



# CITY OF RANDLEMAN NORTH CAROLINA

**FISCAL YEAR  
2019-2020**

**PROPOSED BUDGET**

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**CITY OF RANDLEMAN**  
**North Carolina**

**FISCAL YEAR**  
**2019-2020**

**PROPOSED BUDGET**



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Randleman**

**North Carolina**

For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Morill*

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Randleman, North Carolina, for its Annual Budget for the fiscal year beginning July 1, 2018. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications code.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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# Board of Aldermen



**Hon. Bucky Jernigan**  
**Mayor**



**T. Renee Bryant**  
**Alderwoman**  
Ward 1



**Melissa Blalock**  
**Alderwoman**  
Ward 2



**Gary B. Betts, Sr.**  
**Mayor Pro-Tempore**  
Ward At-Large



**Nancy Henderson**  
**Alderwoman**  
Ward 3



**Keith D. Fogleman**  
**Alderman**  
Ward 4

## Staff

### City Manager:

Zachary L. Hewett, MBA, CLGFO

### Department Heads:

Connie Cross, Interim City Clerk  
G. Michael Glass, Wastewater Director  
Susan Hogan, Finance Director  
Robin Hughes, Parks & Recreation Director  
Martin Leonard, Fire Chief  
Steven Leonard, Police Chief  
Don Peeler, Public Works Director  
Donna Toomes, Library Director

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## **I. BUDGET MESSAGE**

MAY 22, 2019

The Honorable Clarence “Bucky” Jernigan, Mayor  
The Honorable Gary B. Betts, Mayor Pro Tempore  
The Honorable Melissa Blalock, Alderwoman  
The Honorable T. Renee Bryant, Alderwoman  
The Honorable Keith D. Fogleman, Alderman  
The Honorable Nancy Henderson, Alderwoman

Dear Honorable Mayor and Board of Aldermen,

### **A. Purpose and Introduction**

The purpose of this budget message is to share the foremost features of the City's operations as they relate to the budget. The Fiscal Year 2019-2020 (FY 2020) recommended budget for the City of Randleman is hereby presented for your consideration. This proposed budget is balanced in accordance with related respective North Carolina General Statutes and attempts to address the Board's priorities, departmental requests, and citizen concerns for FY 2020. A notice of submission of this budget to the Board of Aldermen will be published in accordance with N.C.G.S. §159-12, and a copy of this budget will be placed on file with the City Clerk and Randleman Public Library for public inspection during normal business hours.

Significant topics addressed within this budget message are:

- Budget Overview
- Revenue Sources
- Property Revaluation
- Personnel Expenses
- Capital Improvement Expenses
- Long-Term Outlook
- Conclusion

### **B. Budget Overview:**

The total budget for the FY 2019-2020, inclusive of the General Fund and Water and Sewer Fund, is presented at a combined total of \$8,491,600 or an overall increase of \$73,000 (0.0087%) over the previous year. The General Fund is presented at \$5,811,600, a decrease of \$17,000 from the FY 2018-2019 Budget and the Water and Sewer Fund is presented at \$2,680,000, which is an increase of



\$90,000 from the current budget year. The following Table 1 summarizes this information:

| TABLE 1: CITY OF RANDLEMAN<br>FY 2018-2019 AMENDED AND FY 2019-2020 RECOMMENDED BUDGETS |   |                             |                           |
|---|---|-----------------------------|---------------------------|
|   | Amended<br>FY 2018-2019<br>(as of 5/7/19) | Recommended<br>FY 2019-2020 | Increase or<br>(Decrease) |
| <b>General Fund</b>   | \$ 5,828,600                              | \$ 5,811,600                | (\$ 17,000)               |
| <b>Water/Sewer Fund</b>   | \$ 2,590,000                              | \$ 2,680,000                | \$ 90,000                 |
| <b>TOTAL</b>  | <b>\$ 8,418,600</b>                       | <b>\$ 8,491,600</b>         | <b>\$ 73,000</b>          |

### C. Revenue Sources:

Although this upcoming budget year is a revaluation year, this budget recommends no property tax rate increases and will allow departments to maintain current levels of service for citizens and customers. There is an increase in the garbage rate of \$2.00 per can pick-up per month to further the potential of one day creating a standalone Sanitation Enterprise Fund. Modest increases are placed on water and sewer customers (approximately \$0.99 per month increase for each), which will allow the City of Randleman to continue water and sewer system operations, as well as provide funds for various capital items and improvements to the Wastewater Treatment Plant and Water and Wastewater Maintenance Department. These increases will better prepare the City to make necessary improvements and expansions in the future. There are fund balance appropriations presented within the General Fund, but these are for carryover expenditures associated with the City's annual Market and Music Concerts.

### D. Property Revaluation:

2019 is a property revaluation year for the City of Randleman. The City's current property value is \$397,553,964. The current property tax rate is sixty-three (\$0.63) cents per one hundred dollars (\$100) of valuation. The reappraisal produced a tax base of \$430,835,323, an increase of \$33,281,359. Using the new tax base of \$430,835,323 in fiscal year 2019-2020, a tax rate of \$0.5813 would produce a revenue neutral budget. As part of calculating a revenue neutral tax rate, North Carolina General Statute 159-11 (e) provides that a growth factor be used in calculating the revenue-neutral tax rate base up the average increase in the tax base "due to improvements since the last general appraisal." In applying a



revenue neutral tax rate to be included in the budget ordinance adjusted for growth of 1.82% to the tax rate of \$0.5813, a revenue neutral tax would be \$0.5919. However, it is recommended that the City maintain the current tax rate of sixty-three cents (\$0.63) per one hundred dollars (\$100) of valuation for FY 2019-2020 due to increases in personnel expenses, as well as increases in capital improvement expenditures and capital outlay expenditures.

#### **E. Personnel Expenses:**

Personnel related expenses are expected to increase in departments overall for both funds. The City will recognize a decrease for the cost of provided insurance benefits. However, increases in retirement system required contributions and overall increases in pay rates will negate the costs savings of the decrease in insurance costs. Three new positions are recommended to be included in the FY 2019-2020 Budget. They are a full-time Mechanic I, a part-time Building and Grounds Maintenance Technician, and a part-time intern. Also, two firefighter positions will now be fully funded by City and Fire District funds due to the expiration of the federal grant in November 2018.

#### **F. Capital Improvement Expenditures:**

Both funds are recommended to see relevant funding for capital expenditures, totaling \$1,100,000 (\$625,000 in General Fund and \$475,000 in Water and Sewer Fund). This amount of capital expenditures equals *approximately* 12.95% of the total recommended FY 2019-2020 Budget and is \$96,000 more than the appropriated amount for Capital Expenditures in the recommended FY 2018-2019 Budget (\$1,004,000). Items with significant costs include Street Repaving for \$180,000, two Police Vehicles for \$84,000, Waterline Replacements for \$240,000, and purchase of a By-Pass Pump for \$105,000. A detailed insight of Capital Improvement Expenditures is provided within the Budget Overview section.

#### **G. Long-Term Outlook:**

The Board of Aldermen of the City of Randleman recognizes that the City is at a critical period in time, in terms of development and growth, and the Board has placed emphasis on preparing the City for the future. The Board has taken a proactive approach and has invested in providing more options for recreational opportunities for our citizens and surrounding areas, expanding and improving the City's water and sewer infrastructure, and planning for future necessary capital and operational needs. As these plans come to fruition, the City's overall quality of life and provisions of services will continue to improve; which, in turn, will



facilitate the recruitment of both residential and economic development. This recruitment will be aided by the City's new branding initiative that is scheduled to be unveiled later in 2019.

#### **H. Conclusion:**

In conclusion, the General Fund's annual budget is balanced without a property tax increase at \$5,811,600. The Water and Sewer Fund's annual budget is balanced at \$2,680,000 with minimal increases to water and sewer charges. The recognized value that the City will benefit from these increases is exponential in terms of improving infrastructure and services that we, as an organization, provide to our citizens and customers. In my opinion, this proposed budget lays out the City's plan for the upcoming fiscal year, and if implemented, I am confident that we will address our City's top priority needs and maintain the high level of quality services that we provide to our citizens and customers.

I invite each of you take some time to review the proposed budget and I welcome the opportunity to meet with you individually and/or collectively over the next few weeks, as we approach the public hearing and the adoption of the City of Randleman's FY 2019-2020 Budget.

I am grateful to the Mayor and Board of Aldermen for the opportunity to serve as City Manager for our wonderful community. I wish to thank each of the City's department heads for their assistance in compiling the information needed to develop the FY 2019-2020 Budget. I would also like to give my thanks and appreciation to all City staff for their hard work and dedication to the jobs that they accomplish each day to make our City an excellent place to work, live and visit. I look forward to the challenges and accomplishments that await us in the upcoming fiscal year.

In depth descriptions of revenues and expenditures found in each of the annually budgeted funds are presented in the sections following the budget message.

Respectfully Submitted,

Zachary L. Hewett, MBA, CLGFO  
City Manager  
May 22, 2019



## II. BUDGET OVERVIEW

### A. TOTAL BUDGET SUMMARY

TABLE 2: TOTAL BUDGET SUMMARY

#### General Fund

| REVENUES                       | FY 17-18<br>ACTUAL     | FY 18-19<br>APPROVED   | FY 19-20<br>RECOMMENDED |
|--------------------------------|------------------------|------------------------|-------------------------|
| Ad Valorem Taxes               | \$ 2,494,283.15        | \$ 2,481,000.00        | \$ 2,639,000.00         |
| Fund Bal. Approp. /Transfers   | \$ 91,023.02           | \$ 18,000.00           | \$ 10,000.00            |
| Investment Income              | \$ 73,309.11           | \$ 120,000.00          | \$ 100,000.00           |
| Other Revenue                  | \$ 177,611.46          | \$ 142,300.00          | \$ 34,100.00            |
| Restricted Intergovernmental   | \$ 135,106.23          | \$ 373,000.00          | \$ 195,000.00           |
| Sales and Services             | \$ 523,614.12          | \$ 594,000.00          | \$ 638,000.00           |
| Other Taxes and Licenses       | \$ 244.75              | \$ 200.00              | \$ 200.00               |
| Unrestricted Intergovernmental | \$ 2,078,343.44        | \$ 2,100,100.00        | \$ 2,195,300.00         |
| <b>TOTAL</b>                   | <b>\$ 5,573,535.28</b> | <b>\$ 5,828,600.00</b> | <b>\$ 5,811,600.00</b>  |
| EXPENDITURES                   |                        |                        |                         |
| Administration                 | \$ 514,587.65          | \$ 784,800.00          | \$ 682,500.00           |
| Board                          | \$ 30,572.22           | \$ 33,000.00           | \$ 33,000.00            |
| Economic Development           | \$ 69,625.49           | \$ 75,900.00           | \$ 104,600.00           |
| Fire                           | \$ 1,264,506.19        | \$ 1,341,900.00        | \$ 1,486,400.00         |
| Fire - SAFER                   | \$ 92,547.36           | \$ 102,600.00          | \$ 0.00                 |
| Fleet Maintenance              | \$ 79,064.72           | \$ 99,400.00           | \$ 170,100.00           |
| Library                        | \$ 261,396.33          | \$ 289,300.00          | \$ 338,700.00           |
| Parks and Recreation           | \$ 615,970.59          | \$ 641,400.00          | \$ 676,700.00           |
| Planning                       | \$ 79,426.38           | \$ 93,000.00           | \$ 137,900.00           |
| Police                         | \$ 1,117,038.08        | \$ 1,322,900.00        | \$ 1,280,800.00         |
| Sanitation                     | \$ 254,121.18          | \$ 305,600.00          | \$ 318,100.00           |
| Streets                        | \$ 241,964.70          | \$ 427,500.00          | \$ 474,000.00           |
| Transfers/Debt Service         | \$ 163,700.47          | \$ 311,300.00          | \$ 108,800.00           |
| <b>TOTAL</b>                   | <b>\$ 4,784,521.36</b> | <b>\$ 5,828,600.00</b> | <b>\$ 5,811,600.00</b>  |

#### Water and Sewer Fund

| REVENUES                       | FY 17-18<br>ACTUAL     | FY 18-19<br>APPROVED   | FY 19-20<br>RECOMMENDED |
|--------------------------------|------------------------|------------------------|-------------------------|
| Utility Charges                | \$ 2,561,121.53        | \$ 2,510,000.00        | \$ 2,595,000.00         |
| Other Revenue                  | \$ 23,600.00           | \$ 22,000.00           | \$ 20,000.00            |
| Permits and Fees               | \$ 59,012.00           | \$ 58,000.00           | \$ 65,000.00            |
| Fund Balance Approp. /Transfer | \$ 0.00                | \$ 0.00                | \$ 0.00                 |
| <b>TOTAL</b>                   | <b>\$ 2,643,733.53</b> | <b>\$ 2,590,000.00</b> | <b>\$ 2,680,000.00</b>  |
| EXPENDITURES                   |                        |                        |                         |
| Water                          | \$ 792,999.06          | \$ 867,200.00          | \$ 859,100.00           |
| Water/Wastewater Maintenance   | \$ 216,851.40          | \$ 431,900.00          | \$ 0.00                 |
| Water Maintenance              | \$ 0.00                | \$ 0.00                | \$ 249,600.00           |
| Wastewater Maintenance         | \$ 0.00                | \$ 0.00                | \$ 256,600.00           |
| WWTP                           | \$ 548,059.41          | \$ 922,600.00          | \$ 843,600.00           |
| Transfers/Debt Service         | \$ 679,433.46          | \$ 368,300.00          | \$ 471,100.00           |
| <b>TOTAL</b>                   | <b>\$ 2,237,343.33</b> | <b>\$ 2,590,000.00</b> | <b>\$ 2,680,000.00</b>  |

#### Grand Total – All Funds

|                     | FY 17-18<br>ACTUAL    | FY 18-19<br>APPROVED  | FY 19-20<br>RECOMMENDED |
|---------------------|-----------------------|-----------------------|-------------------------|
| <b>REVENUES</b>     | <b>\$8,217,268.81</b> | <b>\$8,418,600.00</b> | <b>\$8,491,600.00</b>   |
| <b>EXPENDITURES</b> | <b>\$7,021,864.69</b> | <b>\$8,418,600.00</b> | <b>\$8,491,600.00</b>   |



## B. FISCAL YEAR 2019-2020 HIGHLIGHTS

### I. GENERAL FUND

The City of Randleman's Fiscal Year 2019-2020 Recommended General Fund Budget is presented at a \$17,000 decrease from the current Fiscal Year 2018-2019 budget. This decrease is mainly attributed to a decrease in funding for a one-time capital project for the construction of sidewalks along West Academy Street in the amount of \$200,000, as well as other reductions in capital expenditures in the Administration Department (\$61,500) and the Police Department (\$53,000). Offset by these large decreases are increases in personnel costs due to the addition of new positions, as well as increases in capital outlay for other departments.

Highlights of the FY 2019-2020 General Fund Budget are presented below:

#### a. General Fund Revenues

##### 1. Revenue Highlights:

- **Property Tax** – The 2019-2020 Ad Valorem Tax rate is proposed to stay at \$0.63 per \$100 valuation. FY 2019-2020 is a revaluation year for the City of Randleman. There is no increase in the Ad Valorem Tax Rate recommended. Comparison charts of Ad Valorem Tax Rates (Chart 3 and Chart 4) are provided in subsection 3 of this section (Ad Valorem Tax Rate Comparisons).
- **Sanitation Charges** – The Board of Aldermen has embraced a philosophy that sanitation fees should balance expenses in hopes to one day transition the sanitation department into an enterprise fund. The fee for the upcoming 2019-2020 fiscal year was approved to increase from the current charge of \$14 per month to \$16 per month.
- **Fund Balance Appropriated** – \$10,000 of the City's Fund Balance is recommended to be appropriated in the FY 2019-2020 Budget. It should be noted that this fund balance is "Assigned" and is attributed to the City's July and August Market and Music Concert series' expenses. Otherwise, the amount of Appropriated Fund Balance in the FY 2019-2020 budget would be **ZERO**.

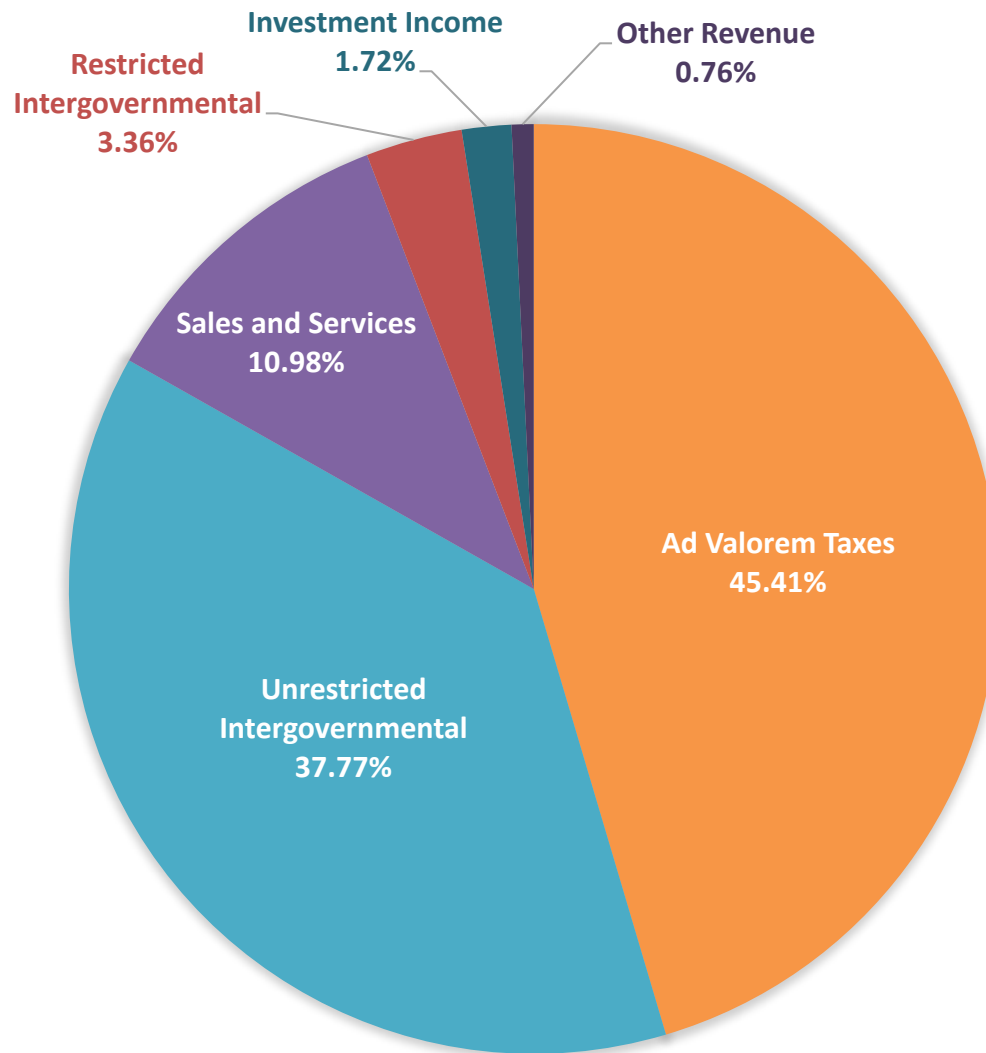
##### 2. Visualization

Chart 3 shows the projected revenues for the General Fund separated by type. Ad Valorem Taxes continue to be the main source of revenue for the General Fund. The Other Revenue category is composed of Other Revenue, Other Taxes and Licenses and Fund Balance Appropriated/Transfers.





Chart 3: Recommended FY 19-20 General Fund Budget Revenues by Type





### 3. Ad Valorem Tax Rate Comparisons

Chart 4 compares the City of Randleman's FY 18-19 Ad Valorem Tax Rate to the FY 18-19 tax rates of ten (10) municipalities in North Carolina with a similar size of population as of 2017.

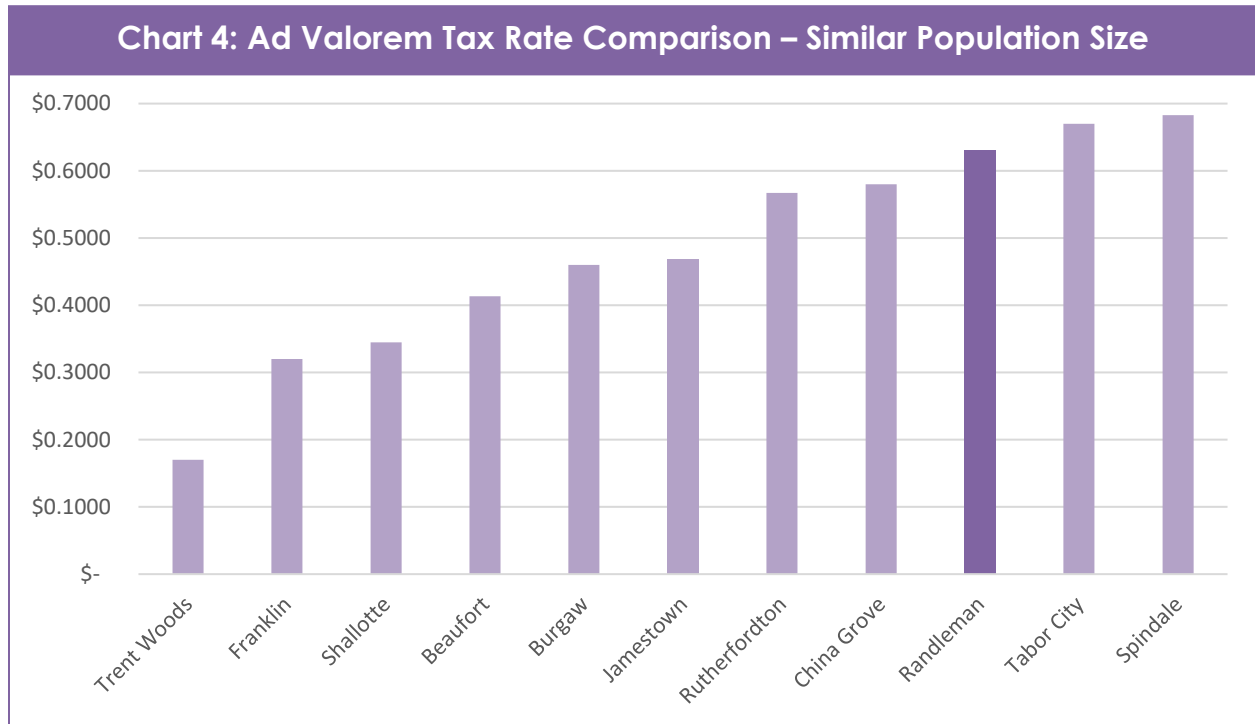
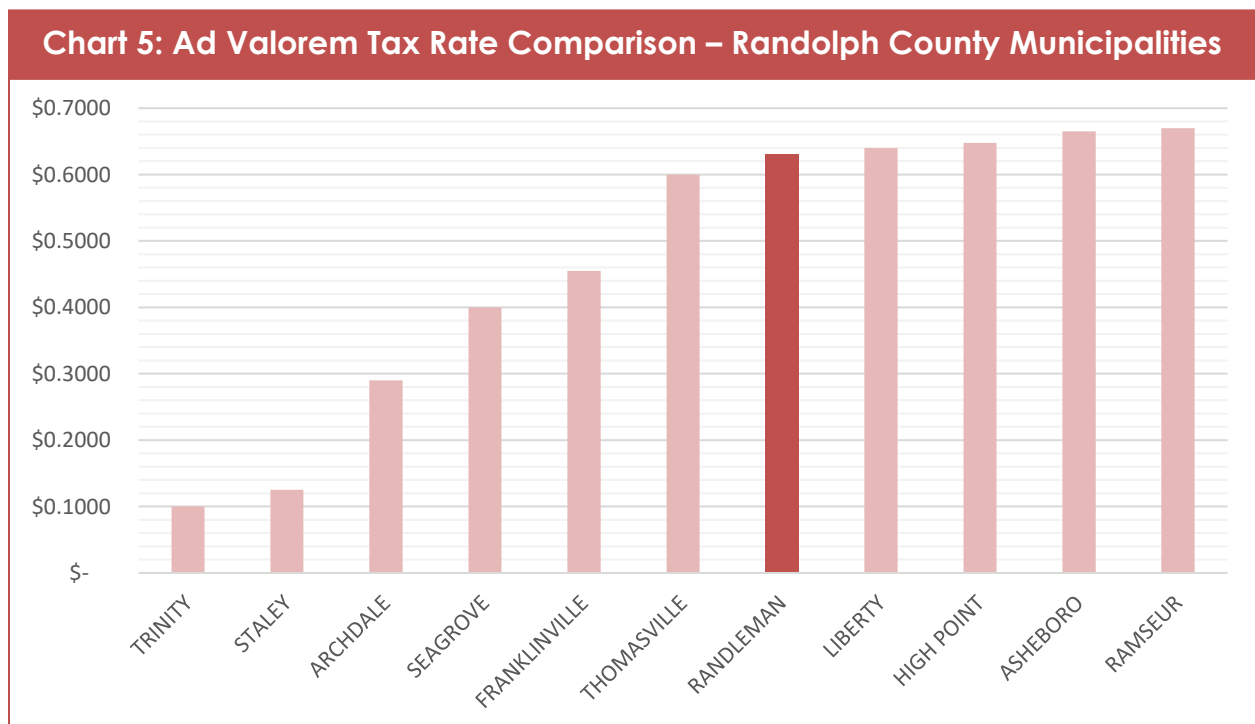


Chart 5 compares the City of Randleman's FY 18-19 Ad Valorem Tax Rate to the FY 18-19 tax rates of municipalities located within Randolph County.





## b. General Fund Expenditures

### 1. Expenditure Highlights

- **Capital Expenditures** – The City of Randleman defines Capital Expenditures as budgeted expenditures for tangible items of \$3,000 in value or more and that have a useful life of at least one year. The total of budgeted capital outlay expenditures for the General Fund 2019-2020 Fiscal Year is \$625,000. Table 6 highlights the Capital Expenditures for the upcoming Fiscal Year 2019-2020 within the General Fund:

| TABLE 6: CITY OF RANDLEMAN<br>FY 2020 REQUESTED GENERAL FUND<br>CAPITAL EXPENDITURES |                                  |
|--|----------------------------------|
| Capital Expenditures   | Requested Capital Funding Amount |
| Police Department Vehicles   | \$ 84,000                        |
| Fire Department HVAC System  | \$ 7,000                         |
| HVAC for City Garage   | \$ 13,000                        |
| City Christmas Lights  | \$ 35,000                        |
| Street Repaving  | \$ 180,000                       |
| Pick-Up Truck and Tilt Trailer (Street Dept.)  | \$ 32,000                        |
| Garbage Truck Tipper   | \$ 16,000                        |
| Library Capital Improvements   | \$ 21,000                        |
| Repaving of Library & Community Center Parking Lot                                   | \$ 57,000                        |
| Parks and Rec. Capital Improvements  | \$ 180,000                       |
| <b>TOTAL</b>   | <b>\$ 625,000</b>                |

- **Police Department Vehicles** – The Police Department is requesting to continue their practice of purchasing two new police vehicles each fiscal year in order to rotate out vehicles that have reached the end of their useful lives according to the City of Randleman's standards. The old vehicles are to be sold at auction. This year, the two new police vehicles requested are two sedans and are budgeted at \$84,000 (turn-key) in the Police Capital Outlay line item. These items are considered recurring capital expenditures.
- **Fire Department HVAC System** – The Fire Department has requested that their current HVAC system, which is 13 years old, be replaced in the next fiscal year. It is recommended that \$7,000 be appropriated to facilitate the purchase and installation of a new 3.5-ton gas pack for the Fire Station. This item would be considered a non-recurring capital expenditure.



- **HVAC for City Garage** – The Fleet Maintenance Department has requested that two HVAC units be installed at the City Garage to better aid in controlling temperature throughout the Garage. It is estimated that the two units and installation will cost \$13,000. These items would be considered non-recurring capital expenditures.
- **City Christmas Lights** – Many complaints have been received regarding the City's Christmas Lights that hang throughout town on light poles during December. The complaints include the lights being faded, burned out and weathered. To revitalize the City's decorations, it is recommended that \$35,000 be budgeted to accommodate the purchasing of approximately 60 new decorated light fixtures. This allocation would be a non-recurring capital expenditure.
- **Street Repaving** – \$180,000 has been recommended to be allocated in the FY 2019-2020 Budget to repave Daniels Street, Reece Avenue, Reece Court, Mill Street and Back Street. This recommended appropriation is to be funded with Powell Bill Funds ("Chargeable Powell Bill") and is a non-recurring capital expenditure.
- **Pick-Up Truck and Tilt Trailer (Street Department)** – An appropriation for a new pick-up truck and a tilt trailer has been requested by the Street Department. The truck is estimated to cost \$26,000 while the tilt trailer is estimated at \$6,000. The pick-up would replace a 2007 Chevrolet 1500 and the trailer would be used to transport specialized equipment for infrastructure maintenance.
- **Garbage Truck Tipper** – The Sanitation Department has requested that a Garbage Truck Tipper be purchased to facilitate the mechanical dumping of garbage cans on the back of the newly acquired used Rear Loader. The Tipper will allow for employees to use the truck for refuse garbage collection if the main truck must undergo repairs or maintenance. It is recommended that \$16,000 be allocated for this item and it would be considered a non-recurring capital expenditure.
- **Library Capital Improvements** – The Randleman Public Library has requested a few pieces of equipment that will enhance the Library and continue to make our state-of-the-art facility enjoyable. An allocation for a new heat pump has been requested for \$7,000 to replace a unit that is over 15 years old and provides heating and air conditioning for a good portion of the Library. Working heating and air conditioning units are required for proper protection of library materials, furniture and for public use of the facility. Another item



requested to be replaced is the iPad Station, which is quoted at a total cost of \$7,200. Current iPads that are in use will no longer support Apple software updates. Thus, the material and applications on them are becoming outdated. The iPad center experiences heavy use daily and would be greatly missed by Library patrons (both children and adults) if it were not kept up with the times. To add to the Library's programming options, it has also been requested that an interactive projection system be purchased for \$6,800. This piece of equipment would be used for interactive STEM programs for all ages. It allows for the tracking of body movements and gestures and comes with over 100 games and activities. It is recommended that all requested pieces of equipment for the library be included in the Fiscal Year 2019-2020 Budget. All items are non-recurring expenditures.

- **Repaving of Library and Community Center Parking Lot** – The shared parking lot of the Randleman Public Library and Randleman Community Center needs repaving. It was sealed in 2015 with an estimated useful life of 5 years. The estimated total cost of this item is approximately \$57,000. This is a non-recurring expenditure.
- **Parks and Recreation Capital Improvements** – The Parks and Recreation Department made the final payments of a \$2.2 million-dollar debt service obligation in FY 2019 that totaled approximately \$46,600. In FY 2018, the debt service obligation was valued at around \$190,500 including interest. The Board of Aldermen showed interest in keeping a portion of the funds that were allocated toward this debt service obligation in the Parks and Recreation Department for other expenditures to advance the department. In FY 2019-2020, this appropriation will provide the department with Capital Improvements and Capital Items such as new equipment to add a youth Lacrosse league, new Baseball Dugouts, new fencing and field resurfacing for ballfields at the park, and new equipment at the Community Center, just to name a few.
- **Pay and Classification Plan** – [Appendix F](#) contains the City's Personnel Summary from FY 17-18, FY 18-19, and recommended for FY 19-20; along with each position's pay grade. [Appendix G](#) contains the City's adopted Pay and Classification Schedule. The City's Pay and Classification Schedule continues to put the City in a better position to compete with other employers. By keeping up with current market rates of pay, the City is better positioned to retain key employees. There are



additional personnel requests for the Fiscal Year 2019-2020 budget year for a full-time Mechanic I position in the Fleet Maintenance Department and a part time Buildings and Ground Maintenance Technician for the Street Department.

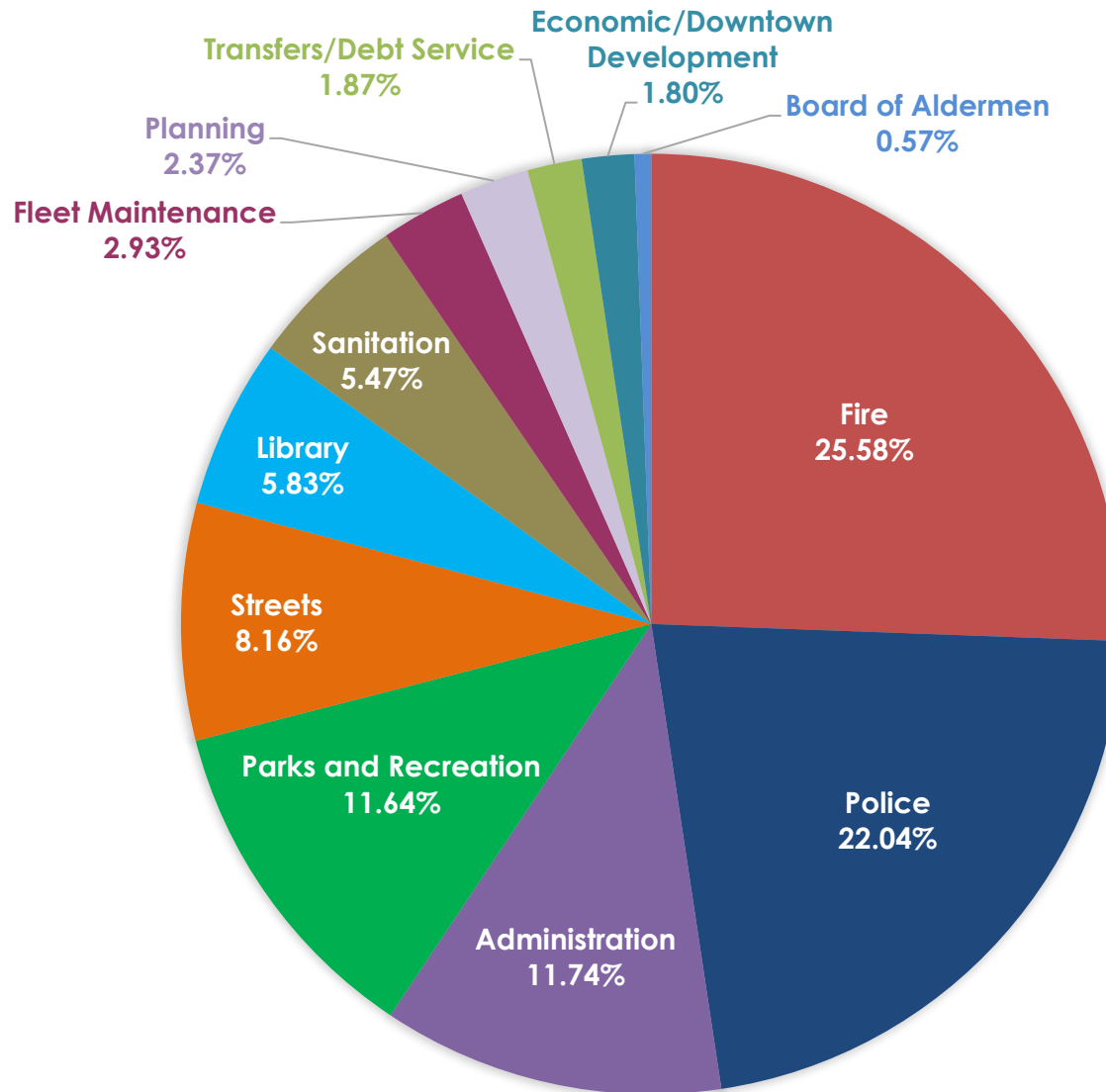
- **Employee Benefits** – Total employee insurance coverage expenses for Health, Dental, Vision and Life Insurance are expected to decrease by *approximately* \$25 per employee per month. This is a reduction from the City's original estimation of no increase in rates and will be a budgeted annual cost savings of *roughly* \$15,000 in the General Fund. However, offsetting these savings for healthcare is the cost of participation in the Local Government Retirement System, which is expected to increase by approximately 1.2%, and is equivalent to approximately \$27,000 in the General Fund.

## 2. Visualization

Chart 7 shows the recommended expenditures for the FY 2019-2020 General Fund budget separated by type. The City's primary areas of expenditure are for Public Safety (Police and Fire) and Public Works (Streets, Sanitation, and Fleet Maintenance).



**Chart 7: General Fund Expenditures by Department**





### 3. Department Budget Summaries

Table 8 depicts the overall recommended budgetary increases or decreases summarized for each department accounted for within the General Fund:

| TABLE 8: CITY OF RANDLEMAN FY 2018-2019 AMENDED AND<br>FY 2019-2020 RECOMMENDED BUDGETS<br>BY DEPARTMENT FOR GENERAL FUND |  |                             |                           |
|---|--|-----------------------------|---------------------------|
|   | Amended<br>FY 2018-2019<br>[as of May 8, 2019] | Recommended<br>FY 2019-2020 | Increase or<br>(Decrease) |
| Administration  | \$ 784,800.00                                  | \$ 682,500.00               | \$ (102,300.00)           |
| Board of Aldermen   | \$ 33,000.00                                   | \$ 33,000.00                | \$ 0.00                   |
| Economic/Downtown Dev.  | \$ 75,900.00                                   | \$ 104,600.00               | \$ 28,700.00              |
| Fire  | \$ 1,341,900.00                                | \$ 1,486,400.00             | \$ 144,500.00             |
| Fire - SAFER Grant  | \$ 102,600.00                                  | \$ 0.00                     | \$ (102,600.00)           |
| Fleet Maintenance   | \$ 99,400.00                                   | \$ 170,100.00               | \$ 70,700.00              |
| Library   | \$ 289,300.00                                  | \$ 338,700.00               | \$ 49,400.00              |
| Parks and Recreation  | \$ 641,400.00                                  | \$ 676,700.00               | \$ 35,300.00              |
| Planning  | \$ 93,000.00                                   | \$ 137,900.00               | \$ 44,900.00              |
| Police  | \$ 1,322,900.00                                | \$ 1,280,800.00             | \$ (42,100.00)            |
| Sanitation  | \$ 305,600.00                                  | \$ 318,100.00               | \$ 12,500.00              |
| Streets   | \$ 427,500.00                                  | \$ 474,000.00               | \$ 46,500.00              |
| Transfers/Debt Service  | \$ 311,300.00                                  | \$ 108,800.00               | \$ (202,500.00)           |
| <b>Total</b>  | <b>\$ 5,828,600.00</b>                         | <b>\$ 5,811,600.00</b>      | <b>\$ (17,000.00)</b>     |

A summarized description of the changes in each department follows:

- **Administration** – decrease of \$102,300 mainly due to a decrease in capital expenditures and contracted services expenditures.
- **Board** – No changes in funding for the Board of Aldermen is expected.
- **Economic/Downtown Development** – Overall the department is requested to experience an increase of about \$28,700. It is recommended that an increase in funding for maintaining City buildings be implemented along with an increase to the Beautification line item. Also, it is recommended that funding for nonprofit organizations be set at \$5,000 for the Family Crisis Center, Randleman Chamber of Commerce, and the North Randolph Historic Society. The Randolph County Senior Adult Association's allocation is recommended to remain the same.
- **Fire** – Overall increase of \$144,500 primarily attributed to the removal of the Fire – SAFER Grant Department and those associated personnel





expenditures being included with the Fire Department (approximately \$102,600). The remaining increase is associated with capital outlay items and increased normal personnel expenditures.

- **Fire (SAFER Grant)** – This Department is recommended for removal in the FY 19-20 Budget, which is why a decrease of \$102,600 is shown. These expenditures are included in the Fire Department's personnel expenditures.
- **Fleet Maintenance** – Increase of \$70,700 due to the addition of a new Mechanic I position, capital outlay items, and increased fuel costs.
- **Library** – Budgetary increase of \$49,400 mainly due to capital expenditure costs (\$42,700) and a small increase in funds for programming. Increases in personnel costs also attribute to the overall increase.
- **Parks and Recreation** – The Parks and Recreation department is recommended to be budgeted at a \$35,300 increase. This increase includes funding for festival and events expenditures that are normally accounted for with a budget amendment annually. Also, capital outlay items are recommended to be budgeted at \$215,000, an increase of \$81,500. Offsetting these increases is a large decrease in debt service obligations (\$46,600).
- **Planning** – Increase of \$44,900 which is due to the budgeting of an estimated \$40,000 for a new Land Use Plan, which is required by North Carolina General Statutes. The remaining amount of the increase is associated with increases in personnel expenditures and an additional increase in the contracted services line item.
- **Police** – Overall decrease of \$42,100 from FY 2018-2019 due to a decrease in capital outlay expenditures (\$53,000). Offsetting this decrease are increases in fuel expenditures and personnel costs.
- **Sanitation** – Increase of \$12,500 mainly due to an increase in capital outlay expenditures with the remaining increase coming from increased personnel costs and an increase in fuel costs.
- **Streets** – A budgetary increase of \$46,500 is recommended and is mainly attributed to an increase in expenditures associated with Powell Bill, the addition of a part time employee and other increases in personnel expenditures. Also, the department will recognize an increase due to the capital outlay allocation for a new truck and tilt trailer. These expenses are offset by a \$15,000 decrease in the Street Lights line item.
- **Transfers/Debt Service** – A decrease of \$202,500 is recommended due to the absence of a one-time transfer of \$200,000 to a capital project fund in FY 18-19 for sidewalk paving. Also, the interest due for a loan payment is set to decrease by \$2,500.



## ii. WATER AND SEWER FUND (ENTERPRISE FUND)

The City of Randleman's Fiscal Year 2019-2020 Recommended Water and Sewer Fund Budget is presented at \$2,680,000, which is a \$90,000 increase from the current Fiscal Year 2018-2019 budget. This increase is mainly attributed to an overall increase in planned capital project and capital outlay expenditures. Also, a recognized increase is expected due to the splitting of the Water/Wastewater Maintenance Department into separate departments to better account for expenditures associated with these tasks. Offset by these increases are reductions in debt service obligations.

Highlights of the FY 2019-2020 Water and Sewer Fund Budget are presented below:

### a. Water and Sewer Fund Revenues

#### 1. Revenue Highlights

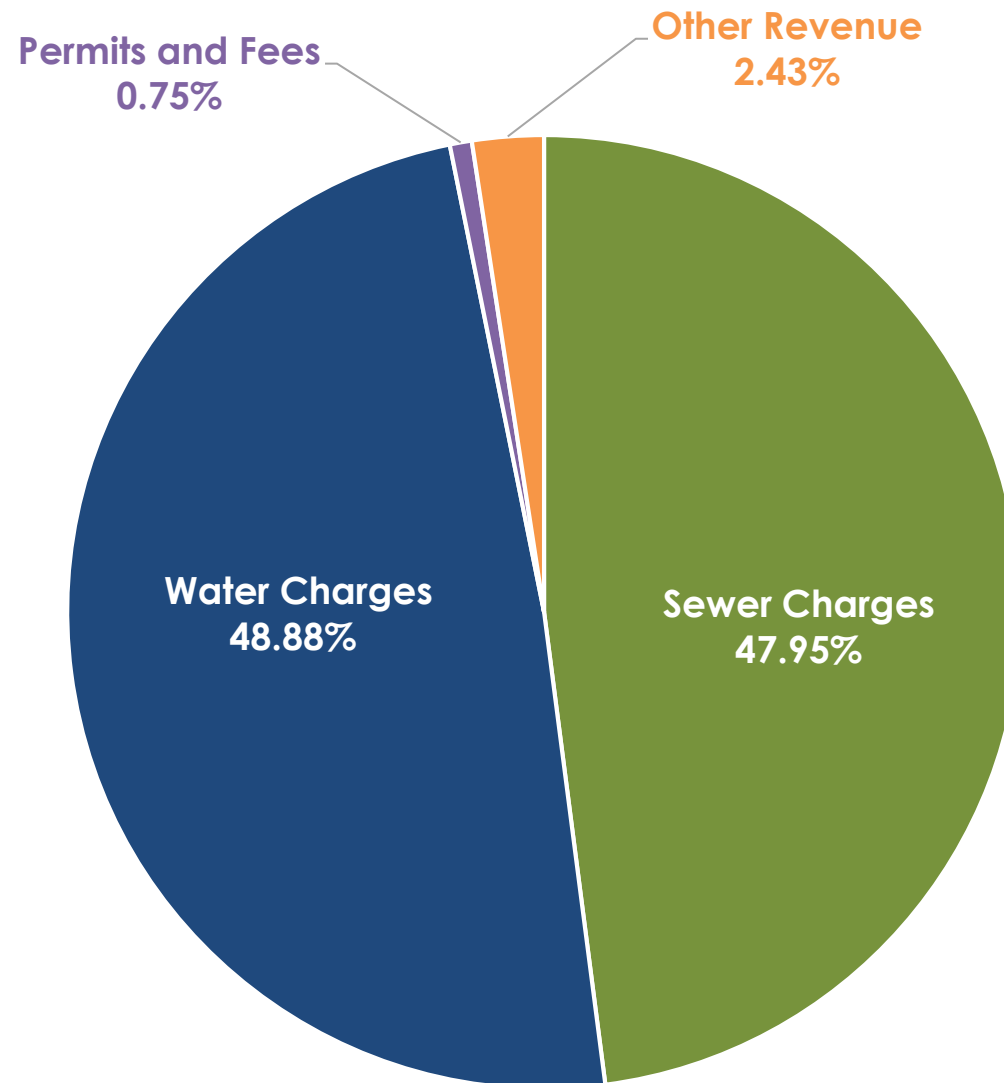
- **Utility Rates** – The 2019-2020 Water and Sewer minimum usage and consumption utility rates for the City of Randleman were approved by the Board of Aldermen to be increased by 10%, respectively. The minimum usage rate for customers inside the City limits is equivalent to an approximate \$1.97 per month increase on a total minimum bill (0-3,000 gallons) and an approximate \$0.72 increase for every 1,000 gallons used after the minimum bill's allotment.
- **Appropriated Net Assets (Fund Balance Appropriated)** – The FY 2019-2020 Budget is presented with no fund balance appropriation (Appropriated Net Assets) from the Water and Sewer Fund. This means that all expenditures within the Water and Sewer Fund are to be paid for with revenues collected during the fiscal year.

#### 2. Visualization

Chart 9 shows the projected revenues for the FY 2019-2020 Water and Sewer Fund budget separated by type. The City's main sources of revenue for this fund are its water and sewer charges.



Chart 9: Water and Sewer Fund Revenues by Type





### 3. Utility Rate Comparisons

Chart 10 compares the City of Randleman's FY 18-19 minimum water bill rate (calculated at a monthly basis) to those of utility providers in the state of North Carolina with similar size population of customers served.

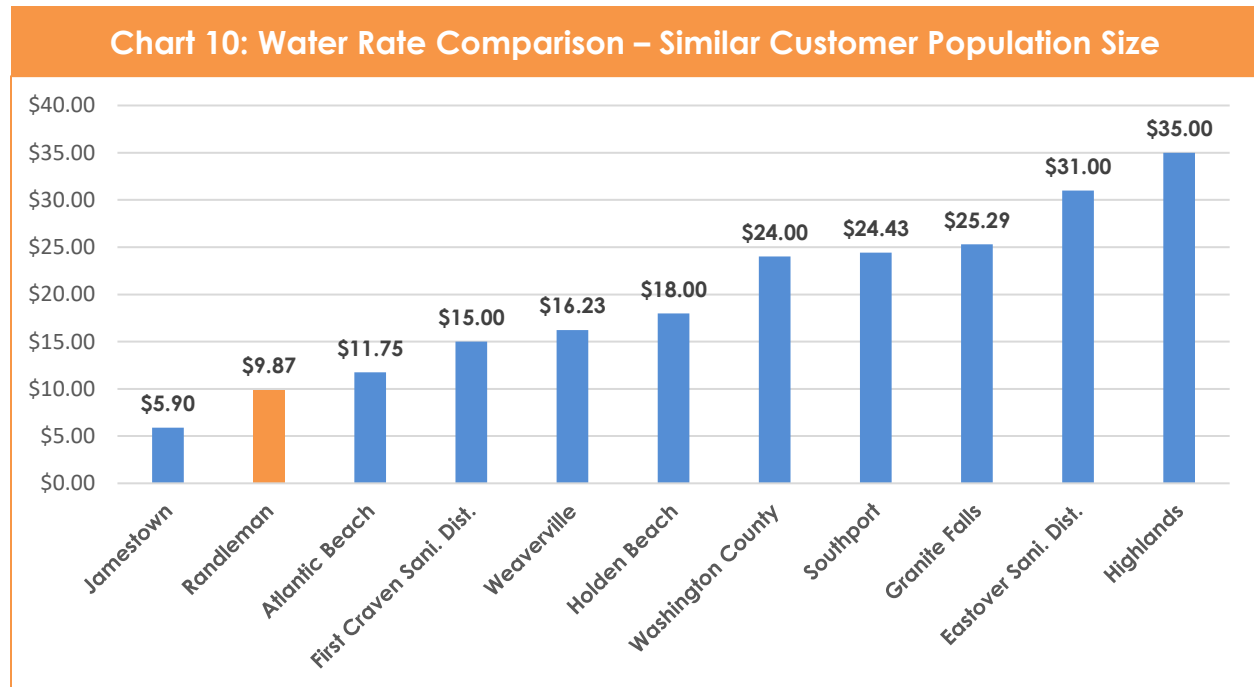


Chart 11 compares the City of Randleman's FY 18-19 minimum water bill rate (calculated at a monthly basis) to other utility providers in Randolph County.

