



FY 2016-2017
City Council Meeting
Public Hearing
June 2, 2016

Budget Challenges 1

- **Balancing** with no property tax increase while maintaining the same level of service for the citizens
- Fund the City's share of **public transportation – Link Transit**
- Fund an expansion of **police services**
- Fund the completion of the Unified Development Ordinance (**UDO**)



Budget Challenges 2

- **New Positions:**
 - **Director of Economic Development**
(approved by Council 1/5/16)
 - **5 police positions**
 - 2 sworn officers to manage training
 - 2 communication specialists for dispatch center
 - 1 investigator for the ANET team (funded in substance abuse fund)

General Fund

- Police
- Fire
- Recreation and Parks
- General Administration
- Legal
- Public Works/
Technical Services /
Inspections
- Information Technology
- HR/Health Services
- Finance
- Engineering
- Planning/GIS
- Debt Service



Emphasis in General Fund 1

■ Major Infrastructure & Capital

○ Fire ladder truck (capital reserves)	\$1,400,000
○ Side loader garbage truck	\$ 275,000
○ Rear loader garbage truck	\$ 190,000
○ Dump truck	\$ 88,000
○ Rubber tire back hoe	\$ 107,000
○ Police fleet replacement - 12	\$ 467,750
○ Street paving	\$ 900,000
○ Computer hardware	\$ 252,000
○ Replace roof at Paramount & Maynard Aquatic Center	\$ 84,000
○ Playground upgrades	\$ 40,000

Emphasis in General Fund 2

- Economic development/ quality of life:
 - Alamance Chamber - \$50,000
 - Burlington-Alamance Airport Authority- \$232,500
 - Burlington Downtown Corporation:
 - Propose Council maintain \$75,000, opportunity for a second \$75,000 for small grants program
 - Propose Council maintain the \$0.16 property tax rate for the special tax district downtown (a budget amendment could handle any differences based on the winning bid for services - required by State Statute)

General Fund Budget

Highlights

- Proposed Budget of \$52,347,858, or 2.92% increase over FY 15-16 Budget
- Continue with prior year tax rate of \$.58 per \$100 valuation proposed
- Continuing Sworn Police retention pay (program approved Jan. 2009)
- Enhanced police services
- Economic dev. program start up
- Funding increase for health insurance
- Merit salary adjustment
- Link Transit initiative

General Fund Budget 2016-2017

CITY OF BURLINGTON
2016-2017 ANNUAL BUDGET
GENERAL FUND - REVENUES

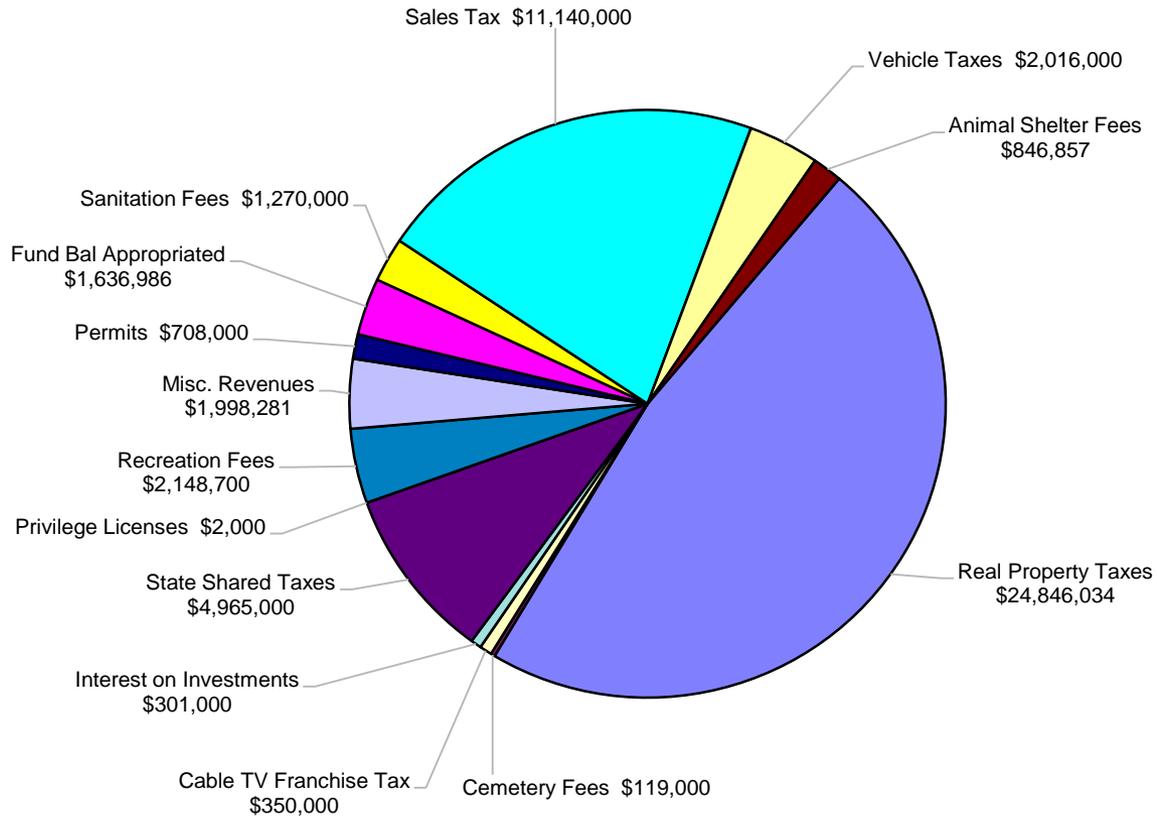
CITY OF BURLINGTON
2016-2017 ANNUAL BUDGET
GENERAL FUND - EXPENDITURES

