



GOVERNING BODY

THE HONORABLE T. CHET MANN, MAYOR

MAYOR PRO TEM SAMUEL P. GASKINS

COUNCIL MEMBER JAMES G. WILLIAMS

COUNCIL MEMBER JIMMY HAIRE

COUNCIL MEMBER BYRON M. BUCKELS

COUNCIL MEMBER CHARLES TAYLOR

COUNCIL MEMBER REBECCA WYHOF

COUNCIL MEMBER NORMAN C. POST III

**SUBMITTED TO:
THE MAYOR AND THE CITY COUNCIL**

BY

**Hal Hegwer
City Manager**

**Beth T. Kelly
Director of Financial Services**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sanford
North Carolina**

For the Fiscal Year Beginning

July 1, 2016

A handwritten signature in cursive script, reading "Jeffrey R. Egan".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Sanford, North Carolina for its annual budget for the fiscal year beginning July 1, 2016. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

| TABLE OF CONTENTS | | | |
|--|-----|--|-----|
| INTRODUCTORY OVERVIEW | | PUBLIC SAFETY | |
| Governing Body | 1 | Police | 130 |
| Distinguished Budget Award | 2 | Fire | 132 |
| Table of Contents | 3 | Inspections | 135 |
| History | 4 | STREETS | |
| Community Profile | 5 | Street | 137 |
| Organizational Chart | 8 | Street Capital Improvements | 139 |
| Program Policies | 9 | | |
| | | SANITATION | |
| TRANSMITTAL LETTER | 11 | Solid Waste | 140 |
| Changes to Budget Ordinance | 19 | Sanitation | 142 |
| BUDGET ORDINANCE | 21 | | |
| | | COMMUNITY DEVELOPMENT | |
| BUDGET GUIDE | | Community Development | 144 |
| Financial Policies | 53 | Code Enforcement | 147 |
| Budget Process | 55 | Planning / Historic Preservation | 149 |
| Budget Calendar | 57 | | |
| Budget Format | 58 | UTILITY FUND | 151 |
| Departments by Fund | 59 | | |
| Revenues by Source | 60 | UTILITY FUND DEBT SERVICE | |
| Expenditures by Function | 63 | Debt Service | 154 |
| Expenditures by Category | 66 | | |
| Revenue Assumptions | 67 | OTHER | |
| | | Utility Fund Contributions | 155 |
| EXECUTIVE SUMMARY | | | |
| Consolidated Budget | 75 | PUBLIC UTILITIES | |
| Revenue Summaries | 76 | Warehouse | 156 |
| Expenditure Summaries | 77 | Utility Fund Administration | 158 |
| General Fund Revenue | 79 | Engineering | 160 |
| General Fund Expenditures | 81 | UF Public Works Administration | 162 |
| Utility Fund Revenue | 82 | Sewer Construction and Maintenance | 164 |
| Utility Fund Expenses | 83 | Water Construction and Maintenance | 165 |
| Golf Fund Revenue / Expenses | 84 | Water Filtration | 166 |
| Municipal Service District Fund Revenue / Expenditures | 85 | Water Reclamation | 168 |
| Staffing Comparison - Headcount | 86 | Distribution and Collection | 170 |
| Capital Outlay Sort - General Fund | 88 | Water Capital Improvements | 173 |
| Capital Outlay Sort - Enterprise Fund | 90 | Sewer Capital Improvements | 174 |
| Debt Service | 91 | | |
| | | GOLF FUND | 175 |
| GENERAL FUND | 95 | | |
| Fund Balance - General Fund | 99 | MUNICIPAL SERVICE DISTRICT FUND | 177 |
| | | Fund Balance - Municipal Service District | 179 |
| GENERAL GOVERNMENT | | | |
| Governing Body | 100 | CAPITAL IMPROVEMENT PROGRAMS | |
| Administration | 103 | Program Summary | 181 |
| Human Resources | 105 | Capital Improvements Schedule | 182 |
| Risk Management | 108 | Project Descriptions | 184 |
| Elections | 110 | Capital / Grant Budgets | 201 |
| Financial Services | 111 | | |
| Information Technology | 113 | SUPPLEMENTARY INFORMATION | |
| Legal | 115 | Departmental Employee Classification | 203 |
| Public Building | 117 | Employee Wage and Salary Program | 210 |
| General Services | 119 | Performance Management Program | 216 |
| Central Office | 120 | Investment Policy | 218 |
| General Fund Contributions | 121 | Demographic Statistics | 220 |
| Golf | 123 | Assessed Value/Est. Actual Value of Tax. Prop. | 221 |
| Fleet Maintenance | 125 | Principal Taxpayers | 222 |
| Horticulture | 127 | Principal Employers | 223 |
| | | | |
| GENERAL FUND DEBT SERVICE | | GLOSSARY | 225 |
| Debt Service | 129 | APPENDIX | 233 |
| | | INDEX | 239 |

CITY OF SANFORD HISTORY

The Town of Sanford was incorporated in Moore County on February 11, 1874 - 31 years before the creation of Lee County. The stimulus for growth provided by Sanford, along with the towns of Broadway and Jonesboro led to the birth of Lee County in 1907. Lee County was formed with portions of Moore and Chatham Counties, the county seat being a point equal-distance between Sanford and Jonesboro.

Sanford itself sprung up from the crossing of the Western and Chatham Railroads. These rails are now known as the Atlantic and Western and Seaboard Coastline. Colonel C. O. Sanford was chief civil engineer of the now Seaboard Coastline and Sanford is named in his honor. At one point near the turn-of-the-century, citizens debated changing the name of Sanford to Scottsville in honor of Major John W. Scott, but the name Sanford held. In 1947 the name Sanford survived the merger with Jonesboro. The area of Jonesboro became known as Jonesboro Heights. It is ironic that with the decline of the retail hub in Downtown Sanford, two distinct city centers have re-emerged. To this day Jonesboro Heights, as it is now known, retains a special identity and gives Sanford the unique pleasure of having two downtowns.

With the merger of the two incorporated towns of Jonesboro and Sanford a new municipal charter was adopted and the official name became the City of Sanford. The city was governed by seven aldermen living in separate residence wards until 1991 when the city's wards were redesigned into five wards with two aldermen being elected at-large.

The City of Sanford is operated under the council-manager form of government, which was adopted in 1944. Policymaking and legislative authority is vested in a City Council consisting of seven council members and a Mayor who are elected in odd-numbered years. The city manager is employed by the council and is responsible to the City Council for the administration of all affairs of the municipality. The city manager appoints the department heads and supervises and coordinates the activities of the departments.

Sanford enjoys steady growth. In 1880 the population was 236; in 1900, 1,044; in 1920, 2,977; in 1940, 4,960, in 1950, after the merger of the Town of Jonesboro, 10,013. In the late 1950's, growth became more suburban in character. Taking advantage of municipal water and sewer lines, development occurred just outside the city limits, and population growth became a function of annexation. In 1960 the population was 12,252; in 1970, 12,028; and in 1980, 14,773. Rapid development in the 1980's was contained in the city's extra-territorial jurisdiction, but this development did not begin to be annexed into the city until the 1990's. The 1990 population was only 14,755 as a result of this phenomenon. The 1991 population was 18,125; the 1994 population was 20,385; and the 2000 population was in excess of 23,000. Lee County as well as the City of Sanford have seen direct growth resulting from staff changes at Fort Bragg, a military base located in Fayetteville, North Carolina just southeast of Lee County. The city's current population is over 29,000 residents.

During fiscal year 2004-05 the city purchased the county water system from Lee County. The city now provides water to more than 17,900 city and county residents as well as sewer service to approximately 9,600 city and county residents. In 2017, the city entered into an agreement with Chatham County to sell bulk water for the new Chatham Park Development. The city expanded the Wastewater Treatment Plant in 2014 which increased capacity from 6.8 to 12 million gallons daily. With this expansion, the city has the capability of providing sewer to areas outside Lee County. In 2017, the city entered into an agreement with Chatham County to provide sewer to the Moncure Megasite. This megasite, when fully developed, could bring thousands of jobs to our area.

Voters approved a \$14.5 million bond referendum in 2013 for sidewalk, streetscape, greenway, and parks and recreation improvements within the city. The first phase of these bond projects include sidewalk and streetscape improvements within Downtown Sanford and Jonesboro in the amount of \$8.5 million. Construction is complete on this first phase and residents are now able to enjoy the amenities they chose to support. The city will issue another \$6 million in bond debt to complete the greenway and park projects in this fiscal year.

Community Profile

- ☐ Population
- ☐ Landscape
- ☐ Economic Characteristics
- ☐ Family Income
- ☐ Current Tax Rates
- ☐ Education/Hospital
- ☐ Climate

Lee is one of 100 counties in North Carolina situated in the geographic center of North Carolina. It is on the divide of the Coastal Plains to the east and the Piedmont to the west. The City of Sanford (Lee County Seat) is approximately forty-five (45) miles south of Raleigh and Durham. Approximately one hundred fifty (150) miles to the east is the Atlantic Ocean, and one hundred sixty (160) miles to the west are the Appalachian Mountains. It is an economically diverse community.

Current Population

2016 Census Estimates

| | |
|------------------|--------|
| City of Sanford | 29,128 |
| Town of Broadway | 1,242 |
| Lee County | 59,616 |

Population Projections

| | |
|--------------------|--------|
| Lee County in 2030 | 59,324 |
| Lee County in 2035 | 59,363 |

Economic Characteristics

| | |
|------------------------|-------------|
| Median Age | 37.3 years |
| Average Household Size | 2.77 people |

Bond Rating for City of Sanford

- Fitch AA
- Moody's Aa3
- NC Municipal Council ¹ 84

Bond Rating for Lee County

- Standard & Poor's A+
- Moody's Aa2

Family Income

| | |
|------------------|----------|
| Median Household | \$45,608 |
| Per Capita | \$21,743 |

¹ The NC Municipal Council works closely with the Local Government Commission, a division of the North Carolina State Treasurer's office, which has statutory responsibility for debt issued by local governments in North Carolina. This council assists the local issuers in improving their credit quality and to improve their access to capital for essential municipal projects.

Landscape

| | |
|------------------------------|-----------------------|
| Land Area* | 254.96 sq. miles |
| Population Density | 234.0 persons/sq. mi. |
| Urban Area (City of Sanford) | 49 percent |
| Rural Area (Outside City) | 51 percent |
| Latitude | 35° 28' |
| Longitude | 79° 07' |



Climate

| | |
|-------------------------|-----------|
| Average Temperatures | |
| January | 37° F |
| June | 76° F |
| Average Annual Rainfall | 51 inches |
| Average Annual Snowfall | 6 inches |

Current Tax Rates

| | |
|------------|-----------------------------|
| Lee County | \$0.795 per \$100 valuation |
| Sanford | \$0.60 per \$100 valuation |
| Broadway | \$0.49 per \$100 valuation |

Example: A house valued at \$100,000 would pay \$600 per year in city taxes and \$795 per year in county taxes.

Education

| | |
|---------------------------|---|
| Public High Schools | 3 |
| Public Middle Schools | 3 |
| Public Elementary Schools | 7 |
| Private K-12 Schools | 3 |
| Montessori Schools | 1 |

Central Carolina Community College

Access available to:

University of North Carolina at Chapel Hill, Duke University, North Carolina State University, Campbell University, North Carolina Central University, Fayetteville State University, and Sandhills Community College

Hospital

| | |
|---------------------------|-----------------------------|
| Central Carolina Hospital | 137 beds and 100 physicians |
|---------------------------|-----------------------------|

Water System Daily Capacity

| | |
|---------|----------------------------|
| Sanford | 12,000,000 gallons per day |
|---------|----------------------------|

Waste Water System Capacity

| | |
|----------|----------------------------|
| Sanford | 12,000,000 gallons per day |
| Broadway | 145,000 gallons per day |

General Information

Power - Duke Energy and Central Electric Membership

Gas - PSNC Energy

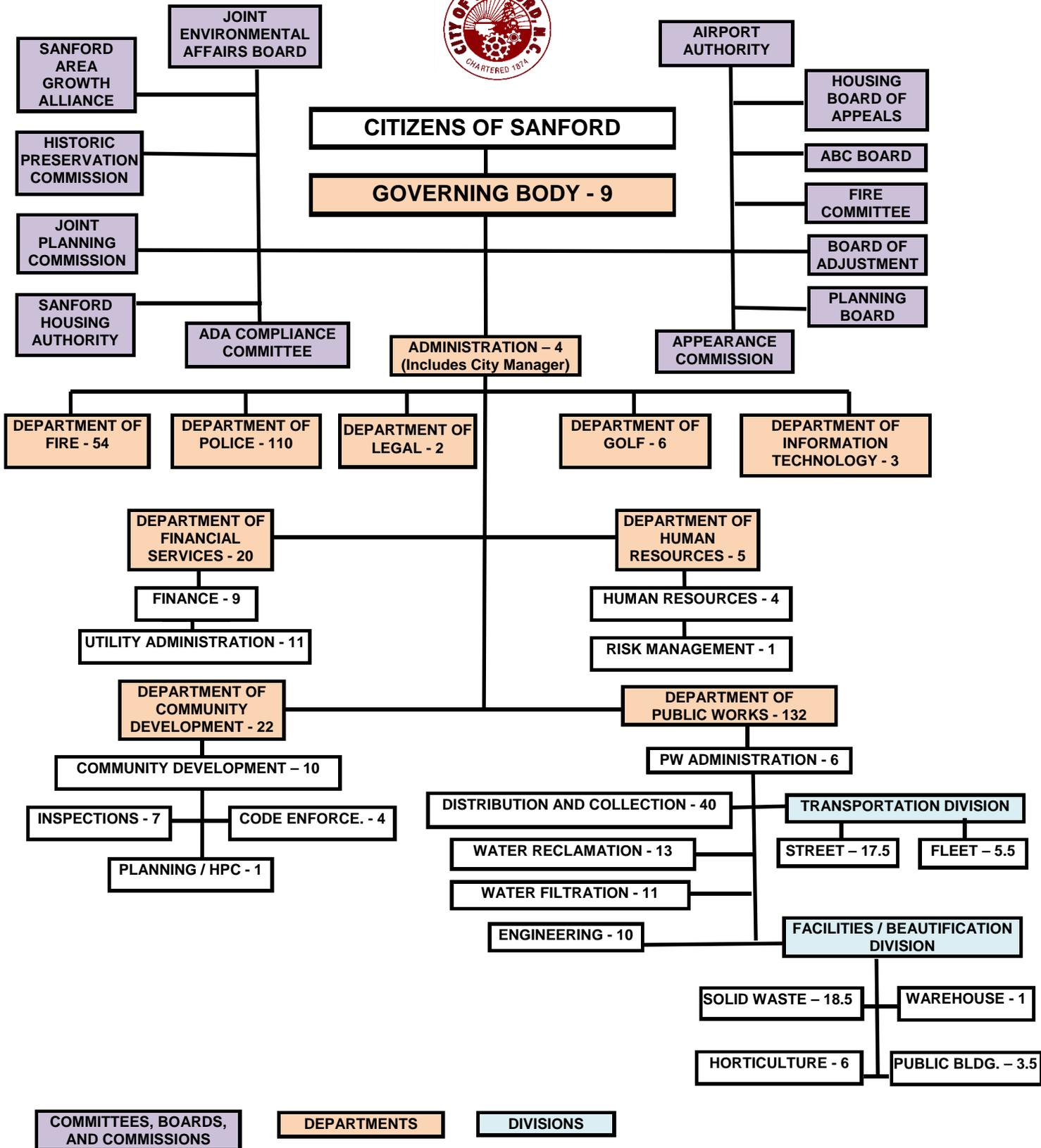
Special Events

Arts and Vine Festival – Event held annually in May displaying art, pottery, and crafts representing the area.

Downtown Street Festival and Fireworks – Eveny held annually in April in our Downtown area including live music, food trucks, games, arts, and crafts. Fireworks display occurs at the end of the evening.

NOTE: Additional demographics are included on pages 220-223.

CITY OF SANFORD ORGANIZATIONAL CHART



CITY OF SANFORD PROGRAM POLICIES

SECURITY – The citizens of the City of Sanford must be provided with a feeling of personal security and property protection. The City Council and the city will continue to improve its citizens feeling of security by improving existing public safety programs and exploring new and more effective ways of delivering public safety services.

MASTER PLANNING AND ZONING - Our neighborhood, whether composed of single or multiple family dwellings and our industrial community must be stabilized, strengthened and controlled. To promote an attractive, harmonious community, preserve natural resources and promote a sound tax base a comprehensive land use development program, economic incentive program, code enforcement, zoning and minimum housing will be maintained.

TRANSPORTATION - The development and implementation of a road improvement program to include maintenance and expansion will assist in meeting increased traffic demands with emphasis on particular land use configuration. To ensure transportation needs are met, the city will continue to update and modify the thoroughfare plan for the city.

UTILITIES - The Governing Body continues to stress as one of its major goals the providing of adequate, safe water and wastewater collection and treatment to its residential and industrial users. To ensure water and sewer programs meet the needs of both existing and future customers, continuous study and analysis of utility operations will be maintained.

FINANCIAL PLANNING – To ensure a sound financial position, a comprehensive, well-integrated financial plan composed of long and short-term elements will be maintained. Five-year analysis of operations and capital planning will be integrated as an ongoing management tool.

DEVELOPMENT OF STAFF - To ensure the city attains and keeps well-qualified productive workforce, a competitive wage; salary and benefit plan will be monitored and maintained.

FY 2017-2018 MAJOR GOALS

The goals of the City of Sanford have been adopted to strengthen the relationship between service priorities and delivery of service. The goals and key budget principles on which the budget was developed do not vary considerably from past budgets. The City strives to maintain competitive tax rates and remain financially stable while continuing to provide a high quality of service to the citizens of Sanford.

City Council's long-term goals involve expanding the city's tax base and creating new jobs by assisting private developers and economic development allies with difficulties that may occur in the development process. Continue to construct and improve upon the voter approved bond projects (i.e. streetscape, greenway, sidewalks, and parks). These projects are expected to significantly improve Sanford's sense of place and quality of life, and they are expected to be a catalyst for economic development within the city assisting Sanford in becoming a destination City. Continue to focus on public safety and community pride. Enhancing the quality of the City is another goal through the continued development of the Land Use Plan, parking plans, paving improvements, and Homeless Task Force.

Within the context of the city's goals we have established specific goals at the departmental level. Departmental goals and objectives are stated within each department's budget. Departmental goals will be monitored by the Administration and Governing Body to ensure that major city goals are being accomplished.

NOTE: The City of Sanford major accomplishments for FY 16-17 are included in an appendix beginning on page 233.

THIS PAGE LEFT BLANK INTENTIONALLY.



PO Box 3729

Sanford, NC 27331-3729

City of Sanford

(919) 777-1110

MEMORANDUM

TO: The Honorable Mayor Mann and City Council Members

FROM: Hal Hegwer, City Manager

DATE: June 6, 2017

SUBJECT: Proposed Annual Operating Budget Fiscal Year 2017-2018

In accordance with Chapter 159-11 of the North Carolina General Statutes, I am pleased to submit the City of Sanford's proposed budget for Fiscal Year (FY) 2017-2018.

In FY 2016-17, we completed the streetscape and sidewalk bond projects (Phase One Bonds). For the coming year, we are excited to begin phase two of the bond package by starting on the greenways and parks bonds (Phase Two Bonds). However, we must address two major fiscal challenges that affect our budget.

First, we must plan for a full debt payment for the Phase Two Bonds that we estimate will be approximately \$500,000 for FY 2018-19. Our goal is to keep additional recurring expenditures to a minimum to accommodate this future debt. As with the Phase One Bonds, the upcoming projects will require us to budget additional maintenance and operating expenses for perpetuity.

Our second challenge is minimizing our use of fund balance. In January 2017, our bond rating was upgraded from AA- to AA. To achieve the highest bond rating possible on the Phase Two Bonds, we must make budgetary decisions that will have a positive impact. In previous years, we have been able to budget significant amounts of fund balance as revenue for capital purchases. Unfortunately, our fund balance is not healthy enough to use for capital projects when we sell bonds in early 2018.

To address these challenges, our recommendation is to use financing for capital purchases and resurfacing needs so that we can stabilize and improve our fund balance position for the future.

Due to encouraging signs in our economy, we expect to experience continued positive revenue growth during FY 2017-18. Cooperation between local governments continues to be successful, paving the way for greater support for the private sector. The public/private initiative with Lee County and private investors is a great example of how cooperative relationships have allowed for progress in creating a business and industrial park. We are excited about the possibilities of the new business park and the benefits we will receive from increased jobs and investments.

We are optimistic that the North Carolina General Assembly may soon approve legislation establishing a city-wide occupancy tax. This tax will enable our city to focus more resources toward travel and tourism, which will help the community attract new residents and businesses. Coupled with a new business park, we anticipate that a targeted marketing strategy will bring growth to our region.

Providing excellent health care benefits for City of Sanford employees continues to be a challenge. Based on medical claims for FY 2016-17, our insurance consultant recommended a 32-percent increase in premiums. However, we have absorbed the majority of that impact by raising our aggregate stop loss from \$135,000 to \$200,000 and adjusting co-pays, deductibles, and other user fees. These measures allowed us to lower the premium increase to 13 percent versus FY 2016-17. There was no additional increase proposed for our dependent population premiums.

