

The Town Council of the Town of Nashville held a Called Meeting on Tuesday, April 7, 2020 at 6:00 PM in Town Council Chambers. Members Present: Mayor Brenda Brown, Mayor Pro Tem Kate Burns, Council Member Larry Taylor, Council Member Louise Hinton, and Council Member Lynne Hobbs. Absent: None. Staff Present: Randy Lansing–Town Manager, Tesa Silver –Town Clerk, Sam Sanchez–Finance Director, Chris Joyner –Fire Chief, and Anthony Puckett–Police Chief. Others Present: Jonathan Edwards–Nash County, Information Technology.

1. Mayor Brown called the meeting to order at 6:00 pm. Mayor Brown led the Pledge of Allegiance and Prayer.
2. Mayor Brown called for the Presentation of Fiscal Year 2020-2021 Proposed Annual Budget.

Mayor Brown stated that the purpose of tonight's meeting was to view a presentation on the proposed budget for fiscal year 2020-2021. Mayor Brown turned the meeting over to Mr. Lansing. Mr. Lansing provided Council with a brief budget message; he stated that he and Mrs. Sanchez included all the items Council specifically mentioned as priorities within the proposed budget. Council Member Hinton asked how many additional personnel; Mrs. Sanchez stated that there were three (3) additional personal for Fire. Mr. Lansing stated that the additional positions would only be added if the Town is approved for the SAFER Grant; we will not find out if we are awarded the grant until October or November, and at that time we would hire the additional positions.

Mr. Lansing stated that this budget maintains the current tax levy of \$0.58 per hundred. There is a proposed increased for the Gully Fire Tax District of \$0.03; going from \$0.12 per hundred to \$0.15 per hundred. The increase in the Gully Fire Tax District will provide the revenue needed for the second fire station. Mr. Lansing stated that there are a few vehicles in the proposed budget including a new garbage truck, three (3) new police vehicles, two (2) non-fire vehicles, and a sewer jet machine. We are proposing to borrow money for the purchase of these vehicles; interest rates are really low and it will allow the Town to continue to grow its Fund Balance.

There are website upgrades and software upgrades that are needed; there are retention requirements that the State requires, and we are not compliant with those. Mr. Lansing mentioned specifically that Financial and Human Resource software is included in the budget; the software we are using we have had for fifteen (15) years. Council will see increases in fees for sanitation and recycling, and this budget incorporates a different base water fee. Mr. Lansing turned the meeting over to Mrs. Sanchez.

Mrs. Sanchez stated she is pleased to present Council with her very first budget; she stated that what is being presented to Council is a very lean budget; there is no property tax increase, and a conservative approach was taken with utilizing Fund Balance in order to present a balanced budget. The budget process began in January of 2020; a budget retreat was held to receive information on what Council's priorities were. After the budget retreat the department heads begin working on the departmental budgets. Mrs. Sanchez stated that the department heads were given the opportunity to have input in the budget, and Council will see that. A budget team was formed; the team consisted of Mrs. Sanchez, Mr. Lansing, and Mrs. Lou Bunch, Human Resources Director. They sat down with each department head once each departmental budget was created; thoroughly going through each request and line item.

Mrs. Sanchez stated that the budget manual Council has received contains a lot of information; the manual is comprehensive, and coincides with the budget presentation. On certain slides Council will see, "see page number" that references a page in the budget manual; this will help Council when they are reviewing the materials provided.

This year we have received \$13,600,000 in request, our recommended budget is \$12,300,000, and in order to provide a balanced budget \$1,300,000 has already been cut from the proposed budget. Comparing the proposed budget to the original 2019-2020 budget, there is a \$1,900,000 increase; there is a \$400,000 decrease in comparison to the 2019-2020 amended budget. Mrs. Sanchez has reconciled

the difference between the FY 2019-2020 budget and the amended 2019-2020 budget; the FY 2019-2020 budget appropriated \$120,000 of Fund Balance, however the amended 2019-2020 budget appropriated \$588,000 of Fund Balance. There have been numerous budget amendments this year; the largest budget amendment was a non-cash amendment; it was for a transfer to the Capital Reserve Fund in the amount of \$320,000. In the Enterprise Fund there was no net position appropriated in the FY 2019-2020 budget, however \$1,400,000 is in the amended 2019-2020 budget; this was due to a non-cash budget amendment to clean up old Capital Projects Funds.

Mrs. Sanchez provided a breakdown of the budget by Fund; \$7,200,000 in the General Fund, \$4,400,000 in the Water and Sewer Fund; combined with a few other funds giving a total proposed budget of \$12,300,000. The General Fund has an approximate increase of \$1,200,000 opposed to the original FY 2019-2020 Budget (\$600,000 opposed to the amended 2019-2020 budget). The Enterprise Fund has an approximate increase of \$330,000 opposed to the original FY 2019-2020 Budget (\$1,100,000 decrease to the amended 2019-2020 budget). The Town collects fees for services; Mrs. Sanchez provided a breakdown of what is supported by fees and what is supported by Town dollars. Council Member Hobbs asked if sales taxes are considered Town Dollars and Mrs. Sanchez stated that was correct.

Mrs. Sanchez stated that as expected Public Safety is the Town's largest funding category within the General Fund, followed by General Governmental, Administration, and Sanitation. Water and Sewer Operations is the largest funded category (81%) within the Enterprise Fund, followed by Administration. She provided another view of the General Fund; this viewpoint shows that Employee Wages and Payroll Taxes compose over half the budget. Mrs. Sanchez stated this is to be expected, we require people to be able to provide the services we provide. Employee Wages and Payroll Taxes are followed by Departmental Supplies and Services. Departmental Supplies and Services make up the vast majority of the Enterprise Fund; supplies and services included water purchases and water treatment services. Departmental Supplies and Services are followed up by Inner-fund Transfers; the largest transfer being the transfer from the Enterprise Fund for money owed to the General Fund for services provided by the General Fund to the Enterprise Fund.

