



Forest City

Small Town. Deep Roots.

**ANNUAL BUDGET
FISCAL YEAR 2018-2019**

TOWN OF FOREST CITY, NC

ANNUAL BUDGET

FISCAL YEAR 2018-2019

City Council

Steve Holland, Mayor

Commissioners

David Eaker

Dee Dee Bright

Justin Conner

Chris Lee

Shawn Moore

City Manager

John Condrey

Finance Director

Roxanne Stiles

City Clerk

Emily Sain

TOWN OF FOREST CITY
NORTH CAROLINA
2018-2019 Budget Ordinance

SECTION 1: The following amounts are hereby appropriated for the operation of town government and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

GENERAL FUND EXPENDITURES

GOVERNING BODY	\$ 63,793
ADMINISTRATION	\$ 3,347,065
FINANCE	\$ 304,908
LEGAL	\$ 48,263
WAREHOUSE AND GARAGE	\$ 81,205
PUBLIC WORKS BUILDING	\$ 130,411
POLICE	\$ 3,103,803
FIRE	\$ 1,473,530
CODE ENFORCEMENT, PLANNING, DOWNTOWN AND COMMUNITY DEV	\$ 939,242
POWELL BILL	\$ 230,674
STREETS	\$ 1,285,086
CEMETERY	\$ 27,500
SANITATION	\$ 1,249,817
DEBT SERVICE	\$ 40,947
TOTAL GENERAL FUND	\$ 12,326,244

<u>FLORENCE MILL</u>	\$ 25,000
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PARKS AND RECREATION EXPENDITURES

LIBRARY	\$ 165,240
CALLISON RECREATION CENTER	\$ 330,871
COOL SPRINGS GYM	\$ 53,037
PARKS AND PLAYGROUNDS	\$ 1,170,608
McNAIR MUNICIPAL PARK	\$ 92,703
PARK AT THE MILL	\$ 81,387
POOL	\$ 97,182
ATHLETIC PROGRAM	\$ 107,600
GOLF COURSE	\$ 540,840
FOREST CITY CLUB HOUSE	\$ 69,054
DEBT SERVICE	\$ 195,092
TOTAL PARKS AND RECREATION	\$ 2,903,614

WATER AND SEWER EXPENDITURES

ADMINISTRATION AND BILLING	\$ 631,149
WATER OPERATION AND CONSTRUCTION	\$ 1,178,291
WATER PLANT	\$ 1,013,520
SEWER OPERATION AND CONSTRUCTION	\$ 382,334
WASTEWATER TREATMENT PLANT	\$ 872,740
WASTEWATER TREATMENT - RIVERSTONE	\$ 153,382
WATER / SEWER PUMP MAINTENANCE	\$ 850,684
WATER METER SERVICE	\$ 105,988
DEBT SERVICE	\$ 109,435

TRANSFERS TO OTHER FUNDS	\$ 258,376
TOTAL WATER AND SEWER EXPENDITURES	\$ 5,555,899

ELECTRIC FUND EXPENDITURES

ADMINISTRATION AND BILLING	\$ 730,326
OPERATIONS AND CONSTRUCTION	\$ 9,741,607
ELECTRIC METER SERVICE	\$ 174,802
DEBT SERVICE	\$ 34,949
TRANSFERS TO OTHER FUNDS	\$ 2,387,240
TOTAL ELECTRIC FUND EXPENDITURES	\$ 13,068,924

SUBTOTAL OF ALL FUNDS	\$ 33,879,681
LESS INTERFUND TRANSFERS	\$ (2,645,616)
TOTAL BUDGET FUNDS	\$ 31,234,065

SECTION 2: It is estimated that the following revenues will be available during the fiscal year beginning on July 1, 2018 and ending June 30, 2019 to meet the above appropriations.

GENERAL FUND REVENUES

TAX INTEREST AND COST	\$ 13,000
AD VALOREM TAXES PRIOR YEARS	\$ 30,000
AUTO TAXES PRIOR YEARS-COLLECTIONS FROM COUNTY	\$ -
AD VALOREM TAXES F/Y 2018-2019	\$ 4,221,277
AUTO TAXES-COLLECTIONS FROM STATE	\$ 110,200
VEHICLE RENT TAXES F/Y 2018-2019	\$ 20,000
DOWNTOWN ACTIVITIES	\$ 14,000
LOCAL SALES TAX	\$ 1,199,500
UTILITY FRANCHISE TAX	\$ 867,000
ABC PROFIT REVENUE	\$ 219,050
BUILDING PERMITS	\$ 125,000
CODE ENFORCEMENT REVENUE	\$ 34,000
SOLID WASTE DISPOSAL TAX DISTRIBUTION	\$ 5,500
COURT FEES AND CHARGES	\$ 3,000
FIRE PROTECTION CHARGES	\$ 5,000
STATE FIRE FUND REVENUE	\$ 6,000
FIRE DISTRICT TAX	\$ 8,121
TDA GRANTS	\$ 66,000
POWELL BILL STREET ALLOCATION	\$ 240,000
BOSTIC GENERAL WORK	\$ 1,000
MULCH SALES	\$ 1,000
SANITATION	\$ 1,223,900
INTEREST EARNED ON GENERAL FUND	\$ 18,000
INTEREST EARNED ON POWELL BILL	\$ 700
BEER/WINE EXCISE TAX	\$ 33,000

HOLD HARMLESS REVENUES FROM STATE-SALES TAX	\$ 344,000
CONTROLLED SUBSTANCE TAX DISTRIBUTION	\$ 7,000
RETURNED CHECK FEE	\$ 3,200
PAYMENT IN LIEU OF TAX LOCAL	\$ 13,000
FCHA-SALARY SUPPORT	\$ 10,000
POLICE SECURITY SUPP-FCHA	\$ 10,000
POLICE SECURITY SUPP-FC OWLS	\$ 10,000
POLICE SECURITY SUPP-FC CLUBHOUSE	\$ 2,000
POLICE TAKE HOME CAR REVENUE	\$ 2,625
RENTS-BANK BUILDING	\$ 36,000
ON BEHALF FIRE PENSIONS	\$ 3,500
STREET PAVING AND DEVELOPERS COST	\$ 3,500
SALE OF CEMETERY LOTS	\$ 9,000
SALE OF FIXED ASSETS	\$ -
MISCELLANEOUS REVENUES	\$ 20,770
TRANSFER FROM ELECTRIC FUND	\$ 1,269,198
FUND BALANCE APPROPRIATED	\$ 2,118,203
TOTAL GENERAL FUND REVENUES	\$ 12,326,244

FLORENCE MILL FUND REVENUES

TRANSFER FROM ELECTRIC FUND	\$ -
FUND BALANCE APPROPRIATED	\$ 25,000
TOTAL FLORENCE MILL FUND REVENUES	\$ 25,000

PARKS AND RECREATION FUND REVENUE

PENALTY - LATE BOOK RETURN	\$ 1,400
CONCESSIONS AT CALLISON CENTER	\$ 1,300
ORGANIZED PROGRAM RECEIPTS	\$ 20,000
McNAIR FIELD LEASE	\$ 22,000
McNAIR FIELD RENTAL	\$ 12,000
McNAIR FIELD RESERVED PARKING	\$ -
RENTS - CALLISON CENTER	\$ 2,000
RENTS - TOWN PARK	\$ 9,000
POOL ADMISSION	\$ 15,000
SEASON TICKETS	\$ 8,500
SWIMMING LESSONS	\$ 3,500
POOL PARTY LIFEGUARD SECURITY	\$ 4,500
GOLF COURSE GREEN FEES	\$ 35,000
GOLF COURSE MEMBERSHIP FEES	\$ 50,000
RENTS - GOLF CARTS	\$ 100,000
CONCESSIONS - GOLF COURSE	\$ 5,000
CONCESSIONS - TOWN PARK	\$ 2,500
RENTS - FOREST CITY CLUB HOUSE	\$ 20,000
MISCELLANEOUS	\$ 4,000
INTEREST EARNED - RECREATION FUND	\$ 6,000
PARTF GRANT THERMAL BELT RAIL TRAIL	\$ 350,000
FIXED ASSETS SOLD	\$ -
TRANSFER FROM WATER / SEWER	\$ 258,376
TRANSFER FROM ELECTRIC FUND	\$ 1,118,042

FUND BALANCE APPROPRIATED	\$ 855,496
TOTAL PARKS AND RECREATION FUND REVENUES	\$ 2,903,614

WATER AND SEWER FUND REVENUES

TAPS AND CONNECTION FEES	\$ 38,000
CHARGES FOR UTILITIES / WATER	\$ 3,560,000
CHARGES FOR UTILITIES / SEWER	\$ 1,600,000
ELLENBORO SEWER CHARGES	\$ 80,000
INTEREST EARNED WATER / SEWER FUND	\$ 24,000
CUSTOMER SERVICE / MISCELLANEOUS	\$ 4,000
SERVICE INCOME - BOSTIC, CONCORD, ELLENBORO	\$ 40,000
SEPTAGE USER FEES	\$ 3,500
HORSEHEAD ID LOAN REPAYMENT	\$ 142,858
WATER TANK-ANTENNA RENTS	\$ 23,541
NACCHO/CDC FLUORIDE GRANT	\$ 40,000
FUND BALANCE APPROPRIATED	\$ -
TOTAL WATER AND SEWER FUND REVENUES	\$ 5,555,899

ELECTRIC FUND REVENUES

ELECTRIC UTILITY CHARGES	\$ 12,000,000
SALES TAX COLLECTED	\$ -
RENEWABLE ENERGY RIDER	\$ 75,000
TAPS AND CONNECTIONS FEES	\$ 2,000
PENALTY FOR LATE PAYMENT	\$ 155,000
TRANSFER FEES	\$ 5,000
DELINQUENT ADMIN FEE	\$ 105,000
INTEREST EARNED ELECTRIC FUND	\$ 25,000
POLE RENTAL	\$ 11,208
SERVICE INCOME - BOSTIC	\$ 20,000
OAK ST DOT PROJECT REIMBURSEMENT	\$ 118,000
FUND BALANCE APPROPRIATED	\$ 552,716
TOTAL ELECTRIC FUND REVENUE	\$ 13,068,924

SUBTOTAL ALL REVENUE	\$ 33,879,681
LESS INTERFUND TRANSFERS	\$ (2,645,616)
TOTAL REVENUES BUDGETED	\$ 31,234,065

SECTION 3: There is hereby levied the following rates of tax on each one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 2018 for the purpose of raising the revenue from current years property tax as set forth in the foregoing estimates of revenue and in order to finance the foregoing appropriations.

The General Fund for the general expenses incident to the proper government of the Town of Forest City is \$.29 per \$100.00 valuation. This tax rate is based on an estimated total assessed valuation property for purposes of taxation of \$1,514,280,584.

SECTION 4: Copies of this ordinance shall be furnished to the clerk to be kept on file and to the finance director for direction in distribution of town funds.

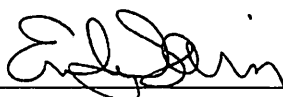
SECTION 5: This ordinance adopted this 18TH day of June 2018.

SECTION 6: This ordinance shall take effect July 1, 2018.



Mayor

ATTEST:



City Clerk

*****The following two pages summarize the changes made to the recommended budget for FY 2018-2019. These changes were made after the budget message was written.*****

Summary of Approved Changes FY 2018-2019

Expenditures

	Recommended	Adjustments	Adjusted Total
General Fund	\$ 12,208,041		
K-9 Program		\$ 45,100	
Pave/Stripe Parking Lot - Broadway/Huntley		\$ 25,000	
Park Opening/WEG events at Park		\$ 50,000	
Event Coordinator/Marketing (sal+fringe)		\$ 65,000	
Police Honda ATV to patrol rail trail		\$ (19,500)	
Police training for new polygraph tech		\$ (13,000)	
Police vehicles reduced to 4		\$ (36,500)	
Street Dept ATV to maintain rail trail		\$ (15,500)	
Street Position for Rail Trail		\$ (24,397)	
Streetscape stamping crosswalk at Park		\$ 42,000	
General Fund			\$ 12,326,244
Florence Mill Fund	\$ 25,000		\$ 25,000
Parks & Rec Fund	\$ 2,818,614		
Christmas Lights/Decorations in Park		\$ 20,000	
Ford F-150		\$ 30,000	
Clubhouse updates to kitchen/roof		\$ 35,000	
Parks & Rec Fund			\$ 2,903,614
Water & Sewer Fund	\$ 5,555,899		
Water & Sewer Fund			\$ 5,555,899
Electric Fund	\$ 13,095,924		
Paint traffic light poles		\$ 25,000	
Kubota Trackhoe		\$ (52,000)	
Electric Fund			\$ 13,068,924
	<u>\$ 33,703,478</u>	<u>\$ 176,203</u>	<u>\$ 33,879,681</u>

Revenues

	Recommended	Adjustments	Adjusted Total
General Fund	\$ 12,208,041		
Fund Balance Appropriated		\$ 118,203	
General Fund			\$ 12,326,244
Florence Mill Fund	\$ 25,000		\$ 25,000
Parks & Rec Fund	\$ 2,818,614		
Fund Balance Appropriated		\$ 85,000	
Parks & Rec Fund			\$ 2,903,614
Water & Sewer Fund	\$ 5,555,899		\$ 5,555,899
Electric Fund	\$ 13,095,924		
Fund Balance Appropriated		\$ (27,000)	
Electric Fund			\$ 13,068,924
	<u>\$ 33,703,478</u>	<u>\$ 176,203</u>	<u>\$ 33,879,681</u>



TOWN OF FOREST CITY, NORTH CAROLINA FY 2018-2019 BUDGET MESSAGE

To the Honorable Mayor and Council Members

The proposed budget for fiscal year 2018-2019 is presented for your consideration. This recommended budget is balanced based on a tax rate of \$0.29 cents per \$100 valuation. The net value of one cent of property tax (after applying the collection rate) is \$149,361. The budget message is divided into the following sections:

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I. INTRODUCTION

The FY 2018-2019 budget is presented to the Mayor and Town Council for your consideration. The purpose of this budget message is to share the major features of the Town’s operations as it relates to the budget.

The chart below, Town of Forest City FY 2017-2018 Amended and FY 2018-2019 Recommended Budgets, shows the five major funds which make up the Town budget.

**Chart 1: TOWN OF FOREST CITY FY 2017-2018 AMENDED
AND FY 2018-2019 RECOMMENDED BUDGETS**

	<u>Amended FY 2017-18</u>	<u>Requested FY 2018-19</u>	<u>Recommended FY 2018-2019</u>
General Fund	\$12,133,937	\$13,539,656	\$12,208,041
Florence Mill Fund	\$ 25,000	\$ 25,000	\$ 25,000
Parks & Recreation Fund	\$ 6,758,841	\$ 3,205,971	\$ 2,818,614
Water & Sewer Fund	\$ 8,278,358	\$ 7,483,482	\$ 5,555,899
Electric Fund	<u>\$15,525,938</u>	<u>\$14,485,894</u>	<u>\$13,095,924</u>
TOTAL	\$42,722,074	\$38,740,003	\$33,703,478

The requested budget for FY 2018-2019 in the amount of \$38,740,003 was reduced after careful consideration and meetings between Town staff to a recommended amount of \$33,703,478.

Chart 3 on page 21 shows a list of requested capital from all Town departments totaling \$6,440,986. After meeting with department heads and discussing the priorities for the Town including expected revenue to cover requests, the capital included in the recommended budget has been reduced to \$2,537,122. This is a reduction of \$3,903,864 from FY 17-18.

There are a number of projects that are not in this budget but are recommended for discussion by the Board. This list is provided to the Board to enlist your conversation, guidance, and priority setting. The projects are not in priority order because Staff is seeking your priority in moving forward. The Board may wish to consider adding some of these items to the FY 2018-2019 budget.

- 1) Replace the 1980's playground at Crowe Park; \$150,000
- 2) Replace existing track at Summey Park; \$155,000
- 3) Replace goals at Cool Springs gym; \$35,000
- 4) Replace the halo around home plate at McNair Stadium; \$13,000
- 5) Utility Maintenance Worker/Flushing and hydrant program/Dingy Water; \$28,243 plus benefits
- 6) Paint traffic light poles; \$25,000. There are 68 total poles and this will complete the majority of them.
- 7) Re-establish the K9 Program at the Police Department. This would be of benefit not only with the drug enforcement/drug epidemic, but also to track suspects/lost citizens, etc. and as a strong public relations benefit to the Town/Police Department. This should improve the revenues the Town receives via forfeitures. The cost to establish the program is \$20,554 which includes the purchase of the dog and 6 weeks of officer training. A local citizen has offered to donate \$12,000 toward the purchase of the dog. In addition, an SUV would need to be purchased for the program. The total cost less the \$12,000 donation would be \$45,100.
- 8) Replace remaining 288 power poles at \$239,420
- 9) Board Members have expressed an interest in placing all utilities underground between the Forest City Pavilion on Park Square and the rear of the Main Street buildings. The current estimated cost range is between \$200,000 - \$250,000. Barry Spurlin is continuing to work on this Brownfields cost estimate. Because this digging is on a Brownfields property, a specialized contractor will be required, thus increasing the cost and timeline of getting someone onsite.
- 10) Pave, stripe, minor landscaping and concrete pads for dumpsters for the parking lot at Broadway and Huntley Alley at \$25,000.
- 11) Underground in the alley. The park opening and the World Equestrian Games are scheduled in August/September. The Board may wish to discuss the budget for these events.
- 12) Christmas decorations in the park. The Board may wish to discuss Christmas decorations for the park, such as the one in Appendix M.