To maintain our healthcare program, the FY 2017-18 budget includes a funding increase of approximately \$400,000 (50 percent of predicted growth in new revenue). A concerted effort will be taken to examine the benefits of continuing to provide a self-insured health plan versus a fully-insured plan.

Fuel prices continue to be very low and I expect they will remain low in comparison to previous years. The FY 2017-18 budget supports the current vehicle replacement policy to maximize our return on investment through reduced maintenance and fuel costs.

GENERAL FUND OVERVIEW

In the General Fund, our two main sources of revenue are ad valorem property taxes and sales taxes. These two sources makeup 66 percent of the total projected General Fund revenue for FY 2017-18. Ad valorem tax and sales tax revenues will increase this year by \$700,000 (3.6 percent) due to growth. I recommend financing for one-time capital purchases and resurfacing needs totaling \$2,235,000.

GENERAL FUND REVENUES

I recommend our tax rate of \$0.60 remain unchanged. General Fund revenues are budgeted to be \$31,066,677 for FY 2017-18. Compared to FY 2016-17, we project that ad valorem tax revenue will increase by \$352,091 (2.4 percent) and sales tax revenues will increase by approximately \$372,000 (7.1 percent). We expect a decrease in state-shared revenues of approximately \$72,000. Investment income continues to be insignificant, providing only \$50,000 in projected earnings.

The FY 2017-18 budget includes a \$25 sanitation fee increase per residence. Typically, local governments charge these types of fees to pay for services that directly benefit the user. All residential households inside the city limits benefit from the City's waste services, which include collection and disposal of garbage, recycling, leaves, limbs, and bulk trash.

Currently, all residences pay an annual fee of \$200, which generates revenues of approximately \$1,800,000 and covers approximately 83 percent of the cost to provide the service. After the increase, the fee will cover approximately 94 percent of the cost of the service and will provide additional yearly revenue of approximately \$225,000. The last change in the sanitation fee was a \$50 increase in the FY 2014-15 budget.

GENERAL FUND – FUND BALANCE

Fund Balance should be used to cover capital items and not recurring expenditures. In FY 2014-15, we adopted a fund balance policy as required by our bond rating agencies. The policy states:

The City will target an unassigned fund balance at the close of each fiscal year equal to at least 30 percent of the closing fiscal year's General Fund operating budget; at no time shall the unassigned fund balance fall below 25 percent of the closing year's General Fund operating budget. Unassigned fund balance in excess of the targeted 30 percent may be appropriated for pay-as-you-go capital and other one-time uses. The City Council may, from time to time, appropriate fund balance that will reduce unassigned fund balance to an amount below the 25 percent policy for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal security of the City of Sanford. In such circumstances, the City Council will adopt a plan to restore the unassigned fund balance to the 30 percent policy level within 36 months from the date of the appropriation. If restoration cannot be accomplished within such time period without severe hardship to the City, then the Council will establish a different but appropriate time period.

Though we have used significant amounts since 2009, the City's Fund Balance level remains stable. The Fund Balance average for populations of our size is 53.95

percent of operating costs and the average for cities in North Carolina is 46.81 percent. Meanwhile, as shown in the chart below, the Fund Balance available at the end of FY 2015-16 was 31.82 percent, or \$8,829,983. By the end of FY 2016-17, our Fund Balance is anticipated to decrease by approximately \$1.9 million.

City of Sanford Historic Fund Balance

| Fund Balance | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Available (FBA) | \$8,829,983 | \$7,784,597 | \$7,619,273 | \$8,937,266 | \$9,411,869 | \$9,386,394 | \$10,756,922 |
| Change in Fund Balance Available | 1,045,886 | 165,324 | (1,317,993) | (474,603) | 25,475 | (1,370,528) | (200,003) |
| Unit FBA% | 31.82 | 29.40 | 32.94 | 36.27 | 39.65 | 37.86 | 46.26 |
| Group | | | | | | | |
| Average FBA % | 53.95 | 54.43 | 50.03 | 49.97 | 51.11 | 49.77 | 44.27 |
| State Average Non-Electric Group | 47.99 | 46.95 | 44.68 | 44.07 | 42.64 | 40.91 | 38.70 |
| State | | | | | | | |
| Average FBA % | 46.81 | 46.08 | 43.55 | 42.79 | 41.66 | 39.42 | 37.47 |

Source: North Carolina Department of State Treasurer
 FBA is a percentage of net expenditures

GENERAL FUND EXPENDITURES

The City of Sanford's annual budget ordinance segregates governmental functions within the General Fund into six categories: General Government, Public Safety, Transportation, Sanitation, Community Development, and Debt Service. Significant changes in the General Fund expenditures are outlined below.

General Government – This category of expenditures includes Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Technology, Legal, Public Buildings, Central Office, Other Contributions, Fleet Maintenance, Golf, and Horticulture.

There is an expected budgetary decrease of 11 percent, or \$792,901, from last year's revised budget. This decrease is primarily related to contributions made to capital projects in FY 2016-17.

Several operating transfers and contributions to specific organizations are included in the General Fund for FY 2017-18. Staff received funding requests from the Boys & Girls Clubs of Central Carolina, Family Promise of Lee County, the Lee County Arts Council, the Railroad House, Sanford Job Express, and the Temple Theatre totaling \$64,300. This year's recommended contributions are the same as last year: \$18,000 to the Temple Theatre; \$2,700 to the Lee County Arts Council; and \$2,700 to the Railroad House. Other contributions include \$167,968 set aside to meet our contractual obligations to companies receiving incentive grants.

For the past several years, the City has invested in the Sanford Area Growth Alliance (Growth Alliance), a public/private initiative designed to position Sanford/Lee County as a visible, recognized, and desirable place to locate industry. This year, the Growth Alliance has requested an additional \$54,000, which will bring the total annual contribution to \$179,000.

With the additional funding, the Growth Alliance would like to contract with a national firm to market the community to a broader audience as well as host signature economic development events for key local, state, and national leaders in industry. They would also like to hire a business retention manager.

In General Government, major capital expenditures include a domain control server for \$24,000 and a \$25,000 contribution to the capital reserve fund for park improvements. As of July 2017, the balance in the Capital Reserve Fund will be approximately \$175,000. A management analyst position is recommended in the Administration Department to assist the City Manager in carrying out day-to-day activities.

Public Safety – This category of expenditures includes Police, Fire, and Inspections. The Public Safety category is projected to increase 3.2 percent, or \$493,802 from FY 2016-17.

In the Police Department, major capital expenditures include replacing one investigative and one selective enforcement vehicle for a total of \$50,381; and upgrading seven mobile data terminals for \$33,565.

In the Fire Department, the major expenditures include \$560,000 for a new fire pumper to replace the 2008 fire pumper that currently operates out of Fire Station Number Three and \$51,350 to replace nine UHF mobile radios. The budget also includes \$14,500 to replace the HVAC system at Fire Station Number Three. The fire pumper will be purchased through installment purchase financing.

In the Inspections Department, I recommend we fill an administrative assistant position that was frozen several years ago. Filling this position will ensure there is an administrative assistant to maintain the office each day. Currently, the building inspectors must perform this duty when the one administrative assistant employee is out for any reason.

Transportation – This category includes Street Maintenance and Street Capital Improvements. Expenditures will increase by \$1,412 from FY 2016-17. The budget includes \$950,000 for street resurfacing and \$100,000 for a dump truck, both of which will be funded through installment purchase financing. Additionally, \$100,000 is budgeted for sidewalk maintenance and repair.

Sanitation – This category encompasses our Solid Waste Division, which includes collection and disposal of garbage and recycling. I recommend a capital outlay of \$185,000 to replace a leaf vacuum truck funded through installment purchase financing.

There will be an increase in our annual charge from Waste Industries of 2.8 percent. The overall increase in this category is \$97,526, or 3.6 percent versus FY 2016-17.

Community Development – This category includes Community Development, Code Enforcement, the Buggy Company building, and Planning/Historic Preservation. There will be an overall decrease in this category of \$147,841, or 8.9 percent versus the FY 2016-17. The budget includes \$35,000 for wayfinding signage.

To meet the needs of the development community, the budget includes funding to reconstruct a portion of the ground floor of the Buggy Company building. Progressive Development plans to build additional offices and workspaces for the Inspections Division and Environmental Health, replacing the current conference room. This space is owned and operated by Progressive Development and is not included in the rental agreement between the City and County. There will be an additional rent expense of \$10,285 per year and the renovation cost of approximately \$30,000 will be split between the City and the County.

Debt Service – This category includes principal, interest, and fees paid or accrued on bonds and notes. This budget includes approximately \$800,000 for debt for the Phase One Bonds and installment purchase financing for the streetscape bond projects.

UTILITY FUND OVERVIEW

The FY 2017-18 budget is influenced by significant utility projects, which are a result of cooperative interlocal agreements with Chatham County. First, Chatham County has requested to purchase the capacity to receive 1.5 million gallons of water per day beginning January 1, 2018. To fulfill their request, we must extend a 16-inch waterline along Hawkins Avenue, which will cost approximately \$3.5 million. This line will provide additional redundancy for the existing Industrial Park as well as assist with future industrial demand associated with the Central Carolina Enterprise Park.

The second project is the result of an interlocal agreement between the City of Sanford and Chatham County to prepare the Moncure Megasite to serve as a regional economic catalyst. The megasite has a total of 2,500 acres and 8 million square feet of buildable space. When fully developed, the megasite could bring thousands of jobs to our area. The City will provide sanitary sewer for a total cost of approximately \$11 million. We were awarded a \$4 million grant from the Golden Leaf Foundation for the project. The City and Chatham County have agreed to split the remaining cost. The project will also allow the Raleigh Exec Jetport to provide sewer service to new and existing businesses located at the airport.

We anticipate sufficient revenue to meet our FY 2017-18 obligations without raising rates. However, without revenue growth, future rate increases may be necessary. Our

revenue bond covenants dictate that we meet specific debt coverage ratios or risk a downgrade in our bond rating, which would affect future borrowing costs.

The City's projected debt service coverage ratio for total debt for FY 2017-18 is 1.38. A debt service ratio of 1.0 means that a system has exactly enough money from its operating revenues to pay its annual debt service, after all operating expenses have been paid.

UTILITY FUND REVENUES

Utility Fund revenues for FY 2017-18 are estimated at \$20,826,624 (excluding loan proceeds and appropriated retained earnings), an increase of 2.3 percent, or \$466,111 compared to FY 2016-17.

UTILITY FUND EXPENSES

Utility Fund expenses will decrease by \$7,324,884, or 22.2 percent compared to the FY 2016-17 budget. This decrease is primarily related to contributions made to capital projects in FY 2016-17. We will continue to commit \$500,000 each for water and wastewater system rehabilitation. An additional \$3.5 million will also be required to extend the new 16-inch waterline along Hawkins Avenue. Other Utility Fund capital purchases include \$333,350 for vehicles and equipment.

MUNICIPAL SERVICE DISTRICT

The proposed Municipal Service District budget for FY 2017-18 is \$157,594, which reflects an 18.2 percent increase compared to FY 2016-17. I recommend the current year tax rate of \$0.11 for \$100 assessed valuation remain the same. The budget includes an appropriation of \$30,000 for an ice skating rink; \$15,000 for facade improvements; and \$35,000 in advertising. The General Fund contribution to the Municipal Service District will increase by approximately \$11,000 compared to FY 2016-17.

SUMMARY

I recommend that our tax rate remain at \$0.60 per \$100 assessed valuation. The City of Sanford must invest in its employees to recruit and retain competent, educated, and qualified workers, allowing us to better compete with other local governments and the private sector. Therefore, a cost-of-living increase of 1.0 percent of salary will be effective with the July 13, 2017 pay date. The performance and merit program is funded at 2 percent of total salary.

When you consider this budget, remember that it addresses one fiscal year. The budget serves as a small snapshot of the City of Sanford at this point in time. Decisions made now will have repercussions that will last for many years.

I would like to thank Mayor Mann and the Sanford City Council for their leadership, guidance, and input into this budget. I would also like to thank Financial Services Director Beth Kelly and her staff for their efforts in preparing this budget. The City of Sanford is blessed with a dedicated and engaged workforce, and I am proud to be part of such an organization.

Please feel free to call me if you have any questions regarding the Proposed Annual Operating Budget for Fiscal Year 2017-18.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hal Hegwer". The signature is fluid and cursive, with a large loop at the end.

Hal Hegwer, City Manager

FY 17-18 Changes To Budget Ordinance from Originally Presented to Council

| | <i>AMOUNT PRESENTED TO COUNCIL</i> | <i>COUNCIL APPROVED</i> | <i>NET CHANGE</i> | <i>DESCRIPTION</i> |
|--------------------------------------|--|-----------------------------|-----------------------|---|
| GENERAL FUND | | | | |
| EXPENDITURES | | | | |
| Golf | 1,009,819 | 870,150 | (139,669) | Golf carts reduced by \$125,000 and debt payment reduced by \$14,669 |
| Community Development | 885,051 | 890,051 | 5,000 | Intern related to homelessness projects |
| General Fund Contributions | 1,162,747 | 1,167,747 | 5,000 | NC Coalition to End Homelessness |
| TOTAL EXPENDITURE ADJUSTMENTS | | | \$ (129,669) | |
| GENERAL FUND | | | | |
| REVENUE | | | | |
| Installment Purchase Proceeds | 2,235,000 | 2,110,000 | (125,000) | Reduce installment purchase of golf carts from \$250,000 to \$125,000 |
| Fund Balance Appropriation | (462,302) | (466,971) | (4,669) | Net changes in fund balance for items described above |
| TOTAL REVENUE ADJUSTMENTS | | | \$ (129,669) | |
| MUNICIPAL SERVICE DISTRICT | | | | |
| EXPENDITURES | | | | |
| Contractual Services | 44,884 | 51,000 | 6,116 | Per DSI moved funds from advertising to contractual services |
| Advertising | 35,000 | 28,884 | (6,116) | Per DSI moved funds from advertising to contractual services |
| TOTAL EXPENDITURE ADJUSTMENTS | | | \$ - | |

THIS PAGE LEFT BLANK INTENTIONALLY.

**ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2017-2018**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled:

Section 1: The following amounts are hereby appropriated for the operation of the City's government and its activities for the fiscal year beginning July 1, 2017 and ending June 30, 2018 according to the following summary and schedules.

| <u>SUMMARY</u> | <u>REVENUES</u> | <u>APPROPRIATIONS</u> |
|----------------------------|----------------------------|----------------------------|
| General Fund | \$30,937,008 | \$30,937,008 |
| Enterprise Fund | 25,690,588 | 25,690,588 |
| Municipal Service District | <u>157,594</u> | <u>157,594</u> |
| TOTAL BUDGET | <u>\$56,785,190</u> | <u>\$56,785,190</u> |

Section 2: That for said fiscal year there is hereby appropriated out of all funds:

SCHEDULE A: GENERAL FUND

(Includes Interfund Reimbursements)

GENERAL GOVERNMENT

| | |
|------------------------|-----------|
| Governing Body | 305,551 |
| Administration | 335,845 |
| Human Resources | 273,289 |
| Risk Management | 46,750 |
| Elections | 67,815 |
| Finance | 764,270 |
| Information Technology | 380,128 |
| Legal | 171,365 |
| Public Building | 697,049 |
| Central Office | 18,827 |
| GF Contributions | 1,167,747 |
| Fleet Maintenance | 1,094,768 |
| Horticulture | 743,321 |
| Golf | 870,150 |

DEBT SERVICE

799,037

PUBLIC SAFETY

| | |
|------------------------|-----------|
| Police | 8,201,428 |
| Dispatching Services | 1,159,330 |
| Police – 911 Surcharge | 365,265 |
| Fire | 5,439,322 |
| Inspections | 528,545 |

TRANSPORTATION

| | |
|---------------------|-----------|
| Street | 2,562,638 |
| Street Capital Imp. | 1,221,185 |

SANITATION

| | |
|-------------|-----------|
| Solid Waste | 1,613,238 |
| Sanitation | 1,223,857 |

COMMUNITY DEVELOPMENT

| | |
|----------------------------------|-----------|
| Community Development | 1,116,521 |
| Code Enforcement | 250,803 |
| Planning / Historic Preservation | 153,964 |

| | |
|---|------------|
| SUBTOTAL GENERAL FUND EXPENDITURES | 31,572,008 |
| Less Departmental Charges (Fleet Maintenance) | (635,000) |
| TOTAL GENERAL FUND EXPENDITURES | 30,937,008 |

TAXES- AD VALOREM

| | |
|----------------------------|------------|
| Current Year Taxes | 13,873,023 |
| Prior Year Taxes | 120,000 |
| NC Vehicle Tax | 1,161,864 |
| NC Vehicle Tax - Penalties | 8,000 |
| Penalties Less Discounts | 50,000 |
| Payments in Lieu of Taxes | 45,000 |

OTHER TAXES

| | |
|-------------------------------------|-----------|
| Privilege License | 2,000 |
| Cable Franchise – Video Programming | 190,945 |
| Disposal Tax | 20,818 |
| Local Sales Tax – Article 39 | 2,237,522 |
| Local Sales Tax – Article 40 | 1,083,168 |
| Local Sales Tax – Article 44 | 1,002,779 |
| Local Sales Tax – Article 42 | 1,118,761 |

LICENSE AND PERMITS

| | |
|----------------------|---------|
| City Permits | 300,000 |
| County Permits | 175,000 |
| Broadway Permits | 8,000 |
| Fire Permits / Fines | 45,000 |

INVESTMENT INCOME

| | |
|-----------------------------|--------|
| Interest Income | 50,000 |
| Interest on Assessments | 500 |
| Powell Bill Interest Income | 100 |

INTERGOVERNMENTAL REVENUES**UNITED STATES OF AMERICA**

| | |
|-------------------------|--------|
| Federal Drug Forfeiture | 32,000 |
|-------------------------|--------|

STATE OF NORTH CAROLINA

| | |
|--------------------------------|-----------|
| Electricity Sales Tax | 1,926,163 |
| Natural Gas Sales Tax | 47,364 |
| Telecommunication Sales Tax | 160,615 |
| Beer and Wine Tax | 63,812 |
| N.C. DOT Mowing Agreement | 27,064 |
| Powell Bill | 787,394 |
| NC Electronics Management Fund | 2,000 |

OTHER LOCAL GOVERNMENTS

| | |
|------------------------------------|---------|
| Consolidated Planning Services | 404,324 |
| 911 Surcharge Reimbursement | 365,265 |
| 911 Dispatch | 317,712 |
| Lee County Inspection Contract | 32,253 |
| Financial Services – Broadway | 3,500 |
| Receipt Lee County – Buggy Factory | 15,902 |
| Clearwater Drive Fire Service | 43,000 |

SALES AND SERVICE

| | |
|----------------------------|-----------|
| Sale of Material | 4,000 |
| Sale of Compost Materials | 25,000 |
| Sale of Capital Assets | 150,000 |
| Sale of Non-Capital Assets | 2,500 |
| Sanitation Fees | 2,019,375 |

GOLF

| | |
|---------------------|---------|
| Green Fees – Annual | 50,000 |
| Green Fees – Daily | 180,000 |
| Cart Fees | 225,000 |
| Driving Range Fees | 15,000 |
| Tournament Fees | 11,500 |
| Pro Shop | 53,000 |
| Concessions | 30,000 |

OTHER

| | |
|----------------------------|---------|
| Court Cost Fees | 8,000 |
| ABC Revenue | 160,000 |
| Street Paving Charges | 225,000 |
| Parking Revenue | 4,500 |
| Miscellaneous | 150,000 |
| Assessments | 3,000 |
| Tower Consultant Fee | 8,000 |
| Civil Violation | 2,000 |
| Employee Computer Purchase | 50,000 |
| Airport Loan Reimbursement | 97,256 |
| Insurance Proceeds | 25,000 |
| OPEB Distribution | 75,000 |

| | |
|--------------------------------------|-----------|
| INSTALLMENT PURCHASE PROCEEDS | 2,110,000 |
| APPROPRIATED FUND BALANCE | (466,971) |

TOTAL GENERAL FUND REVENUE 30,937,008

SCHEDULE B: ENTERPRISE FUND**UTILITY FUND****DEBT SERVICE**

| | |
|--------------|-----------|
| Debt Service | 6,662,357 |
|--------------|-----------|

OTHER

| | |
|----------------------------|---------|
| Utility Fund Contributions | 219,931 |
|----------------------------|---------|

PUBLIC UTILITIES

| | |
|-----------------------------|-----------|
| UF Administration | 2,295,655 |
| Engineering | 762,834 |
| UF PW Administration | 622,954 |
| Distribution and Collection | 5,051,519 |
| Water Filtration | 2,388,561 |
| Water Reclamation | 2,116,935 |
| Water Capital Imp. | 4,914,049 |
| Sewer Capital Imp. | 500,000 |
| Warehouse | 340,793 |

SUBTOTAL UTILITY FUND EXPENSES 25,875,588

Less Departmental Charges (Warehouse) (185,000)

TOTAL UTILITY FUND EXPENSES 25,690,588

USER CHARGES

| | |
|---------------|------------|
| Water Charges | 10,758,444 |
| Sewer Charges | 8,541,080 |

INVESTMENT INCOME

| | |
|-------------------------|--------|
| Interest Income | 45,000 |
| Interest on Assessments | 1,000 |

OTHER

| | |
|------------------------------|---------|
| Taps and Connections | 140,000 |
| Sewer Surcharge | 20,000 |
| Sludge Charge | 45,000 |
| Monitoring Fee | 80,000 |
| Charges on Past Due Accounts | 143,000 |
| Oil and Grease Fees | 20,300 |
| Sales Other Funds | 27,000 |
| Non Compliance Fees | 1,300 |
| Sale of Capital Assets | 50,000 |
| Sale of Non-Capital Assets | 0 |
| Miscellaneous | 5,000 |
| Meter Rental | 3,000 |
| Rental Income | 73,000 |
| After Hours Fees | 8,000 |
| NSF Charges | 5,500 |

INTERGOVERNMENTAL REVENUES**UNITED STATES OF AMERICA**

| | |
|----------------------------|---------|
| Build America Bonds Rebate | 860,000 |
|----------------------------|---------|

| | |
|--------------------------------------|-----------|
| INSTALLMENT PURCHASE PROCEEDS | 3,500,000 |
|--------------------------------------|-----------|

| | |
|--------------------------|-----------|
| RETAINED EARNINGS | 1,363,964 |
|--------------------------|-----------|

TOTAL UTILITY FUND REVENUE 25,690,588

TOTAL ENTERPRISE FUND 25,690,588

**SCHEDULE C: MUNICIPAL SERVICE
DISTRICT FUND**

OTHER

Municipal Service District Fund 157,594

**TOTAL MUNICIPAL SERVICE
DISTRICT EXPENSES** 157,594

TAXES AD VALOREM

Current Year Taxes 55,090

Motor Vehicle Tax 1,980

INVESTMENT INCOME

Interest Income 300

OTHER

Contribution from General Fund 55,000

FUND BALANCE APPROPRIATION 45,224

**TOTAL MUNICIPAL SERVICE DISTRICT
REVENUE** 157,594

TOTAL ALL FUNDS \$56,785,190

Section 3: There is hereby levied for the fiscal year ending June 30, 2018, the following rate of taxes on each \$100 assessed valuation of taxable property as listed as of January 1, 2017 for the purpose of raising the revenue from current year's property tax as set forth in the foregoing estimate of revenue, and in order to finance the foregoing appropriation.

