



# *The* Town *of* Davidson

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College Town. Lake Town. *Your Town.*

# Fiscal Year 2017-2018 Proposed Budget



College Town. Lake Town. *Your Town.*

FY 2017-18 Proposed Budget Public Hearing  
Jamie Justice, Town Manager & Piet Swart, Finance Director  
May 9, 2017

# Presentation Overview

- Budget Process
- Proposed budget highlights
- Revenues and expenditures
- Other Funds
- Economic Development Expenditures



# Budget Process

- January, 2017 – Board Retreat establishes priorities
- February through April Staff produces recommended revenue and expenditures budget
- April 25, 2017 Staff presents proposed Budget to Board
- **Budget and Economic Development Expenditures Public hearing at May 9, 2017 board meeting**
- Further budget/CIP discussion at May 9, 2017 board meeting
- Further budget discussion at May 23, 2017 board work session (if needed)
- Approve Budget Ordinance at June 13, 2017 board meeting



# FY 17-18 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 in Police and Fire Departments
- 3% employee merit-based salary increase pool & salary scale adjustment



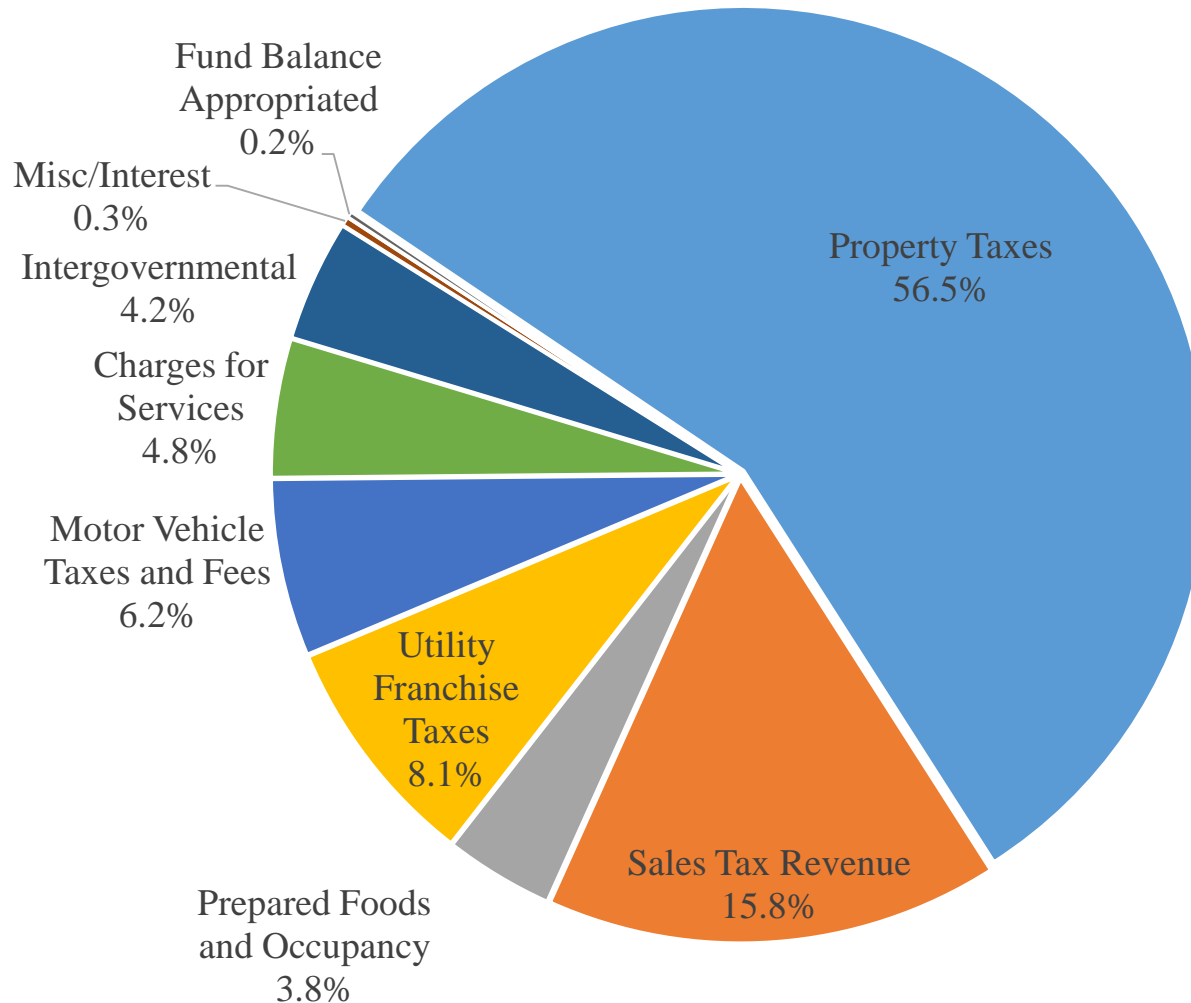
# FY 17-18 Budget Overview

- Expands Capital Projects Fund to \$300,000 for future debt service payments
- Property tax rate to remain \$.35 per \$100 of value
- Fund Balance Appropriated (FBA) for Mobility Plan Grant



# General Fund Projected Revenues –\$11,093,327

5.4% Increase over FY2017



# Revenue Sources & Assumptions

- Tax rate \$.35 per \$100 of assessed value
- Property tax – 3.1% anticipated increase over prior year's (PY) budget
- Sales tax – 5.4% anticipated increase over PY budget
- Utility sales taxes 3.3% increase over PY budget
- Motor vehicle taxes and fees – 4.1% increase
- Powell Bill distribution – no increase over PY
- Fund balance appropriation for mobility plan grant match