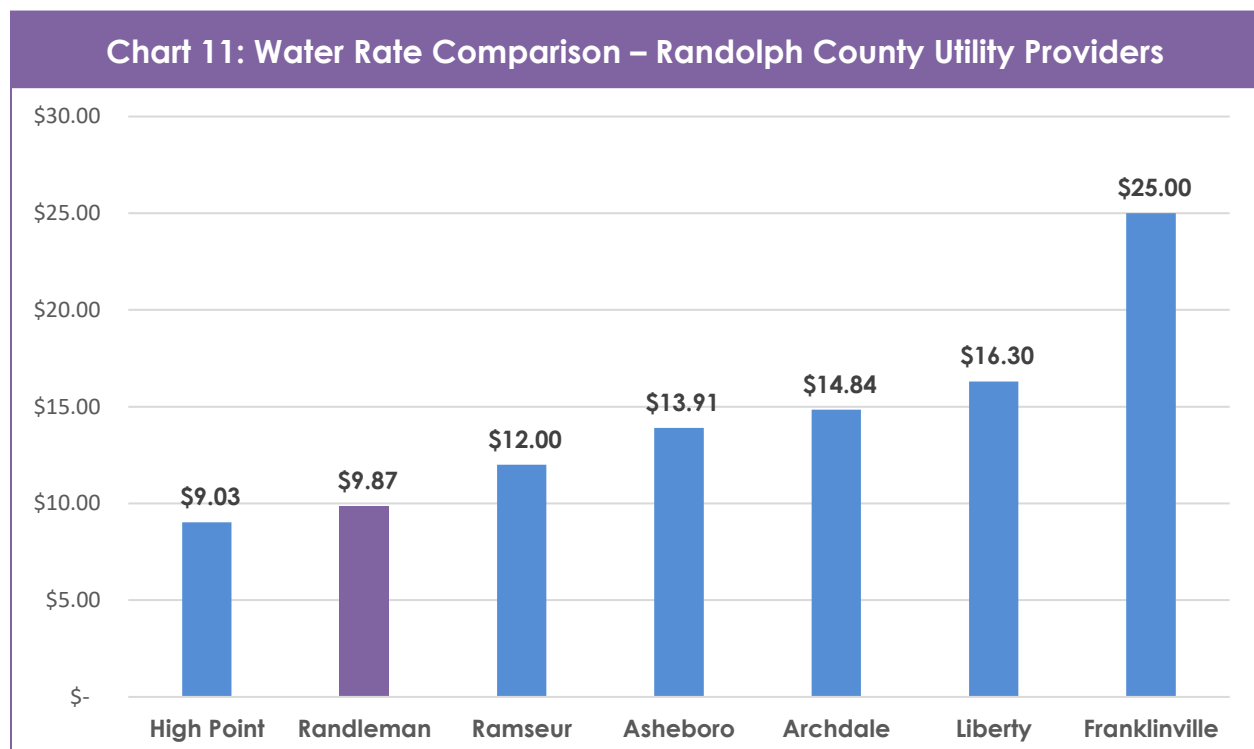




Chart 12 compares the City of Randleman's FY 18-19 minimum water bill rate (calculated at a monthly basis) to those of utility providers in the state of North Carolina with similar size population of customers served.

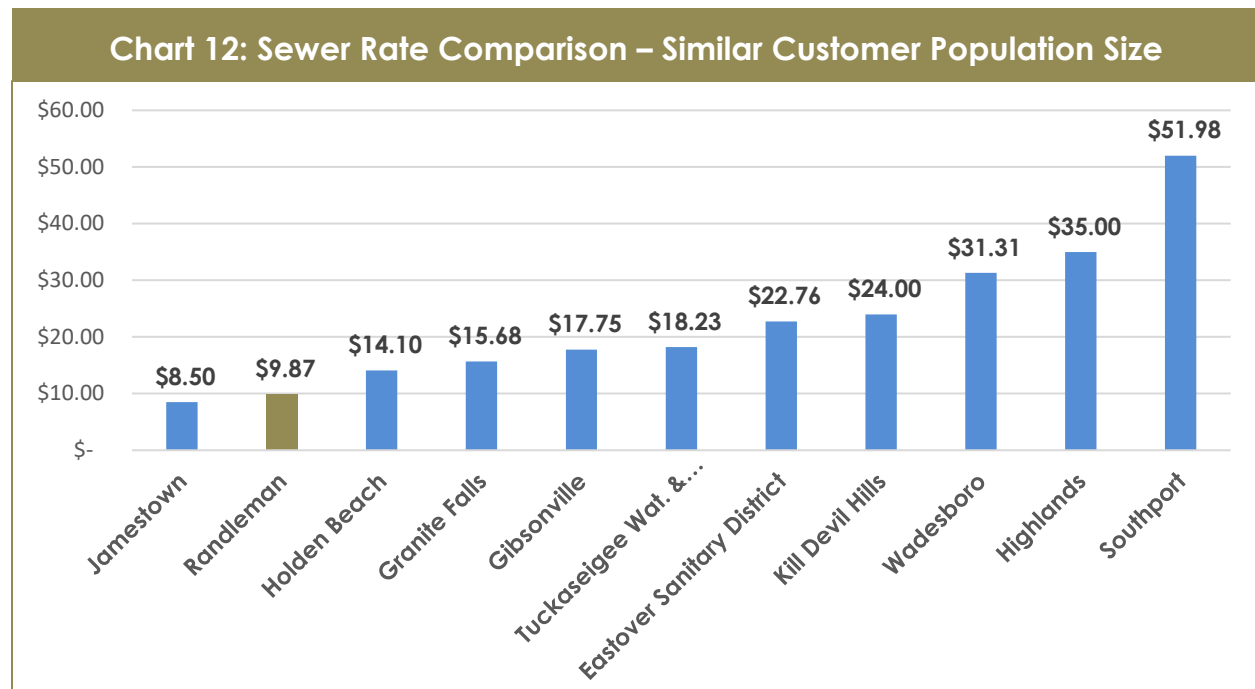
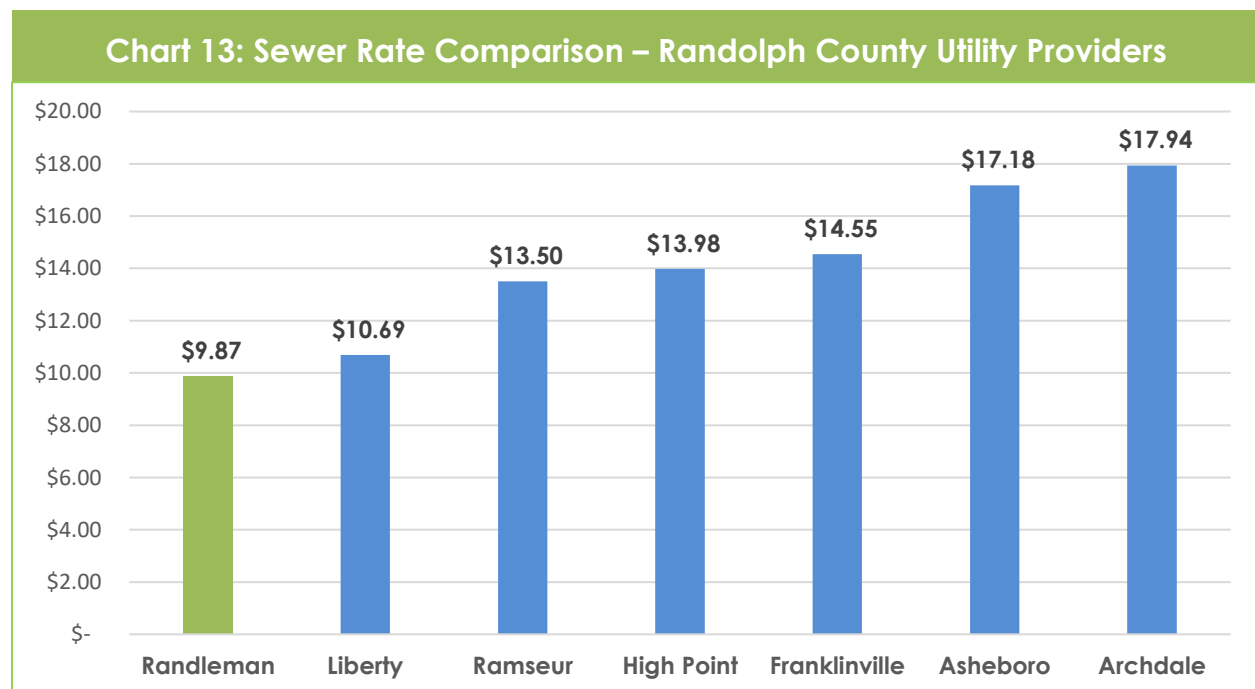


Chart 13 compares the City of Randleman's FY 18-19 minimum sewer bill rate (calculated at a monthly basis) to other utility providers in Randolph County.





## b. Water and Sewer Fund Expenditures

### 1. Expenditure Highlights

- **Capital Expenditures** – The City of Randleman defines Capital Expenditures as budgeted expenditures for tangible items of \$3,000 in value or more and that have a useful life of at least one year. The total of budgeted capital expenditures for the Water and Sewer Fund 2019-2020 Fiscal Year is \$475,000. Table 14 highlights the Capital Expenditures for the upcoming Fiscal Year 2019-2020 within the Water and Sewer Fund:

| TABLE 14: CITY OF RANDLEMAN<br>FY 2019-2020 REQUESTED WATER AND SEWER FUND<br>CAPITAL EXPENDITURES |                                  |
|--|----------------------------------|
| Capital Expenditures   | Requested Capital Funding Amount |
| Waterline Replacements   | \$ 240,000                       |
| By-pass Pumps  | \$ 105,000                       |
| WWTP Lawn Mower  | \$ 10,000                        |
| Clarifier Tank Recoating   | \$ 60,000                        |
| WWTP Capital Equipment   | \$ 60,000                        |
| <b>TOTAL</b>   | <b>\$ 475,000</b>                |

- **Waterline Replacements** – Waterlines along Mill Street Back Street, and Swaim Street are to be replaced at a cost of \$240,000 and will be funded by current year revenues.
- **By-pass Pumps** - \$105,000 is being requested by the Water and Wastewater Maintenance Department to initiate the purchasing of a portable wastewater By-pass pump and housing trailer. The pump will allow wastewater to be pumped through a force main to a gravity fed fallout line. It will also allow for the City to meet state requirements and regulations involved with maintaining pump stations properly during power outages or equipment malfunctions.
- **Lawn Mower (WWTP)** – an industrial lawn mower estimated to cost \$10,000 has been requested by the Wastewater Treatment Plant to be used for mowing around the plant and pump stations throughout and around the City. The current mower has reached the end of its useful life and is worn out due to the heavy workload of the areas that must be maintained.
- **Clarifier Tank Recoating** – \$60,000 has been recommended to be budgeted for recoating of two of the Clarifier Tanks at the Wastewater Treatment Plant. Each tank is estimated to cost \$30,000.



This appropriation will prevent further deterioration of the tanks and allow for extension of the useful lives of the tanks.

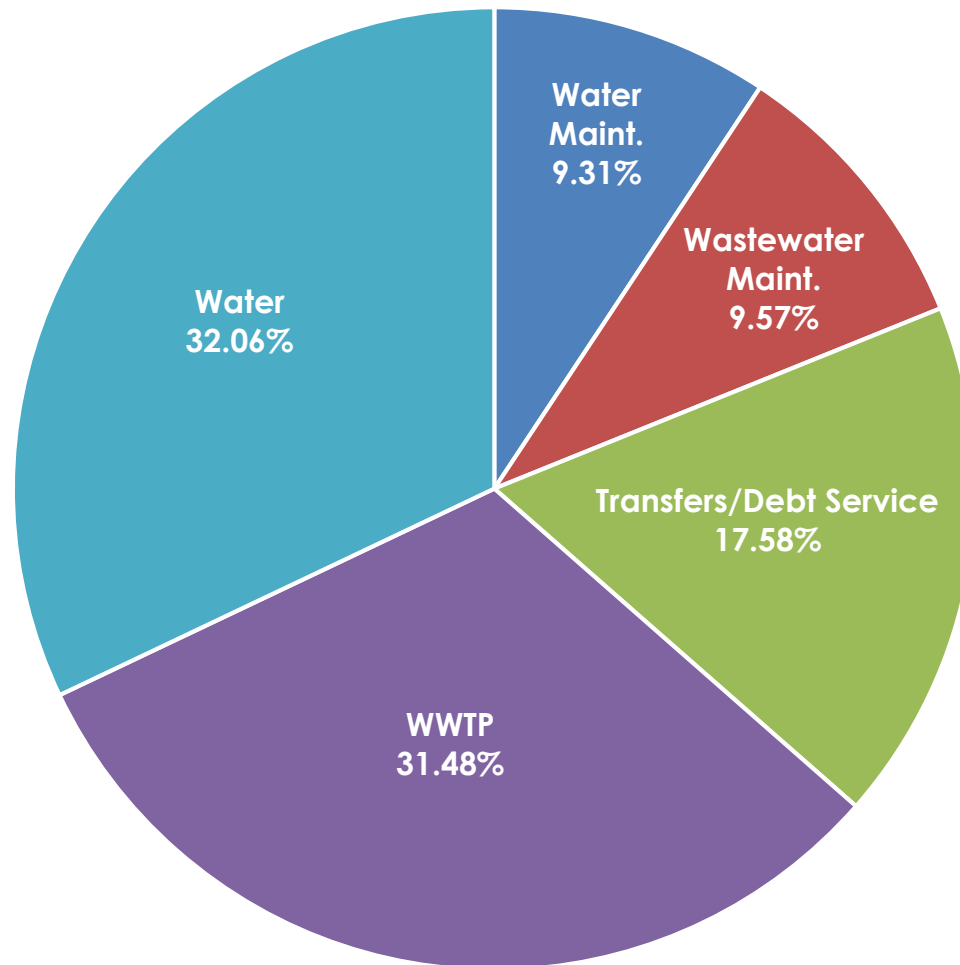
- **WWTP Miscellaneous Capital Equipment Purchases** – an appropriation of \$60,000 is recommended for pieces of equipment that may be purchased throughout the year to replace various pieces of machinery (such as pumps, valves, etc.), as needed, at the Wastewater Treatment Plant.
- **Employee Benefits** – As previously discussed in the General Fund Highlights section, total employee insurance coverages (Health, Dental, Vision and Life) are expected to decrease by *approximately* \$25 per employee per month. This is a reduction from the City's original estimation of no increase in rates and will be a budgeted annual cost savings of *roughly* \$9,600 in the Water and Sewer Fund. Also, the cost of participation in the Local Government Retirement System is expected to increase by 1.2%, which is equivalent to approximately \$5,000 in the Water and Sewer Fund.
- **Pay and Classification Plan** – [Appendix F](#) contains the City's Personnel Summary from FY 17-18, FY 18-19, and recommended for FY 19-20; along with each position's pay grade. [Appendix G](#) contains the City's adopted Pay and Classification Schedule. There are no additional personnel requests for the Water and Sewer Fund's Fiscal Year 2019-2020 budget.
- **Debt Service/Contingency Funds/Projects** - Debt service obligations for the Water and Sewer Fund are to be reduced by \$33,500 mainly due to the completion of a loan repayment in FY 2018-2019. There is an appropriation recommended for \$100,000 in contingency funds. These funds are reserved by the Board to be used as they see fit. There is an increase of \$120,000 in Transfers to Other Funds to fund an additional waterline replacement capital project for waterlines on Swaim Street.
- **Splitting Water/Wastewater Maintenance Department** – With many financing applications, financial institutions are requesting that water and sewer expenses be tracked separately. Thus, to conform to this request and to make tracking expenditures easier from a budgeting standpoint, it is recommended that the Water/Wastewater Maintenance Department be split into two separate departments: Water Maintenance and Wastewater Maintenance.

## 2. Visualization

Chart 15 displays the recommended department expenditures in the form of percentages. The Wastewater Treatment Plant and Water Departments make up over 70% of the entire fund's expenditures.



**Chart 15: Water and Sewer Fund Expenditures by Department**







### 3. Department Budget Summaries

Table 16 depicts the overall recommended budgetary increases or decreases summarized for each department accounted for within the Water and Sewer Fund:

| TABLE 16: CITY OF RANDLEMAN<br>FY 2018-2019 AMENDED AND FY 2019-2020<br>RECOMMENDED BUDGETS BY DEPARTMENT FOR WATER & SEWER FUND |  |                             |                           |
|--|--|-----------------------------|---------------------------|
|  | Amended<br>FY 2018-2019<br>[as of May 8, 2019] | Recommended<br>FY 2019-2020 | Increase or<br>(Decrease) |
| <b>Water</b>   | \$ 904,200.00                                  | \$ 896,400.00               | \$ (7,800.00)             |
| <b>Water/Wastewater Main.</b>  | \$ 431,900.00                                  | \$ 0.00                     | \$ (431,900.00)           |
| <b>Water Maintenance</b>   | \$ 0.00  | \$ 250,600.00               | \$ 250,600.00             |
| <b>Wastewater Maint.</b>   | \$ 0.00  | \$ 254,600.00               | \$ 254,600.00             |
| <b>Wastewater Treatment</b>  | \$ 922,600.00                                  | \$ 844,600.00               | \$ (78,000.00)            |
| <b>Debt Service/Transfers</b>  | \$ 331,300.00                                  | \$ 433,800.00               | \$ 102,500.00             |
| <b>TOTAL</b>   | <b>\$ 2,590,000.00</b>                         | <b>\$ 2,680,000.00</b>      | <b>\$ 90,000.00</b>       |

A summarized description of the changes in each department follows:

- **Water** – Decrease of \$7,800 accredited to decreased personnel costs but this decrease is offset by increases in operating costs, such as utilities, dues, and department supplies. Also, there is a budgeted increase attributed to the annual anticipated increase of costs from the City's main water supplier.
- **Water/Wastewater Maintenance** – To better account for expenditures associated with the respective types of maintenance, it is recommended that this department be split into two separate departments: Water Maintenance and Wastewater Maintenance. The Current Fiscal Year Budgeted Amount for the Water/Wastewater Maintenance Department is \$431,900. It is recommended that the Water Maintenance Department be budgeted at \$250,600 and the Wastewater Maintenance Department be budgeted at \$254,600. Combined, this equivalates to a total increase of \$73,300. This is due to an increase in the amount for capital outlay and personnel expenditures, as well as increasing the amount allocated for the construction and replacement of both water and sewer lines in their respective maintenance departments.
- **Wastewater Treatment Plant** – An overall budgeted decrease in expenditures of \$78,000 is mainly credited to a decrease of funding for capital items of \$90,000 under the current FY 2018-2019 budget. Offsetting



this decrease are increases in costs for Sludge Removal, Maintenance and Repair of Equipment, and personnel costs.

- **Debt Service/Transfers** – Overall, the Debt Service/Transfers department of the Water and Sewer Fund will recognize a \$102,500 budgetary increase from the current Fiscal Year budget. This is due to the addition of a debt service payment for a waterline extension project, as well as an increase in Transfer to Other Funds to allow for an additional waterline replacement project in the upcoming Fiscal Year. There is also a reduction in debt service obligations as stated before for approximately \$33,500. There is an appropriation recommended for \$100,000 in contingency funds, which shows as an increase of \$40,000 but it is less than the amount of Contingency that was budgeted in the current Fiscal Year's Budget (\$110,000). These funds are reserved by the Board to be used as they see fit.



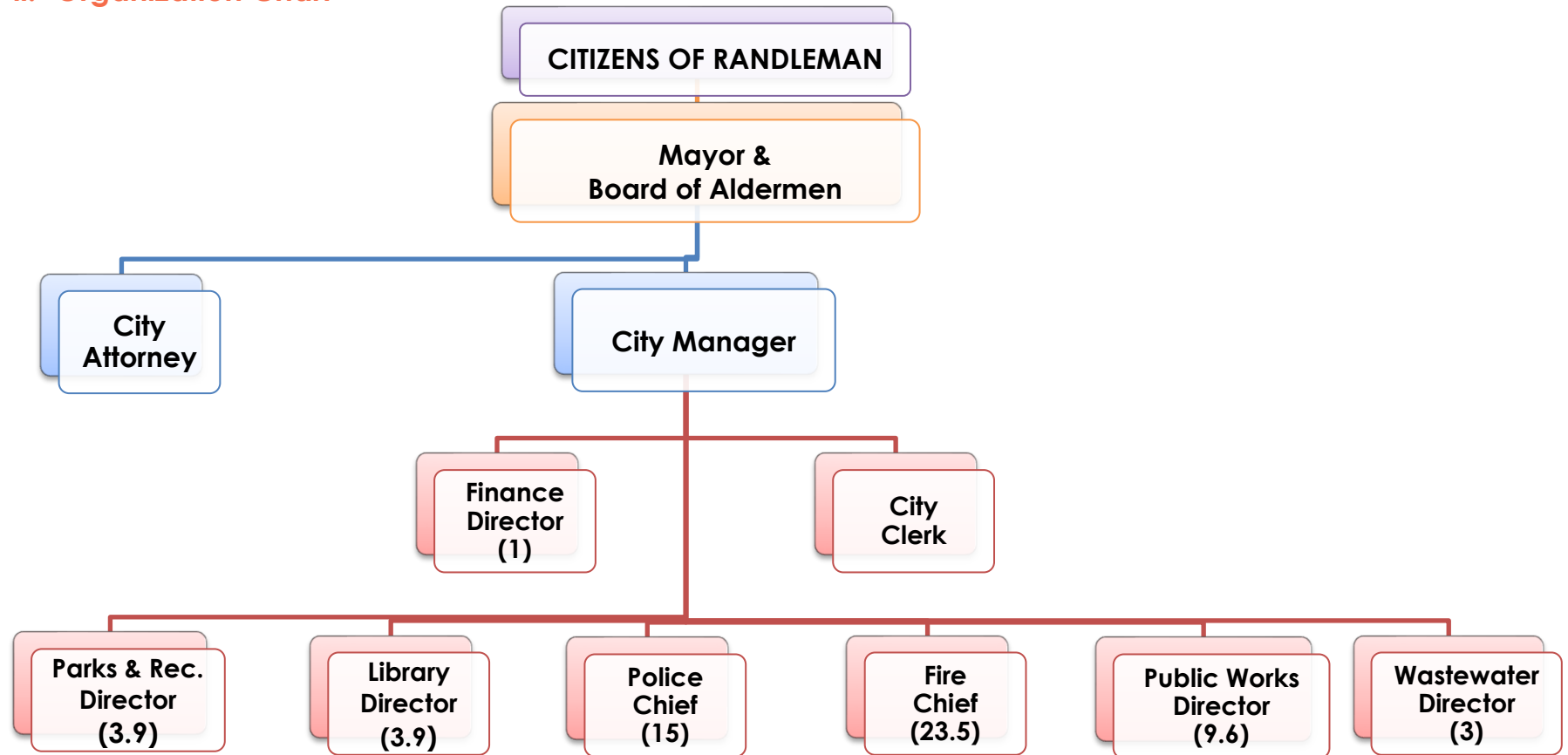
## C. Personnel

### i. Personnel Summary by Department

|  | Approved FTE<br>FY 17-18 | Approved FTE<br>FY 18-19 | Recommended FTE<br>FY 19-20 |
|--|--------------------------|--------------------------|-----------------------------|
| <b>Administration</b>                      |                          |                          |                             |
| Accounting Tech./Admin. Asst.              | 1                        | 1                        | 0                           |
| City Manager                               | 1                        | 1                        | 1                           |
| City Clerk                                 | 1                        | 1                        | 1                           |
| Finance Director                           | 1                        | 1                        | 1                           |
| Utility Billing & Coll. Spec./Admin. Asst. | 0                        | 1                        | 1                           |
| Water Billing & Coll. Specialist           | 1                        | 0                        | 0                           |
|  | 5                        | 5                        | 4                           |
| <b>Fire Department</b>                     |                          |                          |                             |
| Assistant Fire Chief/Fire Marshal          | 1                        | 1                        | 1                           |
| City Planner                               | 1                        | 1                        | 1                           |
| Fire Chief                                 | 1                        | 1                        | 1                           |
| Fire Engineer                              | 5                        | 5                        | 5                           |
| Fire Shift Captain                         | 3                        | 3                        | 3                           |
| Firefighter – FT                           | 11                       | 11                       | 11                          |
| Firefighter – PT                           | 2.48                     | 2.48                     | 2.48                        |
|  | 24.48                    | 24.48                    | 24.48                       |
| <b>Library</b>                             |                          |                          |                             |
| Library Assistant                          | 0.38                     | 0                        | 0                           |
| Library Associate I                        | 1.15                     | 1.88                     | 1.88                        |
| Library Associate II                       | 2                        | 2                        | 2                           |
| Library Director                           | 1                        | 1                        | 1                           |
|  | 4.53                     | 4.88                     | 4.88                        |
| <b>Parks and Recreation</b>                |                          |                          |                             |
| Parks and Rec Assistant Director           | 1                        | 1                        | 1                           |
| Parks and Rec Director                     | 1                        | 1                        | 1                           |
| Recreation Center Attendant – PT           | 1.83                     | 1.83                     | 1.83                        |
| Recreation Center Supervisor – PT          | 1.07                     | 1.07                     | 1.07                        |
|  | 4.90                     | 4.90                     | 4.90                        |
| <b>Police Department</b>                   |                          |                          |                             |
| Chief of Police                            | 1                        | 1                        | 1                           |
| Detective (Lieutenant)                     | 1                        | 1                        | 1                           |
| Patrol Officer                             | 8                        | 8                        | 8                           |
| Patrol Officer/Administrative              | 1                        | 1                        | 1                           |
| Police Captain                             | 0                        | 1                        | 1                           |
| Police Sergeant                            | 4                        | 4                        | 4                           |
|  | 15                       | 16                       | 16                          |
| <b>Public Works</b>                        |                          |                          |                             |
| Groundskeeper (Part Time)                  | 0                        | 0                        | 0.60                        |
| Mechanic I                                 | 0                        | 0                        | 1                           |
| Mechanic II (supervisor)                   | 1                        | 1                        | 1                           |
| Project Mgr./Special Projects              | 0                        | 0                        | 0                           |
| Public Works Director                      | 1                        | 1                        | 1                           |
| Public Works Sup. Dist. & Coll.            | 1                        | 1                        | 1                           |
| Public Works Technician I                  | 1                        | 1                        | 1                           |
| Public Works Technician II                 | 4                        | 4                        | 4                           |
| Sanitation Supervisor                      | 1                        | 1                        | 1                           |
|  | 9                        | 9                        | 10.60                       |
| <b>Waste Water Treatment Plant</b>         |                          |                          |                             |
| W/W Plant Operator I                       | 1                        | 1                        | 1                           |
| W/W Plant Operator II                      | 1                        | 1                        | 1                           |
| W/W Plant Operator III                     | 1                        | 1                        | 1                           |
| Waste Water Director                       | 1                        | 1                        | 1                           |
|  | 4                        | 4                        | 4                           |
| <b>TOTAL FULL TIME EQUIVALENTS</b>         | <b>66.91</b>             | <b>68.26</b>             | <b>68.86</b>                |



## ii. Organization Chart



[Numbers in parenthesis are indicative of the number of additional full-time equivalent employees in the respective department.]

### III. CITY OF RANDLEMAN OVERVIEW

#### A. History of the City of Randleman

Many American Folk Music enthusiasts will recognize the City of Randleman as the location for the story behind the famous murder ballad, “Omie Wise.” Legend has it that Naomi Wise, a poor but beautiful orphan girl, was courted by Jonathan Lewis, the son of a wealthy farmer. Naomi and John soon became lovers and shortly after she became pregnant. It is said that in April of 1808, Naomi went missing and her body was later found in the Deep River. According to history, it was never determined who killed Naomi Wise. Folklore insists that upon finding out that Wise was pregnant with his child, John Lewis persuaded her to run away with him and get married; however, Lewis instead lured her to the Deep River where he pushed Naomi in and drowned her. Over 200 years later, the story of Naomi Wise still lives on through song and story and plays a part in the history of the now, City of Randleman.



The factual history of the City of Randleman begins in the early 1800s when the Dicks Grist Mill was founded in the area that later became the City of Randleman. The area was named after Rick

Dicks who owned the mill and is said to have laid the foundation for the city as it is known today. By the late 1840s, the population had grown significantly due to more mills being built. The largest of these mills, Union Factory, was built in 1848 and as such, the name of the community was changed to Union. Later on, John H. Ferree and John B. Randleman purchased the Union Factory and changed its name to the Randleman Manufacturing Company. In 1880, the North Carolina General Assembly granted paper of incorporation to the Town, then known as Randleman Mills. Further facilitating growth, the High Point, Randleman, Asheboro and Southern Railroad was completed in July of 1889 and by 1890, the Town of Randleman Mills was the largest municipality in Randolph County.

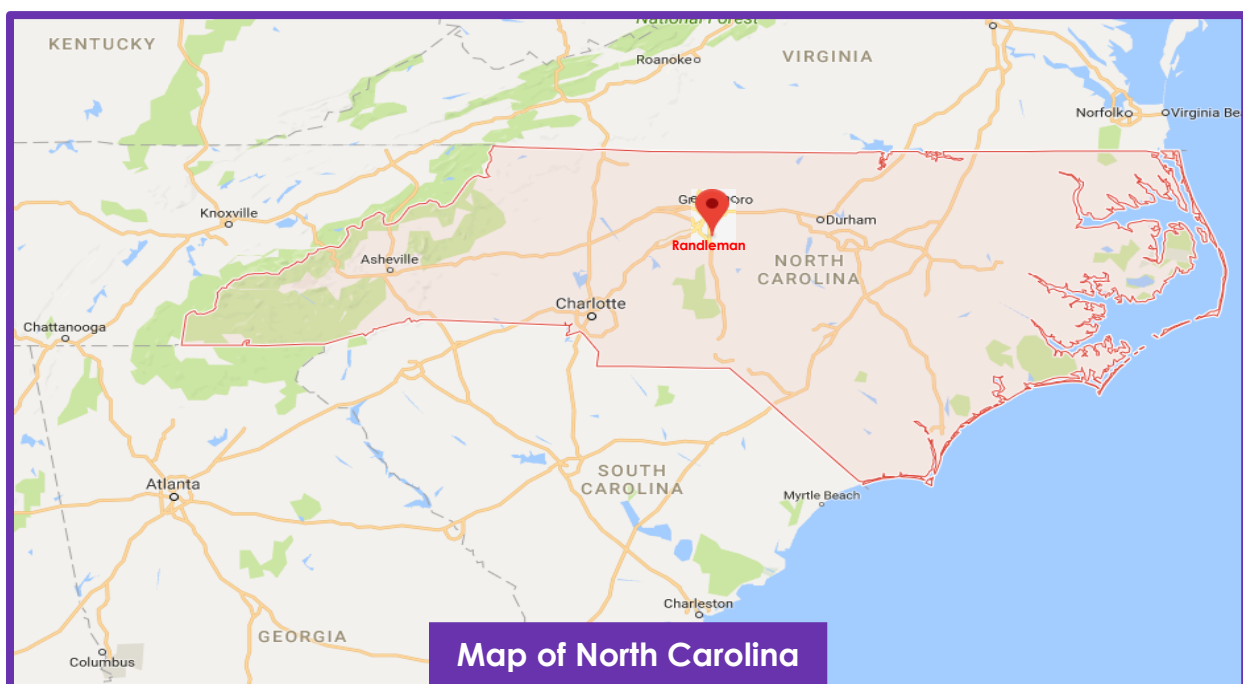


Sometime later, the name of the municipality was changed to the City of Randleman and in 1979, the City adopted the Council-Manager form of government. Today, the City of Randleman is best known as the home of Richard Petty, better recognized as the “King of NASCAR”, and other members of the Petty Family including his brother Maurice Petty, as well as Dale Inman; all of whom are NASCAR Hall of Fame inductees.

## B. Living in the City of Randleman

### i. Location

With a land area of approximately 3.6 square miles, the City of Randleman is located in the heart of North Carolina in Randolph County. With access to two major interstates (I-73 and I-74) and two major highways (U.S. 311 and U.S. 220), traveling to and from the City of Randleman is now easier and more convenient than ever. Five of North Carolina’s largest cities can be traveled to in approximately 75 minutes or less including Charlotte (75), Winston-Salem (45), Greensboro (20), High Point (15), and Raleigh (65). The City of Randleman is also located a short drive from Piedmont Triad International Airport.









## ii. Education

The City of Randleman offers multiple educational opportunities for learners of all ages. The City is home to Randleman Elementary School, Randleman Middle School and Randleman High School, and just outside of the City's limits are Level Cross Elementary and New Market Elementary School. Randolph Community College has a satellite campus within the City. Also, numerous other colleges and universities are only a short drive from the City of Randleman including the University of North Carolina at Greensboro, High Point University, Greensboro College, Guilford College, and North Carolina Agricultural and Technology State University.



## iii. Economy

The early economy of the City of Randleman relied heavily on the established textile mills located in the City. Now, the City of Randleman is home to over 270 different companies including many large industries such as furniture manufacturers, industrial manufacturers, and numerous other businesses. The five largest employers of the City are: Hughes Furniture Industries, Dart Container, Timken, United Brass Works, and Deep River Dyeing.

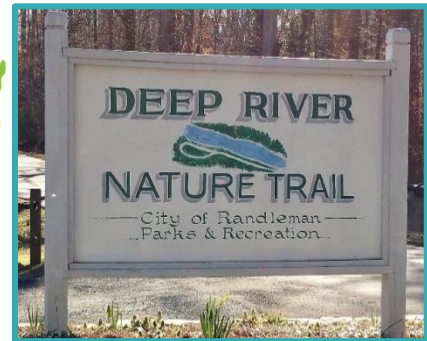






#### iv. Recreation

The City of Randleman recognizes the important role that recreational opportunities play in the overall quality of life of its citizens. The City positions itself to be able to provide plentiful and diverse opportunities for our children, families, citizens, and visitors to enjoy themselves and all that the City has to offer. The City of Randleman's Parks and Recreation Department has committed itself towards meeting the recreational needs of its service groups through the City's Community Center, Deep River Greenway Trail, and the City of Randleman Park located on Stout Street. The City also funds a Senior Center as well as various Youth Sports Leagues to provide activities for multiple generations of our citizens. The City of Randleman is also home to the annual NASCAR Day Festival, Market and Music concert series, and the North Carolina Food Truck State Championship. Other recreational opportunities near the City of Randleman include the Randleman Lake just north of the City, the North Carolina Zoo located in Asheboro, and the Greensboro Science Center.





## v. Utilities

The City of Randleman purchases water through contractual agreements with two providers, the Piedmont Triad Regional Water Authority and the City of Asheboro. Between these two providers, the City receives approximately 1,125,000 gallons of water each day. The City of Randleman, in turn, provides water and sewer services to its citizens and a few areas outside of the city's limits. In addition to water and sewer, the City also provides solid waste services to citizens including weekly garbage, bulk and brush pick-ups, as well as storm water services.

Other utility providers in the City of Randleman include Duke Energy, Spectrum Communications, North State Communications, Piedmont Natural Gas and more.

## C. Demographics and Statistics

### i. Population

According to the 2013-2017 American Community Survey 5-Year Estimates, the Population of the City of Randleman was 4,127. Of this, there were 2,088 males and 2,039 females. The Census Bureau also reports that the median age for the City of Randleman was 40.0 years. The following table shows the amounts of the population by age groups:

| Age Groups    | Male        | Female      |
|---------------|-------------|-------------|
| 19 and Under  | 704         | 335         |
| 20 through 34 | 253         | 417         |
| 35 through 49 | 396         | 369         |
| 50 through 64 | 454         | 532         |
| 65 through 79 | 166         | 296         |
| 80 and Older  | 115         | 90          |
| <b>Totals</b> | <b>2088</b> | <b>2039</b> |



## ii. Education

The 2013-2017 American Community Survey 5-Year Estimates states that approximately 74.7% of the residents of the City of Randleman are high school graduates or higher. The estimated enrollment in the schools located in the City of Randleman by residents of the City is shown below by grade level.

| School Grade  | Enrollment |
|---------------|------------|
| Kindergarten  | 120        |
| 1 to 4        | 250        |
| 5 to 8        | 56         |
| 9 to 12       | 330        |
| <b>Totals</b> | <b>756</b> |

The following estimated statistics of the City of Randleman are shown in terms of educational levels for adults 18 and older:

| Age Groups     | Did Not Grad. High School | High School Graduate | Some College | Bachelor's Degree | Graduate or Prof. Degree |
|----------------|---------------------------|----------------------|--------------|-------------------|--------------------------|
| 18 to 24 years | 12                        | 81                   | 131          | 25                | 0                        |
| 25 and Older   | 730                       | 867                  | 932          | 299               | 57                       |
| <b>Totals</b>  | <b>742</b>                | <b>948</b>           | <b>1,063</b> | <b>324</b>        | <b>57</b>                |

A derivative of the above information, the following table displays the estimated amount of the City of Randleman's population that have either graduated high school or have obtained a bachelor's degree or higher.

| Age Groups    | High School Diploma or Higher | Bachelor's Degree or Higher |
|---------------|-------------------------------|-----------------------------|
| 25 through 34 | 361                           | 45                          |
| 35 through 44 | 514                           | 36                          |
| 45 through 64 | 929                           | 257                         |
| 65 and Older  | 351                           | 18                          |
| <b>Totals</b> | <b>2,155</b>                  | <b>356</b>                  |



### iii. Housing

The 2013-2017 American Community Survey 5-Year Estimates states that there are approximately 2,113 housing units within the City of Randleman. The following table details the type of housing units that are located within the City.

| Housing Unit Type   | Number of Units |
|---------------------|-----------------|
| 1-unit, detached    | 1,405           |
| 1-unit, attached    | 27              |
| 2 units             | 89              |
| 3 or 4 units        | 224             |
| 5 to 9 units        | 168             |
| 10 to 19 units      | 0               |
| 20 or more units    | 128             |
| Mobile Home         | 72              |
| Boat, RV, van, etc. | 0               |
| <b>Totals</b>       | <b>2,113</b>    |

The Survey also states that the median home value is \$111,900. The following table exhibits the housing values of owner-occupied units within the City of Randleman.

| Housing Unit Type      | Number of Units |
|------------------------|-----------------|
| Less than \$50,000     | 72              |
| \$50,000 to \$99,999   | 388             |
| \$100,000 to \$149,999 | 421             |
| \$150,000 to \$199,999 | 214             |
| \$200,000 to \$249,999 | 62              |
| \$300,000 or more      | 0               |
| <b>Total</b>           | <b>1,157</b>    |

### iv. Employment

According to the 2013-2017 American Community Survey 5-Year Estimates, the City of Randleman's 2017 Median Household Income was approximately \$37,902. As of July 1, 2017, the Per Capita Income for the City of Randleman was \$26,144. Because the City of Randleman's population size is under 5,000 there are no factually based reports on the City's unemployment rate. Thus, the unemployment rate for the county is presented as a guide. The Bureau of Labor Statistics sites that Randolph County's unemployment rate for 2017 was 4.0%.



## D. Government Overview

The City of Randleman operates under a Council-Manager form of government, which combines the leadership of elected officials with the professional experience of an appointed City Manager. The City of Randleman's "Council" is called a Board of Aldermen. The Board of Aldermen consists of one Mayor and five Aldermen. All members are elected to four-year terms that are staggered with cycles. The Board of Aldermen provides overall policy guidance for all municipal operations through the consideration and adoption of local ordinances and resolutions. The Board determines the level of service that the City of Randleman is to provide to its citizens and makes appointments to various boards to advise the Board on certain issues. The Board of Aldermen are also responsible for appointing the City Manager and City Attorney.

### i. Administration

The City Manager is a professional public administrator that serves as the City of Randleman's Chief Executive Officer. The Manager is responsible for the day-to-day planning, organizing and directing of all city employees and operations. The City Manager is also responsible for the appointment of the City's department heads. The Finance Director and City Clerk report directly to the City Manager and these three positions comprise the Administration department of the City. The City Clerk is responsible for the maintenance of city records, organizing and documenting meetings of elected officials, the handling of requests for information, public relations, advising the City Manager on key issues and serves as the Deputy Finance Director overseeing Accounts Payable. The Finance Director serves as the City's Chief Financial Officer and aids the Board of Aldermen and City Manager in maintaining the City's overall financial stability. This is achieved through comprehensive financial planning, and overseeing the management, collection and disbursement of funds, the City's property and liability insurance programs, benefits and personnel related tasks, as well as other financial matters.







## ii. City Services

The City of Randleman provides numerous services through its departments. They include the Police, Fire, Public Works, Parks and Recreation, Wastewater Treatment, and Library Departments.

### a. Police Department

The Police Department is responsible for the wellbeing of the City of Randleman's citizens, their property, and visitors of the City. The Police Chief serves as the chief law enforcement officer and director of operations and employees. The department is comprised of four rotating patrol shifts with each shift having a Sergeant and two officers. The department has one criminal investigator and one patrol officer/administrative assistant. The department is responsible for answering calls for service, investigating traffic accidents, conducting criminal investigations, and enforcing traffic laws.



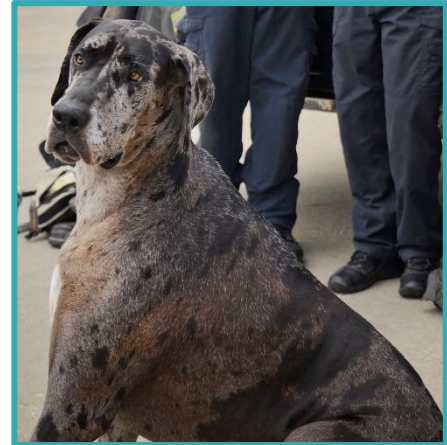
### b. Fire Department/Planning and Zoning



The City of Randleman's Fire Department's service area was combined with the Sophia Fire Department in 2014. This conglomeration of the two departments grew the population of the Randleman Fire District to approximately 11,000 people. The Fire Department is comprised of the Fire Chief, one Assistant Fire Chief, three shift Captains, five Fire Engineers, and eleven Firefighters. These full-time positions are aided by

approximately 20 part-time firefighters. The Fire Department is responsible for fire suppression, emergency medical response, hazardous material response, heavy rescue, fire prevention through public education, fire inspections, hydrant maintenance, pre-fire surveys, and fire investigations.

In 2017, the City's Planning and Zoning Department was restructured and is now located within the Fire Department. The City of Randleman's City Planner is responsible for the review and issuing of zoning permits, as well as code enforcement, and assisting citizens and others in determining zoning, water and sewer availability, floodplain and watershed determination, and addressing within the City. The City Planner acts as a liaison between permit applicants and the Planning and Zoning Board. The 12-member Planning and Zoning Board is made up of appointed citizens who reside within the City and its Extra Territorial Jurisdiction. The Board's duties involve reviewing all cases presented to them and making decisions to approve or deny those cases. The City Planner also reports to the Board of Adjustment which hears Variance, Special and Conditional Use requests.



### **c. Public Works**

The Public Works Director supervises nine employees that carry out the daily activities of the department. These activities include maintenance of the City's vehicles, equipment and buildings, solid waste services, street maintenance, and water and sewer maintenance services.





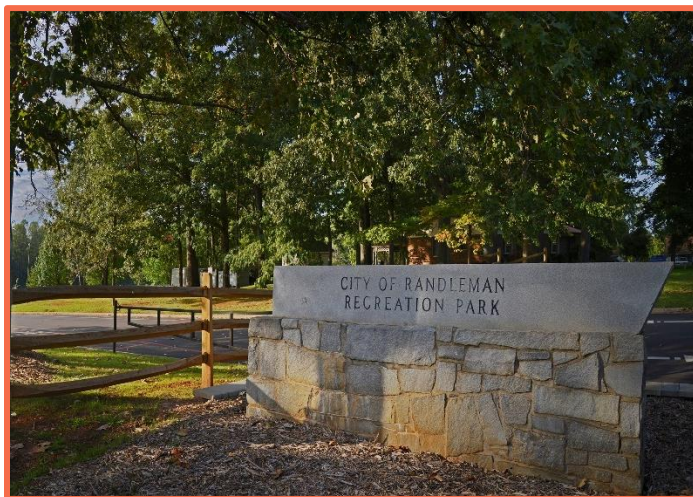
#### **d. Library**

The City of Randleman's Library is responsible for providing the residents of the City of Randleman and the surrounding area with opportunities to expand their knowledge on numerous subjects, access to computers, 36,000 books and movies and learning events that they would otherwise not be able to access. The Library is managed by the Library Director who oversees the daily operations of the Library, two Library Associates, and three part-time Library Assistants.



#### **e. Wastewater Treatment**

The Wastewater Treatment Department facilitates the collection and treatment of the City's wastewater and runoff using the Wastewater Treatment Plant and multiple pump stations located throughout the City's service area. The Wastewater Treatment Plant is an extended air, tertiary treatment plant with a capacity of approximately 1,750,000 gallons per day. The Wastewater Director is responsible for the overall operation of the Wastewater Treatment Plant and its subsidiaries and oversees three Wastewater Plant Operators.



#### **f. Parks and Recreation**

The Parks and Recreation Department of the City of Randleman provides the residents of the City of Randleman and surrounding areas with numerous leisure events and physical enrichment options. The Parks and Recreation Director is responsible for the management of the City's Community Center, Youth Sports Leagues, community events, and the City's Parks and Trails. The Parks and Recreation Director supervises the Assistant Parks and Recreation Director and multiple part-time Community Center Attendants.





## **IV. BUDGET PROCESS OVERVIEW**

### **A. Annual Budget Ordinance**

North Carolina General Statute (NCGS) 159-8 states that “each local government and public authority shall operate under an annual balanced budget ordinance...” As defined by the same statute, a balanced budget ordinance is a document that facilitates a unit's financial operations for each fiscal year that runs from July 1 through June 30. The budget ordinance is considered balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Every local government must appoint a Budget Officer to facilitate the budget development process, as well as the implementation and management of said budget. In municipalities that have the Council-Manager form of government, such as the City of Randleman, the City Manager is required by North Carolina General Statute to be the Budget Officer. Department heads are required to submit their budget requests and revenue estimates for the budget year to the Budget Officer by April 30 of each fiscal year. Simultaneously, the Finance Director of each governmental entity must present the Budget Officer with statements of certain financial information as prescribed in NCGS 159-10. Upon receipt of the items from department heads and the Finance Director, the Budget Officer must develop a proposed budget and present said budget to the governing board no later than June 1 of the fiscal year. Prior to adopting a budget ordinance, the governing board must hold a public hearing to allow anyone who wants to be heard on the budget may speak. The governing board must adopt a budget ordinance no earlier than 10 days after it has been presented to them and no later than July 1 of each fiscal year. The adopted budget must make appropriations and levy taxes for the budget year “...in such sums as the board may consider sufficient and proper, whether greater or less than the sums recommended in the budget” that was presented.



## B. Budget Description

The City of Randleman's current annual budget consists of two major funds that are appropriated each year within the budget ordinance. They are:

1. General Fund – The City of Randleman's General Fund serves as a catch-all for services provided by the City that are not accounted for within an enterprise fund. This includes the following departmental services: administration, police, fire, cultural and recreation services, planning, economic development, sanitation, streets, and building and fleet maintenance. Revenues for this fund are generated through a combination of tax collections, city fees, and other miscellaneous sources of income such as grants and donations.
2. Water and Sewer Fund – Currently, the City of Randleman only operates one enterprise fund. This fund is used to account for revenues and expenses associated with the City's water and sewer systems. Revenues for this fund are generated through the implementation of set user fees for services provided.

Table 17 illustrates which departments and/or divisions are located within each fund:

| <b>Department/Division</b> | <b>General Fund</b> | <b>Water/Sewer Fund</b> |
|----------------------------|---------------------|-------------------------|
| Governing Board            | YES                 | NO                      |
| Administration             | YES                 | NO                      |
| Police                     | YES                 | NO                      |
| Fire                       | YES                 | NO                      |
| Fleet Maintenance          | YES                 | NO                      |
| Streets                    | YES                 | NO                      |
| Sanitation                 | YES                 | NO                      |
| Economic Development       | YES                 | NO                      |
| Planning                   | YES                 | NO                      |
| Library                    | YES                 | NO                      |
| Parks and Recreation       | YES                 | NO                      |
| Water                      | NO                  | YES                     |
| Water Maintenance          | NO                  | YES                     |
| Wastewater Maintenance     | NO                  | YES                     |
| Wastewater Treatment Plant | NO                  | YES                     |
| Debt Service               | YES                 | YES                     |



The City of Randleman does utilize Capital Project Funds occasionally. However, these types of funds are not included in the budgeting process because once the projects are completed, the respective funds are then closed. Also, this type of fund can stay open across multiple fiscal years because some capital projects cannot be completed within a fiscal year's time constraint of July 1 through June 30.

### **C. Basis of Budgeting**

The basis of budgeting for each of these funds is modified accrual. This is also the same basis of accounting found within the City's audited financial statements.

### **D. Budget Process**

The City of Randleman's budget process begins with the first Board of Aldermen meeting in January of each year. It is at this meeting in which the Board adopts a meeting schedule for the entire year and in this schedule, dates are reserved for various budget workshops and a budget retreat. At these budget meetings, the Board of Aldermen, the City Manager (Budget Officer) and Department Heads discuss their requests, goals and priorities that they would like to see fulfilled in the budget ordinance. After these meetings are held, Department Heads and the Finance Director have until April 30 to submit these items to the Budget Officer. It is from these submittals that the Budget Officer constructs the budget ordinance to be presented to the Board of Aldermen. The Board of Aldermen must hold a public hearing before the budget can be adopted and the budget ordinance must be adopted prior to July 1 but no less than 10 days after it has been presented to the Board of Aldermen.

After adoption of the annual Budget Ordinance, the Budget Officer is authorized certain permissions pertaining to the Budget Document. In the proposed 2019-2020 Budget Ordinance, the Budget Officer will be authorized to transfer appropriations between line items of a department with no limit and transfer appropriations up to \$10,000 between departments within the same fund. All other budget revisions or amendments must be approved by the Board of Aldermen.



## E. Financial Policy and Budgeting Policies and Practices

The City of Randleman has adopted a financial policy that states both guidelines and goals that together guide and impact the City's financial management practices. It is the expectation of the Board of Aldermen that this financial policy is adhered to and regularly reviewed such that it provides a framework for comprehensive financial management. The City of Randleman's Financial Policy is presented as adopted in [Appendix K](#).

The City of Randleman has adopted the following policies for budget preparation, presentation, and implementation as found within the City's Financial Policy:

1. The City will adhere to all budgetary statutes and guidelines as set forth in the Local Government Budget and Fiscal Control Act (N.C.G.S. §159-7 through § 159-42.1)
2. City administration will develop a proposed budget calendar to establish a timeline for budgeting activities as to remain on schedule in accordance with N.C.G.S 159-7.
3. The City's proposed budget will be prepared in accordance with all Generally Accepted Accounting Principles.
4. The City's basis of budgeting for all funds will be modified accrual, the same basis of accounting found within the City's audited financial statements.
5. The City's proposed budget will be balanced such that proposed expenditures will not surpass proposed revenues.
6. Budgeted revenues will only be spent for those expenditures for which they are intended (i.e., County Fire Tax within the Fire Department, etc.).
7. Department budgets are reviewed by Department Heads, the Finance Director, and the City Manager prior to the presentation of the proposed budget to the Board of Aldermen. The Board of Aldermen will review the proposed budget prior to its adoption.
8. Staff authorization for budget adjustments, as well as an outline for budget adjustments and amendments, will be made within the annual budget ordinance.
9. Debt service payments will be budgeted following the guidelines presented when the loan was issued or in the respective fund that is responsible for the repayment of the debt.
10. In accordance with N.C.G.S 160A-17, funds are to be appropriated to suffice obligations for ongoing contracts.
11. The City's financial policy will be adhered to in development, implementation and management of the annual fiscal year budget.