TOTAL RATE PER \$100 VALUATION \$.60

Section 4: There is hereby levied for the fiscal year ending June 30, 2018, the following rate of taxes on each \$100 assessed valuation of property in the Municipal Service District defined as the Central Business District listed as of January 1, 2017 for the purpose of raising the revenue from current year's property tax as set forth in the foregoing estimate of revenue and in order to finance the foregoing appropriation. The revenue raised will be used to support the improvement of the properties in the Municipal Service District, to manage the development of Downtown Sanford as the primary economic, cultural, and social center of the community, to educate the community on the unique assets and historical significance of the downtown area, to promote and stimulate the improvement of these assets, to implement the building improvement program, to address issues of parking, streetscape and safety in the Central Business District, to improve the area and to carry out other programs and activities approved by the City Council to support and promote the downtown area.

TOTAL RATE PER \$100 VALUATION \$.11

Section 5: Privilege licenses and franchise taxes for the privilege of conducting specified businesses and professions within the City of Sanford are hereby levied at the rate established and authorized and adopted by the City Council of the City of Sanford on May 6, 1975.

Section 6: Building permits, inspection fees, fire fees, GIS fees, planning fees, compost facility fees, solid waste collection and disposal fees, beer and wine fees, water and wastewater rates are hereby levied at the rate established and shown on the attached schedules. All fees and rates are effective July 1, 2017 unless otherwise stated on the schedule.

Section 7: Fees for Solid Waste Collection and Disposal shall hereby be collected according to the provisions of North Carolina General Statutes 160A-314.1 that allows for the collection of said waste fees by any manner by which real and/or personal property taxes are billed and collected.

Section 8: The Finance Officer is authorized to transfer budgeted amounts within the departments but any revisions that alter total expenditures must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes.

Section 9: Copies of the Budget Ordinance shall be furnished to the Finance Officer of the City of Sanford to be kept on file by them for their direction in the collection of revenue and expenditure of amounts appropriated.

Adopted this the 20th day of June, 2017.

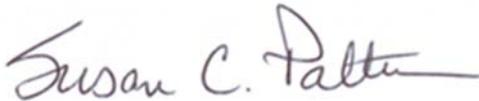


T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk



Susan C. Patterson, City Attorney

CITY OF SANFORD
RATE SCHEDULE FOR FISCAL YEARS 2017-2018
RATES EFFECTIVE JULY 1, 2017

Water Utility Rates

| Residential | | | Non-Residential | | |
|---|-------------|--------------|---|-------------|--------------|
| Monthly Consumption Level | Inside City | Outside City | Monthly Consumption Level | Inside City | Outside City |
| Minimum Charge for up to 3 ccf (\$ / month) | \$14.61 | \$29.21 | Minimum Charge for up to 3 ccf (\$ / month) | \$14.61 | \$29.21 |
| Over 3 ccf (\$ / ccf) | \$4.43 | \$8.83 | 3 ccf to 8 ccf (\$ / ccf) | \$4.43 | \$8.83 |
| | | | Over 8 ccf (\$ / ccf) | \$2.88 | \$5.74 |

1 ccf = 100 cubic feet = 748 gallons

Sewer Utility Rates

| Monthly Consumption Level | Inside City | Outside City |
|---|-------------|--------------|
| Minimum Charge for up to 3 ccf (\$ / month) | \$15.61 | \$23.41 |
| Over 3 ccf (\$ / ccf) | \$5.20 | \$7.80 |

1 ccf = 100 cubic feet = 748 gallons

Sewer Only Rates

| Monthly Consumption Level | Inside City | Outside City |
|---------------------------|-------------|--------------|
| Flat Fee | \$32.26 | \$46.87 |

Industrial Surcharge Rates

| Strength Parameter | Proposed Rate (\$/1,000 lb) |
|--------------------|--|
| BOD | \$145 / 1,000 lb in excess of 250mg/l |
| TSS | \$220 / 1,000 lb in excess of 200 mg/l |
| Oil & Grease | \$200 / 1,000 lb in excess of 40 mg/l |

CITY OF SANFORD
RATE SCHEDULE FOR FISCAL YEARS 2017-2018
RATES EFFECTIVE JULY 1, 2017

| Industrial Pretreatment Monitoring Fee Development | |
|---|------------------|
| Pretreatment Monitoring Fee Development | Fee |
| Pretreatment Monitoring Fee | \$1,188.00/Event |

| Miscellaneous Charges | |
|---|---------|
| Processing Fee For Returned Checks | \$25.00 |
| Late Fee | \$5.00 |
| Administrative Fee | \$15.00 |
| Additional fee for Reconnection after hours | \$25.00 |

| Sanitation Fee | |
|-----------------------|----------|
| Annually | \$225.00 |

CITY OF SANFORD
BEER AND WINE FEES FOR FISCAL YEARS 2017-2018
RATES EFFECTIVE JULY 1, 2017

| Beer and Wine Fees | | |
|---------------------------|--------------------------|---------|
| Malt Beverage (Beer) | Wine | Total |
| For On Premise - \$15.00 | For On Premise - \$15.00 | \$30.00 |
| Off Premise - \$ 5.00 | Off Premise - \$10.00 | \$15.00 |

FEE SCHEDULE, SANFORD / LEE COUNTY

PLANNING AND DEVELOPMENT

FISCAL YEAR 2017-2018

Sanford / Lee County Board Applications

| | |
|--|------------------------|
| Petition for Zoning Text Amendment | \$200 |
| Petition for Zoning Map Amendment | \$250 plus notice fee* |
| Petition for Conditional Zoning Map Amendment | \$350 plus notice fee* |
| Variance Application | \$250 plus notice fee* |
| Special Use Application | \$250 plus notice fee* |
| Additional Fee for review of application for Special Use Permit for telecommunications tower per Section 5.33.8 of Unified Development Ordinance | \$4,000 |
| Appeals | \$250 plus notice fee* |
| *Notice fee 1-20 adjoining notices | \$25 |
| *Notice fee 21-50 adjoining notices | \$75 |
| *Notice fee 51-100 adjoining notices | \$150 |
| *Notice fee Greater than 100 adjoining notices | \$300 |

Plan Review

| | |
|--|---|
| Plan Review (Commercial / Industrial) – 1 st and 2 nd submittals | \$500 plus \$2.00 per 1,000 square feet of Gross Floor Area |
| Plan Review (Multifamily) – 1 st and 2 nd submittals | \$500 plus \$2.00 per dwelling unit |
| Preliminary Plat (Major Subdivision) – 1 st and 2 nd submittals | \$200 plus \$10 per lot |
| Final Plat (Major Subdivision) | No charge |
| Minor Subdivision Plat | \$50 |
| Plan/Plat Resubmission – 3 rd submittal and all subsequent submittals thereafter (fee to be paid separately for each submittal) | ½ of the original fee |

Annexations and Street Closings

For annexation and street closing petitions, property owners are responsible for costs associated with advertising, recording fees, and required mail notifications. The property owners, or their agent, for newly petitioned annexed areas shall be responsible for paying the rezoning fee, as set forth in this schedule, to assign zoning to the annexed area.

**Compost Facility Fee Schedule
FY 2017-2018**

| Material | Price Per Pickup Load | Price per 2 ½ Cu. Yd. Loader Bucket for Larger Truck Loads |
|--------------------------------------|------------------------------|---|
| Woodchips | \$15.00* | \$25.00* |
| Leaf Compost | \$15.00 | \$25.00 |
| Unscreened Compost with Clay Mixture | \$5.00 | \$10.00 |
| Screened Leaf Compost | \$25.00 when available | \$45.00 when available |

Delivery by the City of Sanford will be \$40.00 per truckload within the city limits and \$65.00 per truckload outside the city limits but within the county. These charges are in addition to material cost.

*Special volume pricing periodically to decrease stockpile. \$1.75 per cubic yard on purchases of 500 cubic yards or more.

Septage Hauler Policy

Domestic Waste – waste that is domestic in character and comes from a residence

Commercial Waste – waste that is domestic in character and comes from a location other than a residence

Industrial Waste – waste that contains processed water and may include domestic waste

The City will not accept industrial waste except under special circumstances as approved by the wastewater plant superintendent and after the wastewater has been extensively tested at the industry's cost.

Note: The City of Sanford does not take any septage from outside the County of Lee.

The following are the septage hauler prices for the **2017-2018 fiscal year**:

| | |
|------------|---|
| Domestic | \$30 / 1,000 gallons |
| Commercial | \$65 / 1,000 gallons |
| Industrial | Minimum \$85 / 1,000 gallons (actual cost may vary) |

**City of Sanford FY 17-18 Rates for the
Installation of Hydrant Meters for Contractors**

| Hydrant Meter Size | Deposit Fee | Plus Daily Rental Fee |
|---------------------------|--------------------|------------------------------------|
| ¾" | \$200.00 | \$1.00 per day (per calendar year) |
| 1" | \$400.00 | \$1.00 per day (per calendar year) |
| 2 ½" | \$1,500.00 | \$2.00 per day (per calendar year) |

Contractor is to notify the City of Sanford when hydrant meter is to be installed and removed. There will be a \$70.00 setup / relocation fee for the initial hydrant meter installation and for each additional relocation of the meter. Water usage as well as any applicable rental fees or setup / relocation fees will be deducted from deposit fees. Deposit will be forfeited if the City does not retrieve meter.

**City of Sanford FY 2017-2018
Water and Sewer Tap Rates**

| Residential | Tap Size | Rate |
|----------------------------------|-----------------|-------------------------|
| <i>Inside and Outside</i> | | |
| Water | ¾" | \$950 |
| Water Meter Set | ¾" | \$125 |
| Sewer | 4" | \$1,250 |
| Sewer Retaps: | | |
| If have existing cleanout | | No Fee |
| If city install cleanout | | \$200 |
| Commercial and Industrial | Tap Size | Rate |
| <i>Inside and Outside</i> | | |
| Water | | At Cost \$950 Minimum |
| Sewer | | At Cost \$1,250 Minimum |
| Meter Set | ¾" | At Cost \$125 Minimum |
| Meter Adjustment | | At Cost \$75 Minimum |

Anything other than residential is classified as a business. Example: Churches, Offices and Industries.

Property being served may be subject to additional fees based on location and "prevailing front footage rate". Contact the City Engineer for particulars.



SANFORD FIRE DEPARTMENT

POST OFFICE BOX 3729
SANFORD, NC 27331-3729

OFFICE: 919-775-8316

FAX: 919-775-7018

FEE SCHEDULE

| | | |
|--|----|--------------------|
| Permits Any required permits listed in Section 105 of the NC Fire Prevention Code (Unless otherwise noted) | \$ | 50.00 each |
| Hazardous Materials As required by table 105.6.20 Of the NC Fire Prevention Code | \$ | 100.00 each |
| Routine Maintenance Inspections | \$ | N/C |
| Fire Code Violations * *(No charge if violations have been corrected by the scheduled re-inspection date) | \$ | 75.00 each |

Construction Reviews/Inspections

| | | |
|---|----|--|
| Plan Reviews ** | \$ | 50.00 each plus \$ 0.02 per sq. ft. |
| Certificate of Occupancy | \$ | N/C |
| Fire Protection Systems (New and Renovations) | | |
| Sprinkler Systems ** | \$ | 50.00 plus \$ 0.02 per sq. ft. |
| Standpipes ** | \$ | 50.00 plus \$ 0.02 per sq. ft. |

| | | |
|---------------------------------------|----|---------------------------------------|
| Fire Alarm Systems ** | \$ | 50.00 plus \$ 0.02 per sq. ft. |
| Hood Systems ** | \$ | 75.00. |
| Paint Booths ** | \$ | 100.00 |
| Other Extinguishing Systems ** | \$ | 100.00 |
| Re test | \$ | 100.00 each |

*Fire Code violations are per each Code section that is not compliant. i.e. multiple exit signs out of service equals 1 violation, multiple fire protection systems out of service equals multiple violations.

**Construction permits for all Fire Protection systems shall be subject to the plan review fees noted above. All construction permits include first acceptance test as may be required. Re-test will be additional.

Permits will be renewed based upon the State mandated inspection schedule. All required permit fees are valid until change of occupancy use, ownership and/or tenant, or until revoked due to non-compliance.

Other Permits/Fees

| | | |
|--|----|--|
| Exhibits and Trade Shows | \$ | 25.00 each or \$ 250.00 annually |
| Liquid or Gas Fueled Vehicles/Equipment (In assembly buildings) | \$ | 25.00 each |
| Parking in Fire Lane | \$ | 50.00 each |
| Temporary Membrane Structures (Tents, Canopies and Air Supported Structures) | \$ | 50.00 each |
| Burning Permits (Land Clearing only) | \$ | 75.00 each |
| ABC Inspections | \$ | 100.00 each |
| Amusement Buildings | \$ | 100.00 each |
| Carnivals/Fairs | \$ | 100.00 each |
| Combustible Dust Producing Operations | \$ | 100.00 each |
| Covered Mall Buildings | \$ | 100.00 each |
| Explosives | \$ | 100.00 each |
| Fireworks Displays | \$ | 100.00 each Plus Stand by Personnel |
| Flammable/Combustible Liquids (Only mandated according to NC Fire Prevention Code) | \$ | 100.00 each |
| Fumigation/Insecticide/Fogging | \$ | 100.00 each |
| Private Fire Hydrant Removal | \$ | 100.00 each |
| Spraying/Dipping | \$ | 100.00 each |
| Tank Removal/Installation | \$ | 100.00 each |
| STANDBY PERSONNEL | \$ | 40.00 per hour per Firefighter plus |
| | \$ | 250.00 per engine |

Minimum of 4 men Engine Company, billed for each hour or portion thereof.

Any work started prior to proper permits being issued is subject to a \$100 fine or a 100% penalty (Permit fees x 2), whichever is greater.

FINES

| | | | |
|--|----------------------|---------------|----------------------------------|
| Open Burning Without Permit | \$ | 100.00 | each |
| No Key Holder Response | \$ | 100.00 | each |
| Nuisance Alarms | | | |
| 4th. Alarm*** | Commercial \$ | 250.00 | Residential \$ 50.00 |
| 5th. Alarm and over*** | Commercial \$ | 500.00 | each Residential \$ 75.00 |

*****3 Nuisance alarms per calendar year at no charge.**

Nuisance alarms = any alarm caused by mechanical failure, malfunction, or an alarm activated by a cause that cannot be determined. *Essentially, any alarm, which occurs as a result of a condition that is not normal, or the intended operation of the system.*

LIFE SAFETY VIOLATIONS

| | | |
|--------------------------------|-----------|-----------------|
| 1ST. Offense | \$ | 150.00 |
| 2nd. Offense | \$ | 300.00 |
| 3rd. Offense | \$ | 1,000.00 |

Life safety violations include any locked, blocked or otherwise impeded means of egress, any deficiencies or impairments, in any fire suppression, detection and or notification devices and or systems, or any other violation that in the opinion of the Fire Code Official may be harmful to any building occupants including but not limited to overcrowding.

**HAZARDOUS MATERIALS / CONFINED SPACE / TRENCH RESCUE
EMERGENCY RESPONSE FEES**

| RESPONSE UNITS | Inside City Limits Response | County Response |
|---|------------------------------------|------------------------------|
| Engine | \$150.00 per unit / per hour | \$250.00 per unit / per hour |
| Ladder Truck | \$150.00 per unit / per hour | \$250.00 per unit / per hour |
| Equipment Truck | \$100.00 per unit / per hour | \$150.00 per unit / per hour |
| 1 st Response Trailer | \$75.00 per unit / per hour | \$75.00 per unit / per hour |
| Brush Truck / Tow Vehicle | \$75.00 per unit / per hour | \$75.00 per unit / per hour |
| Shift Commander | \$35.00 per unit / per hour | \$35.00 per unit / per hour |
| Additional Command / Chief Office Response | \$35.00 per unit / per hour | \$35.00 per unit / per hour |

Above fees include personnel, insurance, and fuel cost. Minimum charge of 2 hours and charged at ½ hour increments thereafter.

PERSONNEL

Paid Personnel:

| | |
|--|-------------------|
| (Includes Fire Marshal, Firefighters, Law Enforcement, etc. not included with equipment in above section | 1.5 x hourly rate |
| Support Personnel from other departments | At cost |

RESPONSE SUPPLIES

| | |
|-----------------------------------|----------------------|
| Ropes, haul systems, harness, PPE | Normal re-supply fee |
|-----------------------------------|----------------------|

REHAB SUPPLIES

| | |
|----------------------------|---------|
| Food, drinks, snacks, etc. | At Cost |
|----------------------------|---------|

RENTAL EQUIPMENT

| | |
|------------------------|---------|
| Trucks, backhoes, etc. | At Cost |
|------------------------|---------|

EQUIPMENT / SUPPLIES NOT LISTED

| | |
|--|---------|
| Any Equipment / Supplies not listed, but used specifically on the response | At Cost |
|--|---------|

CONTAMINATED / DAMAGED EQUIPMENT

The party responsible for the incident shall also be financially responsible for replacement of any routine or specialized equipment that becomes contaminated or damage during response, containment, abatement, and recovery efforts.

*****These are minimum charges. If actual costs exceed these minimums, the responsible party shall be liable for any additional cost.

Note: Any fees collected for services provided by the City of Sanford will be retained by the City and any fees collected for services provided by other agencies or entities will be remitted to said agencies or entities upon collection.