There was a total of ten new employees requested in FY 2018-2019. However, after careful review, only three of those are being recommended at this time: Maintenance Worker Rails to Trails, IT Assistant, and HR Payroll/Accounting Clerk. The next highest ranked potential new employee was the Utility Maintenance Worker for flushing/hydrants.

Charts 7 and 8 on pages 27 and 28 show the General Fund Balance available for appropriation and the Enterprise Fund cash balances. The Finance Department has estimated that these balances will drop by a combined total of \$4,322,190 by June 30, 2018. However, that is assuming the entire construction budget for the park of \$4,137,511 will be spent using fund balance and cash reserves. A second analysis shows the average increase of the combined General and Enterprise Fund balances year after year from FY 2012-2013 to FY 2016-2017 is \$2,148,168 per year. The lowest increase was FY 2016-2017 which totaled \$1,771,022. Therefore, a less conservative estimate is that the fund balance and cash reserves will decrease only by \$2,000,000-\$2,500,000. This also does not take into account that the entire park construction project is shown as completed in FY 2017-2018 knowing that some amount will need to be re-budgeted in FY 2018-2019. A more detailed discussion on Fund Balance is in Section XIII.

II. PROPERTY TAX, WATER AND SEWER, AND ELECTRIC RATE COMPARISONS

The major goal of the FY 2018-2019 budget is to maintain services without increasing property tax rates or user fees. Ad valorem property taxes, net of the Facebook levy, have increased by \$225,196 since the revaluation in 2012. When compared to General Fund expenditures, this represents less than a 0.5% increase of the total General Fund budget over the past four years. Water rates have remained unchanged since July 1, 2008. Sewer rates were increased by \$0.75 per month on the minimum charge for 3,000 gallons in 2015-2016, with a goal of making sewer rates close the gap between sewer charges and sewer expense. An Electric Rate Study was conducted in 2016 to review residential, commercial, and industrial rates. The only change implemented as a result of the study was a reduction in the General Service Commercial rate. Electric rate increases approved in the past few years have been implemented to pass on the increases in Duke Energy's wholesale rates to the Town. The last electric rate increase was 4.5% effective January 1, 2014 to match the Duke Energy rate increase to the Town. The Board did not pass along the 2015 Duke Energy rate increase which was projected to be less than 1%. Increases in electric rates have not occurred in relation to the other ongoing operational expenses of the Electric Fund.

On April 17, 2017 the Town amended its power supply contract with Duke Energy, which was a result of the coal ash expenses. The contract amendment allowed Duke to begin billing the Town for coal ash cost recovery effective July 1, 2017. After a Board decision to

absorb one month of the coal ash costs, the Town increased rates to pass that increase to its electric customers. The Town has estimated the coal ash cost to increase roughly 3% to 10% of its billing from Duke.

Although this budget does not propose increases in property tax, water and sewer and electric rates, staff felt it was important to provide Council with comparisons of the Town's rates with our peers.

Appendix A provides a comparison of the Town's property tax rates in comparison with the four municipalities closest to the Town in terms of population and electric operations. This is the group the Town is compared to in analyses prepared by the Local Government Commission. As the chart shows, the Town of Forest City has the lowest property tax rate at \$.29, which was previously shared with Edenton. However, after a tax rate increase for Edenton in 2014, the Town now has the lowest rate in this comparison. The highest rate is Ayden at \$.54. This information is based on a 2016 memo from the Department of the State Treasurer.

The Environmental Finance Center at the UNC School of Government and the North Carolina League of Municipalities provides a spreadsheet comparison of the Town's water and sewer residential rates with all other providers in the State of North Carolina. When comparing water rates at 3,000 gallons of usage (which is the usage that the minimum rate for Forest City is based on), the Town ranks 40 out of approximately 510 providers when comparing rates from the lowest to the highest. When comparing sewer rates at 3,000 gallons of usage (which is the usage that the minimum rate for Forest City is based on), the Town ranks 19 out of approximately 425 providers when comparing rates from the lowest to the highest. The spreadsheet is available upon request.

A comparison of the Town's Electric Residential Rates for 2016 was provided to us from Nova Energy Consultants from the EIA-861 and EIA-861S forms. 2016 is the latest year available. The Town ranks 32 out of 67 providers when comparing rates from the lowest to the highest. In summary, the Town has relatively low and very competitive rates when comparing property tax, water and sewer, and electric rates.

III. GENERAL FUND

Revenues:

Four revenue sources comprise approximately 61% of the General Fund recommended revenues. These sources are ad valorem taxes, sales taxes, electric utility franchise taxes and waste collection charges. Chart 2 gives a five-year history of these revenues:

**CHART 2: HISTORY OF MAJOR TOWN OF FOREST CITY
GENERAL FUND REVENUES**

	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Actual	FY 17-18 Estimated	FY 18-19 Recommended
Ad valorem taxes	\$ 3,385,995	\$ 3,414,975	\$ 3,409,642	\$ 3,796,169	\$ 4,381,477*
Sales taxes	\$ 1,166,844	\$ 1,311,522	\$ 1,434,265	\$ 1,469,500	\$ 1,543,500
Electric Utility Franchise Taxes	\$ 885,806	\$ 893,646	\$ 873,089	\$ 870,000	\$ 867,000
Waste Collection Charges	\$ 1,032,702	\$ 1,044,080	\$ 1,222,537	\$ 1,186,000	\$ 1,223,900
Subtotal	\$ 6,471,347	\$ 6,664,223	\$ 6,939,533	\$ 7,321,669	\$ 8,015,877

*Facebook accounts for \$2.6 million of the total ad valorem levy but is also reflected on the expenditure side as an incentive grant. Therefore, while ad valorem tax revenues have increased \$2.6 million due to Facebook, expenditures have increased by an equal amount.

Ad Valorem Taxes

Ad valorem taxes include current year taxes, prior year taxes, penalties and interest. The County Tax Office estimates that the Town’s ad valorem tax base for FY 2018-19 will be approximately \$1,514,280,584. See Chart 4, “2018 Real and Personal Property Value Estimates” on page 25. At the FY 2016-17 property tax collection rate of 98.6% for all property excluding DMV and the FY 2016-2017 collection rate of 100% for DMV, this equates to a net collectible current year levy of \$4,331,477 (net value of one cent = \$149,361). Approximately \$2.6 million of this \$4,331,477 is Facebook levy of which 100% is returned as an incentive grant to Facebook. See Section XII. 2018 Property Values and Facebook Impact for further discussion.

Sales Taxes

The four articles of sales tax are estimated to increase from a budget of \$505,000, \$338,000, \$248,000 and \$343,000 in 2017-18 to \$515,500, \$333,900, \$250,900 and \$344,000 in 2018-19, respectively. This increase is largely attributable to the positive impact of Facebook’s property value (based on the County use of ad valorem levy for sales tax distribution) and the statewide projected sales tax.

Utility Franchise Taxes

The state-collected Utility Franchise Taxes are expected to have a slight decrease with \$867,000 budgeted for FY 2018-19. Revenue projection reports from the NC League of

Municipalities estimate a decrease of 1% for electricity sales tax and a 1% increase for sales tax on piped natural gas. Projections estimate a decrease of 4% for telecommunications sales tax and 1% for local video programming revenues.

Waste Collection Charges

The Town contract with Republic Services renewed as of December 31, 2017 for an additional three-year period which begins on July 1, 2018. As a part of the renewal process, Republic agreed to provide 96-gallon roll out recycling carts to all residences and some small businesses. The Town contract with Republic calls for an automatic CPI increase based on All Urban Consumers in the Water and Sewer and Trash Collection Services category. The expected rate increase of 3.2% would increase the average customer rate for curbside carts from \$19.19 to \$19.80. In addition, the County is studying various options to raise additional solid waste revenue. As more details are known, the Board will be updated.

Expenditures:

This section is a brief narrative of changes in individual departments’ expenditures that staff felt needed to be discussed in this report.

Governing Body

The **Governing Body** budget has included this information over the last few years. In order to accurately allocate the cost of administration of the Water and Sewer Fund and Electric Funds to those funds, two line items (Water and Sewer Fund Reimbursement and Electric Fund Reimbursement) are included in a number of departments. This transfer began in FY 2014-2015 and continues in 2018-2019. As the State legislature continues to discuss transfers from Enterprise Funds to the General Fund and since the Town is unsure which position the State will eventually take, this budget allocates enterprise fund costs that have been charged to the General Fund in the past to those Enterprise Funds. A summary of these costs are below:

	Expenses previously charged to the General Fund now charged to		
	<u>Water/Sewer Fund</u>	<u>Electric Fund</u>	<u>Total</u>
Governing Body	\$ 29,587	\$ 14,683	\$ 44,270
Administrative	\$ 101,091	\$ 50,167	\$ 151,258
Finance	\$ 32,546	\$ 16,151	\$ 48,697
Legal	\$ 25,253	\$ 12,532	\$ 37,785
Warehouse/Garage	\$ 57,078	\$ 57,078	\$ 114,156
Public Works Buildings	\$ 49,371	\$ 49,371	\$ 98,742
Totals	\$ 294,926	\$ 199,982	\$ 494,908

The Town budgeted \$10,000 for an EDC contribution in FY 2017-2018 and a similar \$10,000 contribution is also included in FY 2018-2019. Rutherford County EDC has transformed from a county department to a 501c-3/c-6 private nonprofit. This structure is being adopted in numerous locations. There is a \$1,000 donation request from the Rutherford County Sports Hall of Fame to be used for HOF induction and recognition. The African American Heritage Museum of RC requested funds to purchase display cases, heaters, air conditioners, printers, software and a sound system. Last year the Town gave the African American Heritage Museum \$4,500. The Board may wish to add these to the budget. In addition, it is recommended to budget \$10,000 to replace the roof at Carolina Trust Bank.

Administrative

The **Administrative** budget requires several items of explanation. The line item Facebook Grant will increase from \$2,210,647 to \$2,633,346 which reflects the increased value of the Facebook facility from \$762,291,971 in FY 2017-18 to \$908,050,258 in FY 2018-19. This is discussed in further detail on page 26. The Building and Grounds Repairs and Maintenance will remain at \$50,000 to continue to improve the building both from a physical appearance and structural standpoint. In the last few years the brick mortar joints have been replaced/repared, the drop ceiling has been replaced, the basement and foundation moisture issues have been corrected, the bathrooms and kitchen have been renovated, and the collections area had new counters and flooring installed. Some offices throughout the building have been painted and carpeted and this process is planned to continue.

One additional person is recommended in Information Technology. Currently this department provides support for all other departments and the technology world is constantly evolving. This department supports a wired/fiber network of over 550 devices (computers, switches, printers, cameras, security hardware, etc.) multiple wireless networks with 80 devices, 2 phone systems, 9 servers, 150 mobile devices, 125 email accounts, multiple application, and 80 end users. This department purchases, installs, supports and maintains each connected device. The addition of police body cameras in 2018 and the growth in number of security cameras at town facilities and public places are examples of new responsibilities of this department. In addition, the department head who began with this department has reached full retirement service. This position is budgeted at \$37,849.

Finance

The **Finance** budget continues to reflect a more accurate distribution of salaries and benefits of the finance staff between the General, Water & Sewer and Electric Funds, as well as the indirect costs as discussed under the Governing Body section.

The need for an additional staff member for HR/Payroll/Accounting duties was discussed in the FY 2017-2018 budget. The Town has one person who manages the HR and payroll functions. The Town has cross-trained the Administrative Assistant in Building Inspections to ensure there is a backup for payroll. However, with a full-time staff of 133 and a seasonal part time staff of 65, the HR function needs more assistance. In addition, the Town Accountant needs some additional hours of staff time, as staying current with accounting has become difficult. This new position would handle all processing for payroll, file tax reports biweekly, handle data entry for all payroll and insurance related journal entries, and assist as needed with new employee orientation and enrollment of benefits. With the increasing demands of Building Inspections, utilizing that department's Administrative Assistant is no longer optimal, thus the recommendation for an additional person. This would allow Building Inspection to continue to have a full time Administrative Assistant which they very much need.

Warehouse and Garage

There is no significant additional recommendation for this department. There was a request to add a truck for the garage mechanic assistant which would allow both employees to have vehicles, which is often needed. However, this request was not recommended because of the capital priorities in other departments.

Public Works Buildings

The **Public Works Buildings** has two significant projects requested in the FY 2018-2019 budget. Both the old Fire Department and the old Street Department need roof replacements. Building and grounds repair and maintenance has increased from \$16,500 to \$77,425.

Police

Over the last two years the Town has replaced 11 police vehicles. Seven were requested last year and five recommended. This year the recommendation is to replace five of the six requested vehicles. More information is below.

Six items of note are made about the FY 2018-2019 budget:

- 1) Body cameras were budgeted in FY 2017-2018. Annual video storage and maintenance cost for these cameras at a cost of \$19,449 is recommended.
- 2) A Honda Pioneer to patrol the rail trail at a cost of \$9,500 is recommended. This emergency vehicle could be shared by Police and Fire/Rescue.
- 3) Five replacement Tasers at a cost of \$5,650 is recommended.
- 4) The IT Department is recommending ten replacement laptops at a cost of \$19,500.
- 5) Traditionally the Town Police Department has functioned with a Police Chief and Assistant Chief. For a period of approximately two years the Town did not have an Assistant Chief but functioned with two Captains. Since January 2017 the Town has

had one Captain who has performed in the role of an Assistant Chief. Effective with this budget Captain Hensley will be promoted to Assistant Chief and receive a pay increase to reflect his current duties.

- 6) The recommendation is to replace five of the six requested vehicles. Three new vehicles would be assigned to patrol. One vehicle would replace the evidence officer SUV. This vehicle would then be re-assigned to Town Hall to replace the 2004 Crown Vic. The Crown Vic could still be used for "in town" driving by Town Staff but is no longer considered a good option for distance traveling. All departments would share and drive the SUV for both in town and classes. Additionally, the 2011 Ford F-150 Animal Control Truck is recommended to be replaced. It would then replace the seized 1997 pickup truck that has been used as an event truck by the Police Department.

As mentioned in the introduction, a certified police K-9 was requested to be re-established at the Police Department. This would be of benefit not only with the drug enforcement/drug epidemic, but also to track suspects/lost citizens, etc. and as a strong public relations benefit to the Town/Police Department. This should improve the revenues the Town receives via forfeitures. The cost to establish the program is \$20,554 which includes the purchase of the dog and 6 weeks of officer training. A local citizen has offered to donate \$12,000 toward the purchase of the dog. In addition, an SUV would need to be purchased for the program. The total cost less the \$12,000 donation would be \$45,100.

Fire/Volunteer Fire

The **Fire Department** has several capital items recommended in FY 2018-2019. First, to replace hose damaged at fires that no longer pass service test, firefighter boots, replacement of firefighter turnout gear, rescue equipment, and atmospheric monitoring equipment. These items total \$28,000.

In addition, the recommended budget includes continuing the Fire Special District property tax at a rate of \$0.08 cents per \$100 valuation.

It is also recommended that the Town begin replacing the 24 self-contained breathing apparatus (SCBA). Our current SCBA have all passed their life expectancies. These units are checked weekly for readiness and frequently units must be taken out of service and sent for costly repairs. The high-pressure cylinders must be hydrostatically pressure tested periodically, ours have reached the maximum number of allowed tests. These SCBA units are very important, they provide a means for firefighters to enter hostile environments during firefighting operations, rescue operations, or any other hazardous environment where the air is not safe to breathe. It is important to note that when firefighters are operating in these environments we want to make sure the equipment they are using is reliable. Our current SCBA has reached a point where reliability is questionable. The total

cost to replace all 24 units and associated equipment is \$168,000. It is recommended to replace one half in FY 2018-2019 and the remainder in FY 2019-2020. Therefore, \$84,000 is recommended to be budgeted.

Future Planning Need:

Replacement of Engine 2210, a 1988 model, will reach its life expectancy in 2018. With the addition of a four-story Hampton Inn & Suites and Facebook, the Town will need to consider a 100-foot aerial device. This truck will be a factor in maintaining our current ISO rating of 4. This truck would serve to meet the requirements for the engine as well as give ISO credit for being able to reach the top of the structures listed above.

Code Enforcement & Planning/Zoning

There are no significant budget recommendations in FY 2018-2019. However, there is one significant change, if approved, which could impact this department. Currently, the administrative assistant is shared between the Code Enforcement and Finance. This person is the backup and works with payroll every other week during the payroll process. Not only does the Finance Department need this position full time, but the need in Code Enforcement is also great.

The Town worked with NC DOT concerning enhancing the appearance of the Highway 74A corridor. NC DOT developed a landscape plan that could include the Hwy. 74A/221A interchange. As a result of the rail trail, DOT extended their project design along Hwy. 74A to include the area under the four-lane future trail bridge. Estimates range in the amount of \$250,000 for this landscape plan. NC DOT will be responsible for the implementation and maintenance for one year and the Town would assume responsibility after that point. This could be reflected in a future budget.

Downtown Improvements/Streetscape Improvement for the Town of Forest City

The Streetscape Plan, with an estimated cost range from \$1,224,870 to \$1,269,970 was discussed by the Town Council in February 2016. The Board may wish to consider additional streetscape improvements in the future.