<u>SOURCE</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Real Property Taxes	\$ 24,846,034	47.5%
Vehicle Taxes	2,016,000	3.9%
State Shared Taxes	4,965,000	9.5%
Cable TV Franchise Tax	350,000	0.7%
Sales Tax	11,140,000	21.3%
Interest on Investments	301,000	0.6%
Privilege Licenses	2,000	0.0%
Permits	708,000	1.4%
Sanitation Fees	1,270,000	2.4%
Animal Shelter Fees	846,857	1.6%
Recreation Fees	2,148,700	4.1%
Miscellaneous Revenues	1,998,281	3.8%
Cemetery Fees	119,000	0.2%
Fund Balance Appropriated	1,636,986	3.1%
TOTALS	\$ 52,347,858	100.0%

<u>DEPARTMENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Administration	\$ 753,939	1.4%
Animal Services	1,293,005	2.5%
Finance & Risk Management	1,427,458	2.7%
Information Technology	1,081,857	2.1%
Legal	617,288	1.2%
Human Resources	655,827	1.3%
Planning/Gis	1,607,521	3.1%
Traffic/Insp./Street lights	2,486,844	4.8%
Engineering	667,031	1.3%
General Admin/Building	2,004,859	3.8%
Police	14,968,767	28.6%
Fire	7,597,684	14.5%
Public Works	8,098,989	15.5%
Recreation	6,446,063	12.3%
Debt Service	2,640,726	5.0%
Total General Fund	\$ 52,347,858	100.0%