BUILDING PERMIT FEES RESIDENTIAL

| | |
|------------------------------|---|
| RESIDENTIAL (New) | Includes all Single Family Dwellings, Duplexes, and Townhouses. |
| Building Permit Fee: | Square Footage up to 1500 sq. ft.: \$240 Basic Fee. |
| | Square Footage over 1500 sq. ft.: Multiply by \$0.20 + \$240.00 (Basic Fee) |
| | North Carolina Licensed General Contractors add \$10.00 Homeowner Recovery Fund. (G.S.§ 87-15.6). |

| | |
|--|--|
| RESIDENTIAL (Modular Homes) | <p>Additional permits shall be obtained for porches, basements, garages and additional structural alterations to the modular home in accordance with the appropriate fee schedule. Please be aware that separate permits are required for electrical, mechanical and plumbing.</p> <p>In accordance with G.S.§ 87-1 and F.S.§ 143-139.1: any person, firm or corporation that undertakes to erect a modular building must have either a valid NC General Contractors License or provide a \$5,000 Surety Bond.</p> |
| Building Permit Fee: | 1500 sq.ft. or Less - \$135.00 |
| | 1501 - 2000 sq. ft. - \$170.00 |
| | 2001 sq.ft. and Up - \$205.00 |

| | |
|---------------------------|---|
| MANUFACUTRED HOMES | Manufactured Home Setup Fee only. Refer to Electrical, Plumbing and Plumbing Fee Schedule for other permits. |
| Single-Wide | \$50.00 each |
| Double-Wide | \$70.00 each |
| Triple-Wide | \$85.00 each |

| | |
|---|---|
| OTHER RESIDENTIAL CONSTRUCTION | Includes all Residential Additions. |
| Building Permit Fee: | <p>Square Footage shall be used to calculate building permit fees. Estimated Cost of Construction is determined at \$80/sq. ft. for Heated Space, \$40/sq. ft. for Unheated Space and \$25/sq. ft. for Unheated Porches, Shelters or Decks.</p> <p>Building permit fee shall be calculated by: \$2.50 per \$1,000 of Estimated Cost of Construction (<i>from calculation above</i>).</p> <p>Minimum Building Permit Fee is \$60.00.</p> |

| | |
|---|--|
| OTHER RESIDENTIAL CONSTRUCTION | Includes all Residential Renovations, Repairs, and Other Residential Construction not listed elsewhere. |
| Building Permit Fee: | <p>Permit Fee is Calculated based on Applicants Estimated Cost of Construction. (Bid, quote, or estimate must be provided with permit application).</p> <p>Building permit fee shall be calculated by: \$2.50 per \$1,000 of Applicants Estimated Cost of Construction.</p> <p>Minimum Building Permit Fee is \$60.00.</p> |

BUILDING PERMIT FEES COMMERCIAL

| | | |
|-----------------------------|--|--|
| COMMERCIAL (New) | 50,000 Square Feet and Less. | |
| Building Permit Fee: | <p>Estimated Cost of Construction shall be determined by multiplying the total gross building square footage by the cost per square foot for Type of Occupancy listed below;</p> <p>Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$4</p> | |
| | Assembly | \$100 |
| | Business | \$85 |
| | Educational | \$100 |
| | Factory/Industrial | \$100 |
| | Hazardous | \$100 |
| | Institutional | \$120 |
| | Mercantile | \$100 |
| | Residential | \$100 |
| | Storage | \$50 Heated \$45 Unheated |
| | Utility and Miscellaneous | \$50 Heated \$45 Unheated |
| | Mixed Occupancy | Highest Cost per Sq.Ft. of Occupancy Types |

| | | |
|-----------------------------|---|--|
| COMMERCIAL (New) | 50,001 Square Feet and More. | |
| Building Permit Fee: | <p>Estimated Cost of Construction shall be determined by:</p> <ol style="list-style-type: none"> 1. Multiplying the first 50,000 square feet of the total building gross square footage by the cost per square foot for Type of Occupancy listed below. 2. Multiplying the square footage in excess of 50,000 square feet by the cost per square foot for Type of Occupancy listed below and add to figure from above. <p>Permit Fee = Estimated Cost of Construction (from 1 above), divided by \$1,000, multiplied by \$4 <i>Plus</i> Estimated Cost of Construction (from 2 above), divided by \$1,000, multiplied by \$1.</p> | |
| | Assembly | \$100 |
| | Business | \$85 |
| | Educational | \$100 |
| | Factory/Industrial | \$100 |
| | Hazardous | \$100 |
| | Institutional | \$120 |
| | Mercantile | \$100 |
| | Residential | \$100 |
| | Storage | \$50 Heated \$45 Unheated |
| | Utility and Miscellaneous | \$50 Heated \$45 Unheated |
| | Mixed Occupancy | Highest Cost per Sq.Ft. of Occupancy Types |

**BUILDING PERMIT FEES
COMMERCIAL (continued)**

| | | |
|-----------------------------|--|--|
| COMMERCIAL (New) | Modular Units. | |
| Building Permit Fee: | <p>Estimated Cost of Construction shall be determined by multiplying the total gross building square footage by the cost per square foot for Type of Occupancy listed below;</p> <p>Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$4</p> | |
| | Assembly | \$100 |
| | Business | \$85 |
| | Educational | \$100 |
| | Factory/Industrial | \$100 |
| | Hazardous | \$100 |
| | Institutional | \$120 |
| | Mercantile | \$100 |
| | Residential | \$100 |
| | Storage | \$50 Heated \$45 Unheated |
| | Utility and Miscellaneous | \$50 Heated \$45 Unheated |
| | Mixed Occupancy | Highest Cost per Sq.Ft. of Occupancy Types |

| | | |
|--|--|--|
| OTHER COMMERCIAL CONSTRUCTION | Includes all Commercial Renovations, Repairs, and Other Commercial Construction not listed elsewhere. | |
| Building Permit Fee: | <p>Permit Fee is Calculated based on Applicants Estimated Cost of Construction. (Bid, quote, or estimate must be provided with permit application). Building permit fee shall be calculated by: \$4.00 per \$1,000 of Applicants Estimated Cost of Construction. Minimum Building Permit Fee is \$60.00.</p> | |

**BUILDING PERMIT FEES
MISCELLANEOUS**

| MISCELLANEOUS BUILDING PERMITS | |
|---|--|
| Items not shown elsewhere in Fee Schedule. | Minimum Fee. Items not shown. \$60.00 |
| Change of Occupancy Permit | \$60.00 each |
| Daycare Permit | \$75.00 each |
| Demolition Permit | \$90.00 Permit Fee plus Post \$500 Bond (Cash, Certified Check or Money Order per permit). |
| Footing/Foundation Permit | \$60.00 each |
| Malt Beverage License Inspection | \$60.00 each |
| Moving Building Permit | \$90.00 Permit Fee plus Post \$500 Bond (Cash, Certified Check or Money Order per permit). |
| Swimming Pool (For Setbacks Only) | \$60.00 each |
| Outdoor Advertising Sign (For Lee County Only) | \$90.00 each |
| Other Signs | \$60.00 each |

ELECTRICAL PERMIT FEES

| RESIDENTIAL | |
|---|---|
| RESIDENTIAL (New): Basic Fee \$135.00 (up to 200 Amps) Basic Fee <i>plus</i> \$20.00 per each 100 Amps over 200 Amps | |
| RESIDENTIAL (Renovations) (Maximum Fee \$135.00): Basic Fee \$60.00 <i>plus</i> any of the following that apply: \$5.00 per Special Outlet (Dryer/Electric Stove/Etc) \$25.00 per subpanel | |
| RESIDENTIAL (Room Additions) (Maximum Fee \$135.00): Basic Fee \$60.00 <i>plus</i> Room Additions - \$40.00 per Room Addition. <i>plus</i> \$5.00 per Special Outlet (Dryer/Electric Stove/Etc). <i>plus</i> \$25.00 per subpanel. | |
| MANUFACTURED HOME | Basic Fee \$55.00 each |
| MODULAR HOMES | \$75.00 each |
| COMMERCIAL | |
| 0-200 Amps | \$115.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 201-400 Amps | \$135.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 401-600 Amps | \$145.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 601-800 Amps | \$165.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 801-1000 Amps | \$175.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 1001-2000 Amps | \$255.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| 2001 & Up AMPS | \$330.00 plus \$5.00 per Special Outlet, plus \$40.00 per subpanel |
| *Special Outlets - 30 Amp/240 Volt or Greater* | |
| MISCELLANEOUS ELECTRICAL PERMITS | |
| Items not shown elsewhere in Fee Schedule. | Minimum Fee. Items not shown. \$60.00 |
| Conditional Power Fee | \$60.00 |
| Fire Alarm | \$60.00 |
| Electrical for Mechanical Change Outs | \$40.00 |
| Power Restoration | \$60.00 |
| Accessory Building | \$60.00 |
| Service Change (Up to 100 amps) | \$60.00 |
| Service Change (125-200 Amps) | \$75.00 |
| Signs | \$60.00 |
| Special Outlets | \$60.00 Minimum Fee plus \$5.00 each (Special Outlets - 30 Amp/240 Volt or Greater) |
| Swimming Pool Grounding | \$60.00 |
| Temporary Power Pole | \$60.00 |

MECHANICAL PERMIT FEES

| RESIDENTIAL | |
|---|---|
| Items not shown elsewhere in Fee Schedule. | Minimum Fee. Items not shown. \$60.00 |
| Gas Heating Unit w/ A/C Unit (2 Separate Units/1 System) | \$75.00 per system |
| Gas Pack | \$70.00 each |
| Heatpump | \$75.00 each |
| Single Air Conditioning Unit | \$60.00 each |
| Single Heating Unit <i>(Gas Furnace, Electric Heat, Etc.)</i> | \$60.00 each |
| Gas Accessories. <i>(Gas Logs, Fireplace, Dryer, Range, Grill, Space Heater, Lights, Woodburning Inserts, Etc.)</i> | \$50.00 each |
| Gas Piping/Pressure Test | \$40.00 / 1 st Unit \$8.00 per additional unit |
| Air Handler or Outdoor Condenser - Change Outs (not heat pumps) | \$60.00 each unit |
| Ductwork Additions | \$60.00 Basic Fee |
| COMMERCIAL | |
| Basic Fee | *\$60.00 plus any of the following that apply: |
| Boilers | *(Up to 15 tons) \$9.00 per ton (16 tons and up) Total above <i>plus</i> \$3.00 per ton thereafter |
| Chillers: | *(Up to 15 tons) \$9.00 per ton (16 tons and up) Total above <i>plus</i> \$3.00 per ton thereafter |
| Gas Pack: | *(Up to 15 tons) \$9.00 per ton (16 tons and up) Total above <i>plus</i> \$3.00 per ton thereafter |
| Heat Pump: | *(Up to 15 tons) \$9.00 per ton (16 tons and up) Total above <i>plus</i> \$3.00 per ton thereafter |
| Refrigeration: | *(Up to 15 tons) \$9.00 per ton (16 tons and up) Total above <i>plus</i> \$3.00 per ton thereafter |
| Gas Appliances | *\$3.00 per 10,000 BTU's |
| Gas Heating Unit | *\$3.00 per 10,000 BTU's |
| Gas Heating Unit w/ A/C Unit (2 Separate Units/1 System) | *\$3.00 per 10,000 BTU's |
| Gas Piping/Pressure Test | *\$40.00 / 1 st Unit \$8.00 Per Additional Unit |
| Air Handler or Outdoor Condenser - Change Outs (not heat pumps) | \$60.00 each unit |
| Ductwork Additions | \$60.00 Basic Fee |
| Canopy Hood <i>(does not require licensed contractor)</i> | *\$60.00 each |

(For calculation purposes: • Horsepower to BTU: 1 HP = 33,475 BTU
 • 12,000BTU = 1 Ton)

PLUMBING PERMIT FEES

| |
|---|
| RESIDENTIAL (New) |
| Basic Fee \$60.00 plus \$25.00 for every Full Bath \$20.00 for every Half Bath |
| RESIDENTIAL (Modular Homes) |
| Basic Fee \$60.00 plus \$5.50 for water line \$5.50 for sewer line Unfinished Baths require a separate permit at the time of Fit Up. |
| RESIDENTIAL (Manufactured Homes) |
| Basic Fee \$50.00 |
| OTHER RESIDENTIAL CONSTRUCTION |
| Basic Fee \$60.00 plus \$5.50 per fixture (<i>see plumbing permit application</i>). |
| COMMERCIAL (New) |
| Basic Fee \$60.00 plus \$5.50 per fixture (<i>see plumbing permit application</i>). |
| COMMERCIAL (Modular) |
| Basic Fee \$60.00 plus \$5.50 for water line \$5.50 for sewer line |
| MISCELLANEOUS PLUMBING PERMITS |
| Basic Fee \$60.00 plus \$5.50 per fixture (<i>see plumbing permit application</i>). |

RECORD RESEARCH

| | |
|--|-------------------|
| Permit Activity Computer Printouts | \$100.00 |
| Archives/History Research (Per Permit) | \$20.00 per hour. |
| Copies (per page) | \$0.35per page |

SPECIAL NOTES

1. FAILURE TO SECURE PERMIT

Failure to obtain the appropriate permit before construction begins shall result in a 100% penalty (double fees). Commencement of or proceeding with any work of which a permit is required by the State Building Code or any other state or local laws (shall include digging footings or moving manufactured homes on site). (G.S. § 153A-357, G.S. § 160A-417; G.S. § 153A-354, G.S. § 160A-414; G.S. § 153A-352, G.S. § 160A-412).

2. ISSUANCE OF PERMITS

Individual trades are responsible for purchasing their respective permits (no blanket permits are issued).

If a building permit is required for any job, the building permit must be issued prior to issuance of any trade permits.

All approvals from other regulatory agencies (local, state, and federal) must be documented (i.e. zoning approval, erosion control, historic district, environmental health, etc.) before building permits will be issued. (G.S. § 153A-357, G.S. § 153A-363, G.S. § 160A417, G.S. § 160A-423).

It is the contractor's responsibility to meet all requirements of license limitations when making application for permits. (G.S. § 87-14, G.S. § 87-21(e), G.S. § 87-43.1, G.S. § 87-58, G.S. § 153A-134, G.S. § 153A-357, G.S. § 160A-194, G.S. § 160A-417).

The Permit Coordinator will notify the applicant at which time the permit is prepared for issuance and the cost of the permit.

BUILDING PERMITS

The North Carolina Building Code requires that a permit be issued for "The construction, reconstruction, alteration, repair, movement to another site, removal, or demolition of any building or structure;" Accessory Buildings with any dimension greater than twelve (12) feet are required to meet the provisions of the North Carolina Residential Code for One- and Two-Family Dwellings.

"No permit ...shall be required for any construction, installation, repair, replacement, or alteration costing Five Thousand Dollars (\$5,000) or less in any single family residence or farm building unless the work involves: the addition, repair, or replacement of load bearing structures;"

- Building permits will be issued to a properly licensed North Carolina General Contractor.

OR

- To the owner of the property on which the building is to be built and occupied by said owner for at least twelve (12) months following completion (no rental property). Volume I-A, G.S. 87-1.

OR

- To an individual when a general contractor's license is not required. The cost of the undertaking cannot exceed thirty thousand dollars (\$30,000).

Permits will be issued personally to the license holder of record only. A bonafide employee of the licensee will be allowed to obtain permits upon submittal of the "Authorization for Permit Application by Employee of Licensed Contractor Form".

General Contractors Licensing Limitations: If the estimated cost of construction from the fee schedule exceeds a contractor's license limitations a copy of the original bid, quote or estimate will be required prior to permit issuance.

HOMEOWNER RECOVERY FUND:

Pursuant to 887-15.6 (b), whenever a general contractor applies for the issuance of a permit for the construction of any single-family residential dwelling unit or for the alteration of an existing single-family residential dwelling unit, a (\$10.00) fee shall be collected from the general contractor for each dwelling unit to be constructed or altered under the permit. The City of Sanford shall forward four dollars (\$9.00) of each fee collected to the Board of General Contractors, on a quarterly basis and the city may retain one dollar (\$1.00) of each fee collected. The Board shall deposit the fees received into the General Fund.

ELECTRICAL PERMITS

Electrical permits are required for “The installation, extension, alteration, or general repair of any electrical wiring, devices, appliances, or equipment.”

Electrical permits are issued to a North Carolina properly licensed North Carolina Electrical Contractor
OR

Property owners requesting to perform electrical work upon their own property when such property is not intended at the time for rent, lease, or sale will be required to take and pass an electrical exam prepared by this office. (G.S. § 87-43.1 Exceptions).

Permits will be issued personally to the license holder of record only. A bonafide employee of the licensee will be allowed to purchase permits upon submittal of the Authorization for Permit Application by Employee of Licensed Contractor Form.

Temporary Service Poles

Temporary Service Poles Inspections are to be made in conjunction with the footing or foundation inspection (permit fee is waived with new building construction only). In order to erect a temporary pole prior to or after the footing or foundation inspection or for renovations or additions, an electrical permit for the temporary pole must be obtained (see fee schedule).

MECHANICAL PERMITS

Mechanical permits are required for “The installation, extension, alteration or general repair of any heating or cooling system;”

- **Mechanical permits are issued to a properly licensed North Carolina Mechanical Contractor**
OR
 - To the owner of the building that occupies the building provided that the permit holder performs the work themselves (no rental property or commercial projects). Volume I-A, G.S. 87-21(a)(5)(ii).

NOTE: Mechanical change-outs and/or relocation of mechanical units require an electrical permit as described above.

Permits will be issued personally to the license holder of record only. A bona fide employee of the licensee will be allowed to purchase permits upon submittal of the Authorization for Permit Application by Employee of Licensed Contractor Form.

Grease Canopy Hoods do not require a licensed contractor.

MANUFACTURED HOME PERMITS

A licensed Dealer or Setup Contractor must obtain Manufactured Home Permits. The owner is allowed to obtain a manufactured home permit only if they are actually setting up the home themselves.

Any manufactured home moved to the site prior to issuance of the necessary permits required will be removed from the site until such time that the proper permits are approved and issued.

Manufactured home plumbing permits are required for setup contractors who will complete the plumbing connections underneath the home only. A North Carolina licensed plumbing contractor will be required to obtain a separate permit to make utility connections (water/sewer).

MODULAR PERMITS

A building permit is required for modular homes.

In accordance with G.S. 87-1 and G.S. 143-139.1, any person, firm or corporation that undertakes to erect a modular building must have either a valid North Carolina General Contractors License or provide a five thousand dollar (\$5,000) surety bond for each modular building to be erected.

The permit fee is for the modular setup (footing, foundation, and final). Additional building permits shall be obtained for porches, basements, garages, and additional structural alterations to the modular unit in accordance with the permit fee schedule. A separate permit is required for electrical, mechanical and plumbing permits.

NO TEMPORARY SERVICE WILL BE AUTHORIZED FOR ANY MODULAR CONSTRUCTION.

PLUMBING PERMITS

Plumbing permits are required for "The installation, extension, alteration or general repair of any plumbing system;"

- **Plumbing permits are issued to a properly licensed North Carolina Plumbing Contractor**
- OR**
- To the owner of the building that occupies the building provided that the permit holder performs the work themselves (no rental property or commercial projects). G.S. 87-21(a)(5)(ii).

Permits will be issued personally to the license holder of record only. A bona fide employee of the licensee will be allowed to purchase permits upon submittal of the "Authorization for Permit Application by Employee of Licensed Contractor Form".

Manufactured home plumbing permits are required for setup contractors who will complete the plumbing connections underneath the home only. A North Carolina licensed plumbing contractor will be required to obtain a separate permit to make utility connections (water/sewer).

RENTAL PROPERTY

Electrical, Mechanical and Plumbing Permits will not be issued to the owners of rental property.

- **Rental Property – Building Permits**

Building Permits will be issued to the owner or an unlicensed General Contractor where the cost of the undertaking is less than \$30,000. Projects valued at \$30,000 or more require that the permit be issued to a North Carolina Licensed General Contractor only. (G.S.§ 87-1).

- **Rental Property – Electrical Permits**

Electrical Permits will be issued to North Carolina Licensed Electrical Contractors only. (G.S.§ 87-43.1 (5a)).

- **Rental Property – Mechanical Permits**

Mechanical Permits will be issued to North Carolina Licensed Mechanical Contractors only. (G.S.§ 87-21 (a)(5)(ii)).

- **Rental Property – Plumbing Permits**

Plumbing Permits will be issued to North Carolina Licensed Plumbing Contractors only. (G.S.§ 87-21 (a)(5)(ii)).

RENEWING EXPIRED PERMITS:

If any permit expires or is revoked, or if any other permit issued by the inspection department becomes invalid because of no activity, the applicant must apply for a new permit to be issued and pay the appropriate fees.

In order for the requirement that additional fees be paid for re-issuance of an expired permit be waived, the owner/contractor must show proof of work being performed on the job (i.e., valid receipts for labor, materials etc., during the period in which no inspections were performed.) (G.S.§ 153A-354, G.S. § 160A-414).

PERMIT REFUNDS

Permit fees are non-refundable, unless no work has been performed and no inspections have been made. (G.S.§ 153A-354, G.S. § 160A-414).

POSTING BONDS

Bonds are required to be posted for moving permits and demolition permits for the City of Sanford. Bonds may be posted in the form of cash, certified check or money order, at the time that a Demolition or Moving Permit is issued. Bonds are non-transferable.

3. POSTING OF PERMIT CARDS:

Permit cards must be posted and building plans must be available at all times at the jobsite, or the inspection will not be performed and a \$60 re-inspection fee will be charged.

4. INSPECTIONS

The General Contractor or the person that the Building Permit was issued to must make all inspection requests. (Footings, Foundations, Rough-Ins, Insulation, and Final for C.O.). Electrical, Plumbing & Mechanical Contractors will be responsible to notify the General Contractor when ready for Rough-In, Final, and other inspections.

****NOTE:** When a construction project requires all four disciplines, i.e., Building, Electrical, Plumbing and Mechanical installations, each discipline will be inspected simultaneously, during one inspection trip. Inspection requests should not be made unless each discipline is ready for a rough-in inspection. A minimum of one (1) day notice is required for all inspections.

All inspections must be called in by the correct address and permit number.

Building Permit Cards must be posted and building plans must be available at the jobsite or the inspection will not be performed and a **\$60 PENALTY FEE WILL BE CHARGED.**

Inspection results will be provided at all jobsites. Passed inspections will be indicated with the appropriate section of the permit card posted on the jobsite. Failed inspections will be identified with the posting of a orange "NOTICE" card accompanied by a "NOTICE OF ADDITION OR CORRECTIONS" sheet. The Inspector will provide these two documents on the jobsite with the permit card. (G.S.§ 153A-352 and G.S.§ 160A-512).