Mrs. Sanchez addressed revenues in both funds; the General Fund's largest contributor of revenue is Ad Valorem Taxes (31%), followed by Unrestricted Local Governmental which includes Sales Tax (22%). Mrs. Sanchez stated we are budgeting very conservatively this year with our revenues. Council Member Hinton stated in the past the Ad Valorem Tax percentage has typically been between 41% and 43%; she questioned why it is currently at 33%. Mrs. Sanchez stated that we have additional revenue sources; increasing the amount of Capital Reserve the Town is using, utilizing the debt set-off program, and utilizing debt service causes the percentages to be skewed. 94% of the Enterprise Fund revenues are fee based; projections were also made conservatively. All the financial reports that the Town has received to date are projecting a very steep decline, due to the impact of COVID-19. The Town will see the impact of that decline in the last quarter of this fiscal year as well as in the first quarter of the upcoming fiscal year. She hopes that we will steadily rebound, but unfortunately with so many unknowns the best approach is a conservative approach. Mr. Lansing stated that Mrs. Sanchez included a report the Town received last week from the North Carolina League of Municipalities (NCLM); the report explains how to forecast revenues.

Council Member Hinton stated that they should expect utility revenues to be severely reduced. Mrs. Sanchez stated that for accounting purposes revenue will continue to be earmarked, however, that does not mean that we will collect the money; she feels our collections will be severely impacted. She also stated that she was proud that the Town implemented no disconnections prior to the Governor's declaration; she felt it was the right thing to do. She wanted to mention that with no fees being assessed it will impact late fee collection revenues.

Mrs. Sanchez provided Council with the revenue sources used to balance the budget: \$105,000 of Fund Balance was appropriated; there is a \$483,000 decrease in comparison to FY 2019-2020 Amended Budget. We are projected to collect \$2,139,000 in property taxes; we are proposing the use of Capital Reserves in the amount of \$315,700, increasing the use of the Powell Fund reserve, and issuing installment debt to purchase vehicles. There is a proposed increase in sanitation and recycling fees. If

the fee increases are not approved an additional \$184,000 will have to be cut from the budget. There is a proposed increase to the Gully Fire Tax District, which will provide revenue of \$581,000. The Gully Fire Tax District increase is contingent upon, the County's approval of that increase. A reimbursement of \$220,000 is being proposed in the Enterprise Fund. Mrs. Sanchez also mentioned that there are a few proposed fee changes in Planning and Zoning and that Council should take a look at.

Our current property tax collection rate is a little above 98%; the budget was crafted as if we are in a recession. She reviewed collection rates from the last recession and reduced the projection collection rate to 97%; which is how she calculated the projected collection amount of \$2,139,000. We also received information from NCLM in regards to Sales Taxes, and they are predicting declines. Based on the percentages NCLM provided, we calculated our projections for FY 2020-2021. Council Member Hobbs stated she looked at the report and it seemed like they offered three scenarios; she wanted to know which of the three we used. Mrs. Sanchez stated she used the conservative projections; she clarified that what we experience here is not going to be the same as what the City of Raleigh will experience; the report stated that the City of Raleigh would be severely impacted where as our impact may not be as severe since we are a smaller municipality.

Every year the Enterprise Fund reimburses the General Fund for the services it provides to the Enterprise Fund. Based on information we have received from our auditors in the past she has changed the calculation that we use; this is causing the reimbursement to be slightly higher this year coming in at \$220,000. We are proposing some Fund Balance appropriation to balance the Enterprise Fund; the amount is a little over \$37,000 and it is a slight decrease from the FY 2019-2020 amended budget. The revenue projections are based on the assumption that Council will adopt the fee increases, however if Council does not approve the increases \$345,000 will have to be eliminated from the budget. The projections for late charges were decreased by \$20,000 and we have eliminated the Federal Mandate. If Council decides not to proceed with what is proposed then \$185,000 will be added back into the budget. The fee increases that are being proposed include implementing a water based fee and eliminating the Federal Mandate Fee. There will be a different fee assessed for those receiving services in –town versus those receiving services out of town. For the vast majority of people, the fee will only increase by \$1.87 per month.

Mrs. Sanchez addressed the major expenditure increases and how she proposed to fund them. The major expenditures items are the non-public safety market salary study \$142,000, VC3 IT service \$111,000, a website upgrade \$18,000, financial software \$100,000, the comprehensive plan \$75,000, three (3) replacement vehicles for the police department \$165,000, three (3) new fire fighter staff \$141,000 (this was included based off revenue projections and not the SAFER grant), two (2) replacement vehicles for the fire department \$105,000, fire station 2 capital project \$100,000, a garbage truck \$380,000, yard waste site improvements \$35,000, the Department of Corrections lift station rehab \$75,000 (this project has already started), and the quick response sewer jet \$62,000. Council Member Hinton wanted confirmation that the salary study included all the salaries. Mrs. Sanchez stated that it includes all the salaries and the fringes; she directed them to the front of the manual where there is an additional spreadsheet that details each salary by fund and department. Another expenditures increase is an increase in general retirement and law enforcement retirement; Mrs. Sanchez stated they can expect those to increase each year. She has included some information from the retirement fund for their review of these increases. Additional expenditures are a Town Hall Lobby upgrade \$20,000, various public works buildings and grounds renovations \$35,000, library generator and awning improvements \$22,000, clerk retention software \$8,800, clerk agenda management software \$3,800, and various radios for police and fire as well as an enclosed trailer. The total of those expenditures is \$1,700,000; these items are capital items and major purchases.

