



Town of Elon

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May 31, 2016

TO: Mayor and Board of Aldermen

FROM: Richard J. White III, Town Manager

A handwritten signature in blue ink that reads "Richard J. White III".

SUBJECT: FY17 Town Manager's Recommended Budget

I am pleased to present to you the FY17 Town Manager Recommended Budget (FY17 Budget) for the Town of Elon. The balanced budget maintains existing services while recommending no change to the current tax rate of \$.42 on each \$100 valuation of taxable property. Highlights of the proposed FY17 Budget follow.

General Fund

The proposed General Fund budget totals \$6,212,277. Funding is included to provide one and one-half percent for a market adjustment and one and one-half percent to implement the Performance Pay Program to ensure that the Town of Elon continues to pay competitive salaries to recruit, retain, and reward employees. The total cost of these items is \$85,612. Health insurance premiums are anticipated to increase approximately 12% (\$63,000) at the December 2016 renewal.

Several initiatives that were started in FY16 including updating the Code of Ordinances and the Pedestrian, Bicycle, and Lighting Plan will be completed in the upcoming year. The proposed FY17 Budget also funds a Staffing Analysis and Organizational Review.

The town's share of Animal Shelter services operating cost is \$64,500. The proposed budget includes \$3,648 to support the Alamance County Transportation Authority (ACTA). Funding for additional mowing from Westbrook Drive to Manning Avenue is included.

To assist with developing a comprehensive vision for recreation and parks services, programs, and facilities, funding is included to conduct a Recreation and Parks Master Plan. In addition, Heritage Place Community Center at Beth Schmidt Park will be refreshed.

The proposed FY17 Budget contains funding to replace a Public Works truck and tractor, add a dump bed, and purchase three police replacement vehicles and turnout gear for the Fire Department.

Downtown Elon

Park Place at Elon, the first building constructed under the Downtown Master Vision Plan, will be operational in FY17. The Town will invest approximately \$167,000 toward downtown development and marketing by sponsoring four Alive After Five concerts; contracting with the UNC School of Government Development Finance Initiative to assist with attracting private investment; initiating a downtown parking study; and updating the streetscape along Williamson Avenue and Lebanon Avenue in front of the existing businesses by replacing the street lamps.

Water and Sewer Fund

The proposed Water and Sewer Fund budget of \$3,523,255 includes an increase of four percent which is one percent above the City of Burlington's three percent increase. This increase will help fund the Manning Avenue Loop Water Connection, a Sanitary Sewer Manhole Rehabilitation project to address significant infiltration or inflow issues, and the Woodale Drive Sanitary Sewer Outfall Phase 1. The estimated cost of these projects is \$350,000.

Powell Bill Fund

The Town receives Powell Bill contributions from the State on an annual basis. Proceeds from the last two years have been retained to accumulate sufficient funds to resurface Branchwood Drive, Oakview Drive, and streets within the Forest Creek Subdivision. This proposed budget includes an appropriation of \$573,000 to complete this work, purchase ice and snow removal equipment, and develop a road resurfacing program.

Solid Waste Fee

An increase of one dollar in solid waste fees is recommended to recover more of the cost to provide this service. This increase will generate \$175,000 in revenue. The Town pays \$385,000 for solid and yard waste removal and recycling collection.

This budget was developed with a focus on 1) addressing some of the short-term priorities discussed at the April 13, 2016 Board of Aldermen Retreat; 2) providing quality services to our residents; 3) completing initiatives started in the current fiscal year; 4) maintaining and enhancing existing assets; and 5) investing in the downtown and future growth of the Town. This budget strives to balance existing needs with competing priorities.

I wish to express my appreciation to the Board of Aldermen, the Budget Committee, the Personnel Committee, Department Heads, staff, and especially Misty Hagood, Finance Officer, for providing invaluable assistance in preparing this proposed budget.

TOWN OF ELON
FISCAL YEAR 2016-2017 BUDGET ORDINANCE

BE IT ORDAINED by the Board of Aldermen of the Town of Elon, North Carolina:

Section 1: That the following amounts are hereby appropriated for the operations of the Town of Elon and its activities for the fiscal year beginning July 1, 2016 and ending on June 30, 2017:

A. General Fund

Administration Expense	\$ 847,275
Professional Services Expense	228,600
Non-Departmental Expense	130,650
Board of Aldermen Expense	69,010
Downtown	254,100
Police Department Expense	1,819,526
Fire Department Expense	1,509,600
Recreation Expense	242,700
Public Works Department Expense	<u>1,110,816</u>
General Fund Total	\$6,212,277

B. Water and Sewer Fund

Water and Sewer Expense	\$3,523,255
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C. Storm Water Fund

Storm Water Expense	\$78,000
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D. Powell Bill Fund

Powell Bill Department Expense	\$573,000
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E. Federal Asset Forfeiture Fund

Federal Asset Forfeiture Expense	\$15,000
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EXPENSE GRAND TOTAL

\$10,401,532

Section 2: That the following amounts are estimated as revenue that will be available during the fiscal year beginning July 1, 2016 and ending June 30, 2017.

A. General Fund Revenue

Appropriated General Fund Balance	\$213,727
State Shared Revenues	529,200
Vehicle Taxes	184,000
Taxes Current Year	2,238,000
Tax Discounts	(16,000)
Prior Year Taxes	3,000

Tax Penalties and Interest	3,500
Fire District Tax	268,500
Local Option Sales Tax	2,325,000
Fees & Penalties	48,450
Solid Waste Fees	175,000
Other Revenue	63,000
Elon University Contributions	124,900
Twin Lakes Contribution to Fire Department	<u>52,000</u>
General Fund Total	\$6,212,277

B. Water and Sewer Fund

Appropriated Retained Earnings	\$ 110,755
Other Revenue	32,000
Gibsonville Reimbursement	165,000
Water Charges	1,180,000
Sewer Charges	1,925,000
Fees & Penalties	108,500
Assessments	<u>2,000</u>
Water and Sewer Fund Total	\$3,523,255

C. Storm Water Fund

Storm Water Fees	<u>\$ 78,000</u>
Storm Water Fund Total	78,000

D. Powell Bill Fund Revenue

Powell Bill Allocation	\$255,000
Other Revenue	400
Appropriated Fund Balance	<u>317,600</u>
Powell Bill Fund Total	\$573,000

E. Federal Asset Forfeiture Fund

Appropriated Fund Balance	<u>\$ 15,000</u>
Federal Asset Forfeiture Total	\$ 15,000

REVENUE GRAND TOTAL

\$10,401,532

Section 3. That \$.42 on each \$100 valuation of taxable property, as listed for taxes on January 1, 2016, is hereby levied in the General Fund for the purpose of raising revenue for the current year property tax, and that the estimate of \$2,238,000 General Fund Revenue is based on a 99.78 percent collection rate.

Section 4. That the Position Classification List and Pay Plan are approved.

Section 5. That charges for services and fees by Town Departments are levied in the amounts set forth in the Town of Elon Fee Schedule.

Section 6. That copies of this ordinance shall be furnished to the Finance Officer of the Town of Elon to be kept on file for directing the disbursements of funds.

Adopted this the 14th day of June 2016.


Jerry R. Tolley, Mayor

ATTEST:


DiAnne C. Enoch, Town Clerk