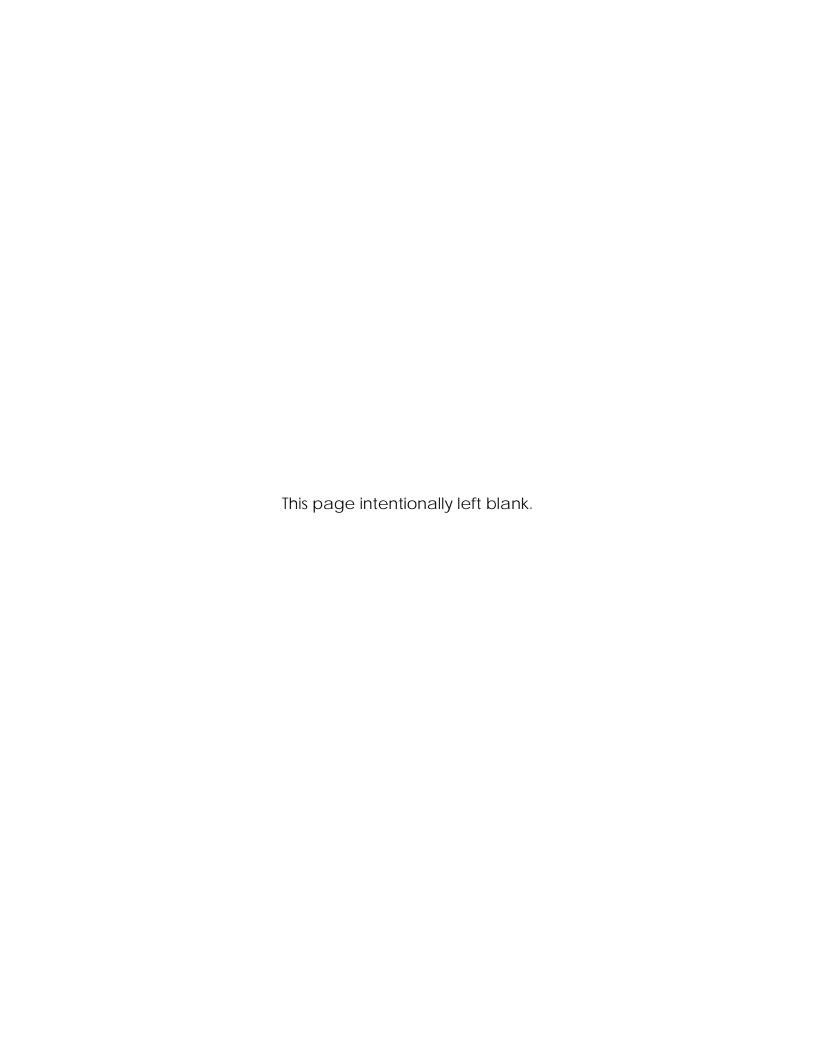




CITY OF RANDLEMAN NORTH CAROLINA

FISCAL YEAR 2018-2019

PROPOSED BUDGET

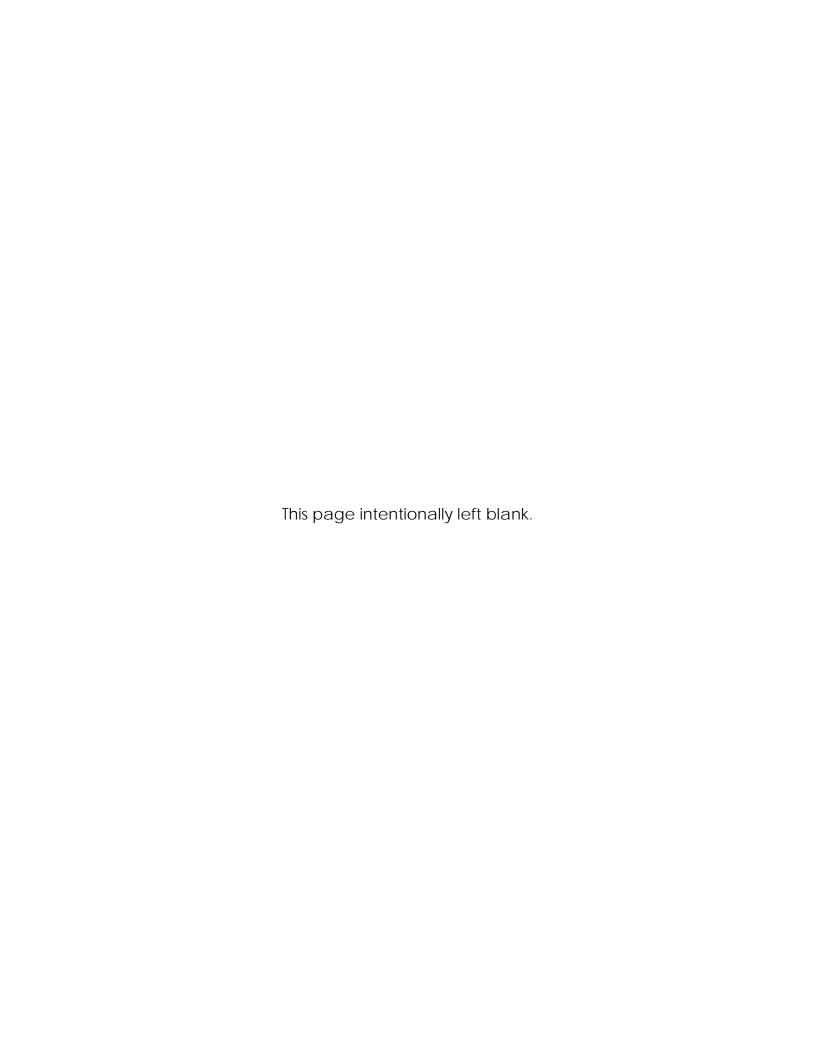


CITY OF RANDLEMAN North Carolina

FISCAL YEAR 2018-2019

PROPOSED BUDGET





BOARD OF ALDERMEN:

Mayor

Clarence "Bucky" Jernigan

Mayor Pro-Tempore

Gary B. Betts

Aldermen

Melissa Blalock
T. Renee Bryant
Keith D. Fogleman
Nancy Henderson

City Manager/Finance Director:

Zachary L. Hewett

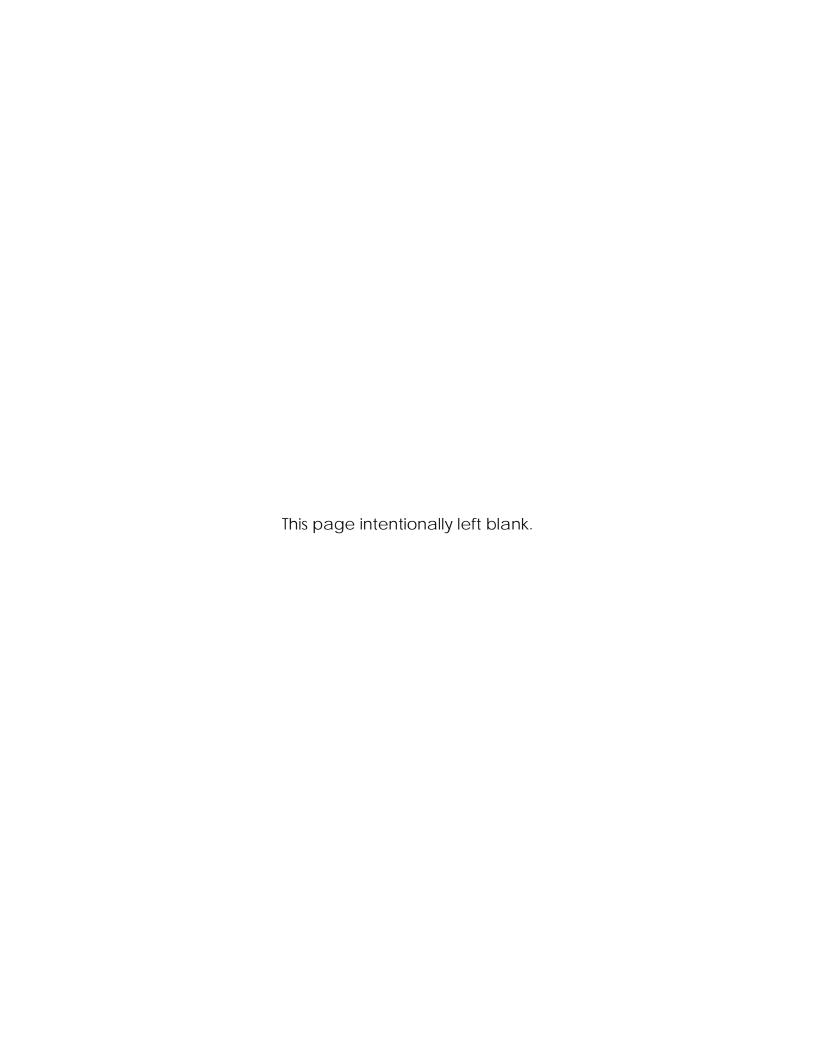
Department Heads:

G. Michael Glass, Wastewater Director
Melody Hancock, City Clerk
Robin Hughes, Parks and 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

A. INTRODUCTION

MAY 25, 2018

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,

The Fiscal Year 2018-2019 (FY 2019) recommended budget for the City of Randleman is hereby presented for your consideration. This proposed budget is balanced in accordance with State statutes and attempts to address the Board's priorities, departmental requests, and citizen concerns for FY 2019. 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.

The purpose of this budget message is to share the foremost features of the City's operations as it relates to the budget.

Overall topics addressed within this budget are:

- Increases to revenue sources
- Increased personnel expenses
- Substantial advancements toward meeting debt service obligations
- Capital improvement expenses to be funded with current revenues

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 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.

The following section will highlight items of importance in the recommended budget for FY 2019.

B. FISCAL YEAR 2018-2019 HIGHLIGHTS

The table below, "Table 1: City of Randleman FY 2017-2018 Amended and FY 2018-2019 Recommended Budgets," outlines the two major funds that make up the City's overall budget.

| TABLE 1: CITY OF RANDLEMAN FY 2017-2018 AMENDED AND FY 2018-2019 RECOMMENDED BUDGETS Amended FY 2017-2018 (as of May 1, 2018) Recommended FY 2018-2019 Increase or (Decrease) | | | | | |
|--|--------------|--------------|------------|--|--|
| | | | | | |
| Water/Sewer Fund | \$ 2,508,800 | \$ 2,590,000 | \$ 81,200 | | |
| TOTAL | \$ 7,794,800 | \$ 8,027,100 | \$ 232,300 | | |

i. GENERAL FUND

The City of Randleman's Fiscal Year 2018-2019 Recommended General Fund Budget is presented at an \$151,100 increase from the current Fiscal Year 2017-2018 budget. This increase is mainly attributed to an overall increase in personnel expenses, a planned increase in repaving of certain City streets, and an increase in capital items for the Parks and Recreation Department. Offset by these increases are reductions in debt service obligations and capital outlay expenses in other departments.

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



a. General Fund Revenues

- Property Tax The 2018-2019 Ad Valorem Tax rate is proposed to stay at \$0.63 per \$100 valuation.
- 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 2018-2019 fiscal year was approved unanimously to increase from the current charge of \$12 per month to \$14 per month.
- Fund Balance Appropriated \$10,000 of the City's Fund Balance is recommended to be appropriated in the FY 2018-2019. It should be noted that this fund balance is considered to be "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 2018-2019 budget would be <u>ZERO</u>.

b. General Fund Expenditures

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 2018-2019 Fiscal Year is \$569,000.
 Table 2 highlights the Capital Expenditures for the upcoming Fiscal Year
2018-2019 within the General Fund:

| TABLE 2: CITY OF RANDLEMAN FY 2019 REQUESTED GENERAL FUND CAPITAL EXPENDITURES | | | | | |
|--|------------|--|--|--|--|
| Capital Expenditures Requested Capital Funding Amount | | | | | |
| Police Department Vehicles | \$ 84,000 | | | | |
| Police Station Windows | \$ 23,000 | | | | |
| Street Repaving | \$ 247,000 | | | | |
| Academy Street Sidewalks | \$ 90,000 | | | | |
| Parks and Rec. Capital Improvements | \$ 125,000 | | | | |
| TOTAL \$ 569,000 | | | | | |



- o 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 pick-up trucks and are budgeted at \$84,000 (turn-key) in the Police Capital Outlay line item.
- o **Police Station Windows** The Police Department also requested funding for the replacement of their windows throughout the Police Station. The majority of the windows are the originals that were installed in the building when it was first constructed in 1973. The replacement of the windows is requested to be budgeted at the amount of \$23,000 and are also in the Police Capital Outlay line item.
- Street Repaving \$247,000 has been recommended to be allocated in the FY 2018-2019 Budget to repave Penny Street, E. River Drive, 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 considered to be a nonrecurring capital expenditure.
- o Academy Street Sidewalks The City of Randleman's quoted portion of the NCDOT's Academy Sidewalk Project is valued at 20% of the project's total cost of \$450,000. This allocation of \$90,000 is to be funded with Powell Bill Funds ("Chargeable Powell Bill") and is considered to be a non-recurring expenditure.
- o Parks and Recreation Capital Improvements The Parks and Recreation Department will be making the final payments of a \$2.2 million-dollar debt service obligation in FY 2019 that will total 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. A Capital Reserve Fund is to be created to track and monitor these funds annually. The Board has suggested that an annual transfer from the General Fund to the Capital Reserve Fund for \$125,000 occur for the next 5 years. This fund will provide the department with Capital Improvements and Capital Items such as Picnic Shelters, new



Concession Stands, new Baseball Dugouts, and new equipment at the Community Center, just to name a few.

- Pay and Classification Plan <u>Appendix H</u> contains the City's adopted Pay and Classification Schedule. <u>Appendix I</u> contains the City's Personnel Summary from FY 16-17, FY 17-18, and recommended for FY 18-19; along with each position's pay grade. 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 is an additional personnel request for the Fiscal Year 2018-2019 budget year for the approved Police Captain position in the Police Department.
- Employee Benefits Total employee insurance coverage (Health, Dental, Vision and Life) are expected to increase by approximately \$98 per employee per month. This is a drastic reduction from the City's original estimation of an increase of approximately \$178 per employee per month. This is a budgeted annual cost savings of roughly \$48,000 in the General Fund. Also, the cost of participation in the Local Government Retirement System is expected to increase by 0.25%, which is equivalent to approximately \$16,000 in the General Fund.



c. Department Budget Summaries

Table 3 (below) depicts the overall recommended budgetary increases or decreases summarized for each department accounted for within the General Fund:

| TABLE 3: CITY OF RANDLEMAN |
|--|
| FY 2017-2018 AMENDED AND FY 2018-2019 |
| RECOMMENDED BUDGETS BY DEPARTMENT FOR GENERAL FUND |

| Amended FY 2017-2018 [as of May 1, 2018] | | Recommended FY 2018-2019 | Increase or (Decrease) |
|--|--------------|-----------------------------|---------------------------|
| Board of Aldermen | \$ 33,000 | \$ 33,000 | \$ 0 |
| Administration | \$ 767,500 | \$ 771,400 | \$ 3,900 |
| Police | \$ 1,178,700 | \$ 1,272,200 | \$ 93,500 |
| Fire | \$ 1,347,900 | \$ 1,341,900 | \$ (6,000) |
| Fire -SAFER | \$ 98,000 | \$ 102,600 | \$ 4,600 |
| Fleet Maint. | \$ 92,000 | \$ 94,900 | \$ 2,900 |
| Streets | \$ 370,400 | \$ 500,400 | \$130,000 |
| Sanitation | \$ 284,600 | \$ 295,600 | \$ 11,000 |
| Economic Devel. | \$ 70,600 | \$ 72,400 | \$ 1,800 |
| Planning | \$ 90,800 | \$ 93,000 | \$ 2,200 |
| Library | \$ 288,600 | \$ 282,800 | \$ (5,800) |
| Parks and Rec. | \$ 663,900 | \$ 576,900 | \$ (87,000) |
| TOTAL | \$ 5,286,000 | \$ 5,437,100 | \$ 151,100 |

A summarized description of the changes in each department follows:

- Board No changes in funding for the Board of Aldermen is expected.
- Administration increase of \$3,900 mainly attributed to increases in personnel related expenditures.
- Police Overall increase of \$93,500 from FY 2018 due to the increase in personnel related expenditures, mainly the creation of a new Police Captain position and increased insurance costs.
- **Fire** Overall decrease of \$6,000 primarily attributed to increased personnel expenditures being offset by a decrease in requested capital outlay from FY 2018 to FY 2019.



- **Fire (SAFER Grant)** Budgetary increase of \$4,600 due to increased personnel expenditures; however, the overall funding increase will be approximately \$65,000 for FY 2019 due to the expiration of the SAFER grant in November. Thus, the City will have to fund these expenditures directly.
- Fleet Maintenance Increase of \$2,900 due to increased personnel costs.
- Streets Budgetary increase of \$130,300 due to the allocation of Powell Bill funds for increased street repaving in addition to the annual appropriation. Recognized increase of \$3,300 due to increased personnel expenses and an increase in allocation for street light funding. These expenses are offset by a decrease in capital outlay funding for a lawn mower purchased in the current year that is not recurring in FY 2019.
- Sanitation Increase of \$11,000 due to an appropriation for brush grinding and employee insurance increases. This department will see a decrease in some employee expenditures due to the replacement of a position in which the employee retired and is being replaced at a lower pay step in the position's pay grade.
- Economic Development Overall the department is requested to experience an increase of about \$1,800. It is recommended that an increase in funding for maintaining City buildings be implemented along with an increase to the Beautification line item. The Board also requested that funding for the Economic Development Commission be increased by \$1,000, funding for the Randleman Chamber of Commerce be decreased by \$2,500 and funding for the North Randleman Historical Society be set at \$2,800 for FY 2019.
- Library Budgetary decrease of \$5,800 due to two grants expiring and the non-recognition of revenue associated expenditures such as fundraising items. Recognized increase of \$16,200 due to increased personnel expenses mainly attributed to increasing the library's weekly operating hours.
- Parks and Recreation The Parks and Recreation department is recommended to be budgeted at an \$87,000 budgetary decrease. This is actually a recognized decrease of \$21,000 when expenses for festivals and fundraising are taken into account. The largest decreases in the department are attributed to an approximate \$144,000 decrease in debt service obligations and \$27,000 reduction in Capital Outlay. These decreases are offset by increases in personnel expenses and the \$125,000 transfer to the Capital Reserve Fund for Parks and Recreation.



ii. WATER AND SEWER FUND (ENTERPRISE FUND)

The City of Randleman's Fiscal Year 2018-2019 Recommended Water and Sewer Fund Budget is presented at an \$81,200 increase from the current Fiscal Year 2017-2018 budget. This increase is mainly attributed to an overall increase in personnel expenses and a planned increase in capital expenditures for the water and wastewater maintenance department and Wastewater Treatment Plant. Offset by these increases are reductions in debt service obligations and outgoing transfers to other departments.

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

a. Water and Sewer Fund Revenues

- Utility Rates The 2018-2019 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 9% and 6.5%, respectively. The minimum usage rate for customers inside the City limits is equivalent to an approximate \$1.63 per month increase on a total minimum bill (0-3,000 gallons) and an approximate \$0.44 increase for every 1,000 gallons used after the minimum bill's allotment. The Board also approved a \$1,000 per month increase in the set rate for the City's industrial user. These combined increases are estimated to generate an additional approximate \$129,000 in revenue over current year estimates.
- Appropriated Net Assets (Fund Balance Appropriated) The FY 2019 Budget is presented with no fund balance appropriation from the Water and Sewer Fund. This is a decrease from Current Year appropriations of \$71,600 (as of May 1, 2018).

b. Water and Sewer Fund Expenditures

• 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 2018-2019 Fiscal Year is \$435,000. Table 4 highlights the Capital Expenditures for the upcoming Fiscal Year 2018-2019 within the Water and Sewer Fund:



TABLE 4: CITY OF RANDLEMAN FY 2019 REQUESTED WATER AND SEWER FUND CAPITAL EXPENDITURES

| Capital Expenditures | Requested Capital Funding Amount | | |
|-------------------------------------|----------------------------------|--|--|
| Waterline Replacements | \$ 125,000 | | |
| Vehicle Replacements | \$ 115,000 | | |
| By-pass Pumps | \$ 65,000 | | |
| Sulfur Dioxide Feed System | \$ 15,000 | | |
| WWTP Shop Building | \$ 15,000 | | |
| Main Pump Station Valve Replacement | \$ 25,000 | | |
| Clarifier Scum Arm | \$ 15,000 | | |
| #3 Aeration Basin Valve | \$ 15,000 | | |
| WWTP Capital Equipment | \$ 45,000 | | |
| TOTAL | \$ 435,000 | | |

- o **Waterline Replacements** Waterlines along Mill Street and Back Street are to be replaced at a cost of \$125,000 and will be funded by current year revenues in the Water and Sewer Fund.
- o Vehicle Replacements Two vehicles are requested to be replaced in the FY 2019 Budget. The first, a 2001 Dodge Durango has exceeded its useful life and maintenance costs are increasing to keep it in working condition. This vehicle is mainly used by the Public Works Department and would be replaced with a pick-up truck at a cost of \$25,000. The second vehicle to be replaced is a 1996 Dodge 3500 Truck. The 3500 was received second-hand from the Fire Department and is being used as a service truck by the Wastewater Treatment Plant. An appropriation of \$90,000 would allow for the purchase of a new service truck with a crane, air compressor, tool storage and work lights.
- o **By-pass Pumps** \$65,000 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 allows wastewater to be pumped through a force main to a gravity fed fallout line. It would allow for the City to meet state requirements and regulations involved with maintaining pump stations properly during power outages or equipment malfunctions.



- Wastewater Treatment Plant Capital Improvements The City of Randleman's Wastewater Treatment Plant is in need of some major equipment replacements. It is estimated that these capital purchases will total approximately \$85,000. The following listing describes each of these replacements included in the FY 2019 Budget:
 - Sulfur Dioxide Fee System Current 35-year-old SDFS would be replaced for \$15,000. This system allows for the removal of chlorine from effluent before discharging from the plant.
 - WWTP Shop Building \$15,000 is being requested for funding the construction of a shop building that would allow for various pieces of equipment to be stored and double as an area to be used for working on and repairing pieces of machinery and equipment.
 - Main Pump Station Valve Replacement This appropriation of \$25,000 would allow for the sliding gate valves to be replaced at the Main Pump Station with inground gate valves. The gate valves would be replaced on both the manual bar screen and the automatic bar screen. The gate valves allow the flow of influent to be directed to the proper channels at the Main Pump Station.
 - Repair to Clarifier Scum Arm This allocation of \$15,000 would allow for the repair of a scraper arm that was damaged when a reinforcing cable broke and got caught in the arm and bent the turning arm. The trough that it is housed in would also be repaired.
 - Valve Replacement on #3 Aeration Basin An appropriation of \$15,000 would allow for the replacement of the valve on the #3 Aeration Basin that permits the aeration basin to drain. This enables the Aeration Basin to be drained independent of the Clarifier.
- o WWTP Miscellaneous Capital Equipment Purchases an appropriation of \$45,000 is recommended for pieces of equipment that may be purchased throughout the year to replace various pieces of machinery, as needed, at the Wastewater Treatment Plant.
- Employee Benefits As discussed in the General Fund Highlights section, Total employee insurance coverages (Health, Dental, Vision and Life) are



expected to increase by *approximately* \$98 per employee per month. This is a drastic reduction from the City's original estimation of an increase of *approximately* \$178 per employee per month. This is 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 0.25%, which is equivalent to approximately \$2,500 in the Water and Sewer Fund.

- Pay and Classification Plan <u>Appendix H</u> contains the City's adopted Pay and Classification Schedule. <u>Appendix I</u> contains the City's Personnel Summary from FY 16-17, FY 17-18, and recommended for FY 18-19; along with each position's pay grade. There are no additional personnel requests for the Water and Sewer Fund's Fiscal Year 2018-2019 budget.
- Debt Service/Contingency Funds/Projects Debt service obligations for the Water and Sewer Fund are to be reduced by \$104,700 mainly due to the completion of a loan repayment in FY 2019. There is an appropriation recommended for \$110,000 in contingency funds. These funds are reserved by the board to be used as they see fit. There is a reduction of \$318,600 in Transfers to Other Funds because there are no planned capital projects as of yet with funds allocated for transfer in FY 2019.



c. Department Budget Summaries

Table 5 (below) depicts the overall recommended budgetary increases or decreases summarized for each department accounted for within the Water and Sewer Fund:

| TABLE 5: CITY OF RANDLEMAN FY 2017-2018 AMENDED AND FY 2018-2019 RECOMMENDED BUDGETS BY DEPARTMENT FOR WATER & SEWER FUND | | | | | | |
|---|------------|-----------------------------|------------|--|--|--|
| Amended FY 2017-2018 [as of May 1, 2018] Recommended FY 2018-2019 (Decrease | | | | | | |
| Water | \$ 888,100 | \$ 904,200 \$ 16,100 | | | | |
| Water/Wastewater Maint. | \$ 289,300 | \$ 431,900 | \$ 142,600 | | | |
| Wastewater Treatment \$ 686,800 | | \$ 922,600 | \$ 235,800 | | | |
| Debt Service/Transfers \$ 644,600 \$ 331,300 \$ (313,300) | | | | | | |
| TOTAL \$ 2,508,800 \$ 2,590,000 \$ 81,200 | | | | | | |

A summarized description of the changes in each department follows:

- Water Increase of \$16,100 accredited to increased personnel costs and increases in operating costs, such as utilities, dues, and department supplies.
- Water/Wastewater Maintenance Increase of \$142,600 over current year budgeted expenditures due to an increase of capital outlay and waterline replacements valued at \$185,000. These expenditures are offset by a reduction in contracted services for a one-time survey fee in FY 2018.
- Wastewater Treatment Plant An overall budgeted increase in expenditures of \$235,800 is mainly credited to increased funding for capital items, as described in the previous section, at an estimated increase of \$153,000 over the current FY 2018 budget. The remainder of the increase is due to increased personnel expenditures (+12,300) and operating expenditures such as utilities (+35,000), maintenance and repair of buildings (+12,000), and supplies and chemicals (+21,000).
- Debt Service/Transfers Overall, the Debt Service/Transfers department of the Water and Sewer Fund will recognize a \$313,300 budgetary decrease from the current Fiscal Year budget. This is due to there not being a scheduled transfer of funds from the Water and Sewer Fund into a Capital Project Fund, as occurred in the current Fiscal Year for the amount of



\$318,600. There is also a reduction in debt service obligations as stated before for approximately \$104,700. There is an appropriation recommended for \$110,000 in contingency funds. These funds are reserved by the board to be used as they see fit.

C. Manager's Comments

In conclusion, the General Fund's annual budget is balanced without a property tax increase at \$5,437,100. 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. The Water and Sewer Fund's annual budget is balanced at \$2,590,000 with minimal increases to water and sewer charges. 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.