There were some major requests that were not funded; if Council wants to deliberate on any of those a list has been provided. Mrs. Sanchez stated that very regretfully we were not able to include the 2% COLA, however she stated that going forward she believes that it is best practice to implement a modest COLA year by year to lessen the impact of market salary studies. We were not able to fund the additional police positions or the vehicles for those positions; we were also not able to fund the Environmental Compliance position for Public Works. The Public Works department requested funding for the Cottonwood and Cyprus Lift Station Abandonment Project for \$1,700,000; this is an important

project to pursue and will be put into the list of capital projects to be funded in the future. The Water and Sewer Assets Inventory Assessment was not funded; this is a much needed assessment. During the assessment a consultant comes to identify what the Town currently has and what the Town needs. We applied for a grant for this and unfortunately we were not awarded the grant, however we are going to continue to apply for the grant. Council Member Hobbs asked how much funding we would receive if awarded the grant; Mrs. Sanchez stated 100%. Council Member Taylor asked if we knew why we weren't awarded the grant; Mrs. Sanchez stated our fees are too low, we have too much money in our accounts, and like most grants we were scored on a points system.

Mrs. Sanchez stated that we had four organizations that have requested funding from the Town. We are proposing level funding, providing them the same amount of funding we provided them this year. Council Member Taylor asked what the Boys and Girls Club requested and wanted to know what they received this year. Mrs. Sanchez stated that they asked for \$10,000, they received \$5,500 this year and we are proposing to give them \$5,500 in the next fiscal year.

Mrs. Sanchez discussed the two Capital Reserve Funds the town has, one in the General Fund and one in the Enterprise Fund. An additional \$320,000 was placed in the General Fund Capital Reserve Fund; the \$320,000 had been allocated for the fund but had not been transferred to the fund. There is approximately \$900,000 in the General Fund Capital Reserve Fund. \$130,000 will be added to that fund this year and we are proposing to use \$315,000, giving a projected balance of \$728,000. The Enterprise Fund Capital Reserve Fund will start with a balance of \$220,000, we will add \$194,000 this year and we will use \$179,000 this year giving a projected balance of \$235,000.

The Town had an old Capital Project Fund; it was called Well Number Eight (8) Construction. We had money in this fund to construct a well, we did not use all the money; there was a balance of \$132,000. The well was tested; it was low producing and poor producing. There is very little we can do with it. Mrs. Sanchez suggested two proposals: the first is that \$132,000 could be transferred back into the Enterprise Fund Capital Reserve Fund, in turn allowing the Town to fund additional capital projects, or we could create a new Capital Reserve Fund, naming it the Water and Sewer Infrastructure Improvements Fund. With an approval from Council, the Enterprise Fund Capital Reserve Fund would be used for the purchase of items like vehicles and equipment and the new fund would be used to complete major projects. Council Member Taylor asked how much was spent on the well, and Mrs. Sanchez could not recall. Council Member Hinton asked where it is located; Mr. Lansing stated it is on Cooke Road. He stated that he believes the Town received a grant to run the water and sewer out there and some of that could have gone to drill the well. The well was never put online and has since been capped and abandoned. Council Member Hinton asked if we had five wells; Mr. Lansing stated that we have five wells.

Mrs. Sanchez stated that she and Mr. Lansing tried to be very modest this year when it came to appropriating Fund Balance. Year by year, we have not historically used all funds that have been appropriated; there have also been years where we put money back into Fund Balance. Council Member Hinton asked what is the current Unassigned Fund Balance; Mrs. Sanchez stated it is over \$4,000,000 and that she included the past ten (10) years of Fund Balance History in their materials. Mrs. Sanchez discussed the Town's debt outlook. We are proposing to issue some debt in the upcoming fiscal year for the purchase of vehicles. The debt has been budgeted over a five year period at 3.25% interest rate; she believes that Town would be able to get a lower interest rate. The last CIFI payment will be made this year. She reminded Council that we have a loan on a sewer jet vac and that there are four (4) more years of payments on it.

Mrs. Sanchez opened the floor up for questions. Mr. Lansing stated that there is some additional documentation that explains more about the potential water fee increase. The fee would increase to \$7.87 and the Town would eliminate the Federal Mandate of \$6.00. Council Member Hinton asked what the monthly increase would be; Mrs. Sanchez stated it would increase \$1.87. The document also shows the increase in sanitation; we are currently at \$14.00 and we are proposing to take that to \$18.78; the increase will help with yard waste expenses. There is also a \$0.76 increase for recycling taking it from \$4.50 to \$5.26. Mrs. Sanchez mentioned that we do have a consultant coming in from the Rural Water Association; who will review our water and sewer fees and provide feedback from their assessment.

Council Member Taylor asked Mr. Lansing if the department heads would be able to work with these budgets and Mr. Lansing stated that they would. Council Member Taylor stated that he hopes that the department heads present will share that Council will do the best they can and understand that some things may have to be considered next year. Council Member Hobbs thanked Mrs. Sanchez for the work she has done on the budget. Mrs. Sanchez pointed out that the artwork seen at the beginning of the presentation was done by Georgia Brown, Lee Brown, Public Works Director's, wife.

Mrs. Sanchez provided the following PowerPoint presentation:



PROPOSED BUDGET – FISCAL YEAR 2020-2021
Presented: April 7, 2020

Artwork by Georgia Brown

Town of Nashville FY 2020-2021 Budget Process

- 1/23/2020: Council Retreat to determine Priorities & Vision
- 2/21/2020: Departmental Requests due to Finance
- 3/3/2020-3/6/2020: Town Manager, Finance Director & HR Director meet with each Department Head to discuss Budget Requests
- 3/6/2020-4/1/2020: Management develops the Proposed Budget
- 3/27/2020: All final items due to Finance
- 3/30/2020: Finance Director presents Proposed Fee Changes to Council
- 4/1/2020-4/6/2020: Management Finalizes Budget
- 4/7/2020: Town Manager & Finance Director deliver & present Proposed Budget to Council

What's In the FY 2020-21 Budget Manual?