## F. Budget Calendar

The City of Randleman has adopted the following budget calendar for the Fiscal Year 2019-2020 budget:

|  |                  |
|--|------------------|
| Budget Retreat .....                                 | March 20, 2019   |
| Department Heads' Budgets Due to City Manager .....  | April 17, 2019   |
| Budget Presented to Board/Available to Public .....  | May 22, 2019     |
| Budget Workshop/Pre-Agenda Meeting .....             | May 28, 2019     |
| Public Hearing on Budget/Regular Board Meeting ..... | June 4, 2019     |
| Budget Workshop/Special Meeting .....                | June 27, 2019    |
| FY 2019-2020 Budget Ordinance Approved.....          | By June 30, 2019 |



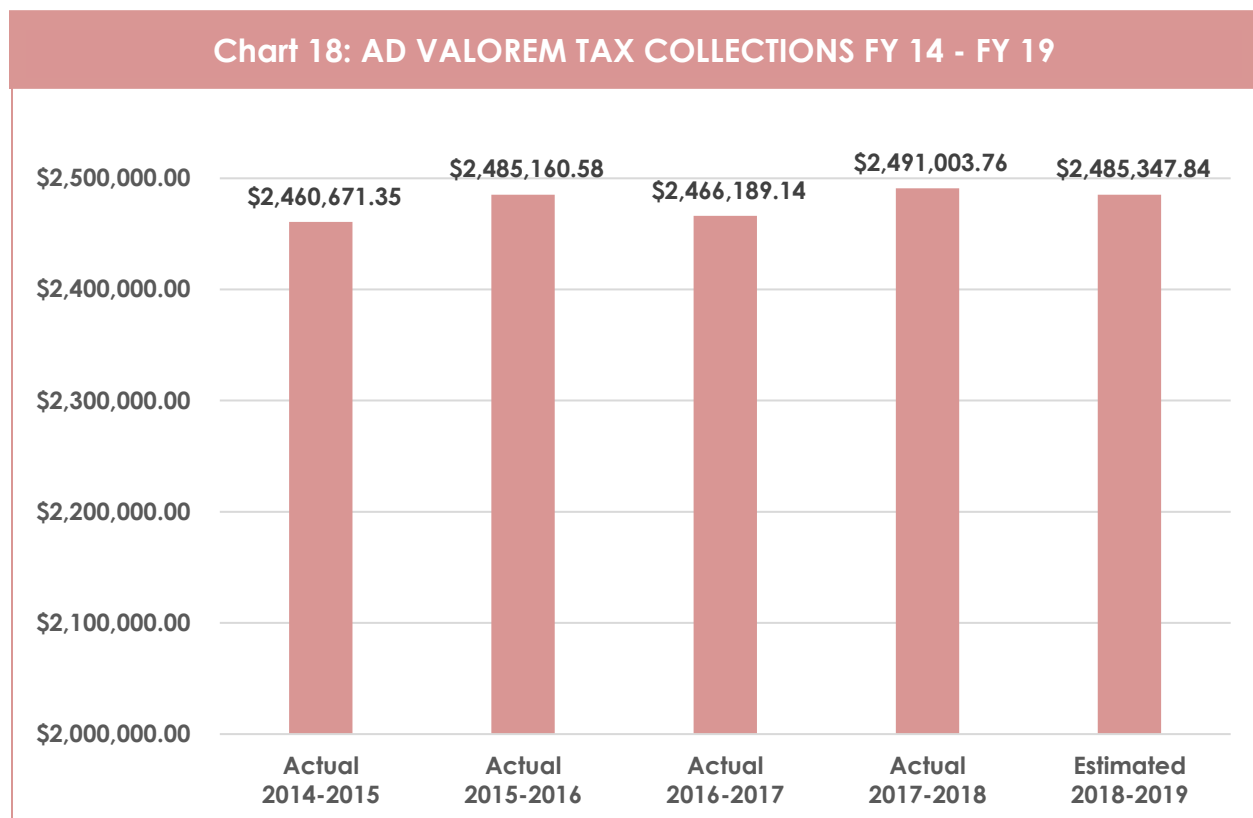
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## V. FISCAL YEAR 2019-2020 BUDGET IN-DEPTH

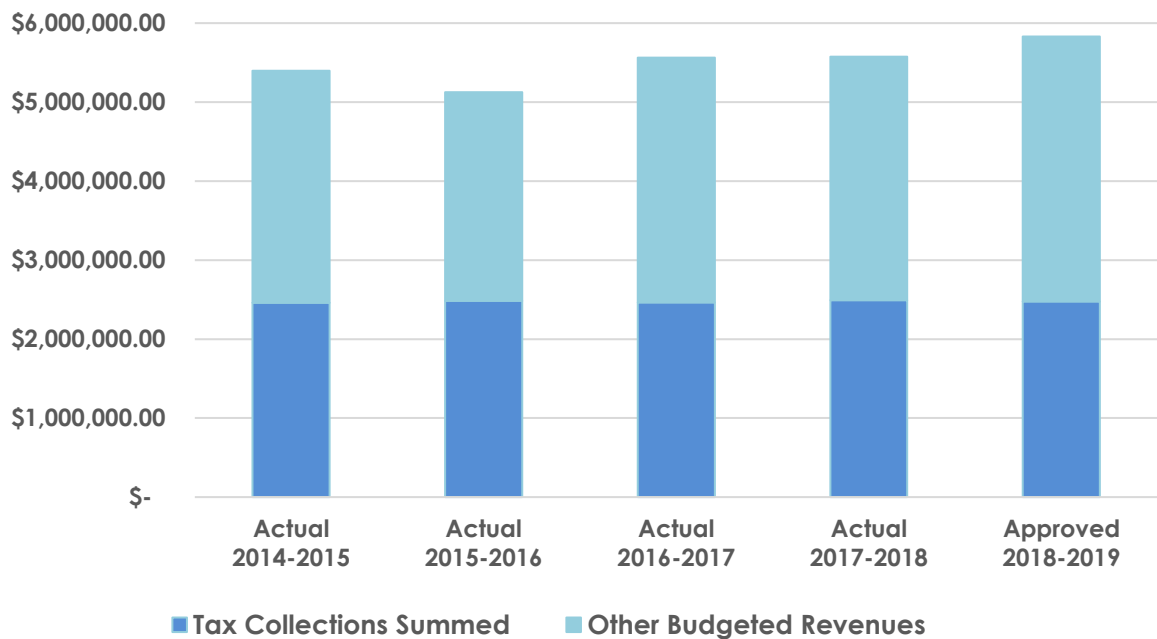
### A. OVERVIEW

The major goal of the administration for the FY 2019-2020 budget is to maintain services without increasing property tax rates. Although Ad Valorem property tax collections decreased slightly in FY 2016-2017, revenues have increased by an *average of approximately* \$10,110.80 annually since tax year 2014 and the property tax increase to \$0.63 per \$100 valuation in FY 2014-2015. When compared to previous years, this amount represents an *average* increase of *approximately* 0.41% of the total Ad Valorem over the past three fiscal years for the City of Randleman. Chart 18 depicts the summation of tax collections for the respective fiscal years; and, Chart 19 displays the amounts of Ad Valorem taxes collected compared to the other revenues collected in the General Fund for the respective fiscal years.



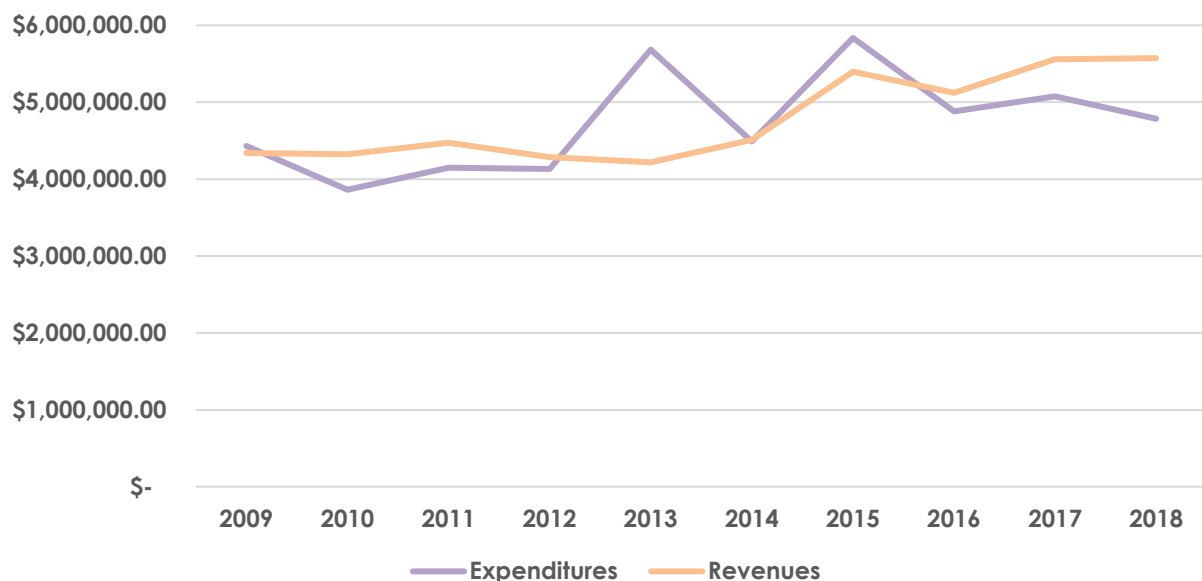


**Chart 19: Comparison of Property Tax Revenue to Overall General Fund**



The City of Randleman has not raised its Ad Valorem Tax Rate since tax year 2014. Chart 20 exhibits the General Fund's actual revenues and expenditures in linear form for comparison. The deficits that occurred in FY's 2009, 2013, and 2015 were due to numerous capital projects and large priced capital items that were completed and purchased in their respective years.

**Chart 20: Comparison of Actual Revenues to Expenditures – General Fund**





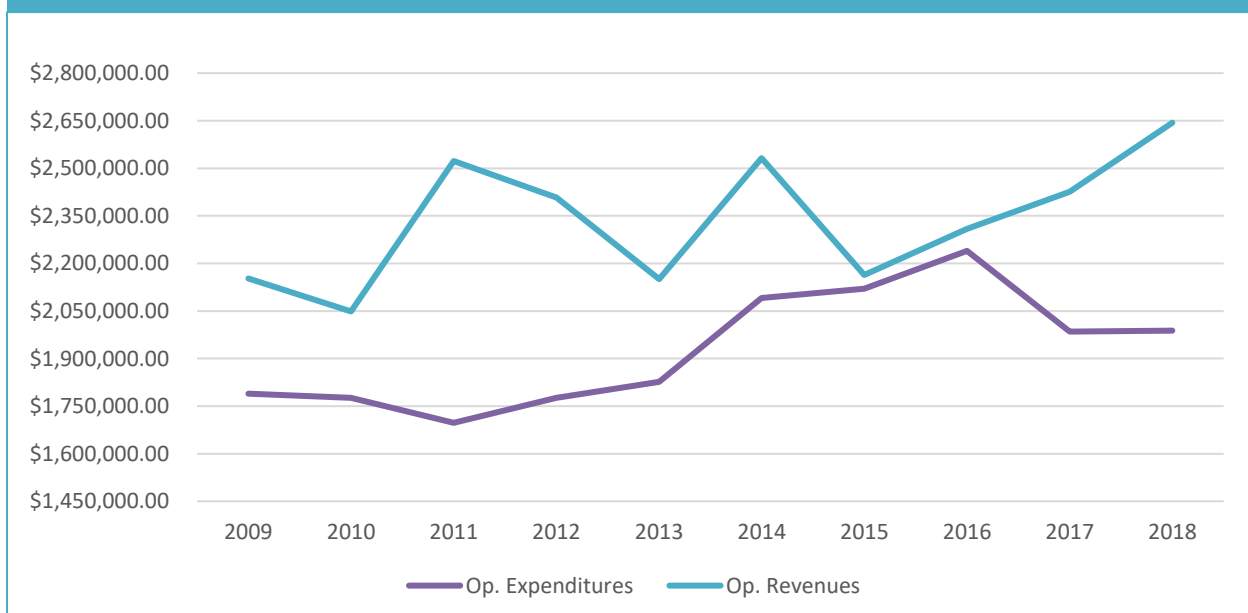


As for the City of Randleman's Water and Sewer Fund, prior to the Fiscal Year 2016-2017, residential water and sewer rates were unchanged since 2008. Subsequently, multiple increases in pricing from the City's major water supplier, Piedmont Triad Regional Water Authority (PTRWA), were not passed along to the City of Randleman's utility customers. With the current Fiscal Year's budget, the Board of Aldermen adjusted the City's utility rates to keep up with the increases witnessed in operational and capital expenditures. The rate adjustments have allowed the City to accomplish necessary system improvements and stay ahead of operational costs as shown in the chart below, "Chart 21: Water & Wastewater Fund – Operating Revenues vs. Operating Expenditures." FY 2017 was the first year in ten (10) years that the Water and Sewer Fund saw a decrease in operating costs. However, there were transfers to capital project funds and capital expenditures that do not reflect in the operating expenditures figures. If included, the expenditure amount would have been approximately the same as the previous year.

The City should consider continuing to raise utility rates in future years in order to ensure funds are available to:

- further improve, maintain and expand the City's infrastructure.
- handle the City's annual debt service payments related to the Water and Wastewater Fund.
- maintain and improve the City's service levels to its citizens and customers.
- build up capital reserves.

**Chart 21: Water & Wastewater Fund – Operating Revenues vs. Operating Expenditures**





## B. GENERAL FUND

### i. REVENUES

The Fiscal Year 2019-2020 General Fund Revenues are recommended to be budgeted at a total of \$5,811,600. Of the total revenues included with the recommended Fiscal Year 2019-2020 budget, *approximately 85.78%* of the General Fund's total revenue is comprised of only five different revenue sources. They are: Ad Valorem Taxes, Local Sales and Use Tax, Fire District Tax, State Utility Franchise Tax, and Sanitation Collection Fees. Chart 22 (below) gives a three-year history of these revenues and is followed by descriptions and summaries of the revenues, as well.

**TABLE 22: Three Year FY History/Estimated Revenues for Top 5 Revenue Sources**

|                                  | <b>FY 16-17<br/>ACTUAL</b> | <b>FY 17-18<br/>ACTUAL</b> | <b>FY 18-19<br/>APPROVED</b> | <b>FY 19-20<br/>RECOMMENDED</b> |
|----------------------------------|----------------------------|----------------------------|------------------------------|---------------------------------|
| <b>Ad Valorem Taxes</b>          | \$2,474,484.45             | \$2,494,283.15             | \$2,481,000.00               | \$2,639,000.00                  |
| <b>Local Sales &amp; Use Tax</b> | \$1,013,350.93             | \$969,071.32               | \$965,000.00                 | \$1,015,000.00                  |
| <b>State Franchise Tax</b>       | \$487,003.32               | \$484,476.33               | \$460,000.00                 | \$500,000.00                    |
| <b>Sanitation Charges</b>        | \$196,324.81               | \$236,052.06               | \$282,000.00                 | \$326,000.00                    |
| <b>Fire District Tax</b>         | \$461,611.82               | \$480,932.10               | \$470,000.00                 | \$505,000.00                    |
| <b>SUBTOTAL</b>                  | <b>\$4,632,775.33</b>      | <b>\$4,664,814.96</b>      | <b>\$4,658,000.00</b>        | <b>\$4,985,000.00</b>           |

#### a. Ad Valorem Taxes

An Ad Valorem Tax is a type of tax whose amount is based on the value of a transaction or property. For the City of Randleman, Ad Valorem taxes are associated with current year taxes, prior year taxes, and penalties and interest accrued. Tax Year 2019 is a revaluation year for the City of Randleman. North Carolina General Statute 159-11 (e) requires each taxing unit to publish a revenue-neutral property tax rate as part of its budget for the fiscal year following the revaluation of its real property. The purpose of the revenue neutral tax rate is to provide citizens with comparative information. N.C.G.S. 159- 11 (e) states that "in each year in which a general reappraisal of real property has been conducted, the budget officer shall include in the budget, for comparison purposes, a statement of the revenue-neutral property tax rate for the budget. The revenue-neutral property tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred. To calculate the revenue-neutral tax rate, the budget officer shall first determine a rate that would produce revenues equal to those produced for the current fiscal year and then increase the rate by a growth factor equal to the



average annual percentage increase in the tax base due to improvements since the last general reappraisal. This growth factor represents the expected percentage increase in the value of the tax base due to improvements during the next fiscal year. The budget officer shall further adjust the rate to account for any annexation, de-annexation, merger, or similar event."

Table 23 gives more detail on the City of Randleman's FY 2019-2020 Real and Personal Property Value Estimates. The Randolph County Tax Office has *estimated* that the City's Ad Valorem tax base for FY 2019-2020 will be *approximately* \$430,835,323, which is an approximate \$33,282,000 over Tax Year 2018's projected tax base.

| <b>TABLE 23: REAL AND PERSONAL PROPERTY VALUE ESTIMATES<sup>1</sup></b> |                   |
|---|-------------------|
| <b>RANDLEMAN CO6</b>  | PROJECTED 2019    |
| <b>DESCRIPTION</b>  | 4/29/2019         |
| <b>LAND VALUE</b>   | \$75,713,428.00   |
| <b>BUILDING VALUE</b>   | \$267,096,840.00  |
| <b>DEFERRED VALUE</b>   | \$(343,850.00)    |
| <b>EXCLUSIONS</b>   | \$(2,912,799.00)  |
| <b>EXEMPTIONS</b>   | \$(24,834,550.00) |
| <b>PERSONAL PROPERTY</b>  | \$1,768,541.00    |
|   | \$13,331.00       |
| <b>BUSINESS PROPERTY</b>  | \$79,180,325.00   |
| <b>RMV</b>  | \$30,450,329.00   |
| <b>PUBLIC UTILITIES</b>   | \$8,762,399.00    |
| <b>SECOND BILLING</b>   | \$941,329.00      |
| <b>(DISCOVERIES)</b>  |                   |
| <b>HISTORICAL/BUILDERS</b>  |                   |
| <b>APPEALS</b>  | \$(5,000,000.00)  |
| <b>*GAP</b>   |                   |
| <b>TOTAL</b>  | \$430,835,323.00  |

1 -

(Breakdown of Value per property type. Chart provided directly by Randolph County, April 29, 2019)

Based on a tax rate of \$0.63 per \$100 of property valuation in Tax Year 2018, the Revenue-Neutral Tax Rate for FY 2019-2020 would be approximately \$0.5813 per \$100 valuation. In applying a revenue neutral tax rate to be included in the budget ordinance adjusted for growth of 1.82% to the tax rate of \$0.5813, a revenue neutral tax would be \$0.5919. [Appendix H](#) illustrates the revenue neutral and growth factor calculations utilizing a formulated spreadsheet provided by the North Carolina Local Government Commission.



It is recommended that the City maintain the current tax rate of sixty-three cents (\$0.63) per one hundred dollars (\$100) of valuation for FY 2019-2020 due to increases in personnel expenses, as well as increases in capital improvement expenditures and capital outlay expenditures. This would equal \$2,714,262.51 in potential Ad Valorem tax revenue. It is *estimated* that *approximately* 96.7% of the total property tax value will be collected this fiscal year, which equates to \$2,624,691.85 (recommended budgeted amount for 2019 Ad Valorem Taxes of \$2,624,000) in gross collectable current year levy. The remainder of the recommended budgeted amount shown in Table 22 is made up of \$12,000 to account for prior year tax collections and \$3,000 in penalties and interest.

### **b. Local Sales and Use Taxes**

The City receives monthly payments from the State of North Carolina, who oversees the collection of local sales taxes from retailers and, in turn, redistributes the collections to counties and cities based on a formula approved by state legislators. The levied local sales and use tax is imposed solely by the Randolph County Board of County Commissioners by resolution. The tax is levied within the county as a whole and most, but not all, of the levied taxes are shared with cities within the county's borders. Recent calculations by the North Carolina League of Municipalities (NCLM) *estimate* that the FY 2019-2020 amount received will be *approximately* 4.5% higher than the current year and the current year's estimates have been projected to increase 5.1% over the previous fiscal year's amount. However, this revenue is extremely difficult to pinpoint due to the revenue's volatile nature in reference to consumer spending. Thus, it is hard to predict just how much consumers are going to spend at a given time. Using the projected increase in percentages, Current Year estimated figures for the City of Randleman would be projected at approximately \$1,018,500 and as such the estimated figure for FY 2019-2020 would be approximately \$1,065,000. It is recommended that the budgeted amount should be less than the estimated increase amount by the NCLM to account for this difficulty in accuracy of projection. The recommended amount for FY 2019-2020 is *approximately* \$50,000 less than the NCLM projection at \$1,015,000.

### **c. State Franchise Taxes**

A franchise tax is a government levy charged by some states to certain business organizations such as corporations and partnerships with a nexus in the state. The City of Randleman receives quarterly payments from the State of North Carolina for gross receipts of the utility franchise tax. The Utility Franchise Tax is a combination of different taxes levied by the State on the total gross receipts of all



businesses within the State that furnish certain types of utilities. These utilities include electricity, piped natural gas, telecommunications, and local video programming. The distribution formulas for each type of utility are described below.

Effective with the start of the 2015 Fiscal Year, the general sales tax rate is applied to the sale of Electricity. 44% of the total proceeds of state-wide tax collections will be returned to municipalities using FY 2013-2014 as a baseline. Each City receives a franchise tax share and an Ad Valorem share of these proceeds. The intent was that 44% would be sufficient to hold municipalities harmless from fluctuations from the amount they received during that particular fiscal year in utility franchise tax distributions. If 44% of the franchise tax on electricity is not sufficient to provide every municipality with at least the same distribution that they received during the current fiscal year, then every municipality's distribution of the tax will be reduced proportionally. If excess funds remain from the 44% of the franchise tax after every municipality has received the same distribution it receives during the current fiscal year, then the excess revenues will be distributed statewide on an ad valorem basis. For the upcoming Fiscal Year 2019-2020, the City of Randleman's share of this tax is expected to increase by 1.5% over estimated revenues for the current Fiscal Year 2018-2019.

Also, effective with the 2015 Fiscal Year was the change in how Piped Natural Gas Sales Tax (PNGST) is now distributed. Like the Electricity Sales Tax, the PNGST is made up of sales taxes collected on the application of the general sales tax rate applied to the sale of piped natural gas. 20% of the proceeds of that tax is appropriated to be distributed to municipalities. Each municipality receives an excise tax share and an Ad Valorem share of these proceeds. The excise tax share is equal to the distribution of this tax received in FY 2013-2014. If there are insufficient funds to provide each municipality with the same distributions that were received in FY 2013-2014, then statewide municipal distributions will be reduced proportionally. Likewise, if a surplus of this tax revenue is present after distributing all excise shares to all municipalities, the excess sales tax revenue will, again, be distributed based on an Ad Valorem basis. This tax is effected more than the others by weather and price. Current Fiscal Year reports indicated that distributions of the PNGST will decrease by 18.3% from the previous Fiscal Year 2017-2018 revenues. In the upcoming 2019-2020 Fiscal Year, this tax is expected to decrease by an additional 1.3%.

Legislation passed in 2001 set up a sales tax on Telecommunications that is now 8% of gross receipts on this service and repealed the utility franchise tax that was in place. The amount distributed amongst municipalities is 18.7% of the net



proceeds of the tax minus *approximately* \$2.62 million. The City of Randleman receives its share of this tax based on the last quarter of taxes that were received under the old utility franchise tax distribution method. Essentially, as revenues change for this tax, the percentage of the net proceeds that the distributions for municipalities is based on also changes. This allows for the municipal share of this revenue to remain neutral. The League of Municipalities expects for the Telecommunications revenues to decrease by 3.3% in the current Fiscal Year and decrease by an additional 3.9% in the upcoming 2019-2020 Fiscal Year.

The last portion of the redeveloped State Franchise Taxes is the Local Video Programming Revenues. Services taxed under this revenue type are video programming, telecommunications, and satellite television service. Split amongst municipalities are 23.6% of the sales tax collection on video programming, an additional 7.7% of telecommunications sales tax, and 37.1 % of sales tax collected on the sale of satellite television services. The proportionate share of this type of tax is based on the amount that the respective city received if it implemented a cable franchise tax prior to the start of Fiscal Year 2007. If not, then the amount to be received is \$2 multiplied by the most recent annual population estimate for the municipality. The League of Municipalities estimates that revenues of this type will decrease by 1.3% in the current Fiscal Year 2018-2019 and decrease an additional 0.1% in the 2019-2020 Fiscal Year.

Overall, it is estimated that State Franchise Tax revenue source will increase by approximately 3.1% in the upcoming Fiscal Year, which is equal to *approximately* \$15,000. The *estimated* revenue for the City of Randleman for the FY 2019-2020 budget is \$500,000.

#### **d. Sanitation Charges**

The City currently charges \$14 per month per garbage can to all customers who reside within the city limits for garbage pick-up. The \$14 per month fee was increased from the prior fiscal year charge of \$12 per month to accommodate for the possibility of creating a self-sustaining Sanitation Fund and an anticipated increase in the Landfill's Tipping Fees. The Board of Aldermen has shown a commitment to seeing the implementation of creating this new enterprise fund by voting to increase the garbage fee an additional \$2 per month in the 2019-2020 Fiscal Year. The reason increases are being implemented in gradual \$2 increments is for the benefit of the citizens of Randleman as to not overburden them financially with a large increase at once. The increase in the upcoming Fiscal Year 2019-2020 is equivalent to an overall annual revenue increase of \$40,800 based on the number of *approximately* 1,700 garbage cans that are



picked up weekly. The new rate of \$16 per can per month is the equivalent of roughly \$3.69 per week. The total amount recommended for budgeting (\$326,000) is under the total amount that is *estimated* to be collected (\$326,400) to allow for differentiations in *estimates*.

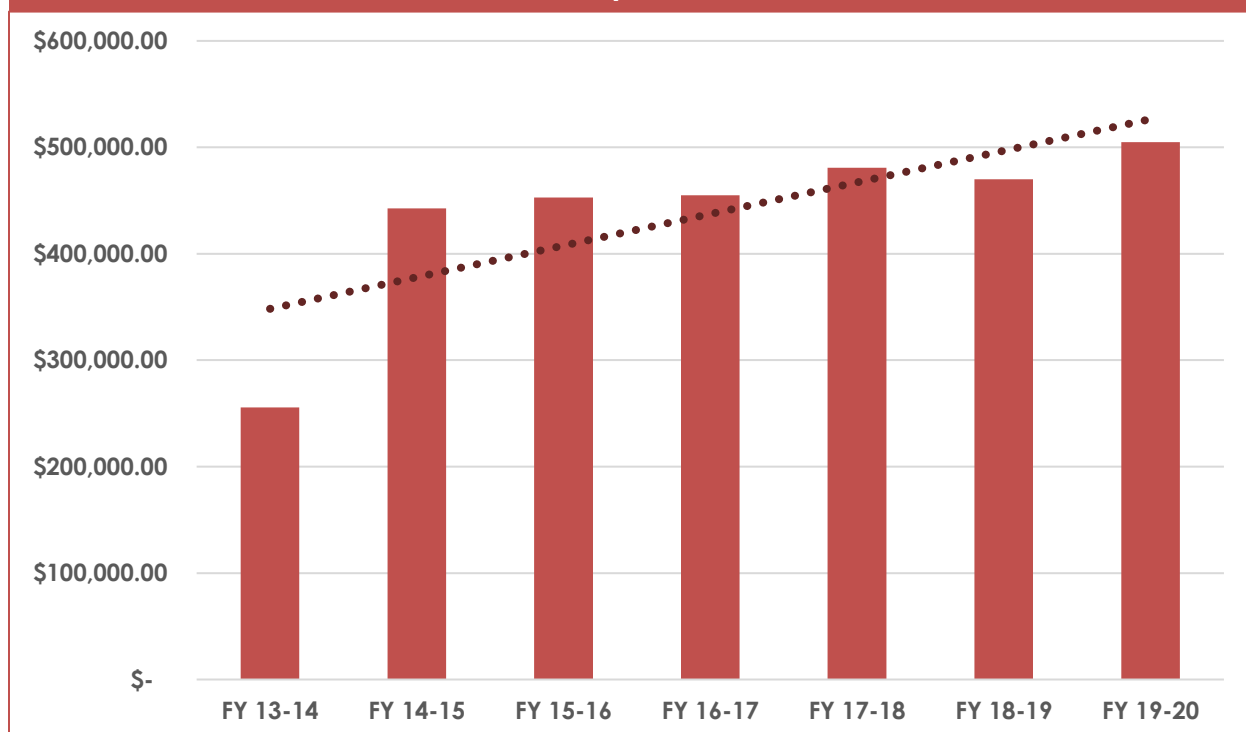
#### e. Fire District Taxes

The City of Randleman's Fire Department acquired the Sophia service district in FY 2014-2015. The Randolph County Board of County Commissioners levies a Fire District Tax on behalf of the Randleman Fire Department to cover expenditures associated with running fire calls in the Randleman-Sophia service district. Properties located in the district but outside of the City of Randleman are levied this tax. Table 24 shows the impact this acquisition had on the City's Fire District Taxes collections and Chart 25 shows the data in a visual format.

**Table 24: Randleman – Sophia Fire District Tax Revenue**

| ACTUAL<br>FY 13-14 | ACTUAL<br>FY 14-15 | ACTUAL<br>FY 15-16 | ACTUAL<br>FY 16-17 | ACTUAL<br>FY 17-18 | APPROVED<br>FY 18-19 | RECOMMENDED<br>FY 19-20 |
|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|-------------------------|
| \$255,536.60       | \$442,486.30       | \$452,753.96       | \$455,017.73       | \$480,932.10       | \$470,000.00         | \$505,000.00            |

**Chart 25: Randleman – Sophia Fire District Tax Revenue**





With Tax Year 2019 being a revaluation year, the Randleman-Sophia Fire District is expected to see an increase in property values. The Randolph County Tax Office has *estimated* that the District's Ad Valorem tax base for Fiscal Year 2019-2020 is *roughly* \$427,641,510 which is an *estimated* increase of 8.03% over the previous year's values. There is no change in the requested tax rate for FY 2019-2020 from the current year's rate of \$0.12 per \$100 of property valuation. This, in turn, equals \$513,169.81 for total possible collections. It is recommended that the total amount budgeted for the FY 2019-2020 is \$505,000, which equals a collection rate of *approximately* 98.41%.





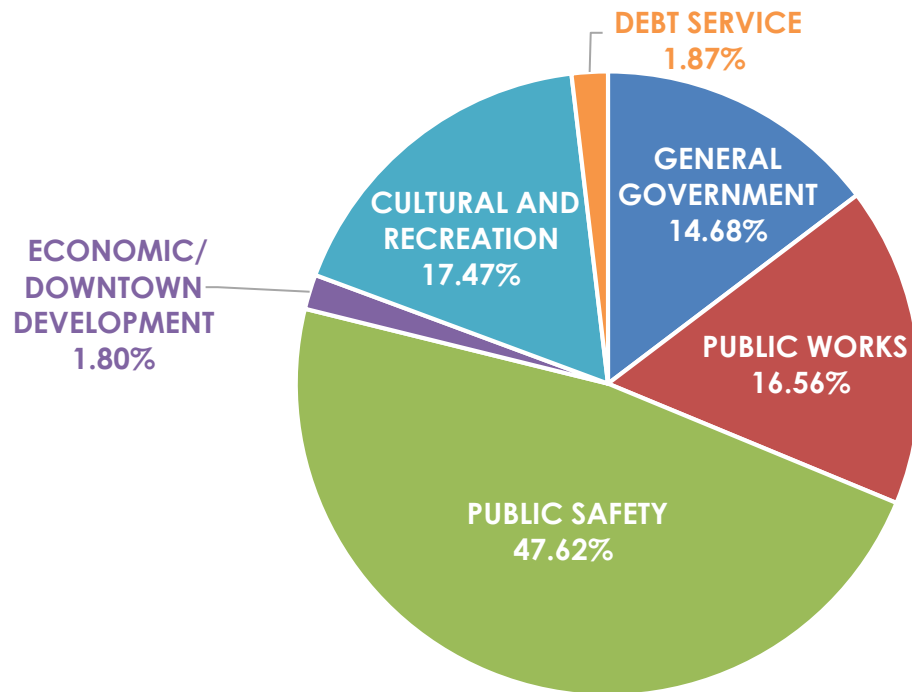
## ii. EXPENDITURES

The Expenditure section is a brief narrative of individual departments' expenditures that staff felt needed to be discussed in this report. A summarization by department of the expenditures found within the General Fund's budget, as presented in the proposed budget ordinance ([Appendix A](#)), is shown in Table 26. Chart 27 reflects these expenditures visually in the form of a pie chart by function.

| TABLE 26: FY 2019-2020 REQUESTED BUDGET<br>GENERAL FUND EXPENDITURES BY DEPARTMENT |                             |
|--|-----------------------------|
| DEPARTMENT   | RECOMMENDED<br>FY 2019-2020 |
| BOARD OF ALDERMEN  | \$ 33,000.00                |
| ADMINISTRATION   | \$ 682,500.00               |
| DEBT SERVICE/CAPITAL   | \$ 108,800.00               |
| POLICE   | \$ 1,280,800.00             |
| FIRE   | \$ 1,486,400.00             |
| FIRE – SAFER GRANT   | \$ 0.00                     |
| FLEET MAINTENANCE  | \$ 170,100.00               |
| STREETS  | \$ 474,000.00               |
| SANITATION   | \$ 318,100.00               |
| ECONOMIC DEVELOPMENT   | \$ 104,600.00               |
| PLANNING   | \$ 137,900.00               |
| LIBRARY  | \$ 338,700.00               |
| PARKS AND REC.   | \$ 676,700.00               |
| <b>TOTAL FOR GENERAL FUND</b>  | <b>\$ 5,811,600</b>         |



**Chart 27: FY 19-20 General Fund Expenditures by Function  
as a Percentage of Overall Expenditures**



**a. Board of Aldermen**

Expenditures for the Board of Aldermen are proposed to remain the same as compared to the current fiscal year amounts. The recommended total for this department is \$33,000.

**b. Administration**

The Administration department is anticipated to decrease by approximately 13.04% (\$102,300) of the current Fiscal Year 2018-2019's departmental expenditures. The largest overall decreases of expenditures are associated with one-time capital outlay expenditures and contracted services expenses. Additional decreases are recommended in personnel costs line items due to the retirement of an employee in the previous Fiscal Year. Minor increases in operating expense accounts such as Insurance and Bonds (to account for possible small increases in property and workman's compensation insurance carrier rates), Election Expenses (due to 2019 being an election year), and Employee Training (due to training opportunities for new employees) are



included, as well. The line item entitled “Community Outreach” has allowed the City to provide community-oriented events, literature, and outreach supplies to better connect to our citizens. The largest line item in the Administration Budget is the “Insurance and Bonds” expenditure at a recommended amount of \$160,000. This line item includes the amount of money needed to pay for the City's property, liability, and workman's compensation insurance and any potential deductibles that may arise throughout the fiscal year. The recommended amount will account for *approximately* 23.44% of the upcoming fiscal year's total department operating budget. City Hall will also need to begin to research implementation of new software programs for accounting, as well as new Microsoft Office 365 licenses in the near future to work more efficiently, as such an increase in software subscription of \$1,000 is recommended. Capital Outlay expenditures are recommended at \$40,000 to allow for the purchasing of new commercial Christmas Lights for an estimated \$35,000, as well as an additional \$5,000 to replace hardware at City Hall, as needed.

### **c. Police**

The FY 2019-2020 budget for the Police Department is presented at \$1,280,800. In comparison to the year-to-date amended current fiscal year budget, this is an overall decrease of \$42,100. This is mainly due to a decrease in one-time Capital Outlay expenditures in the amount of \$53,000 and decreases in the insurance line item for \$8,000. Other personnel related expenses for the Police Department are recommended to increase as a whole for \$26,500. These expenditures include increases in the Salaries line item due to step raises for employees and an increase in the State Retirement line item due to an increase in required retirement system contributions from the State of North Carolina. The Board of Aldermen has taken a strong interest in combating illegal narcotics within the City of Randleman. To better aid with this goal, it is recommended to increase the Vice and Narcotics line item by \$4,000. Another notable increase within the department is an \$8,000 increase in the Gas and Fuel line item. This is due to a projected increase in gas prices in the upcoming fiscal year. There is a recommended \$12,000 decrease in the Police Department's Fundraising account and a \$7,700 decrease in the Equitable Sharing Expenditures account. The Fundraising line item is only budgeted for as expenses arise and is paid with funding from outside contributors and donations. The expenses exhibited in the Equitable Sharing account in FY 2018-2019 were for the one-time purchase of a replacement air conditioning unit for the Police Department. The funding of this line item is provided by outside sources. Other than personnel expenses, the largest expenditure line item is that of “Capital Outlay”, which is recommended at \$84,000. This line item will allow for



the continued practice of purchasing two new police vehicles each fiscal year. Another line item that should be mentioned is that of "Computer Records/Reports", which is recommended to be budgeted at \$29,000. This line item allows for the associated cost of maintaining the recorded files and videos taken from the police officer's body cameras that were purchased in Fiscal Year 2016, as well as other necessary record retention costs. The Equipment line item is recommended to be budgeted at the same amount as the Current Fiscal Year budget appropriation of \$24,000 to allow the department to purchase ammunition, leather gear for officers, and replacement of miscellaneous worn equipment. As recommended, the Police Department's FY 2019-2020 Budget accounts for approximately 22.04% of the total General Fund's Budget.

#### **d. Fire/SAFER Grant**

The Fire Department's budget is requested to be budgeted at \$1,486,400, which is an overall increase of \$41,900 from the Current Fiscal Year department budget amount of \$1,444,500. The total budgeted amount is a very significant amount because the Fire Department's Recommended Budget comprises approximately 25.58% of the overall Fiscal Year 2019-2020 General Fund Budget. In FY 2016-2017, the two department budgets for the Sophia Fire Station and the Randleman Fire Station were consolidated to allow for an easier method of accounting for expenses associated with the Fire Department. The combined Fire Department budget allows the City to fund 21 Full-Time Positions and enough Part-Time Employees that are equivalent to *approximately* two and a half Full-Time Equivalents without the associated personnel costs attached to full-time positions.

For the FY 2016-2017, the Fire Department's budget was faced with the major underlying issue of the expiration of the FEMA staffing grant that funded six firefighter positions and benefits from April 2014 until April 2016. The FEMA grant was valued at *approximately* \$272,000 for the FY 2014-2015 and *roughly* \$209,000 for the FY 2015-2016. The reason for the differences between the two fiscal years' amounts is due to the number of months funded by the grant in each year (12 months and 9 months, respectively), as well as the difference in employee pay and benefits between the two fiscal years. The City committed to fund the 6 positions from April 1, 2016 through the end of the Fiscal Year 2015-2016 at a cost of *approximately* \$70,000. For the FY 2016-2017 budget, the funding of the same six positions was valued at *approximately* \$280,900. However, the Fire Department had multiple positions turnover during the previous fiscal year and the City was able to fund four of the original six positions previously funded by the FEMA grant at an *estimated* cost of \$188,600. Doing so, reduced the number of



positions in the department from the previous total of 21 to 19 for the Fiscal Year 2016-2017. At the beginning of the Fiscal Year 2016-2017, the Fire Department was awarded another FEMA SAFER grant to fund the two other positions to return the total number of positions to 21. The expenditures associated with these two positions were accounted for in the SAFER Grant Department's Fiscal Year 2018-2019 Budget. The SAFER Grant expired at the end of October of 2018 and as such, to retain the two positions, they were funded by the City. It is recommended that the expenses used to account for the two positions in the SAFER Grant Department be consolidated into the main Fire Department's personnel expenditures line items. In doing so, the Fire Department will have an increase in personnel expenditures of approximately \$105,000 related to condensing the department. The remaining amount of increases for personnel are associated with the other 19 positions that were already accounted for within the department.

Another major change from the Current Fiscal Year 2018-2019 budget to the Recommended Fiscal Year 2019-2020 budget is that there is a request for Capital Outlay items, whereas there were none appropriated in the current year. \$7,000 is recommended to be budgeted for the acquisition of a new HVAC system for the Fire Department to replace a 13-year-old unit that continues to need maintenance and repair. There is also a request for an increased amount of funding for the Gas and Fuel line item for \$3,000 to account for projected increases in gas prices in the upcoming year.

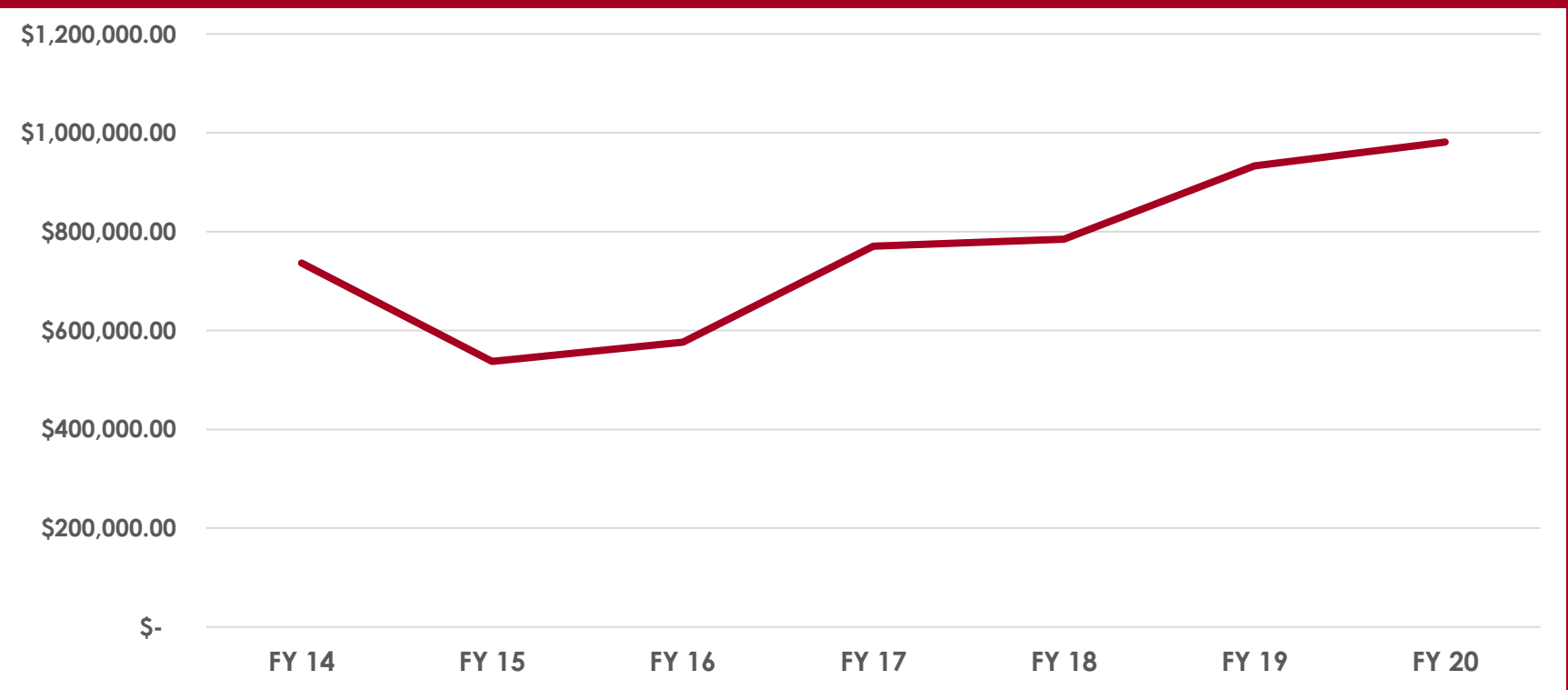
From an overall view, taking into consideration that part of the Fire Department's budget will be funded through revenue from the Fire District Tax, the amount of money needed to fund the total requested budget for the FY 2019-2020 on the City's behalf is *estimated* to be \$981,400. Table 28 depicts the revenue sources of the Fire Department since FY 2013-2014 through the recommended budget of FY 2019-2020 when compared to the department's expenditures and shows the total annual amounts of funds provided by the City to fund the department. Chart 29 visualizes the City's portion of funds required since FY 2013-2014.



**Table 28: Fire Dept. Expenditures and Associated Revenue Sources**

|                             | ACTUAL<br>FY 2013-2014 | ACTUAL<br>FY 2014-2015 | ACTUAL<br>FY 2015-2016 | ACTUAL<br>FY 2016-2017 | ACTUAL<br>FY 2017-2018 | APPROVED<br>FY 2018-2019 | RECOMM.<br>FY 2019-2020 |
|-----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------------|-------------------------|
| RANDLEMAN OP. EXP.          | \$ 979,769.59          | \$ 993,643.91          | \$ 944,884.22          | \$ 1,287,819.36        | \$ 1,264,506.19        | \$ 1,341,900.00          | \$ 1,486,400.00         |
| SOPHIA OP. EXP.             | \$ 79,405.54           | \$ 301,227.79          | \$ 309,106.05          | \$ 55,423.99           | \$ 92,547.36           | \$ 102,600.00            | \$ 0.00                 |
| - County Contributions      | \$ 255,536.60          | \$ 442,486.30          | \$ 452,753.96          | \$ 461,611.82          | \$ 480,932.10          | \$ 470,000.00            | \$ 505,000.00           |
| - Grants/Other Rev. Sources | \$ 66,983.94           | \$ 314,957.13          | \$ 224,727.16          | \$ 111,233.95          | \$ 91,471.73           | \$ 41,300.00             | \$ 0.00                 |
| <b>City Contributions</b>   | <b>\$ 736,654.59</b>   | <b>\$ 537,428.27</b>   | <b>\$ 576,509.15</b>   | <b>\$ 770,397.58</b>   | <b>\$ 784,649.72</b>   | <b>\$ 933,200.00</b>     | <b>\$ 981,400.00</b>    |

**Chart 29: City Funding Amounts for Fire Department**





## **e. Public Works**

The Public Works Department budget is divided into sub-department budgets split between the General Fund and the Water and Sewer Fund. This section will detail the Fleet Maintenance, Street and Sanitation portions of the General Fund budget.

### **1. Fleet Maintenance**

The Fleet Maintenance division is responsible for the upkeep and maintenance of all city vehicles and machinery. There is currently one employee (Mechanic II) who oversees the preservation of a variety of automobiles, construction equipment, and more under the supervision of the Public Works Director. In the FY 2019-2020 Budget, the Board has requested that an additional position (Mechanic I) be added to the Fleet Maintenance Department to alleviate the workload of the Mechanic II position. This new position, in addition to personnel costs for the Mechanic II position, will create an increase in the department's budget of approximately \$54,000 for personnel expenditures. It is also recommended that an appropriation of \$13,000 for two new HVAC units for the Public Works Garage be included in the Capital Outlay line item. Also, an increase in the Gas and Fuel line item of \$3,000 is included, as well. The total Fleet Maintenance Department's FY 2019-2020 Budget is recommended at \$170,100, or an approximate \$70,700 more than the current fiscal year.

### **2. Street**

The City's Street division of the Public Works Department is responsible for maintaining the City's existing streets, sidewalks and infrastructure related to the streets and sidewalks. In addition, the development of new infrastructure associated with the streets and sidewalks and other duties throughout the City fall upon this division. The recommended division budget for the upcoming FY 2019-2020 budget is totaled at \$474,000, representing an increase of \$46,500 from the Current Fiscal Year 2018-2019 budget. However, much of this increase is associated with three considerable budget appropriations within the division. First, a \$23,000 addition to the "Chargeable Powell Bill" line item that increases this line item to \$180,000 from the current fiscal year's amount of \$157,000. Second, a \$15,000 increase to the Capital Outlay expenditure line item to increase the budgeted amount to \$32,000. This appropriation will be used to fund the purchase of a new pick-up truck and tilt trailer. Last, an appropriation of \$15,000 is recommended to be included in the FY 2019-2020 Budget to account for the addition of a part-time employee. This employee would aid the Street crew in street and grounds maintenance and general upkeep of the City. The City's annual Powell Bill revenue allotment is recommended to be budgeted at



\$120,000. This means that \$60,000 of the remaining balance of the expenditures will have to be taken out of Powell Bill Fund Balance. It should be noted that this line item makes up 37.98% of the division's overall budget. With this recommended appropriation, the City plans to resurface Daniels Street, Reece Avenue, Reece Court, Mill Street and Back Street. Powell Bill will be discussed in further detail in the Fund Balance section of this budget message. Another item of significance is the "Street Light" line item. This line item is for expenditures associated with all street lighting throughout the City. It is recommended that this line item be budgeted at \$105,000, which is \$15,000 lower than the Current Fiscal Year 2018-2019 budget to account for a projected decrease in costs for the City's lights in Commerce Square Park.

### 3. Sanitation

The Sanitation division of the Public Works Department is responsible for the collection of the City of Randleman's citizens' garbage, as well as bulk and brush pick-ups that citizens request. The recommended division budget for the upcoming FY 2019-2020 is \$318,100. As mentioned previously, the City of Randleman's Board of Aldermen have exhibited interest in making the Sanitation Division a standalone enterprise fund in the near future. Doing so, would require the Sanitation Division to be self-sustaining in order to reduce the amount of monies needed to subsidize the cost for the Division. Thus, further justifying the need for the upcoming increase to the sanitation fee of \$16 per month, as discussed earlier in this document. Chart 30 depicts the Sanitation division's expenditures and revenue sources since FY 2015-2016 through the requested budget of FY 2019-2020.

**Chart 30: Sanitation Division's Expenditures and Revenues Sources**

|                         | <b>ACTUAL<br/>FY 15-16</b> | <b>ACTUAL<br/>FY 16-17</b> | <b>ACTUAL<br/>FY 17-18</b> | <b>APPROVED<br/>FY 18-19</b> | <b>RECOMM.<br/>FY 19-20</b> |
|-------------------------|----------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|
| SANITATION EXPENDITURES | \$ 217,497.41              | \$ 272,504.65              | \$ 254,121.18              | \$ 305,600.00                | \$ 318,100.00               |
| - Tipping Fees          | \$(154,857.58)             | \$(196,324.81)             | \$(236,052.06)             | \$(282,000.00)               | \$(336,000.00)              |
| <b>City Subsidies</b>   | <b>\$ 62,639.83</b>        | <b>\$ 76,179.84</b>        | <b>\$ 18,069.12</b>        | <b>\$ 23,600.00</b>          | <b>\$ (17,900.00)</b>       |

### f. Economic and Downtown Development

The Economic and Downtown Development portion of the General Fund Budget contains expenditure line items that are believed to aid the City's plans for economic, downtown and community development. The recommended budget for this department of \$104,600 for Fiscal Year 2019-2020 is a \$28,700





increase from the Current Fiscal Year 2018-2019 budget. The Board of Aldermen has taken an objective view that funding outside organizations with taxpayer dollars must produce a positive return for citizens. As such, outside organizations' requests have been analyzed and there is a recommended \$8,700 increase in funding for this department from the Current FY's budget for outside organizations. The following appropriations are recommended for their respective organizations: \$5,000 for the Randleman Chamber of Commerce, \$5,000 for the Family Crisis Center, \$5,000 for North Randolph Historical Society, and \$21,600 for the Randolph County Senior Adults Association. The Board of Aldermen has also shown interest in maintaining current City buildings and infrastructure and keeping the City's common areas clean. As such, an additional \$10,000 each is recommended to be allocated to the City Buildings Maintenance and Repair line item and the Beautification line item.

