

# *The* Town *of* Davidson

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College Town. Lake Town. *Your Town.*

# Fiscal Year 2016-2017 Proposed Budget

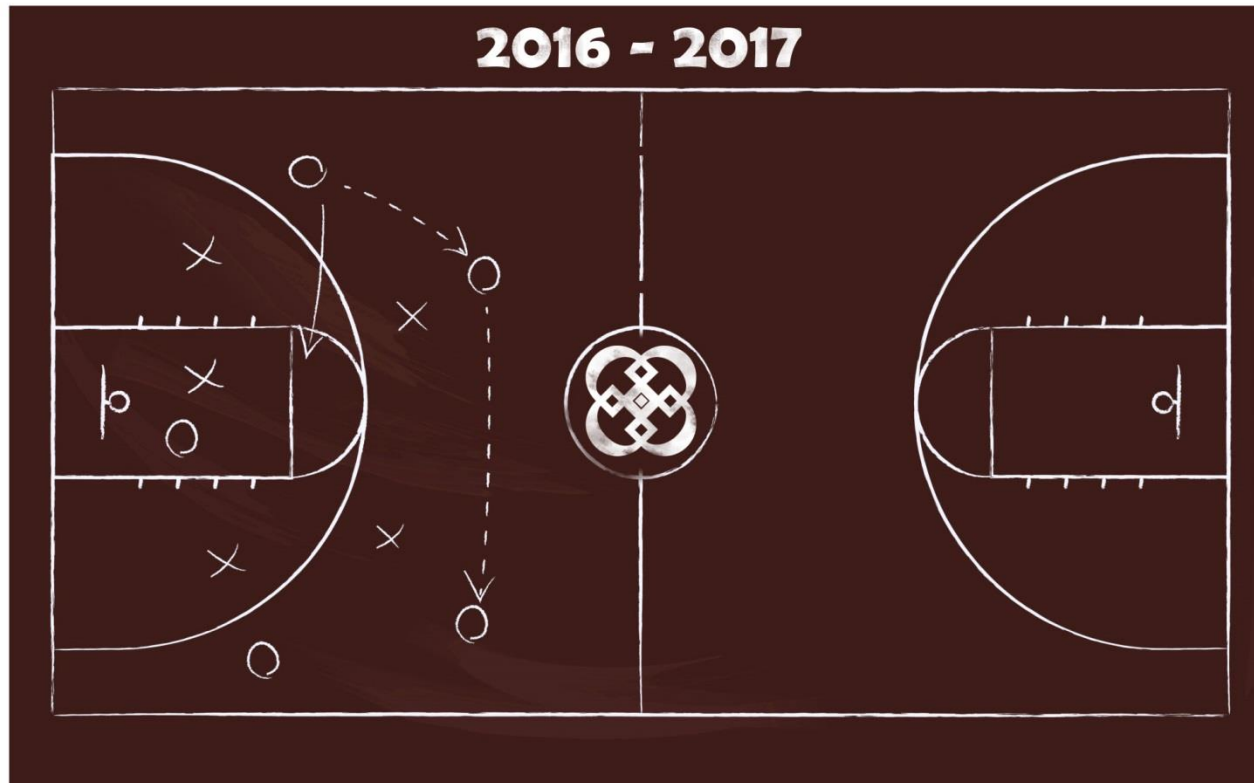


# Presentation Overview

- Game Plan & Budget
- Current budget recap
- Proposed budget highlights
- Revenues and expenditures
- Other Funds
- Next steps
- Needs list



# DAVIDSON GAMEPLAN



College Town. Lake Town. *Your Town.*

FY 2016-17 Proposed Budget

Jamie Justice, Town Manager & Piet Swart, Finance Director

April 26, 2016

# Davidson Game Plan & Budget

## 8 Themes:

- Financial
  - Financial plan
  - Capital projects & financing
- Mobility
  - Davidson Mobility Plan
  - Create Transportation planner position up to 50% capacity (made possible via new administrative position)
- Economic Development
  - Catalyst Study transportation impact analysis (TIA)
  - Economic Development Strategic Plan update