Both funds are recommended to see relevant funding for capital expenditures, totaling \$1,004,000 (\$569,000 in General Fund and \$435,000 in Water and Sewer Fund). Even with this large amount of capital expenses, the combined total of increases for each fund is budgeted at \$232,300, which is an overall increase of 3%, city-wide. The majority of the City's departments will see increases in personnel costs associated with higher premiums for employee insurance and retirement benefits.

While these increases may seem large at first glance, 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. 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 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 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 can be found in the sections following the budget message.

Respectfully Submitted,

Zachary L. Hewett, MBA City Manager/Finance Director May 25, 2018



II. Budget Summary

A. Total Budget Summary

TABLE 6: TOTAL BUDGET SUMMARY

General Fund

| REVENUES | FY 16-17 ACTUAL | FY 17-18 APPROVED | FY 18-19 RECOMMENDED |
|--------------------------------|--------------------|----------------------|-------------------------|
| Ad Valorem Taxes | \$ 2,936,096.27 | \$ 2,936,000.00 | \$ 2,947,300.00 |
| Fund Bal. Approp./Transfers | \$ 1,279.50 | \$ 40,400.00 | \$ 137,000.00 |
| Investment Income | \$ 23,594.13 | \$ 55,000.00 | \$ 40,000.00 |
| Other Revenue | \$ 21,487.10 | \$ 59,000.00 | \$ 17,000.00 |
| Permits and Fees | \$ 2,352.32 | \$ 4,150.00 | \$ 4,100.00 |
| Restricted Intergovernmental | \$ 254,356.71 | \$ 245,200.00 | \$ 177,500.00 |
| Sales and Services | \$ 639,171.94 | \$ 554,900.00 | \$ 556,000.00 |
| Taxes and Licenses | \$ 1,016,381.76 | \$ 821,350.00 | \$ 968,200.00 |
| Unrestricted Intergovernmental | \$ 666,803.68 | \$ 570,000.00 | \$ 590,000.00 |
| TOTAL | \$ 5,561,523.41 | \$ 5,286,000.00 | \$ 5,437,100.00 |
| EXPENDITURES | | | |
| Administration | \$ 494,494.12 | \$ 653,500.00 | \$ 660,100.00 |
| Board | \$ 29,388.72 | \$ 33,000.00 | \$ 33,000.00 |
| Economic Development | \$ 55,965.53 | \$ 70,600.00 | \$ 72,400.00 |
| Fire | \$ 1,287,819.36 | \$ 1,347,900.00 | \$ 1,341,900.00 |
| Fire - SAFER | \$ 55,423.99 | \$ 98,000.00 | \$ 102,600.00 |
| Fleet Maintenance | \$ 79,776.06 | \$ 92,000.00 | \$ 94,900.00 |
| Library | \$ 241,908.81 | \$ 288,600.00 | \$ 282,800.00 |
| Parks and Recreation | \$ 679,842.36 | \$ 663,900.00 | \$ 576,900.00 |
| Planning | \$ 82,910.56 | \$ 90,800.00 | \$ 93,000.00 |
| Police | \$ 1,080,330.20 | \$ 1,178,700.00 | \$ 1,272,200.00 |
| Sanitation | \$ 272,504.65 | \$ 284,600.00 | \$ 295,600.00 |
| Streets | \$ 500,358.01 | \$ 370,400.00 | \$ 500,400.00 |
| Transfers/Debt Service | \$ 217,176.96 | \$ 114,000.00 | \$ 111,300.00 |
| TOTAL | \$ 5,077,899.33 | \$ 5,286,000.00 | \$ 5,437,100.00 |

Water and Sewer Fund

| REVENUES | | | |
|-----------------------------|--------------------|--------------------|--------------------|
| Utility Charges | \$ 2,394,854.28 | \$ 2,373,000.00 | \$ 2,510,000.00 |
| Other Revenue | \$ 37,288.36 | \$ 51,200.00 | \$ 58,000.00 |
| Permits and Fees | \$ 5,100.00 | \$ 13,000.00 | \$ 22,000.00 |
| Fund Balance Appropriations | \$ 0.00 | \$ 71,600.00 | \$ 0.00 |
| TOTAL | \$ 2,437,242.64 | \$ 2,508,800.00 | \$ 2,590,000.00 |
| EXPENDITURES | | | |
| Water | \$ 841,042.42 | \$ 888,100.00 | \$ 904,200.00 |
| Water/Wastewater Maint. | \$ 223,281.15 | \$ 289,300.00 | \$ 431,900.00 |
| Wastewater Treatment Plant | \$ 587,996.51 | \$ 686,800.00 | \$ 922,600.00 |
| Transfers/Debt Service | \$ 586,198.55 | \$ 644,600.00 | \$ 331,300.00 |
| TOTAL | \$ 2,238,518.63 | \$ 2,508,800.00 | \$ 2,590,000.00 |

Grand Total - All Funds

| REVENUES | \$ 7,998,766.05 | \$ 7,794,800.00 | \$ 8,027,100.00 |
|--------------|-----------------|-----------------|-----------------|
| EXPENDITURES | \$ 7,316,417.96 | \$ 7,794,800.00 | \$ 8,027,100.00 |



B. FY 2019 Visual Summarizations

i. General Fund

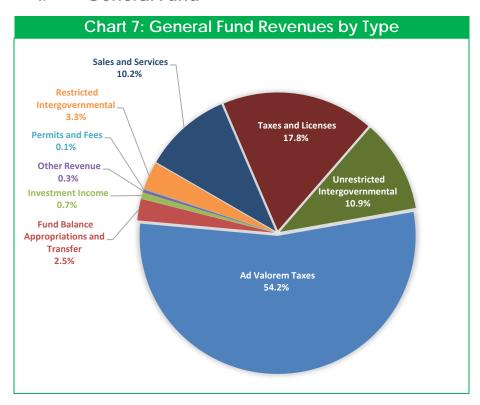


Chart 7 shows the projected revenues for the General Fund separated by type. Ad valorem taxes continue to be the main source of revenue for the General Fund.

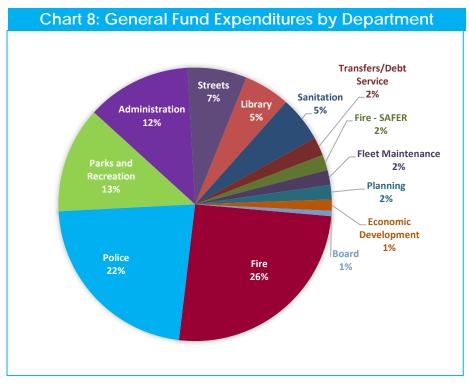


Chart 8 shows the recommended expenditures for the FY 2019 General Fund budget separated by type. The City's primary areas of expenditure are for Public Safety (Police and Fire) and Public Works (Streets, Sanitation, and Fleet Maintenance).



ii. Water and Sewer Fund

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

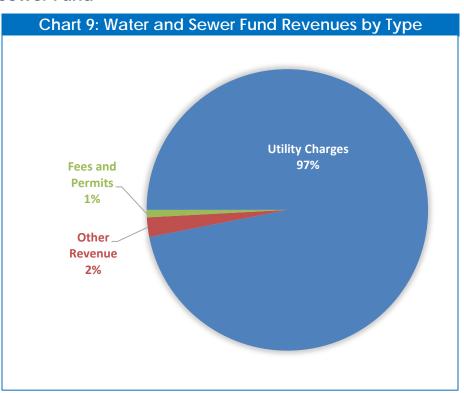
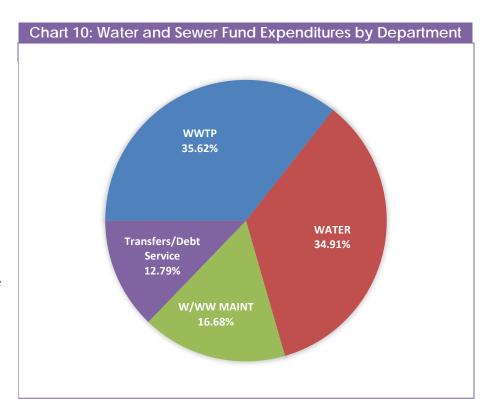


Chart 10 displays the recommended department expenditures in form of percentages. The Wastewater Treatment Plant and Water Departments make up over 70% of the entire fund's expenditures.





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C. Comparison Charts

i. Ad Valorem Tax Rate

Chart 11 compares the City of Randleman's FY 17-18 Ad Valorem Tax Rate to the tax rates of ten (10) municipalities in North Carolina with a similar size of population as of 2016.

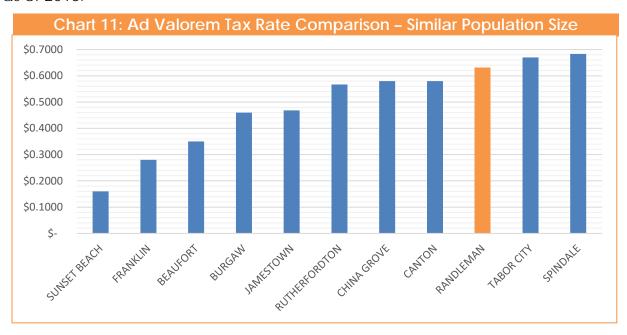
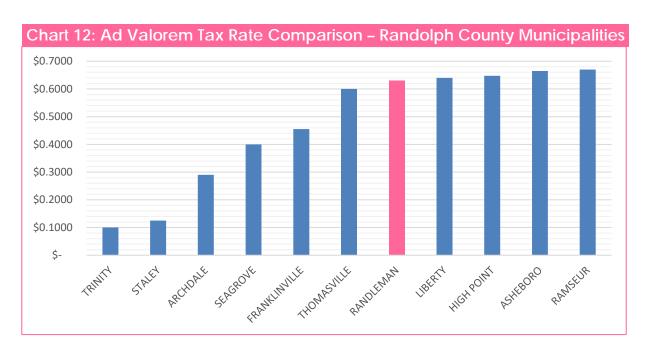


Chart 12 compares the City of Randleman's FY 17-18 Ad Valorem Tax Rate to the tax rates of municipalities located within Randolph County.





ii. Water Rates

Chart 13 compares the City of Randleman's FY 17-18 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.

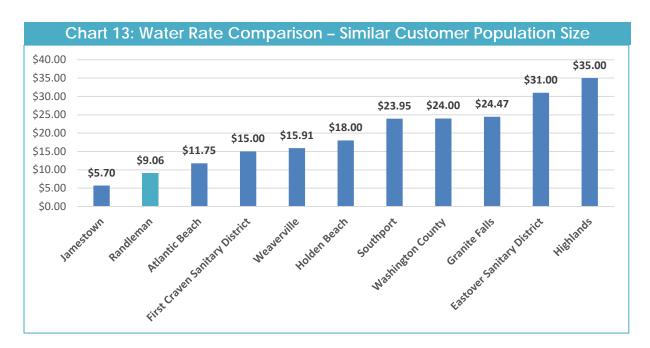
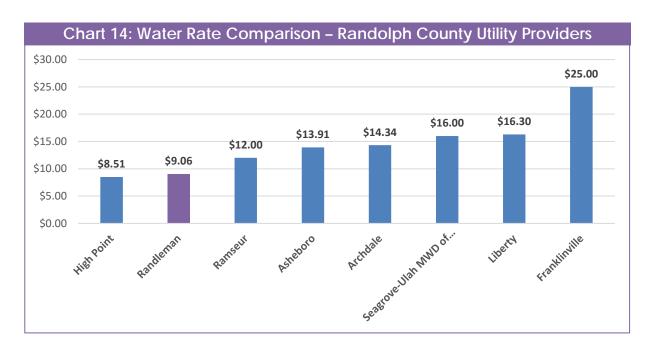


Chart 14 compares the City of Randleman's FY 17-18 minimum water bill rate (calculated at a monthly basis) to other utility providers in Randolph County.





iii. Sewer Rates

Chart 15 compares the City of Randleman's FY 17-18 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.

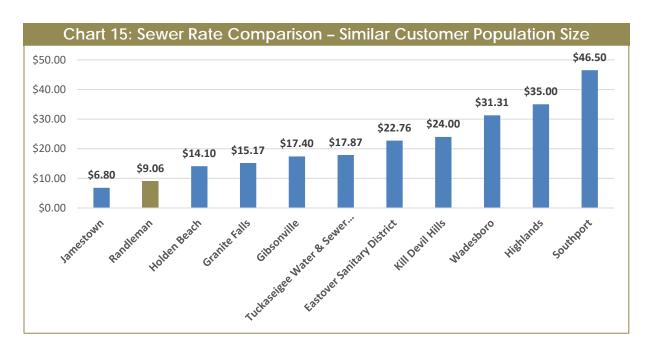
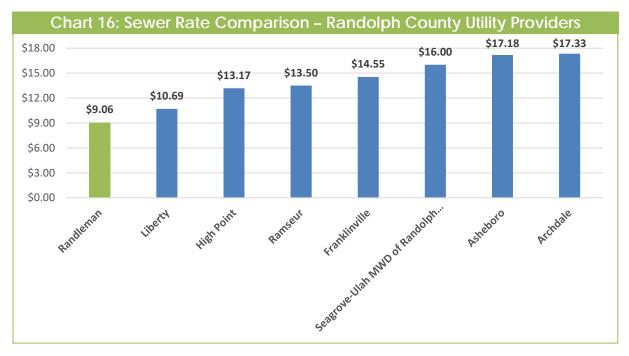


Chart 16 compares the City of Randleman's FY 17-18 minimum sewer bill rate (calculated at a monthly basis) to other utility providers in Randolph County.





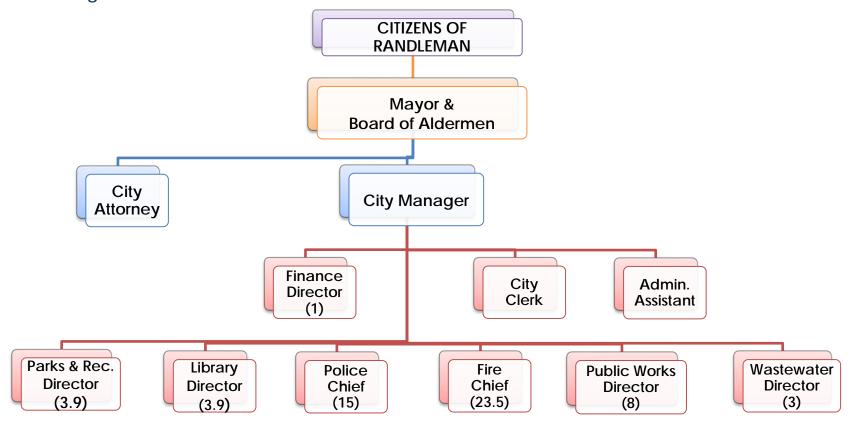
D. Personnel

i. Personnel Summary by Department

| | Approved FTE FY 16-17 | Approved FTE FY 17-18 | Recommended FTE FY 18-19 |
|---|--------------------------|---------------------------------------|-----------------------------|
| Administration | | | |
| Accounting Tech./Admin. Asst. | 0 | 1 | 1 |
| City Manager | 1 | 1 | 1 |
| City Clerk | 1 | 1 | 1 |
| Finance Director | 1 | 1 | 1 |
| Utility Billing & Coll. Spec./Admin. Asst. | 0 | 0 | 1 |
| Water Billing & Coll. Specialist | 1 | 1 | 0 |
| Water bining a controposition | 4 | | <u>5</u> |
| Fire Department | · | | <u> </u> |
| Assistant Fire Chief/Fire Marshal | 1 | 1 | 1 |
| City Planner | 1 | 1 | 1 |
| Fire Chief | 1 | 1 | 1 |
| Fire Engineer | 5 | 5 | 5 |
| | 3 | 3 | 3 |
| Fire Shift Captain | 3 9 | | |
| Firefighter - FT | • | 11 | 11 |
| Firefighter - PT ¹ | 2.54 | 2.48 | 2.48 |
| | 22.54 | 24.48 | 24.48 |
| Library | 0.00 | 0.00 | |
| Library Assistant | 0.38 | 0.38 | 0 |
| Library Associate I | 1.15 | 1.15 | 1.88 |
| Library Associate II | 2 | 2 | 2 |
| Library Director | 11 | 11 | 1 |
| | 4.53 | 4.53 | 4.88 |
| Parks and Recreation | | | |
| Parks and Rec Assistant Director | 1 | 1 | 1 |
| Parks and Rec Director | 1 | 1 | 1 |
| Recreation Center Attendant - PT1 | 1.83 | 1.83 | 1.83 |
| Recreation Center Supervisor - PT1 | 1.07 | 1.07 | 1.07 |
| ' | 4.90 | 4.90 | 4.90 |
| Police Department | | | |
| 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 | 0 | 1 |
| Police Sergeant | 4 | 4 | 4 |
| 1 onde bergeam | 15 | 15 | 16 |
| Public Works | 10 | 10 | 10 |
| Mechanic II (supervisor) | 1 | 1 | 1 |
| Project Mgr./Special Projects | 1 | 0 | 0 |
| Public Works Director | 1 | 1 | 1 |
| | 1 | 1 | 1 |
| Public Works Sup. Dist. & Coll. | | 1 | 1 |
| Public Works Technician I Public Works Technician II | 1.35 | · · · · · · · · · · · · · · · · · · · | · |
| | 4 | 4 | 4 |
| Sanitation Supervisor | 11 | 1 | 1 |
| 14/ 1 18/ 1 T 1 1 1 DI 1 | 10.35 | 9 | 9 |
| Waste Water Treatment Plant | 1 | 1 | 1 |
| 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 |
| TOTAL FULL TIME EQUIVALENTS | 65.32 | 66.91 | 68.26 |



ii. Organization Chart



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



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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 minutes), Winston-Salem (~45 minutes), Greensboro (~20 minutes), High Point (~15 minutes), and Raleigh (~65 minutes). The City of Randleman is also located a short drive from Piedmont Triad International Airport.



Map of North Carolina





Randolph County, North Carolina



City of Randleman, North Carolina



ii. Education

The City of Randleman offers multiple educational opportunities for learners of all ages. The City is home to Randleman Elementary, Middle and High Schools, and just outside of the City's limits are Level Cross Elementary and New Market 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 2010 United States Census, the Population of the City of Randleman was 4,113. Of this, there were 1,984 males and 2,129 females. The Census Bureau also reports that the median age for the City of Randleman was 36.4 years. The following table shows the amounts of the population by age groups:

| Age Groups | Male | Female |
|---------------|-------|--------|
| 19 and Under | 613 | 564 |
| 20 through 34 | 382 | 433 |
| 35 through 49 | 447 | 465 |
| 50 through 64 | 328 | 380 |
| 65 through 79 | 171 | 216 |
| 80 and Older | 43 | 71 |
| Totals | 1,984 | 2,129 |

ii. Education

The 2012-2016 American Community Survey 5-Year Estimates states that approximately 72.8% 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 | 166 |
| 1 to 4 | 287 |
| 5 to 8 | 62 |
| 9 to 12 | 210 |
| Totals | 725 |

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 | 17 | 120 | 125 | 0 | 0 |
| 25 and Older | 706 | 991 | 876 | 241 | 78 |
| Totals | 723 | 1,111 | 1,001 | 241 | 78 |



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 | 365 | 22 |
| 35 through 44 | 440 | 34 |
| 45 through 64 | 993 | 246 |
| 65 and Older | 388 | 17 |
| Totals | 2,186 | 319 |

iii. Housing

The 2012-2016 American Community Survey 5-Year Estimates states that there are approximately 2,012 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 | 1,460 |
| 1-unit, attached | 14 |
| 2 units | 106 |
| 3 or 4 units | 223 |
| 5 to 9 units | 138 |
| 10 to 19 units | 0 |
| 20 or more units | 108 |
| Mobile Home | 93 |
| Boat, RV, van, etc. | 0 |
| Totals | 2,142 |

The Survey also states that the median home value is \$115,700. 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 | 36 |
| \$50,000 to \$99,999 | 397 |
| \$100,000 to \$149,999 | 521 |
| \$150,000 to \$199,999 | 165 |
| \$200,000 to \$249,999 | 60 |
| \$300,000 or more | 0 |
| Total | 1,179 |



iv. Employment

According to the 2012-2016 American Community Survey 5-Year Estimates, the City of Randleman's 2016 Median Household Income was approximately \$35,600. As of July 1, 2016, the Per Capita Income for the City of Randleman was \$21,788. 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 2016 was 4.9%.



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-today 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 and Board of Aldermen 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 provides assistance to the Board of Aldermen and City Manager in maintaining the City's overall financial stability. This is achieved through comprehensive financial planning, and oversees 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 held 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 through the use of 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 Rec. 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 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 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 Simultaneously, the Finance Director of each 30 of each fiscal year. 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 catchall 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.

The following table illustrates which departments and/or divisions are located within each fund:

| Department/Division | General Fund | Water/Sewer Fund |
|------------------------------|--------------|------------------|
| 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/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 2018-2019 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 \$2,000 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 J**.

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.
- 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 2018-2019 budget:

| Budget Retreat | March 21, 2018 |
|--|----------------|
| Department Heads' Budgets Due to City Manager | April 15, 2018 |
| Budget Presented to Board/Available to Public | May 25, 2018 |
| Budget Workshop/Pre-Agenda Meeting | May 29, 2018 |
| Public Hearing on Budget/Regular Board Meeting | June 5, 2018 |
| Budget Workshop/Special Meeting (if needed) | June 25, 2018 |
| FY 2018-2019 Budget Ordinance Approved | TBD, 2018 |



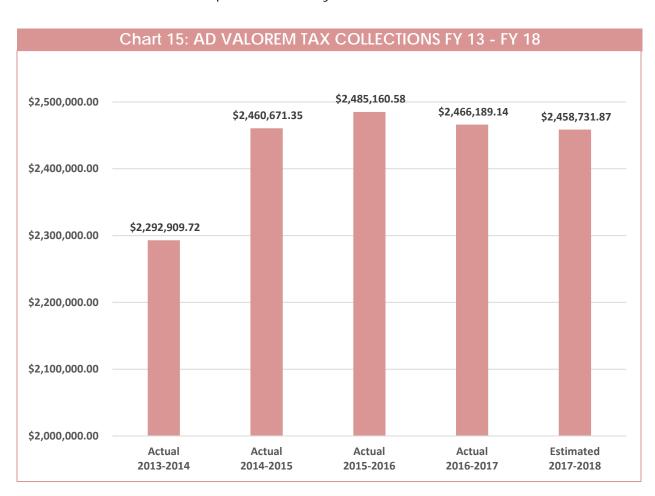
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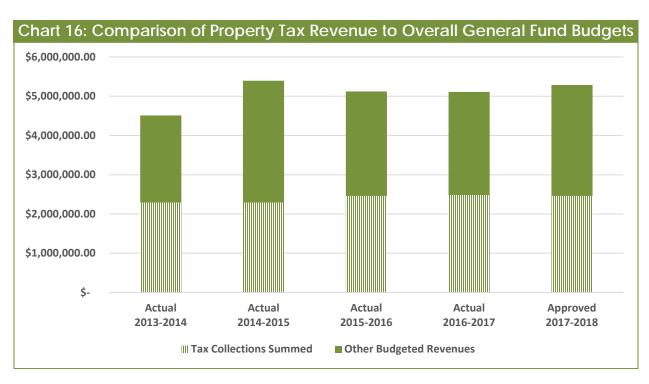
V. FISCAL YEAR 2018-2019 BUDGET

A. OVERVIEW

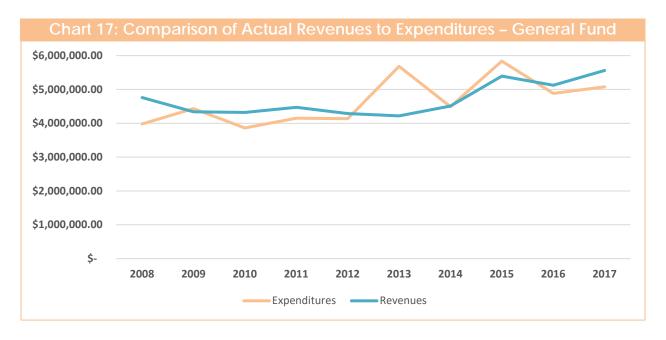
The major goal of the administration for the FY 2018-2019 budget is to maintain services without increasing property tax rates. Although Ad Valorem property tax collections decreased slightly in FY 2016-2017, revenues have increased by an average of approximately \$41,500 annually since the revaluation in tax year 2014 and the property tax increase to \$0.63 per \$100 valuation in FY 2014-2015. When compared to General Fund expenditures for the respective years, this amount represents an average of approximately 0.84% of the total General Fund budget over the past three fiscal years for the City of Randleman. Chart 15 depicts the summation of tax collections for the respective fiscal years; and, Chart 16 displays the amounts of Ad Valorem taxes collected in regards to the total of General Fund Revenues for the respective fiscal years.







The City of Randleman has not raised its Ad Valorem Tax Rate since tax year 2014. Chart 17 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.

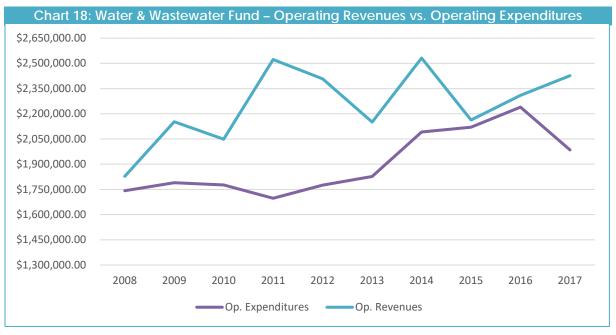




As for the City of Randleman's Water and Sewer Fund, prior to the Fiscal Year 2016-2017, residential water and sewer rates were unchanged since 2008. Subsequently, multiple increases in pricing from the City's major water supplier, Piedmont Triad Regional Water Authority (PTRWA), were not passed along 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 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 18: 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 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.