- Comprehensive information supplementing this presentation
- Please view the pages referenced throughout this presentation for more details.
- Numbered Table of Contents, Labeled Tabbed Sections

Requested Budget vs. Recommended Budget FY 2020-21 – All Funds

Requested Budget – All Funds	\$13,577,762
Recommended Budget – All Funds	\$12,281,443
Total Reduction – All Funds	\$1,296,319

See Proposed Line Item Budget tab

FY 2020-21 Recommended Budget vs. FY 2019-20 Approved Budget – All Funds

FY 2019-20 Original Budget	\$10,346,004
FY 2019 Amended Budget	\$12,694,091
FY 2020-21 Recommended Budget	\$12,281,443
Difference FY 2020-21 Recommended vs. FY 2019-20 Original	\$1,935,439
Difference FY 2020-21 Recommended vs. FY 2019-20 Amended	(\$412,648)

See Page 17

Current Year Budget Update – General Fund

FY 2019-20 Original Fund Balance Appropriation	\$120,000
FY 2019-20 Amended Fund Balance Appropriation	\$588,669
FY 2019-20 Projected Actual Appropriation*	\$460,534
FY 2019-20 Projected Ending Total Fund Balance*	\$4,920,211

BA # 1: \$12,300 Chipper Repair
 BA # 3: \$70,000 Police Software
 BA # 7: \$15,200 Police Vehicle Repairs & Equipment Purchases
 BA # 11: \$13,700 Cemetery Outbuilding
 BA # 13: \$4,953 Forestry Grant not awarded
 BA # 15: \$33,482 (Non-cash) Reimbursement to Enterprise Fund
 BA # 16: \$319,034 (Non-cash) Transfer to Capital Reserve Fund

See Fund Balance tab

Current Year Budget Update – Enterprise Fund

FY 2019-20 Original Net Position Appropriation	\$0
FY 2019-20 Amended Net Position Appropriation	\$1,417,281
FY 2019-20 Projected Actual Appropriation*	\$1,021,173
FY 2019-20 Projected Ending Total Net Position*	\$9,066,253

BA # 2: \$200,000 Aviation Lift Station Project
 BA # 12: \$6,455 Distribute COLA
 BA # 13: \$2,000 Water & Sewer Safety
 BA # 15: \$1,208,826 (Non-cash) Reimbursement to Capital Project Funds

See Fund Balance tab

Proposed Budget by Fund FY 2020-21

TOTAL GENERAL FUND	\$ 7,163,095
TOTAL MSD FUND	\$ 39,000
TOTAL CAP. RESERVE GEN. FUND	\$ 315,700
TOTAL CAP. RESERVE ENT. FUND	\$ 312,000
TOTAL WATER & SEWER FUND	\$ 4,351,648
TOTAL FIRE STATION II FUND	\$ 100,000
TOTAL BUDGET	\$ 12,281,443

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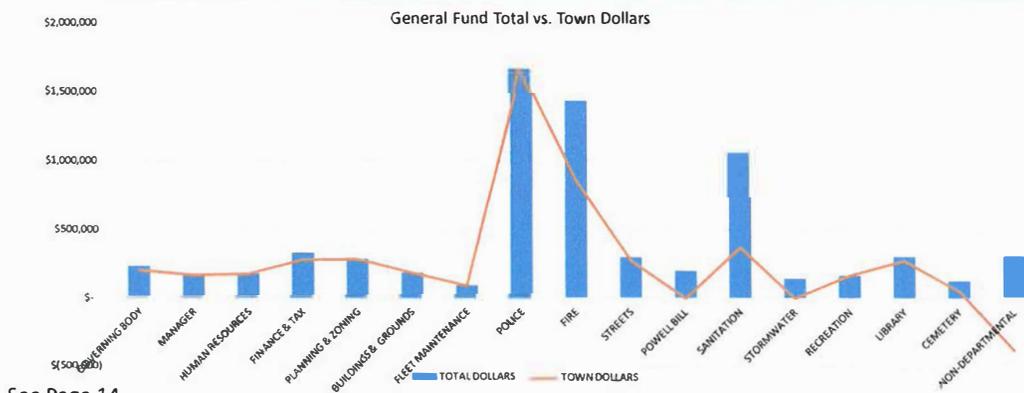
Budget Comparison by Fund – FY 2020-21 Recommended Vs. FY 2019-20

FUND	FY 2019-2020		FY 2020-2021	DIFFERENCE	
	BUDGET ORDINANCE	AMENDED BUDGET	PROPOSED BUDGET	ORIGINAL TO PROPOSED	AMENDED TO PROPOSED
GENERAL	\$ 6,002,004	\$ 6,565,005	\$ 7,163,095	\$ 1,161,091	\$ 598,090
MSD	\$ 32,000	\$ 41,900	\$ 39,000	\$ 7,000	\$ (2,900)
ENTERPRISE	\$ 4,018,000	\$ 5,474,152	\$ 4,351,648	\$ 333,648	\$ (1,122,504)
CAP. RESERVE-GENERAL	\$ 214,150	\$ 533,184	\$ 315,700	\$ 101,550	\$ (217,484)
CAP. RESERVE-ENTERPRISE	\$ 79,850	\$ 79,850	\$ 312,000	\$ 232,150	\$ 232,150
CAP. PROJ.	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
TOTALS	\$ 10,346,004	\$ 12,694,091	\$ 12,281,443	\$ 1,935,439	\$ (412,648)