Calls to the inspection department concerning the status of inspections are discouraged. Check permit card at jobsite for inspection results.

Priorities for daily inspections will be as follows:

1. Concrete pours. (i.e. footing and slabs).
2. Open ditches that are a potential danger to the public. (i.e. water & sewer lines and underground electrical)
3. Foundations.
4. Restoration of Electrical Service to existing buildings.
5. Mechanical Change-Outs / Repairs during extreme weather conditions.

RE-INSPECTION FEES

The Inspections Department will perform one follow-up inspection to ensure that corrections have been made. Additional inspections shall be termed "re-inspections". A fee of \$60 shall be paid prior to any re-inspection trip. Temporary service poles not inspected in conjunction with footing or foundation inspections will be considered a re-inspection. There will be a \$60.00 re-inspection fee charge if a scheduled inspection is not ready when the inspector arrives on the jobsite.

Any inspection that requires that the owner provide access (i.e. Building, Electrical, Mechanical and Plumbing) the re-inspection fees will be as follows:

- 1st Inspection Trip – No Charge. Door Hanger will be left instructing owner to schedule an inspection.
- 2nd Inspection Trip, and subsequent trip will result in a \$60 Re-Inspection Fees per Re-Inspection Trip until Inspection is approved. Contractor will be responsible for paying Re-Inspection Fees prior to any Re-Inspections.

CITY OF SANFORD FINANCIAL POLICIES

The City of Sanford's budgetary and financial policies set forth basic guidance for the fiscal management of the city. Most of the policies represent long standing principles and traditions with its legal framework outlined in both the General Statutes of N. C. and the city Code of Ordinances. These policies though general in statement are the controlling element in the city's financial stability. Summarized below are major financial policy strategies.

Operating Budget Policies

Pursuant to the North Carolina General Statutes Article 159-11 the city will adopt a balanced budget, which provides a work program and an operational plan for the ensuing year. The city will maintain a program of budgetary controls to ensure adherence to the budget. Any revisions that alter total expenditures / revenues of the adopted budget must be approved by the City Council through legislative action. Monthly financial statements will be prepared for department heads and management with quarterly reports prepared for the City Council to assist in the monitoring of actual revenues, expenditures and budgeted amounts. Comprehensive financial data will be compiled to include user rate studies, capital improvement programs and forecasting or projections of financial status. These reports are imperative for long-term financial planning.

The city will retain an independent accounting firm to perform an annual financial and compliance audit in accordance with general accepted accounting practices as outlined by the Governmental Accounting, Auditing, and Financial Reporting (GAAFR). In conjunction with the independent audit an internal audit will be conducted to determine if the city is managing and utilizing its resources in an economical and efficient manner. The internal audit will also determine if the desired program goals are being achieved and if the objectives established by the City Council are being met.

Revenue Policy

The city will maintain a diversified and stable revenue program to protect it from short-term fluctuations of any one-revenue source. As a part of the normal budget process, the city will review and estimate revenues in an objective and realistic manner. The city discourages the use of one-time revenue for ongoing expenditures. Attempts will be made to secure additional revenue sources to offset any reductions of federal or local funding. The city will re-evaluate annually all user charges at a level related to the cost of providing these services. The Enterprise Fund will adhere to the full utility concept, which allows each user to contribute revenues proportional to the level of service received. This concept requires that income be sufficient to maintain a self-supporting financial status. The General Fund will be compensated by the Utility Fund for general and administrative services provided such as finance, personnel as well as repairs to city streets.

Investment Policy

The city will continue to monitor the cash flow of all funds on a regular basis to insure maximum investment of idle cash. The criteria for selecting an investment will include safety, liquidity and yield. The city will invest only in quality issues that comply with the North Carolina Budget and Fiscal Control Act and the city's Investment Policy adopted by the Governing Body. A copy of the city's Investment Policy can be found in the supplementary section of this document. Each month an investment report will be prepared for review by the finance director and administration.

Reserve Policy

The city will maintain operating reserves categorized as appropriated contingency and revenue reserve. The appropriated contingency will not exceed five percent of all other appropriations within the same fund. General Fund and Utility Fund contingency appropriation totals \$100,000 each fund. The revenue reserve is established to provide for any unforeseen revenue losses and allows flexibility in the balanced budget process. The General Fund balance effective June 30, 2016 was \$8,181,421. General Fund balance available for appropriation was \$8,181,421 or 30.1% of General Fund expenditures. Council approved a fund balance policy stating that General Fund balance would target an amount equal to thirty percent (30%) of net General Fund expenditures or minimum of twenty-five percent (25%).

The city anticipated sufficient revenue to meet our FY 17-18 obligations without having to adjust water and sewer rates. However, without revenue growth, future rate increases may be necessary. The Utility Fund shows a net income before capital contributions and transfers of -\$534,078 for the year compared with a net income before capital contributions of \$4,087,078 for the prior year. The Utility Fund continues to operate profitably. Bulk water contracts with surrounding local governments and the purchase of the Lee County water system in 2004-05 have strengthened the financial position of this fund. Revenue bonds were issued in December of 2010 to expand the Wastewater Treatment Plant capacity from 6.8 to 12 million gallons daily. With this additional capacity, the City has entered into an agreement with Chatham County to provide sanitary sewer to the Moncure Megasite. Once completed, this site could bring thousands of jobs to our area.

Debt Policy

The city takes a planned approach to the management of its long-term outstanding debt and makes an effort toward funding from internally generated capital, when appropriate. The city will consider the use of long-term debt financing only when it meets the following criteria:

- The financing period is no longer than the estimated life of the improvement.
- The cost of the improvement including the interest is positive.
- The improvement will benefit both current and future citizens of the city.

The city will limit the total of all general obligation bonds issued to no more than eight percent of the total assessed valuation. The city will follow a policy of full disclosure on every financial report and bond prospectus.

The city may utilize the authority granted within the General Statutes for lease or installment purchases when deemed appropriate. Specific procedures and policies will be adhered to.

Capital Improvement Policy

The city will maintain a Capital Improvement Program that is a five year rolling plan, which will be reviewed and updated annually. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a component of the program. The city takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The city will protect and maintain its capital investments in order to reduce replacement cost.

Performance Measurement Policy

The City shall create / revise a Strategic Plan that identifies the priorities of the city for the next five years. Annually, each department shall develop departmental performance measures that support achieving successful results with the City Manager's office. Goals should be related to core services of the department and should reflect customer needs. The measures should include effectiveness, efficiency, demand and workload. Department directors shall establish performance measures for each division or program within their department to monitor and project program performance. The City's strategic business planning and budgeting decisions will be based on a number of advanced statistical analyses and economic and financial modeling.

Other Post Employment Benefits (OPEB) Funding Policy

The city has established an OPEB funding policy with an initial investment of \$1,175,500 into the State Treasurer's OPEB trust fund. This funding is based on the annual required contribution (ARC) normal cost provided by the actuary for fiscal year ended June 30, 2016. In subsequent fiscal years the city plans to fund 10% of the ARC normal cost in addition to the pay-as-you-go-amount for current retirees as of June 30, 2016. Funding for the OPEB trust will occur when funds are available from the general and utility funds based on the number of employees (per budgeted positions) in each fund for the year of funding.

BUDGET PROCESS

The budget is the single most important document presented to the City Council. The budget is primarily intended to establish policy determination but it also serves the citizens by providing an understanding of the city's operating fiscal programs. It reflects the city's commitment to maintain necessary services, improving quality of service and keeping the impact of taxes to the citizens at a minimum.

The city operates under an annual budget ordinance adopted in accordance with the provisions of the Local Government Budget and Fiscal Control Act. The budget ordinance is the legal basis of the budgetary accounting system and the standard by which proposed expenditures are measured. The balanced budget ordinance must be adopted prior to the beginning of the fiscal year. The ordinance is subjected to public inspection and a public hearing prior to adoption. The budget is considered balanced when estimated net revenue equals appropriations.

The city manager is authorized to transfer budgeted amounts within the departments but any revisions that alter total expenditures must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes.

The preparation of the budget not only requires structured guidelines but also the participation and cooperation of many participants and a carefully scheduled series of events. The city in the formulation of the budget follows the following summarized budget cycle.

BASIS OF BUDGETING

The budget is prepared using the modified accrual method of accounting for all funds. This accounting approach recognizes revenues when they become measurable and expenditures at the time liabilities are incurred. The General, Municipal Service District Fund, and Capital Project Funds are presented in the financial statements on this same basis. The Utility and Golf Funds are presented in the financial statements on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period when earned and expenses are recognized in the period they are incurred. All monies received and expended must be included in the annual operating budget ordinance and/or the appropriate capital or grant ordinances. Any operational appropriations that are not expended shall lapse at year-end.

ACCOUNTING BASIS

The basis of accounting refers to when revenues and expenditures or expenses are recorded in the accounts and reported in the financial statements. The City's Annual Financial Report shows the status of the City's finances in conformance with generally accepted accounting principles (GAAP). In most cases this conforms to the way the City prepares its budgets. Exceptions are as follows:

- Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget Basis).
- Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget Basis.
- Capital Outlays within the Proprietary Funds are recorded as assets on a GAAP basis and expended on a Budget Basis.
- Depreciation recorded for proprietary funds on an accrual basis, eliminated for budget purposes.

FORMULATE HISTORICAL DATA

During the first phase of the budget process the accumulation of past financial information is prepared by the finance staff. The data concerning expenditures is segregated by operational departments to be used by department heads and management for performance evaluation and projection of resources required to meet departmental objectives.

CAPITAL IMPROVEMENT BUDGET

Departments are required to submit capital improvement project(s) requests in amounts greater than \$50,000. These requests are compiled in one document and reviewed with Finance and the requesting department head. Departments discuss these requests in detail with council at the annual retreat. Long term city goals and/or projects are formulated by the City Council.

PREPARATION OF DEPARTMENTAL REQUEST

Estimating departmental expenditures is the primary responsibility of the department head. When budgeting expenditures the basic requirements are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve the departmental goals and objectives.

CONSOLIDATE PRELIMINARY BUDGET

The departmental requests are submitted to the Finance Department in order to consolidate the individual departmental requests and the revenue projections into an overall budget. At this point the focus of attention shifts from the departmental basis to the fund basis. Departmental capital outlay requests are analyzed in coordination with the Capital Improvements Program and the formal budget reviews begin.

EVALUATE SERVICE PRIORITIES AND OBJECTIVES

The evaluation of service priorities and objectives is an important step in developing a fiscal plan, which will achieve the city's program of service for the ensuing year. The budget document should reflect the service priorities of the Governing Body and Citizens of Sanford. The service needs of the community are determined by the citizens' opinion surveys, public hearings and feedback through the City Council. A comprehensive review of service needs compared to departmental goals and objectives will be analyzed by the city manager.

BALANCE PROPOSED BUDGET

After the city's program of service priorities have been established, a balanced plan for funding must be formulated. Through careful assessment of funding requirements and financing elements a proposed budget document is organized into final format and submitted to the City Council for legislative review.

LEGISLATIVE REVIEW

The City Council reviews the budget thoroughly with the city manager and finance director during special work sessions. The legislative board reviews departmental goals and objectives at this time to ensure their adherence to city goals and policies. A copy of the proposed budget with recommended legislative changes will be filed with the city clerk for public inspection and a public hearing will be scheduled prior to the formal adoption of the budget.

BUDGET ADOPTION

The adoption of the annual operating budget is the culmination of exhaustive reviews of budget proposals by department heads, Administration, and the Governing Body. Adoption of the budget by the Governing Body establishes the legal authority to incur expenditures in the ensuing fiscal year.

AMENDING ADOPTED BUDGET

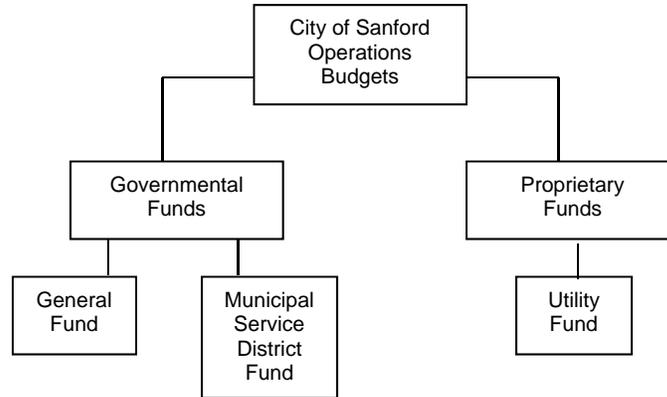
Any revisions that alter total expenditures / revenues of the adopted budget must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes. The city manager has the authority to transfer budgeted amounts within the department as long as the total departmental budget does not exceed the council approved budget.

City Of Sanford Budget Preparation Calendar

| | | |
|-------------------|--------------------|--|
| January 10, 2017 | CIP | Memo/instructions and CIP form transmitted to departments |
| February 6, 2017 | Year End Estimates | Memo/MUNIS budget worksheet program transmitted to departments |
| February 7, 2017 | CIP | CIP request forms due from department managers |
| February 13, 2017 | Year End Estimates | Year end estimates due from department managers (year end expenditure estimates entered into the MUNIS worksheet program by departments) |
| February 13, 2017 | FY 16-17 Budget | Year end revenue estimates consolidated and reviewed |
| February 17, 2017 | FY 17-18 Budget | Prepare and transmit FY 17-18 departmental request information to department heads |
| February 27, 2017 | Year End Estimates | Year end departmental expenditure estimates consolidated and reviewed |
| February 28, 2017 | CIP | Finalize prioritization of projects and assignment of revenues |
| March 10, 2017 | FY 17-18 Budget | Departmental budget requests for FY 17-18 due from departments |
| March 24, 2017 | FY 17-18 Budget | Need insurance estimate numbers from HR |
| April 17, 2017 | FY 17-18 Budget | City manager and department heads begin review of department requests |
| April 17, 2017 | FY 17-18 Budget | Finalize 17-18 revenue projections |
| April 17, 2017 | FY 17-18 Budget | Need final insurance numbers from HR |
| April 21, 2017 | FY 17-18 Budget | Budget must be balanced by this date to allow finance staff time to prepare presentation at May 16th council meeting |
| April 24, 2017 | FY 17-18 Budget | Review preliminary budget with department heads at staff meeting |
| June 6, 2017 | FY 17-18 Budget | Present budget to council and publish public hearing notice (publish at least ten days prior to public hearing) |
| June 13, 2017 | FY 17-18 Budget | Budget work sessions |
| June 20, 2017 | FY 16-17 Budget | Present cleanup amendment to council for FY 16-17 |
| June 20, 2017 | FY 17-18 Budget | Public hearing and adopt budget (second scheduled meeting in June) |
| June 20, 2017 | Year End Estimates | Present FY 16-17 year end cleanup budget amendment to council |
| July 1, 2017 | FY 17-18 Budget | Present adopted budget to departments prior to this date |

BUDGET FORMAT

The accounts of the city are organized on the basis of funds or account groups of which each is considered a separate accounting entity. Government resources are allocated in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. This segregation of revenues and costs allows close monitoring of attributable accounts to provide insurability that certain funds are self-supporting and that revenues, which are earmarked by law for specific purposes, are identifiable. The City of Sanford's operating budget consists of three funds: General Fund, Utility Fund, and Municipal Service District Fund.



Major Budgetary Funds

The **General Fund** accounts for the revenues and expenditures of all city departments except those required to be accounted for in other funds. It includes most tax revenues and such services as public safety, general government, streets, sanitation, and community development. These services and functions are financed primarily by property tax, other taxes, and intergovernmental revenues.

The **Utility Fund** accounts for the City's water and sewer system operations. This fund operates in a manner similar to private business enterprises. The costs of providing water and sewer services to its customers on a continuing basis are financed primarily through user charges.

Non-Major Funds – Governmental

The **Municipal Service District Fund** accounts for the activities of the Central Business Tax District set up to assist in revitalization of the downtown area. This fund is used to account for a special tax levied on property located in the central business district of the City. The levy is restricted to improvements of the central business district.

Departments by Fund

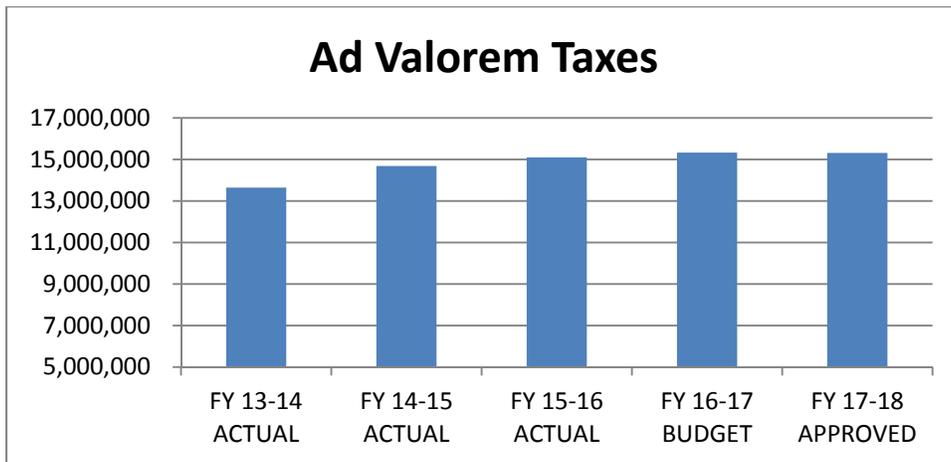
| Department | Fund |
|----------------------------------|----------------------------|
| Administration | General |
| Billing | Utility |
| Central Office | General |
| Code Enforcement | General |
| Community Development | General |
| Debt Service | General / Utility |
| Distribution and Collection | Utility |
| Downtown/HPC | General |
| Elections | General |
| Engineering | Utility |
| Finance | General |
| Fire | General |
| Fleet Maintenance | General |
| General Fund Contributions | General |
| General Services | General |
| Golf | General |
| Governing Body | General |
| Horticulture | General |
| Human Resources | General |
| Information Technology | General |
| Inspections | General |
| Legal | General |
| Police | General |
| Public Building | General |
| Public Works Administration | Utility |
| Risk Management | General |
| Sanitation | General |
| Sewer Capital Improvements | Utility |
| Sewer Construction & Maintenance | Utility |
| Solid Waste | General |
| Municipal Service District | Municipal Service District |
| Street | General |
| Street Capital | General |
| Utility Fund Administration | Utility |
| Utility Fund Contributions | Utility |
| Warehouse | Utility |
| Water Reclamation | Utility |
| Water Capital Improvements | Utility |
| Water Construction & Maintenance | Utility |
| Water Filtration | Utility |

REVENUES

Revenues are shown by sources and by funds. Accurate revenue estimates are dependent upon correct classification because factors, which affect individual revenues, do not affect each source uniformly. Revenue projections can be made more accurately when revenues are segregated by source and controlled accordingly. The economy, weather, and other factors play a part in revenues received. Management reviews historical data and projects revenues based on facts, however, some factors are unpredictable.

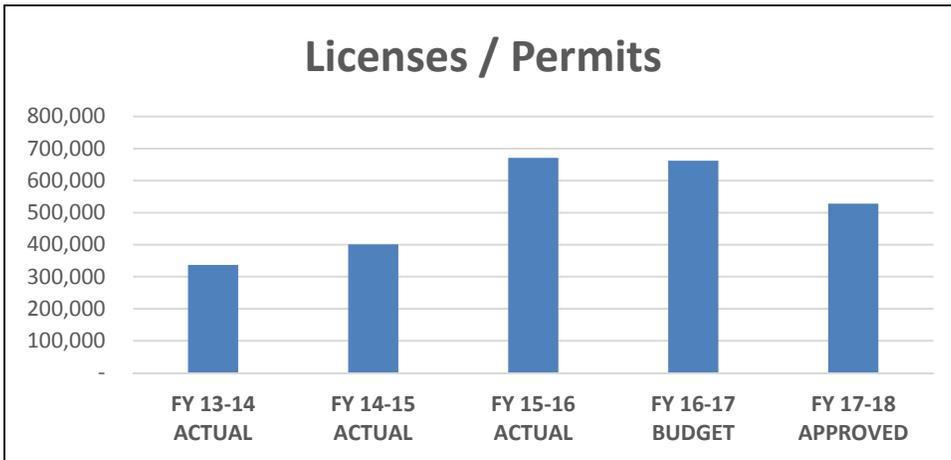
The major revenues by source are as follows:

Ad Valorem Taxes - Collections of current year and prior year tax levies; and payment in lieu of taxes. Collection rate has improved and an increase in commercial property valuations due to commercial growth.