In addition, the Town is in the process of concluding a downtown grant in the amount of \$94,340. Items added as part of this grant include benches, downtown lighting improvements, parking lot improvements in the lot at Mill and Huntley Alley, replace dead Live Oak trees, the purchase of Christmas lights, and a new downtown mini park at corner of Main and Powell.

Streets

The following capital items are recommended in the budget:

- 1) A 1997 Ford F-350 with over 133,000 miles is recommended to be replaced by both the Street Department and the Garage due to mechanical issues it is experiencing. The replacement vehicle is recommended at \$43,000.
- 2) It is recommended to replace a John Deere 797Z mower which has over 1400 hours, is cutting off, and is a safety issue. Because of the large number of older mowers the department is using, the Town needs to begin replacing mowers so that we are not forced to purchase many mowers in one year. The mower is experiencing mechanical issues and the demands during grass growing season are increasing. The estimated cost of the mower is \$12,000.
- 3) A 2001 Dodge truck with 165,954 miles needs to be replaced. This truck was purchased new in another department and handed down to the Street Department some years ago, but we are now spending more money on the truck than prudent for its age and condition. A new replacement truck is estimated at \$35,000.
- 4) With the opening of the trail in FY 2018-2019, the Street Department would ride this corridor every day to perform routine maintenance and clean the trail. A Kubota RTV-x1140 at a cost of \$15,500 is recommended.

*As a note, the Board has already approved the purchase of a truck to replace the 2008 Ford limb/brush truck at a cost of \$55,000.

Powell Bill

The **Powell Bill** budget/revenues for FY 2018-2019 are \$240,000. Six streets are planned for full or partial repaving: Wells Drive, 3,300 ft.; Ohio Street, 430 ft.; Utah Street, 825 ft.; Mayflower Street, 500 ft.; Loblolly Lane, 1200 ft.; Florida Avenue, 630 ft. at an estimated cost of \$160,000. Currently \$40,000 is budgeted on sidewalks for repair or replacement. The current Powell Bill reserve is estimated to be \$268,000 as of June 30, 2018.

Cemetery

It is recommended that a budget of \$20,000 be reserved for capital projects for the cemetery. Approximately \$15,000 of this amount will be used for a sidewalk and lighting in the new section bordering Vance Street.

Debt Service

Recommended **Debt Service** for the General Fund in the amount of \$40,947 includes 12 months of payments for the items purchased through financing in FY 2014-2015 and FY 2015-2016.

The above is a brief explanation of some noted changes in the General Fund. The overall General Fund Expense has increased from \$12,133,937 to \$12,208,041 for a total increase of \$74,104.

The line item General Fund revenue and expenditure budget is in Appendix B.

IV. FLORENCE MILL FUND

The Town has been contacted by numerous developers concerning the main Florence Mill Building, but as of this time, no agreements have been approved nor under serious consideration. As has been the case for many years, it is recommended that the Town budget \$25,000 for repair issues on the site.

The line item Florence Mill Fund revenue and expenditure budget is in Appendix C.

V. FOREST CITY PAVILION ON PARK SQUARE

The Park is expected to be completed in the summer of 2018. The current budget for the park construction and electrical contract is \$3,813,838. The park was originally planned to be completed in May. However, because of the exceptionally wet spring, current park completion estimates are for late July. For estimating purposes, this budget shows the entire park construction budget spent in FY 2017-2018. The plan is to bring a budget amendment to the Town Council as soon as it is determined how much of the park construction expense should be charged to FY 2017-2018 and how much is carried forward in FY 2018-2019. Therefore, after the July park invoices are paid for the work performed in June, this estimate should be available.

Parks and Recreation and Code Enforcement/Main Street have funds budgeted for park operation. Based on discussions with another Town that has a park/splash pad, the Town has estimated four weeks of splash pads/park attendants at 60 hours per week. This would give the Town the ability to analyze how the park functions during summer operation. This assumes the park will open by late July. Parks and Recreation has a line item budget for the park. Main Street has added funds in their operational expense for events, advertising, and marketing and part time workers.

VI. RAILS TO TRAILS

Forest City worked to coordinate a Rails to Trails project known as the Thermal Belt Rail Trail that extends from Forrest Hunt School to Gilkey which is approximately 13.5 miles. Five governmental agencies (Rutherford County, Ruth, Rutherfordton, Spindale, and Forest City) have signed an Interlocal Agreement pertaining to the trail that sets out parameters

on how the trail will be built and managed in the future. RHI Legacy Foundation has provided a grant of \$4,250,000 to fund the trail. The trail is expected to be completed by the end of 2018.

One additional maintenance worker is recommended to maintain the trail at an estimated cost of \$24,397.

VII. PARTF GRANT

In FY 2017-2018 the Town received a PARTF Grant in the amount of \$350,000 for Thermal Belt Rail Trail enhancements. The Town matched this grant with \$400,000. In addition, Rutherford County TDA has dedicated \$60,000 in funding to this project and the Town has requested an additional \$60,000 from TDA in FY 2018-2019. Several local businesses are considering sponsorships for the adult fitness area planned for the Florence Mill trailhead. A list of the components of the grant can be found in Appendix D. Please note this list has changed since the relocation of the Farmer's Market and the coal trestle improvements are not part of the current project.

VIII. PARKS AND RECREATION

Last year the park budget increased significantly because of the construction of the Park at Florence Mill, now known as the Forest City Pavilion on Park Square, and the Thermal Belt Rail Trail. Currently, the park is estimated to be completed in the summer of 2018. The Thermal Belt Rail Trail PARTF Grant is being re-budgeted in its entirety in FY 2018-2019.

The following capital projects were requested in FY 2018-2019.

- 1) Replace two goals at Cool Springs gym; \$35,000
- 2) Replace existing track at Summey Park; \$154,000
- 3) Replace 1980s playground at Crowe Park; \$150,000
- 4) Replace 2006 F-150; \$30,000
- 5) Replace 1998 fairway mower; \$64,000
- 6) Replace halo around home plate at McNair Field; \$13,000

Because of the large amount of capital recommended from other departments, and the large investments in the Parks and Recreation Department in FY 2017-2018, only one item is recommended. The 1998 Fairway mower has over 4227 hours. The Town spent over \$9,000 on this mower in FY 2017-2018 and more repairs are needed. The Town is currently spending more on this mower than is prudent.

Recommended **Debt Service** for Parks & Recreation includes \$11,381 for 12 months of payments for the items purchased through financing in FY 2014-2015 and FY 2015-2016. In addition, loan principal and interest payments for McNair Field of \$183,711 is recommended. The loan balance as of June 30, 2018 is \$777,777.

The line item Parks and Recreation revenue and expenditure budget is in Appendix E.

IX. WATER AND SEWER FUND

Revenues:

Water

Horsehead filed bankruptcy in 2016, the company is now known as American Zinc Products. The Town lost approximately \$191,840 per year in water revenues as a result. Horsehead officials have indicated they have a goal to be back in production in 2019. In addition, the Horsehead loan in the amount of \$950,000 is current and will have an estimated balance of \$313,000 as of June 30, 2018. The loan payments for FY 2018-2019 in the amount of \$142,858 are included in the budgeted revenues but no revenues for water other than for basic plant operation is included.

Everest Textiles announced in early 2017 their decision to locate in Forest City at the former National Textiles/Carpenter Design Building. The company has indicated their projected daily consumption of 1.5 MGD. This budget does not reflect a large increase but the Town continues to monitor the usage.

It is recommended to put \$150,000 in both water and sewer as a catastrophic reserve for unforeseen projects. In normal years this is unspent. It is recommended that this unspent reserve begin to accumulate into a fund for large future projects. The Town is working on a plan to identify what those potential projects might be.

Sewer

The following is reprinted from the FY 2015-2016 Budget Message:

“In May 2014 WK Dickson issued the Rutherford County/Municipalities Joint Sewer Study. Some Board members attended the presentation on the study’s results. One comment made by the WK Dickson staff on the fact that the Town wastewater rates did not support the operation of the system began a discussion among some Board members. The City Manager sent a very preliminary email to Board members dated July 24, 2014 with information on this issue.” Although this is old data, the issue is the same and is provided as information.

The Board raised the sewer rate by \$0.75 per month on the minimum charge for 3,000 gallons, effective July 1, 2015.

Expenditures:

Water Operations and Construction

The following capital items are recommended for funding in FY 2018-2019:

- 1) The Woodburn Drive water line is the number one priority of the Water Department in regards to replacing a residential water line. This is one of the older lines in Town, and residents in this area have reported issues with dingy water. Due to the age of the line, when the flow of the water increases it causes tuberculation to break loose and stain the water. This project is estimated at \$304,175.
- 2) Replace 1988 dump truck. This truck is 30 years old and has 40,623 miles around town with an estimated 100,000 plus idling miles. The Town garage has advised that replacement parts cannot be guaranteed. The estimated replacement cost is \$105,000.
- 3) Both the 2005 water operations utility trucks have over 140,000 miles and both have transmission issues. These are the trucks that respond to all water repair maintenance and repair issues. The department is requesting to replace both trucks at a cost of \$65,000 each for a total of \$130,000. The recommendation is to replace one truck in FY 2018-2019 and one in FY 2019-2020.

Water Plant

There was one large capital item included in the FY 2017-18 budget which was the replacement of the fluoride tank and building repairs caused by the fluoride leak. The Town budgeted \$77,280 of Town funds and secured a grant of \$40,000. The grant process delayed the project but the construction start date is April 30, 2018 with a completion of September 2018.

There are several recommended capital items in the FY 2018-2019 budget:

- 1) The water plant has two **sludge basins** that need to be cleaned out periodically. One basin is scheduled to be cleaned in FY 2018-2019. The sludge basins are a critical part of water treatment because any time the Town washes a filter or cleans a basin, the water used during the processes and the sludge that is generated during the processes goes to the sludge basin. Over time the sludge builds up and is required to be cleaned. The estimated price to remove the sludge is \$30.25 per CY/Ton with an estimated 2,450 tons for a total estimated price of \$74,112.
- 2) The **Variable Frequency Drive for #1 finished water pump** no longer functions. Replacement of this equipment is critical to ensure that the Town can pump water treated from the water treatment plant to all the water holding tanks and throughout

the water system. There are two primary and two backup pumps. This will put one of the primary pumps back into normal operation. The cost is estimated at \$36,486.

- 3) The **Spectrophotometer** that is used to measure fluoride content in the water is outdated and obsolete. The company that maintains this equipment does not support repairs of this model. Fluoride must be analyzed daily to ensure proper dosage while feeding and the Town is required by the state twice a month to send in a comparison sample that the Town has analyzed, which the state then analyses for comparative results. The cost of this equipment is \$5,297.

The **electronic system that operates the filter consoles** are obsolete. The Town system has five filter consoles and the cost to replace all five consoles is \$123,050. Although not recommended in FY 2018-2019, this is an important item that will need to be addressed and is currently planned to be recommended in FY 2019-2020.

Sewer Operations and Construction

The following capital projects are recommended:

- 1) Replace 2003 F-150. This truck has 186,000 miles with an additional 50,000 idling miles. This truck has transmission problems, uses oil, and the Town Garage stated it was not worth the cost of continued repairs. The replacement is recommended at \$37,000.
- 2) Manhole Replacement. The Town system is aging and the infiltration with the deterioration in the old brick manholes continues to be an issue. The request was for \$100,000 per year which would replace approximately 17 manholes. The recommendation is to replace 8 at a cost of \$48,000.

Waste Treatment Plant

The following is repeated from the FY 2015-2016 Budget Message:

“The Biosolids Disposal Alternative Study (Sludge Study) was completed in 2015. The primary recommendation of the study was to plan the best method of how to discontinue the sludge drying operation that has been in place since the early 1990s. The Town’s sludge volume has reduced over the last five years as the Town’s wastewater volumes have decreased and thus the need to continue the current expensive drying operation has diminished.” It was recommended in the FY 2015-2016 budget that the Town move toward land applying dewatered biosolids. The current process would remove some of the liquid using the current dry press system, and land applying the sludge. The Town currently contracts for the removal and land application of sludge. As stated in last year’s budget message, the reduction in cost of running the sludge dryer operation is now offset by the land application.

Waste Treatment Plant – Riverstone

The following is repeated from the FY 2017-2018 budget message:

Prior to Horsehead beginning operation, the Town pumped and hauled the wastewater from Arvin Meritor to the main plant. With the addition of the Horsehead wastewater more than doubling the daily wastewater flow, the 50,000 gallon per day package plant was placed into operation. Prior issues with Horsehead have resulted in several Notice of Violations (NOV) for the Town. The Town and NCDENR have visited Horsehead and worked on those issues. The discharge includes zinc and other metals which are inconsistent with domestic waste. Options such as Horsehead pre-treatment have been discussed. With the bankruptcy at Horsehead, the Town is continuing to monitor the situation. In addition, a new company, Bonita Pioneer, opened in 2015 in the former Riverstone shell building.

Pump Maintenance

Forest City maintains a relatively large and complex wastewater collection system for a municipality of its size. This includes 27 lift stations, approximately 95 miles of gravity sewer, and 14 miles of force main. The Collections System staff are also responsible for collection infrastructure at the City of Ellenboro, Riverstone Industrial Park, and American Zinc Products (formerly Horsehead), as well as drinking water storage and distribution infrastructure, the city's backup power generators, and other related facilities which equates to 73 pumps. Much of this infrastructure is aging and requires frequent maintenance.

In the FY 2017-2018 budget an equalization tank was approved for the Dogwood Pump Station. This tank should prevent sewer overflows at this station by increasing capacity and controlling the flow coming into the station. With the work the Town has done to eliminate water infiltration into older sewer lines and the addition of the equalization tank, the Town believes this will help extend the life of the Dogwood Pump Station. The Dogwood and Erwin pump stations have traditionally been the stations that experience spills during hard rain events. The cost to replace both pump stations is approximately \$1,250,000. However, construction of the equalization tank and the work on the force main should delay replacement of these pump stations in the immediate future.

There are four capital costs recommended in pump maintenance:

- 1) The 2004 F-250 with 181,000 miles is recommended to be replaced. It is currently using two quarts of oil per week and this vehicle is no longer safe or dependable. The replacement is recommended at \$46,000.
- 2) Replace the Reduced Voltage Soft Starts for each pump control cabinet at the raw water pump station that pumps water to the water plant. This system is 30 years old and is becoming increasingly impossible to find electrical components. This estimated cost is \$30,000.
- 3) Improve the downtown fountain. This refurbishment is estimated to cost \$10,000.
- 4) Our sewer pump stations, on average, are 18 years old. Because of age it is often times not practical to rebuild these pumps or motors. The Town system has 27 lift

stations and 73 pumps so this would be spent as conditions dictate. There is \$30,000 budgeted for this item.

Community Development Block Grant

The Town has been awarded a CDBG in the amount of \$1,500,000. Appendix F shows the preliminary uses for the grant. This will be updated during FY 2018-2019.

Debt Payments

The FY 2018-2019 recommended budget includes \$24,204 for the fifth of twenty annual payments on the 0% interest NCDENR loan related to the Central Business District Sewer Rehabilitation Project. The loan balance as of June 30, 2018 is \$387,251. In addition, recommended **Debt Service** includes \$85,231 for 12 months of payments for the items purchased through financing in FY 2015-2016.

The Transfer of utility dollars to Parks and Recreation Fund will be discussed in Section XIV. Interfund Transfers.

The line item Water and Sewer Fund revenue and expenditure budget is in Appendix G.

X. ELECTRIC FUND

Revenues

On April 17, 2017 the Town amended its power supply contract with Duke Energy, which was a result of the coal ash expenses. The contract amendment allowed Duke to begin billing the Town for coal ash cost recovery effective July 1, 2017. After a Board decision to absorb one month of the coal ash costs, the Town increased rates to pass that increase to its electric customers. The Town has estimated the coal ash cost to represent a cost increase of roughly 3% to 10% of its billing from Duke.

Expenditures:

Electric Operations

The FY 2016-2017 budget included \$150,597 for an outside professional company to do utility pole inspections. In that inspection, 751 poles were identified as needing to be replaced. Those poles with the highest priority have been replaced. The number of remaining rejected poles stands at approximately 576. Also, in August 2017, a major electrical issue occurred at Beaver Street substation that resulted in a cascade of electrical

issues over that weekend. As a result, the Town electrical consultant Jerry Ford from Southeastern Engineers, Inc. made a presentation to the Town Council with several recommendations that the Town should implement over the next few years to make the electrical system stronger and safer for the electric department staff. This report is in Appendix H. The first recommendation was to replace 27 voltage regulators. The Board approved this replacement during FY 2017-2018 at a cost of approximately \$365,000. The following recommendations are made for the FY 2018-2019 budget:

- 1) Replace 50% or 288 of the remaining rejected poles at a cost of \$239,420.
- 2) Replace and repair the ground systems at the Town substations. The poor condition of the ground system and the scope of the repair/replacement is greater than outlined in the Southeastern Engineers report of October 2017. The ground system is the main protection and is what balances the voltage for the Towns electric grid. The age and condition of the current grounding system is not adequate. The estimated cost to replace this system is \$178,130.
- 3) Place control houses at the Lawing Road and Beaver Street substations. This will allow employees to operate the circuits while inside a concrete building and greatly improve the employee safety during electrical operations at the substations. This is also a critical step as the Town moves toward a SCADA System. SCADA systems are essential to the safe and reliable operation of electrical systems. By implementing a SCADA system the Town's electric staff will be able to monitor and control certain equipment to allow for quicker restoration during outages and safer switching during maintenance. The estimated cost to for the control houses is \$325,000.
- 4) The NC DOT is widening Oak Street. During that process the Town will need to relocate several utility poles and underground services at an estimated cost of \$118,000. The Town will need to pay all labor and materials upfront and then submit invoices to NC DOT for reimbursement for labor, materials and engineering. An offsetting revenue is included in the budget.
- 5) Currently the Electric Department shares a Kubota Trackhoe with the Street Department. Because of the volume of the work, this is creating scheduling issues. The current one is several years old and plans are to transfer it to the Street Department. The Electric Department has requested this item for the past two years.