B. GENERAL FUND

i. REVENUES

The Fiscal Year 2018-2019 General Fund Revenues are recommended to be budgeted at a total of \$5,437,100. Of the total revenues included with the recommended Fiscal Year 2018-2019 budget, *approximately* 85.60% 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 19 (below) gives a three-year history of these revenues and is followed by descriptions and summaries of the revenues, as well.

| TABLE 19: Three Year FY History/Estimated Revenues for Top 5 Revenue Sources | | | | | | |
|--|------------------------------------|----------------|----------------------|-------------------------|--|--|
| | FY 15-16 FY 16-17 ACTUAL ACTUAL | | FY 17-18 APPROVED | FY 18-19 RECOMMENDED | | |
| Ad Valorem Taxes | \$2,477,411.97 | \$2,474,484.45 | \$2,481,000.00 | \$2,477,300.00 | | |
| Local Sales & Use Tax | \$737,348.39 | \$1,013,350.93 | \$818,000.00 | \$965,000.00 | | |
| State Franchise Tax | \$385,900.47 | \$487,003.32 | \$450,000.00 | \$460,000.00 | | |
| Sanitation Charges | \$154,857.58 | \$196,324.81 | \$231,000.00 | \$282,000.00 | | |
| Fire District Tax | \$452,753.96 | \$461,611.82 | \$450,000.00 | \$470,000.00 | | |
| SUBTOTAL | \$4,208,272.37 | \$4,632,775.33 | \$4,430,000.00 | \$4,654,300.00 | | |

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. Chart 20 gives more detail on the City of Randleman's FY 2018-2019 Real and Personal Property Value Estimates. The Randolph County Tax Office has estimated that the City's Ad Valorem tax base for FY 2018-2019 will be approximately \$397,553,964. Based on a tax rate of \$0.63 per \$100 of property valuation, this equals \$2,504,589.97 in potential Ad Valorem tax revenue. It is estimated that approximately 98.5% of the total property tax value will be collected this fiscal year, which equates to \$2,467,021.12 (recommended budgeted amount for 2018 Ad Valorem Taxes of \$2,467,000) in gross collectable current year levy. However, this amount could vary for the City's betterment due to the new tax and tag program that the state has implemented for vehicles. The



remainder of the recommended budgeted amount shown in Chart 19 is made up of \$7,000 to account for prior year tax collections and \$3,300 in penalties and interest.

| TABLE 20: REAL AND PERSONA | L PROPERTY VALUE ESTIMATES ¹ |
|----------------------------|---|
| RANDLEMAN CO6 | PROJECTED 2018 |
| DESCRIPTION | 4/30/2018 |
| LAND VALUE | \$ 73,752,998.00 |
| BUILDING VALUE | \$ 238,885,957.00 |
| DEFERRED VALUE | \$ (266,728.00) |
| EXCLUSIONS | \$ (2,679,058.00) |
| EXEMPTIONS | \$ (24,639,353.00) |
| PERSONAL PROPERTY | \$ 2,193,843.00 |
| | \$ 10,780.00 |
| BUSINESS PROPERTY | \$ 76,662,514.00 |
| RMV | \$ 26,701,624.00 |
| PUBLIC UTILITIES | \$ 6,352,894.00 |
| SECOND BILLING | \$ 987,079.00 |
| (DISCOVERIES) | |
| HISTORICAL/BUILDERS | |
| *GAP | \$ (408,586.00) |
| TOTAL | \$ 397,553,964.00 |

^{1 - (}Breakdown of Value per property type. Chart provided directly by Randolph County, April 30, 2018)

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. New legislation facing sales tax distribution could positively influence the amount that the City of Randleman receives. Recent calculations by the North Carolina League of Municipalities (NCLM) estimate that the FY 2018-2019 amount received will be approximately 4.5% higher than the current year. 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. Current Year estimates for the City of Randleman are approximately \$935,000. 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 2018-2019 is approximately \$25,000 less than the NCLM projection at \$960,000.

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 2018-2019, the City of Randleman's share of this tax is expected to increase by 1% over estimated revenues for the current Fiscal Year 2017-2018.

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 increase by 5.5% over the previous Fiscal Year 2016-2017's revenues. Even more, for the upcoming 2018-2019 Fiscal Year, this tax is expected to increase an additional 1%.

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 5% in the current Fiscal Year and decrease by an additional 4% in the upcoming 2018-2019 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 1.5% in the current Fiscal Year 2017-2018 and decrease by 1% in the 2018-2019 Fiscal Year.

Overall, it is estimated that State Franchise Tax revenue source will increase by approximately 2.25% in the upcoming Fiscal Year, which is equal to approximately \$10,000. The estimated revenue for the City of Randleman for the FY 2018-2019 budget is \$460,000.

d. Sanitation Charges

The City currently charges \$12 per month per garbage can to all customers who reside within the city limits for garbage pick-up. The \$12 per month fee was increased from the prior fiscal year charge of \$10 per month to accommodate for the possibility of creating a self-sustaining Sanitation Fund and an anticipated increase in the County'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 2018-2019 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 2018-2019 is equivalent to an overall annual revenue increase of \$40,400 based on the number of approximately 1,680 garbage cans that are picked up weekly. The new rate of \$14 per can per month is the equivalent of roughly \$3.23 per week. The total amount recommended for budgeting (\$282,000) is over the total amount that is estimated to be collected (\$281,736) 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 21 shows the impact this acquisition had on the City's Fire District Taxes collections.



TABLE 21: FIRE DISTRICT TAX COLLECTIONS ACTUAL: FY14-15, FY15-16, FY16-17, APPROVED FY17-18 AND RECOMMENDED FY18-19

| | ACTUAL | ACTUAL | ACTUAL | APPROVED | RECOMMENDED |
|-------------------|--------------|--------------|--------------|--------------|--------------|
| | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | 18-19 |
| Fire District Tax | \$442,486.30 | \$452,753.96 | \$455,017.73 | \$461,611.82 | \$470,000.00 |

The requested tax rate for FY 2018-2019 is \$0.12 per \$100 of property valuation. The Randolph County Tax Office has estimated that the District's Ad Valorem tax base for Fiscal Year 2018-2019 is roughly \$395,828,421 which is an estimated increase of 1.2% over the previous year's values; this, in turn, equals \$474,994.11 for total possible collections. It is recommended that the total amount budgeted for the FY 2018-2019 is \$470,000, which equals a collection rate of approximately 98.9%.

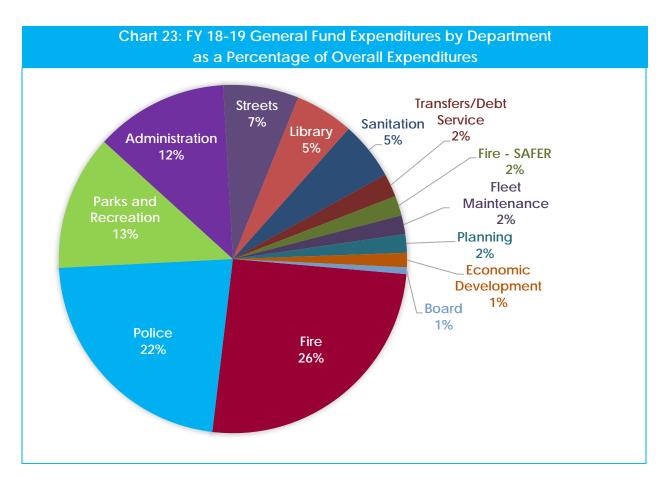


ii. EXPENDITURES

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 (<u>Appendix G</u>), is shown in Table 22. Chart 23 reflects these expenditures visually in the form of a pie chart.

| Table 22: Fy 2018-2019 requested budget General fund expenditures by department | | | | |
|--|----|--------------------|--|--|
| DEPARTMENT | | OMMENDED 2018-2019 | | |
| BOARD OF ALDERMEN | \$ | 33,000 | | |
| ADMINISTRATION | \$ | 660,100 | | |
| DEBT SERVICE/CAPITAL | \$ | 111,300 | | |
| POLICE | \$ | 1,272,200 | | |
| FIRE | \$ | 1,341,900 | | |
| FIRE – SAFER GRANT | \$ | 102,600 | | |
| FLEET MAINTENANCE | \$ | 94,900 | | |
| STREETS | \$ | 500,400 | | |
| SANITATION | \$ | 295,600 | | |
| ECONOMIC DEVELOPMENT | \$ | 72,400 | | |
| PLANNING | \$ | 93,000 | | |
| LIBRARY | \$ | 282,800 | | |
| PARKS AND REC. | \$ | 576,900 | | |
| TOTAL FOR GENERAL FUND | \$ | 5,437,100 | | |





a. Board of Aldermen

Expenditures for the Board of Aldermen are proposed to remain the same. The recommended total for this department is \$33,000.

b. Administration

Through reallocation of funds within the department, as well as a different approach to budgeting for retiree insurance, the Administration department is anticipated to only increase by 1% of the current Fiscal Year 2017-2018's departmental expenditures, which is equivalent to \$6,600 in the upcoming Fiscal Year 2018-2019. The largest overall increases of expenditures are associated with personnel expenses. To offset these increases, the line items for Unemployment Tax, Telephone, and Election Expense were reduced by \$10,000 combined from their 2017-2018 budgeted amounts. Also, the Telecommunications line item was able to be reduced by an additional \$2,000 from current appropriations due to a



further decrease from the City's service provider. 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 \$154,000. 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 23.33% 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. Staff planned to research these programs in the current year but due to turnover in multiple positions it was decided best to wait until the upcoming Fiscal Year.

c. Police

The FY 2018-2019 budget for the Police Department is presented at \$1,272,200. In comparison to the year-to-date amended current fiscal year budget, this is an overall increase of \$93,500. This is due to an increase in personnel related expenses as a whole as the operating expenses for the department are actually recommended to decrease by \$11,100. This decrease in operating expenditures is due to decreases in the Police Department's Fundraising Account and Capital Outlay Account of a combined \$24,200. The Fundraising line item is only budgeted for as expenses arise and is paid with funding from outside contributors and donations. Outside of personnel expenses, the largest expenditure line item is that of "Capital Outlay", which is recommended at \$107,000. This line item will allow for the continued practice of purchasing two new police vehicles each In the Current Fiscal Year's budget, the Police Department fiscal year. reallocated budgeted funds from the "Equipment" line item to the "Capital Outlay" line item to aid in covering expenses associated with purchasing a new police vehicle to replace one that was totaled. This line item is recommended to be budgeted at the original 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. Another line item that should be mentioned is that of "Computer Records/Reports." This respective line item is recommended to be increased to a total of \$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 increase of \$5,000 will allow for unlimited file storage space versus the current file storage retention period of 90 days.

d. Fire/SAFER Grant

The Fire Department's budget is requested to be budgeted at \$1,341,900, which is an overall decrease of \$6,000 from the Current Fiscal Year department budget amount of \$1,347,900. The total budgeted amount is a very significant amount because the Fire Department's Recommended Budget comprises approximately 25.50% of the overall Fiscal Year 2018-2019 General Fund Budget. However, this amount is somewhat misleading because for the FY 2016-2017, the department was combined by joining the two department budgets for the Sophia Fire Station and the Randleman Fire Station. The combined Fire Department budget allows the City to fund 19 Full-Time Positions and enough Part-Time Employees that are equivalent to approximately two and a half Full-Time Equivalents.

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 vs. 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 are accounted for in the SAFER Grant Department's Recommended Fiscal Year 2018-2019 Budget. If they had not been awarded the grant, the department

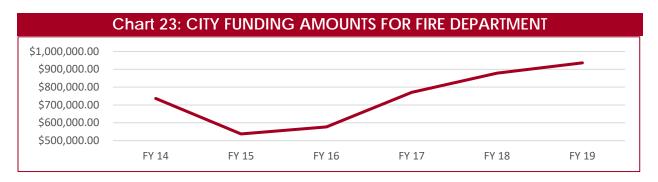


would have had to readjust scheduling and services provided to operate normally. The total amount required to fund the two positions and benefits is \$102,600. The SAFER Grant will expire at the end of October of the Fiscal Year 2018-2019. As such, 33.3% of the total expenditures (approximately \$38,000) will be funded by the grant and the remainder should be funded by the City.

One major change from the Current Fiscal Year 2017-2018 budget to the Recommended Fiscal Year 2018-2019 budget is that there is no request for any Capital Outlay items, whereas \$53,000 was appropriated in the current year. This reduction offset increases in personnel costs and has provided a department decrease in funding needs of \$6,000.

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 and the SAFER Grant Positions will be funded through a reimbursable grant from FEMA, the amount of money needed to fund the total requested budget for the FY 2018-2019 on the City's behalf is estimated to be \$936,200. Table 22 depicts the revenue sources of the Fire Department since FY 2014-2015 through the requested budget of FY 2018-2019 when compared to the department's expenditures and shows the total annual amounts of funds provided by the City to fund the department. Chart 23 visualizes the City's portion of funds required since FY 2013-2014.

| CHART 22: FIRE DEPT. EXPENDITURES AND ASSOCIATED REVENUE SOURCES | | | | | | |
|--|---------------|---------------|---------------|-----------------|-----------------|-----------------|
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | APPROVED | RECOMM. |
| | FY 2013-2014 | FY 2014-2015 | FY 2015-2016 | FY 2016-2017 | FY 2017-2018 | FY 2018-2019 |
| randleman op. exp. | \$ 979,769.59 | \$ 993,643.91 | \$ 944,884.22 | \$ 1,287,819.36 | \$ 1,347,900.00 | \$ 1,341,900.00 |
| SOPHIA OP. EXP. | \$ 79,405.54 | \$ 301,227.79 | \$ 309,106.05 | \$ 55,423.99 | \$ 98,000.00 | \$ 102,400.00 |
| County Contributions | \$ 255,536.60 | \$ 442,486.30 | \$ 452,753.96 | \$ 461,611.82 | \$ 455,000.00 | \$ 470,000.00 |
| - Grants/Other Rev. Sources | \$ 66,983.94 | \$ 314,957.13 | \$ 224,727.16 | \$ 111,233.95 | \$ 112,300.00 | \$ 38,100.00 |
| City Contributions | \$ 736,654.59 | \$ 537,428.27 | \$ 576,509.15 | \$ 770,397.58 | \$ 878,600.00 | \$ 936,200.00 |





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 one employee who oversees the preservation of a variety of automobiles, construction equipment, and more under the supervision of the Public Works Director. Through responsible budgeting decisions, the overall division budget is recommended to stay *relatively* the same at \$94,900 for FY 2018-2019, which is an increase of \$2,900 over the Current Fiscal Year 2017-2018's budget. This increase can be attributed to an increase in overall personnel expenses as no operating expenses are requested to change.

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 2018-2019 budget is totaled at \$500,400, representing an increase of \$130,000 from the However, much of this increase is Current Fiscal Year 2017-2018 budget. associated with an \$127,000 addition to the "Chargeable Powell Bill" line item that increases this line item to \$247,000. The City's annual Powell Bill allotment is budgeted at \$121,000. This means that \$126,000 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 49.4% of the division's overall budget. With this recommended appropriation, the City plans to resurface Penny Street, E. River Drive, 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 \$120,000, which is \$12,000



higher than the Current Fiscal Year 2017-2018 budget to account for a projected increase of costs from the City's electricity provider.

3. Sanitation

The Sanitation division of the Public Works Department is responsible for the pick-up 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 2018-2019 is \$295,600. 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 \$14 per month, as discussed earlier in this document. Chart 11 depicts the Sanitation division's expenditures and revenue sources since FY 2014-2015 through the requested budget of FY 2017-2018.

| CHART 24: SANITATION DIVISION'S EXPENDITURES AND REVENUE SOURCES | | | | | |
|--|--------------------|--------------------|----------------------|-------------------------|--|
| | ACTUAL FY 15-16 | ACTUAL FY 16-17 | APPROVED FY 17-18 | RECOMMENDED FY 18-19 | |
| SANITATION EXPENDITURES | \$217,497.41 | \$272,504.65 | \$284,600.00 | \$ 295,600.00 | |
| - Tipping Fees | \$(154,857.58) | \$(196,324.81) | \$(231,000.00) | \$ (282,000.00) | |
| City Subsidies | \$ 62,639.83 | \$ 76,179.84 | \$ 53,600.00 | \$ 13,600.00 | |

f. Economic Development

The Economic Development portion of the General Fund Budget contains expenditure line items that are believed to aid the City's plans for economic development. The recommended budget for this department of \$72,400 for Fiscal Year 2018-2019 is a \$1,800 increase from the Current Fiscal Year 2017-2018 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 \$4,700 decrease in funding for this department from the Current FY's budget for outside organizations.



g. Planning

The Planning Department's recommended budget for the FY 2018-2019 is \$93,000. This is a \$2,200 increase from the Current Fiscal Year budget of \$90,800. This rise can mainly be attributed to increased personnel costs and minimal increases in various operating costs such as Gas & Fuel, Printing, Telephone, and Advertising.

h. Library

The recommended budget for the upcoming fiscal year for the Randleman Public Library of \$282,800 is a decrease of \$5,800 from the Current Fiscal Year Budget of \$288,600. However, this decrease is misleading because of the reduction of expenditures associated with nonrecurring revenues such as grant expenditures and fundraising expenditures. With these expenditures removed from the current year budget, the actual recognized increase is \$16,200. This increase can be ascribed to an increase in personnel related expenditures. These expenditures are mainly increasing due to the Board's recognition of 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 to help cover these extended hours. With the increase in personnel expenditures, the Library will be able to operate 9 additional hours each week. The Recommended Fiscal Year 2018-2019 Budget would allow Library staff to increase current service levels, as well as provide 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 2018-2019 Parks and Recreation department budget is \$576,900. This is an overall decrease of \$87,000 from the Current 2017-2018 Fiscal Year Budget. However, this amount is a bit ambiguous because it includes the absence of the \$50,000 from the "Festival Contingency" line item (the board has the option to amend the budget to continue the events next year). The true difference between the Current Fiscal Year Budget and the Recommended Fiscal Year Budget is a decrease of \$37,000. This decrease can be attributed to the reduction in debt service obligations for the department. In FY 18-19, there will be three (3) payments remaining on the Community Center Loan that will total approximately \$46,600 with interest. This is a decrease of \$143,900 for Debt Service for the department. The Board has shown interest in continuing to keep a relative amount of funding budgeted for this debt service



obligation in the department. It is recommended that a Capital Reserve Fund be created to facilitate this with an annual appropriation of \$125,000 to fund various capital items for the City's Parks and Community Center. This fund will provide the department with Capital Improvements and Capital Items such as Picnic Shelters, new Concession Stands, new Baseball Dugouts, and new equipment at the Community Center. An item to note in the department's requested budget is a \$7,000 decrease to "Part-Time Help" and an increase of \$7,000 in Maintenance and Repair - Building, which will allow for new cleaning servicing agreements for the Community Center, and miscellaneous repairs within the Community Center.

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 2018-2019 Budget is *approximately* \$379,900, as shown in Table 25 below. Of this amount, *approximately* \$46,600 is appropriated for the Community Center's debt service payment, which includes both principal and interest. More information regarding this loan, and the City's other Debt Service Obligations for the General Fund can be found in the next section.

| TABLE 25: Parks and Recreation Expenditures Vs. Revenues for FY 2018-2019 | | | | |
|---|---------------------------|--|--|--|
| | REQUESTED FY 2018-2019 | | | |
| RECREATION EXPENDITURES | \$ 576,900.00 | | | |
| - RECREATION REVENUES | \$ (197,000.00) | | | |
| City's Contribution | \$ 379,900.00 | | | |

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 Tax Year 2018, is projected to be \$31,804,317 (total property valuation is estimated at \$397,553,964) for the City of Randleman. The City of Randleman's present total debt service for all funds is approximately a minimal 9.6% of this limit. Currently, within the General Fund, the City has two outstanding debt service obligations. Each of the loans will be discussed, as well as their Debt Service amortization

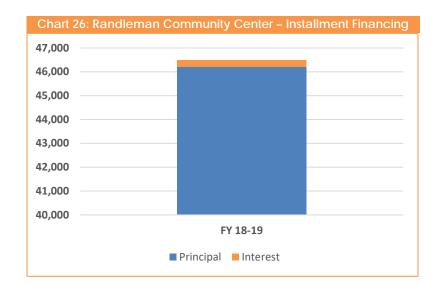


schedules. For the purpose of simplification, each loan is exhibited with the payment total amounts for both interest and principal by year. That is, if there is more than one payment made each year, the total for each fiscal year of those payments is shown, rather than each individual payment's amount.

1. Randleman Community Center - Installment Financing

In 2003, the City entered into an installment financing agreement of \$2,772,026 to refinance a prior note and to finance costs of construction, renovation, and improvements to the Randleman Community Center. This respective financing agreement requires monthly principal payments of \$15,400 plus interest at a rate of 3.67%. As mentioned previously, this expenditure is budgeted within the Parks and Recreation Department. For the FY 2018-2019, it is recommended that \$46,300 be budgeted for the principal payments ("DEBT SERVICE-PRIN (2019)") and \$300 for interest payments ("DEBT SERVICE-INTEREST") for this obligation. This debt service obligation will end in September of the Fiscal Year 2018-2019. The annual debt service requirements for this loan and remaining summarized amortization (or repayment) schedule and a visualization in Chart 26 are as follows:

| Rar | ndleman Commi | unity Center - Ins | stallment Financ | ing |
|------------------|---------------|--------------------|------------------|----------|
| Fiscal Year | Principal | Interest | Total | Balance |
| <u>2018-2019</u> | <u>46,200</u> | <u>283</u> | <u>46,483</u> | <u>0</u> |
| TOTALS | 46,200 | 283 | 46,483 | |

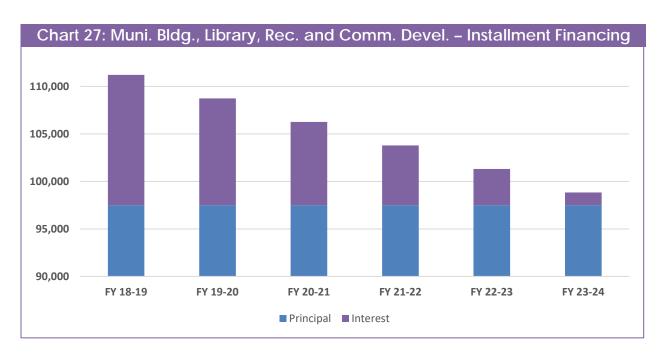




2. Municipal Building, Library, Recreation and Community Development – Installment Financing

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 2018-2019 is \$114,000, including the principal (BB&T – Principal [2025]) at \$97,500 and interest payments (BB&T PHASE II -INTEREST) of approximately \$16,500 for the entire fiscal year. The annual debt service requirements for this loan and remaining summarized amortization schedule and a visualization in Chart 27 are as follows:

| Municipal Building, Library, Recreation and Community Development - Installment Financing | | | | | | |
|---|---------------|--------------|---------|----------|--|--|
| Fiscal Year | Principal | Interest | Total | Balance | | |
| 2018-2019 | 97,500 | 13,724 | 111,224 | 487,500 | | |
| 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> | 98,841 | <u>O</u> | | |
| TOTALS | 585,000 | 45,195 | 630,195 | | | |

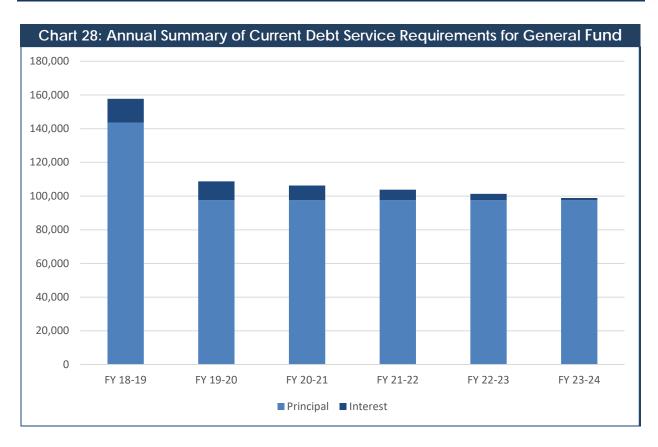




3. Debt Service Summary

The following is a summarization of the General Fund's annual debt service requirements and remaining summarized amortization schedule. Chart 28 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.

| Summary of Current Annual Debt Service Requirements for the City of Randleman's General Fund | | | | | |
|---|---------------|--------------|---------------|----------|--|
| Fiscal Year | Principal | Interest | Total | Balance | |
| 2018-2019 | 143,700 | 14,007 | 157,707 | 487,500 | |
| 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> | |
| TOTALS | 631,200 | 45,478 | 676,678 | | |





iii. GENERAL FUND BALANCE

a. Types of Fund Balances

Before the General Fund Balance Appropriated amount for the FY 2018-2019 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 29-A shows the actual, approved and budgeted beginning and ending fund balances for fiscal years 2016-2017, 2017-2018, and 2018-2019, respectfully. Table 29-B depicts the *estimated* amount of Fund Balance on June 30, 2017 broken down by the above described classifications.



| CHART 29-A: BEGINNING AND ENDING GENERAL FUND BALANCE AMOUNTS | | | | | |
|---|-------------|-------------|-------------|--|--|
| | FY 2017 | FY 2018 | FY 2019 | | |
| | ACTUAL | APPROVED | BUDGETED | | |
| REVENUES | | | | | |
| ad valorem taxes | \$2,936,096 | \$2,936,000 | \$2,947,300 | | |
| OTHER TAXES AND LICENSES | \$1,016,382 | \$821,350 | \$968,200 | | |
| Intergovernmental revenues: | | | | | |
| UNRESTRICTED | \$666,804 | \$570,000 | \$590,000 | | |
| RESTRICTED | \$254,357 | \$245,200 | \$177,500 | | |
| SALES AND SERVICES | \$639,172 | \$554,900 | \$556,000 | | |
| INVESTMENT EARNINGS | \$23,594 | \$55,000 | \$40,000 | | |
| MISCELLANEOUS REVENUE | \$25,119 | \$103,550 | \$158,100 | | |
| TOTAL REVENUES | \$5,561,523 | \$5,286,000 | \$5,437,100 | | |
| EXPENDITURES | | | | | |
| GENERAL GOVERNMENT | \$606,793 | \$777,300 | \$786,100 | | |
| PUBLIC SAFETY | \$2,423,574 | \$2,624,600 | \$2,716,700 | | |
| PUBLIC WORKS | \$852,639 | \$747,000 | \$890,900 | | |
| CULTURAL AND RECREATIONAL | \$724,798 | \$762,000 | \$688,100 | | |
| ECONOMIC & PHYS. DEVEL. | \$ 55,966 | \$ 70,600 | \$72,400 | | |
| DEBT PAYMENTS | \$ 313,130 | \$ 304,500 | \$157,900 | | |
| TOTAL EXPENDITURES | \$4,976,899 | \$5,286,000 | \$5,312,100 | | |
| FUND BALANCE APPROPRIATED | \$ - | \$(14,000) | \$(10,000) | | |
| TRANSFERS TO OTHER FUNDS | \$(101,000) | \$ - | \$(125,000) | | |
| NET CHANGE IN FUND BALANCE | \$483,624 | \$(14,000) | \$(10,000) | | |
| FUND BALANCE, BEGINNING | \$3,559,731 | \$4,043,355 | \$4,029,355 | | |
| FUND BALANCE, ENDING | \$4,043,355 | \$4,029,355 | \$4,019,355 | | |

| CHART 29-B: ESTIMATED FUND BALANCE AMOUNTS FOR END OF FISCAL YEAR 2017-2018 | | | | |
|---|--------------|--|--|--|
| | General Fund | | | |
| Restricted: | | | | |
| Stabilization by state statute | \$ 295,110 | | | |
| Streets (Powell Bill) | \$ 695,932 | | | |
| Assigned: | | | | |
| Capital Projects | \$ - | | | |
| Subsequent Year's Expenditures | \$ 10,000 | | | |
| Unassigned | \$ 3,028,313 | | | |
| Total Fund Balances | \$ 4,029,355 | | | |