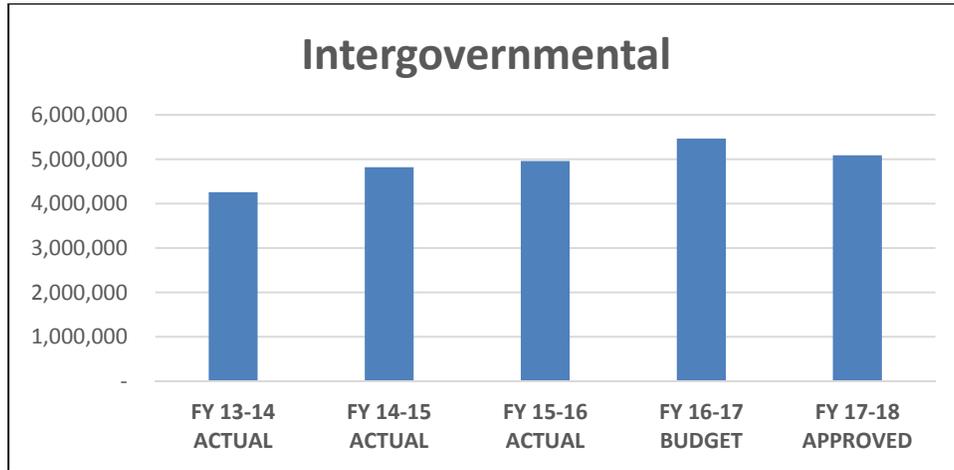


Penalties Less Discounts – Interest on delinquent taxes; late listing penalties; and other costs of collecting delinquent taxes.

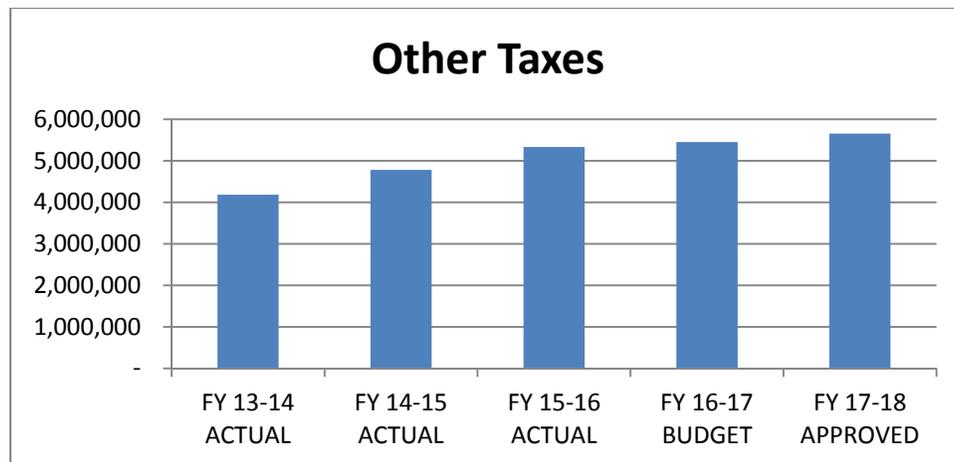
Licenses and Permits – Building permits; inspection penalties; inspection fees; and code enforcement. Increase in permit revenues primarily due to commercial growth.



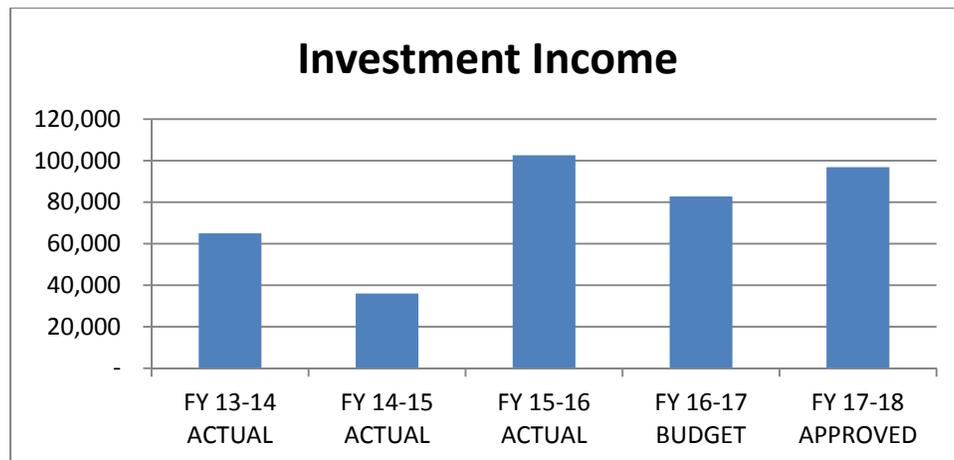
Intergovernmental - Federal, State, and local financial assistance; retail inventory taxes; utility sales tax; beer & wine tax; and Powell Bill funds. We have seen growth in utility sales tax due to weather and increased usage.



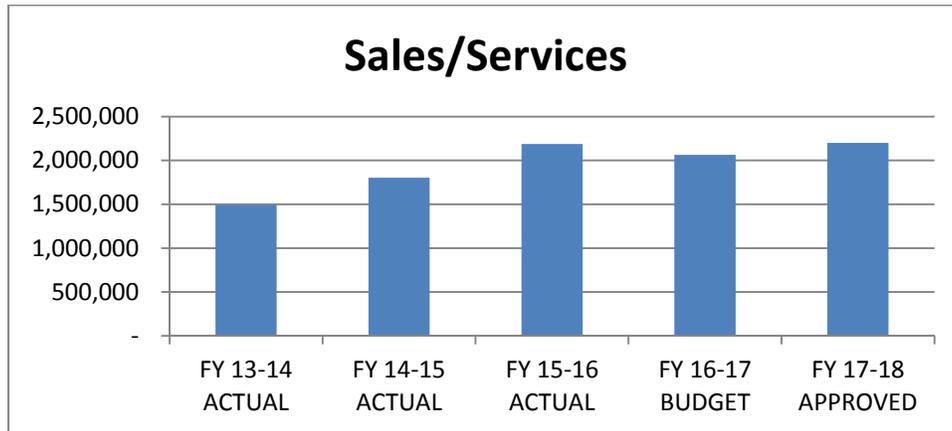
Other Taxes - Collections of the one percent local options sales tax and the one-half of one percent local option sales taxes (Articles 39, 40, 42, and 44); privilege license; and cable franchise tax. Our growth in local option sales tax has grown, however, our sales tax allocation is based on ad valorem distribution method. Our revenue stream is impacted by County ad valorem growth and County tax rate changes.



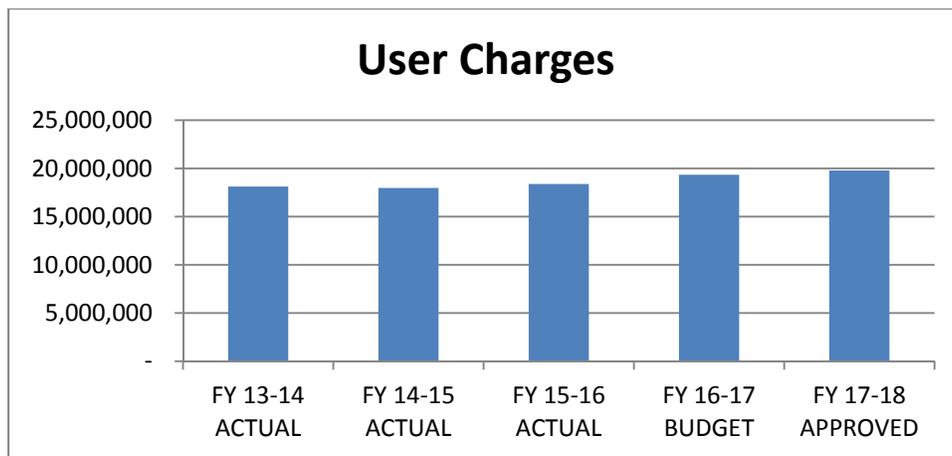
Investment Income – Interest earned.



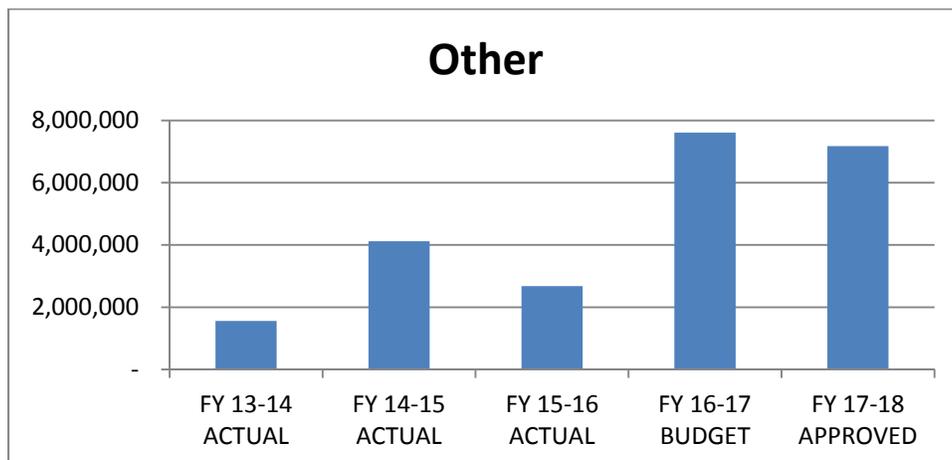
Sales and Service – Sale of materials; sale of compost; sale of fixed assets; sale of land; and waste management fees.



User Charges - Water and sewer charges; annual green fees; daily green fees; cart fees; and driving range fees.



Other Revenue - ABC Board distributions; civil violations; transfer from other funds; parking revenue; special assessments; contributions; reimbursements; rental income; Brick Tournament fees, clubhouse rental; court cost fees; installment purchase proceeds; sewer surcharge; sludge charges; monitoring fees; taps and connections; oil and grease fees; interfund services provided; animal control; relay for life; golf concession; pro shop sales; non-compliance fines; charges on past due accounts; sales other funds; market gains in Other Post Employment Benefit (OPEB) Trust Fund; and other miscellaneous revenue.

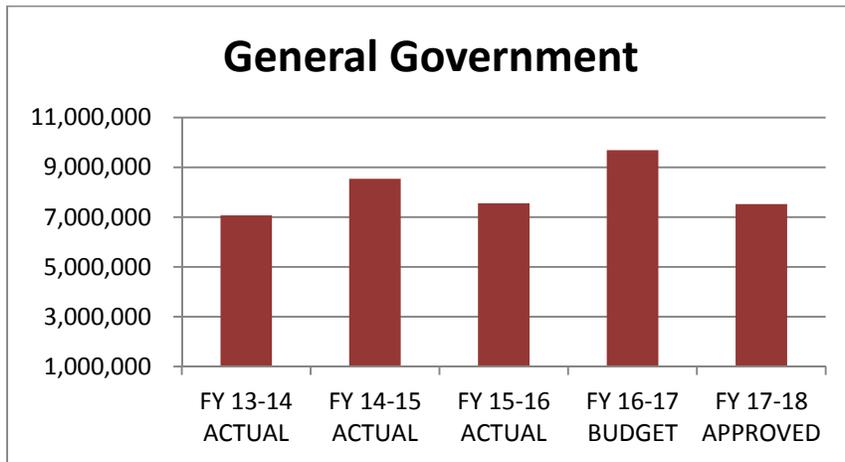


EXPENDITURES BY FUNCTION

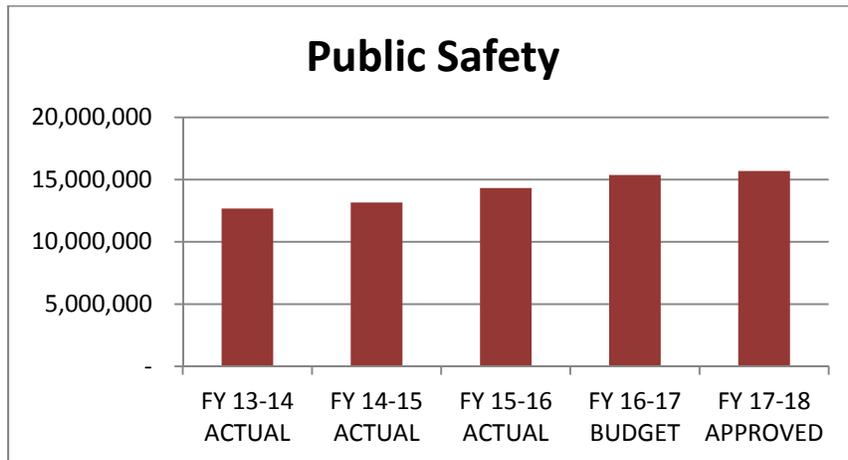
Expenditures are shown in the budget classified by funds from which they are paid, by departments spending the money, by the functions for which the expenditures are made and by the object of expenditures, which provides greater detail for controlling expenditures. Funds are appropriated at adequate levels in order to maintain or improve the quality and the level of service, which has been provided in the past.

The major expenditures by function are shown as follows:

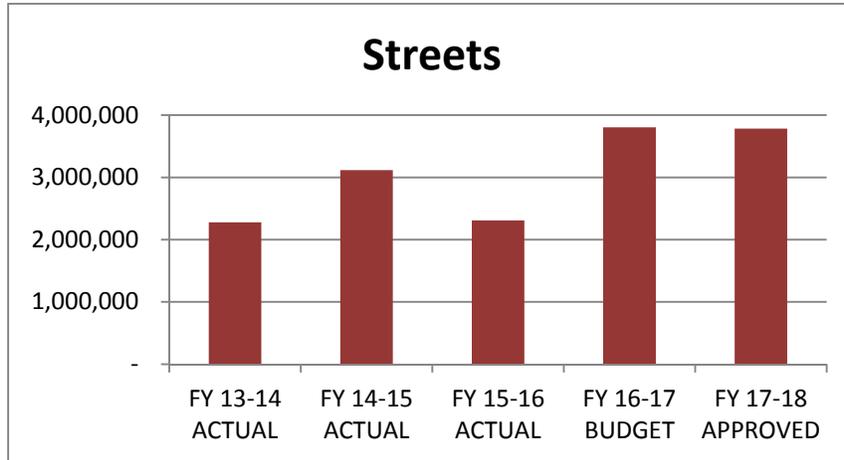
General Government - Expenditures for the Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Technology, Legal, Public Building, General Services, Central Office, GF Contributions, Fleet Maintenance, Golf, and Horticulture.



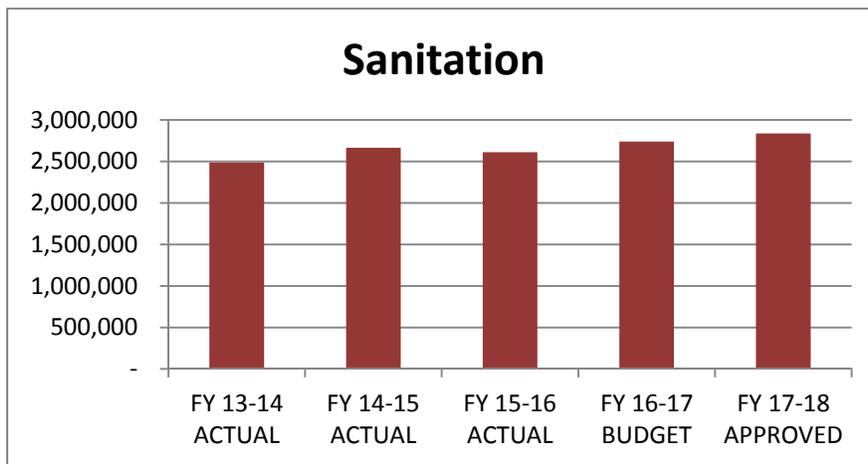
Public Safety - Expenditures for Police, Fire, and Inspections.



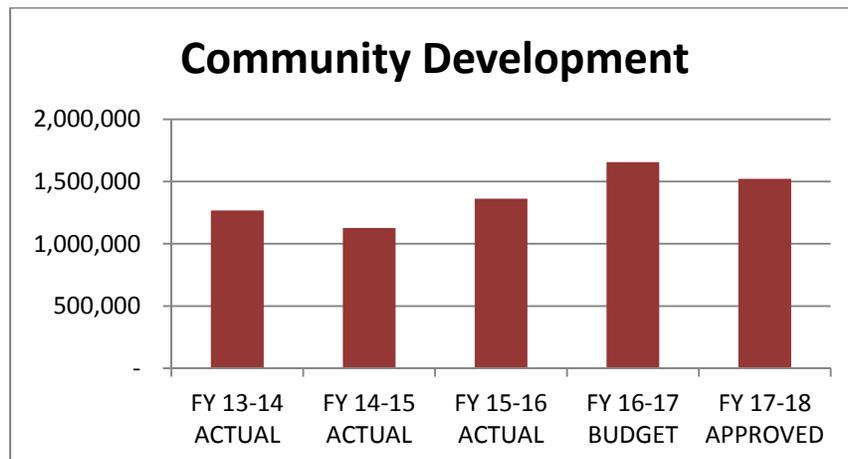
Streets - Expenditures for Street Maintenance and Street Capital Improvements.



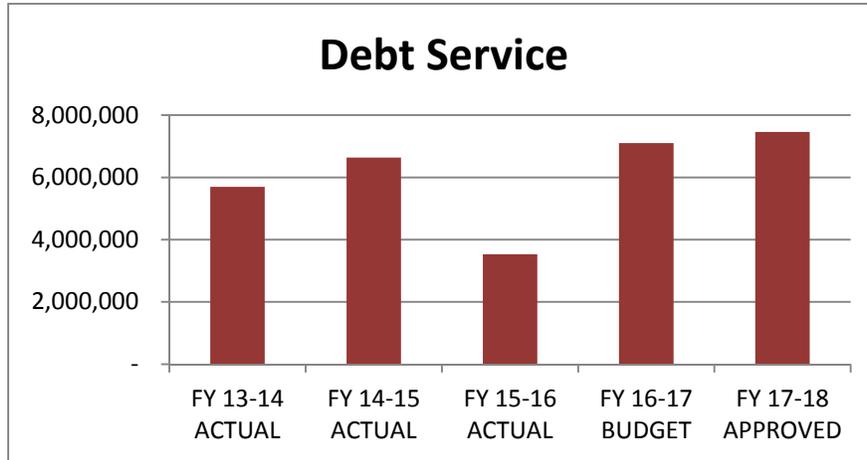
Sanitation - Expenditures for Solid Waste and Sanitation.



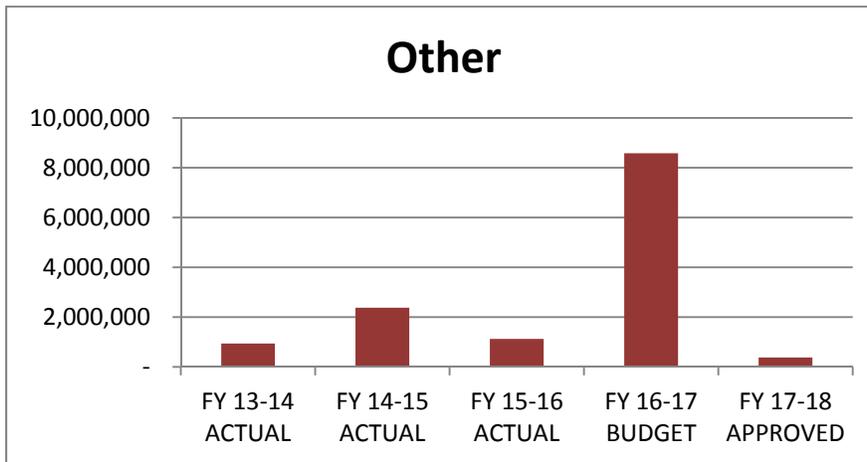
Community Development – Expenditures for Community Development, Community Enhancement – Code Enforcement, and Community Enhancement – Downtown / HPC.



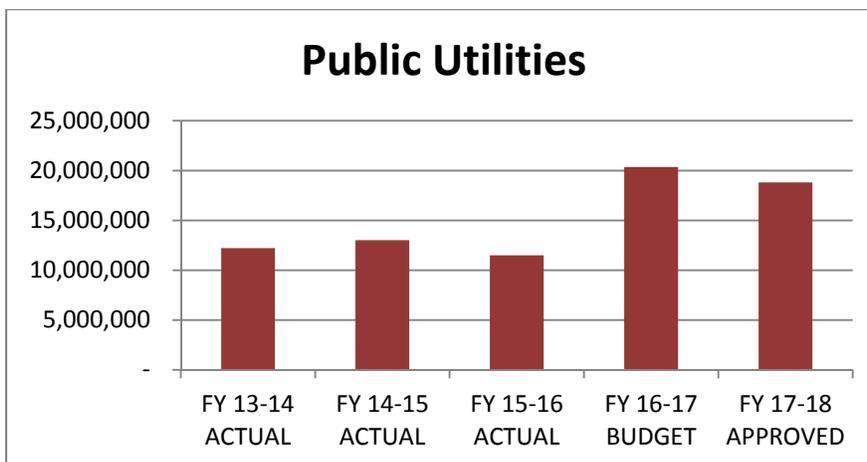
Debt Service - Principal; interest; and fees paid or accrued on bonds and notes.



Other - Expenditures for operating transfers and Municipal Service District Fund.



Public Utilities – Expenditures for Warehouse, UF Administration, UF Public Works Administration, Engineering, Sewer Construction and Maintenance, Water Construction and Maintenance, Water Plant, Wastewater Treatment Plant, Water Capital Improvements and Sewer Capital Improvements.