Replacement of the voltage regulators and ground system and purchase of the control houses will modernize the Town substations and put worker safety at a much better position. During the electrical outage last August, an electrical arch occurred at the Lawing Road substation. Fortunately, no employees were on site, but a blackened fence showed the potential damage of this event. The steps recommended above should greatly decrease the ability of these type occurrences and safeguard employees in the event one does occur.

Meter Department

Forest City has approximately 8,000 electric meters that service customers in Forest City. Those meters were installed between 1995-1998. Based on their age these meters are approaching the end of their expected life. Some meters are beginning to fail and as the meters age they inaccurately measure electrical usage, which could mean lost revenue to the Town. The Meter Department requested 8,000 electric meters at a cost of \$408,000. However, in the FY 2018-2019 budget it is recommended to start an annual plan of replacing 1,000 meters at an estimated cost of \$51,000.

Debt Payments

Recommended **Debt Service** for the Electric Fund includes \$34,949 for 12 months of payments for the items purchased through financing in FY 2014-2015 and FY 2015-2016.

The Transfer of utility dollars to the General Fund, Florence Mill, and Parks and Recreation Fund will be discussed in Section XIV. Interfund Transfers.

The line item Electric Fund revenue and expenditure budget is in Appendix I.

XI. CAPITAL REQUESTS & RECOMMENDATIONS

Chart 3, Capital Requests FY 2018-2019 on the following four pages is a list of requested capital from all Town departments totaling \$6,440,986. After meeting with department heads and discussing the priorities for the Town as well as expected revenue to cover requests, the capital included in the recommended budget has been reduced to \$2,537,122. This is a reduction of \$3,903,864.

**CHART 3: CAPITAL REQUESTS & RECOMMENDATIONS
FISCAL YEAR 2018-2019**

	Requested	Recommended
GENERAL FUND		
10-4240 Garage		
Service Truck	\$ 50,000	
Garage Total	\$ 50,000	\$ -
10-4310 Police		

6 vehicles requested (5 recommended)	\$ 219,000	\$ 182,500
Police Certified K-9	\$ 20,600	\$ -
Honda Pioneer ATV to patrol rail trail	\$ 19,500	\$ 19,500
Christmas Lights for Police Dept building	\$ 6,000	\$ 6,000
Police Total	\$ 265,100	\$ 208,000
10-4340 Fire		
24 Self Contained Breathing Apparatus (12 recommended)	\$ 168,000	\$ 84,000
Fire Engine	\$ 850,000	\$ -
Fire Total	\$ 1,018,000	\$ 84,000
10-4350 Code Enforcement		
Extended Cab 4x4 Truck	\$ 35,500	\$ -
Code Enforcement Total	\$ 35,500	\$ -
10-4510 Streets		
Extended Cab 4x4 Service Truck	\$ 43,000	\$ 43,000
Extended Cab 4x4 Truck	\$ 35,000	\$ 35,000
Kubota RTV-X1140 4x4 to maintain rail trail	\$ 15,500	\$ 15,500
Mower	\$ 12,000	\$ 12,000
Leaf Vacuum Truck	\$ 140,000	\$ -
Streets Total	\$ 245,500	\$ 105,500
10-4540 Cemetery		
Sidewalk and Light	\$ 20,000	\$ 20,000
Cemetery Total	\$ 20,000	\$ 20,000
TOTAL 2018-2019 GENERAL FD	\$ 1,634,100	\$ 417,500

	Requested	Recommended
PARKS AND RECREATION FUND		
15-6125 Cool Springs Gym		
2 Basketball Goals	\$ 36,000	\$ -
Cool Springs Gym Total	\$ 36,000	\$ -
15-6130 Parks and Playgrounds		
Replace Truck 2006 F-150	\$ 30,000	\$ -
Replace track at Summey Park	\$ 155,000	\$ -

Play System at Crowe Park	\$ 150,000	\$ -
Parks and Playgrounds Total	\$ 335,000	\$ -
15-6135 McNair Field		
Replace Halo around home plate	\$ 13,000	\$ -
McNair Field Total	\$ 13,000	\$ -
15-6170 Golf Course		
Replace 1998 Fairway Mower	\$ 65,000	\$ 65,000
Golf Course Total	\$ 65,000	\$ 65,000
TOTAL 2018-2019 PARKS AND RECREATION FUND	\$ 449,000	\$ 65,000

	Requested	Recommended
WATER AND SEWER FUND		
61-7120 Water Operations		
Replace 2" Water Line on Woodburn Dr	\$ 304,175	\$ 304,175
Replace 1988 dump truck	\$ 105,000	\$ 105,000
Replace 2 Utility Trucks (1 recommended)	\$ 130,000	\$ 65,000
Replace Truck	\$ 37,000	\$ -
Catastrophic Reserves	\$ 150,000	\$ 150,000
Water Ops Total	\$ 726,175	\$ 624,175
61-7121 Water Plant		
#1 Sludge Basin cleaning/removal of sludge	\$ 74,113	\$ 74,113
Variable Drive Frequency Finished Water Pump	\$ 36,487	\$ 36,487
Upgrade 5 filter consoles	\$ 123,050	\$ -
Replace outdated spectrophotometer (fluoride meter)	\$ 5,297	\$ 5,297
Water Plant Total	\$ 238,947	\$ 115,897
61-7130 Sewer Operations		
Tate Street Sewer Replacement	\$ 234,000	\$ -
Replace Service Truck	\$ 37,000	\$ 37,000
Portable Inspection Camera	\$ 118,000	\$ -
Full 17 Manhole Replacement (8 recommended)	\$ 100,000	\$ 48,000
Sewer Rat rapid assessment tool	\$ 25,000	\$ -
Catastrophic Reserves	\$ 150,000	\$ 150,000
Sewer Ops Total	\$ 664,000	\$ 235,000

61-7135 Pump Maintenance/Storage		
Ford F-350 Crew Cab truck w/service bed	\$ 46,000	\$ 46,000
New Pump Station at Dogwood	\$ 799,000	\$ -
3- RVSS (Soft Starts) at Raw Water Pump Station	\$ 30,000	\$ 30,000
Upgrade Downtown Fountain	\$ 10,000	\$ 10,000
New pumps/motors for pump stations	\$ 30,000	\$ 30,000
Pump Maintenance Total	\$ 915,000	\$ 116,000
61-7140 Water Meter Services		
New truck for meter reader (split with 63-7240)	\$ 14,402	\$ -
Meter Services Total	\$ 14,402	\$ -
TOTAL 2018-2019 WATER AND SEWER FUND	\$ 2,558,524	\$ 1,091,072

	Requested	Recommended
ELECTRIC FUND		
63-7220 Electric Operations		
Pole replacement completion (50% or 288 poles recommended)	\$ 478,830	\$ 239,420
Station Grounding	\$ 178,130	\$ 178,130
Kubota	\$ 52,000	\$ 52,000
Substation Control Houses	\$ 325,000	\$ 325,000
Oak Street DOT project (revenue offset)	\$ 118,000	\$ 118,000
LED Lights Downtown	\$ 25,000	\$ -
Lowes tie line	\$ 200,000	\$ -
Electric Operations Total	\$ 1,376,960	\$ 912,550
63-7240 Electric Meter Services		
8,000 new electric meters (1,000 recommended)	\$ 408,000	\$ 51,000
New truck for meter reader (split with 61-7140)	\$ 14,402	\$ -
Meter Services Total	\$ 422,402	\$ 51,000
TOTAL 2018-2019 ELECTRIC FUND	\$ 1,799,362	\$ 963,550
TOTAL 2018-2019 ALL FUNDS	\$ 6,440,986	\$ 2,537,122

XII. 2018 PROPERTY VALUES AND FACEBOOK IMPACT

Chart 4, 2018 Real and Personal Property Value Estimates, shows property values in Forest City from FY 2013-2014 to the estimate for FY 2018-2019.

CHART 4: 2018 REAL AND PERSONAL PROPERTY VALUE ESTIMATES

C04 - Town of Forest City (as of 5/7/18)	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	ESTIMATED	Percentage
	Actual	Actual	Actual	Actual	Actual	Estimate	GAIN/(LOSS)	Gain/(Loss)
Real Property	520,567,250	548,677,653	564,927,100	566,203,714	563,982,035	667,222,551		
Less Homestead & DV Exclusions	(7,325,500)	(7,228,820)	(7,605,120)	(7,532,370)	(7,889,676)	(7,890,000)		
Less Exempt	(3,089,580)	(3,115,780)	(3,115,780)	(3,113,340)	(911,542)	(915,000)		
Less Present Use Value (deferred)	(766,970)	(848,968)	(848,968)	(931,268)	(931,182)	(931,000)		
Subtotal Real Taxable Value	509,385,200	537,484,085	553,357,232	554,626,736	554,249,635	657,486,551	103,236,916	15.7018%
Business Personal Property	488,405,330	568,066,886	548,424,703	539,664,888	690,659,788	790,509,033		
Public Utility Values	23,895,590	25,402,099	31,077,279	34,262,048	28,285,124	28,285,000		
DMV Value	34,564,464	35,135,631	29,967,043	32,682,522	39,082,110	38,000,000		
Subtotal Personal Taxable Value	546,865,384	628,604,616	609,469,025	606,609,458	758,027,022	856,794,033	98,767,011	11.5275%
Total Net Taxable Value	1,056,250,584	1,166,088,701	1,162,826,257	1,161,236,194	1,312,276,657	1,514,280,584	202,003,927	13.3399%
	39.4844%	9.4194%	-0.2806%	-0.1369%	11.5098%	13.3399%		

Andale (Facebook)	Personal	Real
2018	754,278,258	153,772,000
2017	608,519,971	153,772,000
Difference	145,758,287	- 145,758,287

Source: Rutherford County Revenue Department

Since the time of the last revaluation in FY 2012-2013, the value of the Town has increased from \$639,196,330 to an estimated \$1,514,280,584 in FY 2018-2019. This represents an increased value of \$875,084,254.

However, upon a review of Chart 5 below, "Facebook Property Value Comparisons," the total property value increase in Facebook from FY 2012-2013 to FY 2018-2019 was \$797,430,548. Therefore, without Facebook the Town's value would have increased \$77,653,706.

Chart 5: FACEBOOK PROPERTY VALUE COMPARISONS

	<u>FY 12-13</u>	<u>FY 18-19</u>	Increase FY 12-13 to <u>FY 18-19</u>
Real Property Value	\$ 48,505,000	\$153,772,000	\$105,267,000
Business Personal Value	\$ 62,114,710	\$754,278,258	\$692,163,548
Total Value	<u>\$110,619,710</u>	<u>\$908,050,258</u>	<u>\$797,430,548</u>
Levy @ \$.29/100	\$ 320,797	\$ 2,633,346	\$ 2,312,549

This increase of \$77,653,706 is best shown below in Chart 6, "2018 Property Values excluding Facebook." The overall value of the Town (excluding Facebook) in FY 2012-2013 was \$528,576,620 increasing to \$606,230,326 in FY 2018-2019.

Chart 6: 2018 PROPERTY VALUES EXCLUDING FACEBOOK

	<u>FY 12-13</u>	<u>FY 18-19</u>	Increase (Decrease) FY 12-13 to <u>FY 18-19</u>
Real Property Value	\$410,373,430	\$513,450,551	\$103,077,121
Less Homestead & DV Exclusions	\$ (6,657,680)	\$ (7,890,000)	\$ (1,232,320)
Less Exempt	\$ (3,089,580)	\$ (915,000)	\$ 2,174,580
Less Present Use Value (deferred)	\$ (582,960)	\$ (931,000)	\$ (348,040)
Subtotal Real Taxable Value	<u>\$400,043,210</u>	<u>\$503,714,551</u>	<u>\$103,671,341</u>
Personal Property	\$ 73,683,010	\$ 36,230,775	\$ (37,452,235)
Public Utility Values	\$ 23,728,360	\$ 28,285,000	\$ 4,556,640
DMV Value	<u>\$ 31,122,040</u>	<u>\$ 38,000,000</u>	<u>\$ 6,877,960</u>
Subtotal Personal Taxable Value	<u>\$128,533,410</u>	<u>\$102,515,775</u>	<u>\$ (26,017,635)</u>
Increase in Total Net Taxable Value Excluding Facebook	\$528,576,620	\$606,230,326	\$ 77,653,706

XIII. FUND BALANCE

Historically, the Town of Forest City has kept healthy fund balances in the General Fund and the Enterprise Funds (Water and Sewer; Electric). This is a brief analysis of the state of those funds. All references to the General Fund for the purpose of this section includes the Parks

and Recreation Fund as the annually audited financial statements roll these two funds together.

Chart 7, General Fund Balance Available for Appropriations Calculations, is a six-year history of the General Fund fund balance available for appropriation. The current estimate is that the General Fund fund balance available would decrease by \$693,407 for the fiscal year ending June 30, 2018. This is provided as a conservative estimate. The main reason for the decrease in the fund balance is the construction of the new downtown park. The balance available for appropriation is estimated to remain at 42.42% as of June 30, 2018 compared to 46.17% on June 30, 2017.

*CHART 7: GENERAL FUND BALANCE AVAILABLE FOR APPROPRIATION CALCULATIONS
FISCAL YEARS 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 Actuals (Estimate 2017-18)*

	FY 2012-13 ACTUAL	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ESTIMATE
Fund Balance Available for Appropriation:						
Cash and Investments	\$ 4,409,806	\$ 5,756,172	\$ 6,057,824	\$ 5,679,575	\$ 5,976,544	\$ 5,283,137
Accounts Payable	(475,239)	(471,309)	(397,652)	(345,204)	(549,372)	(549,372)
Prepaid Taxes	(1,308)	(655)	(13)	(43)	(309)	(309)
Fund Balance Available for Appropriation	\$ 3,933,259	\$ 5,284,208	\$ 5,660,159	\$ 5,334,328	\$ 5,426,863	\$ 4,733,456
Annual Increase (Decrease) in Fund Balance Available	\$ 414,665	\$ 1,350,949	\$ 375,951	\$ (325,831)	\$ 92,535	\$ (693,407)
Total Expenditures	\$ 9,861,845	\$ 10,648,960	\$ 11,047,087	\$ 11,883,729	\$ 11,754,781	\$ 11,159,096
Total Transfers to Other Funds	33,000	-	-	-	-	-
Lease Purchase Proceeds	-	(413,517)	(115,000)	(99,000)	-	-
Expenditures to Use for Calculation	\$ 9,894,845	\$ 10,235,443	\$ 10,932,087	\$ 11,784,729	\$ 11,754,781	\$ 11,159,096
% of Fund Balance Available	39.75%	51.63%	51.78%	45.26%	46.17%	42.42%

LGC 8% Minimum - One month Operating	\$ 824,570	\$ 852,954	\$ 911,007	\$ 982,061	\$ 979,565
Over Minimum	\$ 3,108,689	\$ 4,431,254	\$ 4,749,152	\$ 4,352,267	\$ 4,447,298
Months Operating Expense in Reserve	4.77	6.20	6.21	5.43	5.54
Group Weighted Average Muni w/Electric % FBA	51.49%	53.69%	54.14%	52.07%	
Average Fd Bal % for All Electric Towns	38.76%	39.96%	43.28%	43.04%	

As this chart shows, the Town's fund balance available for appropriation as a percentage of expenditures as of June 30, 2017 is well above the LGC **minimum** of 8% (one month of operating expense) at 46.17%. This equates to 5.54 months of operating reserve. This chart also provides some comparison of Forest City to other towns of the approximate same size (average fund balance % of 52.07%) and electric city towns (average fund balance % of 43.04%).

Chart 8, Enterprise Fund Cash Balances shows the six-year history of the Town's Enterprise Funds. As the chart shows, the estimate is that the Water and Sewer Fund will decrease in the current fiscal year from \$7,543,814 to \$5,362,745 or (\$2,181,069). The Electric Fund is estimated to decrease from \$7,210,893 to $\frac{+}{-} \frac{-}{27}$ 63,179 or (\$1,447,714).

CHART 8: ENTERPRISE FUNDS CASH BALANCES
 FISCAL YEARS 2012-2013, 2013-2014, 2014-2015, 2015-2016 and
 2016-2017 ACTUALS (Estimate FY 2017-18)

	FY 2012-2013 ACTUAL	FY 2013-2014 ACTUAL	FY 2014-2015 ACTUAL	FY 2015-2016 ACTUAL	FY 2016-2017 ACTUAL	FY 2017-2018 ESTIMATE
Water & Sewer Fund Cash & Cash Equivalents	\$5,046,470	\$5,766,411	\$6,179,749	\$7,220,321	\$7,543,814	\$5,362,745
Electric Fund Cash & Cash Equivalents	\$2,609,167	\$2,940,728	\$4,408,278	\$5,855,899	\$7,210,893	\$5,763,179

General Fund - Fund Balance Appropriated

The General Fund recommended budget appropriates \$2,770,496 of fund balance in this budget. It is estimated that the entire amount will be spent on the completion of the Park and Rails to Trails (PartF Grant) projects that began in FY 2017-2018.

