

The **Town** *of*
Davidson

College Town. Lake Town. *Your Town.*

Fiscal Year 2017-2018 Proposed Budget



College Town. Lake Town. *Your Town.*

FY 2017-18 Proposed Budget

Jamie Justice, Town Manager & Piet Swart, Finance Director

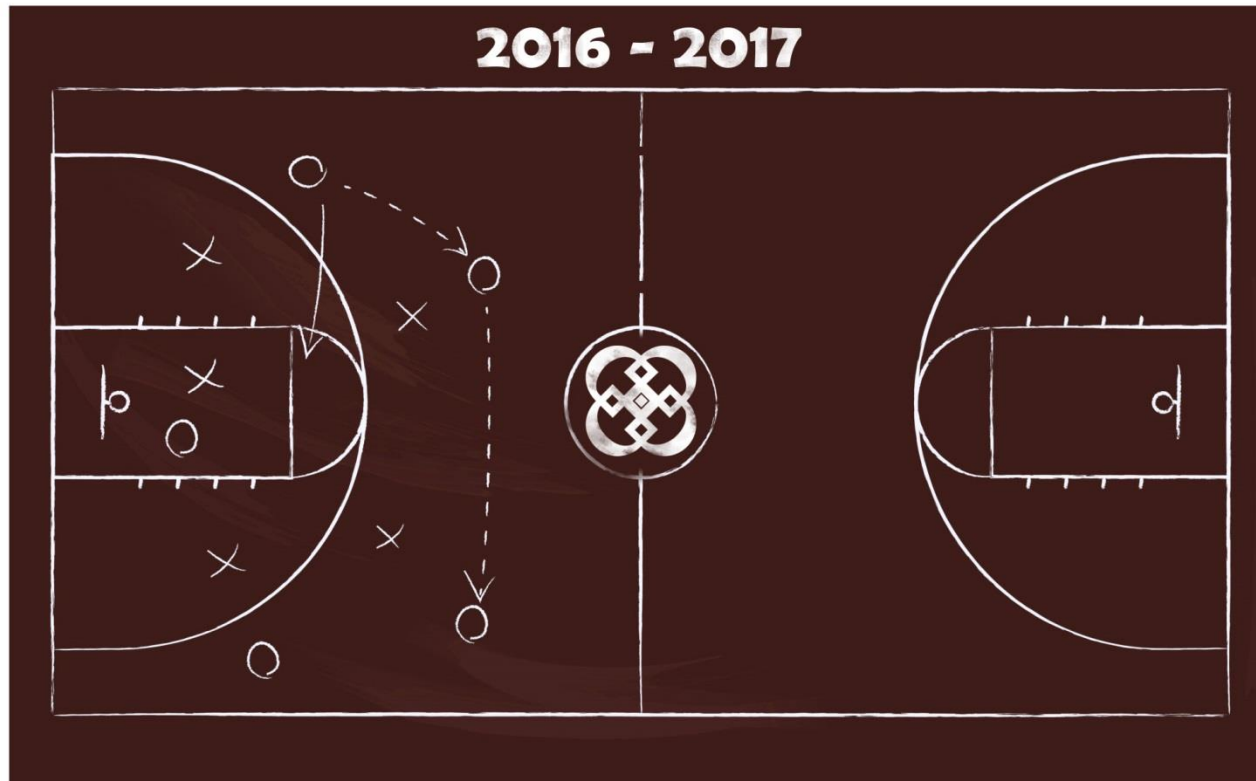
April 25, 2017

Presentation Overview

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



DAVIDSON GAMEPLAN



Davidson Game Plan & Budget

8 Themes:

- Financial
 - Financial plan
 - Capital projects & financing
- Mobility
 - Davidson Mobility Plan
- Economic Development
 - Economic Development Strategic Plan implementation



Davidson Game Plan & Budget

8 Themes:

- Growth/Planning
 - Mobility Plan and Comprehensive Plan
- Neighborhoods
 - Affordable Housing
- Resources
 - Expand Positions of Need



Davidson Game Plan & Budget

8 Themes:

- Infrastructure Maintenance
 - 5-year street resurfacing plan
- Recreation/Quality of Life
 - Active Recreation and Parks
 - Existing park improvements



FY 16-17 Budget Recap



Tax or Fee Increase



FY 16-17 Budget Recap



On target to meet revenue projections



College Town. Lake Town. *Your Town.*

FY 2017-18 Proposed Budget

Jamie Justice, Town Manager & Piet Swart, Finance Director

April 25, 2017

FY 16-17 Budget Recap

Investment in Staffing:



General Fund - Fund Balance

Fund Balance at June 30, 2016: \$7,869,164

Unassigned fund balance: \$6,581,424

Unassigned as % FY 16 actual expenditures: 68%

Unassigned as % FY 17 budget: 63%

Average for population group of 10K to 50K 51%

Unassigned Fund Balance Above Stabilization
Threshold: \$2,898,999



General Fund - Fund Balance

Unassigned Fund Balance Above Stabilization Threshold
at 6/30/2016: \$2,898,999

Minus:

Approved Projects \$ 599,027

Fire Station #2 Reserve \$ 129,000

Carry Forward Items \$ 269,500

Current Remaining UFB \$1,901,472



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
- Waiting on health insurance quote – originally budgeted 20% increase – **actual increase less**
- Property tax rate to remain \$.35 per \$100 of value
- Fund Balance Appropriated (FBA) for Mobility Plan Grant



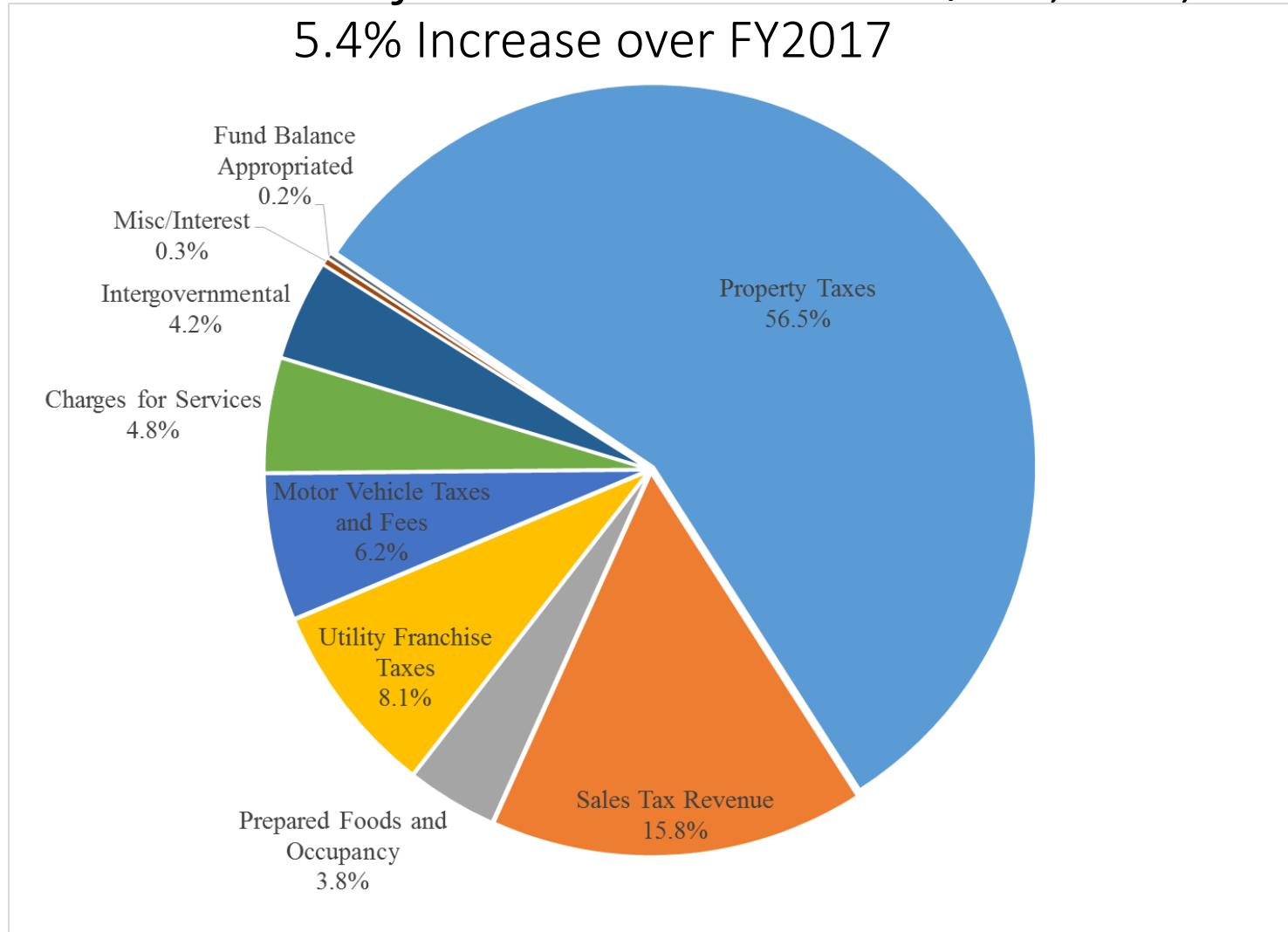
FY 17-18 Budget Overview

- Expands Capital Projects Fund to \$300,000 for future debt service payments
- Does not include:
 - Public Works Facilities Improvements – Architect updating plans for presentation to Board
 - Comprehensive Plan – Work will begin after completion of the mobility plan. Earliest projected start Spring 2018
 - Police Department CC Cameras – Presentation to the board in May