General Fund Revenues

GENERAL FUND REVENUES 2016-2017 ANNUAL BUDGET

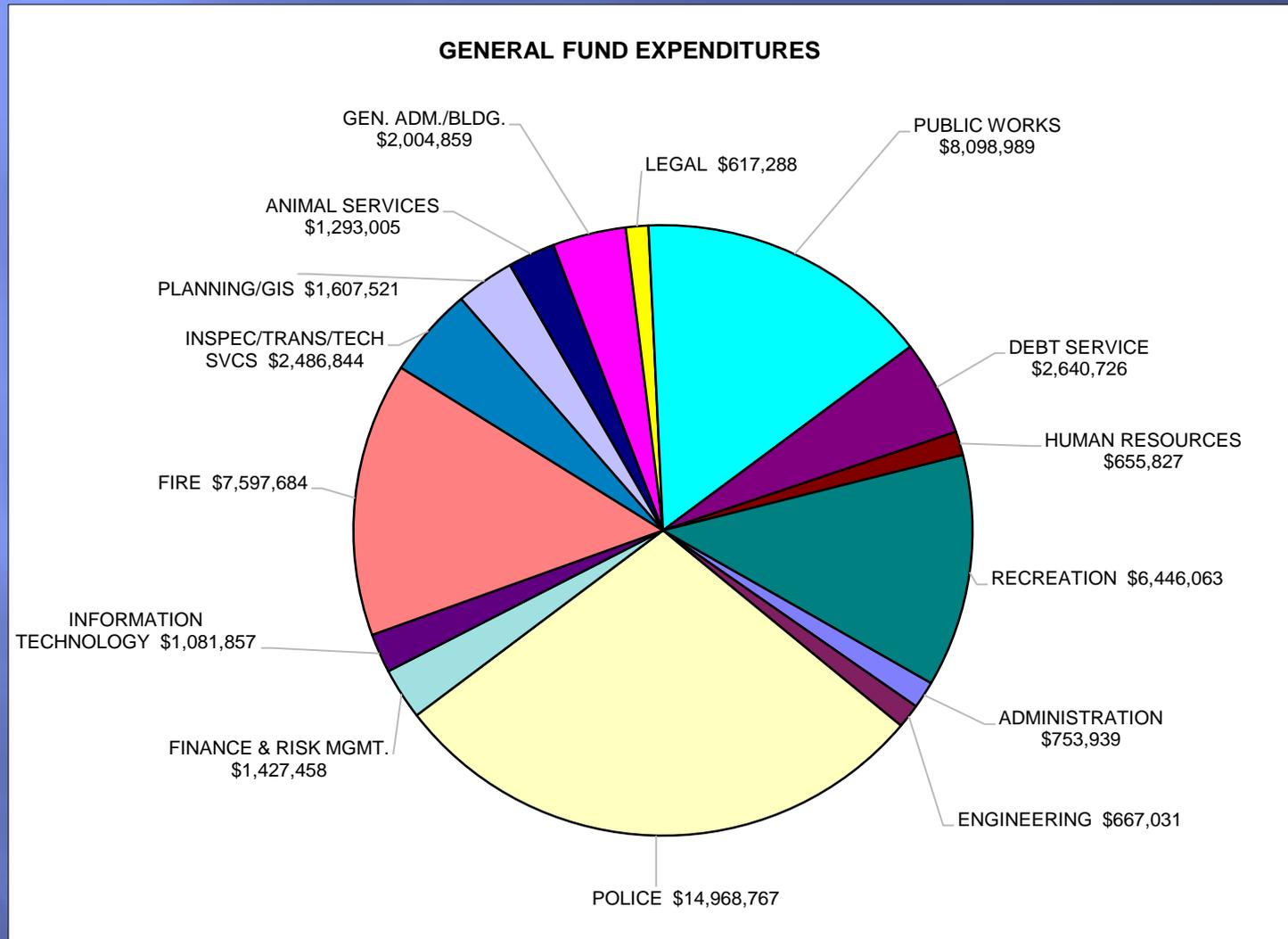


General Fund Revenue Sources

Explanation of Sources of Revenue

47.5% Real Property Taxes	Property tax on real estate - individual & commercial
3.9% Personal/Vehicle Taxes	Property tax on vehicles and personal property such as mobile homes, boats, unlicensed vehicles, etc.
9.5% State Shared Taxes	This includes: (1) Powell Bill monies which are used for street repair, (2) franchise & excise taxes from power bills, telephone bills, etc., and (3) taxes on the sale of beer
0.7% Cable TV Franchise Tax	Taxes on cable TV
21.3% Sales Tax	Sales tax on items purchased in Alamance County distributed based on population
0.6% Interest on Investments	Interest from available cash invested in investments like CDs, commercial paper, etc.
0.0% Privilege Licenses	A license is issued to every business who operates within the city limits of Burlington.
1.4% Permits	Electrical, mechanical, plumbing, code enforcement fees, etc.
2.4% Sanitation Fees	Fees charged for pick up of limbs, old appliances, recycling, etc.
1.6% Animal Shelter Fees	Per capita fees from other municipalities and Alamance County.
4.1% Recreation Fees	Fees charged to participants of baseball, basketball, soccer, etc. and rental of facilities
3.8% Miscellaneous Revenues	One time revenues, donations, and revenues that don't fit in other major categories. Some examples would include larger revenues such as Reimbursement of Costs - Traffic Signal System - \$460,000, Monopole Rentals - \$240,000, Alamance County Fuel Purchases - \$525,000, and some much smaller revenues such as Taxi Permits - \$400, Civil Penalty Violations - \$15,000, and Parking Violations - \$25,000.
0.2% Cemetery Fees	Cemetery lots, grave permits and columbarium sales at Pinehill Cemetery
3.1% Fund Balance Appropriated	Money that has been saved over prior years for a "rainy day fund"
<u>100.0%</u>	

General Fund Expenditures



Water Resources Fund

- Water & Sewer Repair and Construction
- Water & Sewer Plants and Facilities
- Laboratories
- Composting
- Customer Service/Billing
- Debt Service