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 has remained annually consistent and in 2018 is approximately \$147.5 million. The state set per capita amount was \$19.86 and the mileage amount was \$1,620.04. Based on these amounts, the allocation of Powell Bill funds for the City of Randleman in FY 2017-2018 was \$120,323.17. This amount is expected to remain relatively consistent in upcoming fiscal years. In Fiscal Year 2018-2019, the per capita amount is projected to be \$19.60 per person and the mileage amount is expected to be \$1,609.84 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, 2018 will be \$695,932.

c. Fund Balance Appropriated

In Table 29-B 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; but, the expenditure will not actually be expended out until the next fiscal year. Chart 30-A depicts a five-year history of the General Fund balance available for appropriation. Chart 30-B shows the estimated amount of fund balance available for appropriation in the upcoming 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 2018-2019 is estimated to be \$1,659,038. This amount is equivalent to approximately 30.5% of the City's requested General Fund budgeted expenditures for the upcoming fiscal year. The estimated total General Fund Balance is approximately 74.1% of General Fund budgeted expenditures for the upcoming fiscal year. The amount of requested General Fund Balance appropriated for use in the FY 2018-2019 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 2017-2018 and will not be expended until the upcoming 2018-2019 Fiscal Year.



| CHART 30-A: GENERAL FUND BALANCE AVAILABLE FOR APPROPRIATION (5-YEAR HISTORY) | | | | | | | |
|--|-------------|-------------|-------------|-------------|----------------|--|--|
| FYE 2013 FYE 2014 FYE 2015 FYE 2016 FYE 2017 | | | | | | | |
| | 10% | 10% | 10% | 10% | 25% | | |
| Unass. Fund Bal. Amt. | \$1,997,538 | \$2,114,127 | \$1,922,977 | \$2,225,787 | \$3,023,237.00 | | |
| - % of Budgeted Expenditures | \$438,860 | \$415,620 | \$486,545 | \$527,850 | \$1,385,475.00 | | |
| Fund Bal. Available for Appropriation \$1,558,678 \$1,698,507 \$1,436,432 \$1,697,937 \$1,637,762.00 | | | | | | | |

*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%.

| CHART 30-B: ESTIMATED GENERAL FUND BALANCE | AVAILABLE FOR APPROPRIATION FYE 2018 |
|--|--------------------------------------|
| | |

| | FYE 2018 (Estimated) |
|--|-------------------------|
| Unassigned Fund Balance Amount | \$ 3,018,313.00 |
| - 25% of Budgeted Expenditures | \$ 1,359,275.00 |
| Fund Balance Available for Appropriation | \$ 1,659,038.00 |
| | |

*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 2018-2019 at a total amount of \$5,437,100. This amount is an increase of \$151,100 from the Current Fiscal Year 2017-2018 budget. This increase is mainly attributed to an overall increase in personnel expenses, a planned increase in repaving of certain City streets, and an increase in capital items for the Parks and Recreation Department. Offset by these increases are reductions in debt service obligations and capital outlay expenses in other departments. This increase of funds may 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 2019-2020 budget. The recommended General Fund Budget for FY 2018-2019 is summarized in Table 31 below. The Recommended 2018-2019 Fiscal Year Line Item General Fund Revenue and Expenditures Budgets are exhibited in Appendix C and Appendix D, respectively.

| TABLE 31: FY 2018-2019 REQUESTED BUDGET TOTALS | | | | | |
|--|--------------------------|--|--|--|--|
| | RECOMMENDED FY 2018-2019 | | | | |
| REVENUES | | | | | |
| AD VALOREM TAXES | \$ 2,947,300 | | | | |
| OTHER TAXES AND LICENSES | \$ 968,200 | | | | |
| INTERGOVERNMENTAL REVENUES: | | | | | |
| UNRESTRICTED | \$ 590,000 | | | | |
| RESTRICTED | \$ 177,500 | | | | |
| SALES AND SERVICES | \$ 556,000 | | | | |
| INVESTMENT EARNINGS | \$ 40,000 | | | | |
| MISCELLANEOUS REVENUE | \$ 158,100 | | | | |
| TOTAL REVENUES | \$ 5,437,100 | | | | |
| EXPENDITURES | | | | | |
| BOARD OF ALDERMEN | \$ 33,000 | | | | |
| ADMINISTRATION | \$ 660,100 | | | | |
| DEBT SERVICE/CAPITAL | \$ 111,300 | | | | |
| POLICE | \$ 1,272,200 | | | | |
| FIRE | \$ 1,341,900 | | | | |
| Fire – Safer Grant | \$ 102,600 | | | | |
| FLEET MAINTENANCE | \$ 94,900 | | | | |
| STREETS | \$ 500,400 | | | | |
| SANITATION | \$ 295,600 | | | | |
| ECONOMIC DEVELOPMENT | \$ 72,400 | | | | |
| PLANNING | \$ 93,000 | | | | |
| LIBRARY | \$ 282,800 | | | | |
| PARKS AND REC. | \$ 576,900 | | | | |
| TOTAL EXPENDITURES | \$ 5,437,100 | | | | |
| TOTAL FOR GENERAL FUND | \$ 5,437,100 | | | | |



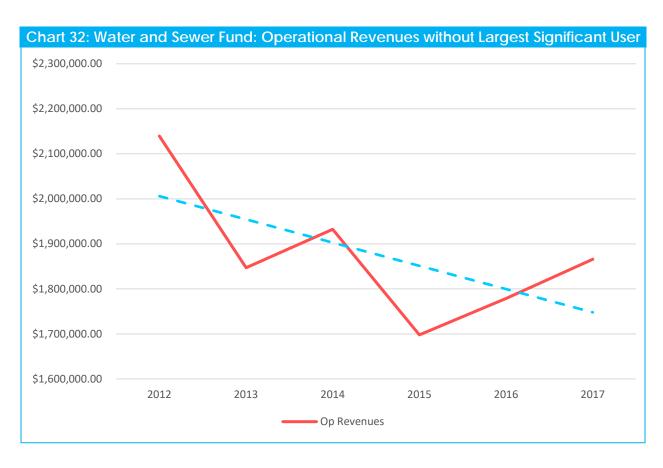
C. WATER AND SEWER FUND

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 After constructive conversation with the industry, an City of Randleman. 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 18: Water & Wastewater Fund -Operating Revenue vs. Operating Expenditures" is shown in Chart 32 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 are on a general downward slope. 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. To account for this portion of the decrease in revenues, Water and Sewer rates were increased by 10% in the Current Fiscal Year 2017-2018. This increase is expected to generate approximately \$117,000 in water and sewer revenue City-wide in the Current Fiscal Year. The Board of Aldermen wished to curtail the downward sloping revenue trend even further and in May of 2018, unanimously voted to increase minimum Water and Sewer rates by 9% and consumption rates by 6.5% for the upcoming 2018-2019 Fiscal Year. This increase is estimated to generate an additional estimated \$129,000 in water and sewer revenue City-wide. This rate increase will keep a minimum inside residential utility bill's total around \$1.16 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: in addition to the extra revenue generated by the increase, 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 that have an estimated cost of \$1.8 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 has to 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 estimated amount of revenue to be collected within the upcoming Fiscal Year 2018-2019 for the City of Randleman's Water and Sewer Fund is approximately \$2,608,703. Of this, the portion of the City of Randleman's Water and Sewer Fund budget including the revised rates is estimated to total \$2,590,000. with \$1,235,000 of that amount budgeted for water use and \$1,275,000 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



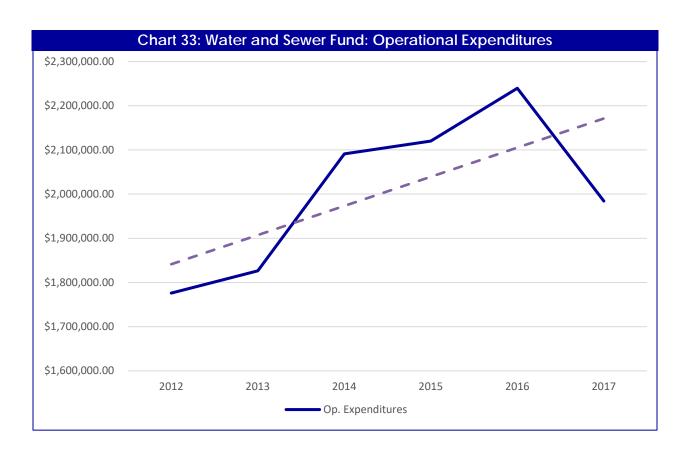
charges. Also, there are some customers in town who have water service but are not on the City's sewer system.

It should be noted that there is no appropriation of Net Assets in the Recommended Fiscal Year 2018-2019 Budget. The Recommended 2018-2019 Fiscal Year Budget for the City of Randleman's Water and Sewer Fund's Revenues can be found in <u>Appendix E</u>.



ii. EXPENDITURES

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 18: Water & Wastewater Fund – Operating Revenue vs. Operating Expenditures". Another derivative from Chart 18, is shown below in Chart 33 as an exhibit of Operating Expenditures since FY 2011-2012.

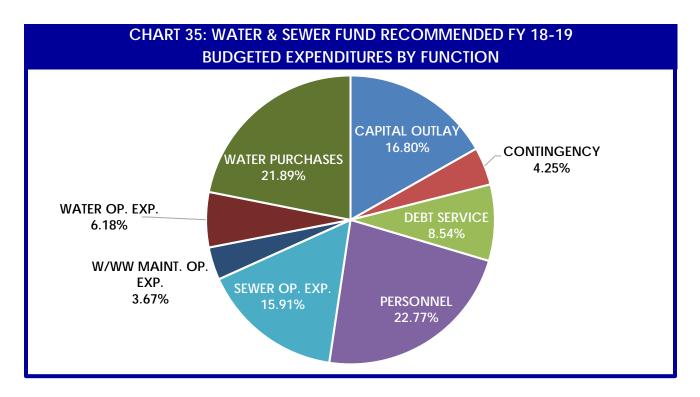


As with the derivative for Revenues in Chart 32, a trend line (purple, dashed) has been added to better provide a visual understanding of the upward slope, over time, in costs for the Water and Sewer Fund and to highlight the trend of increases in expenditures that the respective fund faces. Key changes 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 34, 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 35 reflects these expenditures as functions within the Water and Sewer Fund in the form of a pie chart.

| TABLE 34: CITY OF RANDLEMAN FY 2018-2019 WATER AND SEWER FUND RECOMMENDED EXPENDITURE BUDGET BY DEPARTMENT | | | | |
|--|--------------|--|--|--|
| Recommended FY 2018-2019 | | | | |
| Water | \$ 904,200 | | | |
| Water/Wastewater Maint. | \$ 431,900 | | | |
| Wastewater Treatment | \$ 922,600 | | | |
| Debt Service/Transfers | \$ 331,300 | | | |
| TOTAL | \$ 2,590,000 | | | |





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 2017-2018, to account for possible overages, this line item is recommended to be budgeted at \$125,000. budgeted expenditure for the City's other water supplier, PTRWA, is estimated to be \$392,000. This account was overbudgeted in the current fiscal year. The amount accounts for the projected 3.5% increase in charges from PTRWA from the FY 2016-2017. Another line item of note is that of Credit Card Fees, which is recommended to be budgeted at \$12,000 for the FY 2018-2019. implementing the option for customers to be able to pay online using a credit card in early 2015, the City has collected approximately 15% of its annual revenues through this form of payment and passes along a convenience fee of \$2.50 per transaction. For the upcoming fiscal year, the Board of Aldermen voted to increase the corresponding credit card processing fee to \$2.75 per transaction to recoup the cost of this payment option. Overall, the Water Department is recommended to be budgeted at an increase of \$16,100 over the Current Fiscal Year 2017-2018 Budget in the total amount of \$904,200 for the FY 2018-2019 Budget.

b. Water and Wastewater Maintenance

The Water and Wastewater Maintenance Department is responsible for the maintenance of the City's water and wastewater lines, facilities, grounds, and other related city structures. The Water and Wastewater Maintenance Department's Recommended Fiscal Year 2018-2019 Budget is *approximately* \$142,600 higher than the Current Fiscal Year Budget. This is due to the increase of funding recommended in order to replace waterlines on Mill Street and Back Street. This increase can be found in the item titled "Water/Sewer Construction/Replacement" and is recommended to be budgeted at \$125,000 for FY 2018-2019. This is an increase of \$95,000 from the Current Fiscal Year Budget.



However, this is because waterlines replaced during the Current Fiscal Year were done so in a Capital Project Fund due to the large cost associated with replacing the respective lines (approximately \$296,000) and not within the department's budget. Another reason for the seemingly large increase is due to the commitment of funds for capital items for the department including \$25,000 for a new pick-up truck and \$65,000 for a bypass pump for the City's wastewater pump stations. These items are budgeted at a combined amount of \$90,000 in department's Capital Outlay line item. These increases are offset by a reduction in the department's Contracted Services line item of approximately \$25,000 and decreases in personnel costs associated with the deletion of a position from previous fiscal years. The total amount of money recommended to fund the FY 2018-2019 Water and Wastewater Maintenance budget is \$431,900.

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 2018-2019 WWTP Department Budget is requested to be increased by \$235,800 over the Current Fiscal Year. This increase can be attributed mainly to a requested \$153,000 increase in the "Capital Outlay" expenditure line item. As discussed earlier, the capital outlay items to be purchased by the WWTP include a new Service Truck, Sulfur Dioxide Fee System, Shop Building, Main Pump Station Valve Replacement, Repair to Clarifier Scum Arm, and Valve Replacement on an Aeration Basin. 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 equipment to maintain the plant, and the supplies and chemicals needed to treat wastewater at the plant. The cost of utilities to run the WWTP is budgeted at \$170,000 for the upcoming fiscal year due to an anticipated increase in costs from the City's electricity supplier. The cost of equipment to maintain the plant (as noted above as miscellaneous capital equipment) is appropriated in Capital Outlay at an amount of \$45,000, which



makes the appropriation for Capital Outlay \$220,000 for the FY 2018-2019 Budget. This appropriation has been reallocated from a portion of the "Maintenance and Repair of Equipment" (M&R -Equipment) line item. This is because, previously, the department budgeted for new equipment purchases in the M&R line item itself; but, a new budgeting strategy implemented by Administration calls for the reallocation of these appropriations into the Capital Outlay line item. 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.

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 2018-2019 is \$922,600.

d. Debt Service/Transfers

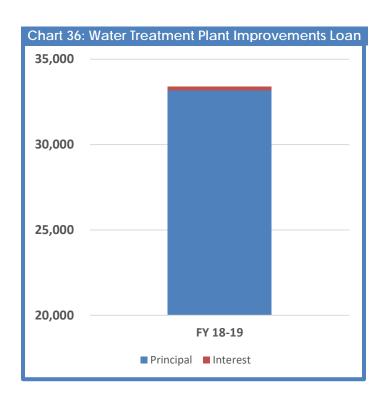
The City of Randleman's Water and Sewer Fund contains a separate section set aside to account for the Debt Service and Transfers of the fund. Currently, the City of Randleman has four outstanding loans that are accounted for in the Water and Sewer Fund and total *approximately* \$2.36 million. Each of 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. Water Treatment Plant Improvements

In September 2003, the City of Randleman entered into an installment financing agreement of \$1,989,306 to finance water treatment plant improvements. The financing agreement requires monthly principal payments of *approximately* \$11,052 with an interest rate of 4.09%. In the City of Randleman's Water and Sewer Fund's line item budget, expenditures associated with this loan are attributed to "PTRWA #1/PRIN (2019)" and "PTRWA #1-INTEREST." The Fiscal Year 2017-2018 Budget was the last year that the full appropriation of payments for this loan needed to be made. In the upcoming Fiscal Year 2018-2019, there is *approximately* \$100,000 available to reallocate within the Water and Sewer Fund. The annual debt service requirements for this loan and remaining summarized amortization schedule are below and are followed by a visual representation (Chart 36) of the data.

| Water Treatment Plant Improvements Loan | | | | |
|---|---------------|------------|---------------|----------|
| Fiscal Year | Principal | Interest | Total | Balance |
| <u>2018-2019</u> | <u>33,157</u> | <u>226</u> | <u>33,383</u> | <u>0</u> |
| TOTALS | 33,157 | 226 | 33,383 | |



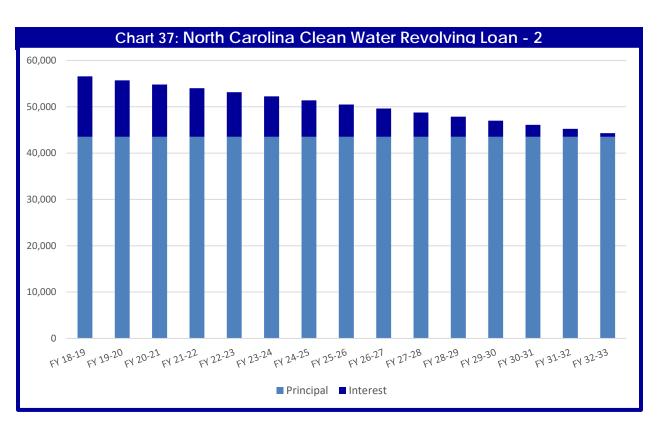


2. North Carolina Clean Water Revolving Loan - 2

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 are below and are followed by a visual representation (Chart 37) of the data.

| | North Carolina | Clean Water Rev | volving Loan - 2 | |
|------------------|----------------|-----------------|------------------|----------|
| Fiscal Year | Principal | Interest | Total | Balance |
| 2018-2019 | 43,528 | 13,058 | 56,586 | 609,392 |
| 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 |
| <u>2032-2033</u> | <u>43,528</u> | <u>783</u> | 44,311 | <u>0</u> |
| TOTALS | 652,920 | 104,417 | 757,337 | |



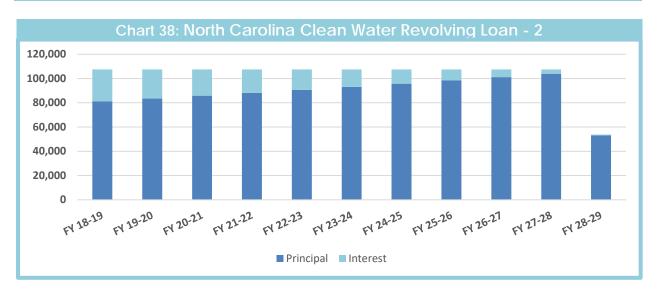




3. Piedmont Triad Regional Water Authority (PTRWA) Obligation

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." Annual debt service requirements of the PTRWA Obligation and remaining summarized amortization schedule are below and are followed by a visual representation (Chart 38) of the data.

| I | Piedmont Triad Re | gional Water Au | uthority Obligatio | n |
|------------------|-------------------|-----------------|--------------------|----------|
| Fiscal Year | Principal | Interest | Total | Balance |
| 2018-2019 | 81,259 | 26,250 | 107,508 | 893,452 |
| 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>O</u> |
| TOTALS | 974,711 | 154,126 | 1,128,837 | |



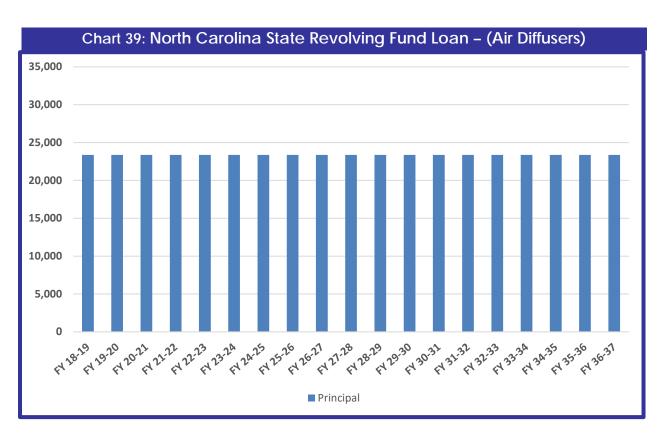


4. Air Supply Piping and Diffuser System

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 are below and are followed by a visual representation (Chart 39) of the data.

| North Carolina State Revolving Fund Loan - (Air Diffusers) | | | | | |
|--|---------------|----------|---------|----------|--|
| Fiscal Year | Principal | Interest | Total | Balance | |
| 2018-2019 | 23,379 | 0 | 23,379 | 420,822 | |
| 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>O</u> | 23,379 | <u>0</u> | |
| TOTALS | 444,201 | 0 | 444,201 | | |





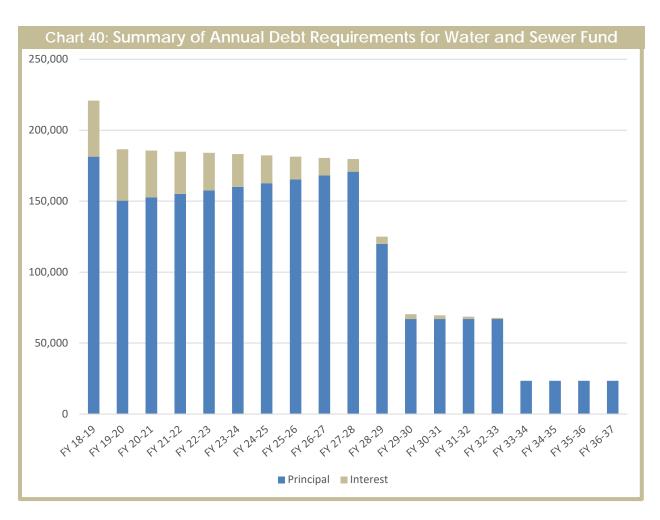


5. Water and Sewer Debt Service Summary

A summary of annual debt service requirements of the City of Randleman's Water and Sewer Fund and annual amortization schedules is presented below. A visualization of this data is displayed in Chart 40. The outstanding debt service requirements of the Water and Sewer Fund \$2,363,758 is well below the City of Randleman's legal debt margin of \$31,804,317 (as of June 30, 2017). The total recommended appropriation in the FY 2018-2019 for debt service requirements for the Water and Sewer Fund is \$221,300.

| | 6 | | D | |
|------------------|-----------------|----------|----------------------|-----------|
| ; | Summary of Annu | | | r |
| Fiscal Year | | Interest | and Sewer Fund Total | Balance |
| | Principal | | | |
| 2018-2019 | 181,323 | 39,534 | 220,856 | 1,923,666 |
| 2019-2020 | 150,416 | 36,188 | 186,603 | 1,773,250 |
| 2020-2021 | 152,728 | 32,975 | 185,703 | 1,620,522 |
| 2021-2022 | 155,104 | 29,811 | 184,915 | 1,465,418 |
| 2022-2023 | 157,546 | 26,489 | 184,035 | 1,307,872 |
| 2023-2024 | 160,056 | 23,099 | 183,155 | 1,147,816 |
| 2024-2025 | 162,635 | 19,640 | 182,275 | 985,181 |
| 2025-2026 | 165,286 | 16,110 | 181,395 | 819,895 |
| 2026-2027 | 168,010 | 12,505 | 180,515 | 651,885 |
| 2027-2028 | 170,809 | 8,826 | 179,635 | 481,076 |
| 2028-2029 | 119,932 | 5,069 | 125,001 | 361,144 |
| 2029-2030 | 66,907 | 3,460 | 70,367 | 294,237 |
| 2030-2031 | 66,907 | 2,580 | 69,487 | 227,330 |
| 2031-2032 | 66,907 | 1,700 | 68,607 | 160,423 |
| 2032-2033 | 66,907 | 783 | 67,690 | 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>O</u> | <u>23,379</u> | <u>0</u> |
| TOTALS | 2,104,989 | 258,769 | 2,363,758 | |





6. Water and Sewer Fund Contingency Funds

In FY 2018-2019, 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 \$110,000 will be a sufficient placeholder for these funds. This amount brings the total amount recommended to fund the Water and Sewer Fund's debt service obligations and transfers department to \$331,100.

e. Expenditures Summary

The total amount recommended for the City of Randleman's FY 2018-2019 Water and Sewer Fund Budget is \$2,590,000. A line item expenditure budget is presented in **Appendix F**.