# Davidson Game Plan & Budget

## 8 Themes:

- Growth/Planning
  - Administrative support position
- Neighborhoods
  - Affordable Housing needs assessment
- Resources
  - Staffing study implementation – new positions
  - Fire staffing
  - Public Works equipment



# Davidson Game Plan & Budget

## 8 Themes:

- Infrastructure Maintenance
  - Street resurfacing
  - Pedestrian safety improvements
- Recreation/Quality of Life
  - Existing athletic field & park improvements



# FY 15-16 Budget Recap

- Property tax rate remained the same
- Vehicle tag fee remained at \$20
- No change in solid waste fees
- County expects to complete revaluation refunds by end of this fiscal year
- On target to meet revenue projections
- 4% employee merit-based salary increase pool



# FY 16-17 Budget Overview

- Resources are aligned with our Davidson Game Plan & anticipated revenues
- This budget invests in our people & the resources we need to maintain the services we provide our citizens
- Adds new positions identified from staffing study
- 4% employee merit-based salary increase pool
- Waiting on health insurance quote – budgeted 20% increase
- Property tax rate to remain \$.35 per \$100 of value
- No fund balance appropriated

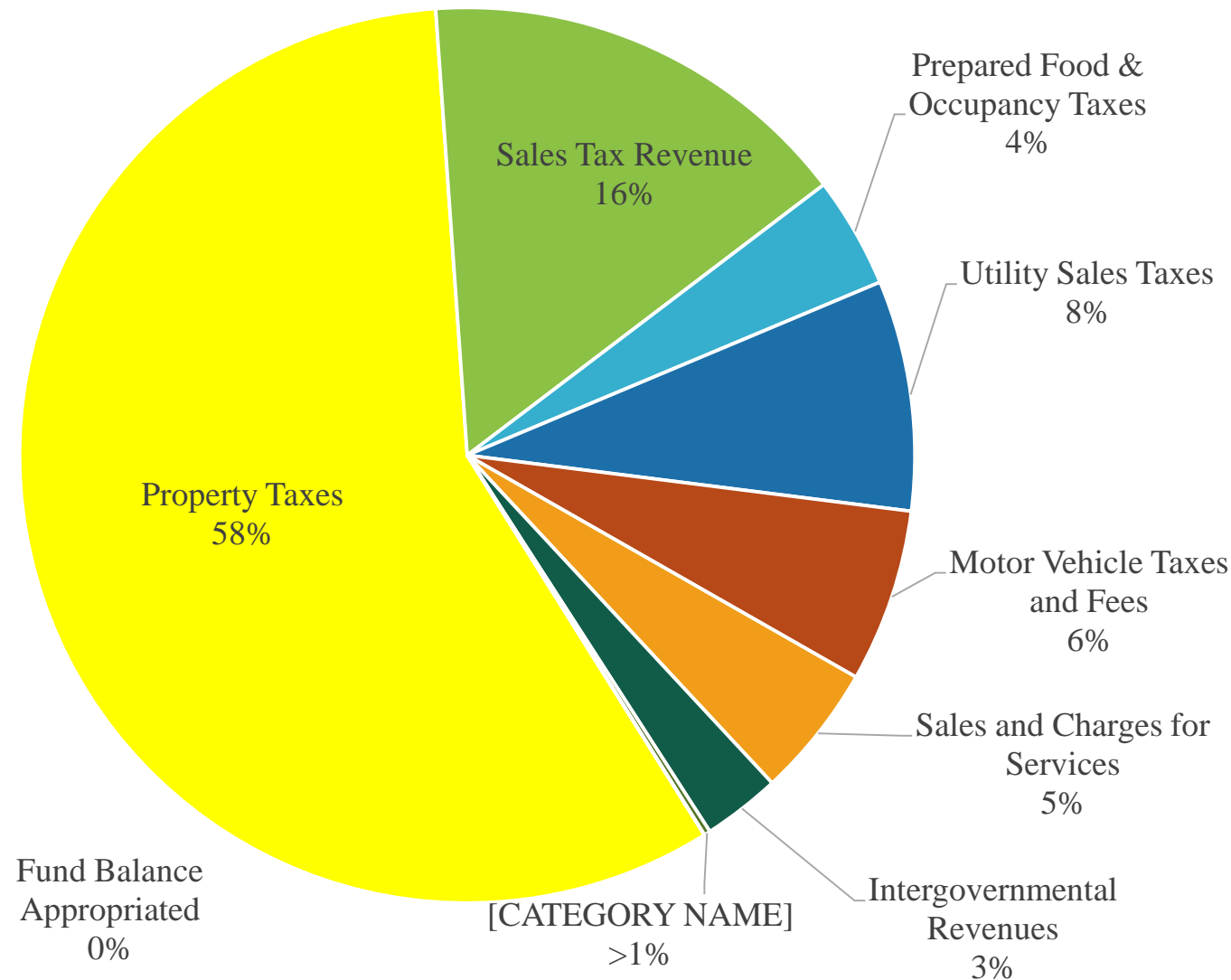


# FY 16-17 Budget Overview

- Capital Projects Fund created for future debt service payments and possible Potts/Sloan/Beaty project local match
- Discontinues \$50k repayment to fund balance for Parks and Recreation pump house renovation
- Does not include Public Works Phase 1 and Fire Station #2 – Plan is to amend budget from fund balance