Florence Mill Fund – Fund Balance Appropriated

This budget appropriates \$25,000 of fund balance for the Florence Mill Fund. However, it is estimated that \$25,000 of expenditures budgeted will remain unspent.

Water and Sewer Fund - Fund Balance Appropriated

The Water and Sewer Fund has no recommended budget appropriation of fund balance for FY 2018-2019.

Electric Fund - Fund Balance Appropriated

The Electric Fund recommended budget appropriates \$579,716 of fund balance. It is estimated that \$500,000 will not be spent based on conservative revenue estimates and appropriations that have historically not been spent.

XIV. INTERFUND TRANSFERS

Chart 9 on the following page, Interfund Transfers FY 2012-2013 Projected through FY 2018-2019, shows the historical perspective of transferring among funds by the Town. During this seven-year period the low transfer was in FY 2016-2017 with \$3,598,658 being transferred from utilities to the General Fund (including Florence Mill and Parks and Recreation). Previously, FY 2012-2013 represented the high year with \$4,827,413 being transferred until the FY 2017-2018 budget with \$8,745,530 being transferred to cover large capital projects. An ongoing concern is that discussions have taken place by the legislature that could limit or eliminate the amount the Town transfers from utility funds to the General

operating fund. Recently with the introduction of House Bill 503, this is again a concern. If this became a reality, the Town would have to drastically reduce General Fund spending and services or significantly increase property taxes or a combination of the two. The State legislature has already enacted legislation which does not allow municipalities to receive grants or loans from DENR if transfers occur from water and sewer to the General Fund. As discussed previously under the Governing Body section in the General Fund, Town staff continues to make a concerted effort in the FY 2018-2019 recommended budget to more accurately allocate the cost of administration of the Water and Sewer Fund and Electric Funds to those funds. Mayor Holland continues to respond on a yearly basis to any letters from the Department of the State Treasurer.

Chart 9: INTERFUND TRANSFERS FY 2012-2013 PROJECTED THROUGH FY 2018-2019

	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Parks & Rec from Water/Sewer	\$ 1,072,175	\$ 850,000	\$ 1,086,179	\$670,067	\$559,685	\$3,488,781	\$258,376
Parks & Rec from Electric	\$ 755,238	\$515,345	\$ 439,906	\$861,819	\$894,559	\$2,167,514	\$1,118,042
Florence Mill from Water/Sewer		\$ 263,888					
Florence Mill from Electric			\$163,536		\$84,939	\$25,000	
General from Electric	\$ 3,000,000	\$ 3,000,000	\$ 2,223,431	\$2,144,475	\$2,059,475	\$3,064,235	\$1,269,198
General from Water/Sewer		\$ 57,268					
	\$4,827,413	\$4,686,501	\$ 3,913,052	\$3,676,361	\$3,598,658	\$8,745,530	\$2,645,616

XV. FUTURE STRATEGIC PLANNING/LONG TERM CAPITAL PLAN

Electric System

The pole inspection/pole replacement project underway that began in FY 2016-2017 is scheduled to be complete in FY 2019-2020. At the end of this project, approximately 751 or 13.5% of the 5,500 town utility poles will have been replaced. This large capital project has not been undertaken in over 20 years and should provide long term security that the Town has put the backbone of the electric system in good repair. This pole replacement project

is the highest priority of the Electric Department. However, there are several other additional electric department priorities outlined in this budget on page 20.

Water and Sewer System

Last year the Town applied for a grant that would do the following: water and sewer system mapping and inventory, asset management operation system and a capital improvement plan. Because the Town transfers money from our Water and Sewer Fund to our General Fund our grant application was not funded. If the Town had been successful in securing this grant, it would have been a comprehensive look at our water and sewer system and given us a long-term capital plan that would allow the Town to prioritize problem areas. It would also have provided the Town a multiyear budget for replacement of equipment and infrastructure in the water, sewer and waste treatment areas. The Town is working with McGill to provide a long range plan due to the fact that this grant could not be secured. This is not the comprehensive assessment that would have been provided by the grant, but it will help the Town set some capital priorities in water and sewer.

Parks and Recreation System

Two large projects are underway that directly impact the Town's park system: the Forest City Pavilion on Park Square and the Thermal Belt Rail Trail. These two projects will significantly enhance the Town's park recreation outlook. In addition, the Town received a PARTF grant to fund trail amenities. The trail, park and grant are all expected to be complete in FY 2018-2019. Four additional park items were mentioned in the budget message that need to be addressed in the near future.

Replace 1980's playground set at Crowe Park	\$150,000
Replace 1990's basketball goals at Cool Springs	\$35,000
Replace textured track at Summey Park	\$155,000
Home plate halo at McNair Stadium	\$13,000

Fire Department

Engine 2210, a 1988 model, will reach its life expectancy in 2018. Replacement was requested but not recommended in the FY 2018-2019 budget. With the addition of a four-story Hampton Inn and Suites and Facebook, the Town will need to consider a 100-foot aerial device. This truck will be a factor in maintaining our current ISO rating of 4. This truck would serve to meet the requirements for the engine as well as give ISO credit for being able to reach the top of the structures listed above.

Streetscape

The Town received the Streetscape Plan in 2014. The Blanton Alley arch lighting has been completed. The large parking lot behind Blanton Alley is recommended in FY 2017-2018. The Board may wish to discuss future projects.

Town Hall

Discussions of a new Town Hall have taken place over the last few years. The last information provided to the Board is in Appendix J.

The Town is in a very healthy financial position. The increased economic conditions in Town should bode well for our utility system. Along with the new restaurants and shops, the completion of the Forest City Pavilion on Park Square and the Thermal Belt Rail Trail should further increase the economic vitality of the downtown. The completion of the Hampton Inn and Suites and the renovation at the Days Inn and Quality Inn should spur significant new tourism dollars. Everest Textiles particularly with the water and wastewater usage should provide additional revenue. We also understand that Horsehead should resume some level of operation in 2019.

With the changing financial environment and the investment the Town is making, FY 2018-2019 is a very critical year as we plan forward.

XVI. COST OF LIVING ADJUSTMENT (COLA) & CERTIFICATIONS

The number of full time authorized positions by department is included in Appendix K.

This budget recommends a 2% COLA effective July 1, 2018. The 2% recommendation is based on a 2% Social Security increase effective January 2018. CPI increased by 2.1%. The total cost of the 2% increase for all Town employees is \$149,168.

There are three new employees recommended in this budget: Maintenance Worker Rails to Trails, IT Assistant, and HR Payroll/Accounting Clerk.

Additionally, the Town continues to cover 100% of the cost of health insurance. The estimated employee insurance cost per month is \$548.68.

During FY 2014-2015 the Town implemented programs to recognize Senior Police Officers, Fire Fighter Specialists and Water and Sewer distribution and collection certifications. The Town had previously recognized certification increases in Building Inspections, the Water Plant, and the Wastewater Plant. In addition, the Clerk attended the School of Government and went through a multi-week Clerk Certification process which will be complete in November 2018. The chart in Appendix L represents the employees that have achieved higher job levels through a combination of training and experience as well as those that are anticipated to receive additional training that will allow them to reach a higher position/recognition in FY 2018-2019.

The FY 2014-2015 budget implemented a matching 401k program for non-law enforcement employees. *The Town is currently required by North Carolina General Statutes to contribute 5% of law enforcement officers' salaries to a 401k plan.* This does not require any match by the law enforcement officer. The FY 2014-2015 budget began a contribution plan for non-law enforcement employees of \$10 per pay period *if* the employee contributes at least \$10 per pay period. In the FY 2015-2016 budget that contribution was increased to \$20 per pay period if the employee contributes at least \$20 per pay period and in FY 2016-2017 it was increased to \$30 per pay period. Seventy-three of the 96 non-law enforcement employees participate in this plan. In the FY 2017-2018 budget this 401K program increased to \$40.00 as the final installment in a program that resulted in a contribution of approximately \$1,000 per year to those employees who wish to participate in the plan.

In FY 2015-2016, a program was implemented to recognize senior employees and continued in FY 2017-2018. For this program to impact an employee, he/she must meet the following requirements:

1. Minimum ten years with the Town; and
2. At age 60 with 20 years in the retirement system; or
3. At any age with 25 years in the retirement system;
4. Employee's salary will be no less than the midpoint of the salary range;
5. Must be in current position at least two years.

The goal of this program is to reward long term employees in the latter years of their career so that they will be compensated at no less than the mid-point of their salary grade in the last years of working with the Town. The highest four years of salary are also important in determining retirement compensation. No employee will meet this criteria in FY 2018-2019.

The total annual cost of the program implementation is in Chart 10 below.

**Chart 10: Employee Salary FY 2018-2019
COLA and Certifications**

Cost of Living Increase	\$149,168
Journeyman	\$ 1,338
Police	\$ 22,966
Fire	\$ 1,871
Inspections	\$ 3,531
Water & Sewer Operations, Pump Maintenance	\$ 5,326
Water Treatment Plant	<u>\$ 3,311</u>
Total	\$187,511

XVII. CONCLUSION

As stated in the introduction, the major goal of this budget is to maintain services without increasing property tax rates or user fees. This budget as recommended accomplishes that goal. Garbage collections fees were increased by 3.2% to cover cost increase.

The recommended capital requests set the stage for allowing the Town to continue to progress forward. All the signage plans, landscape plans, streetscape plans, website update, and other beautification strategies are an attempt to help move the Town and its businesses forward and be in a better position to take advantage of marketing opportunities.

This budget also continues to make an investment in the employees who are the major service providers to the Town. This budget contains a 2% COLA and the continuance of the previously approved Career Development Plans in multiple departments which should position the Town well in the future. As mentioned earlier in the budget, the Career Development plans include Police, Fire, Public Works, Water Plant, Sewer Plant, Building Inspection, and Electric.

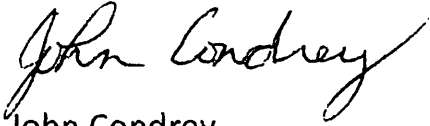
As was discussed in the Budget Message Introduction, this budget expects to use fund balance/cash balance reserves for the Forest City Pavilion on Park Square and Thermal Belt Rail Trail. The chart below shows that the overall recommended budget of the Town would decrease from \$42,722,074 in FY 2017-2018 to \$33,703,478 in FY 2018-2019 which is a decrease of \$9,018,596.

TOWN OF FOREST CITY FY 2017-2018 AMENDED AND FY 2018-2019 REQUESTED & RECOMMENDED BUDGETS

	<u>Amended</u> <u>FY 2017-18</u>	<u>Requested</u> <u>FY 2018-19</u>	<u>Recommended</u> <u>FY 2018-2019</u>
General Fund	\$12,133,937	\$13,539,656	\$12,208,041
Florence Mill Fund	\$ 25,000	\$ 25,000	\$ 25,000
Parks & Recreation Fund	\$ 6,758,841	\$ 3,205,971	\$ 2,818,614
Water & Sewer Fund	\$ 8,278,358	\$ 7,483,482	\$ 5,555,899
Electric Fund	<u>\$15,525,938</u>	<u>\$14,485,894</u>	<u>\$13,095,924</u>
TOTAL	\$42,722,074	\$38,740,003	\$33,703,478

I would like to thank all the Town Department Heads for their efforts during the budget preparation process and their assessment of what was needed to accomplish their respective tasks.

Respectfully Submitted,



John Condrey
City Manager

*****The appendixes are not included in the printed budget book. They are available upon request.*****

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10 GENERAL FUND	
10-3121-170 TAX INTEREST AND COST	13,000.00
10-3213-202 PROP TAXES AUTO - STATE COLLECTE	110,200.00
10-3217-110 TAXES AD VALOREM-2017	30,000.00
10-3218-110 TAXES AD VALOREM-2018	4,221,277.00
10-3218-201 VEHICLE RENT TAX-2018	20,000.00
10-3230-120 SALES TAX-1/2%-ART#44	99,200.00
10-3231-120 SALES TAX-1%-ART#39	515,500.00
10-3232-120 SALES TAX-1/2%-ART#40	333,900.00
10-3233-120 SALES TAX-1/2%-ART#42	250,900.00
10-3310-312 ABC-PROFIT REVENUE	219,050.00
10-3324-300 SALES TAX-TELECOM	105,000.00
10-3324-310 FRANCHISE TAX-ELEC	700,000.00
10-3324-320 EXCISE TAX-NAT GAS	25,000.00
10-3324-325 EXCISE TAX-VIDEO	37,000.00
10-3326-001 SOLID WASTE DISP TAX DISTRIBUTION	5,500.00
10-3328-003 HOLD HARMLESS REVENUES	344,000.00
10-3330-309 TDA GRANT	66,000.00
10-3331-310 PAYMENT IN LIEU OF TAX-LOCAL	13,000.00
10-3331-315 FCHA - SALARY SUPPORT	10,000.00
10-3331-316 POL SECURITY SUPP-FCHA	10,000.00
10-3331-317 POL SECURITY SUPP-FC OWLS	10,000.00
10-3331-318 POL SECURITY SUPP-FC CLUBHOUSE	2,000.00
10-3343-410 BUILDING PERMITS	125,000.00
10-3345-415 CODE ENFORCEMENT REVENUE	34,000.00
10-3411-330 CONTROLLED SUBSTANCE TAX DIST.	7,000.00
10-3411-430 BEER/WINE EXCISE TAXES	33,000.00
10-3413-581 RETURNED CHECK FEE	3,200.00
10-3414-861 RENTS-BANK BLDG	36,000.00
10-3414-862 DOWNTOWN ACTIVITIES REVENUE	14,000.00
10-3416-310 COURT FEES AND CHARGES	3,000.00
10-3431-252 POL TAKE HOME CAR REVENUE	2,625.00
10-3431-410 FIRE PROTECTION CHARGES	5,000.00
10-3431-411 STATE FIRE FUND REVENUE	6,000.00
10-3431-412 FIRE DISTRICT TAX	8,121.00
10-3451-330 POWELL BILL STREET ALLOCATION	240,000.00
10-3451-335 ON-BEHALF FIRE PENSIONS	3,500.00
10-3451-410 STREET PAVING AND DEVLPRS COST	3,500.00

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TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-3451-516 BOSTIC GENERAL WORK	1,000.00
10-3451-710 SALE OF MULCH	1,000.00
10-3471-410 WASTE COLLECTION CHARGES	1,223,900.00
10-3831-491 INTEREST EARNED GENERAL FUND	18,000.00
10-3831-492 INTEREST EARNED-POWELL BILL	700.00
10-3839-865 COOL SPRINGS CEMETERY LOTS	7,000.00
10-3839-870 ALEX CEMETERY LOTS	2,000.00
10-3839-890 MISCELLANEOUS REVENUE	20,770.00
10-3987-980 TRANSFERRED FROM ELECTRIC FUND	1,269,198.00
10-3991-995 FUND BALANCE APPROPRIATED	<u>2,118,203.00</u>
10 GENERAL FUND	<u>12,326,244.00</u>
	<u><u>12,326,244.00</u></u>

