



Budget Preview Fiscal Year 2018-2019 Budget

March 13, 2018 at 6:00pm

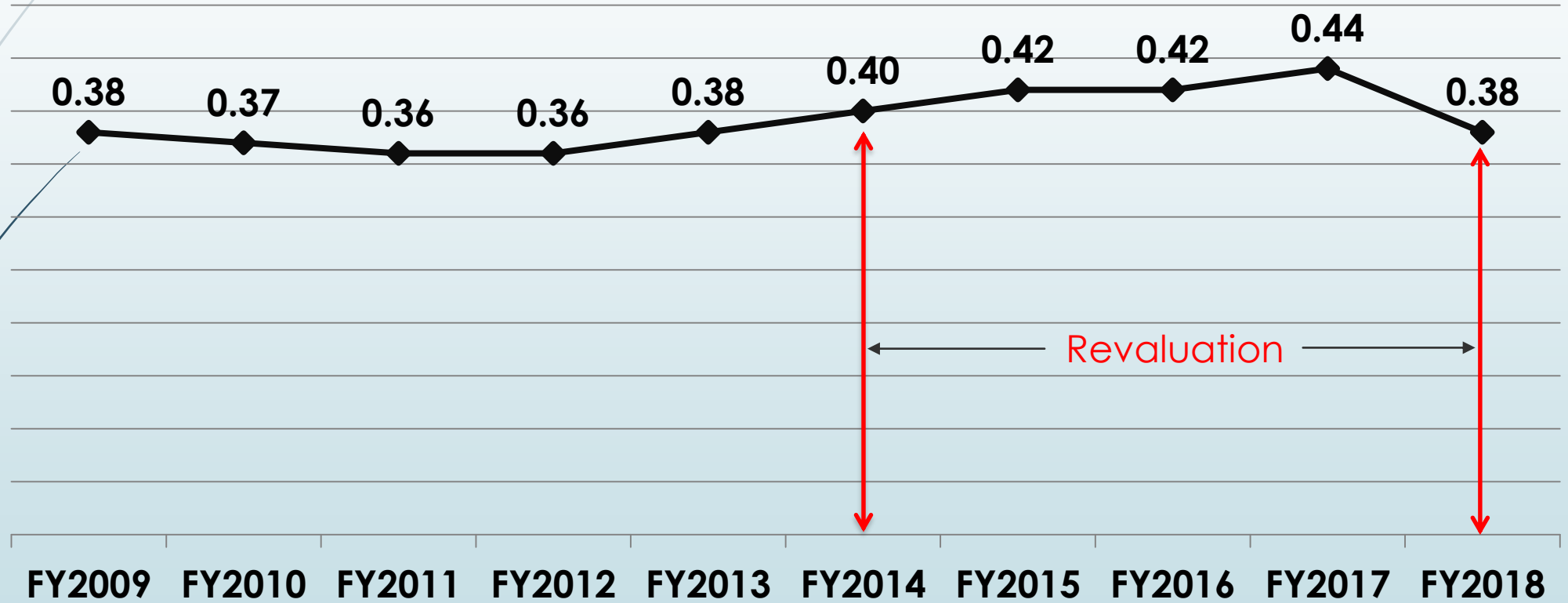
Special-Called Meeting



Background

- ▶ Current tax collection rate – 97.23%
- ▶ Current tax rate is \$0.38 per \$100 valuation
- ▶ One cent on tax rate at 99% collections equivalent to approximately \$81,000

Tax Rate History



THIS PRESENTATION INCLUDES PRELIMINARY PROJECTIONS ONLY.



General Fund Revenue

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Major Revenue Sources

FY 2018 Projections Compared to FY 2018 Budget

Revenue	FY 2018 Budget	FY 2018 Projection	Variance
Ad valorem taxes	\$3,110,600	\$3,019,700	- \$90,900
DMV tax revenue	\$180,000	\$247,634	+ \$67,634
Utility tax revenue	\$480,000	\$466,233	- \$13,767
Sales tax revenue	\$1,127,357	\$1,234,095	+ \$106,738
County fire protection revenue	\$1,358,293	\$1,302,932	- \$55,361
ABC distribution	\$91,141	\$122,000	+ \$30,859

Available Fund Balance

Available fund balance at 6/30/2017	\$5,591,623
Council's fund balance policy (40% target)	\$2,548,636
Amount over fund balance policy *	\$3,042,987

* These figures do not include \$550,000 in Eller Cove Watershed proceeds



General Fund Expenditures

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Key Expenditure Issues

- ▶ Health insurance – Initial proposal at 14% over current year
- ▶ Workers compensation – Anticipating an increase over current year
- ▶ Performance merit program and COLA
- ▶ Retiree health insurance - Currently 6 employees (1 ages out in October)
- ▶ Three additional firefighters based on FY2018 budget discussions - \$150,000
- ▶ Year 3 of Streets Improvement Plan - \$300,000 (\$106,000 from Powell Bill)



Key Expenditure Issues

- Security upgrades – Police, Public Works and Town Hall
- Technology upgrades – Approximately \$12,000 over current year
- Carpet replacements – Town Hall and Police Department
- Greenways match re-appropriated to FY 2019 - \$60,000
- Capital equipment – Departmental requests at \$216,900
- Vehicle replacements – Per vehicle replacement policy



Water Fund Revenue

THIS PRESENTATION INCLUDES PRELIMINARY PROJECTIONS ONLY.

Major Revenue Sources: Water Fund

FY 2018 Projections Compared to FY 2018 Budget

Revenue	FY 2018 Budget	FY 2018 Projection	Variance
Water revenue	\$1,800,000	\$ 1,808,000	+ \$8,000
Water tap revenue	\$18,000	\$36,000	+ \$18,000
Capacity depletion fees	\$36,000	\$77,800	+ \$41,800



Water Fund Expenditures

THIS PRESENTATION INCLUDES PRELIMINARY PROJECTIONS ONLY.



Key Expenditure Issues: Water Fund

- ▶ Health insurance – Initial proposal at 14% over current year
- ▶ Security upgrade
- ▶ Capital requests – Departmental requests at \$362,100



Considerations for the Mayor & Town Council

- Update Comprehensive Land Use Plan?
 - Complete in-house or hire a consultant?
 - Timing?
- Community center project
- Former bus garage
- Water plant expansion
- Strategic Plan implications on budget
- Recreation Master Plan adoption implications

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Mayor and Town Council Issues

THIS PRESENTATION INCLUDES PRELIMINARY PROJECTIONS ONLY.



Next Steps

- ▶ March 13 – April 16: Town Manager's review of departmental requests
- ▶ April 16 at 7pm: **Initial draft budget presentation to Town Council**
- ▶ April 23 at 6pm: **Budget workshop #2**
Note: Location change to Fire Department