# General Fund Projected Revenues –\$10,521,214

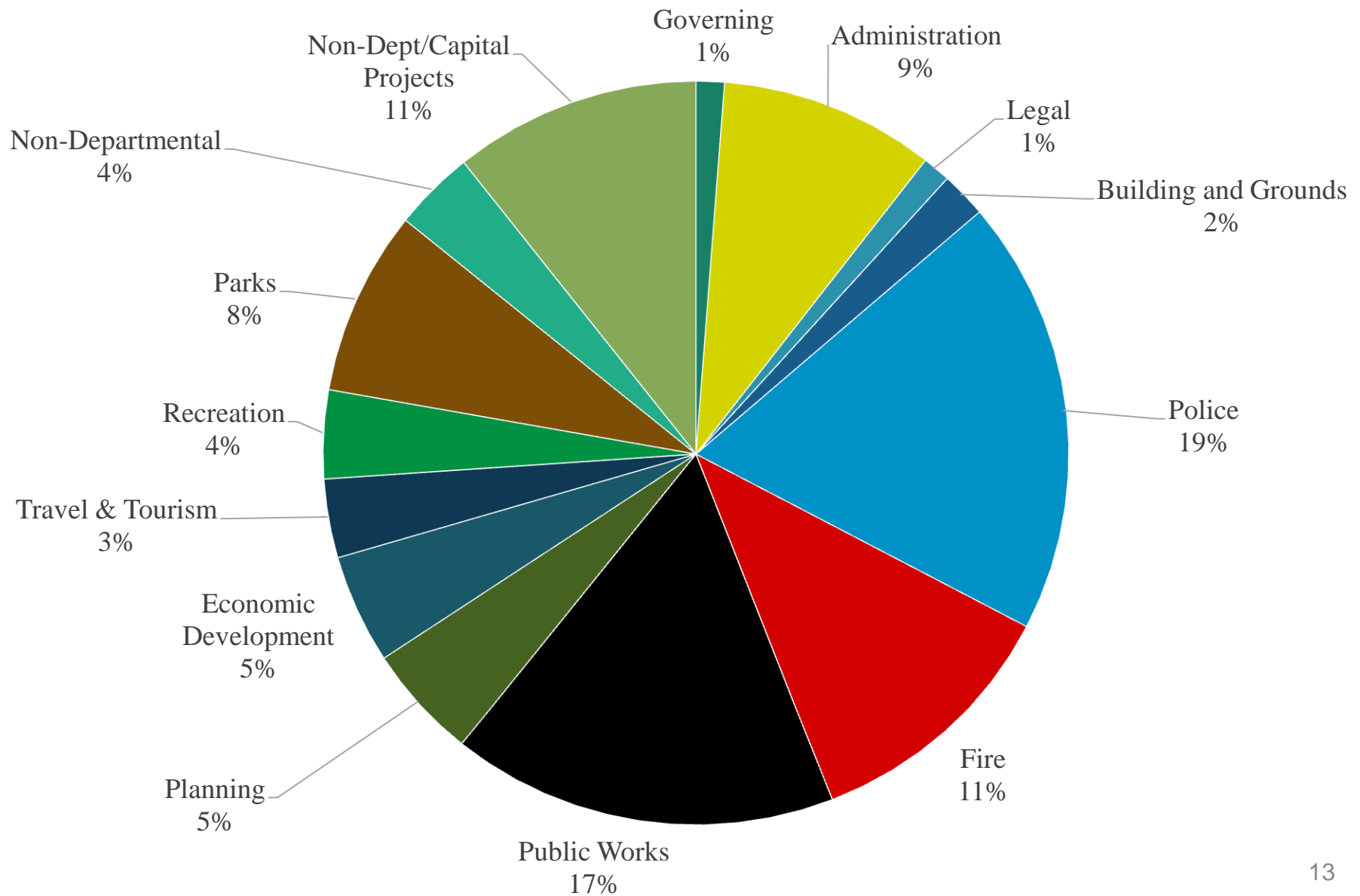


# Revenue Sources & Assumptions

- Property tax – 3.6% anticipated increase over prior year's (PY) budget
- Sales tax – 10.9% anticipated increase over PY budget
- Utility sales taxes and prepared foods & occupancy taxes – 15.7% increase over PY budget
- Motor vehicle taxes and fees – 11.2% increase
- Powell Bill distribution – 1.7% increase over PY



# General Fund Recommended Expenditures –\$10,521,214



# General Fund Summary

Projected Revenue		\$ 10,521,214
General Fund Expenses		
Budget Estimate	\$ 9,477,247	
Add: Recommended CIP/Needs List	\$ 917,693	
Add: Capital Projects Fund	<u>\$ 126,274</u>	
Net General Fund Expenditures		<u>\$ 10,521,214</u>
Unallocated Budget		\$ (0)



# General Fund - Fund Balance

Fund Balance at June 30, 2015: \$7,869,164

Unassigned fund balance: \$5,819,821

Unassigned as % FY 15 Expenses: 64%

Unassigned as % FY 16 budget: 59%

Unassigned fund balance above stabilization threshold:  
\$1,895,152

Local Government Commission Calculation of Available Fund Balance:

Average for population group of 10K to 50K: 54.43%

Davidson: 76.89%



# MI-Connection

- Davidson's annual contribution \$1,000,000
- June 30, 2015 liability to Mooresville \$1,711,988
- June 30, 2016 projected liability  
to Mooresville \$1,772,906
- \$1 million in MI-Connection capital reserve fund for future needs
- Game plan action item to determine future options



# Solid Waste Fund

- No change to current Solid Waste Fees charged to citizens
- County garbage and yard waste tipping fees charged to Town are being increased – approx. \$9,000 annual increase
- County plans additional tipping fee increases in FY 2018 and FY 2019
- Can absorb increase this year
- Includes contingency funds for downtown recycling center
- Collection services contract competitive bidding process begins in FY 2017



# Storm Water Fund

- No fee increase
- Purchase replacement street sweeper via installment financing



# Affordable Housing Fund

- Expect new payment-in-lieu revenue from new residential development
- Committee working on needs assessment and next steps for the program
- Any HOME Consortium funds awarded will be budgeted later



# Next Steps

- Public hearing at May 10, 2016 board meeting
- New this year: budget public hearing includes required public hearing on economic development expenditures
- Further budget discussion at May 10, 2016 board meeting
- Further budget discussion at May 24, 2016 board work session (if needed)
- Approve Budget Ordinance at June 14, 2016 board meeting



# Needs List

- Each department submits a list of needs for the upcoming budget year outside the base budget
- Management team assesses needs and funds available and recommends priorities
- Also shows items that are recommended unfunded for this year