General Fund Projected Revenues –\$11,093,155

5.4% Increase over FY2017



College Town. Lake Town. *Your Town.*

FY 2017-18 Proposed Budget

Jamie Justice, Town Manager & Piet Swart, Finance Director

April 25, 2017

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

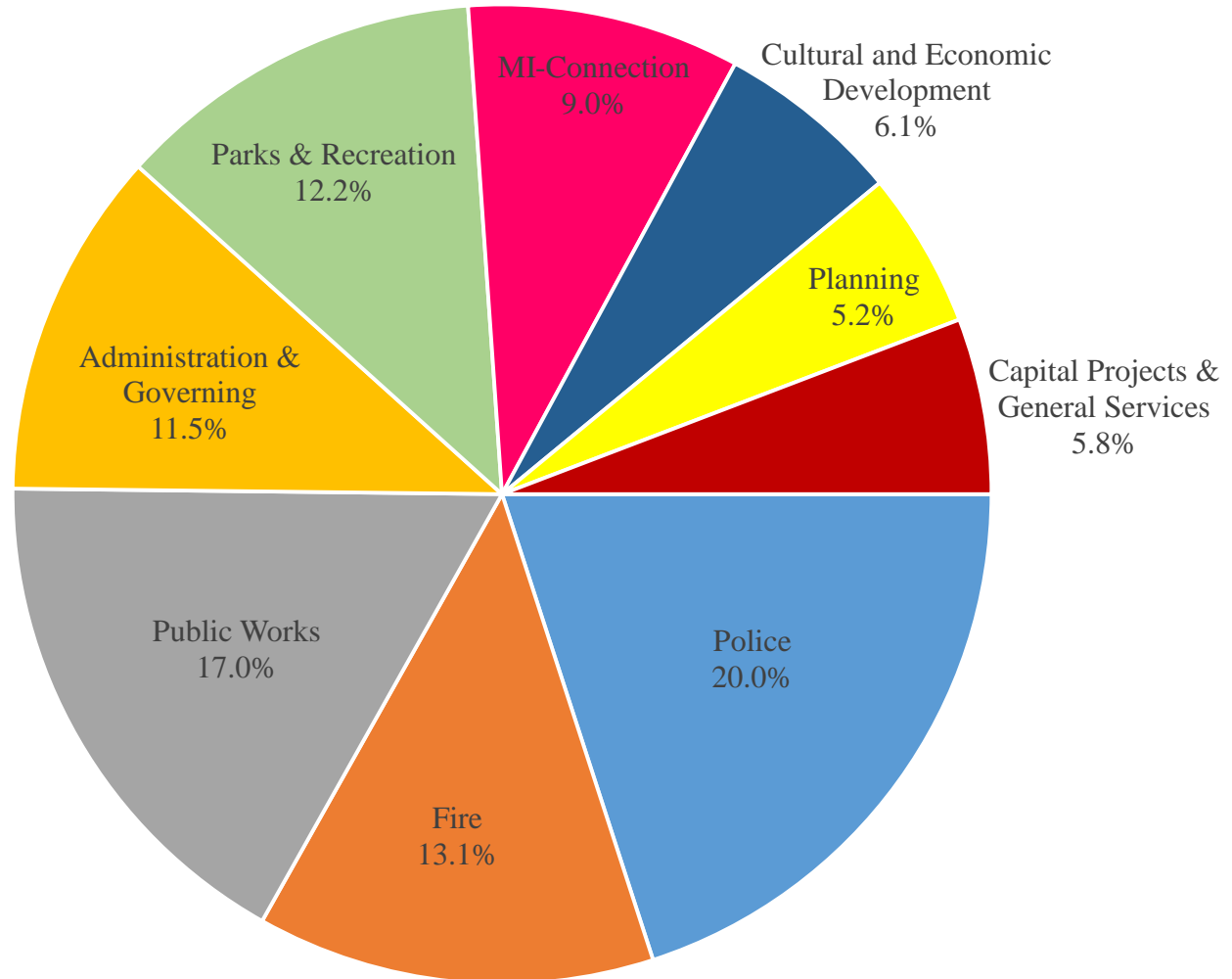


What Is A Penny Worth?



= \$193K

General Fund Recommended Expenditures –\$11,093,155



General Fund Summary

Projected Revenue		\$ 11,093,155
General Fund Expenses		
Budget Estimate	\$ 10,542,473	
Add: Recommended CIP/Needs List	\$ 250,595	
Add: Capital Projects Reserve	<u>\$ 300,000</u>	
Net General Fund Expenditures		<u>\$ 11,093,068</u>
Unallocated Budget		\$ 87

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



Needs List

- Each department submits items for the upcoming budget year
- Management team assesses needs and funds available and prioritizes

See agenda attachments...



Needs List

- Full time Fire Engineer position hired on 1/1/2018
- Full time Police Officer hired on 1/1/2018
- Receptionist position restored to full time on 7/1/2017
- “See, Click, Fix” Module and Mobile App to provide enhanced access for our citizens
- 3% Merit Salary Increase Pool starting 11/1/2017
- \$100K increase to Capital Reserve Fund



Next Steps

- 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



Discussion

CIP

Questions?

Any questions for staff to research for the next budget meeting?

Board discussion