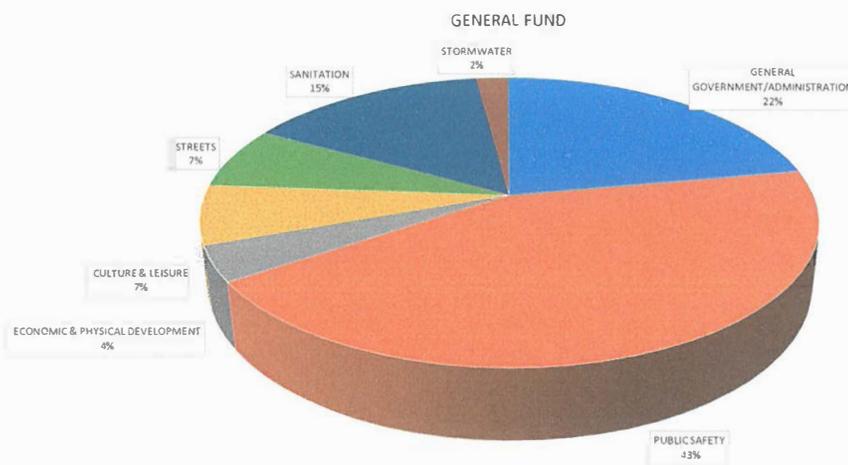
See Page 18

General Fund Proposed Total Dollars vs. Town Dollars FY 2020-21

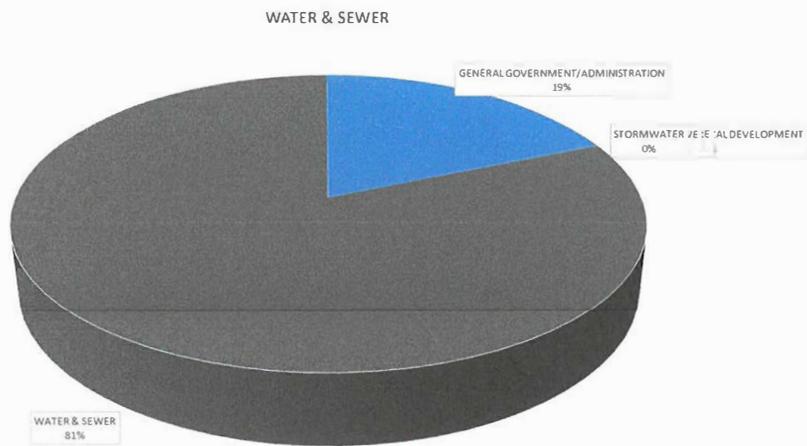
Total Dollars	Town Dollars	Difference
\$ 7,163,095	\$ 4,639,720	\$ 2,523,375