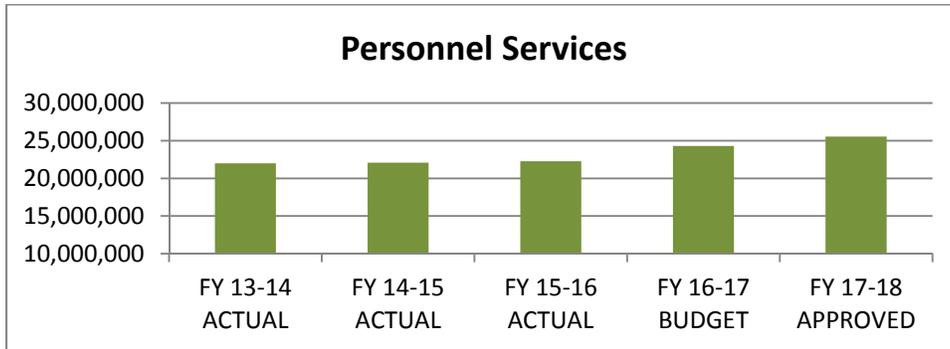


EXPENDITURES BY CATEGORY

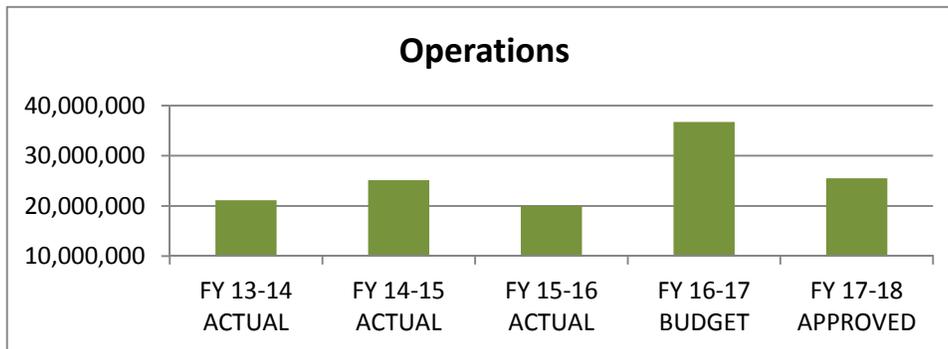
Expenditures by object are divided into three major categories - personnel services, operating expenses and capital outlays.

These categories are summarized below:

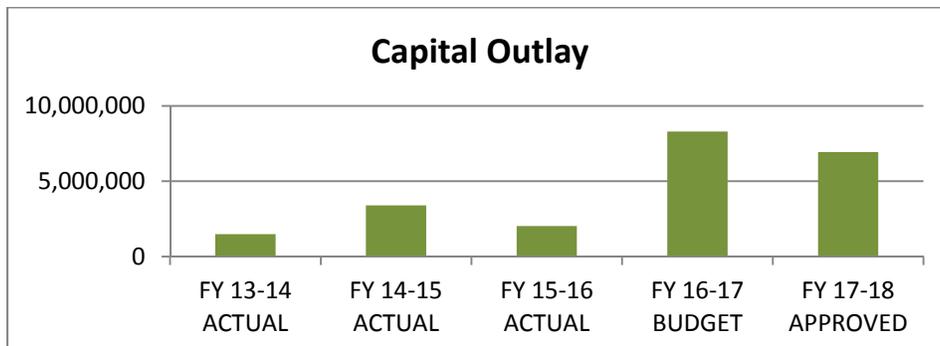
Personnel Services - Expenses, which can be directly attributed to the individual employee. These expenses would include salaries, group insurance, retirement, 401K expense and FICA. The cost of group insurance, retirement, 401K expenses and FICA has been budgeted within each operating department, which gives a more accurate cost of departmental operations.



Operating Expenses - Costs other than personnel and capital outlay that are required for the operations of the city. Operational line item expenditures are directly affected by inflationary trends, increased service demands and enforcement of governmental regulations.



Capital Outlay - Expenditures for the purchase of land, machinery, equipment, furniture, and fixtures which are too permanent a nature to be considered expendable at the time of purchase. The capital items should have a value of \$2,500 or more with an expendable life of one year or more. Budgeting of capital equipment and capital improvements are funded in accordance with the city's Capital Improvement Program and contingent on availability of funds.



CITY OF SANFORD

REVENUE ASSUMPTIONS

Certain methods, techniques and approaches have been used to aid the city in estimating future revenues. By reviewing historical data and analyzing current trends and the forces that underline them, the city can make realistic projections of revenues.

The following are some assumptions concerning revenues, which were forecast in the City of Sanford 2017-2018 Budget.

| REVENUE | FORECAST RATIONALE |
|---|---|
| ABC Revenue | The city receives a portion of the net operating revenue derived from the operation of the local liquor stores and a contractual agreement with the ABC Board to provide certain regulatory officer support. Appropriation--General Fund \$160,000 |
| Ad Valorem Taxes | Property valuations are established by the Lee County Tax Assessor from which the tax rate is set. The General Fund tax rate is sixty cents per one hundred dollars of valuation. Projections of assessed valuations are based on preliminary tax information received from the County of Lee. The Municipal Service District Fund district rate is set at eleven cents per one hundred dollars of valuation. Projections of assessed valuations are based on information provided by the County of Lee. Prior year taxes are based on accounts receivable balances as they relate to anticipated collections. Appropriation--General Fund \$15,257,887 Municipal Service District Fund \$57,070 |
| After Hours | Fees charged to customers for after hour service calls. Appropriation—Utility Fund \$8,000 |
| Airport Loan Reimbursement | The City loaned the Airport Authority \$650,000 in FY 15-16 to build additional hangars. This revenue is for the debt payments of this loan. Appropriation—General Fund \$97,256 |
| Appropriated Fund Balance / Retained Earnings | The source of this revenue is fund balance. The amount appropriated is dependent on current reserve limitations and requirements of funds to balance projected revenues to expenditures as well as funding needed for capital items. Appropriation--General Fund (\$466,971) Utility Fund \$1,363,964 Municipal Service District Fund \$45,224 |
| Beer & Wine Tax | The state levies a tax shared by the city on wholesale sales of both beer and wine. Revenue estimates were established based on information received from the NC League of Municipalities. Appropriation--General Fund \$63,812 |
| Brick Tournament Fees | Fees are collected and segregated for this annual golf tournament event. Appropriation--General Fund \$11,500 |

REVENUE

FORECAST RATIONALE

Build American Bonds Rebate

Revenue received from the Internal Revenue Service for a 35% and 45% interest rebates pertaining to the revenue bonds issued for the Wastewater Treatment Plant expansion. **Appropriation--Utility Fund \$860,000**

Building Permits and
Inspection Fees-City of Sanford

Buildings which undergo structural changes or new construction within the city limits require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. **Appropriation--General Fund \$300,000**

Building Permits and
Inspection Fees-Lee County

Buildings which undergo structural changes or new construction outside the city limits require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. **Appropriation--General Fund \$175,000**

Building Permits and
Inspection Fees-Town of Broadway

Buildings which undergo structural changes or new construction within the city limits of Broadway require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. **Appropriation--General Fund \$8,000**

Cable Franchise

The state distributes part of the state sales tax collected on video programming and telecommunication services on a quarterly basis. **Appropriation--General Fund \$190,945**

Cart Fees

Fees are collected for rental of golf carts with projections based on trend analysis. **Appropriation--General Fund \$225,000**

Charges on Past Due Accts.

Charges assessed against accounts that are paid after the due date. **Appropriation—Utility Fund \$143,000**

Civil Violations

Fines are levied by the city for violations of the city's ordinances. Projections are based on historical trends. **Appropriation--General Fund \$2,000**

REVENUE

FORECAST RATIONALE

Clearwater Fire Protection

Lee County contracts with the city for fire protection of property located outside the city limits on Clearwater Drive. **Appropriation--General Fund \$43,000**

Concessions

Revenue received for sale of concessions at the golf course. Projections are based on historical trends. **Appropriation--General Fund \$30,000**

Contribution from General Fund

This contribution represents the General Fund support of Downtown Sanford, Inc. **Appropriation--Municipal Service District Fund \$55,000**

Court Cost Fees

The city receives a portion of the local court costs based on number of arrests performed by city. Revenues are based on historical trends. **Appropriation--General Fund \$8,000**

Disposal Tax

The state levies a tax on disposal of waste. The city's portion is based on per capita share. **Appropriation--General Fund \$20,818**

Driving Range

Fees are collected for use of golf course driving range. Revenues are estimates based on anticipated use. **Appropriation--General Fund \$15,000**

Employee Computer Purchase

The employee computer purchase program is a benefit that allows employees to purchase equipment through payroll deductions. This is the revenue received from the employees who participate in the program. **Appropriation--General Fund \$50,000**

Federal Drug Forfeiture

Federal funds received for drug forfeiture. **Appropriation--General Fund \$32,000**

Fire Permits / Fines

Fees collected from industry and commercial operations for plan review and follow up inspections to assure compliance with NC State Fire Codes. **Appropriation--General Fund \$45,000**

Green Fees Annual

An annual fee is available for unlimited play at the Municipal Golf Course. Revenues are projected based on historical trends. **Appropriation--General Fund \$50,000**

Green Fees Daily

Fees are collected for daily play at the Municipal Golf Course. Estimates are based on historical data. **Appropriation--General Fund \$180,000**

REVENUE

FORECAST RATIONALE

Installment Purchase Proceeds

Installment purchase proceeds, which result from issuing debt, will be used to purchase a fire pumper, \$560,000; golf carts and mowers, \$165,000; dump truck, \$100,000, leaf vac truck, \$185,000; land acquisition, \$150,000; street paving, \$950,000; and Hawkins Avenue waterline improvements, \$3,500,000.
Appropriation—General Fund \$2,110,000 Utility Fund \$3,500,000

Insurance Proceeds

Funds received from insurance company for claims filed on behalf of the city. **Appropriation--General Fund \$25,000**

Interest Income

Funds received for the investment of idol cash. Interest income revenues are projected on the basis of estimated average available cash balances at an anticipated rate of return.
Appropriation--General Fund \$50,100 Utility Fund \$45,000 Municipal Service District Fund \$300

Interest on Assessments

Interest received is based on special assessments past due. Projections are computed from actual accounts receivable data and additions for new projects. **Appropriation-- General Fund \$500 Utility Fund \$1,000**

Local Option Sales Tax

The State collects and distributes the proceeds from the locally levied tax on retail sales. Revenue projections are based on anticipated retail sales and historical trends. G.S.105, Article 39 or 1% rate was established whereby counties and municipalities receive the net proceeds of the tax collections within the county less the cost to the state of collecting and administering the tax (point of sale). The net proceeds are distributed based on an ad valorem method that allocates in proportion to the property tax levied by a county and its municipalities in the previous fiscal year. G.S. 105, Article 40 or 1/2 of 1% rate and G.S.105, Article 42 or 1/2 of 1% was established with net proceeds placed in a statewide pool. Lee County adopted a ¼ cent additional tax effective July 2010. Also, as part of the swap of reimbursements for new sales tax, the state will honor a hold harmless guarantee.
Appropriation--General Fund \$5,442,230

Meter Rental

Revenue received from contractors for rental of meters placed on hydrants for temporary water access. **Appropriation-- Utility Fund \$3,000**

Miscellaneous

This revenue includes revenue sources not otherwise classified. Projections are based on comparisons of past operating data.
Appropriation--General Fund \$150,000 Utility Fund \$5,000

NC Electronics Management Fund

Revenue received from the state for recycling electronic waste.
Appropriation--General Fund \$2,000

REVENUE

FORECAST RATIONALE

Non-Compliance Fines

Fees are assessed for sewer not in compliance with discharge permits. **Appropriation--Utility Fund \$1,300**

NSF Charges

Charges assessed against customers for non-sufficient funds of returned checks. **Appropriation--Utility Fund \$5,500**

Oil and Grease Fees

The city has initiated an oil and grease trap control program per mandate of the State. The program should assist in the prevention of water and sewer system contamination. The fee was established to offset such program costs.

Appropriation--Utility Fund \$20,300

OPEB Distribution

Anticipated market gains from Other Post Employment Benefit (OPEB) Trust fund. The city began making contributions into this fund in 2008 and contributes as funds are available.

Appropriation—General Fund \$75,000

Parking Revenues

Proceeds projected for parking fines and parking space rentals.

Appropriation—General Fund \$4,500

Payment in Lieu of Taxes

The Sanford Housing Authority makes an annual payment in lieu of taxes for housing projects located within the corporate limits. Projections are based on historical data, which reflects no significant change in receipts over the last several years.

Appropriation--General Fund \$45,000

Penalties Less Discounts

The revenues attained from penalties less discounts are estimated based on trend analysis and increases in tax levies. Discounts are not planned during this fiscal year. Penalties are assessed on payments made after January 5. For the period from January 6 to February 1 interest accrues at the rate of 2%. Thereafter, interest accrues at the rate of 3/4% per month or fraction thereof until outstanding balances are paid in full.

Appropriation—General Fund \$58,000

Powell Bill

State street-aid allocations received bi-annually to maintain, repair, construct, or widen local streets that are the responsibility of the city. The general statutes require that a sum be allocated from the State Highway Fund to the qualifying municipalities equal to the revenue for the fiscal year by 10.4% on each taxed gallon of motor fuel. FY 16-17: 135.70 miles of street times \$1,622.49 and population 28,802 times \$20.04. **Appropriation--General Fund \$787,394**

Pre-Treatment Monitoring Fee

The industrial monitoring fee was established to recover monitoring costs for the city's pre-treatment and enforcement management program. Revenues are based on actual planned occurrences. **Appropriation--Utility Fund \$80,000**

REVENUE

FORECAST RATIONALE

Privilege License

Privilege licenses are levied by the city on certain businesses. Projections are based on actual establishments and the appropriate license schedule. COUNCIL REPEALED THE PRIVILEGE LICENSE TAX IN JANUARY, 2010. **Appropriation--General Fund \$2,000**

Pro Shop Sales

Revenue received thru sales at the golf course pro shop. **Appropriation--General Fund \$53,000**

Receipt Local Inspections Contract

The city and county Inspection Departments have merged their operations. The county's share of the merged departments is projected as follows. **Appropriation--General Fund \$32,253**

Receipt Lee Co.-Buggy Factory

The consolidated Sanford/Lee County Planning and Community Development department, the Sanford Area Growth Alliance (SAGA), as well as other stand-alone departments are relocated in the old buggy factory in downtown Sanford. This revenue is Lee County's portion of the agreed upon shared cost to maintain the building. **Appropriation--General Fund \$15,902**

Receipt Other Governments- State

The state will pay for mowing right-of-ways through negotiated contract. **Appropriation--General Fund \$27,064**

Receipt Other Local Governments- Lee County and Broadway

The city provides certain services for the County of Lee and Town of Broadway for which it is reimbursed. The total cost for 911 dispatching is shared on a 23.51% calls ratio (\$317,712). The county's cost of the merged community development department is projected to be \$396,324. The contract with the Town of Broadway for planning and inspection services rendered equals \$8,000. The city also provides financial services to the Town of Broadway which is reimbursed in the amount of \$3,500. Telephone surcharge revenues earmarked for expenditures relative to the 911 services total \$365,265. **Appropriation--General Fund \$396,324, \$365,265, \$317,712, \$8,000, \$3,500**

Rental Income

To account for cell tower rental on the city's water tanks. **Appropriation--Utility Fund \$73,000**

Sale of Compost Materials

Proceeds are received for the sale of compost materials. Revenue projections are based on historical patterns, rate fees as shown within the budget ordinance, and anticipation of availability of materials. **Appropriation--General Fund \$25,000**

Sale of Fixed Property

Funds are generated from the sale of surplus properties and/or equipment. **Appropriation--General Fund \$150,000 Utility Fund \$50,000**

REVENUE

FORECAST RATIONALE

Sale of Materials

Funds are generated from the sale of surplus materials. Projection rationales are derived by using historical trend analysis. **Appropriation--General Fund \$4,000**

Sale of Non-Capital Assets

Sale of surplus items that do not meet capital criteria. **Appropriation--General Fund \$2,500**

Sales Other Funds

To record revenue from other funds due the Utility Fund for items received from internal store. **Appropriation--Utility Fund \$27,000**

Sanitation Fees

Proceeds are received for landfill disposal. These charges are based on actual needs. Fees are assessed uniformly (\$200 annually) to all residential property owners on the tax bill. **Appropriation--General Fund \$2,019,375**

Sewer Charges

Proceeds are received for the collection and treatment of wastewater. Projections are based on historical user trends. **Appropriation--Utility Fund \$8,541,080**

Sewer Surcharges

Charges are placed on all users who discharge wastewater having characteristics in excess of standards set by local sewer use ordinance. Revenues are based on historical trend models. **Appropriation--Utility Fund \$20,000**

Sludge Charges

Fees are charged for discharge of wastewater by means other than the city's collection system. Projections are based on past year's actual revenues. **Appropriation--Utility Fund \$45,000**

Special Assessments

Charges are levied against particular properties to pay for public improvements that specifically benefit those properties. Revenues are derived from accounts receivable data and additions for new projects. **Appropriation--General Fund \$3,000**

Street Charges

Charges for asphalt repairs that the street department performs after utility work has been completed by the water or sewer departments. **Appropriation--General Fund \$225,000**

Taps and Connections

Fees are charged to customers for connections to the city's water or wastewater system. Revenues are based on historical trends. **Appropriation--Utility Fund \$140,000**

Tower Consultant Fee

Revenue received for special use permits to review telecommunication tower applications. **Appropriation--General Fund \$8,000**

REVENUE

FORECAST RATIONALE

Utility Franchise Tax

The city shares in the franchise tax levied by the state on various utilities. Revenues are based on estimated receipts from the N.C. Dept. of Revenue and historical models. Each city's share is based on the actual receipts from electric, telephone, and natural gas services within their municipal boundaries, as a proportion of total statewide receipts. Any significant local rate increases or decreases approved during the year will cause receipts to change. The weather also plays an important part in revenue received.
Appropriation--General Fund \$2,134,142

Water Charges

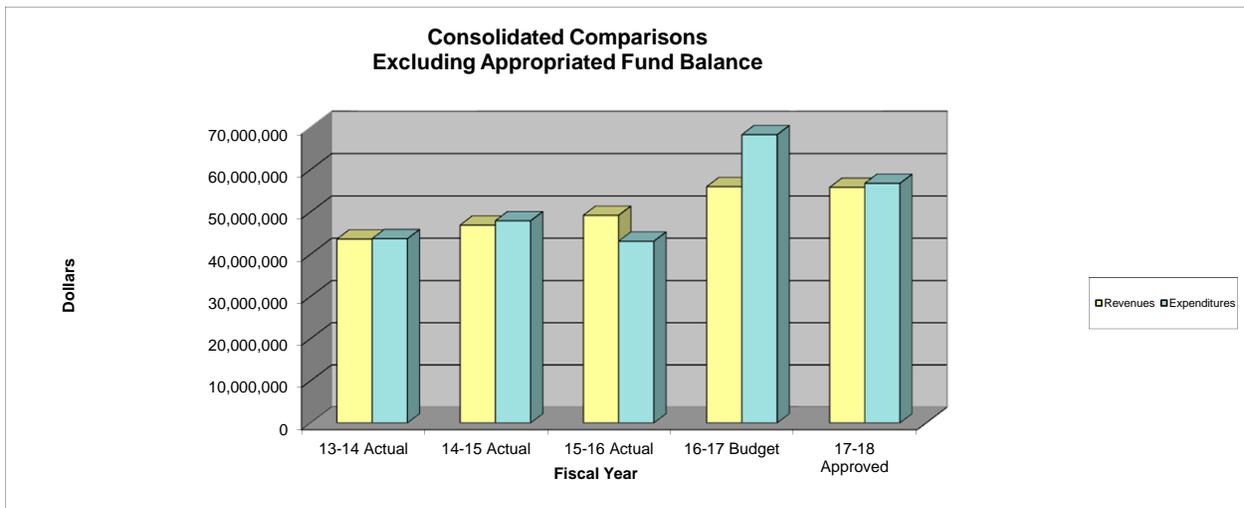
Proceeds are from the sale of treated water through the distribution system. Revenue estimates are based on historical user trends adjusted to reflect the existing rate structure.
Appropriation--Utility Fund \$10,758,444

**CONSOLIDATED BUDGET
FUND SUMMARIES**

| | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|----------------------|-----------------------------|-------------|
| REVENUES | | | | | | | | |
| General Fund | 23,659,322 | 28,612,823 | 28,149,439 | 29,544,001 | 31,403,979 | 31,403,979 | 1,859,978 | 6% |
| Enterprise Fund | 19,936,372 | 19,945,666 | 20,602,248 | 26,360,513 | 24,326,624 | 24,326,624 | -2,033,889 | -8% |
| Special Tax District | 59,193 | 54,823 | 100,824 | 97,770 | 112,370 | 112,370 | 14,600 | 15% |
| SUB-TOTAL | 43,654,887 | 48,613,312 | 48,852,511 | 56,002,284 | 55,842,973 | 55,842,973 | -159,311 | 0% |
| Appropriated Fund Balance | 0 | 0 | 0 | 12,292,130 | 983,883 | 942,217 | -11,349,913 | -92% |
| Less Interfund Activity | -87,258 | -1,731,849 | -202,687 | -43,100 | -55,000 | -55,000 | -11,900 | 28% |
| TOTAL BUDGET | 43,567,629 | 46,881,464 | 48,649,825 | 68,251,314 | 56,771,856 | 56,730,190 | -11,521,124 | -17% |
| EXPENDITURES | | | | | | | | |
| General Fund | 24,904,876 | 27,617,403 | 27,859,834 | 32,978,152 | 34,376,531 | 30,937,008 | -2,041,144 | -6% |
| Enterprise Fund | 18,800,377 | 21,976,677 | 20,732,236 | 35,182,952 | 27,819,537 | 25,690,588 | -9,492,364 | -27% |
| Special Tax District | 47,233 | 43,930 | 96,668 | 133,310 | 199,260 | 157,594 | 24,284 | 18% |
| SUB-TOTAL | 43,752,486 | 49,638,010 | 48,688,738 | 68,294,414 | 62,395,328 | 56,785,190 | -11,509,224 | -17% |
| Less Interfund Activity | -87,258 | -1,731,849 | -202,687 | -43,100 | -55,000 | -55,000 | -11,900 | 28% |
| TOTAL BUDGET | 43,665,228 | 47,906,161 | 48,486,051 | 68,251,314 | 62,340,328 | 56,730,190 | -11,521,124 | -17% |

GRAPHIC REPRESENTATION

Illustrated below are revenues as they relate to expenditures.