Water Resources Fund Budget

- Proposed Budget of - **\$29,172,559**, a **2.83% increase**
- Proposed Budget includes a **3% increase in water and sewer rates** to offset increased demand from capital needs.
- **Average Residential Customer Increase of \$1.25/month** using 5,000 gallons of water & sewer service monthly
- Proposed Budget contains funding for employee health insurance

Water Resources Fund

Expenditures:

- Funding for infrastructure maintenance, primarily for 3rd phase of Haw River Interceptor (\$2.0 million)
- Funding to switch Mackintosh plant from chlorine gas to bleach (liquid chlorine)
- Capital requests funded at 100%
- Provision for engineering design for work to repair Ed Thomas Water Plant (structural repairs & roof)
- Health insurance increase
- Provision for merit salary adjustment

Emphasis in Water Resources Fund

- Commitment to maintain and improve our infrastructure to provide safe and clean drinking water, to effectively treat waste water, to promote economic development, and to improve quality of life for our residents
- Major infrastructure improvements
 - Phase 2-B of Haw River Interceptor (\$2 m)
 - Replace Zimpro Ash Press (\$300,000)
 - Inflow & infiltration reduction (\$325,000)
 - 2" water line replacements (\$200,000)
 - 6" sewer line replacements (\$100,000)
 - Replace jet truck (\$210,000)
 - Replace Sanitary Sewer CCTV System (\$190,000)
 - Replace dump truck (\$ 90,000)

Water Resources Fund Budget FY 16-17

2016-2017 ANNUAL BUDGET WATER RESOURCES FUND - REVENUES

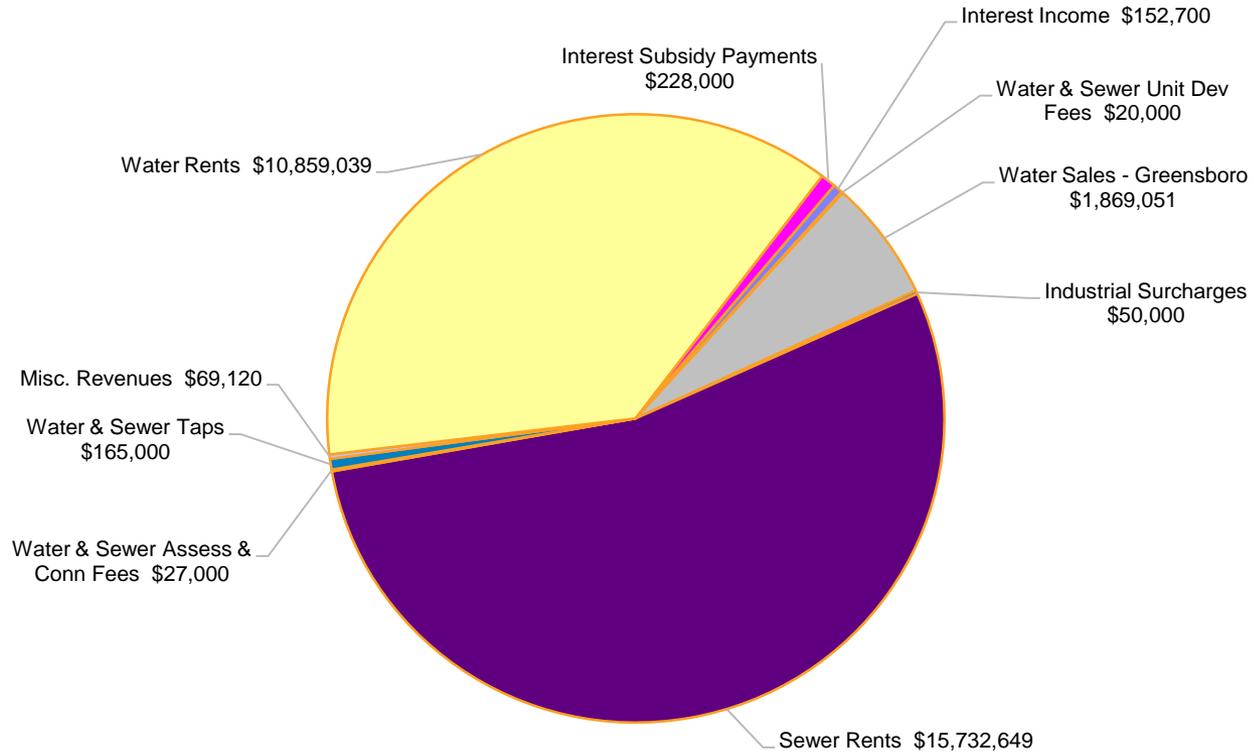
<u>SOURCE</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Water Rents	\$ 10,859,039	37.2%
Sewer Rents	15,732,649	53.9%
Water Sales - Greensboro	1,869,051	6.4%
Water & Sewer Taps	165,000	0.6%
Industrial Surcharges	50,000	0.2%
Miscellaneous Revenues	69,120	0.2%
Water & Sewer Unit Dev Fees	20,000	0.1%
Interest Income	152,700	0.5%
Water & Sewer Assess & Conn Fees	27,000	0.1%
Interest Subsidy Payments	228,000	0.8%
Fund Balance Appropriated	-	0.0%
Total Water Resources Fund	\$ 29,172,559	100.0%