Proposed Funding by Category FY 2020-21 – General Fund

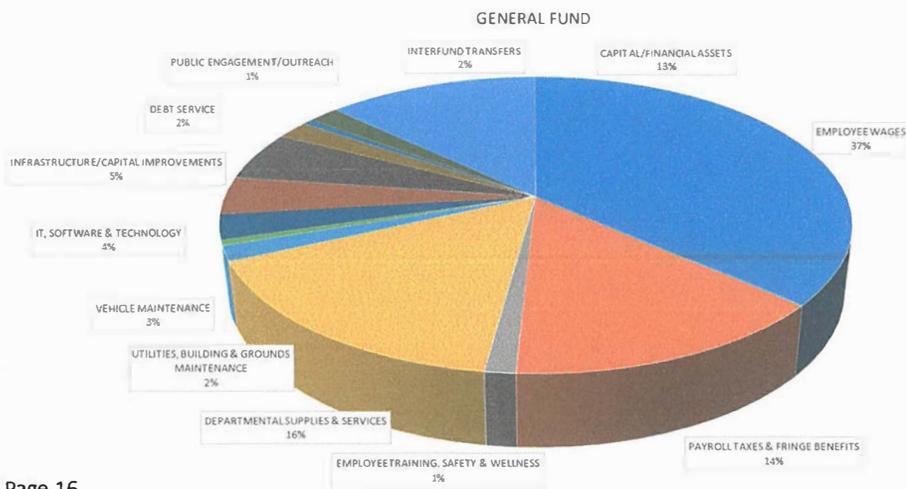


Proposed Funding by Category FY 2020-21 – Enterprise Fund



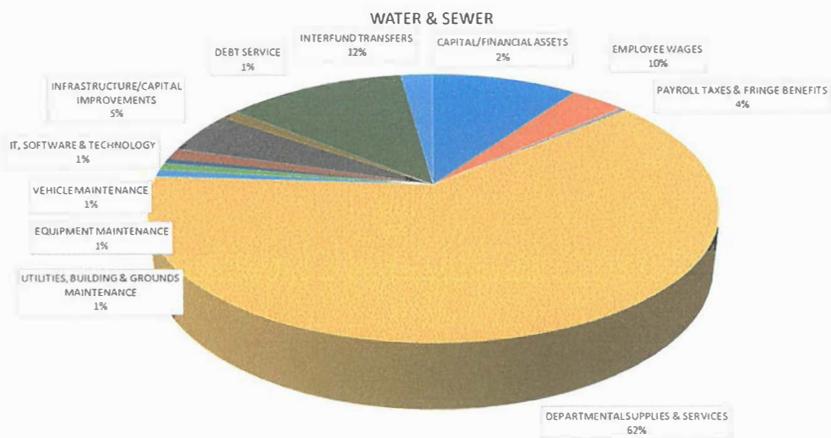
See Page 15

Proposed General Fund Budget by Expenditure Type FY 2020-21



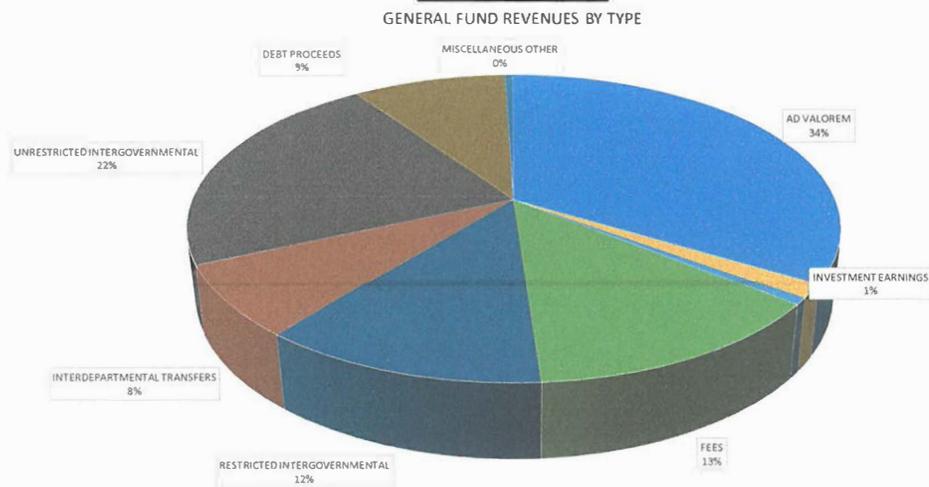
See Page 16

Proposed Enterprise Fund Budget by Expenditure Type FY 2020-21



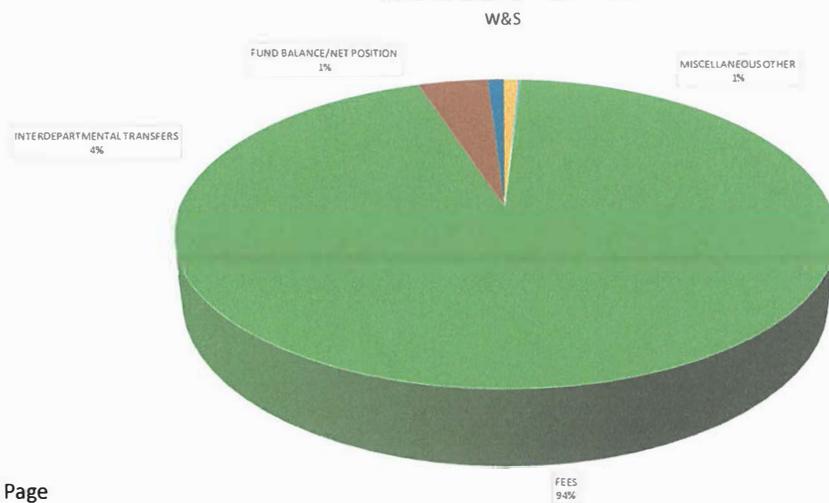
See Page 16

Proposed General Fund Revenues by Type FY 2020-21



See Page

Proposed Enterprise Fund Revenues by Type FY 2020-21



See Page

Major Revenues General Fund FY 2020-21

- Fund Balance Appropriated: \$105,113 (**Decrease** of \$483,556 vs. FY 19-20 Amended)
- Property Tax: \$2,139,000 (**Decrease** of \$1,556 vs. FY 19-20 Amended)
- Use of Capital Reserves: \$315,700 (**Increase** of \$200,487 vs. FY 19-20 Amended)
- Use of Powell Fund Reserves: \$55,000 (**Increase** of \$55,000 vs. FY 19-20 Amended)
- Vehicle Debt Proceeds: \$650,000 (**Increase** of \$650,000 vs. FY 19-20 Amended)
- Sanitation & Recycling Fees: \$700,000 (**Increase** of \$184,000 vs. FY 19-20 Amended)
- Gulley Fire Tax Contribution: \$581,000 (**Increase** of \$124,599 vs. FY 19-20 Amended)
- Enterprise Fund Reimbursement: \$220,207 (**Increase** of \$68,207 vs. FY 19-20 Amended)

See Page 29

Major Proposed Fee Increases FY 2020-21

- Planning & Zoning: Various Changes Requested (See Page 27)
- Sanitation: \$18.78 (Increase from \$14.00)
- Recycling: \$5.26 (Increase from \$4.50)
- N S Gulley Fire Tax: 15 cents (Increase from 12 cents)

See Fee Schedule Page 22

Property Tax Projections FY 2020-21: Conservative

ESTIMATED REAL & PERSONAL PROPERTY VALUATION (3/19/2020, NASH COUNTY TAX OFFICE)	\$ 373,129,000
PUBLIC UTILITIES VALUES (NCDOR)	\$ 6,317,834
TOTAL ESTIMATED VALUE	\$ 379,446,834
CURRENT TOWN TAX RATE \$0.58	\$ 2,200,792
ESTIMATED COLLECTION RATE OF 97.19%	\$ 2,138,949

HISTORICAL RECESSION AUDITED COLLECTION RATES:

	REAL & PERSONAL PROPERTY	MOTOR VEHICLE
2007:	97.19%	94.70%
2008:	97.91%	92.61%
2009:	98.71%	91.38%

See Page 34-35

Sales Tax Projections FY 2020-21: Conservative

	PRESENTED AT BUDGET RETREAT 1/23/2020		NCLM PROJECTIONS	NCLM PROJECTIONS
	STATE	NASH COUNTY	FY 2019-2020	FY 2020-2021
SALES & USE TAX NET COLLECTIONS	11.99%	6.99%	-0.5%	-3.20%
ARTICLE 39	11.34%	7.07%	-0.5%	-3.20%
VIDEO PROGRAMMING	2.26%	2%	1.0%	-1.70%
SOLID WASTE DISPOSAL	5.70%	4%	-3.2%	1%
ELECTRICITY	2.56%	2%	1.7%	1%
TELECOMMUNICATIONS	-12.54%	-11%	-7.5%	-9.20%
PEG CHANNEL	0.00%	3%	0.0%	0%
ABC TAX			0.5%	0%

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Enterprise Fund Reimbursement to General Fund FY 2020-21

Total Enterprise Fund Portion of General Fund Administration Departments	\$323,996
Less: Total General Fund Portion of Public Works Administration Department	(\$103,759)
Total Enterprise Fund Reimbursement Due to General Fund	\$220,207

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Major Revenues Enterprise Fund FY 2020-21

- Fund Balance Appropriated: \$37,648 (**Decrease** of \$1,379,633 vs. FY 19-20 Amended)
- Use of Capital Reserves: \$177,000 (**Increase** of \$122,500 vs. FY 19-20 Amended)
- Water Revenue: \$1,595,000 (**Increase** of \$345,000 vs. FY 19-20)
- Late Charges: \$60,000 (**Decrease** of \$20,000 vs. FY 19-20 Amended)
- Federal Mandate Fee: \$0 (**Decrease** of \$185,000 vs. FY 19-20 Amended)

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Proposed Fee Increases FY 2020-21

- In-Town Water Flat Fee: \$7.87 (Increase from \$6 Federal Mandate Fee)
- Out-of-Town Water Flat Fee: \$18.90 (Increase from \$6 Federal Mandate Fee)
- No Social Security # Customer Deposit: \$150 (Increase from \$100)

See Presentation on Proposed Fee Increases

Major Expenditure Increases FY 2020-21 – All Funds

- Non-Public Safety Salary Study: \$142,702 (See Human Resources Tab)
- VC3 IT Service: \$111,344 (See Budget Retreat Manual)
- Website Upgrade: \$18,290 (See Page 113)
- Financial Software Upgrade: \$100,000 (See Page 149)
- Comprehensive Plan: \$75,000
- Police Replacement Vehicles (3): \$165,000
- Firefighter Staff (3): \$141,162
- Fire Replacement Vehicles (2): \$105,000

See Page 276-277

Major Expenditure Increases FY 2020-21 – All Funds (Cont.)