#### **g. Planning**

The Planning Department's recommended budget for the FY 2019-2020 is \$137,900. This is a \$44,900 increase from the Current Fiscal Year budget of \$93,000. This increase can mainly be attributed to an allocation of \$40,000 for the completion of a twenty-year Land Use Plan, which is a guide for future zoning and development decisions within the City and extraterritorial jurisdiction. Land Use Plans are required by North Carolina General Statutes and the City's last Land Use Plan was adopted in 2002. The remainder of the increase is due to increased personnel costs and minimal increases in various operating costs such as Stormwater Partnership Fees (\$800), Department Supplies (\$400), Contracted Services (\$2,500), and Personnel Expenses (\$3,000). Offsetting these increases are small decreases in the Telephone Expense line item (\$900), Automotive Supplies (\$500), and Group Insurance (\$400).

#### **h. Library**

The recommended budget for the upcoming fiscal year for the Randleman Public Library of \$338,700 is an increase of \$49,400 from the Current Fiscal Year Budget of \$289,300. Most of this increase is associated with a recommended Capital Outlay appropriation of \$43,000. This appropriation would allow for the purchase of a replacement Heat Pump for the Library, a replacement iPad Station and iPads, Interactive Floor Technology, and the re-pavement of the Library's Parking Lot. A total increase of \$7,200 is attributed to Personnel Costs. Patrons have requested that the Randleman Public Library offer more programming options. To cater to this request, it is recommended that the Programs line item expenditure be increased by \$3,200. Other line item increases include \$1,000 for



Utilities, \$1,500 for Maintenance and Repair of Equipment, and \$1,000 for Department Supplies. Decreases in expenditures associated with nonrecurring revenues such as Grant Expenditures, Fundraising Expenditures, and Memorials and Donations will allow for the compensation of a \$7,500 decrease in the department. In FY 2018-2019, the Board of Aldermen recognized a need to increase the number of hours the library is open each week and the funding of increasing the hours of a part-time position was increased to help cover these extended hours. With the increase in personnel expenditures, the Library is now able to operate 9 additional hours each week as compared to FY 2017-2018. The Recommended Fiscal Year 2019-2020 Budget would allow Library staff to increase current service levels, as well as provide enhanced support to continue programs that are hosted for the benefit of the citizens of Randleman and surrounding areas.

#### ***i. Parks and Recreation***

The Recommended Fiscal Year 2019-2020 Parks and Recreation department budget is \$676,700. This is an overall increase of \$35,300 from the Current 2018-2019 Fiscal Year Budget. It should be noted, however, that this amount is a bit ambiguous because it includes the presence of the \$30,000 for the Festival Contingency line item and \$20,000 for the Festival Expenditures line item which are funded with sponsorships and outside contributions. With these items taken into consideration, the department is actually recognizing a decrease of approximately \$15,000. The decrease can primarily be accredited to the reduction in debt service obligations for the department offset by an increase in Capital Outlay expenditures. In FY 18-19, there were three (3) payments that totaled approximately \$46,600 with interest remaining on the Community Center Loan. The original annual appropriation to cover the debt service obligation was approximately \$185,000 plus interest each year. The Board has shown interest in continuing to keep a relative amount of funding budgeted for this debt service obligation in the department to go toward other capital expenditures. It is recommended that an appropriation for \$215,000 be allocated to Capital Outlay expenditures to fund the purchase of items such as equipment for a new youth Lacrosse League, new Baseball Dugouts, new aerobic and weight equipment at the Community Center, new Baseball Field Fencing and Resurfacing, and the repavement of the Community Center's parking lot. Other notable changes in line items include increases in overall personnel expenditures, a decrease in planned Non-capital Expenditures, and an increase in Department Supplies. The increase in personnel expenditures is attributed to budgeted step raises and the increase in retirement contributions to the State's retirement system. The decrease in Non-



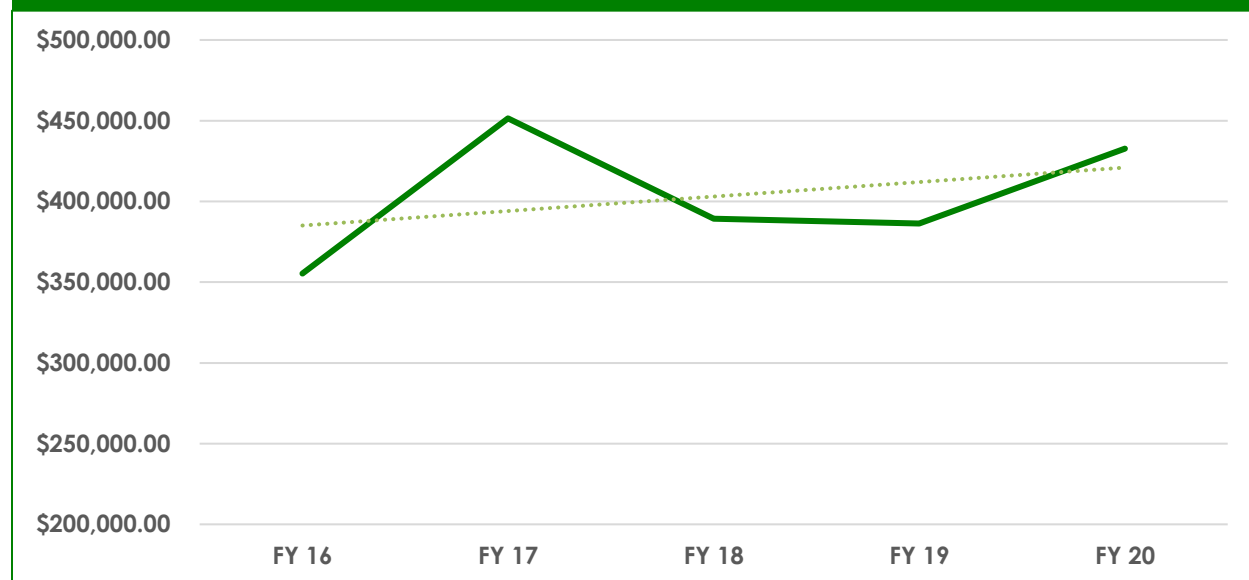
Capital Expenditures and increase in Department Supplies are essentially reallocation for funds that were transferred to other line items within the department in the current fiscal year.

Taking into consideration the estimated revenues that are anticipated to be received by the City from the Parks and Recreation Department's activities, the City's actual cost of the Parks and Recreation Department for the Recommended Fiscal Year 2019-2020 Budget is *approximately* \$432,700, as shown in Table 31 below. Chart 32 shows the City's portion of contributions to the Parks and Recreation Department in the form of a line graph.

**Table 31: Parks and Recreation Expenditures vs. Revenues for FY 16 through FY 20**

|                                | ACTUAL<br>FY 15-16  | ACTUAL<br>FY 16-17  | ACTUAL<br>FY 17-18  | APPROVED<br>FY 18-19 | RECOMM.<br>FY 19-20 |
|--------------------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| <b>Recreation Expenditures</b> | \$619,189.88        | \$679,842.36        | \$615,970.59        | \$641,400.00         | \$676,700.00        |
| <b>- Recreation Revenues</b>   | \$(263,859.56)      | \$(228,410.31)      | \$(226,719.03)      | \$(255,000.00)       | \$(244,000.00)      |
| <b>City's Contribution</b>     | <b>\$355,330.32</b> | <b>\$451,432.05</b> | <b>\$389,251.56</b> | <b>\$386,400.00</b>  | <b>\$432,700.00</b> |

**Chart 32: City's Contributions to Parks and Recreations Department FY 16 – FY 20**



#### **j. Debt Service**

North Carolina General Statute 159-55 limits local government debt to a maximum of eight (8) percent of the unit's taxable assessed valuation, which for the City of Randleman in Tax Year 2019, is projected to be \$34,466,826 (total property valuation is *estimated* at \$430,835,323). The City of Randleman's present



total debt service for all funds is *approximately* a minimal 9.17% of this limit. Currently, within the General Fund, the City has one outstanding debt service obligation. For the purpose of simplification, the loan is exhibited with the payment total amounts for both interest and principal by year. That is, if there is more than one payment made each year, the total for each fiscal year of those payments is shown, rather than each individual payment's amount.

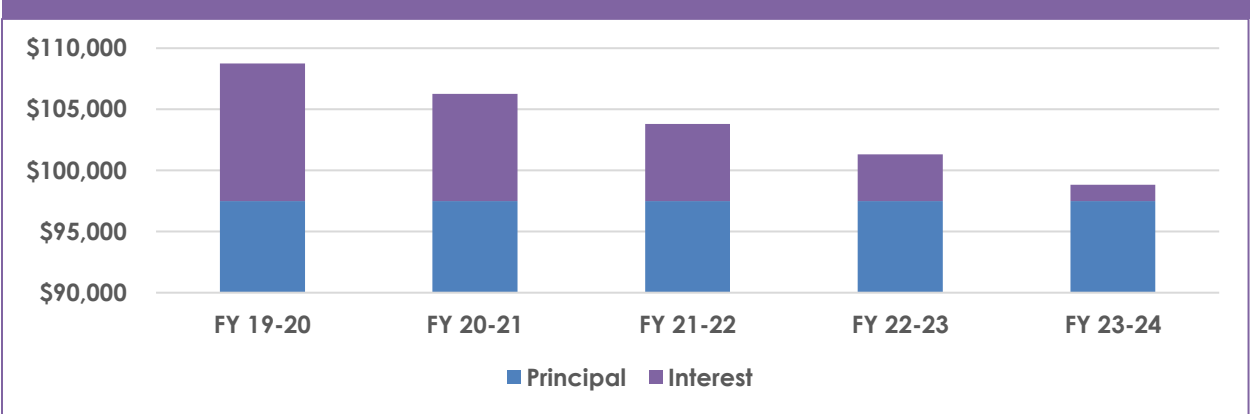
### 1. Municipal Bldg., Library, Recreation and Comm. Dev. – Installment Financing

In 2014, the City entered into financing agreement to finance several capital projects including the Downtown Improvements, Library Renovation, and more. The total principal amount of the ten-year loan was for \$975,000. The financing agreement requires monthly principal payments of \$8,125 with a 2.54% interest rate. The total amount recommended for budgeting purposes in the FY 2019-2020 is \$108,800, including the principal (BB&T – Principal [2025]) at \$97,500 and interest payments (BB&T PHASE II -INTEREST) of *approximately* \$11,300 for the entire fiscal year. The annual debt service requirements for this loan and remaining summarized amortization schedule are shown in Table 33. A visualization of the principal and interest requirements for the loan are shown in Chart 34.

Table 33: Debt Serv. Obligations for: Muni.l Bldg., Library, Rec. and Comm. Dev. – Instal. Fin.

| Fiscal Year      | Principal      | Interest      | Total          | Balance  |
|------------------|----------------|---------------|----------------|----------|
| 2019-2020        | 97,500         | 11,247        | 108,747        | 390,000  |
| 2020-2021        | 97,500         | 8,771         | 106,271        | 292,500  |
| 2021-2022        | 97,500         | 6,294         | 103,794        | 195,000  |
| 2022-2023        | 97,500         | 3,818         | 101,318        | 97,500   |
| <u>2023-2024</u> | <u>97,500</u>  | <u>1,341</u>  | <u>98,841</u>  | <u>0</u> |
| <b>TOTALS</b>    | <b>487,500</b> | <b>31,471</b> | <b>518,971</b> |          |

Chart 34: Municipal Bldg., Library, Rec. and Community. Dev. – Installment Financing





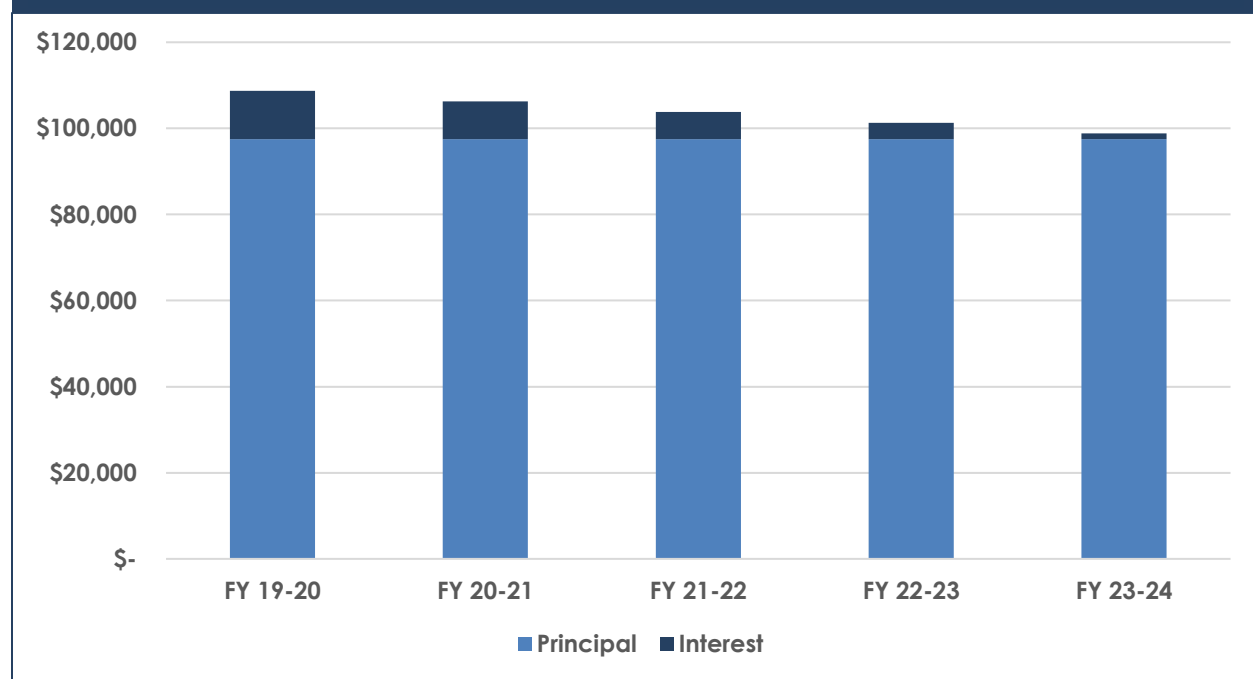
## 2. Debt Service Summary

Table 35 is a summarization of the General Fund's annual debt service requirements and remaining summarized amortization schedule. Chart 36 is a visual representation of this data. The purpose of including this is to display the City of Randleman's General Fund debt service obligations over the lifetimes of the loans and how the associated fiscal years will be effected. Since there is only currently one loan in the General Fund these are essentially the same as Table 33 and Chart 34.

**Table 35: Summary of Current Annual Debt Service Requirements for the City of Randleman's General Fund**

| Fiscal Year   | Principal      | Interest      | Total          | Balance  |
|---------------|----------------|---------------|----------------|----------|
| 2019-2020     | 97,500         | 11,247        | 108,747        | 390,000  |
| 2020-2021     | 97,500         | 8,771         | 106,271        | 292,500  |
| 2021-2022     | 97,500         | 6,294         | 103,794        | 195,000  |
| 2022-2023     | 97,500         | 3,818         | 101,318        | 97,500   |
| 2023-2024     | <u>97,500</u>  | <u>1,341</u>  | <u>98,841</u>  | <u>0</u> |
| <b>TOTALS</b> | <b>487,500</b> | <b>31,471</b> | <b>518,971</b> |          |

**Chart 36: Annual Summary of Current Debt Service Requirements for General Fund**





### iii. GENERAL FUND BALANCE

#### a. *Types of Fund Balances*

Before the General Fund Balance Appropriated amount for the FY 2019-2020 is discussed, it may be helpful to define what General Fund Balance is and what it comprises. Government entities report the difference between their assets and liabilities as "Fund Balance." However, even though this total difference between assets and liabilities is classified as Fund Balance, the total Fund Balance is a conglomerate of different types of Fund Balances. There are three major types of Fund Balances and they are as follows: Reserved or "Non-spendable", Restricted, and Unreserved. Reserved Fund Balance isolates the portion of fund balances that is not available for appropriation in the next budget cycle, such as the principle amount of trust funds that the entity may control. Restricted Fund Balance is the portion of fund balance that has limitations associated with the appropriations that it may be used for such as Powell Bill funds (discussed in the next section) and the amount required to be held for stabilization by state statute (§ 159-8(a)) as described within the North Carolina Local Government Budget and Fiscal Control Act. The final piece of the Fund Balance puzzle is that pertaining to Unreserved Fund Balance. This is the amount of Fund Balance that is neither Restricted nor Reserved and can be classified into one of two categories: Assigned Fund Balance and Unassigned Fund Balance. Assigned Fund Balance represents the portion of fund balance that has been appropriated for an intended purpose such as a capital project or in the subsequent fiscal year's budget. Unassigned Fund Balance is the portion of fund balance that is fully available to the entity for appropriation.

Table 37 shows the actual, approved and budgeted beginning and ending fund balances for fiscal years 2017-2018, 2018-2019, and 2019-2020, respectfully. Table 38 depicts the amount of Fund Balance on June 30, 2018 broken down by the above described classifications.



| Table 37: Beginning and Ending General Fund Balance Amounts |                    |                     |                     |
|---|--------------------|---------------------|---------------------|
|   | FY 2017<br>ACTUAL  | FY 2018<br>APPROVED | FY 2019<br>BUDGETED |
| <b>REVENUES</b>   |                    |                     |                     |
| AD VALOREM TAXES  | \$2,494,283        | \$2,481,000         | \$2,639,000         |
| OTHER TAXES AND LICENSES                                    | \$245              | \$200               | \$200               |
| INTERGOVERNMENTAL REVENUES:                                 |                    |                     |                     |
| UNRESTRICTED  | \$2,078,343        | \$2,100,100         | \$2,195,300         |
| RESTRICTED  | \$135,106          | \$373,000           | \$195,000           |
| SALES AND SERVICES  | \$523,615          | \$594,000           | \$638,000           |
| INVESTMENT EARNINGS   | \$73,309           | \$120,000           | \$100,000           |
| MISCELLANEOUS REVENUE                                       | \$177,612          | \$160,300           | \$44,100            |
| <b>TOTAL REVENUES</b>                                       | <b>\$5,482,513</b> | <b>\$5,828,600</b>  | <b>\$5,811,600</b>  |
| <b>EXPENDITURES</b>   |                    |                     |                     |
| GENERAL GOVERNMENT  | \$624,586          | \$910,800           | \$853,400           |
| PUBLIC SAFETY   | \$2,474,093        | \$2,767,400         | \$2,767,200         |
| PUBLIC WORKS  | \$575,151          | \$832,500           | \$962,200           |
| CULTURAL AND RECREATIONAL                                   | \$687,195          | \$930,700           | \$1,015,400         |
| ECONOMIC & PHYS. DEVEL.                                     | \$69,625           | \$75,900            | \$104,600           |
| DEBT PAYMENTS   | \$303,872          | \$111,300           | \$108,800           |
| <b>TOTAL EXPENDITURES</b>                                   | <b>\$4,734,522</b> | <b>\$5,628,600</b>  | <b>\$5,811,600</b>  |
| TRANSFERS FROM OTHER FUNDS                                  | \$91,023           | \$-                 | \$-                 |
| TRANSFERS TO OTHER FUNDS                                    | \$(50,000)         | \$(200,000)         | \$-                 |
| FUND BALANCE APPROPRIATED                                   | \$-                | \$(10,300)          | \$(10,000)          |
| <b>NET CHANGE IN FUND BALANCE</b>                           | <b>\$789,014</b>   | <b>\$(10,300)</b>   | <b>\$(10,000)</b>   |
| <b>FUND BALANCE, BEGINNING</b>                              | <b>\$4,043,956</b> | <b>\$4,832,970</b>  | <b>\$4,822,670</b>  |
| <b>FUND BALANCE, ENDING</b>                                 | <b>\$4,832,970</b> | <b>\$4,822,670</b>  | <b>\$4,812,670</b>  |

| Table 38: Fund Balance Amounts for<br>End of Fiscal Year 2017-2018 (June 30, 2018) |                     |
|--|---------------------|
|  | General Fund        |
| Non-Spendable:   |                     |
| Library Trust Fund   | \$ 50,000           |
| Restricted:  |                     |
| Stabilization by state statute   | \$ 508,870          |
| Streets (Powell Bill)  | \$ 712,551          |
| Assigned:  |                     |
| Capital Projects   | \$ -                |
| Subsequent Year's Expenditures   | \$ 10,000           |
| Unassigned   | \$ 3,551,549        |
| <b>Total Fund Balances</b>   | <b>\$ 4,832,970</b> |





### **b. Powell Bill Fund Balance**

Powell Bill is a state allocated revenue source that is disbursed semiannually to municipalities to provide financial assistance for maintaining municipally owned streets. The disbursement of Powell Bill funds to each individual municipal government is based on a weighted allocation formula in which the municipality's population and municipality owned street's mileage are taken into consideration. The State of North Carolina's total amount of allocation for Powell Bill remained annually consistent and in 2018 was *approximately* \$147.5 million. The state set per capita amount was \$19.60 and the mileage amount was \$1,609.84. Based on these amounts, the allocation of Powell Bill funds for the City of Randleman in FY 2018-2019 was \$117,973.75. This amount is expected to decrease slightly in upcoming fiscal years. In Fiscal Year 2019-2020, the per capita amount is projected to be \$19.33 per person and the mileage amount is expected to be \$1,591.15 per street mile.

Municipalities, similar to the City of Randleman, that have not expended all of their Powell Bill appropriations in the respective years that they are received, build up surplus funds that are recorded in their General Fund's Fund Balance amounts. The Powell Bill Fund Balance, labeled "Streets" in the financial statements, is classified as a Restricted Fund Balance in the General Fund because these funds have restrictions that were placed upon them when they were received as to how they could be spent. It is *estimated* that the Powell Bill Fund Balance for the City of Randleman on June 30, 2019 will be approximately \$525,551.

### **c. Fund Balance Appropriated**

In Table 38 above, the line entitled, "Subsequent Year's Expenditures" reflects the recommended amount of Appropriated Fund Balance in the FY 2018-2019's budget. This amount of Appropriated Fund Balance includes revenue funding for expenditures that will "carryover" from the current fiscal year into the next. These types of expenditures include those in which revenue was collected in the current or prior fiscal years to fund the expenditure; however, the expenditure will not actually be expended out until the next fiscal year. Until FY 2017, the City of Randleman had a minimum fund balance policy for the General Fund which instructed management to conduct business of the City in such a manner that available fund balance is at least equal to or greater than 10% of budgeted expenditures but can still be appropriated if emergency situations arise. This policy was updated in FY 2017 to raise the amount to 25%. The balance available for appropriation for FY 2019-2020 is *estimated* to be \$2,234,169. This amount is equivalent to approximately 38.4% of the City's requested General Fund



budgeted expenditures for the upcoming fiscal year. The estimated total General Fund Balance is approximately 82.9% of General Fund budgeted expenditures for the upcoming fiscal year. The amount of requested General Fund Balance appropriated for use in the FY 2019-2020 budget is \$10,000. This amount is associated with the City's Market and Music Summer Concert Series because funds for some of these events were collected in the Current Fiscal Year 2018-2019 and will not be expended until the upcoming 2019-2020 Fiscal Year. Table 39 depicts a five-year history of the General Fund balance available for appropriation. Table 40 shows the exhibits the estimated fund balance amount projected for the end of fiscal year 2018-2019. Table 41 shows the estimated amount of fund balance available for appropriation in the upcoming fiscal year 2019-2020.

**Table 39: General Fund Balance Available for Appropriation (5-Year History)**

|  | FY 2015            | FY 2016            | FY 2017            | FY 2018            | FY 2019            |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Budgeted Expenditures                  | \$6,200,000        | \$5,278,500        | \$5,541,900        | \$5,364,000        | \$5,828,600        |
| Policy Reserve Percentage              | 10%                | 10%                | 10%                | 25%                | 25%                |
| Unassigned Fund Bal. Amt. (7/1)        | \$2,114,127        | \$1,922,977        | \$2,225,787        | \$3,023,237        | \$3,551,549        |
| - % of Budgeted Expend.                | (\$620,000)        | (\$527,850)        | (\$554,190)        | (\$1,341,000)      | (\$1,457,150)      |
| <b>Fund Bal. Available for Approp.</b> | <b>\$1,494,127</b> | <b>\$1,395,127</b> | <b>\$1,671,597</b> | <b>\$1,682,237</b> | <b>\$2,094,399</b> |

\*The City of Randleman had an adopted minimum fund balance policy for the General Fund which instructed management to conduct business of the City in such a manner that available fund balance was at least equal to or greater than 10% of budgeted expenditures until 2017 when the amount was raised to 25%.

**Table 40: Est. General Fund Balance Amounts for End of FY 18-19 (6/30/19)**

|                                | General Fund        |
|--------------------------------|---------------------|
| Non-Spendable:                 |                     |
| Library Trust Fund             | \$ 50,000           |
| Restricted:                    |                     |
| Stabilization by state statute | \$ 600,000          |
| Streets (Powell Bill)          | \$ 525,551          |
| Assigned:                      |                     |
| Capital Projects               | \$ -                |
| Subsequent Year's Expend.      | \$ 10,000           |
| Unassigned                     | \$ 3,687,069        |
| <b>Total Fund Balances</b>     | <b>\$ 4,872,670</b> |

**Table 41: Est. General Fund Balance Available for Appropriation in FY 2020**

|  | FY 2020<br>(Estimated) |
|--|------------------------|
| Unassigned Fund Bal. Amt.              | \$ 3,687,069           |
| - 25% of Budgeted Expend.              | \$ 1,452,900           |
| <b>Fund Bal. Available for Approp.</b> | <b>\$ 2,234,169</b>    |

\*The City of Randleman has updated their adopted minimum fund balance policy for the General Fund which now instructs management to conduct business of the City in such a manner that available fund balance is at least equal to or greater than 25% of budgeted expenditures.



#### iv. GENERAL FUND OVERALL

The General Fund is requested to be budgeted for the FY 2019-2020 at a total amount of \$5,811,600. This amount is an decrease of \$17,000 from the Current Fiscal Year 2018-2019 budget. This decrease is mainly attributed to a decrease in funding for a one-time capital project for the construction of sidewalks along West Academy Street in the amount of \$200,000, as well as other reductions in capital expenditures in the Administration Department (\$61,500) and the Police Department (\$53,000). Offset by these large decreases are increases in personnel costs such as the addition of new positions, as well as increases in capital outlay. This overall decrease of funds will impact the amount of General Fund Balance available for the City, whether the Board's goal is to contribute an amount back into fund balance at the end of the fiscal year or to have room to work with in the FY 2020-2021 budget. The recommended General Fund Budget for FY 2019-2020 is summarized in Table 42 below. The Recommended 2019-2020 Fiscal Year Line Item General Fund Revenue and Expenditures Budgets are exhibited in [Appendix B](#) and [Appendix C](#), respectively.

| Table 42: FY 2019-2020 Requested Budget Totals |                     |
|--|---------------------|
| REVENUES                                       |                     |
| AD VALOREM TAXES                               | \$ 2,639,000        |
| OTHER TAXES AND LICENSES                       | \$ 200              |
| INTERGOVERNMENTAL REVENUES:                    | \$ 2,390,300        |
| SALES AND SERVICES                             | \$ 638,000          |
| INVESTMENT EARNINGS                            | \$ 100,000          |
| MISCELLANEOUS REVENUE                          | \$ 44,100           |
| <b>TOTAL REVENUES</b>                          | <b>\$ 5,811,600</b> |
| EXPENDITURES                                   |                     |
| BOARD OF ALDERMEN                              | \$ 33,000           |
| ADMINISTRATION                                 | \$ 682,500          |
| DEBT SERVICE/CAPITAL                           | \$ 108,800          |
| POLICE   | \$ 1,280,800        |
| FIRE   | \$ 1,486,400        |
| FLEET MAINTENANCE                              | \$ 170,100          |
| STREETS  | \$ 474,000          |
| SANITATION                                     | \$ 318,100          |
| ECON. AND DOWNTOWN DEVEL.                      | \$ 104,600          |
| PLANNING                                       | \$ 137,900          |
| LIBRARY  | \$ 338,700          |
| PARKS AND REC.                                 | \$ 676,700          |
| <b>TOTAL EXPENDITURES</b>                      | <b>\$ 5,811,600</b> |

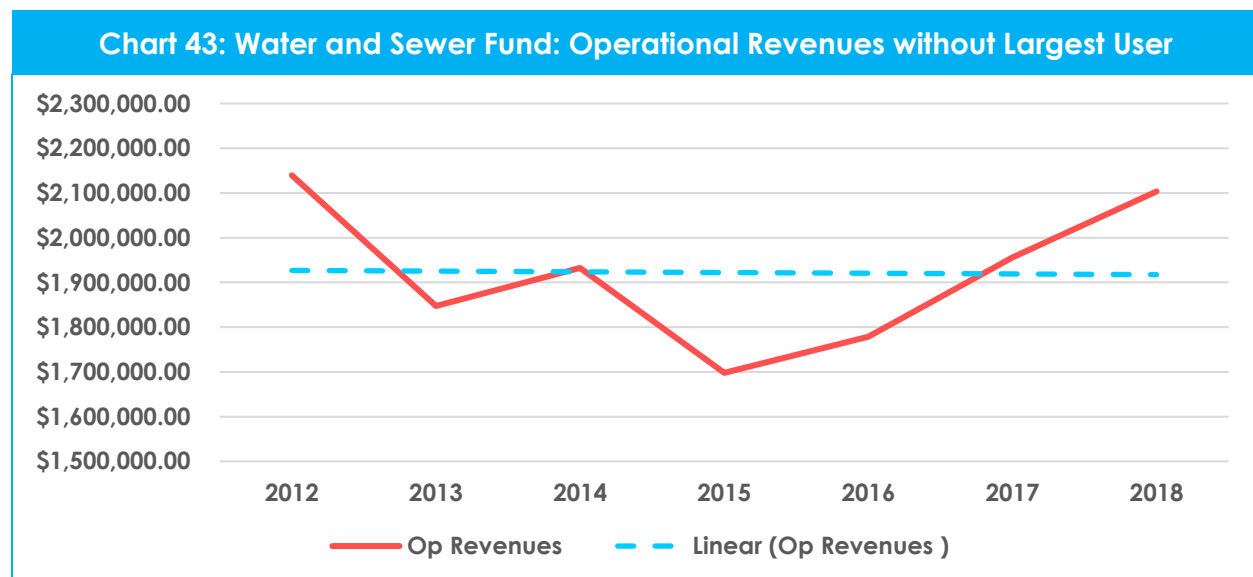


## C. WATER AND SEWER FUND

### i. REVENUES

The City of Randleman's Water and Sewer fund is classified as an Enterprise Fund, which is also known as a Proprietary Fund. This type of fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, as well as producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City of Randleman's enterprise funds are charges to customers for sales and services. The City also recognizes the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system as operating revenue.

A respectable amount of the City's Water and Sewer Fund's revenue is provided by one large industrial customer. This customer uses *approximately* 8,000,000 gallons of water per month and has a take-or-pay utility rate structure with the City of Randleman. After constructive conversation with the industry, an agreement was reached, and the Board of Aldermen unanimously voted in April of 2017 to increase the industry user's monthly rate from \$45,000 to \$46,000. This increase enabled the City of Randleman to generate an additional \$12,000 in revenue per year for the Water and Sewer Fund. However, as mentioned previously, residential water and sewer rates remained unchanged since 2008 and subsequently, multiple increases in pricing from our major water supplier, PTRWA, (*approximately* 3.5% increase per year), had not been passed along to the City's customers during that time frame (more discussion on this topic is presented below). A derivative of "Chart 20: Water & Wastewater Fund – Operating Revenue vs. Operating Expenditures" is shown in Chart 43 as a reflection of Operating Revenue without the revenue received from the large industrial user since FY 2011-2012.





To get a better understanding of the overall pattern occurring with the operating revenues, a trend line (blue, dashed) has been added. The overall trend visualized is that revenues in the Water and Sewer Fund, on average, have remained relatively flat. This can *potentially* be attributed to water use awareness and active conservation efforts by the City's customers through the installation of newer, energy efficient devices in their homes that consume less water than their previous counterparts from years ago, which results in a decrease in revenues. In May 2018, to account for this portion of the decrease in revenues, the Board of Aldermen unanimously voted to increase minimum Water and Sewer rates by 9% and consumption rates by 6.5% for the Current Fiscal Year 2018-2019. The Board of Aldermen wished to curtail the downward sloping revenue trend even further to better position the City for future upcoming water and sewer capital projects and in May of 2019, unanimously voted to increase all Water and Sewer rates by 10%. This increase is expected to generate an additional *estimated* \$162,000 in water and sewer revenue City-wide. This rate increase will keep a minimum inside residential utility bill's total around \$1.29 per day (including increased water, sewer, and garbage rates and storm water fees based on a 60-day billing cycle). While most rate increases tend to be frowned upon and usually receive negative criticism, a positive outlook on increasing the City's water and sewer rates is that it will also allow for the potential option of the City up to being available to receive zero to low interest loans (half of market API) from the State's Revolving Fund. These loans could fund potential capital projects for repairs to critical infrastructure such as the needed repairs to the wastewater treatment plant and the upsizing of the Sewer Main Fallout Line that have an *estimated* total cost of over \$3 million. Qualifying for these types of loans can *potentially* save the City hundreds of thousands of dollars in interest payments over the life of the loans.

Another potential reason for the decline of revenue over time could be associated with the aging infrastructure of water meters throughout the City. Over time, as water meters age, they slowly lose the ability to read accurately, which in turn allows more water to go through the aged meters than is actually billed to the customers. This causes a two-fold problem for the City. First, there is a loss of revenue that is not accounted for due to the inaccuracy of the meters' readings. Secondly, there is a loss of water that is unaccounted for; but, is paid for by the City. In other words, water goes through these aged meters and is not picked up by the meter; thus, the customers who use the water are not billed for their true usage and the City still must pay for this water loss even though it cannot account for it. The City of Randleman has actively searched for cost-saving measures to allow for accounting of these losses in revenue and water usage, yet a solution has not come to fruition.



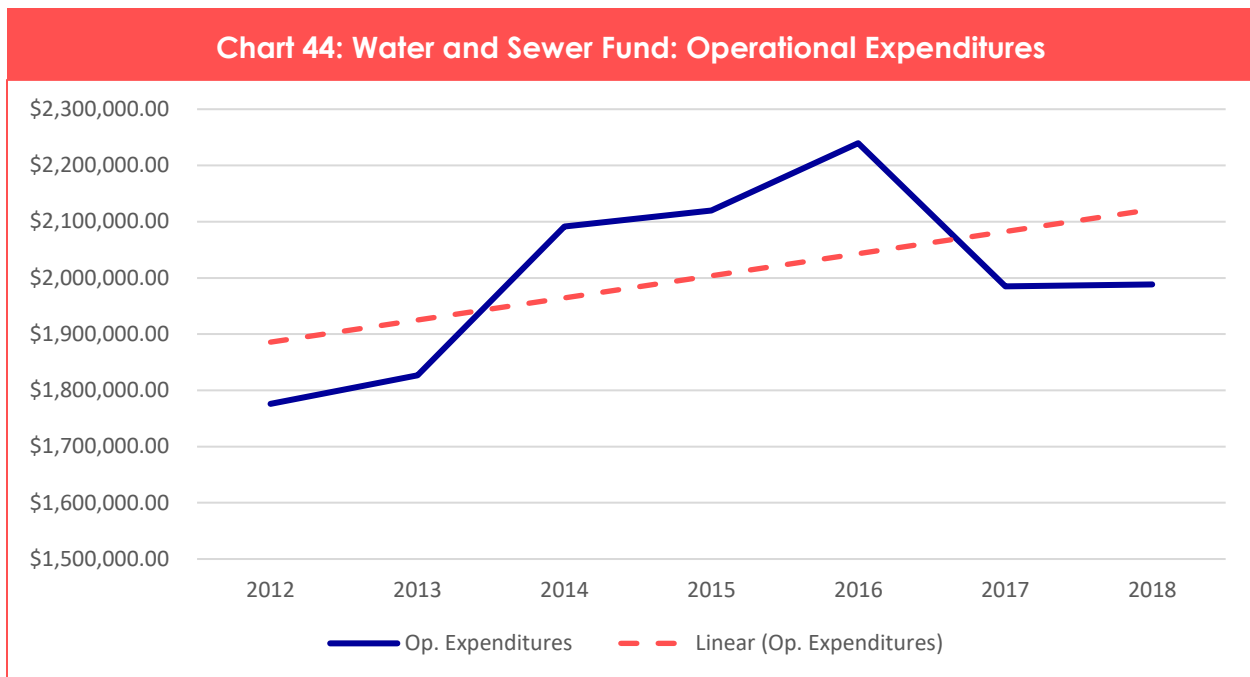
The total amount of revenue to be budgeted within the upcoming Fiscal Year 2019-2020 for the City of Randleman's Water and Sewer Fund is *approximately* \$2,680,000. Of this, \$1,310,000 of that amount is budgeted for water use and \$1,285,000 accounting for sewer use. The rest of the revenues are comprised of various sources including but not limited to late fees, tap fees and other miscellaneous forms of revenue. Even though the City's water and sewer rates are the same amounts, the major difference in the overall budgeted revenue is attributed to the way the revenue that the City's largest customer pays is accounted for. *Approximately* 75% of the largest customer's total monthly payment goes toward the City's wastewater charges and the other 25% goes toward the City's water charges. Also, there are some customers in town who have water service but are not on the City's sewer system.

It should be noted that there is no appropriation of Net Assets in the Recommended Fiscal Year 2019-2020 Budget. The Recommended 2019-2020 Fiscal Year Budget for the City of Randleman's Water and Sewer Fund's Revenues can be found in [Appendix D](#).



## ii. EXPENDITURES

Currently, expenditures in the Water and Sewer Fund are divided into three departments: Water, Water and Wastewater Maintenance, and the Wastewater Treatment Plant. Overall, expenditures in the Water and Sewer Fund have steadily increased since Fiscal Year 2012, as previously exhibited by “Chart 20: Water & Wastewater Fund – Operating Revenue vs. Operating Expenditures”. Another derivative from Chart 20, is shown below in Chart 44 as an exhibit of Operating Expenditures since FY 2011-2012.



As with the derivative for Revenues in Chart 43, a trend line (coral, dashed) has been added to better provide a visual understanding of the upward slope, over time, in costs for the Water and Sewer Fund and to highlight the trend of increases in expenditures that the respective fund faces. Key changes to contracted negotiations with neighboring cities, personnel reclassifications, and other cost saving measures implemented by the City will hopefully allow for the rising trend in expenditures to lull. However, the City of Randleman will face new capital needs pertaining to the Water and Sewer Fund in the near future that will need to be funded somehow. The approved increase in water and sewer rates will allow for a coverage of the increase in expenditures, as well as a potential for contributing back into the Water and Sewer Fund's Net Assets (Fund Balance for Proprietary Funds). These foreseen capital expenses are discussed in their respective departments' sections below. Table 45, below, exhibits a



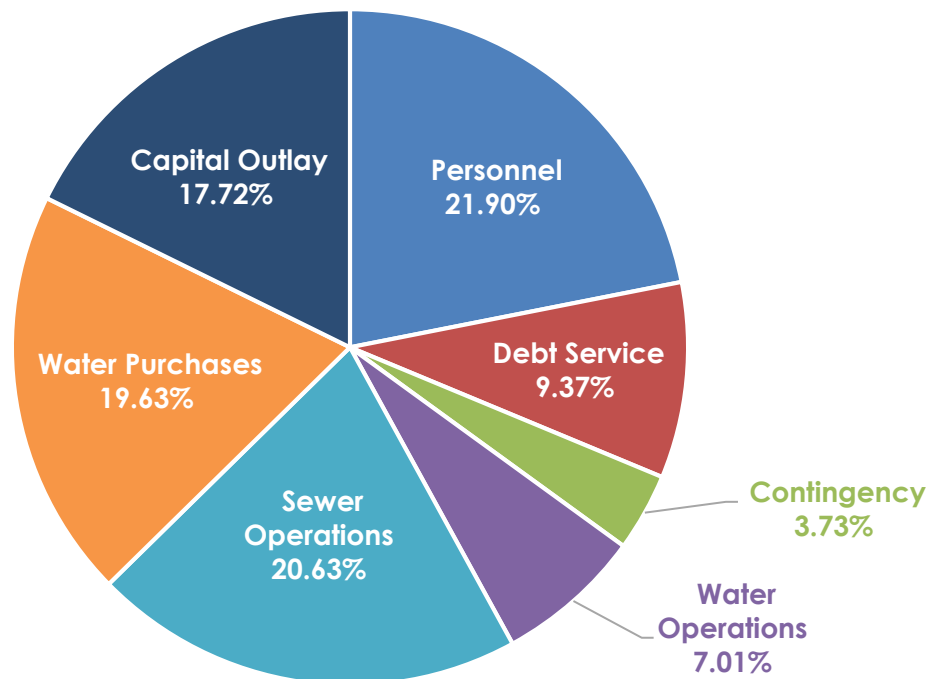


summarization of the expenditures by department found within the Water and Sewer Fund's Recommended budget, as presented in the proposed budget ordinance. Chart 46 reflects these expenditures as functions within the Water and Sewer Fund in the form of a pie chart.

**TABLE 45: CITY OF RANDLEMAN  
FY 2019-2020 WATER AND SEWER FUND  
RECOMMENDED EXPENDITURE BUDGET BY DEPARTMENT**

|                               | <b>Recommended<br/>FY 2019-2020</b> |
|-------------------------------|-------------------------------------|
| <b>Water</b>                  | \$ 859,100                          |
| <b>Water Maintenance</b>      | \$ 250,600                          |
| <b>Wastewater Maintenance</b> | \$ 254,600                          |
| <b>Wastewater Treatment</b>   | \$ 844,600                          |
| <b>Debt Service/Transfers</b> | \$ 471,100                          |
| <b>TOTAL</b>                  | <b>\$ 2,680,000</b>                 |

**CHART 46: WATER & SEWER FUND RECOMMENDED FY 19-20  
BUDGETED EXPENDITURES BY FUNCTION**





### **a. Water Department**

The Water Department accounts for those expenditures associated with the purchase and resale of water. The majority of these expenditures are comprised of the City's wholesale water agreements with the City's two major water suppliers, Piedmont Triad Regional Water Authority (PTRWA) and the City of Asheboro. The City of Randleman entered into a new contractual agreement with the City of Asheboro in January of 2016 to renegotiate the price of water being purchased from the City of Asheboro for use on the south end of the City of Randleman. The negotiated price was set at \$2.50 per thousand gallons at a minimum take or pay charge of 125,000 gallons per day. This amounts to *approximately* \$114,000 annually. For the FY 2019-2020, to account for possible overages, this line item is recommended to be budgeted at \$125,000. The budgeted expenditure for the City's other water supplier, PTRWA, is *estimated* to be \$401,000, an increase of \$9,000 over the current fiscal year's budgeted amount. The amount accounts for the projected 3.5% increase in charges from PTRWA from the FY 2018-2019 budgeted amount. Another line item of note is that of Credit Card Fees, which is recommended to be budgeted at \$12,000 for the FY 2019-2020. Since implementing the option for customers to be able to pay online using a credit card in early 2015, the City has collected *approximately* 22% of its annual revenues through this form of payment and passes along a convenience fee of \$2.75 per transaction. To offset the increases for Water Purchases, decreases in personnel costs and the telephone line item will allow for an overall decrease of \$7,800 from the Current Fiscal Year 2018-2019 Budget. Thus, the Water Department is recommended to be budgeted for \$896,400 in FY 2019-2020.

### **b. Water and Wastewater Maintenance**

The Water/Wastewater Maintenance Department is responsible for the maintenance of the City's water and wastewater lines, facilities, grounds, and other related city structures. In FY 2019-2020, the Water/Wastewater Maintenance Department is recommended to be budgeted differently than in the past. It is suggested that the two types of maintenance expenditures be separated out, such that a department is created to handle water related expenditures and a department is created to track wastewater related expenditures. With many financing applications, financial institutions are requesting that water and sewer expenses be tracked separately in financial statements. Thus, splitting the department will allow for the City to conform to this request and make tracking expenditures easier from a budgeting standpoint.



Combined, the Water Maintenance and Wastewater Maintenance Departments are recommended to be budgeted at a total of \$505,200. This is a \$73,300 increase over the Water/Wastewater Maintenance Department's FY 2018-2019 Budget. This is mainly due to the reallocation of funds to the respective departments by splitting them, the inclusion of \$105,000 for capital outlay items, the inclusion of funding to replace waterlines on Mill Street and Back Street, and a general increase of personnel expenditures. Overall, there is an increase in line items of approximately \$55,000 associated with splitting the department. Approximately \$7,000 of this increase is attributed to increases in personnel costs. The remainder of this increase can be attributed to the uncertainty of how costs will be assigned to the respective types of maintenance. That is, there is no sure-fire way to predict what type of repairs or maintenance will need to be performed on infrastructure in the future. It's not a matter of "if" but "when" are water and sewer lines and infrastructure going to need maintenance and repair. Another reason for the seemingly large increase is due to the commitment of \$105,000 for bypass pumps for the City's wastewater pump stations, which is \$15,000 more than the Capital Outlay appropriation from FY 2018-2019. This item is budgeted in the Wastewater Maintenance Department's Capital Outlay line item. The Water Maintenance Department is recommended to be budgeted at \$250,600 and the Wastewater Maintenance Department is recommended to be budgeted at \$254,600.

### **c. Wastewater Treatment Plant**

The Wastewater Treatment Plant (WWTP) facilitates the collection and treatment of the City's wastewater and runoff through the use of the WWTP itself, as well as multiple area pump stations located throughout the City's service area. The Recommended Fiscal Year 2019-2020 WWTP Department Budget is requested to be decreased by \$78,000 from the Current Fiscal Year. This decrease can be attributed mainly to a lowering of \$90,000 in the Capital Outlay expenditure line item. As discussed earlier, the capital outlay items to be purchased by the WWTP include a new lawn mower for the Wastewater Treatment Plant and the recoating of two of the Clarifier Tanks at the Plant, as well. Also included in the Capital Outlay line item are appropriations for miscellaneous capital equipment purchases for pieces of equipment that may be bought throughout the year to replace various pieces of machinery, as needed. These pieces of equipment may include various pumps, valves, and parts that cost over the capital outlay threshold of \$3,000.



Expenditure line items of note within the FY 2018-2019 Budget include the cost of utilities to run the plant, the cost of sludge removal, and the supplies and chemicals needed to treat wastewater at the plant. The cost of utilities to run the WWTP is budgeted at \$165,000 for the upcoming fiscal year due to an anticipated decrease in costs attributed to the City's work to make the Wastewater Treatment Plant more energy-efficient. The Sludge Removal line item is recommended to increase by \$5,000 to account for an increase in costs from the City's sludge hauler. The Supplies and Chemicals line item is recommended to be budgeted at \$50,000 which is an increase of \$21,000 over the Current Fiscal Year Budget. The reason for this recommended increase is that more chemicals are being required to treat the influent at the plant to meet state standards before it leaves the WWTP. Other increases include those for Maintenance and Repair of the Wastewater Treatment Plant's Buildings and Equipment. They are recommended to increase by \$2,000 and \$4,000, respectively.

The department has appropriated \$50,000 for the treatment of wastewater by the City of Asheboro from the south side of the City of Randleman. According to the contractual agreement between Randleman and the City of Asheboro, as mentioned previously, this amount would be classified as a pass through. This is because the City of Randleman bills customers that are connected to Asheboro sewer lines that are located in the south end of Randleman for their sewer use according to the City of Randleman's fee schedule. Then, this amount is forwarded to Asheboro. With the number of new developments in the vicinity of the Asheboro sewer line that are actually customers of the City of Randleman, this number is expected to grow over the years, with no gain or loss for the City of Randleman. The total requested amount for the WWTP department's budget for FY 2019-2020 is \$844,600.

#### **d. Debt Service/Transfers**

The City of Randleman's Water and Sewer Fund contains a separate section set aside to account for the Debt Service and Transfers of the fund. Currently, the City of Randleman has four outstanding loans that are accounted for in the Water and Sewer Fund and total *approximately* \$2.18 million. Each of the loans will be discussed, as well as their Debt Service amortization schedules. For the purpose of simplification, each loan is exhibited with the payment total amounts for both interest and principal by year. That is, if there is more than one payment made each year, the total for each fiscal year of those payments is shown, rather than each individual payment's amount. There is also a section dedicated to Transfers from the Water and Sewer Fund to Other Funds.



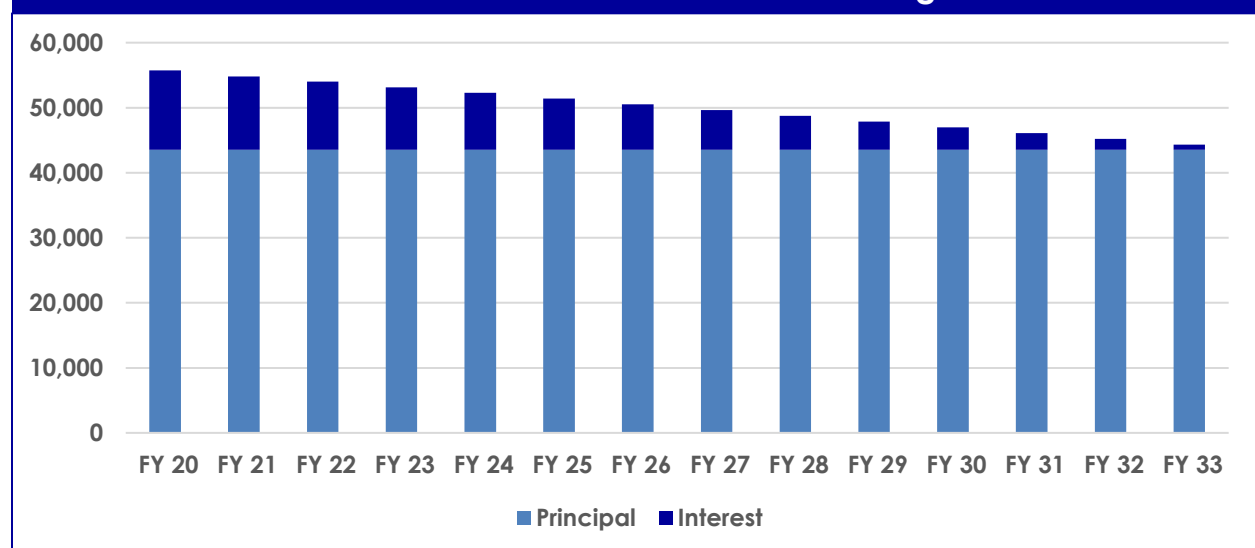
## 1. North Carolina Clean Water Revolving Loan – 2

In June of 2013, the City of Randleman executed a note with the State of North Carolina to borrow up to \$870,555 in accordance with the North Carolina Education, Clean Water and Parks Revolving Bond Act of 1993. Annual principal payments of *approximately* \$43,528 are required through May 1, 2033. Interest of 2.00% is payable on November 1 and May 1 of each year until the loan is repaid. In the City of Randleman's Water and Sewer Fund's line item budget, expenditures associated with this loan are attributed to "SRF LOAN-PRIN (2033)" and "SRF LOAN-INTEREST." The annual debt service requirements for this loan and remaining summarized amortization schedule (Table 47) are below and are followed by a visual representation (Chart 48) of the data.