FY 2018-2019

TOWN OF FOREST CITY
GENERAL FUND EXPENDITURE BUDGET SUMMARY

	ORIGINAL BUDGET
4110 GOVERNING BODY	63,793.00
4120 ADMINISTRATIVE	3,347,065.00
4130 FINANCE	304,908.00
4150 LEGAL	48,263.00
4240 WAREHOUSE AND GARAGE	81,205.00
4260 PUBLIC WORKS BUILDINGS	130,411.00
4310 POLICE	3,103,803.00
4340 FIRE	1,427,830.00
4341 VOLUNTEER FIRE	45,700.00
4350 CODE ENFORCEMENT	939,242.00
4510 STREETS	1,285,086.00
4520 POWELL BILL	230,674.00
4540 CEMETERY	27,500.00
4710 SANITATION	1,249,817.00
6801 DEBT SERVICE	40,947.00
10 GENERAL FUND	12,326,244.00
	12,326,244.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10 GENERAL FUND	
4110 GOVERNING BODY	
10-4110-131 BOARD MEMBER SERVICES	49,181.00
10-4110-180 FRINGE BENEFITS	6,262.00
10-4110-299 DEPT MATERIALS AND SUPPLIES	3,500.00
10-4110-311 TRAVEL AND TRAINING EXPENSE	2,000.00
10-4110-325 POSTAGE	250.00
10-4110-351 CEP & BANK BUILDING REP/MAINT	10,500.00
10-4110-352 EQUIP MAINT AND REPAIR	1,000.00
10-4110-450 INSURANCE AND BONDS	9,000.00
10-4110-491 DUES AND SUBSCRIPTIONS	1,470.00
10-4110-525 NON-DEPR C O EQUIP	1,000.00
10-4110-620 APPRECIATION	2,900.00
10-4110-630 CONTRIBUTIONS	20,000.00
10-4110-707 IT EQUIP-NON-DEPRECIABLE	1,000.00
10-4110-998 WATER & SEWER FD REIMBURSEMENT	-29,587.00
10-4110-999 ELECTRIC FD REIMBURSEMENT	-14,683.00
4110 GOVERNING BODY	<u>63,793.00</u>
4120 ADMINISTRATIVE	
10-4120-121 SALARIES	353,444.00
10-4120-129 OVERTIME-SALARIES	2,000.00
10-4120-180 FRINGE BENEFITS	129,068.00
10-4120-193 PRO. SER.-DRUG TESTING	5,000.00
10-4120-194 PROF SVC-GRANT CONSULTING	10,000.00
10-4120-198 PROF SVC-WEBSITE MAINTENANCE	7,000.00
10-4120-212 UNIFORMS	600.00
10-4120-251 AUTO SUPPLIES	1,500.00
10-4120-298 BEAUTIFICATION COMMITTEE EXPEN	65,000.00
10-4120-299 DEPT MATERIALS & SUPPLIES	11,500.00
10-4120-311 TRAVEL AND TRAINING EXPENSE	4,000.00
10-4120-321 TELEPHONE	7,000.00
10-4120-325 POSTAGE	1,250.00
10-4120-331 ELECTRIC UTILITIES	6,200.00
10-4120-333 NATURAL GAS UTILITIES	700.00
10-4120-351 BUILDING AND GRDS REPAIRS AND	50,000.00
10-4120-352 EQUIP MAINT AND REPAIR	2,000.00
10-4120-353 VEHICLE SERVICE AND REPAIR	1,000.00
10-4120-397 CONTRACTED SERVICES	48,500.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4120-450 INSURANCE AND BONDS	24,500.00
10-4120-454 FACEBOOK GRANT	2,633,346.00
10-4120-491 DUES AND SUBSCRIPTIONS	40,415.00
10-4120-499 MISCELLANEOUS	1,000.00
10-4120-701 IT DEPT MATERIALS/SUPPLIES	12,000.00
10-4120-702 IT DEPT TRAVEL/TRAINING	3,500.00
10-4120-703 IT DEPT BLDG/GROUNDS MAINT/REPAIR	10,000.00
10-4120-704 IT DEPT EQUIP MAINT/REPAIR	5,000.00
10-4120-705 IT DEPT VEHICLE MAINT/REPAIR	2,500.00
10-4120-707 IT DEPT NON-DEPR EQUIP	32,300.00
10-4120-708 IT DEPT C.O. EQUIP	28,000.00
10-4120-998 WATER & SEWER FD REIMBURSEMENT	-101,091.00
10-4120-999 ELECTRIC FUND REIMBURSEMENT	-50,167.00
4120 ADMINISTRATIVE	<u>3,347,065.00</u>

4130 FINANCE

10-4130-121 SALARIES AND WAGES	147,664.00
10-4130-129 OVERTIME-SALARIES	3,000.00
10-4130-180 FRINGE BENEFITS	64,879.00
10-4130-191 ACCOUNTING SERVICES	34,435.00
10-4130-192 PROFESSIONAL SERVICES-HR	2,000.00
10-4130-295 BANK SERVICE CHARGES	10,000.00
10-4130-299 DEPT MATERIALS & SUPPLIES	12,000.00
10-4130-311 TRAVEL & TRAINING EXPENSE	7,445.00
10-4130-321 TELEPHONE	4,000.00
10-4130-325 POSTAGE	2,800.00
10-4130-331 ELECTRIC UTILITIES	3,500.00
10-4130-352 EQUIP MAINT AND REPAIR	1,700.00
10-4130-397 CONTRACTED SERVICES	43,500.00
10-4130-450 INSURANCE AND BONDS	5,900.00
10-4130-491 DUES AND SUBSCRIPTIONS	5,782.00
10-4130-525 NON-DEPR C O EQUIP	5,000.00
10-4130-998 WATER & SEWER FD REIMBURSEMENT	-32,546.00
10-4130-999 ELECTRIC FUND REIMBURSEMENT	-16,151.00
4130 FINANCE	<u>304,908.00</u>

4150 LEGAL

10-4150-180 FRINGE BENEFITS	7,823.00
10-4150-192 LEGAL SERVICES	78,225.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4150-998 WATER & SEWER FD REIMBURSMNT	-25,253.00
10-4150-999 ELECTRIC FD REIMBURSEMENT	-12,532.00
4150 LEGAL	<u>48,263.00</u>
4240 WAREHOUSE AND GARAGE	
10-4240-121 SALARIES & WAGES - REGULAR	99,869.00
10-4240-129 OVERTIME-SALARIES	200.00
10-4240-180 FRINGE BENEFITS	42,942.00
10-4240-212 UNIFORMS	1,700.00
10-4240-251 AUTOMOTIVE SUPPLIES	3,000.00
10-4240-299 DEPT MATERIALS & SUPPLIES	15,000.00
10-4240-311 TRAVEL AND TRAINING EXPENSE	1,000.00
10-4240-321 TELEPHONE	1,500.00
10-4240-331 ELECTRIC UTILITIES	4,000.00
10-4240-333 UTILITIES-NATURAL GAS	700.00
10-4240-351 BUILDINGS & GRDS REPAIR & MAIN	10,000.00
10-4240-352 EQUIPMENT SERVICE AND REPAIRS	2,200.00
10-4240-353 VEHICLE SERVICE & REPAIR	2,000.00
10-4240-397 CONTRACTED SERVICES	1,500.00
10-4240-450 INSURANCE AND BONDS	2,500.00
10-4240-491 DUES AND SUBSCRIPTIONS	200.00
10-4240-525 NON-DEPR C O EQUIP	5,000.00
10-4240-707 IT EQUIP-NON-DEPRECIABLE	2,050.00
10-4240-998 WATER & SEWER FD REIMBURSMNT	-57,078.00
10-4240-999 ELECTRIC FD REIMBURSEMENT	-57,078.00
4240 WAREHOUSE AND GARAGE	<u>81,205.00</u>
4260 PUBLIC WORKS BUILDINGS	
10-4260-121 SALARIES & WAGES - REGULAR	58,576.00
10-4260-129 OVERTIME-SALARIES	300.00
10-4260-180 FRINGE BENEFITS	32,636.00
10-4260-212 UNIFORMS	1,000.00
10-4260-251 AUTOMOTIVE SUPPLIES	1,700.00
10-4260-299 DEPT MATERIALS & SUPPLIES	11,000.00
10-4260-311 TRAVEL AND TRAINING EXPENSE	2,000.00
10-4260-321 TELEPHONE	3,500.00
10-4260-331 ELECTRIC UTILITIES	5,000.00
10-4260-333 UTILITIES-NATURAL GAS	5,000.00
10-4260-351 BUILDINGS & GRDS REPAIR & MAIN	77,425.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4260-352 EQUIPMENT SERVICE AND REPAIRS	4,500.00
10-4260-353 VEHICLE SERVICE & REPAIR	3,000.00
10-4260-397 CONTRACTED SERVICES	1,000.00
10-4260-450 INSURANCE AND BONDS	3,250.00
10-4260-491 DUES AND SUBSCRIPTIONS	1,566.00
10-4260-525 NON-DEPR C O EQUIP	12,000.00
10-4260-707 IT EQUIPMENT-NON DEPRECIABLE	5,700.00
10-4260-998 WATER & SEWER FD REIMBURSEMENT	-49,371.00
10-4260-999 ELECTRIC FD REIMBURSEMENT	-49,371.00
4260 PUBLIC WORKS BUILDINGS	<u>130,411.00</u>

4310 POLICE

10-4310-121 SALARIES AND WAGES	1,660,115.00
10-4310-123 SPECIAL SEPARATION ALLOWANCE	25,412.00
10-4310-129 OVERTIME-SALARIES	9,000.00
10-4310-180 FRINGE BENEFITS	777,826.00
10-4310-193 PROFESSIONAL SERVICES-MEDICAL	3,500.00
10-4310-212 UNIFORMS	26,000.00
10-4310-251 AUTOMOTIVE SUPPLIES	60,000.00
10-4310-299 DEPT MATERIALS & SUPPLIES	32,000.00
10-4310-304 FCHA SECURITY-SALARIES	10,000.00
10-4310-305 FC OWLS SECURITY-SALARIES	10,000.00
10-4310-306 FC CLUBHOUSE SECURITY SALARIES	2,000.00
10-4310-311 TRAVEL AND TRAINING EXPENSE	17,000.00
10-4310-321 TELEPHONE	40,500.00
10-4310-325 POSTAGE	1,000.00
10-4310-331 ELECTRIC UTILITIES	10,000.00
10-4310-333 GAS UTILITIES	850.00
10-4310-351 BUILDINGS & GRDS REPAIR & MAIN	25,000.00
10-4310-352 EQUIPMENT SERVICE & REPAIRS	10,000.00
10-4310-353 VEHICLE SERVICE & REPAIRS	25,000.00
10-4310-397 CONTRACTED SERVICES	62,000.00
10-4310-450 INSURANCE AND BONDS	45,000.00
10-4310-491 DUES AND SUBSCRIPTIONS	17,675.00
10-4310-499 MISCELLANEOUS	5,000.00
10-4310-525 NON-DEPR C O EQUIP	8,425.00
10-4310-550 C O EQUIPMENT	197,100.00
10-4310-631 SPECIAL INVESTIGATIONS	4,000.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4310-707 IT EQUIP-NON-DEPRECIABLE	4,400.00
10-4310-708 IT EQUIPMENT-DEPRECIABLE	15,000.00
4310 POLICE	<u>3,103,803.00</u>
4340 FIRE	
10-4340-121 SALARIES AND WAGES	745,733.00
10-4340-129 OVERTIME-SALARIES	22,500.00
10-4340-180 FRINGE BENEFITS	340,415.00
10-4340-185 ON-BEHALF FRINGE BENEFITS	10,000.00
10-4340-193 PROFESSIONAL SERVICES-MEDICAL	6,860.00
10-4340-212 UNIFORMS	9,000.00
10-4340-251 AUTOMOTIVE SUPPLIES	18,000.00
10-4340-299 DEPT MATERIALS & SUPPLIES	15,000.00
10-4340-300 FIRST RESPONDERS SUPPLIES	4,500.00
10-4340-311 TRAVEL & TRAINING EXPENSE	13,610.00
10-4340-321 TELEPHONE	10,000.00
10-4340-325 POSTAGE	220.00
10-4340-331 ELECTRIC UTILITIES	8,000.00
10-4340-333 NATURAL GAS UTILITIES	3,000.00
10-4340-351 BUILDINGS & GRDS REPAIR & MAIN	15,000.00
10-4340-352 EQUIPMENT REPAIRS	6,500.00
10-4340-353 VEHICLE SERVICE & REPAIR	9,000.00
10-4340-395 EMPLOYEE TRAINING	2,400.00
10-4340-397 CONTRACTED SERVICES	14,488.00
10-4340-450 INSURANCE AND BONDS	43,000.00
10-4340-491 DUES AND SUBSCRIPTIONS	16,604.00
10-4340-525 NON-DEPR C O EQUIP	28,000.00
10-4340-550 C O EQUIPMENT	84,000.00
10-4340-707 IT EQUIP-NON DEPRECIABLE	2,000.00
4340 FIRE	<u>1,427,830.00</u>
4341 VOLUNTEER FIRE	
10-4341-128 NON-PERMANENT SALARIES	40,000.00
10-4341-180 FRINGE BENEFITS	5,700.00
4341 VOLUNTEER FIRE	<u>45,700.00</u>
4350 CODE ENFORCEMENT	
10-4350-121 SALARIES AND WAGES	358,401.00
10-4350-129 OVERTIME-SALARIES	2,000.00
10-4350-180 FRINGE BENEFITS	145,945.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4350-199 PROFESSIONAL SERVICES-PLANNING	16,500.00
10-4350-212 UNIFORMS	2,000.00
10-4350-251 AUTOMOTIVE SUPPLIES	2,000.00
10-4350-299 DEPT MATERIALS AND SUPPLIES	8,500.00
10-4350-304 OVERTIME SAL-FACEBOOK	1,000.00
10-4350-311 TRAVEL & TRAINING EXPENSE	9,525.00
10-4350-321 TELEPHONE	6,500.00
10-4350-325 POSTAGE	200.00
10-4350-352 EQUIPMENT SERVICE & REPAIR	1,000.00
10-4350-353 VEHICLE SERVICE & REPAIR	3,000.00
10-4350-397 CONTRACTED SERVICES	46,650.00
10-4350-401 REVITAL-ADM/PLAN	4,725.00
10-4350-402 REVITAL-DUES/SUBSCRIPTIONS	2,250.00
10-4350-403 REVITAL-TRAVEL/TRAINING	7,400.00
10-4350-404 REVITAL-PROF SERVICES	18,000.00
10-4350-405 REVITAL-EVENTS/PROMOTIONS	50,000.00
10-4350-407 IMAGE BUILDING-BROCHURES/INFO	15,000.00
10-4350-408 DOWNTOWN/COMMUNITY ACTIVITIES EXF	44,000.00
10-4350-410 MARKETING	30,000.00
10-4350-414 108 E MAIN ST BLDG MAINTENANCE	7,000.00
10-4350-416 DOWNTOWN FACADE GRANT	25,000.00
10-4350-420 PARK OPENING EVENTS	50,000.00
10-4350-450 INSURANCE AND BONDS	5,600.00
10-4350-491 DUES AND SUBSCRIPTIONS	5,146.00
10-4350-525 NON-DEPR C O EQUIP	2,000.00
10-4350-590 CO IMPROVEMENTS-STREETSCAPE	42,000.00
10-4350-591 CO IMPROVEMENTS-PARKING LOTS	25,000.00
10-4350-707 IT EQUIP-NON-DEPRECIABLE	2,900.00
4350 CODE ENFORCEMENT	<u>939,242.00</u>
4510 STREETS	
10-4510-121 SALARIES AND WAGES	532,627.00
10-4510-129 OVERTIME-SALARIES	13,500.00
10-4510-180 FRINGE BENEFITS	249,847.00
10-4510-194 ENGINEERING SERVICES	2,000.00
10-4510-212 UNIFORMS	8,900.00
10-4510-251 AUTOMOTIVE SUPPLIES	45,000.00
10-4510-299 DEPT MATERIALS & SUPPLIES	30,000.00

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4510-311 TRAVEL & TRAINING EXPENSE	500.00
10-4510-321 TELEPHONE	1,300.00
10-4510-331 ELECTRIC UTILITIES	100,000.00
10-4510-352 EQUIPMENT SERVICE & REPAIR	25,000.00
10-4510-353 VEHICLE SERVICE & REPAIR	20,000.00
10-4510-397 CONTRACTED SERVICES	60,000.00
10-4510-450 INSURANCE AND BONDS	20,000.00
10-4510-491 DUES AND SUBSCRIPTIONS	268.00
10-4510-525 NON-DEPR C O EQUIP	10,000.00
10-4510-550 C O EQUIPMENT	145,000.00
10-4510-591 OAK ST DOT SIDEWALK PROJECT	19,944.00
10-4510-707 IT EQUIP-NON-DEPRECIABLE	1,200.00
4510 STREETS	<u>1,285,086.00</u>
4520 POWELL BILL	
10-4520-121 SALARIES AND WAGES	17,424.00
10-4520-180 FRINGE BENEFITS	4,750.00
10-4520-194 ENGINEERING SERVICES	3,000.00
10-4520-299 DEPT MATERIALS & SUPPLIES	5,500.00
10-4520-396 POWELL BILL CONTRACTS	200,000.00
4520 POWELL BILL	<u>230,674.00</u>
4540 CEMETERY	
10-4540-251 AUTOMOTIVE SUPPLIES	2,000.00
10-4540-299 DEPT MATERIALS & SUPPLIES	3,500.00
10-4540-352 EQUIPMENT SERVICE & REPAIR	1,000.00
10-4540-353 VEHICLE MAINTENANCE & REPAIR	500.00
10-4540-450 INSURANCE	500.00
10-4540-590 C O OTHER IMPROVEMENTS	20,000.00
4540 CEMETERY	<u>27,500.00</u>
4710 SANITATION	
10-4710-325 DEPT POSTAGE	12,000.00
10-4710-397 CONTRACTED SERVICES	1,221,917.00
10-4710-398 COUNTY LANDFILL FEE	15,900.00
4710 SANITATION	<u>1,249,817.00</u>
6801 DEBT SERVICE	
10-6801-801 DEBT PAYMENTS	40,947.00
6801 DEBT SERVICE	<u>40,947.00</u>
10 GENERAL FUND	<u>12,326,244.00</u>

TOWN OF FOREST CITY

FY 2018-2019

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

ACCOUNT NUMBER/DESCRIPTION

ORIGINAL
BUDGET

12,326,244.00

TOWN OF FOREST CITY

FY 2018-2019

FLORENCE MILL LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
11 FLORENCE MILL PROJECT	
11-3991-995 FUND BALANCE	25,000.00
11 FLORENCE MILL PROJECT	25,000.00
	<u>25,000.00</u>

