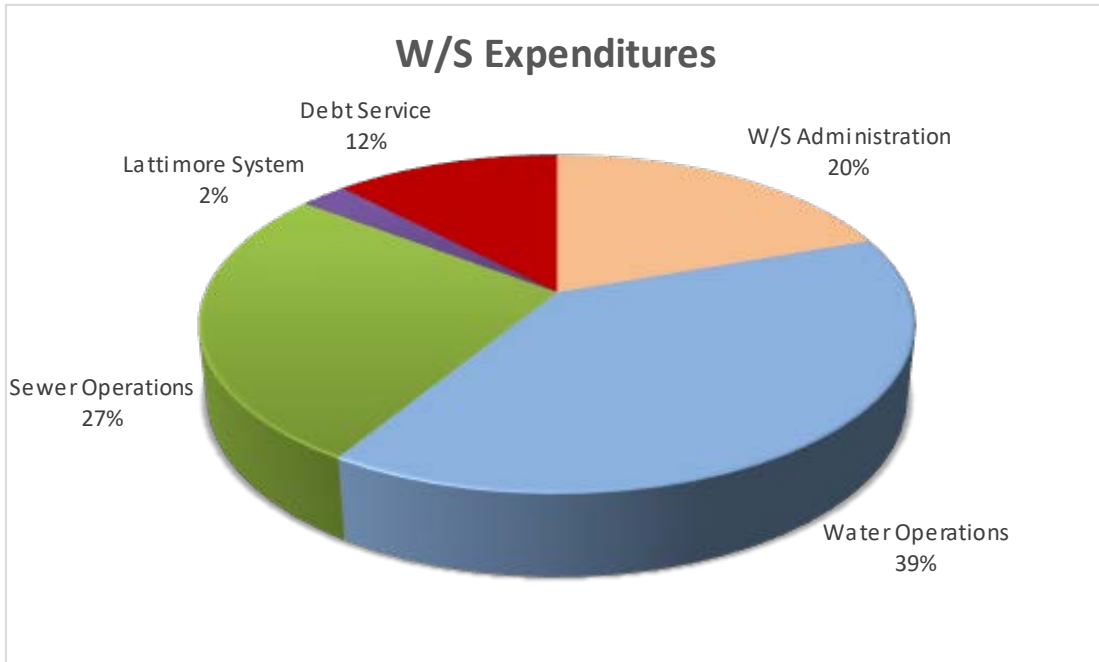
2007 Ford F150 (General Maintenance)	
1996 Chevrolet Pickup (Park Ranger)	

ENTERPRISE FUND REVENUES



<u>W/S Revenues</u>	FY 16-17 Budget	FY 16-17 Actual	FY 17-18 Budget	FY 17-18 Projected	FY 18-19 Proposed	Change
Late and Reconnect Fees	\$ 35,000	\$ 36,840.00	36,000	\$ 33,240.00	36,000	0%
New Connection Fees	\$ 2,000	\$ 1,500.00	3,000	\$ 15,088.00	14,000	367%
Water Charges	\$ 840,000	\$ 875,798.02	880,000	\$ 833,665.07	950,000	8%
Wastewater Charges	\$ 500,000	\$ 499,088.17	500,000	\$ 492,331.17	533,000	7%
Lattimore Charges	\$ 35,000	\$ 34,564.30	35,000	\$ 35,158.40	45,000	29%
Lattimore Reimburse	\$ 12,600	\$ 12,008.84	12,600	\$ 9,439.59		-100%
Investment Income	\$ 2,000	\$ 1,507.51	2,000	\$ 2,164.44	3,000	50%
Profit/(Loss) on Sale of Fixed Assets	\$ 3,400	\$ (188.46)				
Miscellaneous Revenue	\$ 20,000	\$ 18,888.00	20,000	\$ 17,688.00	20,000	0%
Reserve Appropriation	\$ 297,200	\$ 297,200.00				
Total	\$ 1,747,200	\$ 1,777,206.38	\$ 1,488,600	\$ 1,438,774.67	1,601,000	8%

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 Water/Sewer Fund is just over 1.6 million dollars. Debt service, paying down principal and interest on loans, accounts for 12% of expenses in the enterprise fund this year.