**Table 47: Amortization Schedule- North Carolina Clean Water Revolving Loan - 2**

| Fiscal Year   | Principal      | Interest      | Total          | Balance |
|---------------|----------------|---------------|----------------|---------|
| 2019-2020     | 43,528         | 12,188        | 55,716         | 565,864 |
| 2020-2021     | 43,528         | 11,288        | 54,816         | 522,336 |
| 2021-2022     | 43,528         | 10,500        | 54,028         | 478,808 |
| 2022-2023     | 43,528         | 9,620         | 53,148         | 435,280 |
| 2023-2024     | 43,528         | 8,740         | 52,268         | 391,752 |
| 2024-2025     | 43,528         | 7,860         | 51,388         | 348,224 |
| 2025-2026     | 43,528         | 6,980         | 50,508         | 304,696 |
| 2026-2027     | 43,528         | 6,100         | 49,628         | 261,168 |
| 2027-2028     | 43,528         | 5,220         | 48,748         | 217,640 |
| 2028-2029     | 43,528         | 4,340         | 47,868         | 174,112 |
| 2029-2030     | 43,528         | 3,460         | 46,988         | 130,584 |
| 2030-2031     | 43,528         | 2,580         | 46,108         | 87,056  |
| 2031-2032     | 43,528         | 1,700         | 45,228         | 43,528  |
| 2032-2033     | 43,528         | 783           | 44,311         | 0       |
| <b>TOTALS</b> | <b>609,392</b> | <b>91,359</b> | <b>700,751</b> |         |

**Chart 48: North Carolina Clean Water Revolving Loan - 2**





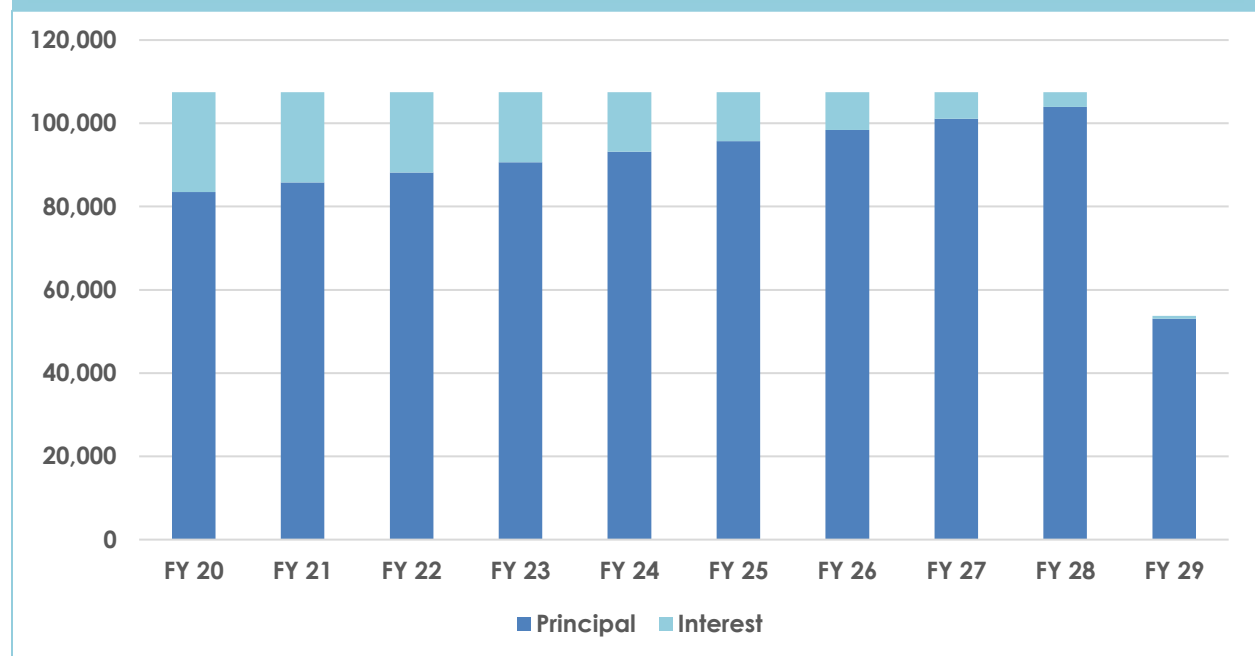
## 2. Piedmont Triad Regional Water Authority (PTRWA) Obligation

The City of Randleman guaranteed \$1,429,389 of debt of the PTRWA, and the City is required to make semiannual payments to the authority of *approximately* \$53,754 through FY 2028-2029. These payments include interest at 2.75%. In the City of Randleman's Water and Sewer Fund's line item budget, expenditures associated with this loan are attributed to "PTRWA #2/PRIN (2028)" and "PTRWA #2-INTEREST." The annual debt service requirements of the PTRWA Obligation and remaining summarized amortization schedule (Table 49) is below and is followed by a visual representation (Chart 50) of the data.

**Table 49: Amortization Schedule - Piedmont Triad Regional Water Authority Obligation**

| Fiscal Year      | Principal      | Interest       | Total            | Balance  |
|------------------|----------------|----------------|------------------|----------|
| 2019-2020        | 83,509         | 24,000         | 107,508          | 809,943  |
| 2020-2021        | 85,821         | 21,687         | 107,508          | 724,122  |
| 2021-2022        | 88,197         | 19,311         | 107,508          | 635,925  |
| 2022-2023        | 90,639         | 16,869         | 107,508          | 545,286  |
| 2023-2024        | 93,149         | 14,359         | 107,508          | 452,137  |
| 2024-2025        | 95,728         | 11,780         | 107,508          | 356,409  |
| 2025-2026        | 98,379         | 9,130          | 107,508          | 258,030  |
| 2026-2027        | 101,103        | 6,405          | 107,508          | 156,927  |
| 2027-2028        | 103,902        | 3,606          | 107,508          | 53,025   |
| <u>2028-2029</u> | <u>53,025</u>  | <u>729</u>     | <u>53,754</u>    | <u>0</u> |
| <b>TOTALS</b>    | <b>893,452</b> | <b>127,876</b> | <b>1,021,326</b> |          |

**Chart 50: North Carolina Clean Water Revolving Loan - 2**





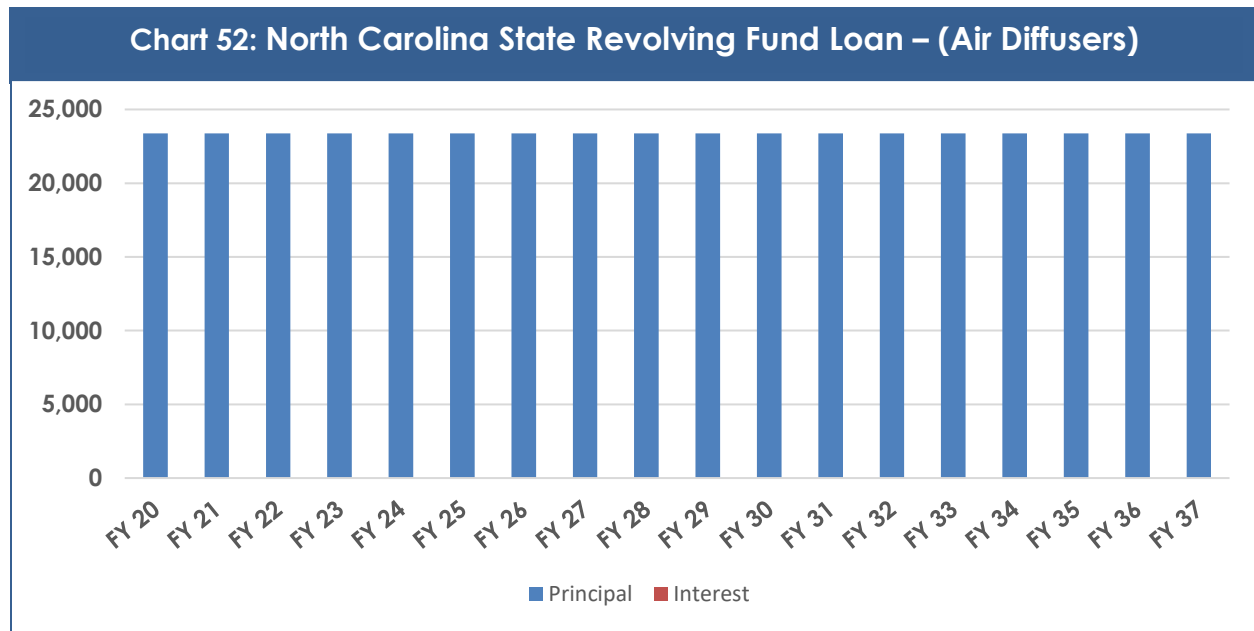
### 3. Air Supply Piping and Diffuser System

In 2016, the City of Randleman executed a note with the State of North Carolina to borrow \$467,580.00 in accordance with the North Carolina Education, Clean Water and Parks Revolving Bond Act of 1993. This loan was required in order to fund the purchase and installation of new air supply piping and diffuser system in tanks two and three at the Wastewater Treatment Plant. Annual principal payments of *approximately* \$23,379 are required through May 1, 2037. The loan is a 0% interest loan. In the City of Randleman's Water and Sewer Fund's line item budget, expenditures associated with this loan are attributed to "SRF LOAN – Air Diffusers – PRIN. (2037)". The annual debt service requirements for this loan and remaining summarized amortization schedule (Table 51) is below and is followed by a visual representation (Chart 52) of the data.

**Table 51: Amortization Schedule - NCSRF Loan - (Air Diffusers)**

| <b>Fiscal Year</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b>   | <b>Balance</b> |
|--------------------|------------------|-----------------|----------------|----------------|
| 2019-2020          | 23,379           | 0               | 23,379         | 397,443        |
| 2020-2021          | 23,379           | 0               | 23,379         | 374,064        |
| 2021-2022          | 23,379           | 0               | 23,379         | 350,685        |
| 2022-2023          | 23,379           | 0               | 23,379         | 327,306        |
| 2023-2024          | 23,379           | 0               | 23,379         | 303,927        |
| 2024-2025          | 23,379           | 0               | 23,379         | 280,548        |
| 2025-2026          | 23,379           | 0               | 23,379         | 257,169        |
| 2026-2027          | 23,379           | 0               | 23,379         | 233,790        |
| 2027-2028          | 23,379           | 0               | 23,379         | 210,411        |
| 2028-2029          | 23,379           | 0               | 23,379         | 187,032        |
| 2029-2030          | 23,379           | 0               | 23,379         | 163,653        |
| 2030-2031          | 23,379           | 0               | 23,379         | 140,274        |
| 2031-2032          | 23,379           | 0               | 23,379         | 116,895        |
| 2032-2033          | 23,379           | 0               | 23,379         | 93,516         |
| 2033-2034          | 23,379           | 0               | 23,379         | 70,137         |
| 2034-2035          | 23,379           | 0               | 23,379         | 46,758         |
| 2035-2036          | 23,379           | 0               | 23,379         | 23,379         |
| <u>2036-2037</u>   | <u>23,379</u>    | <u>0</u>        | <u>23,379</u>  | <u>0</u>       |
| <b>TOTALS</b>      | <b>420,822</b>   | <b>0</b>        | <b>420,822</b> |                |





#### 4. BB&T Installment Financing Agreement - 2034

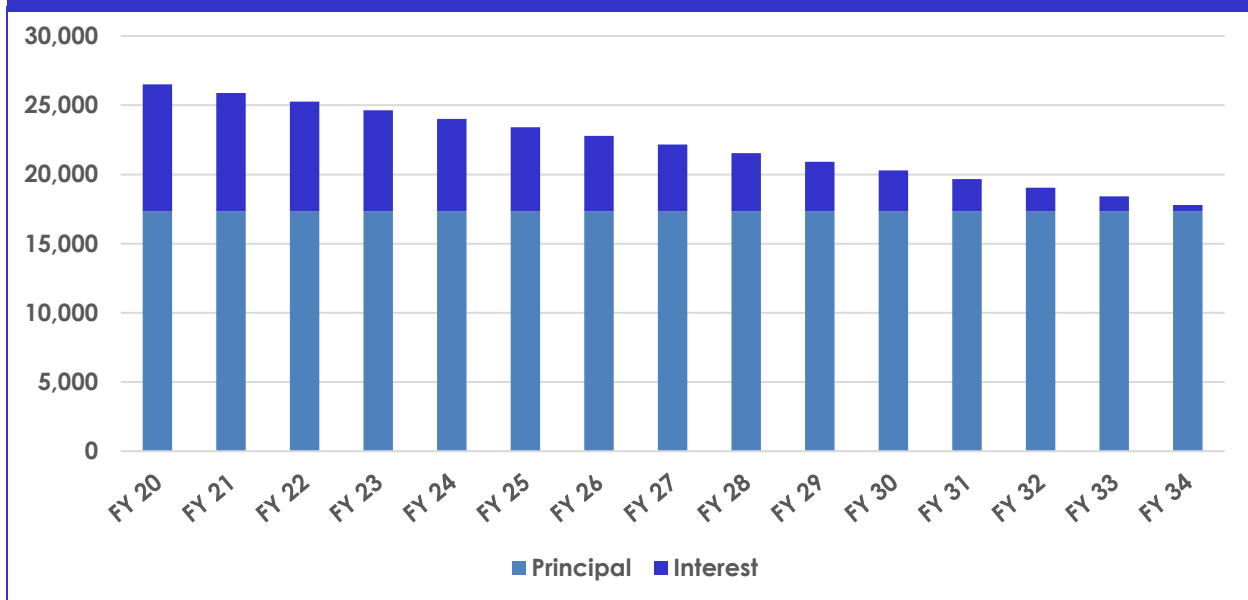
In May of 2019, the City of Randleman entered into an installment financing agreement to finance a capital project to install waterlines in the New Market area. The total principal amount of the fifteen-year loan was for \$260,000. The financing agreement requires semi-annual principal payments of approximately \$8,667 with a 3.59% interest rate. The total amount recommended for budgeting purposes in the FY 2019-2020 is \$26,700, including the principal (BB&T LOAN – Principal [2034]) at \$17,500 and interest payments (BB&T LOAN -INTEREST) of approximately \$9,200 for the entire fiscal year. The annual debt service requirements for this loan and remaining summarized amortization schedule are shown in Table 53. A visualization of the principal and interest requirements for the loan are shown in Chart 54.



**Table 51: BB&T Installment Financing Agreement - 2034**

| <b>Fiscal Year</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b>   | <b>Balance</b> |
|--------------------|------------------|-----------------|----------------|----------------|
| 2019-2020          | 17,333           | 9,178           | 26,512         | 242,667        |
| 2020-2021          | 17,333           | 8,556           | 25,889         | 225,333        |
| 2021-2022          | 17,333           | 7,934           | 25,267         | 208,000        |
| 2022-2023          | 17,333           | 7,312           | 24,645         | 190,667        |
| 2023-2024          | 17,333           | 6,689           | 24,023         | 173,333        |
| 2024-2025          | 17,333           | 6,067           | 23,400         | 156,000        |
| 2025-2026          | 17,333           | 5,445           | 22,778         | 138,667        |
| 2026-2027          | 17,333           | 4,823           | 22,156         | 121,333        |
| 2027-2028          | 17,333           | 4,200           | 21,534         | 104,000        |
| 2028-2029          | 17,333           | 3,578           | 20,911         | 86,667         |
| 2029-2030          | 17,333           | 2,956           | 20,289         | 69,333         |
| 2030-2031          | 17,333           | 2,334           | 19,667         | 52,000         |
| 2031-2032          | 17,333           | 1,711           | 19,045         | 34,667         |
| 2032-2033          | 17,333           | 1,089           | 18,422         | 17,334         |
| 2033-2034          | <u>17,333</u>    | <u>467</u>      | <u>17,800</u>  | <u>0</u>       |
| <b>TOTALS</b>      | <b>260,000</b>   | <b>72,339</b>   | <b>332,338</b> |                |

**Chart 52: BB&T Installment Financing Agreement - 2034**





## 5. Water and Sewer Debt Service Summary

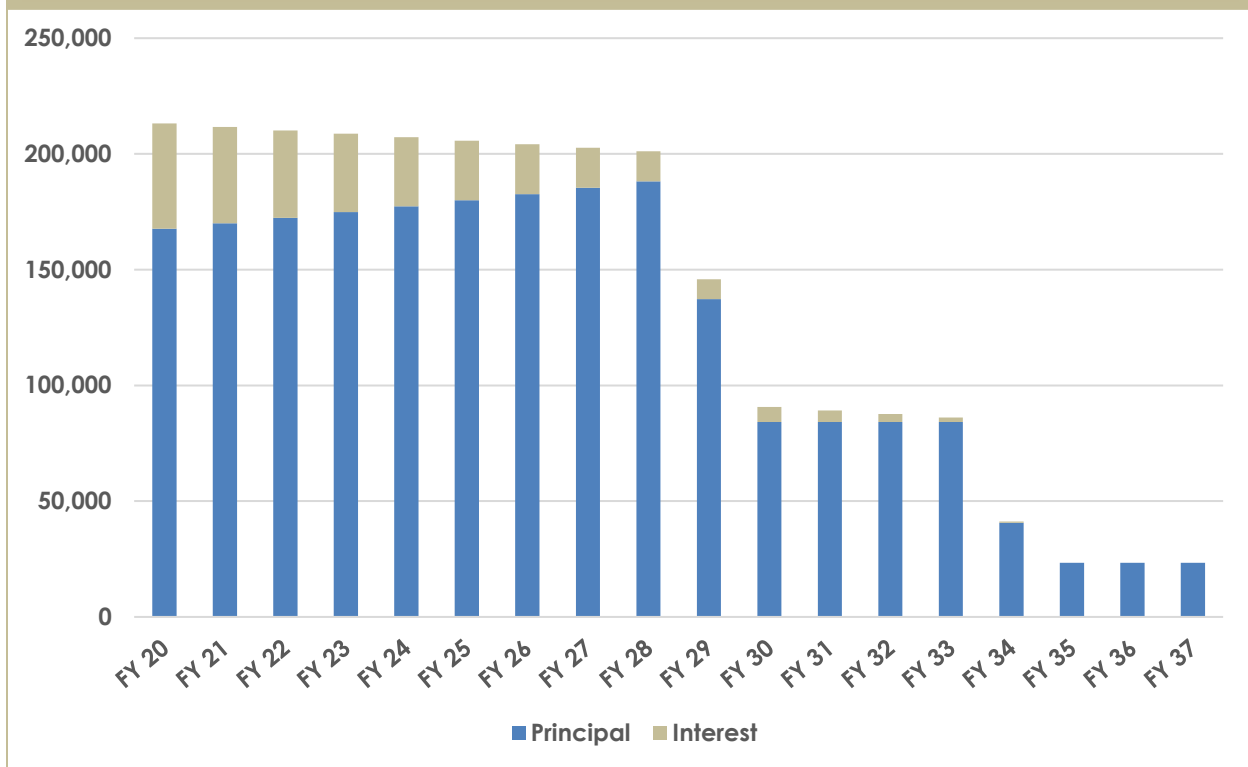
A summary of annual debt service requirements of the City of Randleman's Water and Sewer Fund and annual amortization schedules is presented below in Table 55. A visualization of this data is displayed in Chart 56. The outstanding debt service requirements of the Water and Sewer Fund \$2,183,666 is well below the City of Randleman's legal debt margin of \$34,466,826. The total recommended appropriation in the FY 2019-2020 for debt service requirements for the Water and Sewer Fund is \$213,800.

**Table 55: Summary of Annual Debt Service Requirements for the City of Randleman's Water and Sewer Fund**

| <b>Fiscal Year</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b>     | <b>Balance</b> |
|--------------------|------------------|-----------------|------------------|----------------|
| 2019-2020          | 167,749          | 45,366          | 213,115          | 2,015,917      |
| 2020-2021          | 170,061          | 41,531          | 211,592          | 1,845,855      |
| 2021-2022          | 172,437          | 37,745          | 210,182          | 1,673,418      |
| 2022-2023          | 174,879          | 33,801          | 208,680          | 1,498,539      |
| 2023-2024          | 177,389          | 29,788          | 207,178          | 1,321,149      |
| 2024-2025          | 179,968          | 25,707          | 205,675          | 1,141,181      |
| 2025-2026          | 182,619          | 21,555          | 204,173          | 958,562        |
| 2026-2027          | 185,343          | 17,328          | 202,671          | 773,218        |
| 2027-2028          | 188,142          | 13,026          | 201,169          | 585,076        |
| 2028-2029          | 137,265          | 8,647           | 145,912          | 447,811        |
| 2029-2030          | 84,240           | 6,416           | 90,656           | 363,570        |
| 2030-2031          | 84,240           | 4,914           | 89,154           | 279,330        |
| 2031-2032          | 84,240           | 3,411           | 87,652           | 195,090        |
| 2032-2033          | 84,240           | 1,872           | 86,112           | 110,850        |
| 2033-2034          | 40,712           | 467             | 41,179           | 70,137         |
| 2034-2035          | 23,379           | 0               | 23,379           | 46,758         |
| 2035-2036          | 23,379           | 0               | 23,379           | 23,379         |
| <u>2036-2037</u>   | <u>23,379</u>    | <u>0</u>        | <u>23,379</u>    | 0              |
| <b>TOTALS</b>      | <b>2,183,666</b> | <b>291,107</b>  | <b>2,475,237</b> |                |



Chart 56: Summary of Annual Debt Requirements for Water and Sewer Fund



## 6. Water and Sewer Fund Contingency Funds and Transfer Funds

In FY 2019-2020, the Board has shown interest in allocating funds to be used for projects that it wishes to come to fruition. It is recommended that until commencement of the respective capital projects, funds be reserved for use as the Board sees fit. It is anticipated that approximately \$100,000 will be a sufficient placeholder for these funds. There is also an appropriation for \$120,000 for Transfer to Other Funds to fund a Capital Project Fund for Waterline Replacements on Swaim Street. The City has had multiple leaks on this street in the past year and repair costs and time are becoming issues. This amount brings the total amount recommended to fund the Water and Sewer Fund's debt service obligations and transfers department to \$433,800.

### e. Expenditures Summary

The total amount recommended for the City of Randleman's FY 2019-2020 Water and Sewer Fund Budget is \$2,680,000. A line item expenditure budget is presented in [Appendix E](#).



### iii. WATER AND SEWER FUND BALANCE

The Unrestricted portion of the Net Position in the Water and Sewer Fund is comparable to the General Fund's Unrestricted Fund Balance. Table 57 is a summary of the Water and Sewer Fund's Actual, Approved, and Recommended changes in Fund Balance.

| Table 57: Changes in Water and Sewer Fund Balance  |                     |                     |                        |
|--|---------------------|---------------------|------------------------|
|  | FY 2018<br>ACTUAL   | FY 2019<br>APPROVED | FY 2020<br>RECOMMENDED |
| <b>OPERATING REVENUE</b>                           |                     |                     |                        |
| WATER CHARGES                                      | \$ 1,290,634        | \$ 1,235,000        | \$ 1,310,000           |
| SEWER CHARGES                                      | \$ 1,270,488        | \$ 1,275,000        | \$ 1,285,000           |
| TAP FEES   | \$ 3,600            | \$ 22,000           | \$ 20,000              |
| OTHER OPERATING REVENUES                           | \$ 59,012           | \$ 58,000           | \$ 65,000              |
| APPROPRIATED NET ASSETS                            | \$ 0                | \$ 0                | \$ 0                   |
| <b>TOTAL OPERATING REVENUE</b>                     | <b>\$ 2,643,734</b> | <b>\$ 2,590,000</b> | <b>\$ 2,680,000</b>    |
| <b>OPERATIONAL EXPENDITURES</b>                    |                     |                     |                        |
| WATER DIVISION                                     | \$ 797,263          | \$ 904,200          | \$ 896,400             |
| WATER AND SEWER MAINTENANCE DIV.                   | \$ 216,851          | \$ 431,900          | \$ 0                   |
| WATER MAINTENANCE DIV.                             | \$ 0                | \$ 0                | \$ 250,600             |
| WASTEWATER MAINTENANCE DIV.                        | \$ 0                | \$ 0                | \$ 254,600             |
| WASTEWATER TREATMENT PLANT DIV.                    | \$ 550,438          | \$ 922,600          | \$ 844,600             |
| OTHER OPERATING EXPENDITURES                       | \$ 423,551          | \$ 331,300          | \$ 313,830             |
| <b>TOTAL OPERATING EXPENDITURES</b>                | <b>\$ 1,988,103</b> | <b>\$ 2,590,000</b> | <b>\$ 2,560,000</b>    |
| TRANSFERS TO CAPITAL PROJECTS                      | \$ 318,600          | \$ 0                | \$ 120,000             |
| <b>NET OPERATING INCOME</b>                        |                     |                     |                        |
| <b>(Total Revenue – Total Expend. – Transfers)</b> | <b>\$ 337,031</b>   | <b>\$ 0</b>         | <b>\$ 0</b>            |
|  |                     |                     |                        |
|  | FY 2018<br>ACTUAL   | FY 2019<br>APPROVED | FY 2020<br>RECOMMENDED |
| BEGINNING UNRESTRICTED FUND BALANCE                | \$ 1,001,142        | \$ 1,338,173        | \$ 1,338,173           |
| NET CHANGE IN UTILITY UNRES. FUND BAL.             | \$ 337,031          | \$ 0                | \$ 0                   |
| NET CHANGE IN OVERALL FUND BALANCE                 | \$ 337,031          | \$ 0                | \$ 0                   |
| UNRESTRICTED CASH                                  | \$ 1,338,173        | \$ 1,338,173        | \$ 1,338,173           |
| <b>TOTAL CASH [FUND BALANCE]</b>                   | <b>\$ 1,338,173</b> | <b>\$ 1,338,173</b> | <b>\$ 1,338,173</b>    |



#### iv. WATER AND SEWER FUND OVERALL

The City of Randleman's Fiscal Year 2019-2020 Recommended Water and Sewer Fund Budget is presented at \$2,680,000, which is a \$90,000 increase from the current Fiscal Year 2018-2019 budget. This increase is mainly attributed to an overall increase in planned capital project and capital outlay expenditures. Also, a recognized increase is expected due to the splitting of the Water/Wastewater Maintenance Department into separate departments to better account for expenditures associated with these tasks. Offset by these increases are reductions in debt service obligations. The recommended Water and Sewer Fund Budget for FY 2019-2020 is summarized in Table 58 below. The Recommended 2019-2020 Fiscal Year Line Item Water and Sewer Fund Revenue and Expenditures Budgets are exhibited in [Appendix D](#) and [Appendix E](#), respectively.

| TABLE 58: FY 2019-2020 WATER & SEWER FUND<br>RECOMMENDED BUDGET TOTALS |                             |
|--|-----------------------------|
|  | RECOMMENDED<br>FY 2019-2020 |
| <b>REVENUES</b>  |                             |
| Utility Charges  | \$ 2,595,000                |
| Other Revenue  | \$ 65,000                   |
| Permits and Fees   | \$ 20,000                   |
| Fund Balance Appropriations  | \$ 0                        |
| <b>TOTAL REVENUE</b>   | <b>\$ 2,680,000</b>         |
| <b>EXPENDITURES</b>  |                             |
| Water  | \$ 896,400                  |
| Water Maintenance  | \$ 250,600                  |
| Wastewater Maintenance   | \$ 254,600                  |
| Wastewater Treatment Plant   | \$ 844,600                  |
| Transfers/Debt Service   | \$ 433,800                  |
| <b>TOTAL EXPENDITURES</b>  | <b>\$ 2,680,000</b>         |
| <b>TOTAL FOR WATER &amp; SEWER FUND</b>                                | <b>\$ 2,680,000</b>         |



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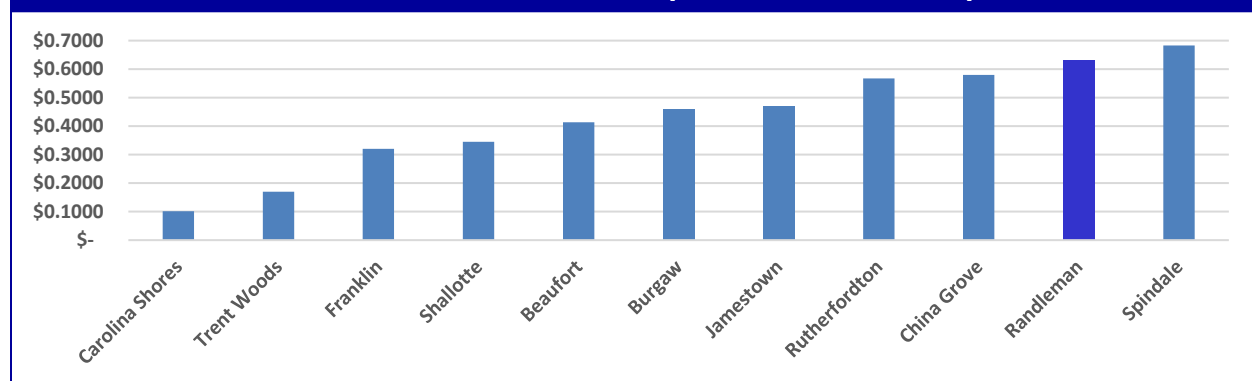
## VI. PROPERTY TAX, WATER AND SEWER RATE COMPARISONS

### A. AD VALOREM TAX COMPARISONS

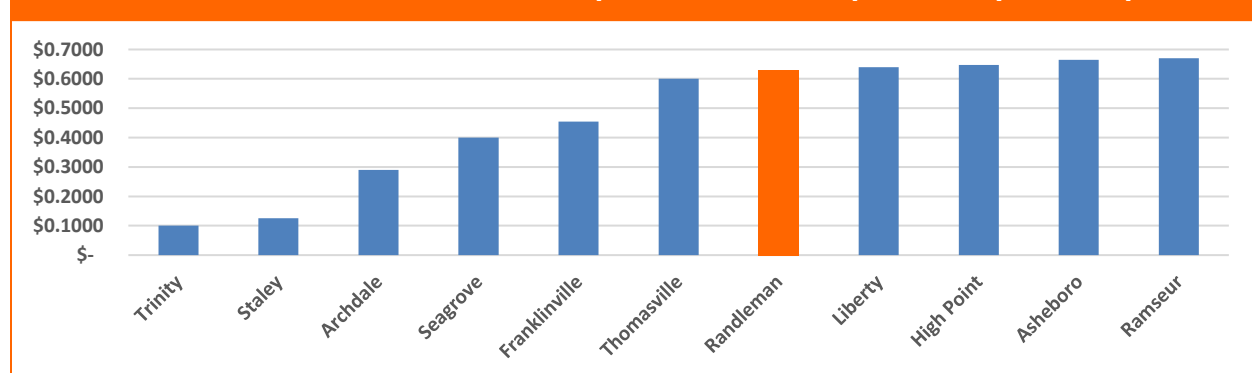
[Appendix I](#) provides a comparison of the City's property tax rate with 5 municipalities directly above and below the City in certified population size throughout the State of North Carolina as of 2017. Also, there is a comparison of tax rates of municipalities within Randolph County to the City of Randleman.

This comparison does **not** take in to account that some of these municipalities may or may not have electric operations which could have an impact on the tax rate they levy; **nor**, does the provided listing compare the corresponding property values of those municipalities, as these are key determinants in a municipality's property tax rate. Chart 59 and Chart 60 summarize this information and display it in visual form, respectively. In comparing the tax rate to municipalities based on the size of their populations, the City of Randleman has neither the highest nor lowest tax rate amongst the City's population peers, as those respects belong to Spindale (\$0.6830) and Carolina Shores (\$0.1016). This also holds true when compared to neighboring municipalities in Randolph County, as Ramseur has the highest tax rate in the county (\$0.67) and Trinity has the lowest (\$0.10).

**Chart 59: Ad Valorem Tax Rate Comparison – Similar Population Size**



**Chart 60: Ad Valorem Tax Rate Comparison – Randolph County Municipalities**





## B. WATER AND SEWER RATE COMPARISONS

[Appendix J](#) provides a comparison of the City's Fiscal Year 2018-2019 water and sewer residential rates to other providers in the State of North Carolina serving a similar number of population as the City of Randleman (approximately 6,400 people served). [Appendix J](#) also shows the City of Randleman's Water and Sewer rates compared on a monthly basis to 5 cities directly above and below the City in population served for both inside and outside residential rates (if applicable) and a comparison of utility rates to neighboring municipalities within Randolph County.

Chart 61 compares the City of Randleman's FY 18-19 minimum water bill rate (calculated at a monthly basis) to those of utility providers in the state of North Carolina with similar size population of customers served. Chart 62 compares the City of Randleman's FY 18-19 minimum water bill rate (calculated at a monthly basis) to other utility providers in Randolph County.

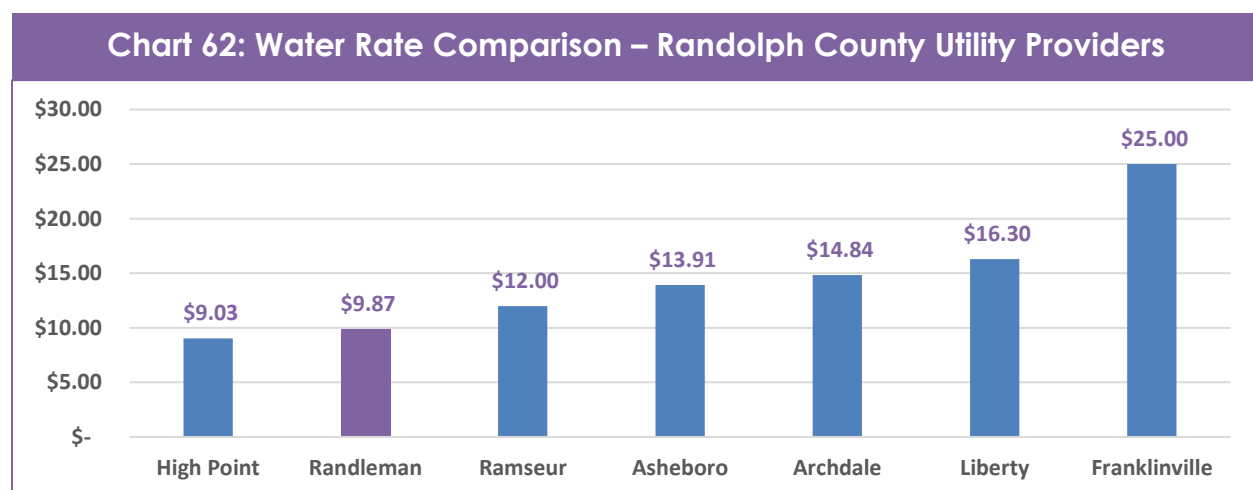
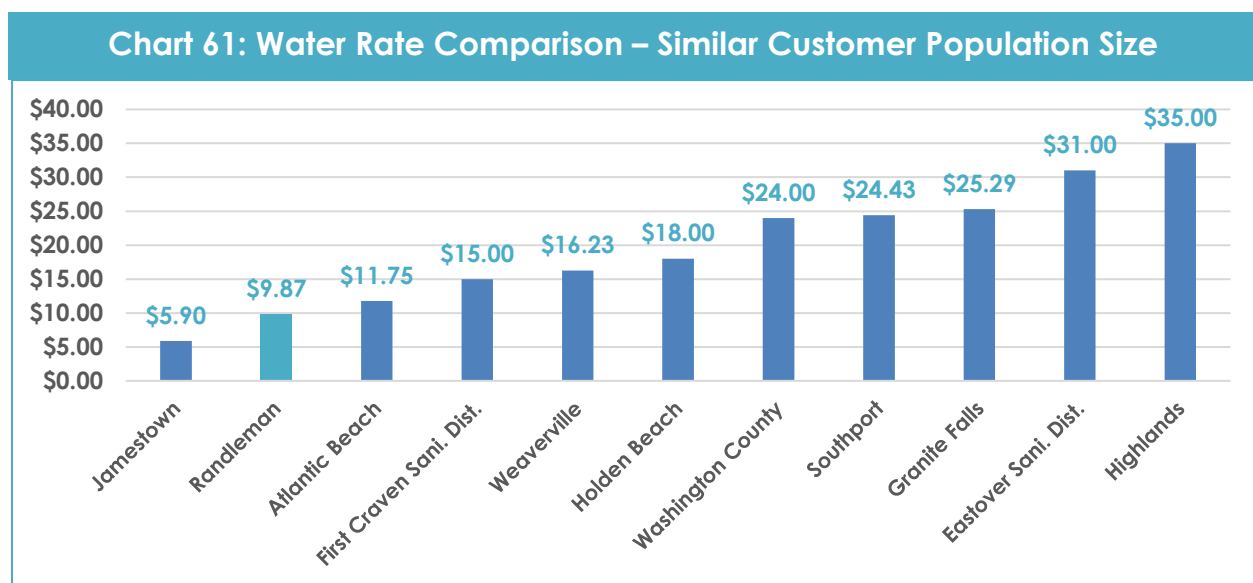




Chart 63 compares the City of Randleman's FY 18-19 minimum sewer bill rate (calculated at a monthly basis) to those of utility providers in the state of North Carolina with similar size population of customers served.

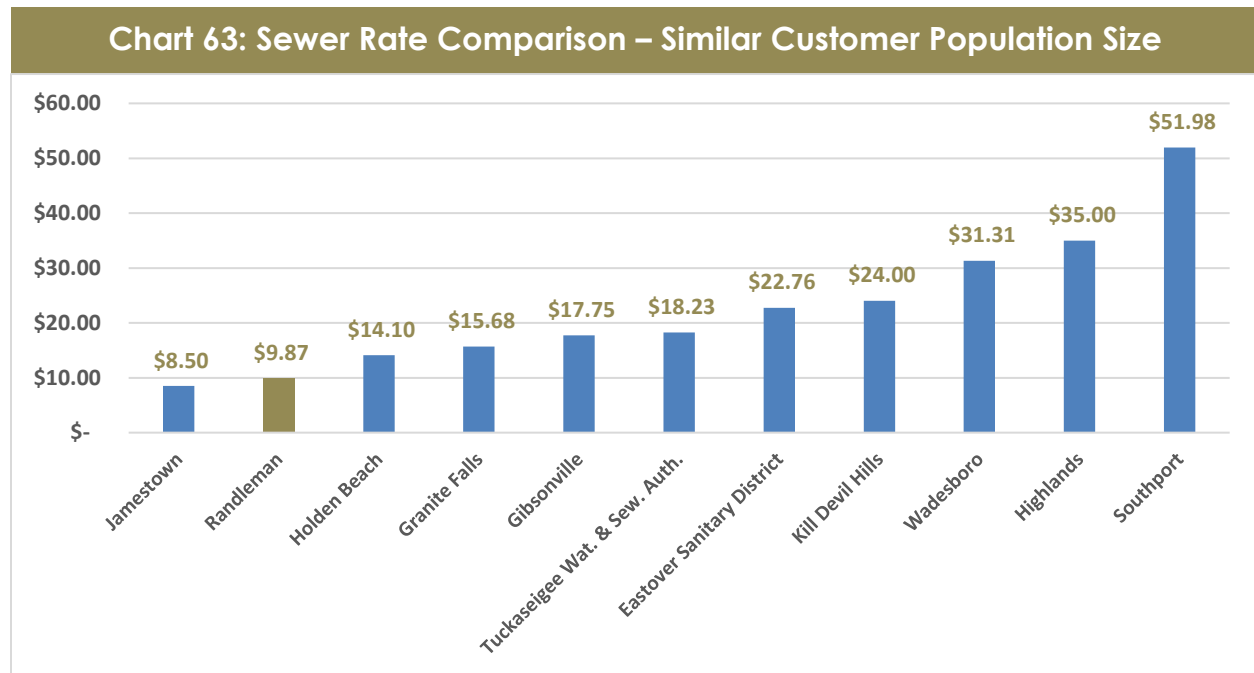
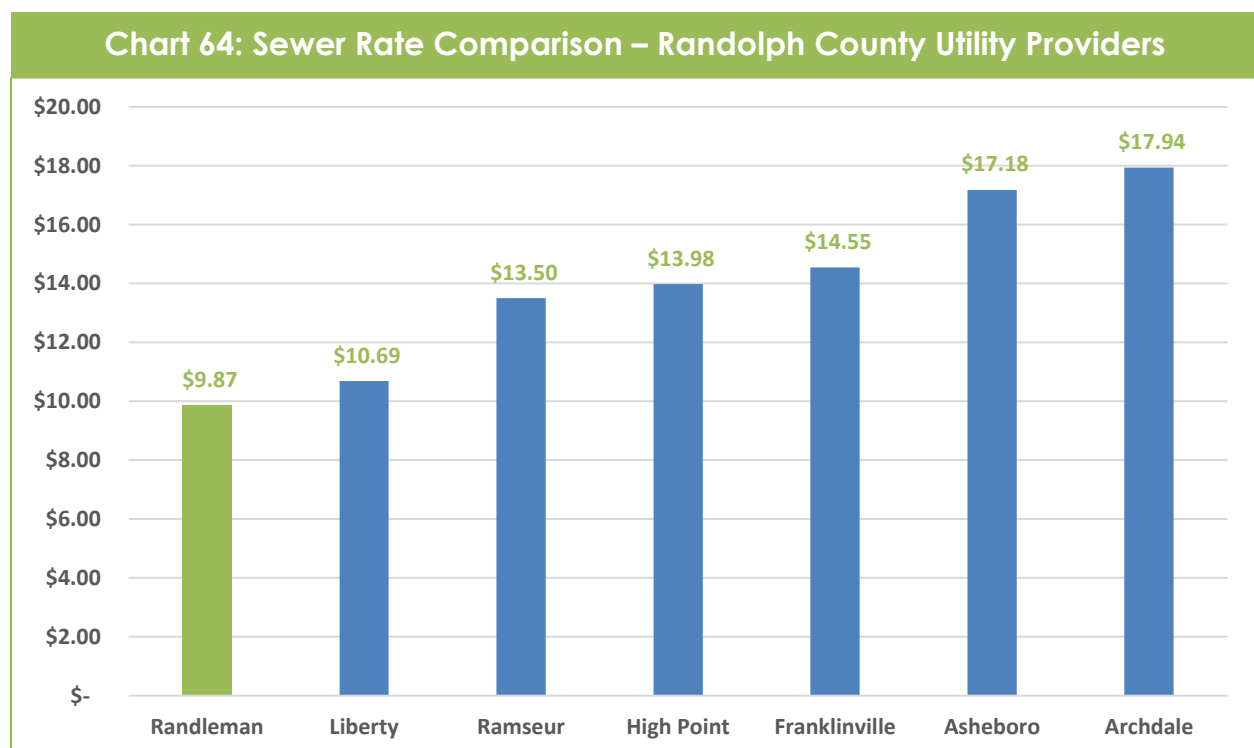


Chart 64 compares the City of Randleman's FY 18-19 minimum sewer bill rate (calculated at a monthly basis) to other utility providers in Randolph County.





The information provided is based on survey responses from municipalities all over the State of North Carolina compiled by the Environmental Finance Center at the University of North Carolina's School of Government as well as the North Carolina League of Municipalities. It should be noted that the City of Randleman, when compared on a monthly basis to the set of listed utility providers based on population served, has the second lowest minimum residential water rate and the second lowest minimum residential sewer rate overall. When compared to other municipalities in Randolph County, the City of Randleman has the second lowest water rate and the lowest sewer rate.

In comparing the City of Randleman to other utility providers in the state as a whole, the following conclusions were ascertained:

- Concerning the size of population served by the utility providers, the City of Randleman ranks 313 out of 512 water providers and 272 out of 422 sewer providers, when ranked from lowest to highest, with the smallest population ranked first and the largest population ranked last. This essentially means that Randleman is in the top largest 40% of utility providers in the state.
- Regarding the minimum inside water rates charged by the utility providers, the City of Randleman ranks 73 out of 512 providers, when comparing rates from lowest to highest, with the lowest rate ranked first and the highest rate ranked last. This means that the City of Randleman's minimum water bill rate is in the lowest 14.3% in the state of North Carolina.
- Regarding the minimum inside sewer rates charged by the utility providers, the City ranks 63 out of 422 providers, when comparing rates from lowest to highest, with the lowest rate ranked first and the highest rate ranked last. This means that the City of Randleman's minimum sewer bill rate is in the lowest 14.9% in the state of North Carolina.

This information is summarized below:

| Categories                            | Water          | Sewer          |
|---------------------------------------|----------------|----------------|
| Population Served (lowest to highest) | 313 out of 512 | 272 out of 422 |
| Minimum Rates (lowest to highest)     | 73 out of 512  | 63 out of 422  |



## VII. PROPOSED BUDGET ORDINANCE

The 2019-2020 Fiscal Year Proposed Budget Ordinance for the City of Randleman is shown in [Appendix A](#). This proposed budget ordinance is balanced with the Ad Valorem tax rate of \$0.63 per \$100 of valuation for General Fund. There is also a city-wide fee schedule attached to the ordinance.



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## VIII. CONCLUSION

This proposed budget is balanced in accordance with State statutes and attempts to address the Board's priorities, departmental requests, and citizen concerns for the 2019-2020 Fiscal Year. This budget offers no property tax increases and will allow departments to maintain current levels of service for citizens and customers. Modest increases are placed on water and sewer customers, which will allow the City of Randleman to grow Net Position in the water and sewer fund. This will better prepare the City to make necessary improvements and expansions in the future.





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## APPENDICES



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## Appendix A: Proposed Budget Ordinance

### **BUDGET ORDINANCE FISCAL YEAR 2019-2020**

**BE IT ORDAINED** by the Board of Aldermen of the City of Randleman, North Carolina in session assembled:

**SECTION 1:** The following amounts are hereby appropriated in the General Fund for the operation of the city government and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020, in accordance with the chart of accounts heretofore established for this City:

| <b>ACCOUNT</b>              | <b>DEPARTMENT OR FUNCTION</b>       | <b>APPROPRIATION (\$)</b> |
|-----------------------------|-------------------------------------|---------------------------|
| 10-00-4110-XXXX             | (4110) - COUNCIL                    | 33,000                    |
| 10-00-4120-XXXX             | (4120) - ADMINISTRATION             | 682,500                   |
| 10-00-9800-XXXX             | (9800) -DEBT SERVICE/CAPITAL OUTLAY | 108,800                   |
| 10-20-4250-XXXX             | (4250) - FLEET MAINTENANCE          | 170,100                   |
| 10-10-4310-XXXX             | (4310) - POLICE                     | 1,280,800                 |
| 10-10-4340-XXXX             | (4340) - FIRE                       | 1,486,400                 |
| 10-20-4510-XXXX             | (4510) - STREET                     | 474,000                   |
| 10-20-4710-XXXX             | (4710) - SANITATION                 | 318,100                   |
| 10-30-4900-XXXX             | (4900) - ECON & PHYS DEV            | 104,600                   |
| 10-30-4910-XXXX             | (4910) - PLANNING & ZONING          | 137,900                   |
| 10-40-6110-XXXX             | (6110) - LIBRARY                    | 338,700                   |
| 10-40-6120-XXXX             | (6120) - RECREATION                 | 676,700                   |
| <b>TOTAL APPROPRIATIONS</b> |                                     | <b>5,811,600</b>          |



**SECTION 2:** It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

| <b>ACCOUNT</b>                 | <b>ACCOUNT DESCRIPTION</b>                   | <b>AMOUNT (\$)</b> |
|--------------------------------|--|--------------------|
| 10-00-3110-2100                | AD VALOREM TAXES-PRIOR YEARS                 | 5,000              |
| 10-00-3110-2117                | 2017 AD VALOREM TAXES                        | 2,000              |
| 10-00-3110-2118                | 2018 AD VALOREM TAXES                        | 5,000              |
| 10-00-3110-2119                | 2019 AD VALOREM TAXES – CURRENT YEAR'S TAXES | 2,624,000          |
| 10-00-3110-2800                | PENALTIES & INTEREST                         | 3,000              |
| 10-00-3230-0100                | LOCAL SALES & USE TAX                        | 1,015,000          |
| 10-00-3232-0300                | SOLID WASTE DISPOSAL TAX                     | 3,000              |
| 10-00-3260-0100                | PRIVILEGE LICENSES                           | 200                |
| 10-00-3311-0200                | P.I.L.O.T.-HOUSING AUTHORITY                 | 9,000              |
| 10-00-3322-0200                | STATE - BEER & WINE                          | 20,000             |
| 10-00-3324-0200                | STATE FRANCHISE TAXES                        | 500,000            |
| 10-00-3330-0200                | FIRE DISTRICT TAX REVENUE                    | 505,000            |
| 10-00-3831-0801                | INTEREST ON INVESTMENTS                      | 100,000            |
| 10-00-3834-0800                | BUILDING RENTS                               | 21,000             |
| 10-00-3837-XXXX                | ABC REVENUE                                  | 155,000            |
| 10-00-3839-0800                | MISC. SOURCES                                | 10,000             |
| 10-00-3920-0900                | SALE OF REAL PROPERTY/ASSET                  | 5,000              |
| 10-00-3990-0900                | APPROPRIATED FUND BALANCE                    | 10,000             |
| 10-00-3990-0920                | APPROPRIATED POWELL BILL FUND BALANCE        | 60,000             |
| 10-10-3431-0301                | UNAUTHORIZED SUBSTANCE TAX                   | 2,500              |
| 10-10-3431-0400                | ARREST FEES & MILEAGE                        | 4,000              |
| 10-10-3434-0800                | FIRE PREVENTION – PERMITS                    | 300                |
| 10-20-3316-0300                | POWELL BILL                                  | 120,000            |
| 10-20-3471-0400                | TIPPING FEES - SANITATION                    | 326,000            |
| 10-20-3473-0400                | STORMWATER FEES                              | 35,000             |
| 10-30-3491-0401                | ZONING PERMITS                               | 2,100              |
| 10-30-3491-0402                | SPEC USE PERMITS/ZONING                      | 1,500              |
| 10-40-3330-0300                | LIBRARY RANDOLPH COUNTY                      | 12,000             |
| 10-40-3611-XXXX                | LIBRARY REVENUES                             | 12,000             |
| 10-40-3612-XXXX                | PARKS & REC REVENUES                         | 244,000            |
| <b>TOTAL ESTIMATED REVENUE</b> |  | <b>5,811,600</b>   |



**SECTION 3:** There is hereby levied a tax at the rate of sixty-three cents (\$0.63) per one hundred (\$100) valuation of property as listed for taxes as of January 1, 2019 for the purpose of raising the revenue listed as "Current Year's Taxes" in the General Fund in Section 2 of this ordinance. This rate is based on a total valuation of property for the purposes of taxation of \$430,835,323 and the budgeted amount is based on an estimated rate of collection of 96.7%. As required in North Carolina General Statute 159-11 (e), the revenue neutral tax rate to produce the same tax levy is \$0.5919 per one hundred (\$100) at full valuation of the revaluation.