- Fire Station II Capital Project: \$100,000 (See Proposed Fee Increases Manual)
- Garbage Truck: \$380,000
- Yard Waste Site Improvements: \$35,000
- DOC Lift Station Rehab: \$75,000
- Quick Response Sewer Jet: \$62,000

See Page

Other Expenditure Increases FY 2020-21 – All Funds

- General Retirement 10.22%: \$23,830 (See Page 67-72)
- LEO Retirement 10.84%: \$8,328 (See Page 67-72)
- Town Hall Lobby Upgrade: \$20,000
- Public Works Building/Grounds Renovations: \$35,000
- Library Generator/Awning: \$22,000
- Clerk Social Media Retention Software: \$8,836
- Clerk Agenda Management Software: \$3,850
- Police Portable Radios (6): \$27,000
- Police Mobile Radios (6): \$30,000
- Fire Mobile Radios (7): \$42,000
- Sewer 16' Enclosed Trailer: \$10,000

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Total of All Increases FY 2020-2021 – All Funds

=\$1,741,342

(Difference between FY 2019-2020 Original Budget vs. FY 2020-2021 Proposed Budget = \$1,935,439)

Major Requests Not Funded FY 2020-21

- 2% COLA: \$63,659
- Police Investigator: \$52,168
- Police Community Supervisor: \$55,021
- Police Additional Vehicles (2): \$98,500
- Public Works Environmental Compliance Officer: \$61,906
- Cottonwood & Cypress Lift Station Abandonment: \$1,700,000
- Water & Sewer Asset & Inventory Assessment: \$300,000

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Community Contributions FY 2020-21

<u>Organization</u>	<u>Requested</u>	<u>Recommended</u>
Boys & Girls Club	\$10,000	\$5,500
Community Building	\$1,927	\$1,927
American Legion	\$300	\$300
Nash Arts Council	\$8,032	\$8,032

See Page 120-134

Proposed Capital Reserve Activity FY 2020-21
– General Fund

7/1/2020 Beginning Balance	Addition to Capital Reserves	Less: Use of Capital Reserves	Projected Balance: 6/30/2021
\$890,188	\$130,650	\$315,700	\$705,138

See Page 279

Proposed Capital Reserve Activity FY 2020-21
– Enterprise Fund

7/1/2020 Beginning Balance	Addition to Capital Reserves	Less: Use of Capital Reserves	Projected Balance: 6/30/2021
\$221,150	\$193,850	\$179,400	\$235,600

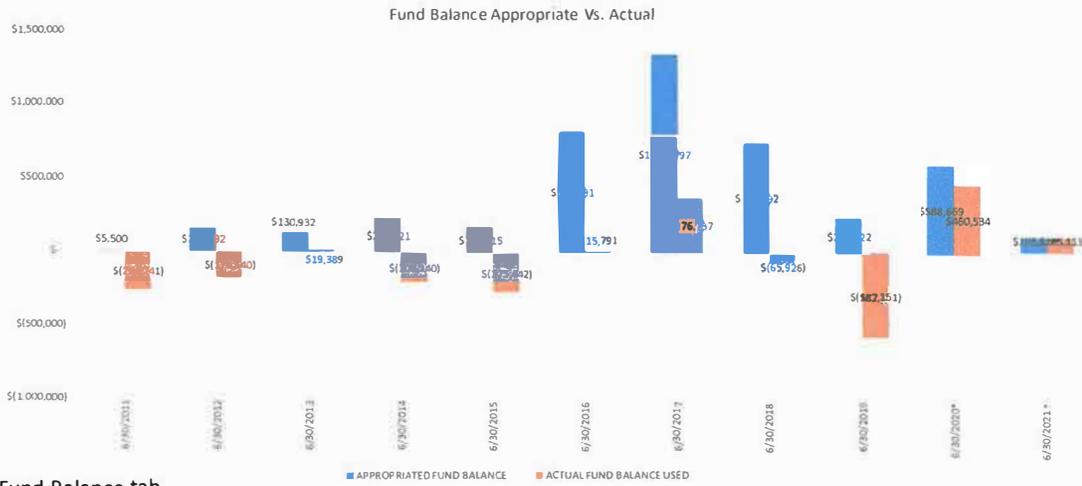
See Page 279-280

Proposed Capital Reserve Activity FY 2020-21 –
Water & Sewer Infrastructure Improvements Fund

7/1/2020 Beginning Balance	Addition to Capital Reserves	Less: Use of Capital Reserves	Projected Balance: 6/30/2021
\$102,613	\$118,150	\$0	\$220,763