TOWN OF FOREST CITY

FY 2018-2019

FLORENCE MILL LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
11 FLORENCE MILL PROJECT	
4111 FLORENCE MILL PROJECT	
11-4111-351 BLDGS & GRDS/REPAIR & MAINT	25,000.00
4111 FLORENCE MILL PROJECT	25,000.00
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11 FLORENCE MILL PROJECT	25,000.00
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	25,000.00
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TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15 PARKS AND RECREATION	
15-3610-860 FC CLUBHOUSE RENT	20,000.00
15-3611-581 PENALTY-LATE LIB BK RETURN	1,400.00
15-3612-480 CONCESSIONS CALLISON REC CENTE	1,300.00
15-3612-488 ORGANIZED PROGRAM RECEIPTS	20,000.00
15-3612-860 RENTS CALLISON REC CENTER	2,000.00
15-3613-480 CONCESSIONS-TOWN PARK	2,500.00
15-3613-860 RENTS-TOWN PARK	9,000.00
15-3613-862 MCNAIR FIELD RENTAL	12,000.00
15-3615-481 CLAY ST POOL ADMISSIONS	15,000.00
15-3615-482 SWIMMING LESSONS	3,500.00
15-3615-483 SEASON TICKETS	8,500.00
15-3615-484 POOL PARTY LIFEGUARD SECURITY	4,500.00
15-3616-160 TRAIL GRANT REVENUE (PARTF)	350,000.00
15-3617-484 GOLF COURSE-GREEN FEES	35,000.00
15-3617-485 GOLF COURSE-MEMBERSHIP FEES	50,000.00
15-3617-487 CONCESSIONS SOLD-GLF CRS	5,000.00
15-3617-860 RENT- GOLF CARTS	100,000.00
15-3831-493 INTEREST EARNED PARKS/REC FUND	6,000.00
15-3833-860 MCNAIR FIELD LEASE	22,000.00
15-3839-890 MISCELLANEOUS	4,000.00
15-3986-980 TRANSFERS FROM WATER & SEWER F	258,376.00
15-3987-980 TRANSFERS FROM ELECTRIC FUND	1,118,042.00
15-3991-995 FUND BALANCE APPROPRIATED	855,496.00
15 PARKS AND RECREATION	<u>2,903,614.00</u>
	<u>2,903,614.00</u>

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION EXPENDITURE BUDGET SUMMARY

	ORIGINAL BUDGET
6110 LIBRARY	165,240.00
6120 CALLISON REC CENTER	330,871.00
6125 COOL SPRINGS GYM	53,037.00
6130 PARKS AND PLAYGROUNDS	1,170,608.00
6135 MCNAIR FIELD	92,703.00
6145 PARK AT THE MILL	81,387.00
6150 CLAY STREET POOL	97,182.00
6160 ATHLETIC PROGRAMS	107,600.00
6170 GOLF COURSE	540,840.00
6180 FOREST CITY CLUB HOUSE	69,054.00
6801 DEBT SERVICE	195,092.00
15 PARKS AND RECREATION	2,903,614.00
	2,903,614.00

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15 PARKS AND RECREATION	
6110 LIBRARY	
15-6110-121 SALARIES AND WAGES-REGULAR	66,209.00
15-6110-128 NON PERMANENT SALARIES	9,180.00
15-6110-129 OVERTIME-SALARIES	450.00
15-6110-180 FRINGE BENEFITS	36,132.00
15-6110-289 SPECIAL EVENTS	1,300.00
15-6110-290 BOOKS	13,350.00
15-6110-293 AUDIO/VISUAL MEDIA	3,850.00
15-6110-299 DEPT MATERIALS AND SUPPLIES	4,000.00
15-6110-311 TRAVEL AND TRAINING EXPENSE	500.00
15-6110-321 TELEPHONE	700.00
15-6110-331 ELECTRIC UTILITIES	3,750.00
15-6110-351 BLDG & GRDS REPAIR AND MAINT	9,000.00
15-6110-352 EQUIPMENT SERVICE & REPAIR	1,100.00
15-6110-397 CONTRACTED SERVICES	2,379.00
15-6110-450 INSURANCE	2,150.00
15-6110-491 DUES AND SUBSCRIPTIONS	3,390.00
15-6110-525 NON-DEPR C O EQUIP	5,000.00
15-6110-707 IT EQUIP-NON DEPRECIABLE	2,800.00
6110 LIBRARY	<u>165,240.00</u>
6120 CALLISON REC CENTER	
15-6120-121 SALARIES AND WAGES-REGULAR	151,798.00
15-6120-128 NON PERMANENT SALARIES	20,016.00
15-6120-129 OVERTIME-SALARIES	2,200.00
15-6120-180 FRINGE BENEFITS	67,852.00
15-6120-212 UNIFORMS	1,000.00
15-6120-251 AUTOMOTIVE SUPPLIES	1,500.00
15-6120-289 SPECIAL EVENTS	500.00
15-6120-299 DEPT MATERIALS AND SUPPLIES	8,000.00
15-6120-311 TRAVEL AND TRAINING EXPENSE	3,000.00
15-6120-321 TELEPHONE	5,000.00
15-6120-325 POSTAGE	400.00
15-6120-331 ELECTRIC UTILITIES	8,600.00
15-6120-333 NATURAL GAS UTILITIES	2,500.00
15-6120-351 BLDGS & GRDS REPAIR AND MAINT	37,000.00
15-6120-352 EQUIPMENT SERVICE AND REPAIR	3,000.00
15-6120-353 VEHICLE SERVICE AND REPAIR	1,000.00

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6120-397 CONTRACTED SERVICES/REC CENTER	1,774.00
15-6120-450 INSURANCE	6,000.00
15-6120-491 DUES AND SUBCRIPTIONS	1,731.00
15-6120-525 NON-DEPR C O EQUIP	5,000.00
15-6120-707 IT EQUIP-NON DEPRECIABLE	3,000.00
6120 CALLISON REC CENTER	<u>330,871.00</u>
6125 COOL SPRINGS GYM	
15-6125-299 DEPT MATERIALS AND SUPPLIES	2,300.00
15-6125-321 TELEPHONE	1,000.00
15-6125-331 ELECTRIC UTILITIES	17,000.00
15-6125-351 BLDG & GRDS REPAIR & MAINT	15,000.00
15-6125-352 EQUIPMENT SERVICE & REPAIR	1,000.00
15-6125-397 CONTRACTED SERVICES	1,854.00
15-6125-450 INSURANCE	4,600.00
15-6125-491 DUES AND SUBSCRIPTIONS	1,183.00
15-6125-525 NON-DEPR C O EQUIP	5,000.00
15-6125-707 IT EQUIP-NON-DEPRECIABLE	4,100.00
6125 COOL SPRINGS GYM	<u>53,037.00</u>
6130 PARKS AND PLAYGROUNDS	
15-6130-121 SALARIES AND WAGES-REGULAR	136,618.00
15-6130-126 SALARIES-TEMP/PART TIME	35,640.00
15-6130-129 OVERTIME-SALARIES	18,360.00
15-6130-180 FRINGE BENEFITS	78,250.00
15-6130-212 UNIFORMS	1,200.00
15-6130-251 AUTOMOTIVE SUPPLIES	6,000.00
15-6130-299 DEPT MATERIAL AND SUPPLIES	18,000.00
15-6130-311 TRAVEL AND TRAINING EXPENSE	1,300.00
15-6130-331 ELECTRIC UTILITIES-TOWN PARK	14,500.00
15-6130-351 BLDGS & GRDS REPAIR AND MAINT	50,000.00
15-6130-352 EQUIPMENT SERVICE AND REPAIR	5,000.00
15-6130-353 VEHICLE SERV AND REPAIR	4,000.00
15-6130-397 CONTRACTED SERVICES	1,800.00
15-6130-450 INSURANCE	3,300.00
15-6130-491 DUES AND SUBSCRIPTIONS	240.00
15-6130-525 NON-DEPR C O EQUIP	5,000.00
15-6130-550 C O EQUIPMENT	30,000.00
15-6130-591 C O TRAIL GRANT (PARTF)	750,000.00

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6130-707 IT EQUIP-NON DEPRECIABLE	11,400.00
6130 PARKS AND PLAYGROUNDS	<u>1,170,608.00</u>
6135 MCNAIR FIELD	
15-6135-126 SALARIES-TEMP/PART TIME	9,072.00
15-6135-129 OVERTIME-SALARIES	17,340.00
15-6135-180 FRINGE BENEFITS	4,691.00
15-6135-299 DEPT MATERIAL AND SUPPLIES	9,500.00
15-6135-331 ELECTRIC UTILITIES-TOWN PARK	20,000.00
15-6135-351 BLDGS & GRDS REPAIR AND MAINT	17,000.00
15-6135-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6135-397 CONTRACTED SERVICES	400.00
15-6135-450 INSURANCE	2,700.00
15-6135-525 NON-DEPR C O EQUIP	5,000.00
15-6135-707 IT EQUIP-NON-DEPRECIABLE	5,000.00
6135 MCNAIR FIELD	<u>92,703.00</u>
6145 PARK AT THE MILL	
15-6145-126 SALARIES-TEMP/PART TIME	11,400.00
15-6145-129 OVERTIME-SALARIES	1,000.00
15-6145-180 FRINGE BENEFITS	2,987.00
15-6145-299 DEPT MATERIAL AND SUPPLIES	10,000.00
15-6145-331 ELECTRIC UTILITIES	5,000.00
15-6145-333 NATURAL GAS UTILITIES	2,000.00
15-6145-351 BLDGS & GRDS REPAIR AND MAINT	10,000.00
15-6145-352 EQUIPMENT SERVICE & REPAIR	5,000.00
15-6145-397 CONTRACTED SERVICES	500.00
15-6145-450 INSURANCE	5,000.00
15-6145-525 NON-DEPR C O EQUIP	5,000.00
15-6145-550 C O EQUIPMENT	20,000.00
15-6145-707 IT EQUIP-NON DEPRECIABLE	3,500.00
6145 PARK AT THE MILL	<u>81,387.00</u>
6150 CLAY STREET POOL	
15-6150-126 SALARIES AND WAGES-TEMP/PART T	59,946.00
15-6150-127 POOL PARTY-SALARIES	4,100.00
15-6150-180 FRINGE BENEFITS	6,486.00
15-6150-299 DEPT MATERIALS AND SUPPLIES	7,000.00
15-6150-331 ELECTRIC UTILITIES	5,500.00
15-6150-351 BLDGS AND GRDS REPAIR AND MAIN	2,000.00

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6150-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6150-450 INSURANCE	1,750.00
15-6150-525 NON-DEPR C O EQUIP	5,000.00
15-6150-707 IT EQUIP-NON DEPRECIABLE	3,400.00
6150 CLAY STREET POOL	<u>97,182.00</u>
6160 ATHLETIC PROGRAMS	
15-6160-128 NON PERMANENT SALARIES	19,136.00
15-6160-180 FRINGE BENEFITS	2,064.00
15-6160-289 SPECIAL EVENTS	2,800.00
15-6160-299 DEPT MATERIALS AND SUPPLIES	8,500.00
15-6160-450 INSURANCE	1,100.00
15-6160-525 NON-DEPR C O EQUIP	5,000.00
15-6160-692 LEGION CONTRIBUTION	2,000.00
15-6160-694 CONTRIBUTION--SENIOR CITIZENS	11,000.00
15-6160-696 MIDGET FOOTBALL	13,000.00
15-6160-697 LITTLE LEAGUE-BOYS AND GIRLS	16,000.00
15-6160-698 AAU BOYS BASKETBALL	17,000.00
15-6160-699 CONTRIBUTION TO SWIM TEAM	10,000.00
6160 ATHLETIC PROGRAMS	<u>107,600.00</u>
6170 GOLF COURSE	
15-6170-121 SALARIES AND WAGES-REGULAR	169,943.00
15-6170-128 NON-PERMANENT SALARIES	58,338.00
15-6170-180 FRINGE BENEFITS	84,606.00
15-6170-212 UNIFORMS	1,200.00
15-6170-220 CONCESSIONS-GLF COURSE	4,000.00
15-6170-251 AUTOMOTIVE SUPPLIES	10,000.00
15-6170-295 BANK CREDIT CARD SERV CHARGES	2,000.00
15-6170-299 DEPT MATERIALS AND SUPPLIES	75,000.00
15-6170-311 TRAVEL AND TRAINING	1,000.00
15-6170-321 TELEPHONE	600.00
15-6170-325 POSTAGE	100.00
15-6170-331 ELECTIC UTILITIES	6,000.00
15-6170-333 NATURAL GAS UTILITIES	1,200.00
15-6170-351 BLDGS & GRDS REPAIR AND MAINT	15,000.00
15-6170-352 EQUIPMENT SERVICE AND REPAIR	30,000.00
15-6170-353 VEHICLE MAINTENANCE AND REPAIR	1,000.00
15-6170-397 CONTRACTED SERVICES	2,940.00

TOWN OF FOREST CITY

FY 2018-2019

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6170-450 INSURANCE	4,600.00
15-6170-491 DUES AND SUBSCRIPTIONS	1,313.00
15-6170-525 NON-DEPR C O EQUIP	5,000.00
15-6170-550 C O EQUIPMENT	65,000.00
15-6170-707 IT EQUIP-NON-DEPRECIABLE	2,000.00
6170 GOLF COURSE	<u>540,840.00</u>
6180 FOREST CITY CLUB HOUSE	
15-6180-128 NON PERMANENT SALARIES	2,340.00
15-6180-180 FRINGE BENEFITS	754.00
15-6180-299 DEPT MATERIALS AND SUPPLIES	3,000.00
15-6180-331 ELECTRIC UTILITIES	2,500.00
15-6180-333 NATURAL GAS UTILITIES	1,000.00
15-6180-351 BLDGS & GRDS REPAIR AND MAINT	45,000.00
15-6180-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6180-397 CONTRACTED SERVICES	3,960.00
15-6180-450 INSURANCE	1,400.00
15-6180-525 NON-DEPR C O EQUIP	5,000.00
15-6180-707 IT EQUIP-NON DEPRECIABLE	2,100.00
6180 FOREST CITY CLUB HOUSE	<u>69,054.00</u>
6801 DEBT SERVICE	
15-6801-801 LOAN PRINCIPAL	166,667.00
15-6801-802 LOAN INTEREST	17,044.00
15-6801-804 LEASE PURCHASE DEBT SERVICE	11,381.00
6801 DEBT SERVICE	<u>195,092.00</u>
15 PARKS AND RECREATION	<u>2,903,614.00</u>
	<u>2,903,614.00</u>

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61 WATER AND SEWER	
61-3710-520 TAPS AND CONNECTION FEES	38,000.00
61-3710-540 WATER TANK-ANTENNA RENT	23,541.00
61-3712-510 CHARGES FOR UTILITIES/WATER	3,560,000.00
61-3712-516 BOSTIC WATER SERVICES	15,000.00
61-3712-517 CONCORD WATER SERVICES	25,000.00
61-3713-510 CHARGES FOR UTILITIES/SEWER	1,600,000.00
61-3713-513 SEPTAGE USER FEES	3,500.00
61-3713-516 ELLENBORO SEWER CHARGES	80,000.00
61-3831-497 INTEREST EARNED WA/SE FUND	24,000.00
61-3839-892 HORSEHEAD ID LOAN REPAYMENT	142,858.00
61-3839-896 NACCHO/CDC FLUORIDE GRANT	40,000.00
61-3840-891 CUSTOMER SERVICES	4,000.00
61 WATER AND SEWER	<u>5,555,899.00</u>
	<u>5,555,899.00</u>

FY 2018-2019

TOWN OF FOREST CITY
WATER & SEWER EXPENDITURE BUDGET SUMMARY

	<u>ORIGINAL BUDGET</u>
6801 DEBT SERVICE	85,231.00
7110 ADMINISTRATION AND BILLIN	631,149.00
7120 WATER OPERATIONS AND CONS	1,178,291.00
7121 WATER PLANT	1,013,520.00
7130 SEWER OPERATIONS AND CONS	382,334.00
7131 WASTE TREATMENT PLANT	872,740.00
7132 WWTP-RIVERSTONE	153,382.00
7135 PUMP MAINTENANCE/STORAGE	850,684.00
7140 WATER METER SERVICES	105,988.00
7145 DEBT PAYMENTS	24,204.00
9800 TRANSFERS TO OTHER FUNDS	258,376.00
61 WATER AND SEWER	5,555,899.00
	<u>5,555,899.00</u>

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61 WATER AND SEWER	
6801 DEBT SERVICE	
61-6801-804 LEASE PURCHASE DEBT SERVICE	85,231.00
6801 DEBT SERVICE	<u>85,231.00</u>
7110 ADMINISTRATION AND BILLIN	
61-7110-121 SALARIES & WAGES-REGULAR	153,284.00
61-7110-129 OVERTIME-SALARIES	5,000.00
61-7110-180 FRINGE BENEFITS	69,439.00
61-7110-299 DEPT MATERIALS AND SUPPLIES	17,000.00
61-7110-321 TELEPHONE	500.00
61-7110-325 POSTAGE	30,000.00
61-7110-350 BAD DEBTS	30,000.00
61-7110-351 BUILDING AND GRDS REPAIRS AND	10,000.00
61-7110-352 MAINT TO EQUIPMENT	1,000.00
61-7110-397 CONTRACTED SERVICES	10,500.00
61-7110-450 INSURANCE AND BONDS	1,900.00
61-7110-525 NON DEPRECIABLE EQUIP	5,000.00
61-7110-707 IT EQUIP-NON DEPRECIABLE	2,600.00
61-7110-998 GENERAL FD ADMIN REIMBURSE	294,926.00
7110 ADMINISTRATION AND BILLIN	<u>631,149.00</u>
7120 WATER OPERATIONS AND CONS	
61-7120-121 SALARIES & WAGES-REGULAR	271,102.00
61-7120-129 OVERTIME-SALARIES	12,000.00
61-7120-180 FRINGE BENEFITS	123,534.00
61-7120-195 PROFESSIONAL SERVICES-ENGINEER	20,000.00
61-7120-212 UNIFORMS	3,700.00
61-7120-251 AUTOMOTIVE SUPPLIES	22,000.00
61-7120-299 DEPT MATERIALS AND SUPPLIES	140,000.00
61-7120-311 TRAVEL AND TRAINING EXPENSE	2,930.00
61-7120-321 TELEPHONE	3,200.00
61-7120-352 MAINT & REPAIR OF EQUIPMENT	12,000.00
61-7120-353 MAINT & REPAIR AUTOS & TRUCKS	15,000.00
61-7120-397 CONTRACTED SERVICES	51,900.00
61-7120-450 INSURANCE	13,500.00
61-7120-491 DUES AND SUBSCRIPTIONS	1,350.00
61-7120-492 811 MEMBERSHIP AND FEES	800.00
61-7120-525 NON-DEPR C O EQUIP	7,500.00
61-7120-550 C O EQUIPMENT	170,000.00