The Town contracted for a Water/Sewer Fund capital improvement plan in 2017-2018. There are areas of town without sewer service. Many of these residents have aging septic systems that are due to fail. In order to run lines to these areas, replace aging infrastructure, and make necessary improvements to the waste water treatment plant, the Town needs to adopt the CIP and raise water and sewer rates to fund it. This budget reflects an increase in water and sewer rates.

W&S ADMINISTRATION

W&S Administration	FY 16-17	FY 16-17	FY 17-18	FY 17-18	FY 18-19	% Change
	Budget	Actual	Budget	Projected	Proposed	
Salary and Wages	\$ 90,700	\$ 90,664.26	\$ 90,300	\$ 97,492.88	112,300	24%
401k	\$ 5,200	\$ 4,516.00	\$ 4,600	\$ 4,875.00	5,700	24%
Payroll Tax	\$ 7,400	\$ 6,910.14	\$ 7,400	\$ 7,458.21	9,000	22%
Retirement	\$ 6,800	\$ 6,662.69	\$ 6,600	\$ 7,068.23	8,200	24%
Group Insurance	\$ 13,200	\$ 13,148.88	\$ 12,250	\$ 13,157.32	12,000	-2%
Professional Services	\$ 6,000	\$ 5,776.95	\$ 6,000	\$ 6,500.00	6,000	0%
Maintenance to Buildings and Grounds	\$ 11,100	\$ 8,916.95	\$ 5,500	\$ 4,239.73	5,500	0%
Supplies and Materials	\$ 5,300	\$ 4,910.70	\$ 9,000	\$ 7,776.57	8,000	-11%
Training	\$ 300	\$ 50.00	\$ 1,000	\$ 212.69	500	-50%
Travel						
Telephone	\$ 5,100	\$ 4,980.51	\$ 4,500	\$ 4,742.43	4,800	7%
Utilities	\$ 6,500	\$ 5,747.43	\$ 6,500	\$ 5,468.29	5,800	-11%
Postage	\$ 10,900	\$ 10,325.09	\$ 11,000	\$ 8,917.02	9,500	-14%
Maintenance to Equipment	\$ 6,500	\$ 6,409.10	\$ 1,500	\$ 4,030.20	1,000	-33%
Advertising	\$ 500		\$ 500		500	0%
Dues and Subscriptions	\$ 6,200	\$ 6,197.11	\$ 6,000	\$ 5,676.22	5,600	-7%
Contracted Services	\$ 24,000	\$ 19,775.67	\$ 25,500	\$ 22,546.27	22,000	-14%
Insurance and Bonds	\$ 40,900	\$ 40,871.00	\$ 42,000	\$ 45,854.00	42,000	0%
Depreciation						
Bad debt expense						
Contingency						
Miscellaneous			\$ 350			
Capital Outlay						
Non-capital equipment purchases	\$ 2,000	\$ 1,883.50	\$ 2,000	\$ 635.52	1,000	-50%
Capital Reserve					53,900	
Debt Service	\$ 33,500	\$ 33,465.16	\$ 34,000	\$ 32,100.00	34,000	0%
Transfer to Capital Project	\$ 282,200	\$ 282,200.00				
Total	\$ 564,300	\$ 553,411.14	\$ 276,500	\$ 278,750.58	347,300	26%

Department Highlights

The Water/Sewer Administration department covers the managerial and billing functions for the Town's water and sewer utilities. There is a transfer of almost \$54,000 to capital reserve to fund future improvements and extensions. Due to the amount of telephone and foot traffic in the Town Hall for utility-related issues, 50% of the new, full-time position is budgeted to Water and Sewer Administration.

W&S Administration Personnel

Funded Positions	Date Hired	Yrs Svc	Pay Grade
Public Works Director (.75)	6/17/2006	12	25
Utility Billing Clerk	11/23/2015	2	12
Town Manager (.25)	3/26/2018	0	-
Utility Billing Clerk (.50)	2/12/2018	0	