**SECTION 4:** The following General Fund Fees are hereby adopted for provision of services by the City for the fiscal year beginning July 1, 2019.

| Department      | Fee Description  | Fee Amount                | Unit              | Add'l Information        |
|-----------------|--|---------------------------|-------------------|--------------------------|
| Administration  | 8.5 X 11 Copy  | \$0.25                    | per page          | Black & white            |
| Administration  | Miscellaneous Returned Check Fee                                 | \$25.00                   | per occurrence    |                          |
| Administration  | Privilege License Fee (Alcohol Sales)                            | 15.00                     | per license       |                          |
| Fire Department | Fire Inspection Fee  | \$50.00                   | per occurrence    |                          |
| Library         | Copies   | \$0.20                    | per page          | Black/white or color     |
| Library         | Library Card Replacement Fee - First Replacement Card            | \$1.00                    | per card          |                          |
| Library         | Library Card Replacement Fee - All Subsequent Cards              | \$5.00                    | per card          |                          |
| Library         | Library Card Replacement Fee - Upgrade from Old RCPL Card        | \$0.50                    | per card          |                          |
| Library         | Late Item Fee <sup>1</sup>                                       | \$0.10                    | each item per day |                          |
| Library         | Late DVD/Blu-Ray Disc Fee  | \$1.00                    | each item per day | Max: \$5.00 per checkout |
| Library         | Lost Item or Item Damaged beyond Use <sup>2</sup>                | RC*                       | each item         |                          |
| Library         | Locking DVD Case Unusable  | \$2.00                    | each case         |                          |
| Library         | Locking DVD Case Missing (With Cover & Barcode)                  | \$4.00                    | each case         |                          |
| Library         | AV Case (audiobook, cd) Missing or Damaged <sup>3</sup>          | \$1.00                    | each case         |                          |
| Library         | AV Jacket (DVD, Audiobook, CD) missing with Barcode or damaged   | \$2.00                    | each jacket       |                          |
| Library         | Barcode missing  | \$1.00                    | each barcode      |                          |
| Library         | Book jacket torn or missing                                      | \$1.00                    | each jacket       |                          |
| Library         | Book damage – crayon/pen/highlights on few pages                 | \$0.25                    | per page          |                          |
| Library         | Book damage – crayon/pen/highlights on few pages throughout book | RC*                       | each book         |                          |
| Library         | Book damage – page torn  | \$0.25                    | each page         |                          |
| Library         | Book damage – multiple pages torn                                | RC*                       | each book         |                          |
| Library         | Book damage – spine damaged                                      | RC*                       | each book         |                          |
| Library         | Book damage (spine not affected) – water damage (slight)         | \$0.25                    | each page         |                          |
| Library         | Book damage (spine not affected) – damage throughout             | RC*                       | each book         |                          |
| Library         | Damaged DVD, Audiobook, or CD <sup>3</sup>                       | RC*                       | each item         |                          |
| Library         | Magazine Damaged   | RC*                       | each item         |                          |
| Library         | Non-return of Study Room Reservation Holder                      | \$10.00                   | each time         |                          |
| Library         | Miscellaneous Programming Fees                                   | City Manager's Discretion |                   | each program             |

<sup>1</sup> All items except for DVDs; Max: \$5.00

<sup>2</sup> If portion of a set is damaged, the cost of the entire set will be assessed.

<sup>3</sup> Assessed in addition to jacket & barcode fees.





| Department  | Fee Description  | Fee Amount                | Unit            | Add'l Information   |
|-------------|--|---------------------------|-----------------|---------------------|
| Parks & Rec | Community Center Room Rentals - Senior Room - Applies to All             | \$50.00                   | First 2 hours   |                     |
| Parks & Rec | Community Center Room Rentals - Senior Room - Applies to All             | \$20.00                   | Each Add'l hour | after first 2 hours |
| Parks & Rec | Community Center Room Rentals - Basketball Courts - Applies to All       | \$50.00                   | First 2 hours   |                     |
| Parks & Rec | Community Center Room Rentals - Basketball Courts - Applies to All       | \$20.00                   | Each Add'l hour | after first 2 hours |
| Parks & Rec | Community Center Room Rentals - Rock Wall Room - Applies to All          | \$50.00                   | First 2 hours   |                     |
| Parks & Rec | Community Center Room Rentals - Rock Wall Room - Applies to All          | \$20.00                   | Each Add'l hour | after first 2 hours |
| Parks & Rec | Community Center Room Rentals - Aerobic Room - Applies to All            | \$50.00                   | First 2 hours   |                     |
| Parks & Rec | Community Center Room Rentals - Aerobic Room - Applies to All            | \$20.00                   | Each Add'l hour | after first 2 hours |
| Parks & Rec | Community Center Membership Fees - Adults - Residents                    | \$15.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Adults - Non-Residents                | \$25.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Seniors - Residents                   | \$10.00                   | per month       | Ages 65+            |
| Parks & Rec | Community Center Membership Fees - Seniors - Non-Residents               | \$20.00                   | per month       | Ages 65+            |
| Parks & Rec | Community Center Membership Fees - Couples – Residents <sup>4</sup>      | \$25.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Couples - Non-Residents <sup>5</sup>  | \$35.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Family – Residents <sup>6</sup>       | \$35.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Family – Non-Residents <sup>6</sup>   | \$45.00                   | per month       |                     |
| Parks & Rec | Community Center Membership Fees - Single Entry Rate - Residents         | \$5.00                    | per day         |                     |
| Parks & Rec | Community Center Membership Fees - Single Entry Rate - Non-Residents     | \$5.00                    | per day         |                     |
| Parks & Rec | Community Center Membership Fees - Specials (All Rates) <sup>7</sup>     | City Manager's Discretion |                 |                     |
| Parks & Rec | Soccer Field Rentals - Residents   | \$50.00                   | hour            |                     |
| Parks & Rec | Soccer Field Rentals - Non-residents                                     | \$75.00                   | hour            |                     |
| Parks & Rec | Soccer Field Rentals - Tournaments - Residents                           | \$250.00                  | day             |                     |
| Parks & Rec | Soccer Field Rentals - Tournaments - Non-Residents                       | \$300.00                  | day             |                     |
| Parks & Rec | Baseball Field Rentals - Residents                                       | \$15.00                   | hour            | Lights not included |
| Parks & Rec | Baseball Field Rentals - Non-Residents                                   | \$20.00                   | hour            | Lights not included |
| Parks & Rec | Baseball Field Rentals - Residents                                       | \$30.00                   | hour            | lights included     |
| Parks & Rec | Baseball Field Rentals - Non-Residents                                   | \$40.00                   | hour            | lights included     |
| Parks & Rec | Baseball Field Rentals - Tournaments – Residents – 1 field               | \$90.00                   | per day         | Lights not included |
| Parks & Rec | Baseball Field Rentals - Tournaments - Non-Residents – 1 field           | \$100.00                  | per day         | Lights not included |
| Parks & Rec | Baseball Field Rentals - Tournaments – Residents -2 fields               | \$160.00                  | per day         | Lights not included |
| Parks & Rec | Baseball Field Rentals - Tournaments - Non-Residents – 2 fields          | \$180.00                  | per day         | Lights not included |
| Parks & Rec | Baseball Field Rentals - Tournaments – Residents -1 field                | \$110.00                  | per day         | lights included     |
| Parks & Rec | Baseball Field Rentals - Tournaments - Non-Residents – 1 field           | \$125.00                  | per day         | lights included     |
| Parks & Rec | Baseball Field Rentals - Tournaments – Residents – 2 fields              | \$200.00                  | per day         | lights included     |
| Parks & Rec | Baseball Field Rentals - Tournaments - Non-Residents – 2 fields          | \$225.00                  | per day         | lights included     |
| Parks & Rec | Baseball Field Rentals - Tournaments - Concession Stands - Residents     | \$75.00                   | per day         |                     |
| Parks & Rec | Baseball Field Rentals - Tournaments - Concession Stands - Non-Residents | \$90.00                   | per day         |                     |

<sup>4</sup>2 memberships; each member must be resident

<sup>5</sup>2 memberships; price if either member is non-resident

<sup>6</sup>4 memberships per household

<sup>7</sup> Usually done twice; in January and May to promote fitness



| Department  | Fee Description   | Fee Amount                         | Unit        | Add'l Info.                 |
|-------------|---|------------------------------------|-------------|-----------------------------|
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Main Room - Residents              | \$75.00                            | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Main Room - Non-Residents          | \$150.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Stage View Room - Residents        | \$50.00                            | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Stage View Room - Non-Residents    | \$100.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Whole Building - Residents         | \$125.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Firestone Building: Whole Building - Non-Residents     | \$250.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Hughes Room - Residents       | \$300.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Hughes Room - Non-Residents   | \$400.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Ferguson Room - Residents     | \$200.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Ferguson Room - Non-Residents | \$300.00                           | per day     |                             |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Each Room - Alcohol Deposit   | \$500.00                           | per day     | If alcohol will be at event |
| Parks & Rec | Commerce Square Facility Rentals - Randleman Civic Center - Each Room - Cleaning Deposit  | \$100.00                           | per day     | All rentals                 |
| Parks & Rec | Commerce Square Facility Rentals - Band Stand - Residents                                 | \$100.00                           | per day     | Elec. not included          |
| Parks & Rec | Commerce Square Facility Rentals - Band Stand - Non-Residents                             | \$150.00                           | per day     | Elec. not included          |
| Parks & Rec | Commerce Square Facility Rentals - Band Stand - Residents                                 | \$125.00                           | per day     | Elec. included              |
| Parks & Rec | Commerce Square Facility Rentals - Band Stand - Non-Residents                             | \$175.00                           | per day     | Elec. included              |
| Parks & Rec | Commerce Square Facility Rentals - Farmer's Market - Applies to All <sup>8</sup>          | \$0.00                             | 1 space/day |                             |
| Parks & Rec | Commerce Square Facility Rentals - All Buildings - Non-Profit Organizations               | ½ of listed resident price per day |             |                             |
| Parks & Rec | Youth Sports Fees - Basketball (All Ages) - Residents                                     | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Basketball (All Ages) - Non-Residents                                 | \$50.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Soccer (All Ages) - Residents   | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Soccer (All Ages) - Non-Residents                                     | \$50.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Football (All Ages) - Residents                                       | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Football (All Ages) - Non-Residents                                   | \$50.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Cheerleading (All Ages) - Residents                                   | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Cheerleading (All Ages) - Non-Residents                               | \$50.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Volleyball (All Ages) - Residents                                     | \$20.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Volleyball (All Ages) - Non-Residents                                 | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Spring/Fall T-Ball (Ages 3-4) - Residents                             | \$20.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Spring/Fall T-Ball (Ages 3-4) - Non-Residents                         | \$30.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Spring/Fall Tot-Ball (Ages 5-6) - Residents                           | \$20.00                            | per person  |                             |
| Parks & Rec | Youth Sports Fees - Spring/Fall Tot-Ball (Ages 5-6) - Non-Residents                       | \$30.00                            | per person  |                             |

<sup>8</sup> Vendors must register to sell products prior to setting up



| Department      | Fee Description  | Fee Amount                | Unit              | Add'l Info. |
|-----------------|--|---------------------------|-------------------|-------------|
| Parks & Rec     | Youth Sports Fees - Spring/Fall C-Ball (Ages 7-8) - Residents              | \$20.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall C-Ball (Ages 7-8) - Non-Residents          | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Baseball (Ages 9-10) - Residents           | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Baseball (Ages 9-10) - Non-Residents       | \$50.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Baseball (Ages 11-12) - Residents          | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Baseball (Ages 11-12) - Non-Residents      | \$50.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 8 & Under) - Residents      | \$20.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 8 & Under) - Non-Residents  | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 10 & Under) - Residents     | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 10 & Under) - Non-Residents | \$50.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 12 & Under) - Residents     | \$30.00                   | per person        |             |
| Parks & Rec     | Youth Sports Fees - Spring/Fall Softball (Ages 12 & Under) - Non-Residents | \$50.00                   | per person        |             |
| Parks & Rec     | Miscellaneous Community Programs (Comm. events, Fitness Programs, etc.)    | City Manager's Discretion |                   |             |
| Planning/Zoning | Zoning Permit Fee  | \$40.00                   | per permit        |             |
| Planning/Zoning | Rezoning Application Fee   | \$175.00                  | per application   |             |
| Planning/Zoning | Variance/Specialty Use Permit Fee  | \$175.00                  | per permit        |             |
| Police          | Fingerprinting Fee   | \$10.00                   | per service       |             |
| Public Works    | Sanitation Fee   | \$16.00                   | per can per month |             |
| Public Works    | Extra Garbage Can  | \$75.00                   | per can           |             |
| Stormwater      | Residential Stormwater Fee   | \$2.00                    | per bill          |             |
| Stormwater      | Commercial Stormwater Fee  | \$10.00                   | per bill          |             |

<sup>8</sup> Vendors must register to sell products prior to setting up

\*RC = Replacement Cost



**SECTION 5:** The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the city government and its' activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020, in accordance with the chart of accounts heretofore established for this City:

| <b>ACCOUNT</b>              | <b>DEPARTMENT OR FUNCTION</b>        | <b>APPROPRIATION (\$)</b> |
|-----------------------------|--------------------------------------|---------------------------|
| 60-60-7110-XXXX             | (7110) - WATER                       | 896,400                   |
| 60-60-7120-XXXX             | (7120) – WATER MAINTENANCE           | 250,600                   |
| 60-60-7125-XXXX             | (7125) – WASTEWATER MAINTENANCE      | 254,600                   |
| 60-60-7130-XXXX             | (7130) - WASTEWATER                  | 844,600                   |
| 60-60-9800-XXXX             | (9800) - CAPITAL OUTLAY/DEBT SERVICE | 433,800                   |
| <b>TOTAL APPROPRIATIONS</b> |                                      | <b>2,680,000</b>          |

**SECTION 6:** It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

| <b>DESCRIPTION</b>              | <b>AMOUNT (\$)</b> |
|---------------------------------|--------------------|
| WATER CHARGES                   | 1,310,000          |
| WATERLINE CONNECTIONS           | 10,000             |
| WASTEWATER CHARGES              | 1,285,000          |
| WASTEWATER CONNECTIONS          | 10,000             |
| INTEREST ON INVESTMENT          | 1,000              |
| MISC SOURCES                    | 1,000              |
| LATE FEES                       | 50,000             |
| RETURNED CHECK CHARGE           | 1,000              |
| CREDIT CARD FEES                | 12,000             |
| <b>TOTAL ESTIMATED REVENUES</b> | <b>2,680,000</b>   |



**SECTION 7:** The following Water and Sewer Fund Fees are hereby adopted for provision of services by the City for the fiscal year beginning July 1, 2019:

| Dept. | Fee Description  | Fee Amount                                  | Unit                                 | Add'l Information                      |
|-------|--|---|--------------------------------------|--|
| Water | Utility Charges - Water – Residential - Base Fee - Inside City Limits <sup>1</sup>                 | \$21.71                                     | 0 - 3,000 gals                       | Billed every 2 months                  |
| Water | Utility Charges - Water – Residential - Consumption Fee - Inside City Limits <sup>1</sup>          | \$7.94                                      | per 1,000 gals over first 3,000 gals | Billed every 2 months                  |
| Water | Utility Charges - Water – Residential - Base Fee - Outside City Limits <sup>1</sup>                | \$43.43                                     | 0 - 3,000 gals                       | Billed every 2 months                  |
| Water | Utility Charges - Water – Residential - Consumption Fee - Outside City Limits <sup>1</sup>         | \$15.88                                     | per 1,000 gals over first 3,000 gals | Billed every 2 months                  |
| Water | Utility Charges - Water – Commercial - Base Fee - Inside City Limits <sup>2</sup>                  | \$21.71                                     | 0 - 3,000 gals                       | Billed every month                     |
| Water | Utility Charges - Water – Commercial - Consumption Fee - Inside City Limits <sup>2</sup>           | \$7.94                                      | per 1,000 gals over first 3,000 gals | Billed every month                     |
| Water | Utility Charges - Water – Commercial - Base Fee - Outside City Limits <sup>2</sup>                 | \$43.43                                     | 0 - 3,000 gals                       | Billed every month                     |
| Water | Utility Charges - Water – Commercial - Consumption Fee - Outside City Limits <sup>2</sup>          | \$15.88                                     | per 1,000 gals over first 3,000 gals | Billed every month                     |
| Water | Utility Charges - Water – Industrial Rate (7,000,000+ gals avg. per month)                         | \$11,000.00                                 | per month                            | Billed every month                     |
| Water | Water Tap Fee - 3/4" - City Installed - Inside City Limits   | \$1,200.00                                  | per tap                              |  |
| Water | Water Tap Fee - 3/4" - City Installed - Outside City Limits  | \$2,000.00                                  | per tap                              |  |
| Water | Water Tap Fee - 3/4" - Developer Installed (Subdivisions) - Inside City Limits                     | \$400.00                                    | per tap                              |  |
| Water | Water Tap Fee - 3/4" - Developer Installed (Subdivisions) - Outside City Limits                    | \$600.00                                    | per tap                              |  |
| Water | Meter Tampering Fee - First Occurrence (All locations)   | \$50.00                                     | per meter                            |  |
| Water | Meter Tampering Fee - Each Additional Occurrence (All locations)                                   | \$100.00                                    | per meter                            |  |
| Water | Meter Replacement Fee <sup>3</sup>   | Cost + \$25.00                              | per meter                            |  |
| Water | Late Fee - (All locations) - after 5 pm on due date <sup>4</sup>                                   | \$5.00                                      | per account                          |  |
| Water | Second Late Fee - (All locations) - after 5 pm on cut-off date <sup>5</sup>                        | \$30.00                                     | per account                          |  |
| Water | Returned Check/Draft Fee   | \$25.00                                     | per occurrence                       |  |
| Water | Services not listed  | City Manager's Discretion: minimum: at Cost |                                      |  |
| Misc. | Utility Service Deposit - Rental Property - Inside City Limits                                     | \$125.00                                    | per account                          | Due before account is opened           |
| Misc. | Utility Service Deposit - Rental Property - Outside City Limits                                    | \$175.00                                    | per account                          | Due before account is opened           |
| Misc. | Utility Service Deposit - All Properties - Inside City Limits and no Social Security Number given  | \$300.00                                    | per account                          | Due before account is opened           |
| Misc. | Utility Service Deposit - All Properties - Outside City Limits and no Social Security Number given | \$400.00                                    | per account                          | Due before account is opened           |
| Misc. | Convenience Fee  | \$2.75                                      | per transaction                      | For bill payments made by credit cards |

<sup>1</sup> Billed every 2 months per Utility Billing Schedule.

<sup>2</sup> Billed every month per Utility Billing Schedule.

<sup>3</sup> In addition to Meter Tampering Fee, added to customer's bills

<sup>4</sup> Late fee is added after 5 PM on due date; usually occurs on 15<sup>th</sup> of utility bill's due month; could vary dependent on how the dates fall.

<sup>5</sup> Second late fee added after 5 PM on cut-off date; usually occurs on 25<sup>th</sup> of utility bill's due month; could vary dependent on how the dates fall.



| Dept.      | Fee Description  | Fee Amount                                  | Unit                                 | Add'l Information     |
|------------|--|---|--------------------------------------|-----------------------|
| Wastewater | Utility Charges - Sewer – Residential - Base Fee - Inside City Limits <sup>6</sup>         | \$21.71                                     | 0 - 3,000 gals                       | Billed every 2 months |
| Wastewater | Utility Charges - Sewer – Residential - Consumption Fee - Inside City Limits <sup>6</sup>  | \$7.94                                      | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer – Residential - Base Fee - Outside City Limits <sup>6</sup>        | \$43.43                                     | 0 - 3,000 gals                       | Billed every 2 months |
| Wastewater | Utility Charges - Sewer – Residential - Consumption Fee - Outside City Limits <sup>6</sup> | \$15.88                                     | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer – Commercial - Base Fee - Inside City Limits <sup>7</sup>          | \$21.71                                     | 0 - 3,000 gals                       | Billed every month    |
| Wastewater | Utility Charges - Sewer – Commercial - Consumption Fee - Inside City Limits <sup>7</sup>   | \$7.94                                      | per 1,000 gals over first 3,000 gals | Billed every month    |
| Wastewater | Utility Charges - Sewer – Commercial - Base Fee - Outside City Limits <sup>7</sup>         | \$43.43                                     | 0 - 3,000 gals                       | Billed every month    |
| Wastewater | Utility Charges - Sewer – Commercial - Consumption Fee - Outside City Limits <sup>7</sup>  | \$15.88                                     | per 1,000 gals over first 3,000 gals | Billed every month    |
| Wastewater | Utility Charges - Sewer - Industrial Rate (7,000,000+ gals avg. per month)                 | \$35,000.00                                 | per month                            | Billed every month    |
| Wastewater | Tap Fee - 4" - City Installed - Inside City Limits   | \$900.00                                    | per tap                              |                       |
| Wastewater | Tap Fee - 4" - City Installed - Outside City Limits  | \$1,500.00                                  | per tap                              |                       |
| Wastewater | Tap Fee - 4" - Developer Installed (Subdivisions) - Inside City Limits                     | \$400.00                                    | per tap                              |                       |
| Wastewater | Tap Fee - 4" - Developer Installed (Subdivisions) - Outside City Limits                    | \$600.00                                    | per tap                              |                       |
| Wastewater | Services not listed  | City Manager's Discretion: minimum: at Cost |                                      |                       |

<sup>6</sup> Billed every 2 months per Utility Billing Schedule.

<sup>7</sup> Billed every month per Utility Billing Schedule.



**SECTION 8:** The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a) He/she may transfer between line item expenditures within a department without limitation and without a report to the Governing Board being required.
- b) He/she may transfer amounts between departments, within the same fund. He/she must make an official report on such transfers in excess of \$10,000 at the next regular meeting of the Governing Board.
- c) He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance, as amended.

**SECTION 9:** Copies of this Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds. A copy will also be made available in City Hall and at the City of Randleman website: [www.cityofrandleman.com](http://www.cityofrandleman.com)

**TOTAL GROSS BUDGET**

**\$8,491,600**

Adopted this, the \_\_\_\_ day of \_\_\_\_, 2019.

\_\_\_\_\_  
Clarence R. Jernigan, Mayor

ATTEST:

\_\_\_\_\_  
Connie M. Cross, Interim City Clerk





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## Appendix B: Recommended General Fund Revenues FY 2019-2020

| ACCOUNT NO.     | ACCOUNT DESCRIPTION              | FY 2018 ACTUAL | FY 2019 APPROVED | FY 2019 YTD (5/8/19) | FY 2020 RECOMM.    |
|-----------------|----------------------------------|----------------|------------------|----------------------|--------------------|
| 10-00-3110-2100 | AD VALOREM TAXES-PRIOR YEARS     | -\$8,550.81    | \$2,000          | \$1,565.85           | <b>\$5,000</b>     |
| 10-00-3110-2115 | 2015 AD VALOREM TAXES            | \$606.35       | \$0              | \$0.00               | <b>\$0</b>         |
| 10-00-3110-2116 | 2016 AD VALOREM TAXES            | \$2,756.52     | \$2,000          | \$486.10             | <b>\$0</b>         |
| 10-00-3110-2117 | 2017 AD VALOREM TAXES            | \$2,495,002.58 | \$5,000          | \$2,990.57           | <b>\$2,000</b>     |
| 10-00-3110-2118 | 2018 AD VALOREM TAXES            | \$1,189.12     | \$2,467,000      | \$2,459,191.50       | <b>\$5,000</b>     |
| 10-00-3110-2119 | 2019 AD VALOREM TAXES            | \$0.00         | \$0              | \$9.64               | <b>\$2,624,000</b> |
| 10-00-3110-2800 | PENALTIES & INTEREST             | \$3,279.39     | \$5,000          | \$3,570.09           | <b>\$3,000</b>     |
| 10-00-3230-0100 | LOCAL SALES & USE TAX            | \$969,071.32   | \$965,000        | \$649,502.92         | <b>\$1,015,000</b> |
| 10-00-3232-0300 | SOLID WASTE DISPOSAL TAX         | \$2,783.06     | \$3,000          | \$2,318.61           | <b>\$3,000</b>     |
| 10-00-3260-0100 | PRIVILEGE LICENSES               | \$240.00       | \$200            | \$210.00             | <b>\$200</b>       |
| 10-00-3280-0100 | VEHICLE TAG FEE                  | \$4.75         | \$0              | \$7.36               | <b>\$0</b>         |
| 10-00-3311-0200 | P.I.L.O.T.-HOUSING AUTHORITY     | \$20,368.24    | \$9,000          | \$0.00               | <b>\$9,000</b>     |
| 10-00-3322-0200 | STATE - BEER & WINE              | \$18,143.69    | \$20,000         | \$0.00               | <b>\$20,000</b>    |
| 10-00-3324-0200 | STATE FRANCHISE TAXES            | \$484,476.33   | \$460,000        | \$249,058.00         | <b>\$500,000</b>   |
| 10-00-3330-0200 | FIRE DISTRICT TAX REVENUE        | \$480,932.10   | \$470,000        | \$461,507.53         | <b>\$505,000</b>   |
| 10-00-3492-0200 | MISC GRANT REVENUE               | \$0.00         | \$14,000         | \$13,950.00          | <b>\$0</b>         |
| 10-00-3831-0801 | INTEREST ON INVESTMENTS          | \$73,309.11    | \$120,000        | \$109,953.63         | <b>\$100,000</b>   |
| 10-00-3833-0801 | FUNDRAISING - ADMIN              | \$400.00       | \$2,500          | \$1,250.00           | <b>\$0</b>         |
| 10-00-3834-0800 | BUILDING RENTS                   | \$8,750.00     | \$10,000         | \$8,250.00           | <b>\$21,000</b>    |
| 10-00-3837-0200 | ABC REVENUE GENERAL FUND         | \$112,860.00   | \$170,000        | \$146,790.54         | <b>\$145,000</b>   |
| 10-00-3837-0210 | ABC REVENUE LAW ENFORCEMENT      | \$6,750.00     | \$5,000          | \$5,200.00           | <b>\$5,000</b>     |
| 10-00-3837-0240 | ABC REVENUE RECREATION           | \$5,940.00     | \$10,000         | \$7,660.00           | <b>\$5,000</b>     |
| 10-00-3839-0800 | MISC SOURCES                     | \$638.32       | \$21,500         | \$20,737.23          | <b>\$10,000</b>    |
| 10-00-3839-0900 | INSURANCE PROCEEDS               | \$17,175.00    | \$5,000          | \$4,952.10           | <b>\$0</b>         |
| 10-00-3920-0900 | SALE OF REAL PROPERTY/ASSET      | \$0.00         | \$20,000         | \$0.00               | <b>\$5,000</b>     |
| 10-00-3980-6910 | TRANSFER FROM OTHER FUNDS        | \$25,867.93    | \$0              | \$0.00               | <b>\$0</b>         |
| 10-00-3980-6920 | TRANSFER FROM LIBRARY TRUST FUND | \$65,155.09    | \$0              | \$0.00               | <b>\$0</b>         |
| 10-00-3990-0900 | APPROPRIATED FUND BALANCE        | \$0.00         | \$10,300         | \$0.00               | <b>\$10,000</b>    |
| 10-00-3990-0910 | APP-DRUG SEIZURE FUND BALANCE    | \$0.00         | \$7,700          | \$0.00               | <b>\$0</b>         |
| 10-00-3990-0920 | APP POWELL BILL FUND BALANCE     | \$0.00         | \$237,000        | \$0.00               | <b>\$60,000</b>    |
| 10-10-3431-0301 | UNAUTHORIZED SUBSTANCE TAX       | \$2,655.82     | \$3,000          | \$834.21             | <b>\$2,500</b>     |
| 10-10-3431-0400 | ARREST FEES & MILEAGE            | \$3,080.42     | \$3,500          | \$3,299.49           | <b>\$4,000</b>     |



| ACCOUNT NO.       | ACCOUNT DESCRIPTION            | FY 2018 ACTUAL        | FY 2019 APPROVED   | FY 2019 YTD (5/8/19)  | FY 2020 RECOMM.    |
|-------------------|--------------------------------|-----------------------|--------------------|-----------------------|--------------------|
| 10-10-3434-0800   | FIRE PREVENTION-PERMITS        | \$170.00              | \$100              | \$90.00               | \$300              |
| 10-10-3490-0200   | FEMA FIRE GRANT                | \$91,471.73           | \$41,300           | \$41,137.40           | \$0                |
| 10-10-3613-0800   | PRIVATE/CORP DONATIONS         | \$14,000.00           | \$0                | \$0.00                | \$0                |
| 10-10-3833-0801   | FUNDRAISING-POLICE             | \$11,725.00           | \$12,000           | \$9,630.00            | \$0                |
| 10-10-3833-0802   | FUNDRAISING-FIRE               | \$280.00              | \$0                | \$0.00                | \$0                |
| 10-20-3316-0300   | POWELL BILL                    | \$120,323.17          | \$121,000          | \$117,973.75          | \$120,000          |
| 10-20-3471-0400   | TIPPING FEES - SANITATION      | \$236,052.06          | \$282,000          | \$219,003.70          | \$326,000          |
| 10-20-3473-0400   | STORMWATER FEES                | \$44,035.69           | \$35,000           | \$30,209.59           | \$35,000           |
| 10-30-3491-0401   | ZONING PERMIT FOR BLDG PE      | \$2,990.00            | \$2,500            | \$2,390.00            | \$2,100            |
| 10-30-3491-0402   | SPEC USE PERMITS/ZONING        | \$1,400.00            | \$1,500            | \$175.00              | \$1,500            |
| 10-40-3330-0300   | LIBRARY RANDOLPH COUNTY        | \$12,000.00           | \$12,000           | \$12,000.00           | \$12,000           |
| 10-40-3492-0201   | LIBRARY GRANTS                 | \$6,500.00            | \$0                | \$0.00                | \$0                |
| 10-40-3611-0400   | LIBRARY FEES & FINES           | \$5,068.27            | \$5,000            | \$4,609.94            | \$5,000            |
| 10-40-3611-0803   | LIBRARY GIFTS & MEMORIALS      | \$3,099.28            | \$3,000            | \$962.11              | \$3,000            |
| 10-40-3611-0804   | LIBRARY MISC REV               | \$3,902.05            | \$4,000            | \$3,030.00            | \$4,000            |
| 10-40-3611-0805   | LIBRARY DONATION - JW          | \$0.00                | \$5,000            | \$5,000.00            | \$0                |
| 10-40-3612-0400   | REC MEMBERSHIPS & PROGRAMS     | \$149,932.00          | \$152,000          | \$120,017.00          | \$150,000          |
| 10-40-3613-0800   | REC DONATIONS & SPONSORS       | \$850.27              | \$14,000           | \$8,691.68            | \$5,000            |
| 10-40-3613-0802   | REC GATE ADMISSIONS            | \$7,604.00            | \$10,000           | \$7,799.00            | \$10,000           |
| 10-40-3613-0803   | REC CONCESSIONS & VENDING      | \$12,193.00           | \$12,000           | \$8,043.16            | \$12,000           |
| 10-40-3613-0805   | REC FACILITY RENTALS           | \$11,752.50           | \$12,000           | \$7,562.50            | \$12,000           |
| 10-40-3613-0806   | REC MISCELLANEOUS              | \$0.00                | \$5,000            | \$0.00                | \$5,000            |
| 10-40-3613-0807   | FESTIVAL & EVENTS SPONSORSHIPS | \$40,375.00           | \$50,000           | \$35,885.00           | \$50,000           |
| 10-40-3833-0801   | FUNDRAISING-LIBRARY            | \$914.67              | \$1,500            | \$1,744.00            | \$0                |
| 10-40-3833-0802   | FUNDRAISING-RECREATION         | \$4,012.26            | \$0                | \$1,000.00            | \$0                |
| <b>FUND TOTAL</b> | <b>GENERAL FUND</b>            | <b>\$5,573,535.28</b> | <b>\$5,828,600</b> | <b>\$4,790,249.20</b> | <b>\$5,811,600</b> |



## Appendix C: Recommended General Fund Expenditures FY 2019-2020

| BOARD OF ALDERMEN |                               |                    |                   |                               |                            |                         |
|-------------------|-------------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.       | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-00-4110-5100   | SALARIES-MAYOR/BOARD          | \$27,300.00        | \$27,600          | \$25,025.00                   | \$27,300                   | <b>\$27,300</b>         |
| 10-00-4110-5102   | FICA-COUNCIL                  | \$2,088.72         | \$2,400           | \$1,914.36                    | \$2,400                    | <b>\$2,400</b>          |
| 10-00-4110-7302   | ORIENTATION FOR ELECT. OFFIC. | \$1,183.50         | \$3,000           | \$226.89                      | \$3,300                    | <b>\$3,300</b>          |
| <b>BOARD</b>      | <b>DEPARTMENT TOTALS</b>      | <b>\$30,572.22</b> | <b>\$33,000</b>   | <b>\$27,166.25</b>            | <b>\$33,000</b>            | <b>\$33,000</b>         |

| DEBT SERVICE/TRANSFERS  |                          |                     |                   |                               |                            |                         |
|-------------------------|--------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.             | ACCOUNT DESCRIPTION      | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-00-9800-9200         | TRANSFER TO OTHER FUNDS  | \$50,000.00         | \$200,000         | \$0.00                        | \$0                        | <b>\$0</b>              |
| 10-00-9800-9500         | BB&T-PRINCIPAL (2025)    | \$97,500.00         | \$97,500          | \$81,250.01                   | \$97,500                   | <b>\$97,500</b>         |
| 10-00-9800-9502         | BB&T PHASE II-INTEREST   | \$16,200.47         | \$13,800          | \$11,608.60                   | \$11,300                   | <b>\$11,300</b>         |
| 10-00-9800-9600         | CONTINGENCY              | \$0.00              | \$0               | \$0.00                        | \$0                        | <b>\$0</b>              |
| <b>DEBT SERV/TRANS.</b> | <b>DEPARTMENT TOTALS</b> | <b>\$163,700.47</b> | <b>\$311,300</b>  | <b>\$92,858.61</b>            | <b>\$108,800</b>           | <b>\$108,800</b>        |



| ADMINISTRATION  |                           |                    |                   |                               |                            |                         |
|-----------------|---------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.     | ACCOUNT DESCRIPTION       | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-00-4120-5100 | SALARIES - ADMIN          | \$130,635.01       | \$167,000         | \$93,324.27                   | \$152,000                  | \$152,000               |
| 10-00-4120-5101 | 401K - ADMIN              | \$5,808.94         | \$8,400           | \$3,867.46                    | \$5,900                    | \$5,900                 |
| 10-00-4120-5102 | FICA - ADMIN              | \$9,770.47         | \$12,900          | \$6,123.06                    | \$11,800                   | \$11,800                |
| 10-00-4120-5103 | STATE RETIREMENT - ADMIN  | \$9,369.38         | \$13,100          | \$6,541.25                    | \$10,600                   | \$10,600                |
| 10-00-4120-5104 | GROUP INSURANCE - ADMIN   | \$11,182.08        | \$19,000          | \$8,969.74                    | \$12,000                   | \$12,000                |
| 10-00-4120-5105 | COBRA INSURANCE           | \$105.40           | \$500             | \$0.00                        | \$500                      | \$500                   |
| 10-00-4120-5107 | CAR ALLOWANCE             | \$0.00             | \$1,800           | \$1,350.00                    | \$1,800                    | \$1,800                 |
| 10-00-4120-5109 | UNEMPLOYMENT TAX          | \$213.87           | \$10,000          | \$4,984.15                    | \$10,000                   | \$10,000                |
| 10-00-4120-5111 | OPEB OUTLAY - ADMIN       | \$570.99           | \$900             | \$0.00                        | \$900                      | \$900                   |
| 10-00-4120-6200 | ACCOUNTANT/AUDITOR        | \$22,000.00        | \$23,000          | \$23,000.00                   | \$23,000                   | \$23,000                |
| 10-00-4120-6201 | LEGAL SERVICES            | \$11,223.25        | \$15,000          | \$10,449.50                   | \$15,000                   | \$15,000                |
| 10-00-4120-6203 | TELEPHONE                 | \$10,885.93        | \$14,000          | \$9,312.44                    | \$14,000                   | \$14,000                |
| 10-00-4120-6204 | UTILITIES                 | \$8,361.56         | \$10,000          | \$6,559.87                    | \$10,000                   | \$10,000                |
| 10-00-4120-6205 | M & R BUILDING            | \$8,953.87         | \$10,000          | \$6,139.15                    | \$10,000                   | \$10,000                |
| 10-00-4120-6206 | M & R EQUIPMENT           | \$1,228.79         | \$8,000           | \$469.98                      | \$8,000                    | \$8,000                 |
| 10-00-4120-6207 | ADVERTISING               | \$1,860.16         | \$2,000           | \$1,525.63                    | \$3,000                    | \$3,000                 |
| 10-00-4120-6208 | SOFTWARE SUBSCRIPTION     | \$11,823.94        | \$20,000          | \$9,089.22                    | \$21,000                   | \$21,000                |
| 10-00-4120-6209 | INSURANCE & BONDS         | \$129,576.51       | \$157,700         | \$155,913.45                  | \$160,000                  | \$160,000               |
| 10-00-4120-6210 | COUNTY BOARD OF ELECT.    | \$1,748.74         | \$0               | \$0.00                        | \$3,000                    | \$3,000                 |
| 10-00-4120-6211 | HANGING CHRISTMAS LIGHTS  | \$2,650.00         | \$3,000           | \$2,996.00                    | \$3,500                    | \$3,500                 |
| 10-00-4120-6214 | TMA COLLECTION FEES/TAXES | \$36,183.77        | \$40,000          | \$34,986.24                   | \$40,000                   | \$40,000                |
| 10-00-4120-7300 | DEPARTMENT SUPPLIES       | \$8,455.33         | \$10,000          | \$7,142.73                    | \$10,000                   | \$10,000                |
| 10-00-4120-7301 | MISCELLANEOUS             | \$2,458.84         | \$4,000           | \$3,941.40                    | \$5,000                    | \$5,000                 |
| 10-00-4120-7302 | TRAVEL/MEETINGS/SCHOOL    | \$5,776.78         | \$10,000          | \$10,454.27                   | \$12,000                   | \$12,000                |
| 10-00-4120-7303 | POSTAGE                   | \$1,254.94         | \$2,500           | \$724.83                      | \$2,500                    | \$2,500                 |
| 10-00-4120-7304 | PRINTING                  | \$861.97           | \$2,000           | \$1,591.56                    | \$2,000                    | \$2,000                 |
| 10-00-4120-7305 | OSHA & WELLNESS           | \$15,723.50        | \$18,000          | \$12,000.00                   | \$18,000                   | \$18,000                |
| 10-00-4120-7306 | CONTRACTED SERVICES       | \$48,861.30        | \$82,000          | \$67,651.15                   | \$60,000                   | \$60,000                |
| 10-00-4120-7308 | FROM FUNDRAISING          | \$2,003.50         | \$2,500           | \$1,813.24                    | \$0                        | \$0                     |
| 10-00-4120-7313 | DUES & SUBSCRIPTIONS      | \$8,993.70         | \$12,000          | \$9,276.99                    | \$12,000                   | \$12,000                |
| 10-00-4120-7322 | COMMUNITY OUTREACH        | \$2,405.23         | \$5,000           | \$1,369.38                    | \$5,000                    | \$5,000                 |
| 10-00-4120-9800 | CAPITAL OUTLAY            | \$3,639.90         | \$100,500         | \$92,107.61                   | \$40,000                   | \$40,000                |
| ADMINISTRATION  | TOTALS                    | \$514,587.65       | \$784,800         | \$593,674.57                  | \$682,500                  | \$682,500               |



## POLICE

| ACCOUNT NO.     | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL    | FY 2019<br>BUDGET  | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|-----------------|-------------------------------|-----------------------|--------------------|-------------------------------|----------------------------|-------------------------|
| 10-10-4310-5100 | SALARIES - POLICE             | \$648,445.67          | \$720,000          | \$581,236.52                  | \$735,000                  | <b>\$735,000</b>        |
| 10-10-4310-5101 | 401K LEO - POLICE             | \$32,389.05           | \$36,900           | \$29,324.95                   | \$37,500                   | <b>\$37,500</b>         |
| 10-10-4310-5102 | FICA - POLICE                 | \$49,385.85           | \$56,500           | \$44,705.88                   | \$57,400                   | <b>\$57,400</b>         |
| 10-10-4310-5103 | STATE RETIREMENT - POLICE     | \$44,360.36           | \$62,500           | \$51,027.19                   | \$72,500                   | <b>\$72,500</b>         |
| 10-10-4310-5104 | GROUP INSURANCE - POLICE      | \$83,865.60           | \$101,000          | \$78,580.48                   | \$93,000                   | <b>\$93,000</b>         |
| 10-10-4310-5108 | OVERTIME - POLICE             | \$12,376.58           | \$15,000           | \$8,962.41                    | \$15,000                   | <b>\$15,000</b>         |
| 10-10-4310-5111 | OPEB OUTLAY - POLICE          | \$2,854.93            | \$4,200            | \$0.00                        | \$4,300                    | <b>\$4,300</b>          |
| 10-10-4310-6203 | TELEPHONE                     | \$22,315.44           | \$23,000           | \$16,633.58                   | \$23,000                   | <b>\$23,000</b>         |
| 10-10-4310-6204 | UTILITIES                     | \$9,448.00            | \$10,400           | \$7,442.56                    | \$10,400                   | <b>\$10,400</b>         |
| 10-10-4310-6205 | M & R BUILDING                | \$2,987.21            | \$4,000            | \$3,271.26                    | \$4,000                    | <b>\$4,000</b>          |
| 10-10-4310-6216 | COUNTY DISPATCHER             | \$3,124.98            | \$3,200            | \$3,068.00                    | \$3,200                    | <b>\$3,200</b>          |
| 10-10-4310-6218 | PHYSICALS & IMMUNIZATIONS     | \$28.00               | \$500              | \$0.00                        | \$500                      | <b>\$500</b>            |
| 10-10-4310-6219 | CONTRACT M & R (RADIO)        | \$0.00                | \$0                | \$0.00                        | \$0                        | <b>\$0</b>              |
| 10-10-4310-6220 | PRE-EMP/SAFETY REQUIR         | \$0.00                | \$1,000            | \$106.00                      | \$1,000                    | <b>\$1,000</b>          |
| 10-10-4310-7300 | DEPARTMENT SUPPLIES           | \$4,568.78            | \$5,000            | \$4,566.99                    | \$5,000                    | <b>\$5,000</b>          |
| 10-10-4310-7301 | MISCELLANEOUS                 | \$1,713.55            | \$2,000            | \$1,675.43                    | \$3,000                    | <b>\$3,000</b>          |
| 10-10-4310-7302 | TRAVEL/MEETINGS/SCHOOLS       | \$1,418.46            | \$2,000            | \$1,444.03                    | \$2,000                    | <b>\$2,000</b>          |
| 10-10-4310-7303 | POSTAGE                       | \$393.93              | \$500              | \$456.74                      | \$500                      | <b>\$500</b>            |
| 10-10-4310-7307 | EQUITABLE SHARING EXPEND.     | \$0.00                | \$7,700            | \$7,676.53                    | \$0                        | <b>\$0</b>              |
| 10-10-4310-7308 | FROM FUNDRAISING              | \$13,546.81           | \$12,000           | \$10,392.83                   | \$0                        | <b>\$0</b>              |
| 10-10-4310-7309 | UNIFORMS & ACCESS             | \$8,168.99            | \$8,500            | \$7,043.51                    | \$8,500                    | <b>\$8,500</b>          |
| 10-10-4310-7310 | RESTRICTED FUNDS EXPENDITURES | \$0.00                | \$1,000            | \$744.47                      | \$0                        | <b>\$0</b>              |
| 10-10-4310-7311 | INVESTIGATIVE SUPPLIES        | \$2,125.06            | \$4,000            | \$2,936.95                    | \$4,000                    | <b>\$4,000</b>          |
| 10-10-4310-7312 | VICE & NARCOTICS              | \$0.00                | \$0                | \$0.00                        | \$4,000                    | <b>\$4,000</b>          |
| 10-10-4310-7313 | EQUIPMENT                     | \$15,017.73           | \$24,000           | \$19,287.62                   | \$24,000                   | <b>\$24,000</b>         |
| 10-10-4310-7314 | COMPUTER RECORDS/REPORTS      | \$19,638.99           | \$29,000           | \$19,745.90                   | \$29,000                   | <b>\$29,000</b>         |
| 10-10-4310-7319 | GAS & FUEL                    | \$29,519.27           | \$28,000           | \$27,657.47                   | \$32,000                   | <b>\$36,000</b>         |
| 10-10-4310-7320 | AUTOMOTIVE SUPPLIES           | \$17,858.86           | \$24,000           | \$19,033.12                   | \$24,000                   | <b>\$24,000</b>         |
| 10-10-4310-9800 | CAPITAL OUTLAY                | \$91,485.98           | \$137,000          | \$127,953.71                  | \$84,000                   | <b>\$84,000</b>         |
| <b>POLICE</b>   | <b>TOTALS</b>                 | <b>\$1,117,038.08</b> | <b>\$1,322,900</b> | <b>\$1,074,974.13</b>         | <b>\$1,276,800</b>         | <b>\$1,280,800</b>      |



| FIRE             |                           |                       |                    |                               |                            |                         |
|------------------|---------------------------|-----------------------|--------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.      | ACCOUNT DESCRIPTION       | FYE 2018<br>ACTUAL    | FY 2019<br>BUDGET  | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-10-4340-5100  | SALARIES - FIRE           | \$724,162.02          | \$787,000          | \$626,179.93                  | \$885,000                  | \$885,000               |
| 10-10-4340-5101  | 401K - FIRE               | \$35,833.34           | \$39,500           | \$31,606.05                   | \$45,000                   | \$45,000                |
| 10-10-4340-5102  | FICA - FIRE               | \$59,424.06           | \$66,500           | \$52,630.22                   | \$73,900                   | \$73,900                |
| 10-10-4340-5103  | STATE RETIREMENT - FIRE   | \$65,385.42           | \$61,600           | \$50,577.28                   | \$81,000                   | \$81,000                |
| 10-10-4340-5104  | GROUP INSURANCE - FIRE    | \$100,638.72          | \$120,000          | \$89,254.16                   | \$122,000                  | \$122,000               |
| 10-10-4340-5108  | FIRE CALLS                | \$61,632.12           | \$80,000           | \$62,450.63                   | \$80,000                   | \$80,000                |
| 10-10-4340-5111  | OPEB OUTLAY - FIRE DEPT   | \$3,640.03            | \$5,300            | \$0.00                        | \$5,600                    | \$5,600                 |
| 10-10-4340-6203  | TELEPHONE                 | \$10,337.70           | \$12,000           | \$8,604.82                    | \$12,000                   | \$12,000                |
| 10-10-4340-6204  | UTILITIES                 | \$16,940.52           | \$20,000           | \$13,914.16                   | \$20,000                   | \$20,000                |
| 10-10-4340-6205  | M & R BUILDING            | \$7,716.74            | \$6,000            | \$4,292.09                    | \$6,000                    | \$6,000                 |
| 10-10-4340-6218  | PHYSICALS/IMMUNIZATIONS   | \$9,180.00            | \$5,000            | \$28.00                       | \$12,000                   | \$12,000                |
| 10-10-4340-6250  | NON-CAPITAL EXPENDITURES  | \$7,622.61            | \$8,000            | \$7,139.45                    | \$8,000                    | \$8,000                 |
| 10-10-4340-7300  | DEPARTMENT SUPPLIES       | \$4,025.55            | \$5,300            | \$4,629.02                    | \$5,500                    | \$5,500                 |
| 10-10-4340-7302  | TRAVEL/MEETINGS/SCHOOLS   | \$1,600.00            | \$4,000            | \$2,507.06                    | \$4,500                    | \$4,500                 |
| 10-10-4340-7303  | POSTAGE                   | \$195.85              | \$400              | \$25.50                       | \$400                      | \$400                   |
| 10-10-4340-7306  | CONTRACTED SERVICES       | \$6,028.35            | \$7,000            | \$758.14                      | \$7,000                    | \$7,000                 |
| 10-10-4340-7308  | FROM FUNDRAISING FUNDS    | \$0.00                | \$0                | \$0.00                        | \$0                        | \$0                     |
| 10-10-4340-7309  | UNIFORMS                  | \$4,414.37            | \$10,000           | \$9,228.43                    | \$10,000                   | \$10,000                |
| 10-10-4340-7310  | PERIODICALS & TRAINING    | \$318.80              | \$1,000            | \$0.00                        | \$1,000                    | \$1,000                 |
| 10-10-4340-7311  | NON/VEHICLE MED/RAD/FIRE  | \$22,378.57           | \$26,500           | \$26,052.99                   | \$20,000                   | \$20,000                |
| 10-10-4340-7312  | DUES & MEMBERSHIPS        | \$810.50              | \$2,000            | \$1,425.00                    | \$2,000                    | \$2,000                 |
| 10-10-4340-7313  | FIRE PROGRAMS             | \$4,954.01            | \$8,000            | \$7,311.66                    | \$8,000                    | \$8,000                 |
| 10-10-4340-7314  | DOI PROGRAM SUPPLIES      | \$0.00                | \$0                | \$0.00                        | \$0                        | \$0                     |
| 10-10-4340-7319  | GAS & FUEL                | \$22,000.00           | \$22,000           | \$14,851.42                   | \$22,000                   | \$25,000                |
| 10-10-4340-7320  | AUTOMOTIVE SUPPLIES       | \$34,530.03           | \$42,000           | \$37,052.49                   | \$42,000                   | \$42,000                |
| 10-10-4340-7321  | CONTINGENCY - FIRE DEPT   | \$0.00                | \$0                | \$0.00                        | \$0                        | \$0                     |
| 10-10-4340-7322  | COMMUNITY OUTREACH - FIRE | \$2,267.71            | \$2,800            | \$2,777.58                    | \$3,500                    | \$3,500                 |
| 10-10-4340-9800  | CAPITAL OUTLAY            | \$58,469.17           | \$0                | \$0.00                        | \$6,000                    | \$7,000                 |
| <b>FIRE DEPT</b> | <b>TOTALS</b>             | <b>\$1,357,053.55</b> | <b>\$1,444,500</b> | <b>\$1,135,692.36</b>         | <b>\$1,482,400</b>         | <b>\$1,486,400</b>      |



| FIRE - SAFER        |                          |                    |                     |                               |                            |                         |
|---------------------|--------------------------|--------------------|---------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.         | ACCOUNT DESCRIPTION      | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET   | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-10-4345-5100     | SALARIES-SAFER GRANT     | \$67,487.83        | \$72,300            | \$59,482.88                   | \$0                        | \$0                     |
| 10-10-4345-5101     | 401K - SAFER             | \$3,326.72         | \$3,700             | \$3,008.20                    | \$0                        | \$0                     |
| 10-10-4345-5102     | FICA/MEDICARE - SAFER    | \$5,137.70         | \$5,700             | \$4,654.48                    | \$0                        | \$0                     |
| 10-10-4345-5103     | STATE RETIREMENT - SAFER | \$5,137.18         | \$5,800             | \$4,813.92                    | \$0                        | \$0                     |
| 10-10-4345-5104     | GROUP INSURANCE - SAFER  | \$11,182.08        | \$12,700            | \$9,992.84                    | \$0                        | \$0                     |
| 10-10-4345-5108     | FIRE CALLS - SAFER       | \$275.85           | \$2,400             | \$443.96                      | \$0                        | \$0                     |
| <b>FIRE - SAFER</b> | <b>TOTALS</b>            | <b>\$92,547.36</b> | <b>\$102,600.00</b> | <b>\$82,396.28</b>            | <b>\$0</b>                 | <b>\$0</b>              |