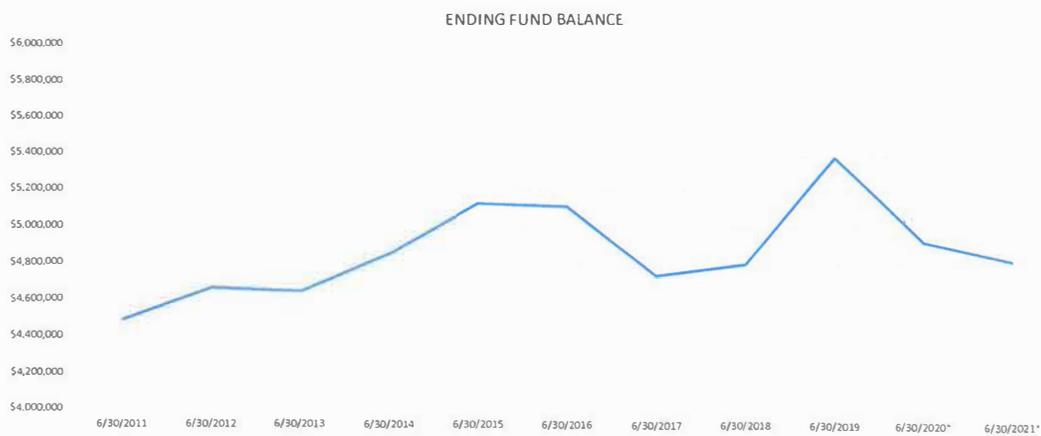
See Page 280

History of General Fund Balance Appropriated vs. Used



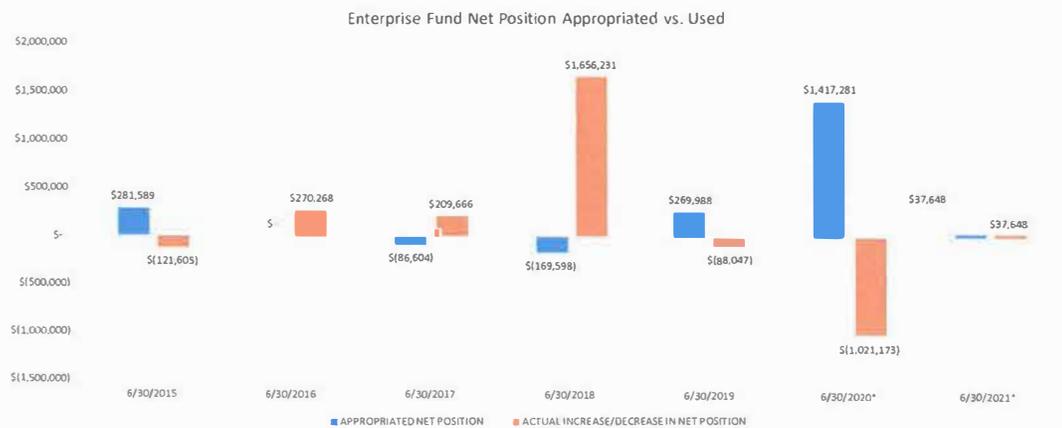
See Fund Balance tab

History of Total General Fund Balance



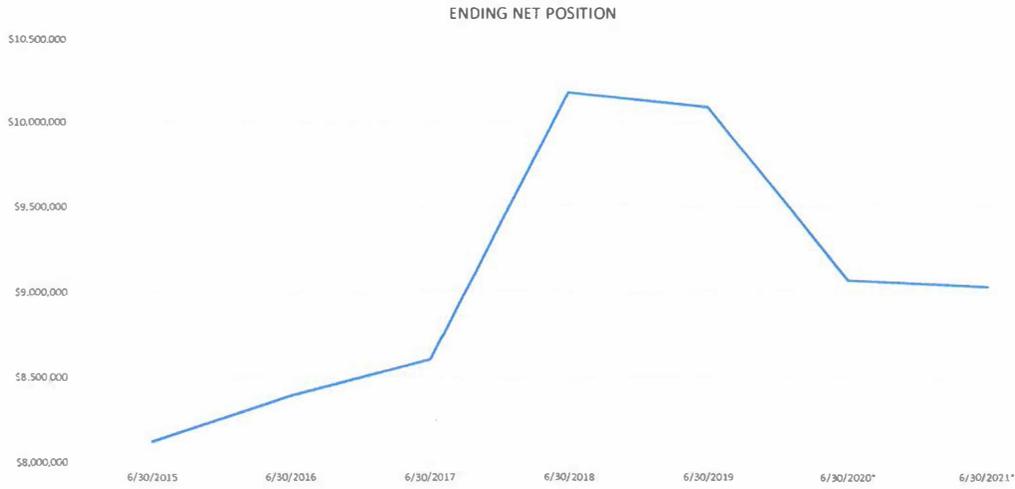
See Fund Balance tab

History of Enterprise Fund Net Position Appropriated vs. Used



See Fund Balance tab

History of Total Enterprise Fund Net Position



See Fund Balance tab

Debt Outlook FY 2020-21

GENERAL FUND					
2021 VEHICLE INSTALLMENT LOAN	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25 (Final)</u>
TOTAL PAYMENT	\$ 141,024.02	\$ 141,024.02	\$ 141,024.02	\$ 141,024.01	\$ 140,992.28
CAPITAL PROJECT FUND					
FIRE STATION II INSTALLMENT LOAN	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>(All Years)</u>	<u>(All Years)</u>	<u>FY 2040-41 (Final)</u>
TOTAL PAYMENT	\$ -	\$ 88,906.28	\$ 88,906.28	\$ 88,906.28	\$88,195.46
WATER & SEWER FUND					
CIFI INFRASTRUCTURE LOAN	FY 2020-21 (Final)				
TOTAL PAYMENT	\$ 9,900.00				
SEWER JET VAC LOAN	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24 (Final)</u>	
TOTAL PAYMENT	\$ 39,911.64	\$ 38,601.54	\$ 37,291.50	\$ 27,110.29	

See Debt Outlook tab

Questions?

3. Adjourn

There being no further business, Mayor Brown called for a motion to adjourn. Council Member Hinton made the motion to adjourn, seconded by Council Member Hobbs. There being no discussion, Mayor Brown called for a vote. The motion was unanimously approved (4-0). Mayor Brown declared the meeting adjourned at 6:40 pm.



A handwritten signature in black ink that reads "Brenda Brown". The signature is written in a cursive style and is positioned above a horizontal line.

Brenda Brown, Mayor

Attest:



A handwritten signature in blue ink that reads "Jontesca Silver". The signature is written in a cursive style and is positioned above a horizontal line.

Jontesca Silver, Town Clerk