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 16-17 Budget</u>	<u>FY 16-17 Actual</u>	<u>FY 17-18 Budget</u>	<u>FY 17-18 Projected</u>	<u>FY 18-19 Proposed</u>	<u>% Change</u>
Salary and Wages	\$ 67,900	\$ 67,646.03	\$ 67,900	\$ 69,637.60	76,400	13%
Part-time Wages						
401k	\$ 3,400	\$ 3,365.00	\$ 3,400	\$ 3,482.00	3,900	15%
Payroll Tax	\$ 5,600	\$ 5,148.39	\$ 5,600	\$ 5,327.28	6,300	13%
Retirement	\$ 5,100	\$ 4,956.55	\$ 5,000	\$ 5,745.10	5,600	12%
Group Insurance	\$ 13,200	\$ 13,148.88	\$ 12,250	\$ 13,159.12	12,000	-2%
Uniforms	\$ 3,100	\$ 3,076.12	\$ 3,000	\$ 3,128.01	3,000	0%
Maintenance to Building and Grounds	\$ -	\$ -	\$ 15,000	\$ 3,176.11	1,000	
Maintenance/Repair Vehicle	\$ 2,000	\$ 1,982.06	\$ 2,000	\$ 957.40	2,000	0%
Supplies and Materials	\$ 21,000	\$ 20,140.90	\$ 28,000	\$ 30,235.76	23,000	-18%
Water Purchases - City of Shelby	\$ 355,000	\$ 347,546.29	\$ 355,000	\$ 338,325.78	350,000	-1%
Training	\$ 300	\$ 125.00	\$ 400	\$ 400.00		
Telephone	\$ 1,600	\$ 1,477.71	\$ 1,600	\$ 1,578.91	1,600	0%
Utilities	\$ 2,600	\$ 2,345.83	\$ 2,000	\$ 2,728.04	2,000	0%
Maintenance to Equipment	\$ 6,000	\$ 4,489.00	\$ 4,000	\$ 4,071.11	4,000	0%
Gasoline	\$ 5,600	\$ 5,364.26	\$ 8,000	\$ 5,771.09	6,000	-25%
Contracted Services	\$ 37,900	\$ 30,018.50	\$ 43,600	\$ 47,087.00	48,000	10%
Capital Outlay - Equipment	5,050	\$ 5,011.91	6,000	\$ 5,595.00	58,000	867%
Non-capital equipment purchases	\$ 1,250	\$ 1,247.18	\$ 2,700	\$ 2,500.69		
Capital Outlay - Lines	\$ 30,000	\$ 13,908.25	\$ 20,000	\$ 20,000.00	25,000	
Capital Reserve - Water Tank outside						
Water Debt Service (Principal and Interest)	\$ 88,600	\$ 88,541.82	\$ 88,600	\$ 88,541.82	88,600	0%
Total	\$ 655,200	\$ 619,539.68	\$ 674,050	\$ 651,447.82	716,400	6%

Water Operation Highlights

Town entered into an asset maintenance program with Utility Service Group in 2017-2018. Utility Service Group will repaint and make several overhaul repairs to the water tower and take over all maintenance and record keeping on the Town's water tank. An excavator, trailer and truck have also been budgeted to replace aging equipment.

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	16	9
Utilities Maint Worker	2/4/1993	25	9

Water Operations Equipment

Mini Excavator & Trailer (PROPOSED)	2011 Ford F250 (Utility Body)
2018 Ford F250 4x4 (PROPOSED)	1995 Ford Backhoe