## FLEET MAINTENANCE

| ACCOUNT NO.         | ACCOUNT DESCRIPTION      | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|---------------------|--------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 10-20-4250-5100     | SALARIES - FLEET MAINT   | \$46,702.48        | \$48,400          | \$40,323.44                   | \$88,000                   | <b>\$88,000</b>         |
| 10-20-4250-5101     | 401K - FLEET             | \$2,288.00         | \$2,500           | \$2,005.30                    | \$4,400                    | <b>\$4,400</b>          |
| 10-20-4250-5102     | FICA - FLEET             | \$3,541.79         | \$3,700           | \$3,115.99                    | \$6,700                    | <b>\$6,700</b>          |
| 10-20-4250-5103     | STATE RETIREMENT - FLEET | \$3,533.50         | \$3,800           | \$3,210.23                    | \$7,900                    | <b>\$7,900</b>          |
| 10-20-4250-5104     | GROUP INSURANCE - FLEET  | \$5,591.04         | \$6,400           | \$4,996.42                    | \$12,000                   | <b>\$12,000</b>         |
| 10-20-4250-5111     | OPEB OUTLAY - FLEET      | \$428.24           | \$600             | \$0.00                        | \$600                      | <b>\$600</b>            |
| 10-20-4250-6203     | TELEPHONE                | \$618.77           | \$3,500           | \$2,586.08                    | \$4,400                    | <b>\$4,000</b>          |
| 10-20-4250-6204     | UTILITIES                | \$6,703.48         | \$9,500           | \$4,750.72                    | \$9,500                    | <b>\$9,500</b>          |
| 10-20-4250-7301     | MISCELLANEOUS            | \$1,041.59         | \$2,000           | \$713.63                      | \$2,000                    | <b>\$2,000</b>          |
| 10-20-4250-7309     | UNIFORMS                 | \$1,107.15         | \$2,000           | \$710.70                      | \$2,000                    | <b>\$2,000</b>          |
| 10-20-4250-7311     | PARTS ALL DEPTS          | \$3,263.72         | \$4,000           | \$3,426.88                    | \$4,000                    | <b>\$4,000</b>          |
| 10-20-4250-7319     | GAS & FUEL               | \$1,676.59         | \$5,000           | \$2,778.04                    | \$7,500                    | <b>\$8,000</b>          |
| 10-20-4250-7320     | AUTOMOTIVE               | \$2,568.37         | \$8,000           | \$3,340.14                    | \$8,000                    | <b>\$8,000</b>          |
| 10-20-4250-9800     | CAPITAL OUTLAY           | \$0.00             | \$0               | \$0.00                        | \$13,000                   | <b>\$13,000</b>         |
| <b>FLEET MAINT.</b> | <b>TOTALS</b>            | <b>\$79,064.72</b> | <b>\$99,400</b>   | <b>\$71,957.57</b>            | <b>\$170,000</b>           | <b>\$170,100</b>        |



## STREETS

| ACCOUNT NO.     | ACCOUNT DESCRIPTION       | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|-----------------|---------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 10-20-4510-5100 | SALARIES - STREET         | \$69,944.82         | \$72,000          | \$60,165.27                   | \$75,000                   | <b>\$75,000</b>         |
| 10-20-4510-5101 | 401K - STREET             | \$3,426.28          | \$3,700           | \$2,992.05                    | \$3,900                    | <b>\$3,900</b>          |
| 10-20-4510-5102 | FICA - STREET             | \$5,331.29          | \$5,700           | \$4,646.55                    | \$6,900                    | <b>\$6,900</b>          |
| 10-20-4510-5103 | STATE RETIREMENT - STREET | \$5,313.89          | \$5,800           | \$4,789.93                    | \$6,800                    | <b>\$6,800</b>          |
| 10-20-4510-5104 | GROUP INSURANCE - STREET  | \$11,182.08         | \$12,700          | \$9,992.84                    | \$12,000                   | <b>\$12,000</b>         |
| 10-20-4510-5110 | PART-TIME SALARIES        | \$640.00            | \$0               | \$0.00                        | \$15,000                   | <b>\$15,000</b>         |
| 10-20-4510-5111 | OPEB OUTLAY - STREET      | \$356.87            | \$700             | \$0.00                        | \$700                      | <b>\$700</b>            |
| 10-20-4510-6203 | TELEPHONE                 | \$318.68            | \$700             | \$479.23                      | \$700                      | <b>\$700</b>            |
| 10-20-4510-6208 | STREET LIGHTS             | \$105,079.91        | \$120,000         | \$64,431.79                   | \$120,000                  | <b>\$105,000</b>        |
| 10-20-4510-6211 | ENGINEERING               | \$0.00              | \$5,000           | \$0.00                        | \$5,000                    | <b>\$5,000</b>          |
| 10-20-4510-6212 | CHARGEABLE POWELL BILL    | \$13,381.35         | \$157,000         | \$50,883.06                   | \$180,000                  | <b>\$180,000</b>        |
| 10-20-4510-7300 | DEPARTMENT SUPPLIES       | \$5,266.57          | \$7,200           | \$5,492.72                    | \$7,000                    | <b>\$7,000</b>          |
| 10-20-4510-7308 | FUNDRAISING EXPENDITURES  | \$200.00            | \$100             | \$100.00                      | \$0                        | <b>\$0</b>              |
| 10-20-4510-7309 | UNIFORMS                  | \$1,888.26          | \$1,500           | \$1,045.71                    | \$2,000                    | <b>\$2,000</b>          |
| 10-20-4510-7310 | M & R STREETS             | \$971.50            | \$4,600           | \$4,369.41                    | \$4,600                    | <b>\$6,000</b>          |
| 10-20-4510-7313 | BAD DEBT-STORM WATER FEES | \$0.00              | \$0               | \$0.00                        | \$0                        | <b>\$0</b>              |
| 10-20-4510-7319 | GAS & FUEL                | \$2,995.76          | \$3,800           | \$3,068.33                    | \$3,800                    | <b>\$6,000</b>          |
| 10-20-4510-7320 | AUTOMOTIVE SUPPLIES       | \$5,383.44          | \$10,000          | \$1,509.41                    | \$10,000                   | <b>\$10,000</b>         |
| 10-20-4510-9800 | CAPITAL OUTLAY            | \$10,284.00         | \$17,000          | \$17,000.00                   | \$32,000                   | <b>\$32,000</b>         |
| <b>STREETS</b>  | <b>TOTALS</b>             | <b>\$241,964.70</b> | <b>\$427,500</b>  | <b>\$230,966.30</b>           | <b>\$485,400</b>           | <b>\$474,000</b>        |



## SANITATION

| ACCOUNT NO.       | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|-------------------|-------------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 10-20-4710-5100   | SALARIES - SANITATION         | \$90,517.55         | \$104,000         | \$82,205.86                   | \$106,000                  | <b>\$106,000</b>        |
| 10-20-4710-5101   | 401K - SANITATION             | \$4,444.11          | \$5,200           | \$4,067.13                    | \$5,300                    | <b>\$5,300</b>          |
| 10-20-4710-5102   | FICA - SANITATION             | \$6,846.72          | \$7,900           | \$6,319.45                    | \$8,100                    | <b>\$8,100</b>          |
| 10-20-4710-5103   | STATE RETIREMENT - SANITATION | \$6,884.27          | \$8,100           | \$6,519.20                    | \$9,500                    | <b>\$9,500</b>          |
| 10-20-4710-5104   | GROUP INSURANCE - SANITATION  | \$14,192.64         | \$19,000          | \$14,072.96                   | \$17,500                   | <b>\$17,500</b>         |
| 10-20-4710-5111   | OPEB OUTLAY - SANITATION      | \$499.61            | \$700             | \$0.00                        | \$700                      | <b>\$700</b>            |
| 10-20-4710-6203   | TELEPHONE                     | \$296.16            | \$1,000           | \$219.21                      | \$1,000                    | <b>\$1,000</b>          |
| 10-20-4710-6213   | TIPPING FEES/COUNTY CHARGE    | \$89,174.64         | \$100,000         | \$62,149.43                   | \$105,000                  | <b>\$100,000</b>        |
| 10-20-4710-7300   | DEPARTMENT SUPPLIES           | \$3,905.57          | \$8,500           | \$6,826.10                    | \$7,500                    | <b>\$7,500</b>          |
| 10-20-4710-7309   | UNIFORMS                      | \$1,227.37          | \$2,200           | \$2,047.18                    | \$2,500                    | <b>\$2,500</b>          |
| 10-20-4710-7313   | BAD DEBT-TIP FEES             | \$0.00              | \$0               | \$0.00                        | \$0                        | <b>\$0</b>              |
| 10-20-4710-7319   | GAS & FUEL                    | \$14,811.41         | \$15,000          | \$13,422.87                   | \$15,000                   | <b>\$18,000</b>         |
| 10-20-4710-7320   | AUTOMOTIVE SUPPLIES           | \$21,321.13         | \$26,000          | \$23,543.72                   | \$26,000                   | <b>\$26,000</b>         |
| 10-20-4710-9800   | CAPITAL OUTLAY                | \$0.00              | \$8,000           | \$8,000.00                    | \$16,000                   | <b>\$16,000</b>         |
| <b>SANITATION</b> | <b>TOTALS</b>                 | <b>\$254,121.18</b> | <b>\$305,600</b>  | <b>\$229,393.11</b>           | <b>\$320,100</b>           | <b>\$318,100</b>        |



| ECONOMIC/DOWNTOWN DEVELOPMENT |                            |                    |                   |                               |                            |                         |
|-------------------------------|----------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.                   | ACCOUNT DESCRIPTION        | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-30-4900-6204               | DOWNTOWN UTILITIES         | \$15,952.00        | \$16,000          | \$11,328.88                   | \$16,000                   | <b>\$16,000</b>         |
| 10-30-4900-6205               | DOWNTOWN IMPROVEMENTS      | \$9,657.44         | \$5,000           | \$3,551.54                    | \$5,000                    | <b>\$5,000</b>          |
| 10-30-4900-6206               | CITY BUILDINGS M&R         | \$7,081.07         | \$10,000          | \$9,002.47                    | \$20,000                   | <b>\$20,000</b>         |
| 10-30-4900-6250               | INDUSTRIAL DEVELOPMENT     | \$6,000.00         | \$7,000           | \$7,000.00                    | \$7,000                    | <b>\$7,000</b>          |
| 10-30-4900-6251               | SENIOR CITIZENS            | \$21,566.00        | \$21,600          | \$16,183.00                   | \$21,600                   | <b>\$21,600</b>         |
| 10-30-4900-6255               | FAMILY CRISIS CENTER       | \$0.00             | \$0               | \$0.00                        | \$5,000                    | <b>\$5,000</b>          |
| 10-30-4900-6256               | CHAMBER OF COMMERCE        | \$2,500.00         | \$3,500           | \$3,180.00                    | \$24,700                   | <b>\$5,000</b>          |
| 10-30-4900-6257               | RANDLEMAN HISTORIC SOCIETY | \$6,000.00         | \$2,800           | \$2,800.00                    | \$7,500                    | <b>\$5,000</b>          |
| 10-30-4900-6258               | BEAUTIFICATION             | \$868.98           | \$10,000          | \$6,579.67                    | \$20,000                   | <b>\$20,000</b>         |
| ECON. /DWTN. DEV.             | TOTALS                     | <b>\$69,625.49</b> | <b>\$75,900</b>   | <b>\$59,625.56</b>            | <b>\$126,800</b>           | <b>\$104,600</b>        |



| PLANNING        |                             |                    |                   |                               |                            |                         |
|-----------------|-----------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.     | ACCOUNT DESCRIPTION         | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-30-4910-5100 | SALARIES - PLANNING         | \$52,512.78        | \$53,000          | \$43,800.25                   | \$55,000                   | <b>\$55,000</b>         |
| 10-30-4910-5101 | 401K - PLANNING             | \$2,574.26         | \$2,700           | \$2,178.22                    | \$2,800                    | <b>\$2,800</b>          |
| 10-30-4910-5102 | FICA - PLANNING             | \$3,882.58         | \$4,100           | \$3,318.27                    | \$4,200                    | <b>\$4,200</b>          |
| 10-30-4910-5103 | STATE RETIREMENT - PLANNING | \$3,975.34         | \$4,200           | \$3,487.22                    | \$4,900                    | <b>\$4,900</b>          |
| 10-30-4910-5104 | GROUP INSURANCE - PLANNING  | \$5,591.04         | \$6,400           | \$4,996.42                    | \$6,000                    | <b>\$6,000</b>          |
| 10-30-4910-5105 | PLANNING BOARD              | \$215.00           | \$500             | \$0.00                        | \$500                      | <b>\$500</b>            |
| 10-30-4910-5111 | OPEB OUTLAY - PLANNING      | \$285.49           | \$400             | \$0.00                        | \$500                      | <b>\$500</b>            |
| 10-30-4910-6203 | TELEPHONE                   | \$1,517.90         | \$2,500           | \$1,020.16                    | \$1,600                    | <b>\$1,600</b>          |
| 10-30-4910-6207 | ADVERTISING                 | \$500.00           | \$1,000           | \$541.70                      | \$1,000                    | <b>\$1,000</b>          |
| 10-30-4910-6208 | STORMWATER PTWQ PARTNER     | \$5,000.00         | \$5,000           | \$5,000.00                    | \$5,800                    | <b>\$5,800</b>          |
| 10-30-4910-7300 | DEPARTMENT SUPPLIES         | \$832.03           | \$800             | \$564.01                      | \$1,200                    | <b>\$1,200</b>          |
| 10-30-4910-7302 | TRAVEL/MEETINGS/SCHOOLS     | \$1,057.70         | \$1,200           | \$977.32                      | \$1,200                    | <b>\$1,200</b>          |
| 10-30-4910-7303 | POSTAGE                     | \$374.75           | \$500             | \$54.10                       | \$500                      | <b>\$500</b>            |
| 10-30-4910-7304 | PRINTING                    | \$0.00             | \$200             | \$0.00                        | \$200                      | <b>\$200</b>            |
| 10-30-4910-7306 | CONTRACTED SERVICES         | \$78.00            | \$7,500           | \$750.00                      | \$47,500                   | <b>\$50,000</b>         |
| 10-30-4910-7319 | GAS & FUEL                  | \$921.64           | \$1,000           | \$634.94                      | \$1,000                    | <b>\$1,000</b>          |
| 10-30-4910-7320 | AUTOMOTIVE SUPPLIES         | \$107.87           | \$2,000           | \$36.63                       | \$1,500                    | <b>\$1,500</b>          |
| <b>PLANNING</b> | <b>TOTALS</b>               | <b>\$79,426.38</b> | <b>\$93,000</b>   | <b>\$67,359.24</b>            | <b>\$135,400</b>           | <b>\$137,900</b>        |



## LIBRARY

| ACCOUNT NO.     | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|-----------------|-------------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 10-40-6110-5100 | SALARIES - LIBRARY            | \$145,570.74        | \$162,000         | \$131,680.02                  | \$169,000                  | <b>\$169,000</b>        |
| 10-40-6110-5101 | 401K - LIBRARY                | \$5,420.43          | \$5,800           | \$4,751.34                    | \$6,000                    | <b>\$6,000</b>          |
| 10-40-6110-5102 | FICA - LIBRARY                | \$11,023.47         | \$12,500          | \$10,157.16                   | \$12,900                   | <b>\$12,900</b>         |
| 10-40-6110-5103 | STATE RETIREMENT - LIBRARY    | \$8,923.50          | \$11,000          | \$9,763.77                    | \$12,000                   | <b>\$12,000</b>         |
| 10-40-6110-5104 | GROUP INSURANCE - LIBRARY     | \$11,672.96         | \$19,000          | \$10,409.85                   | \$17,500                   | <b>\$17,500</b>         |
| 10-40-6110-5111 | OPEB OUTLAY - LIBRARY         | \$713.73            | \$1,100           | \$0.00                        | \$1,200                    | <b>\$1,200</b>          |
| 10-40-6110-6203 | TELEPHONE                     | \$1,728.52          | \$2,400           | \$1,468.26                    | \$2,400                    | <b>\$2,400</b>          |
| 10-40-6110-6204 | UTILITIES                     | \$10,212.60         | \$16,000          | \$7,681.38                    | \$17,000                   | <b>\$17,000</b>         |
| 10-40-6110-6205 | M & R BUILDING                | \$17,177.12         | \$18,500          | \$14,259.07                   | \$18,500                   | <b>\$18,500</b>         |
| 10-40-6110-6206 | M & R EQUIPMENT               | \$3,474.28          | \$4,500           | \$1,770.50                    | \$6,000                    | <b>\$6,000</b>          |
| 10-40-6110-7300 | DEPARTMENT SUPPLIES           | \$1,254.75          | \$2,000           | \$1,462.78                    | \$3,000                    | <b>\$3,000</b>          |
| 10-40-6110-7301 | MISCELLANEOUS                 | \$774.15            | \$1,000           | \$619.43                      | \$1,000                    | <b>\$1,000</b>          |
| 10-40-6110-7307 | GRANT EXPENDITURES            | \$6,499.83          | \$0               | \$0.00                        | \$0                        | <b>\$0</b>              |
| 10-40-6110-7308 | FROM FUNDRAISING FUNDS        | \$1,387.08          | \$1,500           | \$784.16                      | \$0                        | <b>\$0</b>              |
| 10-40-6110-7311 | VIDEOS & DVDS                 | \$4,996.94          | \$5,000           | \$3,542.20                    | \$5,000                    | <b>\$5,000</b>          |
| 10-40-6110-7312 | BOOKS & REBINDING             | \$11,998.70         | \$12,000          | \$8,561.38                    | \$12,000                   | <b>\$12,000</b>         |
| 10-40-6110-7313 | MEMORIALS & DONATIONS         | \$2,721.46          | \$3,000           | \$276.57                      | \$2,000                    | <b>\$2,000</b>          |
| 10-40-6110-7314 | PROGRAMS                      | \$5,846.07          | \$7,000           | \$6,169.72                    | \$9,000                    | <b>\$10,200</b>         |
| 10-40-6110-7315 | JW DONATION EXPEND. - LIBRARY | \$10,000.00         | \$5,000           | \$2,574.44                    | \$0                        | <b>\$0</b>              |
| 10-40-6110-9800 | CAPITAL OUTLAY                | \$0.00              | \$0               | \$0.00                        | \$42,700                   | <b>\$43,000</b>         |
| <b>LIBRARY</b>  | <b>TOTALS</b>                 | <b>\$261,396.33</b> | <b>\$289,300</b>  | <b>\$215,932.03</b>           | <b>\$337,200</b>           | <b>\$338,700</b>        |



## PARKS AND RECREATION

| ACCOUNT NO.           | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|-----------------------|-------------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 10-40-6120-5100       | SALARIES - RECREATION         | \$91,149.80         | \$95,000          | \$78,840.51                   | \$98,000                   | <b>\$98,000</b>         |
| 10-40-6120-5101       | 401K - RECREATION             | \$4,465.85          | \$4,800           | \$3,920.78                    | \$5,000                    | <b>\$5,000</b>          |
| 10-40-6120-5102       | FICA - RECREATION             | \$11,852.76         | \$14,000          | \$10,114.75                   | \$13,000                   | <b>\$13,000</b>         |
| 10-40-6120-5103       | STATE RETIREMENT - RECREATION | \$6,896.14          | \$7,400           | \$6,276.59                    | \$9,000                    | <b>\$9,000</b>          |
| 10-40-6120-5104       | GROUP INSURANCE - RECREATION  | \$11,182.08         | \$12,700          | \$9,992.84                    | \$12,700                   | <b>\$12,700</b>         |
| 10-40-6120-5110       | PART-TIME HELP                | \$66,504.39         | \$69,000          | \$57,039.08                   | \$70,000                   | <b>\$70,000</b>         |
| 10-40-6120-5111       | OFFICIALS/GAMES               | \$20,823.50         | \$21,500          | \$19,975.00                   | \$21,500                   | <b>\$21,500</b>         |
| 10-40-6120-5112       | OPEB OUTLAY - RECREATION      | \$428.24            | \$700             | \$0.00                        | \$800                      | <b>\$800</b>            |
| 10-40-6120-6203       | TELEPHONE                     | \$8,495.85          | \$9,400           | \$7,531.86                    | \$9,500                    | <b>\$9,500</b>          |
| 10-40-6120-6204       | UTILITIES                     | \$33,554.01         | \$38,500          | \$25,316.13                   | \$38,500                   | <b>\$38,500</b>         |
| 10-40-6120-6205       | M & R BUILDING                | \$23,891.12         | \$32,500          | \$29,054.06                   | \$32,200                   | <b>\$32,200</b>         |
| 10-40-6120-6208       | PURCHASE FOR RESALE           | \$8,624.31          | \$9,000           | \$5,681.09                    | \$9,000                    | <b>\$9,000</b>          |
| 10-40-6120-6209       | INS FOR BASEBALL              | \$1,775.00          | \$2,100           | \$1,275.00                    | \$2,100                    | <b>\$2,000</b>          |
| 10-40-6120-6250       | NON-CAPITAL EXPENDITURES      | \$6,374.32          | \$7,500           | \$4,707.66                    | \$3,500                    | <b>\$3,500</b>          |
| 10-40-6120-7300       | DEPARTMENT SUPPLIES           | \$15,679.33         | \$7,500           | \$6,338.78                    | \$16,000                   | <b>\$16,000</b>         |
| 10-40-6120-7301       | MISCELLANEOUS                 | \$4,365.91          | \$2,000           | \$1,410.96                    | \$4,500                    | <b>\$4,000</b>          |
| 10-40-6120-7302       | TRAVEL, MEETING,SCHOOLS       | \$130.00            | \$1,500           | \$130.00                      | \$2,000                    | <b>\$2,000</b>          |
| 10-40-6120-7303       | POSTAGE                       | \$23.89             | \$200             | \$0.00                        | \$200                      | <b>\$500</b>            |
| 10-40-6120-7304       | PRINTING                      | \$948.50            | \$1,000           | \$130.00                      | \$800                      | <b>\$1,000</b>          |
| 10-40-6120-7306       | CONTRACTED SERVICES           | \$0.00              | \$10,000          | \$8,153.08                    | \$10,000                   | <b>\$10,000</b>         |
| 10-40-6120-7308       | FROM FUNDRAISING FUND         | \$3,112.48          | \$1,500           | \$728.64                      | \$0                        | <b>\$0</b>              |
| 10-40-6120-7309       | UNIFORMS                      | \$27,902.50         | \$31,100          | \$25,661.28                   | \$31,100                   | <b>\$31,000</b>         |
| 10-40-6120-7311       | AWARDS                        | \$228.50            | \$700             | \$161.95                      | \$500                      | <b>\$500</b>            |
| 10-40-6120-7312       | OFFICE SUPPLIES               | \$300.47            | \$500             | \$358.46                      | \$500                      | <b>\$500</b>            |
| 10-40-6120-7313       | DUES & SUBSCRIPTIONS          | \$0.00              | \$200             | \$175.00                      | \$200                      | <b>\$500</b>            |
| 10-40-6120-7314       | SPECIAL EVENTS                | \$13,454.46         | \$15,000          | \$7,972.95                    | \$15,000                   | <b>\$15,000</b>         |
| 10-40-6120-7315       | FESTIVAL/M&M EXPENDITURES     | \$41,985.58         | \$30,000          | \$29,128.11                   | \$20,000                   | <b>\$20,000</b>         |
| 10-40-6120-7319       | GAS & FUEL                    | \$1,578.88          | \$2,000           | \$1,197.71                    | \$2,000                    | <b>\$2,000</b>          |
| 10-40-6120-7320       | AUTOMOTIVE SUPPLIES           | \$1,321.47          | \$4,000           | \$1,185.46                    | \$4,000                    | <b>\$4,000</b>          |
| 10-40-6120-7321       | FESTIVAL CONTINGENCY          | \$0.00              | \$30,000          | \$0.00                        | \$30,000                   | <b>\$30,000</b>         |
| 10-40-6120-9500       | DEBT SERVICE-PRIN (2019)      | \$184,801.68        | \$46,300          | \$46,200.79                   | \$0                        | <b>\$0</b>              |
| 10-40-6120-9501       | DEBT SERVICE-INTEREST         | \$5,369.27          | \$300             | \$282.60                      | \$0                        | <b>\$0</b>              |
| 10-40-6120-9800       | CAPITAL OUTLAY                | \$18,750.30         | \$133,500         | \$114,421.62                  | \$185,000                  | <b>\$215,000</b>        |
| <b>PARKS AND REC.</b> | <b>TOTALS</b>                 | <b>\$615,970.59</b> | <b>\$641,400</b>  | <b>\$503,362.74</b>           | <b>\$646,600</b>           | <b>\$676,700</b>        |



| GRAND TOTALS – GENERAL FUND |                     |                       |                    |                               |                            |                         |
|-----------------------------|---------------------|-----------------------|--------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.                 | ACCOUNT DESCRIPTION | FYE 2018<br>ACTUAL    | FY 2019<br>BUDGET  | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 10-00-4110-XXXX             | BOARD               | \$30,572.22           | \$33,000           | \$27,166.25                   | \$33,000                   | <b>\$33,000</b>         |
| 10-00-4120-XXXX             | ADMIN               | \$514,587.65          | \$784,800          | \$593,674.57                  | \$682,500                  | <b>\$682,500</b>        |
| 10-00-9XXX-XXXX             | DEBT SERVICE        | \$163,700.47          | \$311,300          | \$92,858.61                   | \$108,800                  | <b>\$108,800</b>        |
| 10-10-4310-XXXX             | POLICE              | \$1,117,038.08        | \$1,322,900        | \$1,074,974.13                | \$1,276,800                | <b>\$1,280,800</b>      |
| 10-10-4340-XXXX             | FIRE                | \$1,264,506.19        | \$1,341,900.00     | \$1,053,296.08                | \$1,482,400                | <b>\$1,486,400</b>      |
| 10-10-4345-XXXX             | FIRE – SAFER GRANT  | \$92,547.36           | \$102,600          | \$82,396.28                   | \$0                        | <b>\$0</b>              |
| 10-20-4250-XXXX             | FLEET MAINT.        | \$79,064.72           | \$99,400           | \$71,957.57                   | \$170,000                  | <b>\$170,100</b>        |
| 10-20-4510-XXXX             | STREET              | \$241,964.70          | \$427,500          | \$230,966.30                  | \$485,400                  | <b>\$474,000</b>        |
| 10-20-4710-XXXX             | SANITATION          | \$254,121.18          | \$305,600          | \$229,393.11                  | \$320,100                  | <b>\$318,100</b>        |
| 10-30-4900-XXXX             | ECON/ DOWNTOWN DEV. | \$69,625.49           | \$75,900           | \$59,625.56                   | \$126,800                  | <b>\$104,600</b>        |
| 10-30-4910-XXXX             | PLANNING            | \$79,426.38           | \$93,000           | \$67,359.24                   | \$135,400                  | <b>\$137,900</b>        |
| 10-40-6110-XXXX             | LIBRARY             | \$261,396.33          | \$289,300          | \$215,932.03                  | \$337,200                  | <b>\$338,700</b>        |
| 10-40-6120-XXXX             | RECREATION          | \$615,970.59          | \$641,400          | \$503,362.74                  | \$646,600                  | <b>\$676,700</b>        |
| <b>GENERAL FUND</b>         | <b>GRAND TOTAL</b>  | <b>\$4,784,521.36</b> | <b>\$5,828,600</b> | <b>\$4,302,962.47</b>         | <b>\$5,805,000</b>         | <b>\$5,811,600</b>      |





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## Appendix D: Recommended Water and Sewer Fund Revenues FY 2019-2020

| ACCOUNT NO.       | ACCOUNT DESCRIPTION         | FY 2018<br>ACTUAL     | FY 2019<br>APPROVED   | FY 2019<br>YTD (5/8/19) | FY 2020<br>RECOMM.    |
|-------------------|-----------------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| 60-60-3713-0500   | WATER CHARGES               | \$1,290,634.03        | \$1,235,000           | \$947,381.26            | <b>\$1,310,000</b>    |
| 60-60-3713-0501   | WATERLINE CONNECTIONS       | \$14,500.00           | \$12,000              | \$3,000.00              | <b>\$10,000</b>       |
| 60-60-3714-0500   | WASTEWATER CHARGES          | \$1,270,487.50        | \$1,275,000           | \$919,389.04            | <b>\$1,285,000</b>    |
| 60-60-3714-0501   | WASTEWATER CONNECTIONS      | \$9,100.00            | \$10,000              | \$600.00                | <b>\$10,000</b>       |
| 60-60-3831-0800   | INTEREST ON INVESTMENT      | \$0.00                | \$1,000               | \$0.00                  | <b>\$1,000</b>        |
| 60-60-3839-0000   | MISC SOURCES                | \$11,602.00           | \$1,000               | \$590.00                | <b>\$1,000</b>        |
| 60-60-3839-0001   | LATE FEES                   | \$38,200.00           | \$45,000              | \$32,608.20             | <b>\$50,000</b>       |
| 60-60-3839-0002   | RETURNED CHECK CHARGE       | \$800.00              | \$1,000               | \$465.00                | <b>\$1,000</b>        |
| 60-60-3839-0004   | CREDIT CARD FEES            | \$8,410.00            | \$10,000              | \$8,318.25              | <b>\$12,000</b>       |
| 60-60-3990-0900   | APPROPRIATED NET ASSETS     | \$0.00                | \$0                   | \$0.00                  | <b>\$0</b>            |
| <b>FUND TOTAL</b> | <b>WATER AND SEWER FUND</b> | <b>\$2,643,733.53</b> | <b>\$2,590,000.00</b> | <b>\$1,912,351.75</b>   | <b>\$2,680,000.00</b> |



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## Appendix E: Recommended Water and Sewer Fund Expenditures FY 2019-2020

| WATER           |                             |                     |                   |                               |                            |                         |
|-----------------|-----------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.     | ACCOUNT DESCRIPTION         | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 60-60-7110-5100 | SALARIES-WATER DEPT         | \$152,395.70        | \$168,000         | \$136,491.30                  | \$154,000                  | <b>\$154,000</b>        |
| 60-60-7110-5101 | 401K WATER DEPT             | \$7,454.71          | \$8,500           | \$7,062.22                    | \$7,600                    | <b>\$7,600</b>          |
| 60-60-7110-5102 | FICA WATER DEPT             | \$11,439.92         | \$13,000          | \$11,019.03                   | \$11,600                   | <b>\$11,600</b>         |
| 60-60-7110-5103 | STATE RETIREMENT-WATER DEPT | \$11,516.52         | \$13,200          | \$11,650.81                   | \$13,700                   | <b>\$13,700</b>         |
| 60-60-7110-5104 | GROUP INSURANCE-WATER DEPT  | \$15,267.84         | \$19,000          | \$14,761.29                   | \$17,500                   | <b>\$19,000</b>         |
| 60-60-7110-5106 | RETIREE INSURANCE - WATER   | \$1,959.18          | \$0               | \$0.00                        | \$0                        | <b>\$0</b>              |
| 60-60-7110-5112 | OPEB OUTLAY - WATER         | \$11,175.31         | \$5,500           | \$0.00                        | \$5,200                    | <b>\$5,200</b>          |
| 60-60-7110-6203 | TELEPHONE                   | \$6,183.71          | \$10,000          | \$2,611.46                    | \$10,000                   | <b>\$5,000</b>          |
| 60-60-7110-6204 | UTILITIES                   | \$4,103.09          | \$7,000           | \$3,849.12                    | \$7,000                    | <b>\$7,000</b>          |
| 60-60-7110-6206 | M & R EQUIPMENT             | \$467.78            | \$10,000          | \$601.49                      | \$10,000                   | <b>\$10,000</b>         |
| 60-60-7110-6220 | DUES & CERTIFICATION        | \$1,925.00          | \$4,000           | \$2,212.50                    | \$5,000                    | <b>\$5,000</b>          |
| 60-60-7110-6230 | WATER TESTING LAB/SUPPLIES  | \$4,706.84          | \$5,000           | \$2,194.44                    | \$6,000                    | <b>\$6,000</b>          |
| 60-60-7110-7300 | DEPARTMENT SUPPLIES         | \$2,379.05          | \$1,000           | \$161.19                      | \$2,000                    | <b>\$2,000</b>          |
| 60-60-7110-7303 | POSTAGE                     | \$3,846.29          | \$5,000           | \$2,471.88                    | \$5,000                    | <b>\$5,000</b>          |
| 60-60-7110-7304 | PRINTING                    | \$1,945.90          | \$10,000          | \$1,994.35                    | \$10,000                   | <b>\$10,000</b>         |
| 60-60-7110-7305 | UTILITY SERVICES            | \$48,370.63         | \$49,000          | \$50,835.55                   | \$50,000                   | <b>\$50,000</b>         |
| 60-60-7110-7306 | CONTRACTED SERVICES         | \$0.00              | \$10,000          | \$5,000.00                    | \$10,000                   | <b>\$10,000</b>         |
| 60-60-7110-7307 | PTRWA ADMIN OPERATING FEES  | \$35,575.04         | \$37,000          | \$36,286.62                   | \$37,300                   | <b>\$37,300</b>         |
| 60-60-7110-7316 | WATER PURCHASE - ASHEBORO   | \$122,632.64        | \$125,000         | \$82,048.08                   | \$125,000                  | <b>\$125,000</b>        |
| 60-60-7110-7317 | WATER PURCHASE-PTRWA        | \$374,125.00        | \$392,000         | \$290,714.00                  | \$401,000                  | <b>\$401,000</b>        |
| 60-60-7110-7322 | CREDIT CARD FEES            | \$11,103.95         | \$12,000          | \$10,331.84                   | \$12,000                   | <b>\$12,000</b>         |
| <b>WATER</b>    | <b>TOTALS</b>               | <b>\$828,574.10</b> | <b>\$904,200</b>  | <b>\$672,297.17</b>           | <b>\$899,900</b>           | <b>\$896,400</b>        |



## WATER/WASTEWATER MAINTENANCE

| ACCOUNT NO.        | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|--------------------|-------------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 60-60-7120-5100    | SALARIES - W/WW MAINT         | \$86,588.24         | \$88,000          | \$69,834.61                   | \$0                        | \$0                     |
| 60-60-7120-5101    | 401K - W/WW MAINT             | \$4,193.21          | \$4,500           | \$3,471.93                    | \$0                        | \$0                     |
| 60-60-7120-5102    | FICA - W/WW MAINT             | \$6,335.25          | \$6,800           | \$5,275.95                    | \$0                        | \$0                     |
| 60-60-7120-5103    | STATE RETIREMENT - W/WW MAINT | \$6,475.52          | \$6,900           | \$5,564.64                    | \$0                        | \$0                     |
| 60-60-7120-5104    | GROUP INSUR. - W/WW MAINT     | \$11,182.08         | \$12,700          | \$9,538.48                    | \$0                        | \$0                     |
| 60-60-7120-5112    | OPEB OUTLAY - W/WW MAINT      | \$7,305.30          | \$3,000           | \$0.00                        | \$0                        | \$0                     |
| 60-60-7120-6203    | TELEPHONE                     | \$2,219.42          | \$3,000           | \$939.80                      | \$0                        | \$0                     |
| 60-60-7120-7301    | MISCELLANEOUS                 | \$2,722.39          | \$3,000           | \$1,010.64                    | \$0                        | \$0                     |
| 60-60-7120-7302    | TRAVEL/MEETINGS/SCHOOL        | \$962.78            | \$4,000           | \$1,189.11                    | \$0                        | \$0                     |
| 60-60-7120-7306    | CONTRACTED SERVICES           | \$18,190.72         | \$20,000          | \$16,809.28                   | \$0                        | \$0                     |
| 60-60-7120-7309    | UNIFORMS                      | \$2,464.83          | \$3,000           | \$2,715.06                    | \$0                        | \$0                     |
| 60-60-7120-7311    | MAINTENANCE MATERIALS         | \$30,303.16         | \$35,000          | \$25,847.95                   | \$0                        | \$0                     |
| 60-60-7120-7312    | WATERLINE CONST/REPLACE       | \$19,203.47         | \$125,000         | \$10,358.19                   | \$0                        | \$0                     |
| 60-60-7120-7313    | BAD DEBT EXPENSE              | \$0.00              | \$1,000           | \$0.00                        | \$0                        | \$0                     |
| 60-60-7120-7319    | GAS & FUEL                    | \$10,782.63         | \$13,000          | \$7,262.24                    | \$0                        | \$0                     |
| 60-60-7120-7320    | AUTOMOTIVE SUPPLIES           | \$7,922.40          | \$13,000          | \$3,500.99                    | \$0                        | \$0                     |
| 60-60-7120-9800    | CAPITAL OUTLAY                | \$0.00              | \$90,000          | \$51,146.00                   | \$0                        | \$0                     |
| <b>W/WW MAINT.</b> | <b>TOTALS</b>                 | <b>\$216,851.40</b> | <b>\$431,900</b>  | <b>\$214,464.87</b>           | <b>\$0</b>                 | <b>\$0</b>              |



| WATER MAINTENANCE   |                                |                    |                   |                               |                            |                         |
|---------------------|--------------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.         | ACCOUNT DESCRIPTION            | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 60-60-7120-5100     | SALARIES - WATER MAINT         | \$0                | \$0               | \$0                           | \$46,000                   | <b>\$46,000</b>         |
| 60-60-7120-5101     | 401K - WATER MAINT             | \$0                | \$0               | \$0                           | \$2,400                    | <b>\$2,400</b>          |
| 60-60-7120-5102     | FICA - WATER MAINT             | \$0                | \$0               | \$0                           | \$3,500                    | <b>\$3,500</b>          |
| 60-60-7120-5103     | STATE RETIREMENT - WATER MAINT | \$0                | \$0               | \$0                           | \$4,100                    | <b>\$4,100</b>          |
| 60-60-7120-5104     | GROUP INSURANCE - WATER MAINT  | \$0                | \$0               | \$0                           | \$6,000                    | <b>\$6,000</b>          |
| 60-60-7120-5112     | OPEB OUTLAY - WATER MAINT      | \$0                | \$0               | \$0                           | \$1,600                    | <b>\$1,600</b>          |
| 60-60-7120-6203     | TELEPHONE                      | \$0                | \$0               | \$0                           | \$1,500                    | <b>\$2,000</b>          |
| 60-60-7120-7301     | MISCELLANEOUS                  | \$0                | \$0               | \$0                           | \$2,000                    | <b>\$2,000</b>          |
| 60-60-7120-7302     | TRAVEL/MEETINGS/SCHOOL         | \$0                | \$0               | \$0                           | \$2,000                    | <b>\$2,000</b>          |
| 60-60-7120-7306     | CONTRACTED SERVICES            | \$0                | \$0               | \$0                           | \$20,000                   | <b>\$15,000</b>         |
| 60-60-7120-7309     | UNIFORMS                       | \$0                | \$0               | \$0                           | \$1,500                    | <b>\$2,000</b>          |
| 60-60-7120-7311     | MAINTENANCE MATERIALS          | \$0                | \$0               | \$0                           | \$29,000                   | <b>\$28,000</b>         |
| 60-60-7120-7312     | WATERLINE CONST/REPLACE        | \$0                | \$0               | \$0                           | \$120,000                  | <b>\$120,000</b>        |
| 60-60-7120-7313     | BAD DEBT EXPENSE               | \$0                | \$0               | \$0                           | \$1,000                    | <b>\$1,000</b>          |
| 60-60-7120-7319     | GAS & FUEL                     | \$0                | \$0               | \$0                           | \$7,400                    | <b>\$8,000</b>          |
| 60-60-7120-7320     | AUTOMOTIVE SUPPLIES            | \$0                | \$0               | \$0                           | \$6,500                    | <b>\$7,000</b>          |
| 60-60-7120-9800     | CAPITAL OUTLAY                 | \$0                | \$0               | \$0                           | \$0                        | <b>\$0</b>              |
| <b>WATER MAINT.</b> | <b>TOTALS</b>                  | <b>\$0</b>         | <b>\$0</b>        | <b>\$0</b>                    | <b>\$254,500</b>           | <b>\$250,600</b>        |



## WASTEWATER MAINTENANCE

| ACCOUNT NO.      | ACCOUNT DESCRIPTION           | FYE 2018<br>ACTUAL | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
|------------------|-------------------------------|--------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| 60-60-7125-5100  | SALARIES - WASTEWATER MAINT   | \$0                | \$0               | \$0                           | \$46,000                   | <b>\$46,000</b>         |
| 60-60-7125-5101  | 401K - WASTEWATER MAINT       | \$0                | \$0               | \$0                           | \$2,400                    | <b>\$2,400</b>          |
| 60-60-7125-5102  | FICA - WASTEWATER MAINT       | \$0                | \$0               | \$0                           | \$3,500                    | <b>\$3,500</b>          |
| 60-60-7125-5103  | STATE RET. - WASTEWATER MAINT | \$0                | \$0               | \$0                           | \$4,100                    | <b>\$4,100</b>          |
| 60-60-7125-5104  | GROUP INS. - WASTEWATER MAINT | \$0                | \$0               | \$0                           | \$6,000                    | <b>\$6,000</b>          |
| 60-60-7125-5112  | OPEB OUTLAY - WW MAINT        | \$0                | \$0               | \$0                           | \$1,600                    | <b>\$1,600</b>          |
| 60-60-7125-6203  | TELEPHONE                     | \$0                | \$0               | \$0                           | \$1,500                    | <b>\$2,000</b>          |
| 60-60-7125-7301  | MISCELLANEOUS                 | \$0                | \$0               | \$0                           | \$1,000                    | <b>\$1,000</b>          |
| 60-60-7125-7302  | TRAVEL/MEETINGS/SCHOOL        | \$0                | \$0               | \$0                           | \$2,000                    | <b>\$2,000</b>          |
| 60-60-7125-7306  | CONTRACTED SERVICES           | \$0                | \$0               | \$0                           | \$20,000                   | <b>\$20,000</b>         |
| 60-60-7125-7309  | UNIFORMS                      | \$0                | \$0               | \$0                           | \$1,500                    | <b>\$2,000</b>          |
| 60-60-7125-7311  | MAINTENANCE MATERIALS         | \$0                | \$0               | \$0                           | \$14,600                   | <b>\$15,000</b>         |
| 60-60-7125-7312  | SEWERLINE CONST/REPLACE       | \$0                | \$0               | \$0                           | \$20,000                   | <b>\$28,000</b>         |
| 60-60-7125-7313  | BAD DEBT EXPENSE              | \$0                | \$0               | \$0                           | \$1,000                    | <b>\$1,000</b>          |
| 60-60-7125-7319  | GAS & FUEL                    | \$0                | \$0               | \$0                           | \$7,400                    | <b>\$8,000</b>          |
| 60-60-7125-7320  | AUTOMOTIVE SUPPLIES           | \$0                | \$0               | \$0                           | \$6,500                    | <b>\$7,000</b>          |
| 60-60-7125-9800  | CAPITAL OUTLAY                | \$0                | \$0               | \$0                           | \$105,000                  | <b>\$105,000</b>        |
| <b>WW MAINT.</b> | <b>TOTALS</b>                 | <b>\$0</b>         | <b>\$0</b>        | <b>\$0</b>                    | <b>\$244,100</b>           | <b>\$254,600</b>        |



| WASTEWATER TREATMENT PLANT |                             |                     |                   |                               |                            |                         |
|----------------------------|-----------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.                | ACCOUNT DESCRIPTION         | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 60-60-7130-5100            | SALARIES - WWTP             | \$168,578.54        | \$173,000         | \$136,858.25                  | \$180,000                  | <b>\$180,000</b>        |
| 60-60-7130-5101            | 401K - WWTP                 | \$8,116.68          | \$9,000           | \$6,804.18                    | \$9,000                    | <b>\$9,000</b>          |
| 60-60-7130-5102            | FICA - WWTP                 | \$12,518.17         | \$13,500          | \$10,568.62                   | \$13,800                   | <b>\$13,800</b>         |
| 60-60-7130-5103            | STATE RETIREMENT - WWTP     | \$12,534.93         | \$14,000          | \$10,905.10                   | \$16,300                   | <b>\$16,300</b>         |
| 60-60-7130-5104            | GROUP INSURANCE - WWTP      | \$22,364.16         | \$25,400          | \$19,076.96                   | \$23,500                   | <b>\$23,500</b>         |
| 60-60-7130-5112            | OPEB OUTLAY - WWTP          | \$14,105.56         | \$5,700           | \$0.00                        | \$6,000                    | <b>\$6,000</b>          |
| 60-60-7130-6203            | TELEPHONE                   | \$8,350.61          | \$10,000          | \$6,827.74                    | \$10,000                   | <b>\$10,000</b>         |
| 60-60-7130-6204            | UTILITIES                   | \$109,485.92        | \$170,000         | \$80,582.96                   | \$170,000                  | <b>\$165,000</b>        |
| 60-60-7130-6205            | M & R BLDG                  | \$2,000.00          | \$14,000          | \$10,490.41                   | \$16,000                   | <b>\$16,000</b>         |
| 60-60-7130-6206            | M & R EQUIPMENT             | \$23,980.81         | \$42,000          | \$30,793.51                   | \$46,000                   | <b>\$46,000</b>         |
| 60-60-7130-6209            | SLUDGE REMOVAL              | \$32,265.46         | \$60,000          | \$19,097.01                   | \$65,000                   | <b>\$65,000</b>         |
| 60-60-7130-6220            | DUES/FEES FOR CERTIFICATION | \$9,463.00          | \$9,500           | \$7,220.50                    | \$9,500                    | <b>\$9,500</b>          |
| 60-60-7130-6230            | PRETREATMENT & LAB          | \$28,439.90         | \$31,000          | \$23,655.69                   | \$31,000                   | <b>\$31,000</b>         |
| 60-60-7130-6231            | FINES & PENALTIES           | \$0.00              | \$3,000           | \$0.00                        | \$3,000                    | <b>\$3,000</b>          |
| 60-60-7130-7300            | DEPARTMENT SUPPLIES         | \$18,322.88         | \$2,500           | \$2,521.35                    | \$3,500                    | <b>\$3,500</b>          |
| 60-60-7130-7301            | MISCELLANEOUS EXPENSE       | \$286.08            | \$1,000           | \$699.25                      | \$1,000                    | <b>\$1,000</b>          |
| 60-60-7130-7302            | TRAVEL/MEETINGS/SCHOOL      | \$2,162.04          | \$3,000           | \$200.00                      | \$3,000                    | <b>\$3,000</b>          |
| 60-60-7130-7303            | POSTAGE                     | \$3,347.90          | \$5,000           | \$2,448.84                    | \$5,000                    | <b>\$5,000</b>          |
| 60-60-7130-7309            | UNIFORMS                    | \$3,845.01          | \$3,500           | \$2,354.54                    | \$3,500                    | <b>\$3,500</b>          |
| 60-60-7130-7311            | SUPPLIES & CHEMICALS        | \$45,380.85         | \$50,000          | \$28,477.29                   | \$50,000                   | <b>\$50,000</b>         |
| 60-60-7130-7316            | WASTEWATER TREAT - ASHEBORO | \$17,601.03         | \$50,000          | \$33,524.35                   | \$50,000                   | <b>\$45,000</b>         |
| 60-60-7130-7319            | GAS & FUEL                  | \$3,443.68          | \$5,000           | \$4,227.25                    | \$6,000                    | <b>\$7,000</b>          |
| 60-60-7130-7320            | AUTOMOTIVE SUPPLIES         | \$1,466.20          | \$2,500           | \$1,116.45                    | \$2,500                    | <b>\$2,500</b>          |
| 60-60-7130-9800            | CAPITAL OUTLAY              | \$0.00              | \$220,000         | \$142,959.01                  | \$60,000                   | <b>\$130,000</b>        |
| <b>WWTP</b>                | <b>TOTALS</b>               | <b>\$548,059.41</b> | <b>\$922,600</b>  | <b>\$581,409.26</b>           | <b>\$783,600</b>           | <b>\$844,600</b>        |





| DEBT SERVICE        |                                    |                     |                   |                               |                            |                         |
|---------------------|------------------------------------|---------------------|-------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.         | ACCOUNT DESCRIPTION                | FYE 2018<br>ACTUAL  | FY 2019<br>BUDGET | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 60-60-9800-9200     | TRANSFER TO OTHER FUNDS            | \$318,600.00        | \$50,000          | \$28,216.69                   | \$0                        | <b>\$120,000</b>        |
| 60-60-9800-9500     | SRF LOAN-PRIN (2033)               | \$43,527.75         | \$43,600          | \$0.00                        | \$43,600                   | <b>\$43,600</b>         |
| 60-60-9800-9501     | SRF LOAN-INTEREST                  | \$13,928.88         | \$13,100          | \$6,529.16                    | \$12,300                   | <b>\$12,300</b>         |
| 60-60-9800-9504     | PTRWA #1/PRIN (2019)               | \$132,620.40        | \$33,200          | \$33,155.12                   | \$0                        | <b>\$0</b>              |
| 60-60-9800-9505     | PTRWA #1-INTEREST                  | \$4,294.14          | \$300             | \$226.01                      | \$0                        | <b>\$0</b>              |
| 60-60-9800-9506     | PTRWA #2-PRIN (2028)               | \$79,069.20         | \$81,300          | \$81,258.54                   | \$83,600                   | <b>\$83,600</b>         |
| 60-60-9800-9507     | PTRWA #2-INTEREST                  | \$28,439.05         | \$26,400          | \$26,249.70                   | \$24,200                   | <b>\$24,200</b>         |
| 60-60-9800-9509     | CONTINGENCY                        | \$0.00              | \$60,000          | \$0.00                        | \$100,000                  | <b>\$100,000</b>        |
| 60-60-9800-9513     | SRF LOAN - PRIN (2037) - AIR DIFF. | \$23,379.00         | \$23,400          | \$0.00                        | \$23,400                   | <b>\$23,400</b>         |
| 60-60-9800-9514     | BB&T LOAN - PRIN (2034)            | \$0.00              | \$0               | \$0.00                        | \$17,500                   | <b>\$17,500</b>         |
| 60-60-9800-9514     | BB&T LOAN - INTEREST (2034)        | \$0.00              | \$0               | \$0.00                        | \$9,200                    | <b>\$9,200</b>          |
| <b>DEBT SERVICE</b> | <b>TOTALS</b>                      | <b>\$643,858.42</b> | <b>\$331,300</b>  | <b>\$175,635.22</b>           | <b>\$313,800</b>           | <b>\$433,800</b>        |



| GRAND TOTAL – WATER AND SEWER FUND |                            |                       |                    |                               |                            |                         |
|------------------------------------|----------------------------|-----------------------|--------------------|-------------------------------|----------------------------|-------------------------|
| ACCOUNT NO.                        | ACCOUNT DESCRIPTION        | FYE 2018<br>ACTUAL    | FY 2019<br>BUDGET  | YTD TRANS<br>(AS OF 5/8/2019) | FY 2020<br>DEP. HEAD REQD. | FY 2020<br>MANAGER REC. |
| 60-60-7110-XXXX                    | WATER DEPT.                | \$828,574.10          | \$904,200          | \$672,297.17                  | \$899,900                  | <b>\$896,400</b>        |
| 60-60-7120-XXXX                    | WATER/WASTEWATER MAINT.    | \$216,851.40          | \$431,900          | \$214,464.87                  | \$0                        | <b>\$0</b>              |
| 60-60-7120-XXXX                    | WATER MAINTENANCE          | \$0.00                | \$0                | \$0.00                        | \$254,500                  | <b>\$250,600</b>        |
| 60-60-7125-XXXX                    | WASTEWATER MAINTENANCE     | \$0.00                | \$0                | \$0.00                        | \$244,100                  | <b>\$254,600</b>        |
| 60-60-7130-XXXX                    | WASTEWATER TREATMENT PLANT | \$548,059.41          | \$922,600          | \$581,409.26                  | \$783,600                  | <b>\$844,600</b>        |
| 60-60-9XXX-XXXX                    | DEBT SERVICE/TRANSFERS     | \$643,858.42          | \$331,300          | \$175,635.22                  | \$313,800                  | <b>\$433,800</b>        |
| <b>WATER/SEWER FUND</b>            | <b>GRAND TOTAL</b>         | <b>\$2,237,343.33</b> | <b>\$2,590,000</b> | <b>\$1,643,806.52</b>         | <b>\$2,495,900</b>         | <b>\$2,680,000</b>      |