CITY OF BURLINGTON 2016-2017 ANNUAL BUDGET WATER RESOURCES FUND - EXPENDITURES

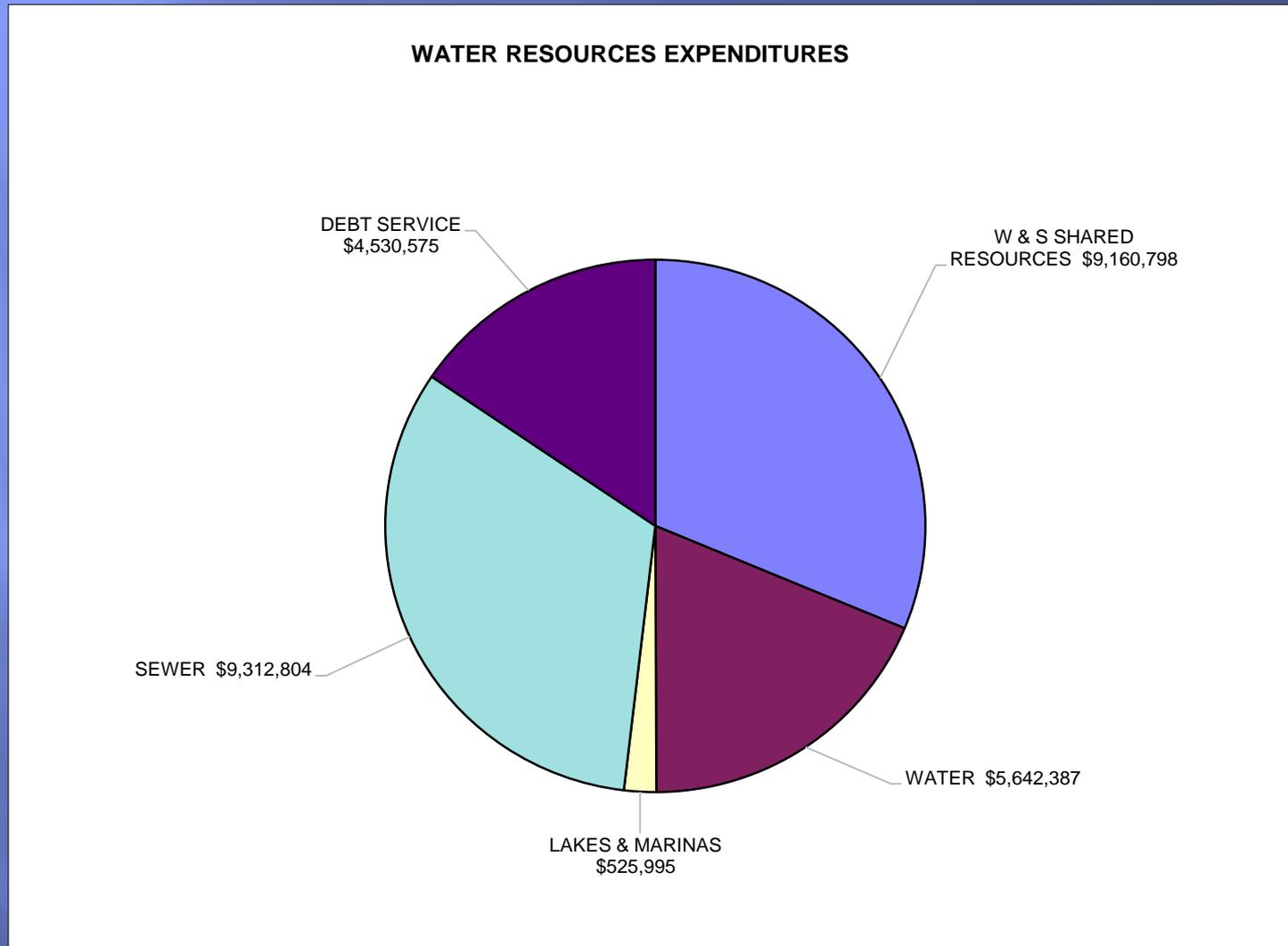
<u>DEPARTMENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
W & S Bldg-Admin Services	\$ 4,945,136	17.0%
Customer Services - W & S	1,714,113	5.9%
Supr. Water & Sewer Lines	564,977	1.9%
Water Line Maint.-Repair	915,967	3.1%
Sewer Line Maint.-Repair	1,096,476	3.8%
Water Line Serv. & Const.	548,328	1.9%
Sewer Line Serv. & Const.	2,736,849	9.4%
W&S Plants/Facilities	659,075	2.3%
Water Sources Protection	210,900	0.7%
Ed Thomas Water Plant	1,768,411	6.1%
Mackintosh Water Plant	2,198,781	7.5%
S. Burlington Waste Treat	2,245,427	7.7%
E. Burlington Waste Treat	2,881,123	9.9%
Laboratories - W & S	548,871	1.9%
Composting	352,929	1.2%
Plants Maintenance - W & S	728,626	2.5%
Lakes And Marinas	525,995	1.8%
Debt Service	4,530,575	15.5%
Total Water Resources Fund	\$ 29,172,559	100.0%