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. Chart 41 is a summary of the Water and Sewer Fund's Actual, Approved, and Recommended changes in Fund Balance.

| Chart 41: Water and Sewer Fund Balance Summary | | | | |
|--|-----------------|-----------------|-----------------|--|
| | FY 2017 | FY 2018 | FY 2019 | |
| | ACTUAL | APPROVED | RECOMMENDED | |
| OPERATING REVENUE | | | | |
| WATER CHARGES | \$ 1,187,069.00 | \$ 1,190,000.00 | \$ 1,235,000.00 | |
| SEWER CHARGES | \$ 1,196,941.00 | \$ 1,183,000.00 | \$ 1,275,000.00 | |
| TAP FEES | \$ 5,100.00 | \$ 13,000.00 | \$ 22,000.00 | |
| OTHER OPERATING REVENUES | \$ 37,288.00 | \$ 51,200.00 | \$ 58,000.00 | |
| Appropriated Net Assets | \$ - | \$ 71,600.00 | \$ - | |
| TOTAL OPERATING REVENUE | \$2,426,398.00 | \$2,508,800.00 | \$2,590,000.00 | |
| ODED ATION AL EVDENIDITUDES | | | | |
| OPERATIONAL EXPENDITURES | ¢000 447 00 | ¢000 100 00 | ¢004 200 00 | |
| WATER AND SEWER MAINTENANCE DIV | \$822,447.00 | \$888,100.00 | \$904,200.00 | |
| WATER AND SEWER MAINTENANCE DIV. | \$223,281.00 | \$289,300.00 | \$431,900.00 | |
| WASTEWATER TREATMENT PLANT DIV. | \$530,114.00 | \$686,800.00 | \$922,600.00 | |
| OTHER OPERATING EXPENDITURES | \$408,970.00 | \$326,000.00 | \$331,300.00 | |
| TOTAL OPERATING EXPENDITURES | \$1,984,812.00 | \$2,190,200.00 | \$2,590,000.00 | |
| TRANSFERS TO CAPITAL PROJECTS | \$ 249,322.54 | \$318,600.00 | \$0.00 | |
| NET OPERATING INCOME | | | | |
| (Total Revenue - Total Expend Transfers) | \$192,263.46 | \$0.00 | \$0.00 | |
| | | | | |
| | FY 2017 | FY 2018 | FY 2019 | |
| | ACTUAL | APPROVED | RECOMMENDED | |
| BEGINNING UNRESTRICTED FUND BALANCE | \$862,202.00 | \$1,054,465.46 | \$1,054,465.46 | |
| NET CHANGE IN UTILITY UNRES. FUND BAL. | \$192,263.46 | \$0.00 | \$0.00 | |
| NET CHANGE IN OVERALL FUND BALANCE | \$192,263.46 | \$0.00 | \$0.00 | |
| UNRESTRICTED CASH | \$1,054,465.46 | \$1,054,465.46 | \$1,054,465.46 | |
| TOTAL CASH [FUND BALANCE] | \$1,054,465.46 | \$1,054,465.46 | \$1,054,465.46 | |

iv. Water and Sewer Fund Overall

The Water and Sewer Fund is requested to be budgeted for the FY 2018-2019 at a total amount of \$2,590,000. This amount is an increase of \$81,200 from the Current Fiscal Year 2017-2018 budget. This increase is mainly attributed to an overall increase in personnel expenses, an increase in capital purchases, and an increase in operating expenditures. Offset by these increases are reductions in debt service obligations and transfers to capital project funds from the current



Fiscal Year Budget. The recommended Water and Sewer Fund Budget for FY 2018-2019 is summarized in Table 42 below. The Recommended 2018-2019 Fiscal Year Line Item Water and Sewer Fund Revenue and Expenditures Budgets are exhibited in <u>Appendix E</u> and <u>Appendix F</u>, respectively.

| TABLE 42: FY 2018-2019 WATER & SEWER FUND RECOMMENDED BUDGET TOTALS | | | | |
|---|-----------------------------|--|--|--|
| | RECOMMENDED FY 2018-2019 | | | |
| REVENUES | | | | |
| Utility Charges | \$ 2,510,000 | | | |
| Other Revenue | \$ 58,000 | | | |
| Permits and Fees | \$ 22,000 | | | |
| Fund Balance Appropriations | \$ 0 | | | |
| TOTAL REVENUE | \$ 2,590,000 | | | |
| EXPENDITURES | | | | |
| Water | \$ 904,200 | | | |
| Water/Wastewater Maint. | \$ 431,900 | | | |
| Wastewater Treatment Plant | \$ 922,600 | | | |
| Transfers/Debt Service | \$ 331,300 | | | |
| TOTAL EXPENDITURES | \$ 2,590,000 | | | |
| TOTAL FOR WATER & SEWER FUND | \$ 2,590,000 | | | |



VI.PROPERTY TAX, WATER AND SEWER RATE COMPARISONS

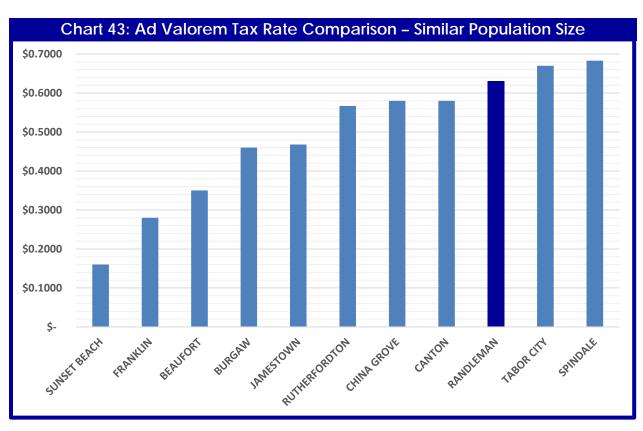
A. AD VALOREM TAX COMPARISONS

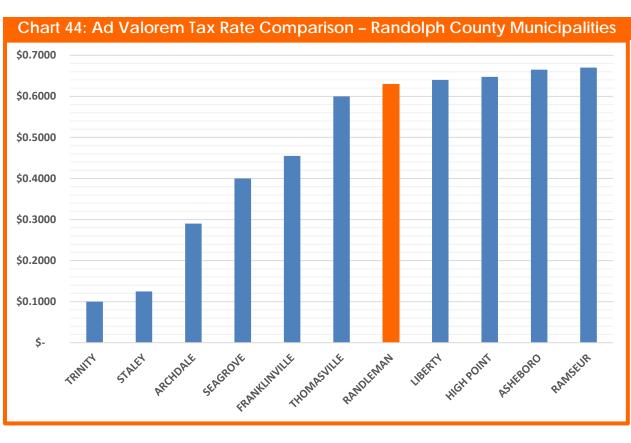
Appendix A provides a comparison of the City's property tax rate with 5 municipalities directly above and below the City in certified population size throughout the State of North Carolina as of 2016. Also, there is a comparison of tax rates of municipalities within Randolph County to the City of Randleman.

This comparison does <u>not</u> 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; <u>nor</u>, does the provided listing compare the corresponding property values of those municipalities, as these are <u>key determinants in a municipality's property tax rate</u>. Chart 43 and Chart 44 summarize this information and display it in visual form.

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 Sunset Beach (\$0.16). 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).









B. WATER AND SEWER RATE COMPARISONS

Appendix B provides a comparison of the City's Fiscal Year 2017-2018 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 B 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 45 compares the City of Randleman's FY 17-18 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.

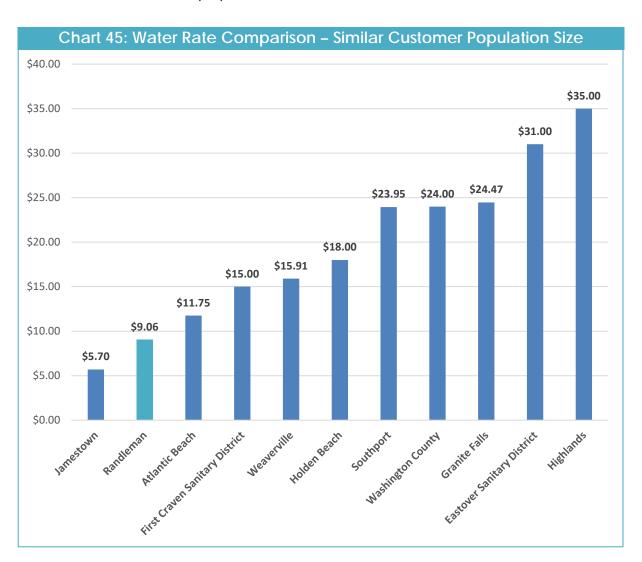




Chart 46 compares the City of Randleman's FY 17-18 minimum water bill rate (calculated at a monthly basis) to other utility providers in Randolph County.

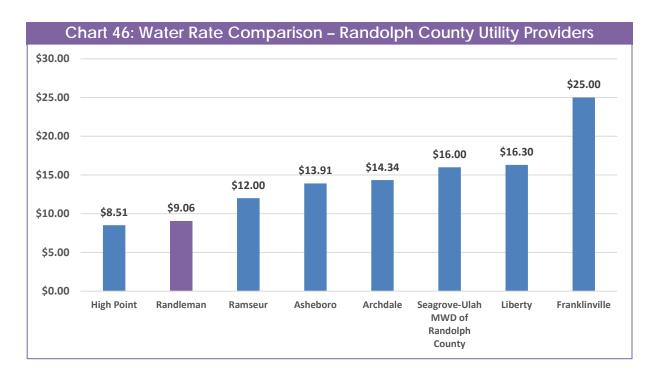


Chart 47 compares the City of Randleman's FY 17-18 minimum sewer bill rate (calculated at a monthly basis) to those of utility providers in the state of North Carolina with similar size population of customers served.

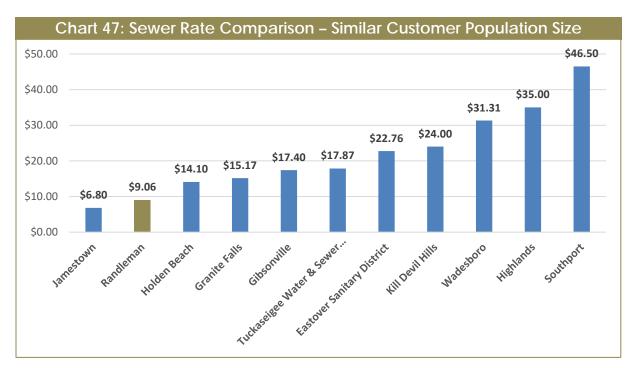
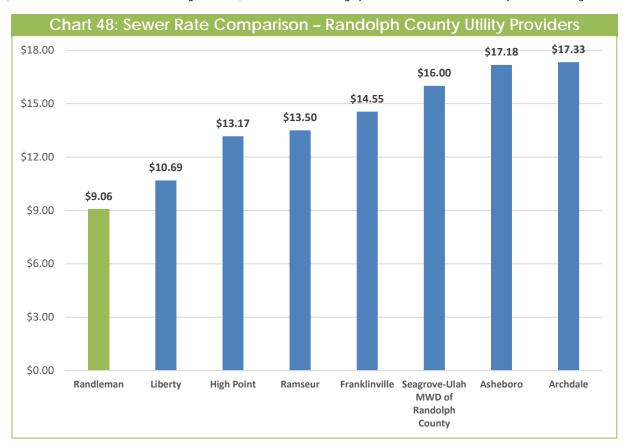




Chart 48 compares the City of Randleman's FY 17-18 minimum sewer bill rate (calculated at a monthly basis) to other utility providers in Randolph County.



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:

In regards to the size of population served by the utility providers, the City
of Randleman ranks 307 out of 512 water providers and 269 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.

- In regards to the minimum inside water rates charged by the utility providers, the City of Randleman ranks 51 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 9.9% in the state of North Carolina.
- In regards to the minimum inside sewer rates charged by the utility providers, the City ranks 44 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 10.4% in the state of North Carolina.

This information is summarized below.

| Categories | Water | Sewer |
|---------------------------------------|----------------|----------------|
| Population Served (lowest to highest) | 307 out of 512 | 269 out of 422 |
| Minimum Rates (lowest to highest) | 51 out of 512 | 44 out of 422 |



VII. PROPOSED BUDGET ORDINANCE

The 2018-2019 Fiscal Year Proposed Budget Ordinance for the City of Randleman is shown in <u>Appendix G</u>. 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 2018-2019 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: Tax Rate Comparison

By Population

| Municipality | Primary County | 2016 Certified Population | FY 15-16 | FY 16-17 | FY 17-18 |
|---------------|-------------------|---------------------------------|-----------|-----------|-----------|
| Franklin | Macon | 4,097 | \$ 0.2800 | \$ 0.2800 | \$ 0.2800 |
| Burgaw | Pender | 4,102 | \$ 0.4800 | \$ 0.4800 | \$ 0.4600 |
| Jamestown | Guilford | 4,109 | \$ 0.4550 | \$ 0.4550 | \$ 0.4680 |
| Sunset Beach | Brunswick | 4,128 | \$ 0.1600 | \$ 0.1600 | \$ 0.1600 |
| Rutherfordton | Rutherford | 4,169 | \$ 0.5670 | \$ 0.5670 | \$ 0.5670 |
| Randleman | Randolph | 4,189 | \$ 0.6300 | \$ 0.6300 | \$ 0.6300 |
| Beaufort | Carteret | 4,230 | \$ 0.3475 | \$ 0.3475 | \$ 0.3500 |
| China Grove | Rutherford | 4,245 | \$ 0.5800 | \$ 0.5800 | \$ 0.5800 |
| Tabor City | Columbus | 4,259 | \$ 0.6700 | \$ 0.6700 | \$ 0.6700 |
| Spindale | Rutherford | 4,322 | \$ 0.6830 | \$ 0.6830 | \$ 0.6830 |
| Canton | Haywood | 4,359 | \$ 0.5800 | \$ 0.5800 | \$ 0.5800 |

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 B: Water and Sewer Rates Comparison

| | | Reside | ntial Wa | ter - Por | ulation | | | | | |
|-----------------------------|-----------------|--|-----------------------|------------------------|------------------------|-------------------------|------------------------|-------------------------|--------------------------|---------------------------|
| Utility / Rate Structure | Service Pop. | Oper. Rev./ Oper. Exp. (FY17 LGC Data) | Zero Gals. (In) | Zero Gals. (Out) | 3,000 Gals. (In) | 3,000 Gals. (Out) | 4,000 Gals. (In) | 4,000 Gals. (Out) | 5,000 Gallons (In) | 5,000 Gallons (Out) |
| Holden Beach | 6,278 | 1.03 | \$18.00 | | \$21.10 | | \$24.20 | | \$27.30 | |
| First Craven Sanitary Dist. | 6,325 | 1.27 | \$15.00 | | \$25.50 | | \$29.00 | | \$32.50 | |
| Granite Falls | 6,330 | 0.96 | \$24.47 | \$42.83 | \$24.47 | \$42.83 | \$27.89 | \$48.83 | \$31.31 | \$54.83 |
| Eastover Sanitary Dist. | 6,340 | N/A | \$31.00 | | \$41.17 | | \$44.96 | | \$48.75 | |
| Atlantic Beach | 6,380 | 1.44 | \$11.75 | | \$15.00 | | \$18.25 | | \$21.50 | |
| Randleman | 6,385 | 1.22 | \$9.06 | \$18.11 | \$19.23 | \$38.46 | \$25.96 | \$51.92 | \$32.72 | \$65.44 |
| Jamestown | 6,388 | 1.34 | \$5.70 | \$11.40 | \$11.43 | \$22.86 | \$15.24 | \$30.48 | \$19.05 | \$38.10 |
| Washington County | 6,413 | 1.31 | \$24.00 | | \$37.00 | | \$50.00 | | \$63.00 | |
| Highlands | 6,510 | 0.93 | \$35.00 | \$70.00 | \$37.50 | \$72.50 | \$42.50 | \$77.50 | \$47.50 | \$82.50 |
| Weaverville | 6,535 | 1.14 | \$15.91 | \$31.20 | \$23.87 | \$47.11 | \$32.64 | \$64.65 | \$41.41 | \$82.19 |
| Southport | 6,617 | N/A | \$23.95 | \$38.95 | \$23.95 | \$38.95 | \$29.45 | \$47.20 | \$34.95 | \$55.45 |

| | Residential Wastewater - Population | | | | | | | | | |
|----------------------------|-------------------------------------|--|-----------------------|------------------------|------------------------|-------------------------|------------------------|-------------------------|--------------------------|---------------------------|
| Utility / Rate Structure | Service Pop. | Oper. Rev./ Oper. Exp. (FY17 LGC Data) | Zero Gals. (In) | Zero Gals. (Out) | 3,000 Gals. (In) | 3,000 Gals. (Out) | 4,000 Gals. (In) | 4,000 Gals. (Out) | 5,000 Gallons (In) | 5,000 Gallons (Out) |
| Wadesboro | 6,098 | 1.14 | \$31.31 | \$37.61 | \$31.31 | \$37.61 | \$37.61 | \$37.61 | \$43.91 | \$43.91 |
| Tuckaseigee Wat/Sew Auth. | 6,262 | 1.01 | \$17.87 | | \$23.37 | | \$27.49 | | \$31.61 | |
| Holden Beach | 6,278 | 1.03 | \$14.10 | | \$20.55 | | \$27.00 | | \$33.45 | |
| Granite Falls | 6,330 | 0.96 | \$15.17 | \$26.64 | \$23.96 | \$42.00 | \$26.89 | \$47.12 | \$29.82 | \$52.24 |
| Eastover Sanitary District | 6,340 | N/A | \$22.76 | | \$43.94 | | \$51.00 | | \$58.06 | |
| Randleman | 6,385 | 1.22 | \$9.06 | \$18.11 | \$19.23 | \$38.46 | \$25.96 | \$51.92 | \$32.72 | \$65.44 |
| Jamestown | 6,388 | 1.34 | \$6.80 | \$13.60 | \$13.64 | \$27.27 | \$18.18 | \$36.36 | \$22.73 | \$45.45 |
| Highlands | 6,510 | 0.93 | \$35.00 | \$70.00 | \$37.50 | \$72.50 | \$42.50 | \$77.50 | \$47.50 | \$82.50 |
| Southport | 6,617 | N/A | \$46.50 | \$69.75 | \$46.50 | \$69.75 | \$52.50 | \$78.75 | \$58.50 | \$87.75 |
| Gibsonville | 6,800 | N/A | \$17.40 | \$34.80 | \$34.80 | \$69.60 | \$46.40 | \$92.80 | \$58.00 | \$116.00 |
| Kill Devil Hills | 6,800 | 1.11 | \$24.00 | | \$53.50 | · | \$71.20 | | \$88.90 | |

LOWEST

HIGHEST

<mark>randleman</mark>



| | Residential Water - Randolph County Municipalities | | | | | | | | | |
|--------------------------|--|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Service | Oper. Revenue/ | Zero | Zero | 3,000 | 3,000 | 4,000 | 4,000 | 5,000 | 5,000 |
| Utility / Rate Structure | Population | Oper. Expense | Gallons |
| | ropulation | (FY17 LGC Data) | (In) | (Out) | (In) | (Out) | (In) | (Out) | (In) | (Out) |
| Archdale | 12,600 | 1.26 | \$14.34 | \$28.68 | \$18.64 | \$37.28 | \$22.94 | \$45.88 | \$27.24 | \$54.48 |
| Asheboro | 25,761 | 1.03 | \$13.91 | \$34.78 | \$20.79 | \$51.98 | \$24.45 | \$61.14 | \$28.12 | \$70.29 |
| Franklinville | 1,360 | | \$25.00 | \$30.00 | \$44.50 | \$49.50 | \$51.00 | \$56.00 | \$57.50 | \$62.50 |
| High Point | 112,201 | 1.18 | \$8.51 | \$17.01 | \$19.82 | \$39.63 | \$23.59 | \$47.17 | \$27.36 | \$54.71 |
| Liberty | 3,558 | 1.03 | \$16.30 | \$27.23 | \$16.30 | \$27.23 | \$20.02 | \$34.38 | \$23.74 | \$41.53 |
| Randleman | 6,385 | 1.22 | \$9.06 | \$18.11 | \$19.23 | \$38.46 | \$25.96 | \$51.92 | \$32.72 | \$65.44 |
| Ramseur | 2,893 | 1.08 | \$12.00 | \$19.00 | \$25.80 | \$38.80 | \$30.40 | \$45.40 | \$35.00 | \$52.00 |
| Seagrove-Ulah MWD | 2,300 | 1.17 | \$16.00 | | \$36.01 | | \$42.68 | | \$49.35 | |

| | Residential Wastewater - Randolph County Municipalities | | | | | | | | | |
|--------------------------|---|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Service | Oper. Revenue/ | Zero | Zero | 3,000 | 3,000 | 4,000 | 4,000 | 5,000 | 5,000 |
| Utility / Rate Structure | Population | Oper. Expense | Gallons |
| | Population | (FY17 LGC Data) | (In) | (Out) | (In) | (Out) | (In) | (Out) | (In) | (Out) |
| Archdale | 12,600 | 1.26 | \$17.33 | \$34.66 | \$23.80 | \$47.60 | \$30.27 | \$60.54 | \$36.74 | \$54.48 |
| Asheboro | 25,761 | 1.03 | \$17.18 | \$42.95 | \$24.24 | \$60.60 | \$27.99 | \$70.00 | \$31.75 | \$70.29 |
| Franklinville | 1,360 | | \$14.55 | | \$34.05 | | \$40.55 | | \$47.05 | \$62.50 |
| High Point | 112,201 | 1.18 | \$13.17 | \$26.33 | \$32.82 | \$65.63 | \$39.37 | \$78.74 | \$45.92 | \$54.71 |
| Liberty | 3,558 | 1.03 | \$10.69 | \$15.59 | \$23.89 | \$41.12 | \$28.62 | \$50.27 | \$33.35 | \$41.53 |
| Randleman | 6,385 | 1.22 | \$9.06 | \$18.11 | \$19.23 | \$38.46 | \$25.96 | \$51.92 | \$32.72 | \$65.44 |
| Ramseur | 2,893 | 1.08 | \$13.50 | | \$27.30 | | \$31.90 | | \$36.50 | \$52.00 |
| Seagrove-Ulah MWD | 2,300 | 1.17 | \$16.00 | | \$56.02 | | \$69.36 | | \$82.70 | |

LOWEST HIGHEST RANDLEMAN



Appendix C: Recommended General Fund Revenues FY 2018-2019

| ACCOUNT NO. | ACCOUNT DESCRIPTION | FY | 2017 ACTUAL | FY 2 | 018 APPROVED | FY 2 | 2019 RECOMM. |
|-----------------|------------------------------|----|--------------|------|--------------|------|--------------|
| 10-00-3110-2100 | AD VALOREM TAXES-PRIOR YEARS | \$ | 4,344.53 | \$ | 5,000.00 | \$ | - |
| 10-00-3110-2115 | 2015 AD VALOREM TAXES | \$ | 4,537.79 | \$ | 5,000.00 | \$ | - |
| 10-00-3110-2116 | 2016 AD VALOREM TAXES | \$ | 2,457,306.82 | \$ | 25,000.00 | \$ | 2,000.00 |
| 10-00-3110-2117 | 2017 AD VALOREM TAXES | \$ | 3,182.70 | \$ | 2,441,000.00 | \$ | 5,000.00 |
| 10-00-3110-2118 | 2018 AD VALOREM TAXES | \$ | - | \$ | - | \$ | 2,467,000.00 |
| 10-00-3110-2800 | PENALTIES & INTEREST | \$ | 5,112.61 | \$ | 5,000.00 | \$ | 3,300.00 |
| 10-00-3330-0200 | FIRE DISTRICT TAX REVENUE | \$ | 461,611.82 | \$ | 455,000.00 | \$ | 470,000.00 |
| 10-00-3980-6910 | TRANSFER FROM OTHER FUNDS | \$ | 1,279.50 | \$ | 26,000.00 | \$ | - |
| 10-00-3990-0900 | APPROPRIATED FUND BALANCE | \$ | - | \$ | 14,400.00 | \$ | 10,000.00 |
| 10-00-3990-0920 | APP POWELL BILL FUND BALANCE | \$ | - | \$ | - | \$ | 127,000.00 |
| 10-00-3831-0801 | INTEREST ON INVESTMENTS | \$ | 23,594.13 | \$ | 55,000.00 | \$ | 40,000.00 |
| 10-00-3311-0200 | P.I.L.O.THOUSING AUTHORITY | \$ | 7,804.72 | \$ | 9,000.00 | \$ | 9,000.00 |
| 10-00-3839-0800 | MISC SOURCES | \$ | 6,367.38 | \$ | 8,500.00 | \$ | 8,000.00 |
| 10-00-3839-0900 | INSURANCE PROCEEDS | \$ | - | \$ | 17,200.00 | \$ | - |
| 10-10-3613-0800 | PRIVATE/CORP DONATIONS | \$ | 2,000.00 | \$ | 14,000.00 | \$ | - |
| 10-10-3833-0801 | FUNDRAISING-POLICE | \$ | 5,215.00 | \$ | 10,000.00 | \$ | - |
| 10-10-3833-0802 | FUNDRAISING-FIRE | \$ | 100.00 | \$ | 300.00 | \$ | - |
| 10-00-3280-0100 | VEHICLE TAG FEE | \$ | 12.32 | \$ | 50.00 | \$ | - |
| 10-10-3434-0800 | FIRE PREVENTION-PERMITS | \$ | 60.00 | \$ | 100.00 | \$ | 100.00 |
| 10-30-3491-0401 | ZONING PERMIT FOR BLDG PE | \$ | 1,530.00 | \$ | 2,500.00 | \$ | 2,500.00 |
| 10-30-3491-0402 | SPEC USE PERMITS/ZONING | \$ | 750.00 | \$ | 1,500.00 | \$ | 1,500.00 |
| 10-00-3833-0801 | Fundraising - Admin | \$ | 2,860.00 | \$ | 700.00 | \$ | - |
| 10-10-3431-0301 | UNAUTHORIZED SUBSTANCE TAX | \$ | 2,112.35 | \$ | 3,000.00 | \$ | 3,000.00 |
| 10-10-3431-0400 | ARREST FEES & MILEAGE | \$ | 3,908.78 | \$ | 4,000.00 | \$ | 3,500.00 |
| 10-10-3490-0200 | FEMA FIRE GRANT | \$ | 111,073.95 | \$ | 98,000.00 | \$ | 38,000.00 |
| 10-20-3316-0300 | POWELL BILL | \$ | 120,901.63 | \$ | 121,000.00 | \$ | 121,000.00 |
| 10-40-3330-0300 | LIBRARY RANDOLPH COUNTY | \$ | 12,000.00 | \$ | 12,000.00 | \$ | 12,000.00 |
| 10-40-3492-0200 | REC/CULTURAL GRANTS | \$ | 1,500.00 | \$ | - | \$ | - |
| 10-40-3492-0201 | LIBRARY GRANTS | \$ | - | \$ | 6,500.00 | \$ | - |



| ACCOUNT NO. | ACCOUNT DESCRIPTION | FY 2017 ACTUAL | FY 2018 APPROVED | FY 2019 RECOMM. |
|-----------------|--------------------------------|----------------|------------------|-----------------|
| 10-00-3834-0800 | BUILDING RENTS | \$ 10,575.00 | \$ 10,000.00 | \$ 10,000.00 |
| 10-00-3920-0900 | Sale of real property/asset | \$ 137,874.00 | \$ 11,900.00 | \$ 20,000.00 |
| 10-20-3471-0400 | TIPPING FEES - SANITATION | \$ 196,324.81 | \$ 231,000.00 | \$ 282,000.00 |
| 10-20-3473-0400 | STORMWATER FEES | \$ 44,339.81 | \$ 35,000.00 | \$ 35,000.00 |
| 10-40-3611-0400 | LIBRARY FEES & FINES | \$ 6,154.16 | \$ 6,000.00 | \$ 5,000.00 |
| 10-40-3611-0803 | Library Gifts & Memorials | \$ 1,018.94 | \$ 3,000.00 | \$ 3,000.00 |
| 10-40-3611-0804 | LIBRARY MISC REV | \$ 3,398.60 | \$ 4,000.00 | \$ 4,000.00 |
| 10-40-3611-0805 | LIBRARY DONATION - JW | \$ 10,000.00 | \$ - | \$ - |
| 10-40-3612-0400 | REC MEMBERSHIPS & PROGRAMS | \$ 155,015.00 | \$ 152,000.00 | \$ 152,000.00 |
| 10-40-3613-0800 | rec donations & sponsors | \$ 4,403.21 | \$ 6,000.00 | \$ 6,000.00 |
| 10-40-3613-0802 | REC GATE ADMISSIONS | \$ 7,145.00 | \$ 10,000.00 | \$ 10,000.00 |
| 10-40-3613-0803 | REC CONCESSIONS & VENDING | \$ 13,248.00 | \$ 12,000.00 | \$ 12,000.00 |
| 10-40-3613-0805 | REC FACILITY RENTALS | \$ 9,865.00 | \$ 10,000.00 | \$ 12,000.00 |
| 10-40-3613-0806 | REC MISCELLANEOUS | \$ - | \$ 5,000.00 | \$ 5,000.00 |
| 10-40-3613-0807 | FESTIVAL & EVENTS SPONSORSHIPS | \$ 38,734.10 | \$ 50,000.00 | \$ - |
| 10-40-3833-0801 | FUNDRAISING-LIBRARY | \$ 1,076.31 | \$ 3,000.00 | \$ - |
| 10-40-3833-0802 | FUNDRAISING-RECREATION | - | \$ 6,000.00 | \$ - |
| 10-00-3230-0100 | LOCAL SALES & USE TAX | \$1,013,350.93 | \$ 818,000.00 | \$ 965,000.00 |
| 10-00-3232-0300 | SOLID WASTE DISPOSAL TAX | \$ 2,805.83 | \$ 3,000.00 | \$ 3,000.00 |
| 10-00-3260-0100 | PRIVILEGE LICENSES | \$ 225.00 | \$ 350.00 | \$ 200.00 |
| 10-00-3322-0200 | STATE - BEER & WINE | \$ 18,905.84 | \$ 20,000.00 | \$ 20,000.00 |
| 10-00-3324-0200 | STATE FRANCHISE TAXES | \$ 487,003.32 | \$ 450,000.00 | \$ 460,000.00 |
| 10-00-3837-0200 | ABC REVENUE GENERAL FUND | \$ 148,514.52 | \$ 90,000.00 | \$ 100,000.00 |
| 10-00-3837-0210 | ABC REVENUE LAW ENFORCEMENT | \$ 4,563.00 | \$ 5,000.00 | \$ 5,000.00 |
| 10-00-3837-0240 | ABC REVENUE RECREATION | \$ 7,817.00 | \$ 5,000.00 | \$ 5,000.00 |
| FUND TOTAL | GENERAL FUND | \$5,561,523.41 | \$5,286,000.00 | \$5,437,100.00 |