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## Appendix F: Personnel Summary for the City of Randleman

| Job Class  | Pay Grade | Approved FTE FY 17-18 | Approved FTE FY 18-19 | Recomm. FTE FY 19-20 |
|--|-----------|-----------------------|-----------------------|----------------------|
| Accounting Tech./Administrative Assistant            | 20        | 1                     | 1                     | 0                    |
| Assistant Fire Chief/Fire Marshal                    | 27        | 1                     | 1                     | 1                    |
| Building and Grounds Maintenance Tech. – PT          | 12        | 0                     | 0                     | 0.6                  |
| Chief of Police                                      | 30        | 1                     | 1                     | 1                    |
| City Clerk   | 24        | 1                     | 1                     | 1                    |
| City Manager   | N/A       | 1                     | 1                     | 1                    |
| City Planner   | 25        | 1                     | 1                     | 1                    |
| Detective (Lieutenant)                               | 24        | 1                     | 1                     | 1                    |
| Finance Director                                     | 26        | 1                     | 1                     | 1                    |
| Fire Chief   | 30        | 1                     | 1                     | 1                    |
| Fire Engineer  | 20        | 5                     | 5                     | 5                    |
| Fire Shift Captain                                   | 22        | 3                     | 3                     | 3                    |
| Firefighter - FT                                     | 19        | 11                    | 11                    | 11                   |
| Firefighter - PT                                     | 19        | 2.48                  | 2.48                  | 2.48                 |
| Library Assistant                                    | 11        | 0.38                  | 0                     | 0                    |
| Library Associate I                                  | 12        | 1.15                  | 1.88                  | 1.88                 |
| Library Associate II                                 | 14        | 2                     | 2                     | 2                    |
| Library Director                                     | 25        | 1                     | 1                     | 1                    |
| Mechanic I   | 19        | 0                     | 0                     | 1                    |
| Mechanic II (Supervisor)                             | 23        | 1                     | 1                     | 1                    |
| Parks and Rec Assistant Director                     | 22        | 1                     | 1                     | 1                    |
| Parks and Rec Director                               | 25        | 1                     | 1                     | 1                    |
| Patrol Officer                                       | 20        | 8                     | 8                     | 8                    |
| Patrol Officer/Administrative                        | 20        | 1                     | 1                     | 1                    |
| Police Captain                                       | 27        | 0                     | 1                     | 1                    |
| Police Sergeant                                      | 22        | 4                     | 4                     | 4                    |
| Project Mgr./Special Projects                        | 24        | 0                     | 0                     | 0                    |
| Public Works Director                                | 28        | 1                     | 1                     | 1                    |
| Public Works Sup. Dist. & Coll.                      | 23        | 1                     | 1                     | 1                    |
| Public Works Technician I                            | 12        | 1                     | 1                     | 1                    |
| Public Works Technician II                           | 16        | 4                     | 4                     | 4                    |
| Recreation Center Attendant - PT                     | 10        | 1.83                  | 1.83                  | 1.83                 |
| Recreation Center Supervisor - PT                    | 21        | 1.07                  | 1.07                  | 1.07                 |
| Sanitation Supervisor                                | 20        | 1                     | 1                     | 1                    |
| Utility Billing & Collection Specialist/Admin. Asst. | 20        | 1                     | 1                     | 1                    |
| W/W Plant Operator I                                 | 16        | 1                     | 1                     | 1                    |
| W/W Plant Operator II                                | 19        | 1                     | 1                     | 1                    |
| W/W Plant Operator III                               | 22        | 1                     | 1                     | 1                    |
| Waste Water Director                                 | 28        | 1                     | 1                     | 1                    |
| Water Billing and Collection Specialist              | 18        | 0                     | 0                     | 0                    |
| <b>TOTAL FTE's</b>                                   |           | <b>66.91</b>          | <b>68.26</b>          | <b>68.86</b>         |



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## Appendix G: Pay and Classification Schedule

### City of Randleman's Pay and Classification Schedule



| Pay Grade | Minimum     | Midpoint    | Maximum      | Annual Dev. Increase <sup>1</sup> |
|-----------|-------------|-------------|--------------|-----------------------------------|
| 10        | \$20,800.00 | \$26,000.00 | \$31,200.00  | \$866.67                          |
| 11        | \$21,840.00 | \$27,300.00 | \$32,760.00  | \$910.00                          |
| 12        | \$22,932.00 | \$28,665.50 | \$34,399.04  | \$955.58                          |
| 13        | \$24,078.08 | \$30,097.58 | \$36,117.12  | \$1,003.25                        |
| 14        | \$25,282.40 | \$31,603.50 | \$37,924.64  | \$1,053.52                        |
| 15        | \$26,547.04 | \$33,184.32 | \$39,821.60  | \$1,106.21                        |
| 16        | \$27,874.08 | \$34,843.12 | \$41,812.16  | \$1,161.51                        |
| 17        | \$29,267.68 | \$36,585.12 | \$43,902.56  | \$1,219.57                        |
| 18        | \$30,732.00 | \$38,415.50 | \$46,099.04  | \$1,280.58                        |
| 19        | \$32,269.12 | \$40,336.40 | \$48,403.68  | \$1,344.55                        |
| 20        | \$33,883.20 | \$42,354.00 | \$50,824.80  | \$1,411.80                        |
| 21        | \$35,578.40 | \$44,473.50 | \$53,368.64  | \$1,482.52                        |
| 22        | \$37,356.80 | \$46,696.00 | \$56,035.20  | \$1,556.53                        |
| 23        | \$39,224.64 | \$49,030.79 | \$58,836.96  | \$1,634.36                        |
| 24        | \$41,186.08 | \$51,483.12 | \$61,780.16  | \$1,716.17                        |
| 25        | \$43,245.28 | \$54,057.12 | \$64,868.96  | \$1,801.97                        |
| 26        | \$45,408.48 | \$56,761.12 | \$68,113.76  | \$1,892.11                        |
| 27        | \$47,679.84 | \$59,600.32 | \$71,520.80  | \$1,986.75                        |
| 28        | \$50,063.52 | \$62,579.92 | \$75,096.32  | \$2,086.07                        |
| 29        | \$52,565.76 | \$65,707.20 | \$78,848.64  | \$2,190.24                        |
| 30        | \$55,194.88 | \$68,993.58 | \$82,792.32  | \$2,299.78                        |
| 31        | \$57,955.04 | \$72,444.32 | \$86,933.60  | \$2,414.88                        |
| 32        | \$60,852.48 | \$76,065.58 | \$91,278.72  | \$2,535.52                        |
| 33        | \$63,895.52 | \$79,869.92 | \$95,844.32  | \$2,662.40                        |
| 34        | \$67,090.40 | \$83,863.50 | \$100,636.64 | \$2,795.52                        |

<sup>1</sup>Annual Deviation Increase is based on employees reaching the Midpoint of their respective Pay Grades in 6 years. Thus, the increase is what the employee would receive as a raise each year.



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## Appendix H: Revenue Neutral Tax Calculations

| Neutral Property Tax Increase             |                         |                                     | City of Randleman            |   |  |                      |
|---|-------------------------|-------------------------------------|------------------------------|---|--|----------------------|
| Revaluations as of:                       |                         | January 1, 2019 and 2014            |                              |   |  |                      |
|   |                         | Assessed Valuation<br>as of June 30 | Annexation<br>(Deannexation) | Total Adjusted for<br>Annexation or<br>Deannexation | Valuation<br>Increase  | Percentage<br>change |
| 2019-2020                                 |                         | 430,835,323                         | 19-20                        | 430,835,323   |  |                      |
|   |                         |                                     | 18-19                        | 397,553,964   |  |                      |
| Revaluation                               |                         |                                     |                              |   |  |                      |
| 2018-2019                                 | 1/1/2019                | 397,553,964                         | 18-19                        | 397,553,964   | 6,527,149  | 1.67%                |
|   |                         |                                     | 17-18                        | 391,026,815   |  |                      |
| 2017-2018                                 |                         | 391,026,815                         | 17-18                        | 391,026,815   | (4,290,047)  | -1.09%               |
|   |                         |                                     | 16-17                        | 395,316,862   |  |                      |
| 2016-2017                                 |                         | 395,316,862                         | 16-17                        | 395,316,862   | (1,435,376)  | -0.36%               |
|   |                         |                                     | 15-16                        | 396,752,238   |  |                      |
| 2015-2016                                 |                         | 396,752,238                         | 15-16                        | 396,752,238   | 2,506,682  | 0.64%                |
|   |                         |                                     | 14-15                        | 394,245,556   |  |                      |
| 2014-2015                                 |                         | 394,245,556                         | 14-15                        | 394,245,556   | 30,001,192   | 8.24%                |
|   |                         |                                     | 13-14                        | 364,244,364   |  |                      |
| 2013-2014                                 | Revaluation<br>1/1/2014 | 364,244,364                         |                              |   |  |                      |
|   |                         |                                     |                              |   | Average growth %   | 1.82%                |
|   |                         |                                     |                              |   | Doesn't include revaluation increase   |                      |
|   |                         |                                     |                              |   |  |                      |
| Last year prior to revaluation            |                         |                                     |                              |   | Tax rate   | Estimated tax levy   |
| 2018-2019                                 |                         | 397,553,964                         |                              |   | 0.6300   | 2,504,590            |
|   |                         |                                     |                              |   | Tax rate to produce<br>equivalent levy   |                      |
| First year of revaluation                 |                         |                                     |                              |   |  |                      |
| 2019-2020                                 |                         | 430,835,323                         |                              |   | 0.5813   | 2,504,590            |
|   |                         |                                     |                              |   |  |                      |
| Increase tax rate for average growth rate |                         |                                     |                              |   | Revenue neutral tax rate, to be included in<br>budget ordinance, adjusted for growth |                      |
| 2019-2020                                 |                         | 430,835,323                         |                              |   | 0.5919   | 2,550,147            |
|   |                         |                                     |                              |   |  |                      |
|   |                         |                                     |                              |   | Increase in Tax Levy   | 45,557               |
|   |                         |                                     |                              |   | Average Percentage Increase  | 1.82%                |





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## Appendix I: Tax Rate Comparison

### By Population:

| Municipality    | Primary County | 2017 Certified Population | FY 16-17 Tax Rate | FY 17-18 Tax Rate | FY 18-19 Tax Rate |
|-----------------|----------------|---------------------------|-------------------|-------------------|-------------------|
| Franklin        | Macon          | 4,007                     | \$0.2800          | \$0.2800          | \$0.3200          |
| Rutherfordton   | Rutherford     | 4,031                     | \$0.5670          | \$0.5670          | \$0.5670          |
| Trent Woods     | Craven         | 4,077                     | \$0.1700          | \$0.1700          | \$0.1700          |
| Shallotte       | Brunswick      | 4,092                     | \$0.3500          | \$0.3500          | \$0.3450          |
| Burgaw          | Pender         | 4,110                     | \$0.4800          | \$0.4600          | \$0.4600          |
| Randleman       | Randolph       | 4,131                     | \$0.6300          | \$0.6300          | \$0.6300          |
| Carolina Shores | Brunswick      | 4,146                     | \$0.1016          | \$0.1016          | \$0.1016          |
| Beaufort        | Carteret       | 4,164                     | \$0.3475          | \$0.3500          | \$0.4135          |
| Jamestown       | Guilford       | 4,167                     | \$0.4550          | \$0.4680          | \$0.4680          |
| China Grove     | Rutherford     | 4,202                     | \$0.5800          | \$0.5800          | \$0.5800          |
| Spindale        | Rutherford     | 4,218                     | \$0.6830          | \$0.6830          | \$0.6830          |

### In Randolph County:

| Municipality  | Tax Rate |
|---------------|----------|
| TRINITY       | \$0.1000 |
| STALEY        | \$0.1250 |
| ARCHDALE      | \$0.2900 |
| SEAGROVE      | \$0.4000 |
| FRANKLINVILLE | \$0.4550 |
| THOMASVILLE   | \$0.6000 |
| RANDLEMAN     | \$0.6300 |
| LIBERTY       | \$0.6400 |
| HIGH POINT    | \$0.6475 |
| ASHEBORO      | \$0.6650 |
| RAMSEUR       | \$0.6700 |



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## Appendix J: Water and Sewer Rates Comparison

| Residential Water - Population |              |  |                       |                        |                        |                         |                        |                         |                          |                           |
|--------------------------------|--------------|--|-----------------------|------------------------|------------------------|-------------------------|------------------------|-------------------------|--------------------------|---------------------------|
| Utility / Rate Structure       | Service Pop. | Oper. Rev./<br>Oper. Exp.<br>(FY18 LGC Data) | Zero<br>Gals.<br>(In) | Zero<br>Gals.<br>(Out) | 3,000<br>Gals.<br>(In) | 3,000<br>Gals.<br>(Out) | 4,000<br>Gals.<br>(In) | 4,000<br>Gals.<br>(Out) | 5,000<br>Gallons<br>(In) | 5,000<br>Gallons<br>(Out) |
| Holden Beach                   | 6,278        | 1.03   | \$18.00               |                        | \$21.10                |                         | \$24.20                |                         | \$27.30                  |                           |
| First Craven San. Dist.        | 6,325        | 1.23   | \$15.00               |                        | \$26.55                |                         | \$30.40                |                         | \$34.25                  |                           |
| Granite Falls                  | 6,330        | 1.00   | \$25.29               | \$44.27                | \$25.29                | \$44.27                 | \$28.83                | \$50.47                 | \$32.37                  | \$56.67                   |
| Eastover Sanitary Dist.        | 6,340        | Un. Av.                                      | \$31.00               |                        | \$41.25                |                         | \$45.10                |                         | \$48.95                  |                           |
| Atlantic Beach                 | 6,380        | 1.27   | \$11.75               |                        | \$15.00                |                         | \$18.25                |                         | \$21.50                  |                           |
| Randleman                      | 6,385        | 1.32   | \$9.87                | \$19.74                | \$20.70                | \$41.40                 | \$27.92                | \$55.84                 | \$35.14                  | \$70.28                   |
| Jamestown                      | 6,388        | 1.40   | \$5.90                | \$11.80                | \$11.83                | \$23.66                 | \$15.78                | \$31.55                 | \$19.72                  | \$39.44                   |
| Washington County              | 6,413        | 1.72   | \$24.00               |                        | \$37.00                |                         | \$50.00                |                         | \$63.00                  |                           |
| Highlands                      | 6,510        | 0.88   | \$35.00               | \$55.00                | \$37.50                | \$57.50                 | \$42.50                | \$62.50                 | \$47.50                  | \$67.50                   |
| Weaverville                    | 6,535        | 1.13   | \$16.23               | \$32.46                | \$24.35                | \$48.69                 | \$33.30                | \$66.58                 | \$42.25                  | \$84.47                   |
| Southport                      | 6,617        | Un. Av.                                      | \$24.43               | \$39.73                | \$24.43                | \$39.73                 | \$30.04                | \$48.15                 | \$35.65                  | \$56.57                   |

| Residential Wastewater - Population |              |  |                       |                        |                        |                         |                        |                         |                          |                           |
|-------------------------------------|--------------|--|-----------------------|------------------------|------------------------|-------------------------|------------------------|-------------------------|--------------------------|---------------------------|
| Utility / Rate Structure            | Service Pop. | Oper. Rev./<br>Oper. Exp.<br>(FY18 LGC Data) | Zero<br>Gals.<br>(In) | Zero<br>Gals.<br>(Out) | 3,000<br>Gals.<br>(In) | 3,000<br>Gals.<br>(Out) | 4,000<br>Gals.<br>(In) | 4,000<br>Gals.<br>(Out) | 5,000<br>Gallons<br>(In) | 5,000<br>Gallons<br>(Out) |
| Wadesboro                           | 6,098        | 1.14   | \$31.31               | \$37.61                | \$31.31                | \$37.61                 | \$37.61                | \$37.61                 | \$43.91                  | \$43.91                   |
| Tuckaseegee Wat. & Sew. Auth.       | 6,262        | 1.07   | \$18.23               |                        | \$23.86                |                         | \$28.07                |                         | \$32.28                  |                           |
| Holden Beach                        | 6,278        | 1.03   | \$14.10               |                        | \$20.55                |                         | \$27.00                |                         | \$33.45                  |                           |
| Granite Falls                       | 6,330        | 1.00   | \$15.68               | \$27.53                | \$24.77                | \$43.40                 | \$27.80                | \$48.69                 | \$30.83                  | \$53.98                   |
| Eastover Sanitary District          | 6,340        | Un. Av.                                      | \$22.76               |                        | \$43.94                |                         | \$51.00                |                         | \$58.06                  |                           |
| Randleman                           | 6,385        | 1.32   | \$9.87                | \$19.74                | \$20.70                | \$41.40                 | \$27.92                | \$55.84                 | \$35.14                  | \$70.28                   |
| Jamestown                           | 6,388        | 1.40   | \$8.50                | \$17.00                | \$17.05                | \$34.09                 | \$22.73                | \$45.45                 | \$28.41                  | \$56.82                   |
| Highlands                           | 6,510        | 0.88   | \$35.00               | \$70.00                | \$37.50                | \$72.50                 | \$42.50                | \$77.50                 | \$47.50                  | \$82.50                   |
| Southport                           | 6,617        | Un. Av.                                      | \$51.98               | \$107.66               | \$51.98                | \$107.66                | \$58.28                | \$123.41                | \$64.58                  | \$139.16                  |
| Gibsonville                         | 6,800        | 1.21   | \$17.75               | \$35.49                | \$35.50                | \$70.98                 | \$47.33                | \$94.64                 | \$59.16                  | \$118.30                  |
| Kill Devil Hills                    | 6,800        | 1.10   | \$24.00               |                        | \$53.50                |                         | \$71.20                |                         | \$88.90                  |                           |

LOWEST

HIGHEST

RANDLEMAN



### Residential Water – Randolph County Municipalities

| Utility / Rate Structure | Service Population | Oper. Revenue/<br>Oper. Expense<br>(FY18 LGC Data) | Zero<br>Gallons<br>(In) | Zero<br>Gallons<br>(Out) | 3,000<br>Gallons<br>(In) | 3,000<br>Gallons<br>(Out) | 4,000<br>Gallons<br>(In) | 4,000<br>Gallons<br>(Out) | 5,000<br>Gallons<br>(In) | 5,000<br>Gallons<br>(Out) |
|--------------------------|--------------------|--|-------------------------|--------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| Archdale                 | 12,600             | 1.31   | \$14.84                 | \$29.68                  | \$19.29                  | \$38.58                   | \$23.74                  | \$47.48                   | \$28.19                  | \$56.38                   |
| Asheboro                 | 25,761             | 1.05   | \$13.91                 | \$34.78                  | \$20.79                  | \$51.98                   | \$24.45                  | \$61.14                   | \$28.12                  | \$70.29                   |
| Franklinville            | 1,360              | Un. Av.  | \$25.00                 | \$30.00                  | \$44.50                  | \$49.50                   | \$51.00                  | \$56.00                   | \$57.50                  | \$62.50                   |
| High Point               | 112,201            | 1.23   | \$9.03                  | \$18.07                  | \$21.02                  | \$42.05                   | \$25.02                  | \$50.05                   | \$29.02                  | \$58.04                   |
| Liberty                  | 3,558              | 0.92   | \$16.30                 | \$27.23                  | \$16.30                  | \$27.23                   | \$20.02                  | \$34.38                   | \$23.74                  | \$41.53                   |
| Randleman                | 6,385              | 1.22   | \$9.87                  | \$19.74                  | \$20.70                  | \$41.40                   | \$27.92                  | \$55.84                   | \$35.14                  | \$70.28                   |
| Ramseur                  | 2,893              | 1.09   | \$12.00                 | \$19.00                  | \$25.80                  | \$38.80                   | \$30.40                  | \$45.40                   | \$35.00                  | \$52.00                   |

### Residential Wastewater – Randolph County Municipalities

| Utility / Rate Structure | Service Population | Oper. Revenue/<br>Oper. Expense<br>(FY18 LGC Data) | Zero<br>Gallons<br>(In) | Zero<br>Gallons<br>(Out) | 3,000<br>Gallons<br>(In) | 3,000<br>Gallons<br>(Out) | 4,000<br>Gallons<br>(In) | 4,000<br>Gallons<br>(Out) | 5,000<br>Gallons<br>(In) | 5,000<br>Gallons<br>(Out) |
|--------------------------|--------------------|--|-------------------------|--------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|
| Archdale                 | 12,600             | 1.31   | \$17.94                 | \$35.88                  | \$24.64                  | \$49.28                   | \$31.34                  | \$62.68                   | \$38.04                  | \$76.08                   |
| Asheboro                 | 25,761             | 1.05   | \$17.18                 | \$42.95                  | \$24.24                  | \$60.60                   | \$27.99                  | \$70.00                   | \$31.75                  | \$79.40                   |
| Franklinville            | 1,360              | Un. Av.  | \$14.55                 |                          | \$34.05                  |                           | \$40.55                  |                           | \$47.05                  |                           |
| High Point               | 112,201            | 1.23   | \$13.98                 | \$27.95                  | \$34.84                  | \$69.66                   | \$41.79                  | \$83.57                   | \$48.74                  | \$97.47                   |
| Liberty                  | 3,558              | 0.92   | \$10.69                 | \$15.59                  | \$23.89                  | \$41.12                   | \$28.62                  | \$50.27                   | \$33.35                  | \$59.42                   |
| Randleman                | 6,385              | 1.22   | \$9.87                  | \$19.74                  | \$20.70                  | \$41.40                   | \$27.92                  | \$55.84                   | \$35.14                  | \$70.28                   |
| Ramseur                  | 2,893              | 1.09   | \$13.50                 |                          | \$27.30                  |                           | \$31.90                  |                           | \$36.50                  |                           |

LOWEST

HIGHEST

RANDLEMAN

## Appendix K: Financial Policy for the City of Randleman



### **City of Randleman Financial Policy**

#### **I. Objectives**

This fiscal policy is a statement of the guidelines and goals that will influence and guide the financial management practice of the City of Randleman, North Carolina. A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. The main objectives of this policy are:

- To enable the City to protect itself from financial disaster.
- To establish clear and consistent guidelines that promote long-term financial stability.
- To promote the understanding of linking long-term financial planning with day to day operations.
- To direct consideration to the total financial outlook rather than single issue areas.
- To improve short term and long term financial credit ability by enabling the City to attempt to achieve the highest credit and bond ratings possible.
- To afford the City of Randleman's citizens, Board of Aldermen, and staff an outline for measuring the financial impact of government services.



## **II. Budgeting Policies and Practices**

The City of Randleman has adopted the following policies for budget preparation, presentation, and implementation:

1. The City will adhere to all budgetary statutes and guidelines as set forth in the Local Government Budget and Fiscal Control Act (NC G.S §159-7 through § 159-42.1)
2. The City's proposed budget will be prepared in accordance with all Generally Accepted Accounting Principles.
3. The City's basis of budgeting for all funds will be modified accrual, the same basis of accounting found within the City's audited financial statements.
4. The City's proposed budget will be balanced such that proposed expenditures will not surpass proposed revenues.
5. Budgeted revenues will only be spent for those expenditures for which they are intended (i.e., County Fire Tax within the Fire Department, etc.).
6. Department budgets are reviewed by Department Heads, the Finance Director, and the City Manager prior to the presentation of the proposed budget to the Board of Aldermen. The Board of Aldermen will review the proposed budget prior to its adoption.
7. Staff authorization for budget adjustments, as well as an outline for budget adjustments and amendments will be made within the annual budget ordinance.
8. Debt service payments will be budgeted for following the guidelines presented when the loan was issued or in the respective fund that is responsible for the repayment of the debt and as documented within the City's Debt Policy.
9. In accordance with N.C.G.S 160A-17, funds are to be appropriated to suffice obligations for ongoing contracts.
10. The City's financial policy will be adhered to in development, implementation and management of the annual fiscal year budget.



### **III. Revenue**

#### **A. Revenue Forecasting**

Good revenue management involves the ongoing process of reviewing and evaluating all revenue sources to ensure that incomes from each source are optimal. The Board of Aldermen expect that every attempt will be made to project revenues for the annual budget within at least 5% of actual recognized revenues at the end of each fiscal year. These projections should be based on patterns in growth, the underlying economy, and historical trends in collections.

#### **B. Ad Valorem Taxes**

As prescribed by North Carolina General Statute 159 (also known as the Local Government Budget and Fiscal Control Act), the Finance Director for the City of Randleman shall estimate revenue from the Ad Valorem Tax levy for the annual budget as follows:

- Total assessed valuation will be estimated based on historical trends, growth patterns, and anticipated new constructions.
- In accordance with state law, the estimated percentage of collections is not to exceed the percentage of levy that was actually collected in the previous fiscal year.
- The Ad Valorem tax rate will be set each year based on the cost of providing general government services, paying debt service requirements as scheduled, and the supplementation of other budgeted revenues in regards to the overall budget. Future revenue requirements will also be given consideration in regards to maintaining service levels as the board sees fit.

#### **C. User Fees**

The Board of Aldermen for the City of Randleman sets fees for certain services provided by the City that can be individually identified and in which the costs of these services are directly related to the level of services provided. This allows for the possibility of growth within the City to pay for itself and helps to alleviate burdens placed on current residents to fund said growth. By placing emphasis on user fees over Ad Valorem Taxes, the Board of Aldermen have enabled the following benefits:





- User fees allow for avoidance of subsidization in instances where the service that is provided to citizens are not necessarily provided to the general public.
- User fees allow for the regulating of the facility of certain services.
- User fees are paid by all users for their respective services, including those that are exempt from paying property taxes.
- User fees for certain services can be justified on the basis of equity and efficiency, by producing information on the demand level for services and by helping to make the connection between the amount paid and the service received.
- User fees, at a minimum, should cover at least 50% of the service they are being charged to provide.

#### **D. Donations**

Donations will be spent only toward the intent for which they were given.

#### **E. One-Time Revenues**

One-time or other special revenues will not be used to finance continuing City operations but will instead be used for the purpose they were received for or for funding special projects, when permitted.

#### **F. Utility Fees**

The City reviews and updates its' fee schedule as needed from time to time. Water and Sewer rates will be set at the appropriate levels to enable the Water and Sewer Fund to be self-supporting.

#### **G. Grant Funding**

The City of Randleman will adhere to its adopted Grant Policies and Procedures in reference to applying for grants, funding received from grants, and the expending of those funds. Highlights of that policy are set forth:

The City of Randleman may use grant funding for a variety of purposes that include but are not limited to:

- Funding current City operations (services, positions, etc.)
- Departmental long-range plans



- Capital Projects
- Other projects or activities that address the mission and goals of the City

City staff will pursue opportunities for grant funding as they arise. Application will be made after the grant is determined by the City Manager to be compatible with the City's programs, objectives, and goals. If the City Manager deems the potential grants to be compatible, the respective grant will be presented to the City of Randleman's Board of Aldermen for consideration prior to formal application being made. If funds are awarded for approved grants, they will be accepted after Board review and action, including the creation of the appropriate line items, as well as the approval of any associated budget amendments to account for the collection and expending of said funds.



## IV. Debt

### A. Uses of Debt

Debt will be used to finance capital projects or for purchase of equipment that provide value to current and future citizens. The City of Randleman will not use debt proceeds for operational needs.

### B. Terms and Structure of Debt

When debt is deemed necessary, it is the expectation of the City of Randleman to put as little strain on operations, while maintaining low interest payments, as possible. The following are to serve as a guideline to how debt is to be termed and structured:

- Capital projects shall only be financed for a period not to exceed the estimated useful life of the project.
- Non-utility debt will normally have a term of 20 years or less.
- Utility debt will normally have a term of 30 years or less.
- The City will seek the best financing type, debt structure and timeframe for each financing need based on the flexibility to meet the project needs, timing, tax or rate payer equity and lowest interest cost.
- Case financing (pay-as-you-go) is a component of the capital program that contributes to the financial integrity of the City.

### C. Debt Capacity

The City of Randleman's debt capacity for general obligation debt is defined by North Carolina General Statute 159-55 as limited to eight percent of the City's assessed property values. The Board of Aldermen for the City of Randleman have directed that the City's total debt including interest for the General Fund is not to exceed 3% of assessed property values. The ratio of budgeted Debt Service Expenditures as a percent of budgeted Total Governmental Fund Expenditures should not exceed 15%.

The City will set utility rates and fees for the enterprise fund as to achieve a debt service coverage ratio of at least 1.10 times or greater. The debt service coverage ratio is calculated by dividing net revenue by debt service principal and interest. Net Revenue is calculated by subtracting operating expenses



(minus depreciation) from operating revenues. These equations are exhibited below:

- $\text{Operating Revenues} - \text{Operating Expenses without Depreciation} = \text{Net Revenue}$
- $\frac{\text{Net Revenue}}{\text{Debt Service Principal and Interest}} = \text{Debt Service Coverage Ratio}$



## **V. Fund Balance**

### **A. Overview and Purpose**

The purpose of having a well-established Fund Balance policy is to provide guidelines to set a reasonable Fund Balance level that is to be maintained for the City of Randleman's major funds, describe the circumstances under which the City can decrease the balances below the reasonable Fund Balance levels, and describe the procedures to be followed on restoring the fund balance levels to their reasonable levels. The Fund Balance levels that the City refers to in the policy are the Unreserved or Undesignated Fund Balance. This type of Fund Balance refers to the funds that remain available for appropriation by the City of Randleman's Board of Aldermen after all commitments for future expenditures, required reserves (as defined by State Statutes), and previous Board of Aldermen designations have been calculated. The City will define these remaining amounts as "Available Fund Balance."

### **B. General Fund**

At the close of each fiscal year, the City of Randleman's General Fund Available Fund Balance is not to be less than 25% of actual General Fund net expenditures without formal consent from the Board of Aldermen. 25% was chosen because it is over three times the bare minimum amount (8%) recommended by the Local Government Commission to be retained by local governments.

The Board of Aldermen may, from time-to-time, utilize the Available Fund Balance that may make it fall below the 25% policy for the following: declared fiscal emergencies such as a drastic unanticipated revenue shortfall, dealing with a natural disaster or other similar event that threatens the health, safety and wellbeing of the City's residents, financial opportunities to enhance the City of Randleman, or other such universal purpose as to protect the long-term fiscal security of the City of Randleman. In such circumstances, after the level of Available Fund Balance has been calculated as part of the closing-out process for the fiscal year (usually done with the annual audit process), the Board of Aldermen will adopt a plan as part of the following year's budget process to restore the Unassigned Fund Balance to the policy level within 24 months from the date of the budget adoption. If restoration cannot be accomplished within such time period without severe hardship to the City, then the Board of Aldermen may establish a different but appropriate time period, as it sees fit.



After the level of Available Fund Balance has been calculated as part of the closing-out process for the fiscal year, any monies that are available above 25% Available Fund balance may be allocated for appropriation by the Board of Aldermen, as they see fit.



## **VI. Financial Operations and Reporting**

### **A. Accounting and Fiscal Reporting**

The City of Randleman will establish and maintain its accounting systems according to North Carolina General Statute 159 also known as the “Local Government Budget and Fiscal Control Act.” While following N.C.G.S 159 and all of its subchapters, the City will also hold its records and reporting to be in accordance with all Generally Accepted Accounting Principles (GAAP) and with all Governmental Accounting Standards Board (GASB) statements.

Financial systems will be maintained and reviewed to monitor expenditures and revenues. The City of Randleman places emphasis on maintenance of an accounting system which provides strong internal budgetary and accounting controls. These controls are to be designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, such as the annual budget ordinance and the Comprehensive Annual Financial Report (CAFR), as well as maintenance of accountability of assets.

Per N.C.G.S. 159-34, an annual audit will be performed by an independent certified public accounting firm which will issue an opinion on the annual financial statements, with a management letter detailing areas that need improvement if required. The Finance Director is instructed to evaluate and select auditing services through a competitive bidding process at a minimum of every three years. Full disclosure is to be provided in all regulatory reports, financial statements, and bond representations.

The City will maintain the number of funds and accounts necessary for proper and accurate records, as determined by the Finance Director, for proper accounting and management purposes. The City may maintain the types of funds as outlined in N.C.G.S. 159-26, as deemed appropriate for the City by the Finance Director.



## **B. Operational Cash Management**

### **i. Pre-audits**

Per N.C.G.S. 159-28 (a), “no obligation may be incurred...unless the budget ordinance includes an appropriation authorizing the obligation *and* an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction...” To abide by this statute, for each obligation presented to the City, the Finance Director (or Deputy Finance Director) must check to see if there is an appropriation in the budget ordinance, check to see if sufficient funds remain in the appropriation to cover the amount of the obligation, and affix a signed pre-audit certificate (found in N.C.G.S. 159-28(a)) to any purchase orders as assigned per the City’s Purchasing Policy or contracts associated with the obligation. Exempted from this policy are obligations approved by the Local Government Commission, Payroll expenditures (including associated benefits for employees), and Electronic transactions (such as obligations paid for by credit card or electronic check (e-checks)).

### **ii. Cash Disbursements**

The City will make disbursements in accordance with N.C.G.S. 159-28 and the City’s adopted Purchasing Policy. Disbursements will be made shortly in advance of or on the agreed-upon contractual date of payment unless earlier payment provides a greater economic benefit in favor of the City of Randleman. All invoices must be approved by the Finance Director or his or her designee prior to payment. Proper documentation will be required prior to the disbursement of funds. This documentation will be maintained to meet all GAAP, GASB, auditing standards, and town policies. The Finance Director or his or her designee has the right to request additional information and or documentation from departments, as needed to determine whether or not an invoice is to be paid. Disbursements are to be made using the method(s) considered most efficient at the discretion of the Finance Officer or his or her designee, as approved by the Board of Aldermen.

Per N.C.G.S. 159-25(b), checks are to be dually-signed through a combination of two signatures by the Finance Director or appointed Deputy Finance Director, and countersigned by another official of the local government designated by the governing board. The City of Randleman’s Board of Aldermen has designated the Mayor for this role. Payroll disbursements are to be in accordance with all federal and state regulations, rules and laws and by the City’s Personnel Policy.





With regards to escheats, the City will follow all rules and regulations as directed by North Carolina General Statutes.

### **iii. Receipts**

The City of Randleman's receipts will be collected and deposited as expediently as reasonably possible, as determined by the Finance Director, to provide secure handling of incoming monies and to move these funds into interest earning accounts and investments. All incoming funds will be deposited daily, per N.C.G.S. 159-32, and are allowed to be received in the most efficient means possible.

### **iv. Banking Relations**

The City of Randleman through the discretion of the Finance Director will evaluate banking service providers on a regular basis to ensure the City is receiving the services deemed necessary to operate at a competitive rate. The City will maintain the number of bank accounts as deemed necessary by the Finance Director to facilitate the movement and investment of funds. Deposits may be pooled in accordance with North Carolina General Statutes. The State Treasurer of North Carolina is responsible for enforcing standards of minimum capitalization for all pooling method financial institutions. North Carolina local governments, in turn, rely on the State Treasurer to monitor those financial institutions. The City will analyze the financial soundness of all financial institutions that it uses. When designating official depositories and the verification of properly secured deposits, the City of Randleman will comply with the North Carolina General Statutes.

### **v. Collections**

The City of Randleman will follow through with the collection on delinquent customer accounts using any manner readily available and as allowed by North Carolina General Statutes. These manners include the North Carolina Debt Set-off Program and the use of a third-party collection agency. After all collection efforts are exhausted and after considering legal time limits for all collection methods, delinquent balances may be written off at the discretion of the Finance Director. Fees for collection delinquency are reviewed annually and are included with the City of Randleman's Fee Schedule. City Staff has the authority to suspend



all utility services in connection with an unpaid customer account. Service may be resumed once the outstanding balance is paid in full.

#### **vi. Internal Control and Compliance**

The City intends to maintain a system of internal controls, as developed by the Finance Director, that ensures complete, accurate and timely financial records as well as creates a business system that properly captures and reports financial related information. The Finance Director will provide clarification from time-to-time on City financial-related policies and procedures and other regulatory and statutory requirements. Per the Personnel Policy, positions deemed as critical for financial purposes will be subject to background checks.



## VII. Investments

It is the policy of the City of Randleman to retain capital and invest publicly held funds in a manner which provides the highest investment return with the highest level of security while maintaining the daily cash flow requirements of the City and conforming to all State statutes that govern the investment of public funds. This investment policy applies to all financial assets in the City's investment portfolio, including debt proceeds.

The Finance Director will oversee the investment of all funds held by the City of Randleman according to the following:

1. Primary significance will be given to the preservation of capital with secondary significance given to the generation of income and capital gains.
2. Staff, in acting in accordance with written procedures, state statutes, and through the exercise of due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes. This provision is provided that any deviations are reported to the governing board immediately and action is taken to control adverse developments.
3. The City will make every effort to maintain a diversified investment portfolio according to security type and institution.
4. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating needs and requirements which may be reasonably anticipated through the use of structured maturities and marketable securities. Essentially, the City will not invest funds in long term that inhibit operations without reasonably structuring the investments to maintain a sufficient level of readily available funds.
5. The Finance Director will maintain a list of financial institutions authorized to provide investment services to the City of Randleman. Such institutions include banks maintaining an office in the State of North Carolina and securities brokers and/or dealers classified by the New York Federal Reserve as primary dealers. Preference will be given to banks that hold office within the city limits of the City of Randleman.
6. The Finance Director is responsible for establishing and maintaining a system of internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse.
7. Officials and employees involved with the investment process will refrain from personal business activity that could conflict with proper execution of



the investment program, or which could impair their ability to make impartial investment decisions.

8. Investment officials will disclose to the Finance Director any material financial interests in financial institutions that conduct business within the City of Randleman, and they will further disclose any large personal financial and/or investment positions that could be related to the performance of the City's investment portfolio.



## **VIII. Capital Improvement Planning**

The City of Randleman shall develop a five-year Capital Improvement Plan and review and update the plan annually during its budget process. The Plan shall adhere to the following guidelines:

1. Capital Projects that are included in the Capital Improvement Plan will specifically advance one or more of the Board of Aldermen's Strategic Priorities, as adopted from time-to-time.
2. The Capital Improvement Plan will generally address those capital assets with a value of \$15,000 or more and a use life of a minimum of 3 years.
3. The City will identify both the projected costs and the potential sources of funding for each capital project within the plan.
4. The Capital Improvement Plan shall incorporate existing needs as well as projections for future capital expenditures necessitated by changes in population, development, or in the economic base of the City of Randleman.
5. The Capital Improvement Plan will be incorporated into the development of the annual operating budget.
6. Future operating and maintenance costs associated with new capital improvements will be projected and included in operating budget forecasts. This is to be in addition to any debt obligations that are estimated to be incurred.
7. The City's assets are to be maintained at a level adequate to protect the City's capital investment, to preserve the asset's ability to perform its intended purpose, and to minimize future maintenance and replacement costs.
8. Each year, the City will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. With this projection, a maintenance and repair schedule will be developed and adhered to and related expenditures should be justified according to the budget document.
9. The City will attempt to determine the least costly and most flexible financing method for all new projects.



## Appendix L: Glossary of Terms

- **Adopted Budget** – the official expenditure plan adopted by the Board of Aldermen for a fiscal year.
- **Ad Valorem Taxes** – usually referred to as Property Taxes; for many governments, it is the single largest revenue source. Taxes are levied at the stated tax rate for both real and personal property according to the valuation.
- **Amortization** – the process of paying off a debt (often from a loan or mortgage) over time through regular payments.
- **Amortization Schedule** - a table detailing each periodic payment on an amortizing loan.
- **Appropriated Fund Balance** – revenue appropriated from existing fund balance to help expenditures in a given year.
- **Appropriation** – an authorization by the governing board to make expenditures and incur obligations for specific purposes.
- **Assessed Valuation** – the total value established for real property and used as the basis for levying property taxes.
- **Balanced Budget** – when the sum of estimated net revenues and appropriated fund balance in each fund is equal to appropriations in that fund. The State of North Carolina requires municipalities to pass a balanced budget annually.
- **Budget** – a comprehensive financial plan of operation for a specified period of time containing an estimate of proposed expenditures and the means of financing them. In the State of North Carolina, it is required by law that a balanced budget be produced.



- **Budget Calendar** – the schedule for completion of the various tasks involved in the preparation, submission, and adoption of the fiscal year annual operating budget for the City.
- **Budget Message** – a written transmittal contained in the proposed budget document prepared by the City Manager and addressed to the governing board which contains the City Manager's views and recommendations on the City's operation for the coming fiscal year.
- **Budget Ordinance** – the legal document approved by the governing board that establishes the spending authority for the City.
- **Capital Asset** – tangible items that have a significant value of \$3,000 or greater and a useful life of one year or more.
- **Capital Improvement Plan (CIP)** – a short-range plan, usually five to ten years, which identifies capital projects and equipment purchases, provides a planning schedule and identifies options for financing the plan.
- **Capital Outlay** – budgeted expenditures of \$3,000 for tangible items with a useful life of at least one year.
- **Capital Project** – projects dealing with major construction and acquisitions that are not anticipated to be completed within a fiscal year and help to maintain or improve a city asset.
- **Capital Project Fund** – a fund used to account for expenditures for major construction and acquisition projects that are not accounted for in other funds and are not anticipated to be completed in one year.
- **Debt Service** – monies required for payment of principal and interest and other associated expenses on outstanding debt.
- **Department** – a major operating budget area of the City, which includes overall management for a respective activity or group of related activities.
- **Effluent** – Cleaned wastewater which flows out of the treatment plant.



- **Encumbrance** – an obligation in the form of a purchase order or a contract, which is chargeable to an appropriation and for which a part of the appropriation is reserved. An encumbrance becomes an expenditure when paid.
- **Enterprise (Proprietary) Fund** – a fund established to account for the operation of facilities and services that are entirely or predominantly financed through user charges.
- **Expenditure** – the amount paid for goods delivered and services rendered.
- **Fiscal Year (FY)** – a twelve-month period of time to which the annual budget applies. North Carolina law dictates that local government's fiscal years are from July 1 through June 30.
- **Fixed Asset** – tangible property owned by the City that has a monetary value of \$3,000 or greater and has a useful life of one year or more.
- **Fund** – an independent accounting entity with a self-balancing set of accounts.
- **Fund Balance** – the excess of a fund's assets and revenues over its liabilities, reserves and expenditures at the close of a fiscal year.
- **GAAP (Generally Accepted Accounting Principles)** – Accounting principles that are commonly used in preparing financial statements and generally accepted by the readers of those statements. The source of GAAP for state and local governments is the Governmental Accounting Standards Board.
- **GASB (Government Accounting Standards Board)** – the source of GAAP (Generally Accepted Accounting Principles), use by state and local governments in the United States.
- **General Fund** – used to account for the ordinary operations of the City, which are financed through taxes, other general revenues, contributions, transfers, and reimbursements from other funds. Unless legally obligated to





be accounted for elsewhere, all activities are accounted for in the General Fund.

- **Governmental Fund** – segregations of financial resources. Expendable assets are assigned to the various governmental funds and current liabilities are assigned to the fund from which they are to be paid. The difference between governmental fund assets and liabilities, the fund equity, is referred to as Fund Balance.
- **Influent** – Untreated wastewater when it flows into the treatment plant.
- **Installment Agreement Financing** – a type of financing agreement or loan that is repaid over time with a set number of scheduled payments; the term of the loan may vary.
- **Inter-fund Transfer** – transfers of money between accounting funds as authorized by the Governing Board.
- **Intergovernmental Revenue** – revenue received by the City from federal, state, and/or county agencies.
- **LGBFCA (Local Government Budget and Fiscal Control Act)** – North Carolina General Statute 159, Article 3; controls how local governments budget and spend money.
- **Line Item** – a unit of budgeted expense used to classify expenditures by item or category.
- **Local Government Commission (LGC)** – The Local Government Commission was established by legislation to provide assistance to local governments and public authorities in North Carolina. It is staffed by the Department of State Treasurer and approves the issuance of debt for all units of local government and assists those units with fiscal management.
- **Modified Accrual Accounting** – Method of accounting under which revenues are recognized in the period that they become available and measurable, and expenditures are recognized in the period the associated



liability is incurred. Most government accounting follows this method. It is also referred to as modified cash basis accounting.

- **NC DENR (NC Department of Environment and Natural Resources)** – State of North Carolina department that handles the management of environmental and natural resources including water quality, air quality, coastal management, fisheries, energy resources, water infrastructure and more. The Department is now referred to as the North Carolina Department of Environmental Quality (NC DEQ).
- **NCGS (North Carolina General Statutes)** – laws that govern the State of North Carolina.
- **NCLM (North Carolina League of Municipalities)** – a nonpartisan association of municipalities in North Carolina whose mission is to promote good government by offering non-partisan advocacy and other services for over 540 municipalities in North Carolina.
- **Operating Budget** – the City's financial plan for its operation for the fiscal year that outlines the proposed expenditures and revenue estimates to finance the expenditures.
- **Operating Expenses** – funds, not including capital outlay, allocated for the day-to-day operations of the City's services.
- **Operating Revenues** – revenues associated with the business activities of an organization. The City of Randleman's operating revenues are comprised of collections of water and sewer charges.
- **Ordinance** – a legislative enactment by the Governing Board. It has the full force of law within the City if it is not in conflict with any higher law.
- **PTRWA (Piedmont Triad Regional Water Authority)** – the major water supplier to the City of Randleman.
- **Property Tax** – an annual tax levied by the Governing Board on the value of real property to fund General Fund expenditures. The amount of revenue budgeted for in the annual budget ordinance is calculated by



taking the tax value of the real property, dividing it by 100, multiplying it times the tax rate and then times the collection percent.

- **Proprietary Fund** – funds that are used to account for a government's on-going activities which are found in private businesses or the private sector. These funds have their own set of revenue and expense accounts.
- **Revaluation** – occurs when county tax collectors update the values of taxable real property periodically. Revaluation must occur at a minimum of every 8 years in the State of North Carolina.
- **Revenue** – income received by the City from various sources used to finance its operations.
- **Revenue Neutral Property Tax Rate** – defined by NCGS as the rate that is estimated to produce revenue for the next fiscal year to the revenue that would have been produced for the next fiscal year by the current property tax rate if no reappraisal had occurred.
- **SRF (State Revolving Fund)** – a fund operated by the State of North Carolina's Department of Environmental Quality that provides money to water and wastewater providers and enables them to receive loans for water and wastewater projects at low or no interest.
- **Tax Base** – the total assessed valuation of real property within the city limits.
- **Tax Levy** – the total amount of revenue to be raised from the property tax levied by the governing board in the annual budget ordinance.
- **Tax Rate** – the amount of tax per \$100 of assessed valuation levied by the governing board.
- **User Charges** – the payment of a fee for receipt of a service provided by the City.
- **Valuation** – the tax value of real property as determined by the county tax assessors.

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**CITY OF RANDLEMAN  
FISCAL YEAR 2020  
PROPOSED BUDGET**