Water Resources Fund Revenues

**WATER RESOURCES FUND REVENUES
2016-2017 ANNUAL BUDGET**



Water Resources Fund Expenditures



Water/Sewer Rates

Typical Utility Service Bill

For Average Customer

(Based on **5,000 gallons** per month)

	<u>Current</u>	<u>Proposed 16-17</u>
Water	\$ 18.95	\$ 19.50
Sewer	23.70	24.40
Stormwater	5.00	5.00
Solid waste/Recycle	<u>6.00</u>	<u>6.00</u>
TOTAL MONTHLY BILL	\$ 53.65	\$ 54.90
COST PER DAY	\$ 1.79	\$ 1.83

Water/Sewer Rates

Typical Utility Service Bill
For Average Customer
(Based on 2,500 gallons per month)

	<u>Current</u>	<u>Proposed 16-17</u>
Water	\$ 9.48	\$ 9.75
Sewer	11.85	12.21
Stormwater	5.00	5.00
Solid waste/Recycle	<u>6.00</u>	<u>6.00</u>
TOTAL MONTHLY BILL	\$ 32.33	\$ 32.97
COST PER DAY	\$ 1.08	\$ 1.10

Transportation Fund

- Project start date – **June 6, 2016**
- Funding of \$308,939 for first full year of operations from the General Fund
- One time capital expense of \$975,000 (sidewalks & shelters)
- Proposed Budget of \$2,486,695
- Federal funding: 80% for capital items, 50% for operations

Stormwater Fund

- No change in rates
- Rate \$5.00 per month per 17,500 customers
- Proposed Budget of \$804,087



Stormwater Fund Highlights

- Continuing to develop, implement, enforce program to **reduce the discharge of pollutants**
- Continuing to map the City's storm drainage system to aid the IDDE program (**illicit discharge, detection and elimination**)
- **Public education** and outreach program

2016-2017 Other Funds

Controlled Substance Abuse	\$ 46,898.00	\$ 46,898.00
RICO	\$ 65,767.00	\$ 65,767.00
MPO - Transportation	\$ 385,095.00	\$ 385,095.00
Guilford Mackintosh	\$ 178,000.00	\$ 178,000.00
Municipal Service District (BDC)	\$ 195,100.00	\$ 195,100.00
Drainage Improvements	\$ 25,000.00	\$ 25,000.00
Rehab Loan	\$ 166,950.00	\$ 166,950.00
Rental Rehab Loan Program	\$ 28,198.00	\$ 28,198.00
Community Development Block Grant	\$ 402,011.00	\$ 402,011.00



Thanks to the budget team (Peggy Reece & Nolan Kirkman), finance staff, and all the City's department heads for their role in the development of the FY 16-17 Proposed Budget.

Thanks to our elected officials for your support and guidance.