Appendix D: Recommended General Fund Expenditures FY 2018-2019

| | BOARD OF ALDERMEN | | | | | | | | | |
|-----------------|-------------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | | |
| 10-00-4110-5100 | SALARIES-MAYOR/BOARD | \$ 27,300.00 | \$ 27,600.00 | \$ 22,750.00 | \$ 27,600.00 | \$ 27,600.00 | | | | |
| 10-00-4110-5102 | FICA-COUNCIL | \$ 2,088.72 | \$ 2,400.00 | \$ 1,740.60 | \$ 2,400.00 | \$ 2,400.00 | | | | |
| 10-00-4110-7302 | ORIENTATION FOR ELECT. OFFIC. | \$ - | \$ 3,000.00 | \$ 508.50 | \$ 3,000.00 | \$ 3,000.00 | | | | |
| BOARD | DEPARTMENT TOTALS | \$ 29,388.72 | \$ 33,000.00 | \$ 24,999.10 | \$ 33,000.00 | \$ 33,000.00 | | | | |

| | ADMINISTRATION | | | | | | | | | |
|-----------------|--------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | | |
| 10-00-4120-5100 | SALARIES - ADMIN | \$98,559.16 | \$160,000.00 | \$103,981.10 | \$167,000.00 | \$167,000.00 | | | | |
| 10-00-4120-5101 | 401K - ADMIN | \$5,676.54 | \$8,000.00 | \$4,662.59 | \$8,400.00 | \$8,400.00 | | | | |
| 10-00-4120-5102 | FICA - ADMIN | \$9,213.77 | \$12,300.00 | \$7,928.49 | \$12,900.00 | \$12,900.00 | | | | |
| 10-00-4120-5103 | STATE RETIREMENT - ADMIN | \$8,456.93 | \$12,000.00 | \$7,565.68 | \$13,200.00 | \$13,100.00 | | | | |
| 10-00-4120-5104 | GROUP INSURANCE - ADMIN | \$10,156.19 | \$15,200.00 | \$8,601.60 | \$19,500.00 | \$19,000.00 | | | | |
| 10-00-4120-5105 | COBRA INSURANCE | \$3,760.59 | \$500.00 | \$63.24 | \$500.00 | \$500.00 | | | | |
| 10-00-4120-5106 | RETIREE INSURANCE | \$3,072.32 | \$- | \$- | \$- | \$- | | | | |
| 10-00-4120-5107 | CAR ALLOWANCE | \$- | \$- | \$- | \$1,800.00 | \$1,800.00 | | | | |
| 10-00-4120-5109 | UNEMPLOYMENT TAX | \$1,191.04 | \$15,000.00 | \$213.87 | \$15,000.00 | \$10,000.00 | | | | |
| 10-00-4120-5111 | OPEB OUTLAY - ADMIN | \$- | \$800.00 | \$- | \$900.00 | \$900.00 | | | | |
| 10-00-4120-6200 | ACCOUNTANT/AUDITOR | \$23,815.00 | \$22,000.00 | \$22,000.00 | \$22,000.00 | \$22,000.00 | | | | |
| 10-00-4120-6201 | LEGAL SERVICES | \$17,095.94 | \$15,000.00 | \$8,395.75 | \$15,000.00 | \$15,000.00 | | | | |
| 10-00-4120-6203 | TELEPHONE | \$16,209.72 | \$16,000.00 | \$9,029.72 | \$16,000.00 | \$14,000.00 | | | | |
| 10-00-4120-6204 | UTILITIES | \$7,435.25 | \$10,000.00 | \$6,361.71 | \$10,000.00 | \$10,000.00 | | | | |
| 10-00-4120-6205 | M & R BUILDING | \$10,155.00 | \$10,000.00 | \$6,517.40 | \$10,000.00 | \$10,000.00 | | | | |



| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
|-----------------|---------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| 10-00-4120-6206 | M & R EQUIPMENT | \$1,783.48 | \$8,000.00 | \$1,026.47 | \$8,000.00 | \$8,000.00 |
| 10-00-4120-6207 | ADVERTISING | \$1,322.16 | \$1,500.00 | \$1,182.41 | \$2,000.00 | \$2,000.00 |
| 10-00-4120-6208 | SOFTWARE SUBSCRIPTION | \$11,869.29 | \$21,000.00 | \$9,159.15 | \$21,000.00 | \$21,000.00 |
| 10-00-4120-6209 | INSURANCE & BONDS | \$129,006.37 | \$154,000.00 | \$128,576.51 | \$154,000.00 | \$154,000.00 |
| 10-00-4120-6210 | COUNTY BOARD OF ELECTIONS | \$- | \$3,000.00 | \$- | \$- | \$- |
| 10-00-4120-6211 | HANGING CHRISTMAS LIGHTS | \$2,500.00 | \$3,000.00 | \$2,650.00 | \$3,000.00 | \$3,000.00 |
| 10-00-4120-6214 | TMA COLLECTION FEES/TAXES | \$36,176.10 | \$38,000.00 | \$33,183.98 | \$40,000.00 | \$40,000.00 |
| 10-00-4120-7300 | DEPARTMENT SUPPLIES | \$8,293.17 | \$8,500.00 | \$5,180.00 | \$10,000.00 | \$10,000.00 |
| 10-00-4120-7301 | MISCELLANEOUS | \$986.78 | \$4,000.00 | \$1,583.72 | \$4,000.00 | \$4,000.00 |
| 10-00-4120-7302 | TRAVEL/MEETINGS/SCHOOL | \$9,929.50 | \$10,000.00 | \$3,512.24 | \$10,000.00 | \$10,000.00 |
| 10-00-4120-7303 | POSTAGE | \$1,165.94 | \$2,500.00 | \$1,192.69 | \$2,500.00 | \$2,500.00 |
| 10-00-4120-7304 | PRINTING | \$2,493.81 | \$2,000.00 | \$720.88 | \$2,000.00 | \$2,000.00 |
| 10-00-4120-7305 | OSHA & WELLNESS | \$15,901.35 | \$18,000.00 | \$12,000.00 | \$18,000.00 | \$18,000.00 |
| 10-00-4120-7306 | CONTRACTED SERVICES | \$41,923.22 | \$60,000.00 | \$31,524.66 | \$60,000.00 | \$60,000.00 |
| 10-00-4120-7308 | FROM FUNDRAISING | \$1,440.72 | \$2,200.00 | \$2,003.50 | \$- | \$- |
| 10-00-4120-7313 | DUES & SUBSCRIPTIONS | \$9,912.87 | \$12,000.00 | \$7,759.05 | \$12,000.00 | \$12,000.00 |
| 10-00-4120-7322 | COMMUNITY OUTREACH | \$4,991.91 | \$5,000.00 | \$1,974.52 | \$5,000.00 | \$5,000.00 |
| 10-00-4120-9800 | CAPITAL OUTLAY | \$- | \$4,000.00 | \$- | \$4,000.00 | \$4,000.00 |
| 10-00-9800-9200 | TRANSFER TO OTHER FUNDS | \$101,000.00 | \$- | \$- | \$- | \$- |
| 10-00-9800-9500 | BB&T-PRINCIPAL (2025) | \$97,500.00 | \$97,500.00 | \$92,308.28 | \$97,500.00 | \$97,500.00 |
| 10-00-9800-9502 | BB&T PHASE II-INTEREST | \$18,676.96 | \$16,500.00 | \$2,614.09 | \$13,800.00 | \$13,800.00 |
| ADMINISTRATION | TOTALS | \$711,671.08 | \$767,500.00 | \$523,473.30 | \$779,000.00 | \$771,400.00 |



| | | POL | ICE | | | |
|-----------------|--------------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
| 10-10-4310-5100 | SALARIES - POLICE | \$634,477.03 | \$650,000.00 | \$491,725.90 | \$720,000.00 | \$720,000.00 |
| 10-10-4310-5101 | 401K LEO - POLICE | \$31,071.28 | \$33,000.00 | \$24,783.09 | \$36,900.00 | \$36,900.00 |
| 10-10-4310-5102 | FICA - POLICE | \$47,694.83 | \$50,000.00 | \$38,018.23 | \$56,500.00 | \$56,500.00 |
| 10-10-4310-5103 | STATE RETIREMENT - POLICE | \$50,692.79 | \$54,000.00 | \$31,810.90 | \$62,500.00 | \$62,500.00 |
| 10-10-4310-5104 | GROUP INSURANCE - POLICE | \$76,900.65 | \$85,500.00 | \$64,512.00 | \$101,000.00 | \$101,000.00 |
| 10-10-4310-5108 | OVERTIME - POLICE | \$9,175.00 | \$15,000.00 | \$6,860.10 | \$15,000.00 | \$15,000.00 |
| 10-10-4310-5111 | OPEB OUTLAY - POLICE | \$- | \$4,000.00 | \$- | \$4,200.00 | \$4,200.00 |
| 10-10-4310-6203 | TELEPHONE | \$20,746.92 | \$23,000.00 | \$16,173.92 | \$23,000.00 | \$23,000.00 |
| 10-10-4310-6204 | UTILITIES | \$9,723.39 | \$10,400.00 | \$7,057.06 | \$10,400.00 | \$10,400.00 |
| 10-10-4310-6205 | M & R BUILDING | \$1,573.39 | \$3,900.00 | \$2,962.73 | \$4,000.00 | \$4,000.00 |
| 10-10-4310-6216 | COUNTY DISPATCHER | \$3,068.00 | \$3,200.00 | \$3,124.98 | \$3,200.00 | \$3,200.00 |
| 10-10-4310-6218 | PHYSICALS & IMMUNIZATIONS | \$- | \$500.00 | \$28.00 | \$500.00 | \$500.00 |
| 10-10-4310-6219 | CONTRACT M & R (RADIO) | \$- | \$- | \$- | \$- | \$- |
| 10-10-4310-6220 | PRE-EMP/SAFETY REQUIR | \$- | \$1,000.00 | \$- | \$1,000.00 | \$1,000.00 |
| 10-10-4310-7300 | DEPARTMENT SUPPLIES | \$4,623.81 | \$5,000.00 | \$4,054.73 | \$5,000.00 | \$5,000.00 |
| 10-10-4310-7301 | MISCELLANEOUS | \$1,838.22 | \$2,000.00 | \$1,491.07 | \$2,000.00 | \$2,000.00 |
| 10-10-4310-7302 | TRAVEL/MEETINGS/SCHOOLS | \$1,285.92 | \$2,000.00 | \$1,878.60 | \$2,000.00 | \$2,000.00 |
| 10-10-4310-7303 | POSTAGE | \$304.70 | \$500.00 | \$288.11 | \$500.00 | \$500.00 |
| 10-10-4310-7307 | EQUITABLE SHARING EXPENDITURES | \$- | \$- | \$- | \$- | \$- |
| 10-10-4310-7308 | FROM FUNDRAISING | \$9,548.25 | \$10,000.00 | \$12,898.45 | \$- | \$- |
| 10-10-4310-7309 | UNIFORMS & ACCESS | \$4,184.17 | \$8,500.00 | \$6,201.25 | \$8,500.00 | \$8,500.00 |
| 10-10-4310-7310 | RESTRICTED FUNDS EXPENDITURES | \$- | \$- | \$- | \$- | \$- |
| 10-10-4310-7311 | INVESTIGATIVE SUPPLIES | \$3,086.46 | \$4,000.00 | \$1,447.24 | \$4,000.00 | \$4,000.00 |
| 10-10-4310-7312 | VICE & NARCOTICS | \$3,888.52 | \$- | \$- | \$- | \$- |
| 10-10-4310-7313 | EQUIPMENT | \$22,217.15 | \$16,000.00 | \$14,194.90 | \$24,000.00 | \$24,000.00 |
| 10-10-4310-7314 | COMPUTER RECORDS/REPORTS | \$18,494.67 | \$24,000.00 | \$18,673.73 | \$29,000.00 | \$29,000.00 |



| | | FYE 2017 | FY 2018 | YTD TRANS | DEPT. HEAD | MANAGER |
|-----------------|---------------------|----------------|----------------|-------------------|----------------|----------------|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | ACTUAL | BUDGET | (AS OF 4/30/2018) | REQUESTED | RECOMMENDED |
| 10-10-4310-7319 | GAS & FUEL | \$27,662.35 | \$28,000.00 | \$23,626.49 | \$28,000.00 | \$28,000.00 |
| 10-10-4310-7320 | AUTOMOTIVE SUPPLIES | \$17,233.04 | \$24,000.00 | \$15,618.83 | \$24,000.00 | \$24,000.00 |
| 10-10-4310-9800 | CAPITAL OUTLAY | \$80,839.66 | \$121,200.00 | \$91,550.98 | \$107,000.00 | \$107,000.00 |
| POLICE | TOTALS | \$1,080,330.20 | \$1,178,700.00 | \$878,981.29 | \$1,272,200.00 | \$1,272,200.00 |

| | | FIR | RE | | | |
|-----------------|--------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
| 10-10-4340-5100 | SALARIES - FIRE | \$755,089.59 | \$764,000.00 | \$549,054.08 | \$787,000.00 | \$787,000.00 |
| 10-10-4340-5101 | 401K - FIRE | \$35,964.67 | \$39,000.00 | \$27,584.36 | \$39,500.00 | \$39,500.00 |
| 10-10-4340-5102 | FICA - FIRE | \$61,384.32 | \$65,000.00 | \$45,740.00 | \$66,500.00 | \$66,500.00 |
| 10-10-4340-5103 | STATE RETIREMENT - FIRE | \$53,875.51 | \$58,000.00 | \$52,896.70 | \$61,600.00 | \$61,600.00 |
| 10-10-4340-5104 | GROUP INSURANCE - FIRE | \$94,253.48 | \$108,300.00 | \$77,414.40 | \$120,000.00 | \$120,000.00 |
| 10-10-4340-5108 | FIRE CALLS | \$69,037.28 | \$80,000.00 | \$44,046.16 | \$80,000.00 | \$80,000.00 |
| 10-10-4340-5111 | OPEB OUTLAY - FIRE DEPT | \$- | \$5,100.00 | \$- | \$5,300.00 | \$5,300.00 |
| 10-10-4340-6203 | TELEPHONE | \$11,520.82 | \$10,700.00 | \$8,472.23 | \$12,000.00 | \$12,000.00 |
| 10-10-4340-6204 | UTILITIES | \$15,901.81 | \$19,000.00 | \$12,104.04 | \$20,000.00 | \$20,000.00 |
| 10-10-4340-6205 | M & R BUILDING | \$11,215.04 | \$5,500.00 | \$2,662.39 | \$6,000.00 | \$6,000.00 |
| 10-10-4340-6218 | PHYSCIALS/IMMUNIZATIONS | \$135.00 | \$12,000.00 | \$- | \$12,000.00 | \$12,000.00 |
| 10-10-4340-6250 | NON CAPITAL EXPENDITURES | \$8,414.31 | \$8,000.00 | \$6,194.61 | \$8,000.00 | \$8,000.00 |
| 10-10-4340-7300 | DEPARTMENT SUPPLIES | \$4,421.31 | \$4,500.00 | \$2,821.20 | \$4,500.00 | \$4,500.00 |
| 10-10-4340-7302 | TRAVEL/MEETINGS/SCHOOLS | \$114.00 | \$4,500.00 | \$3,200.00 | \$4,500.00 | \$4,500.00 |
| 10-10-4340-7303 | POSTAGE | \$327.00 | \$400.00 | \$186.00 | \$400.00 | \$400.00 |
| 10-10-4340-7306 | CONTRACTED SERVICES | \$7,761.90 | \$7,000.00 | \$5,120.78 | \$7,000.00 | \$7,000.00 |
| 10-10-4340-7308 | FROM FUNDRAISING FUNDS | \$108.23 | \$300.00 | \$- | \$- | \$- |
| 10-10-4340-7309 | UNIFORMS | \$6,962.11 | \$7,000.00 | \$4,296.60 | \$10,000.00 | \$10,000.00 |
| 10-10-4340-7310 | PEDIODICALS & TRAINING | \$94.04 | \$1,000.00 | \$174.41 | \$1,000.00 | \$1,000.00 |



| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
|-----------------|---------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| 10-10-4340-7311 | NON/VEHICLE MED/RAD/FIRE | \$19,384.00 | \$20,000.00 | \$15,585.66 | \$20,000.00 | \$20,000.00 |
| 10-10-4340-7312 | DUES & MEMBERSHIPS | \$1,521.00 | \$2,000.00 | \$810.50 | \$2,000.00 | \$2,000.00 |
| 10-10-4340-7313 | FIRE PROGRAMS | \$7,471.56 | \$7,000.00 | \$4,954.01 | \$8,000.00 | \$8,000.00 |
| 10-10-4340-7314 | DOI PROGRAM SUPPLIES | \$- | \$- | \$- | \$- | \$- |
| 10-10-4340-7319 | GAS & FUEL | \$18,869.66 | \$22,000.00 | \$17,818.67 | \$22,000.00 | \$22,000.00 |
| 10-10-4340-7320 | AUTOMOTIVE SUPPLIES | \$31,497.57 | \$42,000.00 | \$27,714.97 | \$42,000.00 | \$42,000.00 |
| 10-10-4340-7321 | CONTINGENCY - FIRE DEPT | \$- | \$- | \$- | \$- | \$- |
| 10-10-4340-7322 | COMMUNITY OUTREACH - FIRE | \$999.40 | \$2,600.00 | \$2,198.49 | \$2,600.00 | \$2,600.00 |
| 10-10-4340-9800 | CAPITAL OUTLAY | \$71,495.75 | \$53,000.00 | \$52,704.17 | \$- | \$- |
| FIRE DEPT | TOTALS | \$1,287,819.36 | \$1,347,900.00 | \$963,754.43 | \$1,341,900.00 | \$1,341,900.00 |

| | FIRE - SAFER | | | | | | | | |
|-----------------|--------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | |
| 10-10-4345-5100 | SALARIES-SAFER GRANT | \$40,826.54 | \$70,000.00 | \$51,156.71 | \$72,300.00 | \$72,300.00 | | | |
| 10-10-4345-5101 | 401K - SAFER | \$1,985.92 | \$3,500.00 | \$2,552.01 | \$3,700.00 | \$3,700.00 | | | |
| 10-10-4345-5102 | FICA/MEDICARE - SAFER | \$3,032.43 | \$5,400.00 | \$3,967.24 | \$5,700.00 | \$5,700.00 | | | |
| 10-10-4345-5103 | STATE RETIREMENT - SAFER | \$2,915.20 | \$5,300.00 | \$3,964.17 | \$5,800.00 | \$5,800.00 | | | |
| 10-10-4345-5104 | GROUP INSURANCE - SAFER | \$6,312.64 | \$11,400.00 | \$8,601.60 | \$12,700.00 | \$12,700.00 | | | |
| 10-10-4345-5108 | FIRE CALLS - SAFER | \$351.26 | \$2,400.00 | \$- | \$2,400.00 | \$2,400.00 | | | |
| FIRE - SAFER | TOTALS | \$55,423.99 | \$98,000.00 | \$70,241.73 | \$102,600.00 | \$102,600.00 | | | |



| | FLEET MAINTENANCE | | | | | | | | |
|-----------------|--------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | |
| 10-20-4250-5100 | SALARIES - FLEET MAINT | \$45,714.30 | \$46,800.00 | \$35,412.82 | \$48,400.00 | \$48,400.00 | | | |
| 10-20-4250-5101 | 401K - FLEET | \$2,206.36 | \$2,500.00 | \$1,760.00 | \$2,500.00 | \$2,500.00 | | | |
| 10-20-4250-5102 | FICA - FLEET | \$3,414.27 | \$3,600.00 | \$2,740.61 | \$3,700.00 | \$3,700.00 | | | |
| 10-20-4250-5103 | STATE RETIREMENT - FLEET | \$3,303.81 | \$3,600.00 | \$2,734.06 | \$3,800.00 | \$3,800.00 | | | |
| 10-20-4250-5104 | GROUP INSURANCE - FLEET | \$5,126.71 | \$5,700.00 | \$4,300.80 | \$6,400.00 | \$6,400.00 | | | |
| 10-20-4250-5111 | OPEB OUTLAY - FLEET | \$- | \$300.00 | \$- | \$600.00 | \$600.00 | | | |
| 10-20-4250-6203 | TELEPHONE | \$1,029.92 | \$1,500.00 | \$461.67 | \$1,500.00 | \$1,500.00 | | | |
| 10-20-4250-6204 | UTILITIES | \$8,078.05 | \$9,500.00 | \$4,664.78 | \$9,500.00 | \$9,500.00 | | | |
| 10-20-4250-7301 | MISCELLANEOUS | \$1,851.64 | \$2,000.00 | \$527.11 | \$2,000.00 | \$2,000.00 | | | |
| 10-20-4250-7309 | UNIFORMS | \$1,000.00 | \$2,000.00 | \$935.33 | \$2,000.00 | \$2,000.00 | | | |
| 10-20-4250-7311 | PARTS ALL DEPTS | \$3,621.17 | \$4,000.00 | \$3,148.79 | \$4,000.00 | \$4,000.00 | | | |
| 10-20-4250-7319 | GAS & FUEL | \$1,456.75 | \$2,500.00 | \$1,224.86 | \$2,500.00 | \$2,500.00 | | | |
| 10-20-4250-7320 | AUTOMOTIVE | \$2,973.08 | \$8,000.00 | \$2,240.13 | \$8,000.00 | \$8,000.00 | | | |
| FLEET MAINT. | TOTALS | \$79,776.06 | \$92,000.00 | \$60,150.96 | \$94,900.00 | \$94,900.00 | | | |

| | STREETS | | | | | | | |
|-----------------|---------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | |
| 10-20-4510-5100 | SALARIES - STREET | \$70,915.43 | \$70,000.00 | \$53,045.93 | \$72,000.00 | \$72,000.00 | | |
| 10-20-4510-5101 | 401K - STREET | \$3,310.06 | \$3,800.00 | \$2,635.60 | \$3,700.00 | \$3,700.00 | | |
| 10-20-4510-5102 | FICA - STREET | \$5,858.37 | \$6,500.00 | \$4,132.25 | \$5,700.00 | \$5,700.00 | | |
| 10-20-4510-5103 | STATE RETIREMENT - STREET | \$5,127.88 | \$5,700.00 | \$4,116.80 | \$5,800.00 | \$5,800.00 | | |
| 10-20-4510-5104 | GROUP INSURANCE - STREET | \$10,253.42 | \$11,400.00 | \$8,601.60 | \$12,700.00 | \$12,700.00 | | |



| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
|-----------------|---------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| 10-20-4510-5110 | PART-TIME SALARIES | \$7,115.00 | \$700.00 | \$640.00 | \$- | \$- |
| 10-20-4510-5111 | OPEB OUTLAY - STREET | \$- | \$500.00 | \$- | \$700.00 | \$700.00 |
| 10-20-4510-6203 | TELEPHONE | \$531.28 | \$700.00 | \$159.29 | \$700.00 | \$700.00 |
| 10-20-4510-6208 | STREET LIGHTS | \$99,629.84 | \$108,000.00 | \$82,350.98 | \$120,000.00 | \$120,000.00 |
| 10-20-4510-6211 | ENGINEERING | \$- | \$5,000.00 | \$- | \$5,000.00 | \$5,000.00 |
| 10-20-4510-6212 | CHARGEABLE POWELL BILL | \$237,126.65 | \$120,000.00 | \$3,014.05 | \$247,000.00 | \$247,000.00 |
| 10-20-4510-7300 | DEPARTMENT SUPPLIES | \$5,031.53 | \$7,200.00 | \$2,566.58 | \$7,200.00 | \$7,200.00 |
| 10-20-4510-7308 | Fundraising expenditures | \$252.41 | \$400.00 | \$100.00 | \$- | \$- |
| 10-20-4510-7309 | UNIFORMS | \$900.00 | \$1,500.00 | \$1,346.38 | \$1,500.00 | \$1,500.00 |
| 10-20-4510-7310 | M & R STREETS | \$2,342.04 | \$4,600.00 | \$738.00 | \$4,600.00 | \$4,600.00 |
| 10-20-4510-7313 | BAD DEBT-STORM WATER FEES | \$- | \$100.00 | \$- | \$- | \$- |
| 10-20-4510-7319 | FUEL & GAS & FUEL | \$2,314.26 | \$4,000.00 | \$1,851.83 | \$3,800.00 | \$3,800.00 |
| 10-20-4510-7320 | AUTOMOTIVE SUPPLIES | \$6,383.84 | \$10,000.00 | \$5,008.46 | \$10,000.00 | \$10,000.00 |
| 10-20-4510-9800 | CAPITAL OUTLAY | \$43,266.00 | \$10,300.00 | \$10,284.00 | \$- | \$- |
| STREETS | TOTALS | \$500,358.01 | \$370,400.00 | \$180,591.75 | \$500,400.00 | \$500,400.00 |