SEWER OPERATIONS

Sewer Operations	FY 16-17	FY 16-17	FY 17-18	FY 17-18	FY 18-19	% Change
	Budget	Actual	Budget	Projected	Proposed	
Salary and Wages	\$ 118,500	\$ 94,827.76	\$ 121,200	\$ 74,658.06	103,900	-14%
Part-time Wages						
401k	\$ 5,900	\$ 4,232.50	\$ 6,200	\$ 3,733.00	5,200	-16%
Payroll Tax	\$ 10,200	\$ 7,295.11	\$ 10,200	\$ 5,711.34	8,700	-15%
Retirement	\$ 9,000	\$ 6,157.86	\$ 9,000	\$ 6,159.29	7,600	-16%
Group Insurance	\$ 24,800	\$ 23,627.75	\$ 18,350	\$ 17,669.05	24,000	31%
Uniforms	\$ 4,000	\$ 3,669.96	\$ 4,000	\$ 3,502.56	4,000	0%
Maintenance to Buildings and Grounds	\$ 1,900	\$ 1,857.42	\$ 3,000	\$ 2,834.55	1,000	-67%
Maintenance/Repair Vehicle	\$ 11,500	\$ 11,340.63	\$ 10,000	\$ 9,711.87	10,000	0%
Supplies and Materials	\$ 28,000	\$ 27,361.17	\$ 20,000	\$ 18,707.73	20,000	0%
Maintenance to Sewer System	\$ 5,700	\$ 5,178.00	\$ 16,000	\$ 15,727.56	16,000	0%
Training	\$ 2,100	\$ 1,778.07	\$ 2,000	\$ 235.00	2,000	0%
Travel						
Telephone	\$ 8,500	\$ 5,512.83	\$ 6,500	\$ 6,274.89	6,300	-3%
Utilities	\$ 57,800	\$ 57,431.43	\$ 62,000	\$ 53,857.76	57,000	-8%
Maintenance to Equipment	\$ 25,300	\$ 25,256.02	\$ 19,000	\$ 12,586.04	15,000	-21%
Gasoline	\$ 6,000	\$ 5,950.38	\$ 6,000	\$ 7,158.43	7,000	17%
Contracted Services	\$ 42,600	\$ 42,575.40	\$ 22,000	\$ 13,368.23	15,000	-32%
Capital Outlay - Equipment	\$ 36,300	\$ 32,888.84	\$ 72,000	\$ 65,352.65	120,800	68%
Non-capital equipment purchase	\$ 7,000	\$ 5,821.38	\$ 7,000	\$ 3,206.38	1,500	-79%
Capital Outlay - Infrastructure						
Sewer Debt Service (Principal and Interest)	\$ 74,700	\$ 74,650.82	\$ 76,000	\$ 73,244.20	71,900	-5%
Total	\$ 479,800	\$ 437,413.33	\$ 490,450	\$ 393,698.59	496,900	1%

Sewer Operation Highlights

The Sewer department has a number of equipment needs. A pumper tank, blower, and new mower have been budgeted as well as a new truck. A generator has been budgeted at an estimated cost of \$50,000 to replace one that is failing. This generator is part of the CIP.

Sewer Operations Personnel

Funded Positions	Date Hired	Yrs Svc	Pay Grade
WW Supervisor (ORC)	2/9/2015	3	21
WW Operator I	4/30/2012	6	10
Utilities Maint Worker	1/8/2018	0	10
Utilities Maint Worker	8/15/2016	2	9

Sewer Operations Equipment

2018 Ford F250 4x4 (Proposed)	2006 International (Septic Pump Truck)
2016 Ford F150 (ORC Vehicle)	2005 Dodge Pickup (Towing Vehicle)
2008 Ford Ranger (General Maintenance)	1989 Ford (Septic Pump Truck)

LATTIMORE SEWER OPERATIONS

<u>Lattimore Sewer Operations</u>	<u>FY 16-17</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY 18-19</u>	<u>% Change</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Proposed</u>		
Salary and Wages	\$ 21,900	\$ 21,827.77	\$ 21,300	\$ 22,718.87	23,900		12%
401k	\$ 1,100	\$ 1,075.50	\$ 1,100	\$ 1,136.00	1,200		9%
Payroll Tax	\$ 1,800	\$ 1,645.53	\$ 1,800	\$ 1,737.99	2,000		11%
Retirement	\$ 1,700	\$ 1,598.21	\$ 1,600	\$ 1,874.31	1,800		13%
Maintenance to Buildings and Grounds							
Supplies and Materials	\$ 1,000	\$ 795.00	\$ 8,200				
Maintenance to Sewer System	\$ 700		\$ 1,000				-100%
Telephone	\$ 3,100	\$ 3,019.85	\$ 3,000	\$ 5,100.57	5,100		70%
Utilities	\$ 6,100	\$ 5,556.55	\$ 6,600	\$ 5,391.28	5,400		-18%
Maintenance to Equipment	\$ 4,300	\$ 4,014.81	\$ 3,000	\$ 1,413.33	1,000		-67%
Gasoline		\$ 6,150.00					
Contracted Services	\$ 6,200						
Capital Outlay - Equipment							
Non-capital equipment purchase							
Total	\$ 47,900	\$ 45,683.22	\$ 47,600	\$ 39,372.35	\$ 40,400		-70%

Lattimore Highlights

The Town maintains the sewer system in Lattimore. A new rate for Lattimore was established to cover phone and utility expenses. Capital costs are directly reimbursed by the Town of Lattimore and operating expenses are recouped through the collection of monthly utility bills and availability fees from customers.