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7120-590 C O OTHER IMPROVEMENTS	304,175.00
61-7120-707 IT NON-DEP EQUIPMENT	3,600.00
7120 WATER OPERATIONS AND CONS	1,178,291.00
7121 WATER PLANT	
61-7121-121 SALARIES AND WAGES-REGULAR	296,529.00
61-7121-129 OVERTIME-SALARIES	5,400.00
61-7121-180 FRINGE BENEFITS	137,726.00
61-7121-195 ENGINEERING SERVICES	5,000.00
61-7121-212 UNIFORMS	3,500.00
61-7121-251 AUTOMOTIVE SUPPLIES	1,500.00
61-7121-299 DEPT MATERIALS AND SUPPLIES	130,000.00
61-7121-311 TRAVEL AND TRAINING EXPENSE	1,000.00
61-7121-321 TELEPHONE	3,000.00
61-7121-325 POSTAGE	2,000.00
61-7121-331 ELECTRIC UTILITIES	90,000.00
61-7121-351 BLDGS AND GRDS-REPAIR AND MAIN	11,000.00
61-7121-352 EQUIPMENT SERVICE AND REPAIR	20,000.00
61-7121-353 VEHICLE SERVICE AND REPAIR	900.00
61-7121-397 CONTRACTED SERVICES	32,000.00
61-7121-450 INSURANCE AND BONDS	26,500.00
61-7121-491 DUES AND SUBSCRIPTIONS	8,988.00
61-7121-550 C O EQUIPMENT	117,280.00
61-7121-590 C O OTHER IMPROVEMENTS	115,897.00
61-7121-707 IT EQUIP-NON DEPRECIABLE	5,300.00
7121 WATER PLANT	1,013,520.00
7130 SEWER OPERATIONS AND CONS	
61-7130-121 SALARY AND WAGES-REGULAR	116,933.00
61-7130-129 OVERTIME-SALARIES	2,000.00
61-7130-180 FRINGE BENEFITS	66,033.00
61-7130-195 PROFESSIONAL SERVICES-ENGINEER	4,000.00
61-7130-212 UNIFORMS	1,800.00
61-7130-251 AUTOMOTIVE SUPPLIES	12,000.00
61-7130-299 DEPT MATERIALS AND SUPPLIES	11,000.00
61-7130-311 TRAVEL AND TRAINING EXPENSE	2,000.00
61-7130-321 TELEPHONE	500.00
61-7130-352 MAINT AND REPAIR-EQUIPMENT	4,000.00
61-7130-353 MAINT AND REPAIR-AUTOS AND TRU	3,000.00

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7130-397 CONTRACTED SERVICES	62,400.00
61-7130-450 INSURANCE AND BONDS	6,000.00
61-7130-490 PERMITS	1,500.00
61-7130-491 DUES AND SUBSCRIPTIONS	768.00
61-7130-492 811 MEMBERSHIP AND FEES	600.00
61-7130-525 NON-DEPR C O EQUIP	2,000.00
61-7130-550 C O EQUIPMENT	37,000.00
61-7130-590 C O OTHER IMPROVEMENTS	48,000.00
61-7130-707 IT EQUIP-NON DEPRECIABLE	800.00
7130 SEWER OPERATIONS AND CONS	<u>382,334.00</u>
7131 WASTE TREATMENT PLANT	
61-7131-121 SALARIES AND WAGES-REGULAR	256,154.00
61-7131-129 OVERTIME-SALARIES	9,000.00
61-7131-180 FRINGE BENEFITS	111,528.00
61-7131-195 PROFESSIONAL SERVICES-ENGINEER	2,500.00
61-7131-212 UNIFORMS	2,500.00
61-7131-251 AUTOMOTIVE SUPPLIES	4,000.00
61-7131-299 DEPT MATERIALS AND SUPPLIES	100,000.00
61-7131-311 TRAVEL AND TRAINING EXPENSE	1,000.00
61-7131-321 TELEPHONE	2,500.00
61-7131-325 POSTAGE	700.00
61-7131-331 ELECTRIC UTILITIES	110,000.00
61-7131-332 UTILITIES-FUEL OIL	2,000.00
61-7131-333 UTILITIES-PROPANE GAS	1,000.00
61-7131-351 BLDGS AND GRDS-REPAIR AND MAIN	75,000.00
61-7131-352 EQUIPMENT SERVICE AND REPAIR	21,000.00
61-7131-353 VEHICLE SERVICE & REPAIR	1,500.00
61-7131-397 CONTRACTED SERVICES	118,150.00
61-7131-398 CONT SERV/SPECIAL EPA FEES/IND	2,000.00
61-7131-450 INSURANCE AND BONDS	30,000.00
61-7131-490 PERMITS	7,000.00
61-7131-491 DUES AND SUBSCRIPTIONS	2,958.00
61-7131-525 NON-DEPR C O EQUIP	10,000.00
61-7131-707 IT EQUIP-NON-DEPRECIABLE	2,250.00
7131 WASTE TREATMENT PLANT	<u>872,740.00</u>
7132 WWTP-RIVERSTONE	
61-7132-121 SALARIES	41,039.00

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7132-129 OVERTIME-SALARIES	2,000.00
61-7132-180 FRINGE BENEFITS	20,155.00
61-7132-212 UNIFORMS	500.00
61-7132-251 AUTOMOTIVE SUPPLIES	1,000.00
61-7132-299 DEPT MATERIALS AND SUPPLIES	10,000.00
61-7132-311 TRAVEL AND TRAINING	200.00
61-7132-321 TELEPHONE	1,500.00
61-7132-331 ELECTRIC UTILITIES	15,000.00
61-7132-332 UTILITIES - FUEL OIL	1,000.00
61-7132-351 BLDGS AND GRDS-REPAIR AND MAIN	3,000.00
61-7132-352 EQUIPMENT SERVICE AND REPAIR	10,000.00
61-7132-353 VEHICLE SERVICE AND REPAIR	500.00
61-7132-397 CONTRACTED SERVICES	38,250.00
61-7132-398 CONT SERV/SPEC EPA FEE/IND	2,000.00
61-7132-450 INSURANCE AND BONDS	2,100.00
61-7132-490 PERMITS	1,000.00
61-7132-491 DUES AND SUBSCRIPTIONS	138.00
61-7132-525 NON-DEPR C O EQUIP	2,500.00
61-7132-707 IT EQUIP-NON DEPRECIABLE	1,500.00
7132 WWTP-RIVERSTONE	<u>153,382.00</u>

7135 PUMP MAINTENANCE/STORAGE

61-7135-121 SALARIES AND WAGES-REGULAR	163,673.00
61-7135-129 OVERTIME-SALARIES	5,500.00
61-7135-180 FRINGE BENEFITS	69,309.00
61-7135-195 PROFESSIONAL SERVICES-ENGINEER	5,000.00
61-7135-212 UNIFORMS	1,500.00
61-7135-251 AUTOMOTIVE SUPPLIES	8,000.00
61-7135-299 DEPT MATERIALS AND SUPPLIES	15,000.00
61-7135-311 TRAVEL AND TRAINING EXPENSE	1,250.00
61-7135-321 TELEPHONE	3,000.00
61-7135-331 ELECTRIC UTILITIES	100,000.00
61-7135-332 DIESEL FOR GENERATORS	3,500.00
61-7135-333 NATURAL GAS UTILITIES	1,500.00
61-7135-351 BLDGS & GRDS-REPAIR & MAINT	4,500.00
61-7135-352 EQUIPMENT SERVICE AND REPAIR	50,000.00
61-7135-353 VEHICLE SERVICE AND REPAIR	5,000.00
61-7135-397 CONTRACTED SERVICES	148,100.00

TOWN OF FOREST CITY

FY 2018-2019

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7135-450 INSURANCE	13,000.00
61-7135-491 DUES AND SUBSCRIPTIONS	1,136.00
61-7135-525 NON-DEPR C O EQUIP	9,300.00
61-7135-550 C O EQUIPMENT	46,000.00
61-7135-590 C O OTHER IMPROVEMENTS	190,116.00
61-7135-707 IT EQUIP-NON-DEPRECIABLE	6,300.00
7135 PUMP MAINTENANCE/STORAGE	<u>850,684.00</u>
7140 WATER METER SERVICES	
61-7140-121 SALARIES AND WAGES-REGULAR	54,914.00
61-7140-129 OVERTIME-SALARIES	2,000.00
61-7140-180 FRINGE BENEFITS	27,638.00
61-7140-212 UNIFORMS	1,700.00
61-7140-251 AUTOMOTIVE SUPPLIES	3,500.00
61-7140-299 DEPT MATERIALS AND SUPPLIES	1,500.00
61-7140-311 TRAVEL AND TRAINING	500.00
61-7140-321 TELEPHONE	1,400.00
61-7140-352 EQUIPMENT SERVICE & REPAIR	3,000.00
61-7140-353 VEHICLE SERVICE & REPAIR	2,000.00
61-7140-397 CONTRACTED SERVICES	1,500.00
61-7140-450 INSURANCE AND BONDS	2,400.00
61-7140-491 DUES AND SUBSCRIPTIONS	986.00
61-7140-525 NON-DEPRECIABLE CO EQUIP	1,000.00
61-7140-707 IT EQUIP-NON-DEPRECIABLE	1,950.00
7140 WATER METER SERVICES	<u>105,988.00</u>
7145 DEBT PAYMENTS	
61-7145-801 LOAN PRINCIPAL-CBD DENR	24,204.00
7145 DEBT PAYMENTS	<u>24,204.00</u>
9800 TRANSFERS TO OTHER FUNDS	
61-9800-982 TRANSFERS TO PARKS AND REC FUN	258,376.00
9800 TRANSFERS TO OTHER FUNDS	<u>258,376.00</u>
61 WATER AND SEWER	<u>5,555,899.00</u>
	<u>5,555,899.00</u>

TOWN OF FOREST CITY

FY 2018-2019

ELECTRIC FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63 ELECTRIC FUND	
63-3722-510 ELECTRIC UTILITY CHARGES	12,000,000.00
63-3722-513 RENEWABLE ENERGY RIDER	75,000.00
63-3722-516 BOSTIC ELEC WORK	20,000.00
63-3722-520 TAPS AND CONNECTION FEES	2,000.00
63-3722-531 TRANSFER FEES	5,000.00
63-3722-581 PENALTY FOR LATE PAYMENT	155,000.00
63-3722-583 DELINQUENT ADMIN FEE	105,000.00
63-3831-498 INTEREST EARNED ON INVESTMENTS	25,000.00
63-3834-860 POLE RENTALS	11,208.00
63-3837-845 OAK ST DOT PROJECT REIMBURSEMENT	118,000.00
63-3991-995 FUND BALANCE APPROPRIATED	552,716.00
63 ELECTRIC FUND	<u>13,068,924.00</u>
	<u><u>13,068,924.00</u></u>

FY 2018-2019

TOWN OF FOREST CITY
ELECTRIC FUND EXPENDITURE BUDGET SUMMARY

	ORIGINAL BUDGET
6801 DEBT SERVICE	34,949.00
7210 ADMINISTRATION AND BILLIN	730,326.00
7220 ELECTRIC OPERATIONS AND C	9,741,607.00
7240 ELECTRIC METER SERVICES	174,802.00
9800 TRANSFERS TO OTHER FUNDS	2,387,240.00
63 ELECTRIC FUND	13,068,924.00
	13,068,924.00

TOWN OF FOREST CITY

FY 2018-2019

ELECTRIC FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63 ELECTRIC FUND	
6801 DEBT SERVICE	
63-6801-801 DEBT PAYMENTS	34,949.00
6801 DEBT SERVICE	<u>34,949.00</u>
7210 ADMINISTRATION AND BILLIN	
63-7210-121 SALARIES AND WAGES-REGULAR	140,751.00
63-7210-129 OVERTIME-SALARIES	3,000.00
63-7210-180 FRINGE BENEFITS	55,493.00
63-7210-295 BANK CREDIT CARD SERV CHARGES	87,000.00
63-7210-299 MATERIALS AND SUPPLIES	8,500.00
63-7210-311 TRAVEL & TRAINING EXPENSE	1,000.00
63-7210-321 TELEPHONE	300.00
63-7210-325 POSTAGE	9,200.00
63-7210-350 BAD DEBTS	200,000.00
63-7210-351 BUILDING AND GRDS REPAIRS AND	5,000.00
63-7210-352 MAINT TO EQUIPMENT	1,000.00
63-7210-397 CONTRACTED SERVICES	10,500.00
63-7210-450 INSURANCE AND BONDS	1,000.00
63-7210-525 NON DEPRECIABLE EQUIPMENT	5,000.00
63-7210-707 IT EQUIPMENT-NON DEPRECIABLE	2,600.00
63-7210-999 GENERAL FD ADMIN REIMBURSEMENT	<u>199,982.00</u>
7210 ADMINISTRATION AND BILLIN	<u>730,326.00</u>
7220 ELECTRIC OPERATIONS AND C	
63-7220-121 SALARIES AND WAGES-REGULAR	283,926.00
63-7220-129 OVERTIME-SALARIES	45,000.00
63-7220-180 FRINGE BENEFITS	126,893.00
63-7220-195 PROFESSIONAL SERVICES	20,000.00
63-7220-212 UNIFORMS	7,000.00
63-7220-251 AUTOMOTIVE SUPPLIES	18,000.00
63-7220-270 PURCHASES FOR RESALE	7,100,000.00
63-7220-299 DEPT SUPPLIES AND MATERIALS	170,000.00
63-7220-311 TRAVEL AND TRAINING EXPENSE	7,900.00
63-7220-321 TELEPHONE	4,000.00
63-7220-331 ELECTRIC UTILITIES	19,000.00
63-7220-332 DIESEL FOR GENERATORS	160,000.00
63-7220-352 EQUIPMENT SERVICE AND REPAIRS	283,595.00
63-7220-353 VEHICLE SERVICE AND REPAIRS	17,500.00
63-7220-397 CONTRACTED SERVICES	211,479.00

TOWN OF FOREST CITY

FY 2018-2019

ELECTRIC FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63-7220-438 CHRISTMAS DECORATIONS	80,000.00
63-7220-439 RENTAL OF EQUIPMENT	2,000.00
63-7220-450 INSURANCE AND BONDS	20,000.00
63-7220-490 PERMITS	1,000.00
63-7220-491 DUES AND SUBSCRIPTIONS	1,778.00
63-7220-492 811 MEMBERSHIP AND FEES	700.00
63-7220-525 NON-DEPR C O EQUIP	36,000.00
63-7220-550 C O EQUIPMENT	226,586.00
63-7220-590 C O OTHER IMPROVEMENTS	767,550.00
63-7220-591 OAK STREET DOT PROJECT	118,000.00
63-7220-707 IT EQUIP-NON DEPRECIABLE	13,700.00
7220 ELECTRIC OPERATIONS AND C	<u>9,741,607.00</u>
 7240 ELECTRIC METER SERVICES	
63-7240-121 SALARIES AND WAGES-REGULAR	54,914.00
63-7240-129 OVERTIME-SALARIES	2,000.00
63-7240-180 FRINGE BENEFITS	27,638.00
63-7240-212 UNIFORMS	1,700.00
63-7240-251 AUTOMOTIVE SUPPLIES	3,500.00
63-7240-299 DEPT MATERIALS AND SUPPLIES	10,000.00
63-7240-311 TRAVEL AND TRAINING	3,000.00
63-7240-321 TELEPHONE	1,400.00
63-7240-352 EQUIPMENT SERVICE AND REPAIR	3,000.00
63-7240-353 VEHICLE SERVICE & REPAIR	2,000.00
63-7240-397 CONTRACTED SERVICES	9,000.00
63-7240-450 INSURANCE AND BONDS	2,500.00
63-7240-491 DUES AND SUBSCRIPTIONS	200.00
63-7240-525 NON-DEPR C O EQUIP	1,000.00
63-7240-550 C O EQUIPMENT	51,000.00
63-7240-707 IT EQUIP-NON-DEPRECIABLE	1,950.00
7240 ELECTRIC METER SERVICES	<u>174,802.00</u>
 9800 TRANSFERS TO OTHER FUNDS	
63-9800-981 TRANSFERS TO GENERAL FUND	1,269,198.00
63-9800-982 TRANSFERS TO PARKS & RECREATIO	1,118,042.00
9800 TRANSFERS TO OTHER FUNDS	<u>2,387,240.00</u>
 63 ELECTRIC FUND	<u>13,068,924.00</u>
	<u>13,068,924.00</u>