| | SANITATION | | | | | | | | |
|-----------------|-------------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | |
| 10-20-4710-5100 | Salaries - Sanitation | \$103,529.03 | \$105,000.00 | \$72,219.79 | \$104,000.00 | \$104,000.00 | | | |
| 10-20-4710-5101 | 401K - SANITATION | \$4,997.46 | \$5,300.00 | \$3,587.25 | \$5,200.00 | \$5,200.00 | | | |
| 10-20-4710-5102 | FICA - SANITATION | \$7,713.18 | \$8,100.00 | \$5,554.50 | \$7,900.00 | \$7,900.00 | | | |
| 10-20-4710-5103 | STATE RETIREMENT - SANITATION | \$7,482.79 | \$8,000.00 | \$5,586.95 | \$8,100.00 | \$8,100.00 | | | |
| 10-20-4710-5104 | GROUP INSURANCE - SANITATION | \$15,380.13 | \$17,100.00 | \$11,612.16 | \$19,000.00 | \$19,000.00 | | | |
| 10-20-4710-5111 | OPEB OUTLAY - SANITATION | \$- | \$700.00 | \$- | \$700.00 | \$700.00 | | | |
| 10-20-4710-6203 | TELEPHONE | \$529.68 | \$900.00 | \$242.88 | \$1,200.00 | \$1,200.00 | | | |
| 10-20-4710-6213 | TIPPING FEES/COUNTY CHARGE | \$101,795.11 | \$90,000.00 | \$56,985.89 | \$100,000.00 | \$100,000.00 | | | |



| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
|-----------------|---------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| 10-20-4710-7300 | DEPARTMENT SUPPLIES | \$385.22 | \$6,500.00 | \$3,633.73 | \$6,500.00 | \$6,500.00 |
| 10-20-4710-7309 | UNIFORMS | \$1,600.00 | \$2,000.00 | \$1,118.53 | \$2,000.00 | \$2,000.00 |
| 10-20-4710-7313 | BAD DEBT-TIP FEES | \$- | \$- | \$- | \$- | \$- |
| 10-20-4710-7319 | GAS & FUEL | \$8,731.50 | \$15,000.00 | \$12,463.92 | \$15,000.00 | \$15,000.00 |
| 10-20-4710-7320 | AUTOMOTIVE SUPPLIES | \$16,604.55 | \$26,000.00 | \$14,307.96 | \$26,000.00 | \$26,000.00 |
| 10-20-4710-9800 | CAPITAL OUTLAY | \$3,756.00 | \$- | \$- | \$- | \$- |
| SANITATION | TOTALS | \$272,504.65 | \$284,600.00 | \$187,313.56 | \$295,600.00 | \$295,600.00 |

| ECONOMIC DEVELOPMENT | | | | | | | | |
|----------------------|----------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | |
| 10-30-4900-6204 | DOWNTOWN UTILITIES | \$14,998.31 | \$16,000.00 | \$11,319.09 | \$16,000.00 | \$16,000.00 | | |
| 10-30-4900-6205 | DOWNTOWN IMPROVEMENTS | \$3,967.22 | \$5,000.00 | \$3,635.59 | \$5,000.00 | \$5,000.00 | | |
| 10-30-4900-6206 | CITY BUILDINGS M&R | \$- | \$7,500.00 | \$5,115.57 | \$10,000.00 | \$10,000.00 | | |
| 10-30-4900-6250 | INDUSTRIAL DEVELOPMENT | \$6,000.00 | \$6,000.00 | \$6,000.00 | \$8,000.00 | \$7,000.00 | | |
| 10-30-4900-6251 | SENIOR CITIZENS | \$21,000.00 | \$21,600.00 | \$21,566.00 | \$21,566.00 | \$21,600.00 | | |
| 10-30-4900-6256 | CHAMBER OF COMMERCE | \$5,000.00 | \$2,500.00 | \$2,500.00 | \$11,000.00 | \$- | | |
| 10-30-4900-6257 | RANDLEMAN HISTORIC SOCIETY | \$5,000.00 | \$6,000.00 | \$6,000.00 | \$2,500.00 | \$2,800.00 | | |
| 10-30-4900-6258 | BEAUTIFICATION | \$- | \$6,000.00 | \$868.98 | \$10,000.00 | \$10,000.00 | | |
| ECON DEVELOP. | TOTALS | \$55,965.53 | \$70,600.00 | \$57,005.23 | \$84,066.00 | \$72,400.00 | | |



| | PLANNING | | | | | | | | | |
|-----------------|-----------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | | |
| 10-30-4910-5100 | SALARIES - PLANNING | \$53,304.83 | \$53,000.00 | \$39,840.01 | \$53,000.00 | \$53,000.00 | | | | |
| 10-30-4910-5101 | 401K - PLANNING | \$2,574.26 | \$2,700.00 | \$1,980.20 | \$2,700.00 | \$2,700.00 | | | | |
| 10-30-4910-5102 | FICA - PLANNING | \$3,907.16 | \$4,100.00 | \$3,004.78 | \$4,100.00 | \$4,100.00 | | | | |
| 10-30-4910-5103 | State retirement - Planning | \$3,854.41 | \$4,100.00 | \$3,075.94 | \$4,200.00 | \$4,200.00 | | | | |
| 10-30-4910-5104 | GROUP INSURANCE - PLANNING | \$5,126.71 | \$5,700.00 | \$4,300.80 | \$6,500.00 | \$6,400.00 | | | | |
| 10-30-4910-5105 | PLANNING BOARD | \$495.00 | \$500.00 | \$- | \$500.00 | \$500.00 | | | | |
| 10-30-4910-5111 | OPEB OUTLAY - PLANNIN | \$- | \$400.00 | \$- | \$400.00 | \$400.00 | | | | |
| 10-30-4910-6203 | TELEPHONE | \$822.82 | \$2,000.00 | \$1,251.70 | \$2,500.00 | \$2,500.00 | | | | |
| 10-30-4910-6207 | ADVERTISING | \$500.00 | \$500.00 | \$500.00 | \$1,000.00 | \$1,000.00 | | | | |
| 10-30-4910-6208 | STORMWATER PTWQ PARTNER | \$5,705.99 | \$5,000.00 | \$5,000.00 | \$5,000.00 | \$5,000.00 | | | | |
| 10-30-4910-7300 | DEPARTMENT SUPPLIES | \$117.09 | \$800.00 | \$435.36 | \$800.00 | \$800.00 | | | | |
| 10-30-4910-7301 | MISCELLANEOUS | \$103.99 | \$- | \$- | \$- | \$- | | | | |
| 10-30-4910-7302 | TRAVEL/MEETINGS/SCHOOLS | \$737.00 | \$1,000.00 | \$882.70 | \$1,200.00 | \$1,200.00 | | | | |
| 10-30-4910-7303 | POSTAGE | \$272.94 | \$500.00 | \$321.85 | \$500.00 | \$500.00 | | | | |
| 10-30-4910-7304 | PRINTING | \$100.00 | \$100.00 | \$- | \$150.00 | \$200.00 | | | | |
| 10-30-4910-7306 | CONTRACTED SERVICES | \$4,000.00 | \$7,500.00 | \$78.00 | \$7,500.00 | \$7,500.00 | | | | |
| 10-30-4910-7319 | GAS & FUEL | \$686.68 | \$900.00 | \$769.56 | \$1,000.00 | \$1,000.00 | | | | |
| 10-30-4910-7320 | AUTOMOTIVE SUPPLIES | \$601.68 | \$2,000.00 | \$27.87 | \$2,000.00 | \$2,000.00 | | | | |
| PLANNING | TOTALS | \$82,910.56 | \$90,800.00 | \$61,468.77 | \$93,050.00 | \$93,000.00 | | | | |



| | LIBRARY | | | | | | | | | |
|-----------------|----------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | | |
| 10-40-6110-5100 | SALARIES - LIBRARY | \$145,317.71 | \$150,000.00 | \$110,187.61 | \$162,000.00 | \$162,000.00 | | | | |
| 10-40-6110-5101 | 401K - LIBRARY | \$5,771.76 | \$5,600.00 | \$4,169.00 | \$5,800.00 | \$5,800.00 | | | | |
| 10-40-6110-5102 | FICA - LIBRARY | \$10,426.50 | \$12,000.00 | \$8,541.79 | \$12,500.00 | \$12,500.00 | | | | |
| 10-40-6110-5103 | STATE RETIREMENT - LIBRARY | \$8,656.08 | \$10,000.00 | \$6,758.51 | \$11,800.00 | \$11,000.00 | | | | |
| 10-40-6110-5104 | GROUP INSURANCE - LIBRARY | \$11,193.64 | \$17,100.00 | \$8,979.20 | \$19,500.00 | \$19,000.00 | | | | |
| 10-40-6110-5111 | OPEB OUTLAY - LIBRARY | \$- | \$1,000.00 | \$- | \$1,100.00 | \$1,100.00 | | | | |
| 10-40-6110-6203 | TELEPHONE | \$1,743.58 | \$2,400.00 | \$1,441.60 | \$2,400.00 | \$2,400.00 | | | | |
| 10-40-6110-6204 | UTILITIES | \$9,975.96 | \$16,000.00 | \$7,917.87 | \$16,000.00 | \$16,000.00 | | | | |
| 10-40-6110-6205 | M & R BUILDING | \$16,701.97 | \$18,500.00 | \$13,001.71 | \$18,500.00 | \$18,500.00 | | | | |
| 10-40-6110-6206 | M & R EQUIPMENT | \$3,314.25 | \$4,500.00 | \$2,875.17 | \$4,500.00 | \$4,500.00 | | | | |
| 10-40-6110-7300 | DEPARTMENT SUPPLIES | \$1,383.57 | \$1,500.00 | \$601.06 | \$2,000.00 | \$2,000.00 | | | | |
| 10-40-6110-7301 | MISCELLANEOUS | \$591.88 | \$1,000.00 | \$351.89 | \$1,000.00 | \$1,000.00 | | | | |
| 10-40-6110-7307 | GRANT EXPENDITURES | \$1,493.62 | \$6,500.00 | \$6,380.17 | \$- | \$- | | | | |
| 10-40-6110-7308 | FROM FUNDRAISING FUNDS | \$591.13 | \$5,500.00 | \$1,325.29 | \$- | \$- | | | | |
| 10-40-6110-7311 | VIDEOS & DVDS | \$4,906.40 | \$5,000.00 | \$3,524.23 | \$5,000.00 | \$5,000.00 | | | | |
| 10-40-6110-7312 | BOOKS & REBINDING | \$11,959.69 | \$12,000.00 | \$7,544.69 | \$12,000.00 | \$12,000.00 | | | | |
| 10-40-6110-7313 | MEMORIALS & DONATIONS | \$1,055.71 | \$3,000.00 | \$2,423.37 | \$3,000.00 | \$3,000.00 | | | | |
| 10-40-6110-7314 | PROGRAMS | \$6,825.36 | \$7,000.00 | \$4,166.58 | \$7,000.00 | \$7,000.00 | | | | |
| 10-40-6110-7315 | JW DONATION EXPENDITURES | \$- | \$10,000.00 | \$7,156.04 | \$- | \$- | | | | |
| LIBRARY | TOTALS | \$241,908.81 | \$288,600.00 | \$197,345.78 | \$284,100.00 | \$282,800.00 | | | | |



| | | PARKS AND R | RECREATION | | | |
|-----------------|-------------------------------|-------------|-------------|-------------------|-------------|-------------|
| | | FYE 2017 | FY 2018 | YTD TRANS | DEPT. HEAD | MANAGER |
| ACCOUNT NO. | ACCOUNT DESCRIPTION | ACTUAL | BUDGET | (AS OF 4/30/2018) | REQUESTED | RECOMMENDED |
| 10-40-6120-5100 | SALARIES - RECREATION | \$89,166.94 | \$91,000.00 | \$68,966.07 | \$95,000.00 | \$95,000.00 |
| 10-40-6120-5101 | 401K - RECREATION | \$4,303.83 | \$4,500.00 | \$3,427.79 | \$4,800.00 | \$4,800.00 |
| 10-40-6120-5102 | FICA - RECREATION | \$11,234.42 | \$14,000.00 | \$9,018.58 | \$14,500.00 | \$14,000.00 |
| 10-40-6120-5103 | STATE RETIREMENT - RECREATION | \$6,444.31 | \$7,000.00 | \$5,324.53 | \$7,400.00 | \$7,400.00 |
| 10-40-6120-5104 | GROUP INSURANCE - RECREATION | \$10,253.42 | \$11,400.00 | \$8,601.60 | \$13,000.00 | \$12,700.00 |
| 10-40-6120-5110 | PART-TIME HELP | \$66,147.33 | \$76,000.00 | \$48,359.14 | \$76,000.00 | \$69,000.00 |
| 10-40-6120-5111 | OFFICIALS/GAMES | \$22,419.75 | \$21,500.00 | \$19,588.50 | \$21,500.00 | \$21,500.00 |
| 10-40-6120-5112 | OPEB OUTLAY - RECREATION | \$- | \$600.00 | \$127.50 | \$700.00 | \$700.00 |
| 10-40-6120-6203 | TELEPHONE | \$7,997.82 | \$8,600.00 | \$6,525.81 | \$9,400.00 | \$9,400.00 |
| 10-40-6120-6204 | UTILITIES | \$34,118.39 | \$35,000.00 | \$23,010.46 | \$38,500.00 | \$38,500.00 |
| 10-40-6120-6205 | M & R BUILDING | \$16,614.15 | \$24,000.00 | \$22,250.60 | \$31,000.00 | \$31,000.00 |
| 10-40-6120-6208 | PURCHASE FOR RESALE | \$9,315.72 | \$8,000.00 | \$7,152.86 | \$9,000.00 | \$9,000.00 |
| 10-40-6120-6209 | INS FOR BASEBALL | \$1,100.00 | \$1,800.00 | \$1,650.00 | \$2,100.00 | \$2,100.00 |
| 10-40-6120-6250 | NON-CAPITAL EXPENDITURES | \$584.82 | \$2,800.00 | \$- | \$3,000.00 | \$3,000.00 |
| 10-40-6120-7300 | DEPARTMENT SUPPLIES | \$15,993.51 | \$16,000.00 | \$10,894.04 | \$16,000.00 | \$16,000.00 |
| 10-40-6120-7301 | MISCELLANEOUS | \$9,999.05 | \$4,500.00 | \$3,022.58 | \$4,500.00 | \$4,500.00 |
| 10-40-6120-7302 | TRAVEL,MEETING,SCHOOLS | \$545.52 | \$2,000.00 | \$130.00 | \$2,000.00 | \$2,000.00 |
| 10-40-6120-7303 | POSTAGE | \$- | \$200.00 | \$- | \$200.00 | \$200.00 |
| 10-40-6120-7304 | PRINTING | \$628.09 | \$1,000.00 | \$948.50 | \$1,000.00 | \$1,000.00 |
| 10-40-6120-7308 | FROM FUNDRAISING FUND | \$2,532.00 | \$6,000.00 | \$3,120.35 | \$- | \$- |
| 10-40-6120-7309 | UNIFORMS | \$25,001.28 | \$29,600.00 | \$24,034.95 | \$31,100.00 | \$31,100.00 |
| 10-40-6120-7311 | AWARDS | \$374.80 | \$700.00 | \$228.50 | \$700.00 | \$700.00 |
| 10-40-6120-7312 | OFFICE SUPPLIES | \$475.31 | \$500.00 | \$300.47 | \$500.00 | \$500.00 |
| 10-40-6120-7313 | DUES & SUBSCRIPTIONS | \$130.00 | \$200.00 | \$- | \$200.00 | \$200.00 |
| 10-40-6120-7314 | SPECIAL EVENTS | \$13,500.00 | \$13,500.00 | \$12,936.95 | \$15,000.00 | \$15,000.00 |
| 10-40-6120-7315 | FESTIVAL/M&M EXPENDITURES | \$28,574.62 | \$42,900.00 | \$25,389.88 | \$15,000.00 | \$10,000.00 |



| | | FYE 2017 | FY 2018 | YTD TRANS | DEPT. HEAD | MANAGER |
|-----------------|--------------------------|--------------|--------------|-------------------|--------------|--------------|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | ACTUAL | BUDGET | (AS OF 4/30/2018) | REQUESTED | RECOMMENDED |
| 10-40-6120-7319 | GAS & FUEL | \$1,175.85 | \$2,000.00 | \$1,095.33 | \$2,000.00 | \$2,000.00 |
| 10-40-6120-7320 | AUTOMOTIVE SUPPLIES | \$1,607.33 | \$4,000.00 | \$1,321.47 | \$4,000.00 | \$4,000.00 |
| 10-40-6120-7321 | FESTIVAL CONTINGENCY | \$- | \$17,100.00 | \$- | \$- | \$- |
| 10-40-6120-9500 | DEBT SERVICE-PRIN (2019) | \$184,801.68 | \$185,000.00 | \$154,001.40 | \$46,300.00 | \$46,300.00 |
| 10-40-6120-9501 | DEBT SERVICE-INTEREST | \$12,151.49 | \$5,500.00 | \$4,945.38 | \$300.00 | \$300.00 |
| 10-40-6120-98XX | TRANSFER TO P&R FUND | \$- | \$- | \$- | \$125,000.00 | \$125,000.00 |
| 10-40-6120-9800 | CAPITAL OUTLAY | \$102,650.93 | \$27,000.00 | \$23,325.04 | \$- | \$- |
| PARKS AND REC. | TOTALS | \$679,842.36 | \$663,900.00 | \$489,698.28 | \$589,700.00 | \$576,900.00 |

| GRAND TOTAL – GENERAL FUND | | | | | | | | |
|----------------------------|---------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | |
| GENERAL FUND | GRAND TOTAL | \$5,077,899.33 | \$5,286,000.00 | \$3,695,024.18 | \$5,470,516.00 | \$5,437,100.00 | | |
| GENERAL FUND | GRAND TOTAL | \$5,077,899.33 | \$5,286,000.00 | \$3,695,024.18 | \$5,470,516.00 | \$5,437,100.00 | | |



Appendix E: Recommended Water and Sewer Fund Revenues FY 2018-2019

| ACCOUNT NO. | ACCOUNT DESCRIPTION | FY 2017 ACTUAL | FY 2018 APPROVED | FY 2019 RECOMM. |
|-----------------|-------------------------|----------------|------------------|-----------------|
| 60-60-3713-0500 | WATER CHARGES | \$1,192,491.33 | \$1,190,000.00 | \$1,235,000.00 |
| 60-60-3713-0501 | WATERLINE CONNECTIONS | \$2,500.00 | \$7,000.00 | \$12,000.00 |
| 60-60-3714-0500 | WASTEWATER CHARGES | \$1,202,362.95 | \$1,183,000.00 | \$1,275,000.00 |
| 60-60-3714-0501 | WASTEWATER CONNECTIONS | \$2,600.00 | \$6,000.00 | \$10,000.00 |
| 60-60-3714-0502 | INDUSTRIAL SURCHARGE | \$- | \$- | \$ - |
| 60-60-3714-0503 | INDUSTRIAL MONITORING | \$- | \$- | \$ - |
| 60-60-3831-0800 | INTEREST ON INVESTMENT | \$- | \$1,000.00 | \$1,000.00 |
| 60-60-3839-0000 | MISC SOURCES | \$829.61 | \$1,200.00 | \$1,000.00 |
| 60-60-3839-0001 | LATE FEES | \$29,675.00 | \$38,000.00 | \$45,000.00 |
| 60-60-3839-0002 | RETURNED CHECK CHARGE | \$425.00 | \$1,000.00 | \$1,000.00 |
| 60-60-3839-0004 | CREDIT CARD FEES | \$6,358.75 | \$10,000.00 | \$10,000.00 |
| 60-60-3839-0900 | INSURANCE PROCEEDS | \$- | \$- | \$ - |
| 60-60-3920-0900 | SALE OF CAPITAL ASSETS | \$- | \$- | \$- |
| 60-60-3990-0900 | APPROPRIATED NET ASSETS | \$- | \$71,600.00 | \$- |
| FUND TOTAL | WATER AND SEWER FUND | \$2,437,242.64 | \$2,508,800.00 | \$2,590,000.00 |



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Appendix F: Recommended Water and Sewer Fund Expenditures FY 2018-2019

| | | WAI | TER . | | | |
|-----------------|-----------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED |
| 60-60-7110-5100 | SALARIES-WATER DEPT | \$156,180.40 | \$162,000.00 | \$110,982.06 | \$167,000.00 | \$168,000.00 |
| 60-60-7110-5101 | 401 K WATER DEPT | \$7,569.36 | \$8,100.00 | \$5,597.72 | \$8,500.00 | \$8,500.00 |
| 60-60-7110-5102 | FICA WATER DEPT | \$11,472.45 | \$12,500.00 | \$8,577.91 | \$12,800.00 | \$13,000.00 |
| 60-60-7110-5103 | STATE RETIREMENT-WATER DEPT | \$11,212.86 | \$12,300.00 | \$8,636.99 | \$13,100.00 | \$13,200.00 |
| 60-60-7110-5104 | GROUP INSURANCE-WATER DEPT | \$15,477.86 | \$17,100.00 | \$11,397.12 | \$19,500.00 | \$19,000.00 |
| 60-60-7110-5106 | RETIREE INSURANCE - WATER | \$7,701.10 | \$- | \$- | \$- | \$- |
| 60-60-7110-5112 | OPEB OUTLAY - WATER | \$4,677.00 | \$5,100.00 | \$- | \$5,300.00 | \$5,500.00 |
| 60-60-7110-5199 | PENSION EXPENSE | \$- | \$- | \$- | \$- | \$- |
| 60-60-7110-6203 | TELEPHONE | \$9,871.14 | \$10,000.00 | \$5,072.29 | \$10,000.00 | \$10,000.00 |
| 60-60-7110-6204 | UTILITIES | \$1,834.73 | \$4,000.00 | \$3,856.25 | \$7,000.00 | \$7,000.00 |
| 60-60-7110-6206 | M & R EQUIPMENT | \$1,279.50 | \$10,000.00 | \$371.99 | \$10,000.00 | \$10,000.00 |
| 60-60-7110-6220 | DUES & CERTIFICATION | \$1,000.00 | \$2,000.00 | \$1,925.00 | \$4,000.00 | \$4,000.00 |
| 60-60-7110-6230 | WATER TESTING LAB/SUPPLIES | \$3,443.24 | \$5,000.00 | \$3,327.04 | \$5,000.00 | \$5,000.00 |
| 60-60-7110-7300 | DEPARTMENT SUPPLIES | \$914.42 | \$- | \$- | \$1,000.00 | \$1,000.00 |
| 60-60-7110-7303 | POSTAGE | \$4,333.87 | \$5,000.00 | \$2,329.21 | \$5,000.00 | \$5,000.00 |
| 60-60-7110-7304 | PRINTING | \$1,167.66 | \$10,000.00 | \$994.23 | \$10,000.00 | \$10,000.00 |
| 60-60-7110-7305 | UTILITY SERVICES | \$46,956.95 | \$49,000.00 | \$39,202.19 | \$49,000.00 | \$49,000.00 |
| 60-60-7110-7306 | CONTRACTED SERVICES | \$20,000.00 | \$10,000.00 | \$- | \$10,000.00 | \$10,000.00 |
| 60-60-7110-7307 | PTRWA ADMIN OPERATING FEES | \$35,181.00 | \$37,000.00 | \$35,575.04 | \$37,000.00 | \$37,000.00 |
| 60-60-7110-7316 | WATER PURCHASE - ASHEBORO | \$123,971.10 | \$125,000.00 | \$80,007.94 | \$125,000.00 | \$125,000.00 |
| 60-60-7110-7317 | WATER PURCHASE-PTRWA | \$368,650.00 | \$392,000.00 | \$280,850.00 | \$392,000.00 | \$392,000.00 |
| 60-60-7110-7322 | CREDIT CARD FEES | \$8,147.78 | \$12,000.00 | \$8,999.57 | \$12,000.00 | \$12,000.00 |
| WATER | TOTALS | \$841,042.42 | \$888,100.00 | \$607,702.55 | \$903,200.00 | \$904,200.00 |



| | WATER/WASTEWATER MAINTENANCE | | | | | | | |
|-----------------|-------------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | |
| 60-60-7120-5100 | SALARIES - W/WW MAINT | \$111,299.64 | \$106,000.00 | \$64,893.74 | \$88,000.00 | \$88,000.00 | | |
| 60-60-7120-5101 | 401K - W/WW MAINT | \$5,373.11 | \$4,500.00 | \$3,225.41 | \$4,500.00 | \$4,500.00 | | |
| 60-60-7120-5102 | FICA - W/WW MAINT | \$8,238.23 | \$8,200.00 | \$4,902.69 | \$6,800.00 | \$6,800.00 | | |
| 60-60-7120-5103 | STATE RETIREMENT - W/WW MAINT | \$8,074.72 | \$6,500.00 | \$5,010.26 | \$6,900.00 | \$6,900.00 | | |
| 60-60-7120-5104 | GROUP INS W/WW MAINT | \$13,407.43 | \$11,400.00 | \$8,601.60 | \$13,000.00 | \$12,700.00 | | |
| 60-60-7120-5112 | OPEB OUTLAY - W/WW MAINT | \$3,267.00 | \$2,700.00 | \$- | \$2,800.00 | \$3,000.00 | | |
| 60-60-7120-6203 | TELEPHONE | \$2,517.76 | \$3,000.00 | \$1,411.22 | \$3,000.00 | \$3,000.00 | | |
| 60-60-7120-7301 | MISCELLANEOUS | \$627.96 | \$3,000.00 | \$1,843.66 | \$3,000.00 | \$3,000.00 | | |
| 60-60-7120-7302 | TRAVEL/MEETINGS/SCHOOL | \$825.00 | \$4,000.00 | \$722.78 | \$4,000.00 | \$4,000.00 | | |
| 60-60-7120-7306 | CONTRACTED SERVICES | \$7,228.27 | \$45,000.00 | \$10,108.68 | \$20,000.00 | \$20,000.00 | | |
| 60-60-7120-7309 | UNIFORMS | \$3,556.90 | \$3,000.00 | \$1,848.04 | \$3,000.00 | \$3,000.00 | | |
| 60-60-7120-7311 | MAINTENANCE MATERIALS | \$28,347.01 | \$35,000.00 | \$26,527.89 | \$35,000.00 | \$35,000.00 | | |
| 60-60-7120-7312 | WATER/SEWER CONST/REPLACE | \$15,101.32 | \$30,000.00 | \$14,800.01 | \$120,000.00 | \$125,000.00 | | |
| 60-60-7120-7313 | BAD DEBT EXPENSE | \$32.92 | \$1,000.00 | \$- | \$1,000.00 | \$1,000.00 | | |
| 60-60-7120-7319 | GAS & FUEL | \$7,544.01 | \$13,000.00 | \$7,162.58 | \$13,000.00 | \$13,000.00 | | |
| 60-60-7120-7320 | AUTOMOTIVE SUPPLIES | \$7,839.87 | \$13,000.00 | \$6,544.27 | \$13,000.00 | \$13,000.00 | | |
| 60-60-7120-9800 | CAPITAL OUTLAY | \$- | \$- | \$- | \$90,000.00 | \$90,000.00 | | |
| W/WW MAINT. | TOTALS | \$223,281.15 | \$289,300.00 | \$157,602.83 | \$427,000.00 | \$431,900.00 | | |