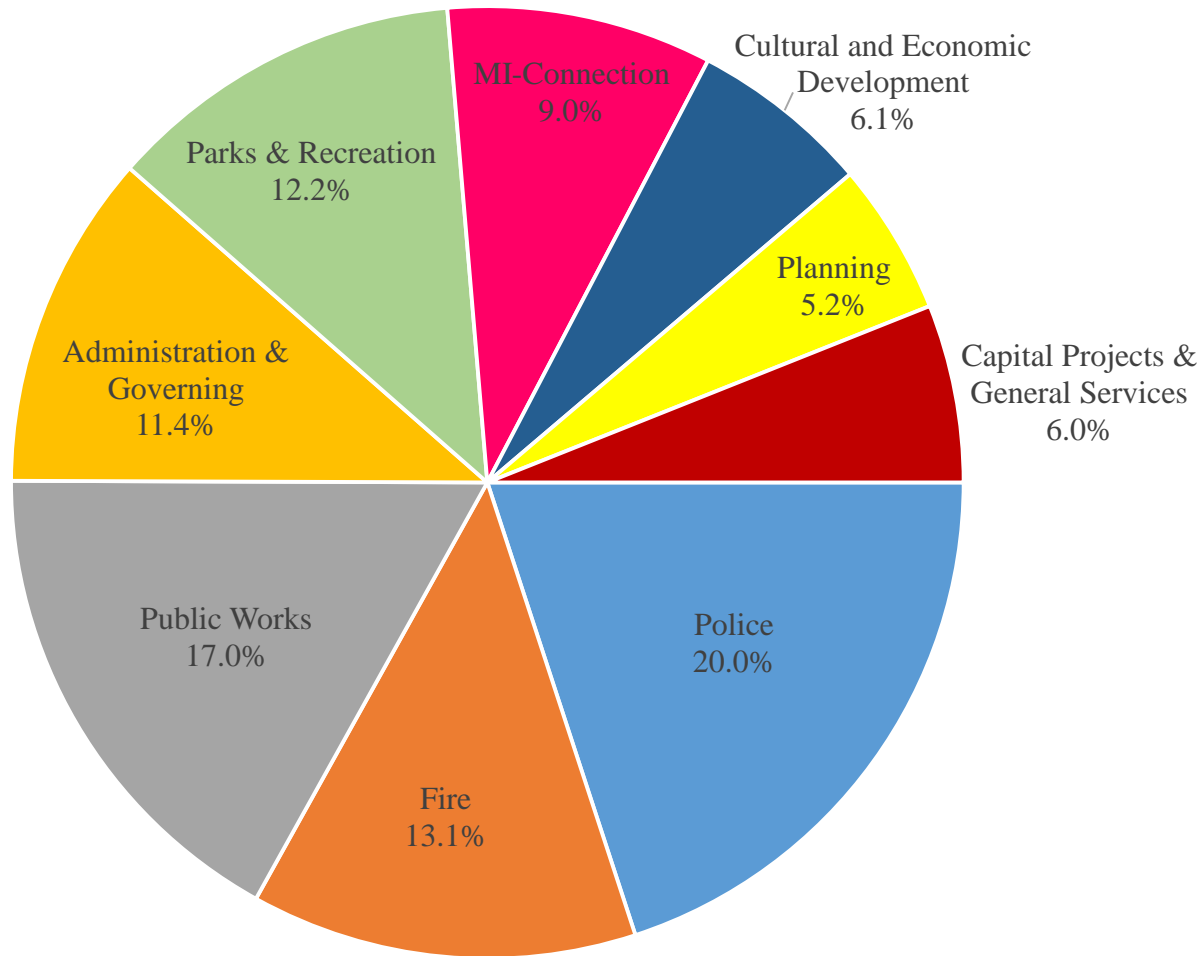


# What Is A Penny Worth?



= \$193K

# General Fund Recommended Expenditures –\$11,093,327



# General Fund Summary

Projected Revenue		\$ 11,093,327
General Fund Expenses		
Budget Estimate	\$ 10,545,941	
Add: Recommended CIP/Needs List	\$ 247,386	
Add: Capital Projects Reserve	<u>\$ 300,000</u>	
Net General Fund Expenditures		<u>\$ 11,093,327</u>
Unallocated Budget		\$ 0



# Fee Schedule Changes

- New payment in lieu for:
  - Open space requirements in rural area
  - Scenic Byway / Sidewalk
- Update of Town Event Vendor Fees
- Update Parking Ticket Fee



# MI-Connection

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



# Solid Waste Fund

- County garbage and yard waste tipping fees charged to town are being increased – approx. \$9,000 annual increase
- Can absorb increase this year; no fee increase recommended for FY 2018
- Budget includes a 5% increase in waste and recyclable fees in anticipation of the results of RFP for collection services



# Storm Water Fund

- Potential Primary Project for FY 2018 is stream repair project behind Davidson Elementary
- FY 2017 purchased new street sweeper with installment financing. Debt service through FY 2023
- No rate increase



# Affordable Housing Fund

- Expect new payment-in-lieu revenue
- Completed needs assessment and working on next steps and implementation plan
- Any HOME Consortium funds awarded will be budgeted later





# Economic Development Expenditures

- NCGS 158-7.1 requires that all municipalities hold a public hearing on all Economic Development Budgeted Expenditures.
- Total proposed Economic Development Budget for FY2018 is \$263,654



# Economic Development Expenditures

- Lake Norman Economic Development Corporation: Business Recruitment and Retention - \$38,100
- Commerce Station/Verhoeff Bridge: Joint industrial park project with Huntersville and Cornelius – \$49,800
- MSC/Sid Tool BIP Grant: FY 2018 is the fourth year of a five year business investment program grant. \$70,000
- PieS: Rent incentives for incubator businesses - \$5,000



# Economic Development Expenditures

- Davidson Main Street Grant: Reimbursable matching grant program for downtown businesses - \$10,000
- Merchant Ad Grant Program: Reimbursable matching grant program for Davidson business advertising - \$5,000
- Economic Development Strategic Plan Implementation: \$15,000
- Lake Norman Transportation Commission: \$9,750
- Remainder of proposed budget is spent on staff and general operating expenditures



# Public Hearing on FY 2018 Proposed Budget and Economic Development Expenditures