| | WASTEWATER TREATMENT PLANT | | | | | | | |
|-----------------|-----------------------------|--------------|--------------|-------------------|--------------|--------------|--|--|
| | | FYE 2017 | FY 2018 | YTD TRANS | DEPT. HEAD | MANAGER | | |
| ACCOUNT NO. | ACCOUNT DESCRIPTION | ACTUAL | BUDGET | (AS OF 4/30/2018) | REQUESTED | RECOMMENDED | | |
| 60-60-7130-5100 | SALARIES - WWTP | \$161,708.12 | \$166,000.00 | \$125,624.56 | \$173,000.00 | \$173,000.00 | | |
| 60-60-7130-5101 | 401K - WWTP | \$7,804.52 | \$8,300.00 | \$6,243.60 | \$9,000.00 | \$9,000.00 | | |
| 60-60-7130-5102 | FICA - WWTP | \$11,996.79 | \$13,000.00 | \$9,686.71 | \$13,500.00 | \$13,500.00 | | |
| 60-60-7130-5103 | STATE RETIREMENT - WWTP | \$11,686.06 | \$13,000.00 | \$9,698.97 | \$14,000.00 | \$14,000.00 | | |
| 60-60-7130-5104 | GROUP INSURANCE - WWTP | \$20,506.84 | \$22,800.00 | \$17,203.20 | \$26,000.00 | \$25,400.00 | | |
| 60-60-7130-5112 | OPEB OUTLAY - WWTP | \$4,768.00 | \$5,200.00 | \$- | \$5,500.00 | \$5,700.00 | | |
| 60-60-7130-6203 | TELEPHONE | \$8,824.88 | \$14,000.00 | \$7,359.08 | \$14,000.00 | \$10,000.00 | | |
| 60-60-7130-6204 | UTILITIES | \$146,036.63 | \$135,000.00 | \$83,540.02 | \$135,000.00 | \$170,000.00 | | |
| 60-60-7130-6205 | M & R BLDG | \$1,273.90 | \$2,000.00 | \$2,000.00 | \$14,000.00 | \$14,000.00 | | |
| 60-60-7130-6206 | M & R EQUIPMENT | \$23,195.70 | \$41,000.00 | \$16,233.16 | \$41,000.00 | \$42,000.00 | | |
| 60-60-7130-6209 | SLUDGE REMOVAL | \$46,716.40 | \$55,000.00 | \$11,234.58 | \$60,000.00 | \$60,000.00 | | |
| 60-60-7130-6220 | DUES/FEES FOR CERTIFICATION | \$7,315.00 | \$9,000.00 | \$8,653.00 | \$9,000.00 | \$9,500.00 | | |
| 60-60-7130-6230 | PRETREATMENT & LAB | \$25,959.37 | \$31,000.00 | \$20,728.86 | \$31,000.00 | \$31,000.00 | | |
| 60-60-7130-6231 | FINES & PENALTIES | \$- | \$3,000.00 | \$- | \$3,000.00 | \$3,000.00 | | |
| 60-60-7130-7300 | DEPARTMENT SUPPLIES | \$2,044.85 | \$2,500.00 | \$1,937.84 | \$2,500.00 | \$2,500.00 | | |
| 60-60-7130-7301 | MISCELLANEOUS EXPENSE | \$476.48 | \$1,000.00 | \$277.75 | \$1,000.00 | \$1,000.00 | | |
| 60-60-7130-7302 | TRAVEL/MEETINGS/SCHOOL | \$1,054.54 | \$3,000.00 | \$2,150.19 | \$3,000.00 | \$3,000.00 | | |
| 60-60-7130-7303 | POSTAGE | \$3,098.56 | \$5,000.00 | \$2,344.01 | \$5,000.00 | \$5,000.00 | | |
| 60-60-7130-7309 | UNIFORMS | \$3,192.79 | \$3,500.00 | \$2,965.52 | \$3,500.00 | \$3,500.00 | | |
| 60-60-7130-7311 | SUPPLIES & CHEMICALS | \$15,640.49 | \$29,000.00 | \$32,468.69 | \$50,000.00 | \$50,000.00 | | |
| 60-60-7130-7316 | WASTEWATER TREAT - ASHEBORO | \$18,813.39 | \$50,000.00 | \$20,022.37 | \$50,000.00 | \$50,000.00 | | |
| 60-60-7130-7319 | GAS & FUEL | \$4,648.50 | \$5,000.00 | \$1,866.83 | \$5,000.00 | \$5,000.00 | | |
| 60-60-7130-7320 | AUTOMOTIVE SUPPLIES | \$2,436.54 | \$2,500.00 | \$1,048.70 | \$2,500.00 | \$2,500.00 | | |
| 60-60-7130-9800 | CAPITAL OUTLAY | \$58,798.16 | \$67,000.00 | \$46,458.29 | \$175,000.00 | \$220,000.00 | | |
| WWTP | TOTALS | \$587,996.51 | \$686,800.00 | \$429,745.93 | \$845,500.00 | \$922,600.00 | | |



| | DEBT SERVICE | | | | | | | |
|-----------------|--|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | |
| 60-60-9800-9200 | TRANSFER TO OTHER FUNDS | \$249,322.54 | \$318,600.00 | \$- | \$- | \$- | | |
| 60-60-9800-9500 | SRF LOAN-PRIN (2033) | \$43,527.75 | \$43,600.00 | \$- | \$43,600.00 | \$43,600.00 | | |
| 60-60-9800-9501 | SRF LOAN-INTEREST | \$14,799.44 | \$14,000.00 | \$6,964.44 | \$13,100.00 | \$13,100.00 | | |
| 60-60-9800-9504 | PTRWA #1/PRIN (2019) | \$132,620.40 | \$133,000.00 | \$102,629.40 | \$33,200.00 | \$33,200.00 | | |
| 60-60-9800-9505 | PTRWA #1-INTEREST | \$9,718.31 | \$4,300.00 | \$565.02 | \$300.00 | \$300.00 | | |
| 60-60-9800-9506 | PTRWA #2-PRIN (2028) | \$76,938.88 | \$81,300.00 | \$107,508.25 | \$81,300.00 | \$81,300.00 | | |
| 60-60-9800-9507 | PTRWA #2-INTEREST | \$30,569.41 | \$26,400.00 | \$- | \$26,400.00 | \$26,400.00 | | |
| 60-60-9800-9509 | CONTINGENCY | \$- | \$- | \$- | \$110,000.00 | \$110,000.00 | | |
| 60-60-9800-9510 | DENR LOANS PRIN (2017) | \$27,750.00 | \$- | \$- | \$- | \$- | | |
| 60-60-9800-9511 | DENR LOANS INTEREST | \$951.82 | \$- | \$- | \$- | \$- | | |
| 60-60-9800-9513 | SRF LOAN - PRIN (2037) - AIR DIFFUSERS | \$- | \$23,400.00 | \$- | \$23,400.00 | \$23,400.00 | | |
| DEBT SERVICE | TOTALS | \$586,198.55 | \$644,600.00 | \$217,667.11 | \$331,300.00 | \$331,300.00 | | |

| | GRAND TOTAL – WATER AND SEWER FUND | | | | | | | | |
|---------------------|------------------------------------|--------------------|-------------------|--------------------------------|-------------------------|------------------------|--|--|--|
| ACCOUNT NO. | ACCOUNT DESCRIPTION | FYE 2017 ACTUAL | FY 2018 BUDGET | YTD TRANS (AS OF 4/30/2018) | DEPT. HEAD REQUESTED | MANAGER RECOMMENDED | | | |
| WATER/SEWER FUND | GRAND TOTAL | \$2,238,518.63 | \$2,508,800.00 | \$1,412,718.42 | \$2,507,000.00 | \$2,590,000.00 | | | |
| WATER/SEWER FUND | GRAND TOTAL | \$2,238,518.63 | \$2,508,800.00 | \$1,412,718.42 | \$2,507,000.00 | \$2,590,000.00 | | | |



Appendix G: Proposed Budget Ordinance

BUDGET ORDINANCE FISCAL YEAR 2018 - 2019

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, 2018 and ending June 30, 2019, in accordance with the chart of accounts heretofore established for this City:

| ACCOUNT | DEPARTMENT OR FUNCTION | APPROPRIATION (\$) |
|-----------------|-------------------------------------|--------------------|
| 10-00-4110-XXXX | (4110) - COUNCIL | 33,000 |
| 10-00-4120-XXXX | (4120) - ADMINISTRATION | 660,100 |
| 10-00-9800-XXXX | (9800) -DEBT SERVICE/CAPITAL OUTLAY | 111,300 |
| 10-20-4250-XXXX | (4250) - FLEET MAINTENANCE | 94,900 |
| 10-10-4310-XXXX | (4310) - POLICE | 1,272,200 |
| 10-10-4340-XXXX | (4340) - FIRE | 1,341,900 |
| 10-10-4345-XXXX | (4345) – FIRE – SAFER GRANT | 102,600 |
| 10-20-4510-XXXX | (4510) - STREET | 500,400 |
| 10-20-4710-XXXX | (4710) - SANITATION | 295,600 |
| 10-30-4900-XXXX | (4900) - ECON & PHYS DEV | 72,400 |
| 10-30-4910-XXXX | (4910) - PLANNING & ZONING | 93,000 |
| 10-40-6110-XXXX | (6110) - LIBRARY | 282,800 |
| 10-40-6120-XXXX | (6120) - RECREATION | 576,900 |
| | TOTAL APPROPRIATIONS | 5,437,100 |



SECTION 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

| ACCOUNT | ACCOUNT DESCRIPTION | AMOUNT (\$) |
|-----------------|---|-------------|
| 10-00-3110-2100 | AD VALOREM TAXES-PRIOR YEARS | 5,000 |
| 10-00-3110-2116 | 2016 AD VALOREM TAXES | 2,000 |
| 10-00-3110-2117 | 2017 AD VALORM TAXES | 5,000 |
| 10-00-3110-2117 | 2018 AD VALORM TAXES – CURRENT YEAR'S TAXES | 2,467,000 |
| 10-00-3110-2800 | PENALTIES & INTEREST | 3,300 |
| 10-00-3230-0100 | LOCAL SALES & USE TAX | 960,000 |
| 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.THOUSING AUTHORITY | 9,000 |
| 10-00-3322-0200 | STATE - BEER & WINE | 20,000 |
| 10-00-3324-0200 | STATE FRANCHISE TAXES | 460,000 |
| 10-00-3330-0200 | FIRE DISTRICT TAX REVENUE | 470,000 |
| 10-00-3831-0801 | INTEREST ON INVESTMENTS | 40,000 |
| 10-00-3834-0800 | BUILDING RENTS | 10,000 |
| 10-00-3837-XXXX | ABC REVENUE | 110,000 |
| 10-00-3839-0800 | MISC. SOURCES | 8,000 |
| 10-00-3920-0900 | Sale of real property/asset | 20,000 |
| 10-00-3990-0900 | APPROPRIATED FUND BALANCE | 10,000 |
| 10-00-3990-0920 | APPROPRIATED POWELL BILL FUND BALANCE | 127,000 |
| 10-10-3431-0301 | UNAUTHORIZED SUBSTANCE TAX | 3,000 |
| 10-10-3431-0400 | ARREST FEES & MILEAGE | 3,500 |
| 10-10-3434-0800 | FIRE PREVENTION – PERMITS | 100 |
| 10-10-3490-0200 | FEMA FIRE GRANT | 38,000 |
| 10-20-3316-0300 | POWELL BILL | 121,000 |
| 10-20-3471-0400 | TIPPING FEES - SANITATION | 282,000 |
| 10-20-3473-0400 | STORMWATER FEES | 35,000 |
| 10-30-3491-0401 | ZONING PERMIT FOR BLDG PE | 2,500 |
| 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 | 197,000 |

TOTAL ESTIMATED REVENUE 5,437,100



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, 2018 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 \$397,553,964 and the budgeted amount is based on an estimated rate of collection of 98.5%.



SECTION 4: The following General Fund Fees are hereby adopted for provision of services by the City for the fiscal year beginning July 1, 2018.

| 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 | |
| Library | Copies | \$0.20 | each 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 ¹ | \$0.10 | each item per day | |
| Library | Late DVD/Blu-Ray Disc Fee | \$1.00 | each item per day | Max: \$5.00 |
| Library | Lost Item or Item Damaged beyond Use ² | RC* | each item | |
| Library | Locking DVD Case Unusable | \$2.00 | each case | |
| Library | Locking DVD Case Missing (With Cover & Barcode) | \$3.00 | each case | |
| Library | AV Case (audiobook, cd) Missing or Damaged ³ | \$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 ³ | RC* | each item | |
| Library | Magazine Damaged | RC* | each item | |
| Library | Miscellaneous Programming Fees | City Mana | ager's Discretion | each program |

¹ All items except for DVDs; Max: \$5.00

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

³ 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 ⁴ | \$25.00 | per month | |
| Parks & Rec | Community Center Membership Fees - Couples - Non-Residents ⁵ | \$35.00 | per month | |
| Parks & Rec | Community Center Membership Fees - Family – Residents ⁶ | \$35.00 | per month | |
| Parks & Rec | Community Center Membership Fees - Family – Non-Residents ⁶ | \$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) ⁷ | | City Manager's Disc | retion |
| 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 |

⁴2 memberships; each member must be resident

⁵ 2 memberships; price if either member is non-resident

⁶⁴ memberships per household

⁷ Usually done twice; in January and May to promote fitness



| Department | Fee Description | Fee Amount | Unit | Add'l Information |
|-------------|--|------------|-------------------|-----------------------------|
| 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 | |
| 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 Fac. Rentals – Randleman Civic Center – Hughes Room - Non-Residents | \$400.00 | per day | |
| Parks & Rec | Commerce Square Fac. Rentals – Randleman Civic Center – Ferguson Room - Residents | \$200.00 | per day | |
| Parks & Rec | Commerce Square Fac. Rentals – Randleman Civ. Cen, – Ferguson Room - Non-Residents | \$300.00 | per day | |
| Parks & Rec | Commerce Square Fac. Rentals – Randleman Civic Center – Each Room – Alcohol Deposit | \$500.00 | per day | If alcohol will be at event |
| Parks & Rec | Commerce Square Fac. 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 | electricity included |
| Parks & Rec | Commerce Square Facility Rentals - Band Stand - Non-Residents | \$175.00 | per day | electricity included |
| Parks & Rec | Commerce Square Facility Rentals - Farmer's Market - Applies to All ⁸ | \$0.00 | 1 space/day | |
| Parks & Rec | Commerce Square Facility Rentals – All Buildings - Non-Profit Organizations | ½ of | listed resident p | rice 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 | | \$30.00 | per person | |

⁸ Vendors must register to sell products prior to setting up



| Department | Fee Description | Fee Amount | Unit | Add'l Information |
|-----------------|--|---------------------------|-----------------|-------------------|
| 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 | |
| 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 | 1 |
| Planning/Zoning | Variance/Specialty Use Permit Fee | \$175.00 | per permit | |
| Police | Fingerprinting Fee | \$10.00 | per service | |
| Public Works | Sanitation Fee | \$14.00 | per can per mo | onth |
| Public Works | Extra Garbage Can | \$75.00 | per can | |
| Stormwater | Residential Stormwater Fee | \$2.00 | per bill | |
| Stormwater | Business Stormwater Fee | \$10.00 | per bill | |

^{*}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, 2018 and ending June 30, 2019, in accordance with the chart of accounts heretofore established for this City:

| ACCOUNT | DEPARTMENT OR FUNCTION | APPROPRIATION (\$) |
|-----------------|--------------------------------------|--------------------|
| 60-60-7110-XXXX | (7110) - WATER | 904,200 |
| 60-60-7120-XXXX | (7120) - MAINTENANCE W & WW | 431,900 |
| 60-60-7130-XXXX | (7130) - WASTEWATER | 922,600 |
| 60-60-9800-XXXX | (9800) - CAPITAL OUTLAY/DEBT SERVICE | 331,300 |
| | TOTAL APPROPRIATIONS | 2,590,000 |

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, 2018 and ending June 30, 2019:

| DESCRIPTION | AMOUNT (\$) |
|--------------------------|-------------|
| WATER CHARGES | 1,235,000 |
| WATERLINE CONNECTIONS | 12,000 |
| WASTEWATER CHARGES | 1,275,000 |
| WASTEWATER CONNECTIONS | 10,000 |
| INTEREST ON INVESTMENT | 1,000 |
| MISC SOURCES | 1,000 |
| LATE FEES | 45,000 |
| RETURNED CHECK CHARGE | 1,000 |
| CREDIT CARD FEES | 10,000 |
| TOTAL ESTIMATED REVENUES | 2.590.000 |



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, 2018:

| Dept. | Fee Description | Fee Amount | Unit | Add'l Information |
|-------|--|---|---|-----------------------|
| Water | Utility Charges - Water - Residential - Base Fee - Inside City Limits ¹ | \$19.74 | 0 - 3,000 gals | Billed every 2 months |
| Water | Utility Charges - Water - Residential - Consumption Fee - Inside City Limits ¹ | \$7.22 | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Water | Utility Charges - Water - Residential - Base Fee - Outside City Limits ¹ | \$39.48 | 0 - 3,000 gals | Billed every 2 months |
| Water | Utility Charges - Water - Residential - Consumption Fee - Outside City Limits ¹ | \$14.44 | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Water | Utility Charges - Water - Commercial - Base Fee - Inside City Limits ² | \$19.74 | 0 - 3,000 gals | Billed every month |
| Water | Utility Charges - Water - Commercial - Consumption Fee - Inside City Limits ² | \$7.22 | per 1,000 gals over first 3,000 gals | Billed every month |
| Water | Utility Charges - Water - Commercial - Base Fee - Outside City Limits ² | \$39.48 | 0 - 3,000 gals | Billed every month |
| Water | Utility Charges - Water - Commercial - Consumption Fee - Outside City Limits ² | \$14.44 | per 1,000 gals over first 3,000 gals | Billed every month |
| Water | Utility Charges - Water - Industrial Rate (6,000,000+ 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 ³ | Cost + \$25.00 | per meter | |
| Water | Late Fee - (All locations) - after 5 pm on due date ⁴ | \$5.00 | per account | |
| Water | Second Late Fee - (All locations) - after 5 pm on cut-off date ⁵ | \$30.00 | per account | |
| Water | Returned Check/Draft Fee | \$25.00 | per occurrence | |
| Water | Services not listed | City Manager's Discretion: minimum: at Cost | | |

¹ Billed every 2 months per Utility Billing Schedule.

² Billed every month per Utility Billing Schedule.

³ In addition to Meter Tampering Fee, added to customer's bills

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

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



| Misc. | Utility Service Deposit - Rental Property - Inside City Limits | \$100.00 | per account | Due before account is opened |
|------------|--|-------------|---|--|
| Misc. | Utility Service Deposit - Rental Property - Outside City Limits | \$150.00 | 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 |
| Wastewater | Utility Charges - Sewer - Residential - Base Fee - Inside City Limits ⁶ | \$19.74 | 0 - 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer – Residential - Consumption Fee - Inside City Limits ⁶ | \$7.22 | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer - Residential - Base Fee - Outside City Limits ⁶ | \$39.48 | 0 - 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer - Residential - Consumption Fee - Outside City Limits ⁶ | \$14.44 | per 1,000 gals over first 3,000 gals | Billed every 2 months |
| Wastewater | Utility Charges - Sewer - Commercial - Base Fee - Inside City Limits ⁷ | \$19.74 | 0 - 3,000 gals | Billed every month |
| Wastewater | Utility Charges - Sewer - Commercial - Consumption Fee - Inside City Limits ⁷ | \$7.22 | per 1,000 gals over first 3,000 gals | Billed every month |
| Wastewater | Utility Charges - Sewer - Commercial - Base Fee - Outside City Limits ⁷ | \$39.48 | 0 - 3,000 gals | Billed every month |
| Wastewater | Utility Charges - Sewer - Commercial - Consumption Fee - Outside City Limits ⁷ | \$14.44 | per 1,000 gals over first 3,000 gals | Billed every month |
| Wastewater | Utility Charges - Sewer - Industrial Rate (6,000,000+ 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 Discre | etion: minimum: at Cost |

⁶ Billed every 2 months per Utility Billing Schedule.

⁷ 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 \$2,000 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

¢Q 027 100

TOTAL CDOSS BLIDGET

| TOTAL GROSS BODGET | | \$ 0 ,027,100 |
|---------------------------------|----------------|-----------------------------|
| Adopted this, the day of | <u>,</u> 2018. | |
| ATTEST: | | Clarence R. Jernigan, Mayor |
| Melody R. Hancock, CMC, NC-CMC, | City Clerk | |



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Appendix H: Pay and Classification Schedule

City of Randleman's Pay and Classification Schedule



| Pay Grade | Minimum | Midpoint | Maximum | Annual Dev. Increase ¹ |
|-----------|-------------|-------------|--------------|-----------------------------------|
| 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 |

¹Annual 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 I: Personnel Summary for the City of Randleman

| Job Class | Pay Grade | Approved FTE FY 16-17 | Approved FTE FY 17-18 | Recomm. FTE FY 18-19 |
|--|--------------|--------------------------|--------------------------|-------------------------|
| Accounting Tech./Administrative Assistant | | 0 | 1 | 1 |
| Assistant Fire Chief/Fire Marshal | 27 | 1 | 1 | 1 |
| Chief of Police | 30 | 1 | 1 | 1 |
| City Clerk | 24 | 1 | 1 | 1 |
| City Manager | N/A | 1 | 1 | 1 |
| City Planner | 24 | 1 | 1 | 1 |
| Detective (Lieutenant) | 24 | 1 | 1 | 1 |
| Finance Director | 31 | 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 | 9 | 11 | 11 |
| Firefighter - PT ¹ | 19 | 2.54 | 2.48 | 2.48 |
| Library Assistant | 11 | 0.38 | 0.38 | 0 |
| Library Associate I | 12 | 1.15 | 1.15 | 1.88 |
| Library Associate II | 14 | 2 | 2 | 2 |
| Library Director | 25 | 1 | 1 | 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 | 0 | 1 |
| Police Sergeant | 22 | 4 | 4 | 4 |
| Project Mgr./Special Projects | 24 | 1 | 0 | 0 |
| Public Works Director | 28 | 1 | 1 | 1 |
| Public Works Sup. Dist. & Coll. | 23 | 1 | 1 | 1 |
| Public Works Technician I | 12 | 1.35 | 1 | 1 |
| Public Works Technician II | 16 | 4 | 4 | 4 |
| Recreation Center Attendant - PT1 | 10 | 1.83 | 1.83 | 1.83 |
| Recreation Center Supervisor - PT ¹ | 21 | 1.07 | 1.07 | 1.07 |
| Sanitation Supervisor | 20 | 1 | 1 | 1 |
| Utility Billing & Collection Specialist/Admin. Asst. | 20 | 0 | 0 | 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 | 1 | 1 | 0 |
| TOTAL FTE's | | 65.32 | 66.91 | 68.26 |



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Appendix J: Financial Policy for the City of Randleman



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. <u>Budgeting Policies and Practices</u>

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 it 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:

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



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

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 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 Caroline 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 Setoff 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. <u>Investments</u>

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 flows 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.
- 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 K: 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.
- <u>Amortization</u> the process of paying off a debt (often from a loan or mortgage) over time through regular payments.
- <u>Amortization Schedule</u> a table detailing each periodic payment on an amortizing loan.
- <u>Appropriated Fund Balance</u> revenue appropriated from existing fund balance to help expenditures in a given year.
- <u>Appropriation</u> an authorization by the governing board to make expenditures and incur obligations for specific purposes.
- <u>Assessed Valuation</u> the total value established for real property and used as the basis for levying property taxes.
- <u>Balanced Budget</u> 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.
- <u>Budget</u> 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.



- <u>Budget Calendar</u> 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.
- <u>Budget Message</u> 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.
- <u>Budget Ordinance</u> the legal document approved by the governing board that establishes the spending authority for the City.
- <u>Capital Asset</u> tangible items that have a significant value of \$3,000 or greater and a useful life of one year or more.
- <u>Capital Improvement Plan (CIP)</u> 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.
- <u>Capital Outlay</u> budgeted expenditures of \$3,000 for tangible items with a useful life of at least one year.
- <u>Capital Project</u> 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.
- <u>Capital Project Fund</u> 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.
- <u>Debt Service</u> monies required for payment of principal and interest and other associated expenses on outstanding debt.
- <u>Department</u> 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 of 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.
- <u>Fiscal Year (FY)</u> 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.
- <u>Fixed Asset</u> 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.
- <u>Fund</u> an independent accounting entity with a self-balancing set of accounts.
- <u>Fund Balance</u> 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.
- <u>Influent -</u> Untreated wastewater when it flows into the treatment plant.
- <u>Installment Agreement Financing</u> 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.
- <u>Inter-fund Transfer</u> transfers of money between accounting funds as authorized by the Governing Board.
- <u>Intergovernmental Revenue</u> revenue received by the City from federal, state, and/or county agencies.
- <u>LGBFCA (Local Government Budget and Fiscal Control Act)</u> North Carolina General Statute 159, Article 3; controls how local governments budget and spend money.
- <u>Line Item</u> 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



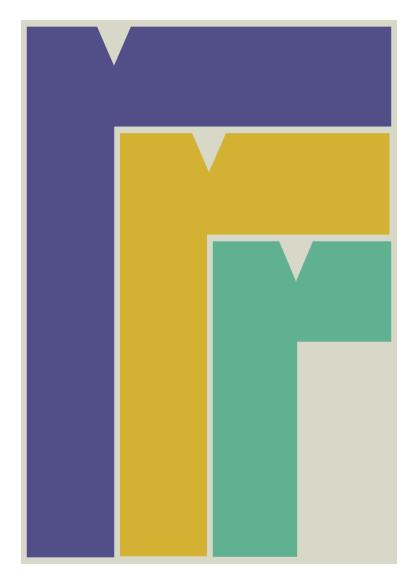
liability is incurred. Most government accounting follows this method. It is also referred to as modified cash basis accounting.

- 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.
- <u>PTRWA (Piedmont Triad Regional Water Authority)</u> the major water supplier to the City of Randleman.
- <u>Property Tax</u> 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.

- <u>Proprietary Fund</u> funds that are used to account for a government's ongoing activities which are found in private businesses or the private sector.
 These funds have their own set of revenue and expense accounts.
- <u>Revaluation</u> 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.
- **<u>Revenue</u>** income received by the City from various sources used to finance its operations.
- <u>Revenue Neutral Property Tax Rate</u> 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.
- <u>SRF (State Revolving Fund)</u> 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.
- <u>Tax Base</u> the total assessed valuation of real property within the city limits.
- <u>Tax Levy</u> the total amount of revenue to be raised from the property tax levied by the governing board in the annual budget ordinance.
- <u>Tax Rate</u> the amount of tax per \$100 of assessed valuation levied by the governing board.
- <u>User Charges</u> the payment of a fee for receipt of a service provided by the City.
- <u>Valuation</u> the tax value of real property as determined by the county tax assessors.



CITY OF RANDLEMAN FISCAL YEAR 2019 PROPOSED BUDGET