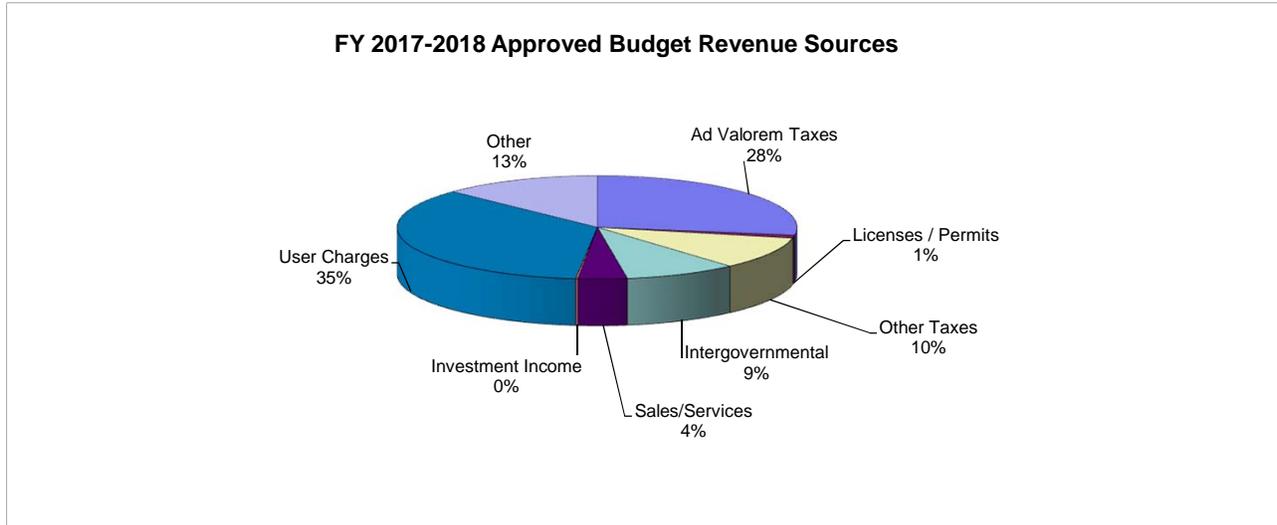


**CONSOLIDATED BUDGET
REVENUE SUMMARIES**

| | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| REVENUES | | | | | | | | |
| Ad Valorem Taxes | 13,642,775 | 14,687,585 | 15,098,152 | 15,334,566 | 15,314,957 | 15,314,957 | -19,609 | 0% |
| Licenses / Permits | 336,949 | 400,860 | 671,132 | 662,087 | 528,000 | 528,000 | -134,087 | -20% |
| Other Taxes | 4,186,593 | 4,781,255 | 5,335,169 | 5,453,142 | 5,655,993 | 5,655,993 | 202,851 | 4% |
| Intergovernmental | 4,257,482 | 4,819,004 | 4,960,616 | 5,465,902 | 5,088,368 | 5,088,368 | -377,534 | -7% |
| Sales/Services | 1,493,779 | 1,802,784 | 2,188,243 | 2,064,700 | 2,200,875 | 2,200,875 | 136,175 | 7% |
| Investment Income | 64,960 | 36,035 | 97,427 | 82,750 | 96,900 | 96,900 | 14,150 | 17% |
| User Charges | 18,116,160 | 17,965,566 | 18,370,298 | 19,331,334 | 19,781,024 | 19,781,024 | 449,690 | 2% |
| Other | 1,556,189 | 4,120,223 | 2,131,475 | 7,607,803 | 7,176,856 | 7,176,856 | -430,947 | -6% |
| SUB-TOTAL | 43,654,887 | 48,613,312 | 48,852,511 | 56,002,284 | 55,842,973 | 55,842,973 | -159,311 | 0% |
| Appropriated Fund Balance | 0 | 0 | 0 | 12,292,130 | 983,883 | 942,217 | -11,349,913 | -92% |
| Less Interfund Activity | -87,258 | -1,731,849 | -202,687 | -43,100 | -55,000 | -55,000 | -11,900 | 28% |
| TOTAL BUDGET | 43,567,629 | 46,881,464 | 48,649,825 | 68,251,314 | 56,771,856 | 56,730,190 | -11,521,124 | -17% |

GRAPHIC REPRESENTATION

The relative value of major revenue sources are shown below. Ad-Valorem Taxes and User Charges represent 63% of the revenues received by the city.

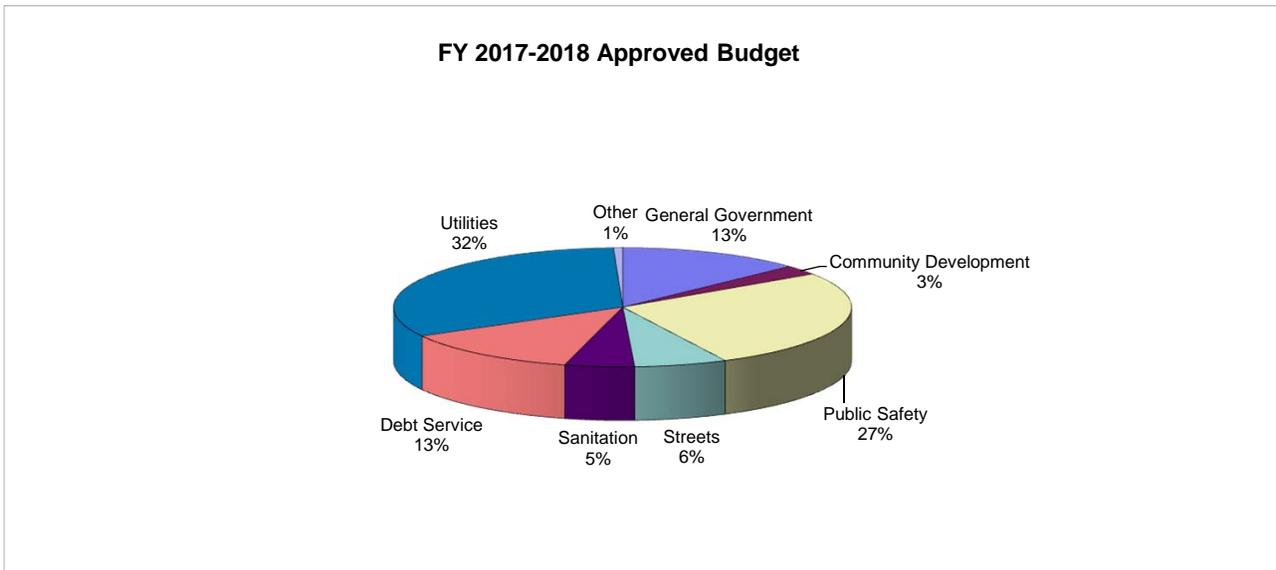


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

| | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|-------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| FUNCTIONS | | | | | | | | |
| General Government | 7,072,094 | 8,536,196 | 7,556,832 | 9,686,908 | 8,265,700 | 7,523,133 | -2,163,775 | -22% |
| Community Development | 1,267,931 | 1,126,641 | 1,362,229 | 1,656,129 | 1,694,976 | 1,521,288 | -134,841 | -8% |
| Public Safety | 12,670,778 | 13,161,601 | 14,322,981 | 15,375,088 | 16,983,589 | 15,693,890 | 318,802 | 2% |
| Streets | 2,278,446 | 3,115,985 | 2,309,972 | 3,803,411 | 4,321,784 | 3,783,823 | -19,588 | -1% |
| Sanitation | 2,486,111 | 2,665,014 | 2,611,212 | 2,739,569 | 3,388,490 | 2,837,095 | 97,526 | 4% |
| Debt Service | 5,697,854 | 6,634,488 | 7,290,939 | 7,101,138 | 7,605,607 | 7,461,394 | 360,256 | 5% |
| Utilities | 12,210,573 | 13,007,509 | 13,117,005 | 20,356,740 | 20,944,606 | 18,808,300 | -1,548,440 | -8% |
| Other | 939,183 | 2,378,609 | 1,159,073 | 8,585,884 | 411,834 | 377,525 | -8,208,359 | -96% |
| SUB-TOTAL | 44,622,969 | 50,626,044 | 49,730,244 | 69,304,867 | 63,616,586 | 58,006,448 | -11,298,419 | -16% |
| Less Interfund Activity | -87,258 | -1,731,849 | -202,687 | -43,100 | -55,000 | -55,000 | -11,900 | 28% |
| Interfund Reimbursement | -870,483 | -988,034 | -1,041,506 | -1,010,453 | -1,221,258 | -1,221,258 | -210,805 | 21% |
| TOTAL BUDGET | 43,665,228 | 47,906,161 | 48,486,051 | 68,251,314 | 62,340,328 | 56,730,190 | -11,521,124 | -17% |

GRAPHIC REPRESENTATION

Expenditures classed by function reflect cost as it relates to total spending. Public safety and utilities represent 59% of the city's total appropriations.

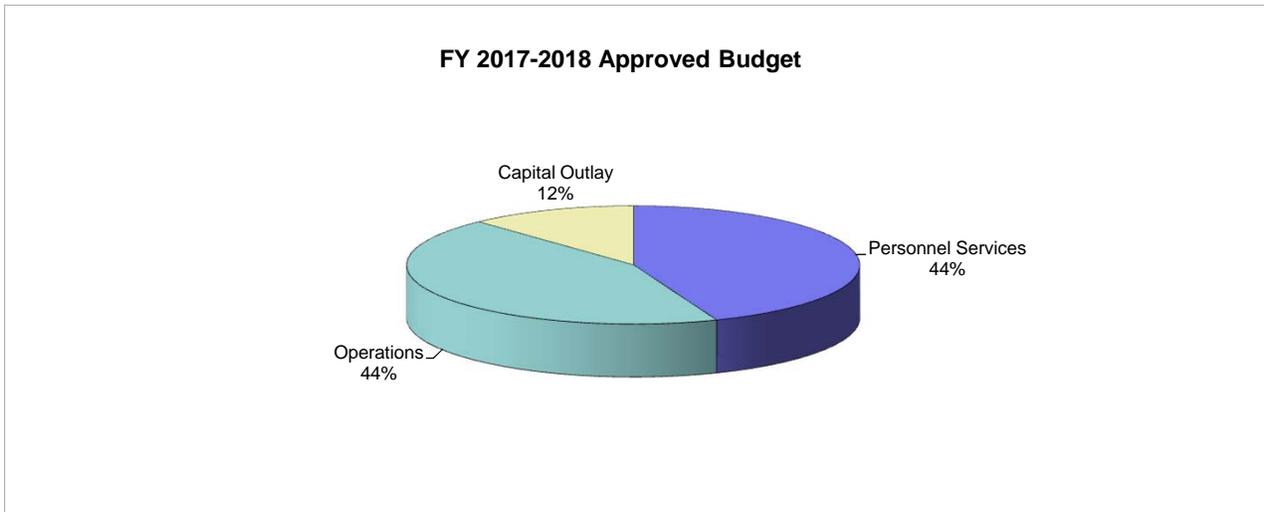


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

| | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| EXPENDITURES | | | | | | | | |
| Personnel Services | 21,996,548 | 22,095,070 | 22,281,276 | 24,297,104 | 25,213,690 | 25,554,406 | 1,257,302 | 5% |
| Operations | 21,136,083 | 25,133,542 | 23,779,643 | 36,710,203 | 26,522,339 | 25,512,896 | -11,197,307 | -31% |
| Capital Outlay | 1,490,338 | 3,397,432 | 2,025,516 | 8,297,560 | 14,713,077 | 6,939,146 | -1,358,414 | -16% |
| SUB-TOTAL | 44,622,968 | 50,626,044 | 48,086,435 | 69,304,867 | 66,449,106 | 58,006,448 | -11,298,419 | -16% |
| Less Interfund Activity | -87,258 | -1,731,849 | -202,687 | -43,100 | -55,000 | -55,000 | -11,900 | 28% |
| Interfund Reimbursement | -870,483 | -988,034 | -1,041,506 | -1,010,453 | -1,221,258 | -1,221,258 | -210,805 | 21% |
| TOTAL BUDGET | 43,665,228 | 47,906,161 | 46,842,243 | 68,251,314 | 65,172,848 | 56,730,190 | -11,521,124 | -17% |

GRAPHIC REPRESENTATION

As shown below personnel services represent a major percentage of the city's total expenditures. These expenditures include salary and benefit cost for 359 employees. Eight (8) frozen positions are included on the staffing comparison headcount but not budgeted. Operating costs include major expenditures for utilities, debt service, chemicals, and contractual services. Capital is shown in detail at the departmental level.



GENERAL FUND REVENUE

| REVENUE SOURCES | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | VARIANCE | % |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | ACTUAL | ACTUAL | ACTUAL | BUDGET | REQUESTED | APPROVED | 17 BUD./18 APP. | CHG. |
| Prior | 244,689 | 85,323 | 172,414 | 130,000 | 120,000 | 120,000 | -10,000 | -8% |
| Current | 12,500,305 | 13,385,630 | 13,610,080 | 13,887,220 | 13,873,023 | 13,873,023 | -14,197 | 0% |
| Motor Vehicle Tax | 706,301 | 1,054,817 | 1,141,670 | 1,159,926 | 1,161,864 | 1,161,864 | 1,938 | 0% |
| Payment in Lieu of Taxes | 28,671 | 29,534 | 35,233 | 45,000 | 45,000 | 45,000 | 0 | 0% |
| Penalties Less Discounts | 73,528 | 68,298 | 69,350 | 50,000 | 50,000 | 50,000 | 0 | 0% |
| Motor Vehicle Tax - Penalties | 5,127 | 9,231 | 10,859 | 8,000 | 8,000 | 8,000 | 0 | 0% |
| MV Tax Setup Cost Refund | 25,549 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total Ad Valorem Taxes | 13,584,170 | 14,632,832 | 15,039,606 | 15,280,146 | 15,257,887 | 15,257,887 | -22,259 | 0% |
| Local Sales Tax - Article 39 | 1,656,699 | 1,905,476 | 2,138,639 | 2,153,867 | 2,237,522 | 2,237,522 | 83,655 | 4% |
| Local Sales Tax - Article 40 | 808,476 | 932,041 | 1,035,229 | 1,042,672 | 1,083,168 | 1,083,168 | 40,496 | 4% |
| Local Sales Tax - Article 44 | 711,737 | 838,626 | 927,016 | 965,288 | 1,002,779 | 1,002,779 | 37,491 | 4% |
| Local Sales Tax - Article 42 | 788,751 | 883,748 | 1,020,702 | 1,076,933 | 1,118,761 | 1,118,761 | 41,828 | 4% |
| Privilege License | 2,730 | 1,934 | 4,875 | 2,000 | 2,000 | 2,000 | 0 | 0% |
| Shared Cable Revenue | 200,683 | 200,686 | 190,090 | 193,856 | 190,945 | 190,945 | -2,911 | -2% |
| Disposal Tax Revenue | 17,517 | 18,625 | 18,618 | 18,526 | 20,818 | 20,818 | 2,292 | 12% |
| Past Due | 0 | 120 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total Other Taxes | 4,186,593 | 4,781,255 | 5,335,169 | 5,453,142 | 5,655,993 | 5,655,993 | 202,851 | 4% |
| Fire Permits / Fines | 27,235 | 44,831 | 49,328 | 48,014 | 45,000 | 45,000 | -3,014 | -6% |
| City Permits | 183,120 | 232,482 | 400,299 | 399,006 | 300,000 | 300,000 | -99,006 | -25% |
| County Permits | 119,648 | 117,470 | 216,837 | 209,067 | 175,000 | 175,000 | -34,067 | -16% |
| Broadway Permits | 6,946 | 6,077 | 4,668 | 6,000 | 8,000 | 8,000 | 2,000 | 33% |
| Total Licenses / Permits | 336,949 | 400,860 | 671,132 | 662,087 | 528,000 | 528,000 | -134,087 | -20% |
| Interest Income | 27,815 | 18,134 | 47,300 | 45,000 | 50,000 | 50,000 | 5,000 | 11% |
| Interest on Assessments | 767 | 531 | 276 | 500 | 500 | 500 | 0 | 0% |
| Powell Bill Interest Income | 175 | 20 | 115 | 100 | 100 | 100 | 0 | 0% |
| Interest Income - Federal Drug Forfeit. | 0 | 0 | 207 | 0 | 0 | 0 | 0 | 0% |
| Interest Income - State Drug Forfeit. | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 0% |
| Total Investment Income | 28,757 | 18,685 | 47,913 | 45,600 | 50,600 | 50,600 | 5,000 | 11% |
| Green Fees Annual | 0 | 0 | 0 | 75,000 | 50,000 | 50,000 | -25,000 | -33% |
| Green Fees Daily | 0 | 0 | 0 | 175,000 | 180,000 | 180,000 | 5,000 | 3% |
| Cart Fees | 0 | 0 | 0 | 230,000 | 225,000 | 225,000 | -5,000 | -2% |
| Tournament | 0 | 0 | 0 | 11,500 | 11,500 | 11,500 | 0 | 0% |
| Driving Range | 0 | 0 | 0 | 16,500 | 15,000 | 15,000 | -1,500 | -9% |
| Total Golf User Charges | 0 | 0 | 0 | 508,000 | 481,500 | 481,500 | -26,500 | -5% |
| Intergovernmental Revenues | | | | | | | | |
| United States of America | | | | | | | | |
| Build American Bonds Rebate | 1,161 | 132 | 0 | 0 | 0 | 0 | 0 | 0% |
| Federal Drug Forfeiture | 0 | 0 | 90,059 | 85,454 | 32,000 | 32,000 | -53,454 | -63% |
| State of North Carolina | | | | | | | | |
| Utility Franchise Tax | 1,562,537 | 2,016,387 | 0 | 0 | 0 | 0 | 0 | 0% |
| Electricity Sales Tax | 0 | 0 | 1,869,698 | 1,952,373 | 1,926,163 | 1,926,163 | -26,210 | -1% |
| Natural Gas Sales Tax | 0 | 0 | 68,544 | 71,678 | 47,364 | 47,364 | -24,314 | -34% |
| Telecommunications Sales Tax | 0 | 0 | 174,449 | 182,101 | 160,615 | 160,615 | -21,486 | -12% |
| Beer & Wine Tax | 62,706 | 68,827 | 63,180 | 67,932 | 63,812 | 63,812 | -4,120 | -6% |
| Powell Bill | 813,029 | 816,401 | 807,859 | 799,241 | 787,394 | 787,394 | -11,847 | -1% |
| State Drug Forfeiture | 32,825 | 18,757 | 32,405 | 0 | 0 | 0 | 0 | 0% |
| Rec. Other Gov.-State | 25,712 | 26,164 | 20,816 | 27,016 | 27,064 | 27,064 | 48 | 0% |
| NC Electronics Management Fund | 1,896 | 2,222 | 2,766 | 2,100 | 2,000 | 2,000 | -100 | -5% |
| Foundation Grants | 0 | 0 | 1,000 | 2,500 | 0 | 0 | -2,500 | -100% |
| Other Local Governments | | | | | | | | |
| Rec. Lee County-Buggy Factory | 0 | 0 | 5,667 | 24,458 | 15,902 | 15,902 | -8,556 | -35% |
| Clearwater Fire Protection | 36,000 | 40,000 | 42,000 | 43,000 | 43,000 | 43,000 | 0 | 0% |
| Rec. Lee County | 0 | 29,540 | 16,409 | 4,900 | 0 | 0 | -4,900 | -100% |
| Consolidated Planning Services | 398,559 | 369,287 | 407,779 | 386,891 | 404,324 | 404,324 | 17,433 | 5% |
| 911 Surcharge Reimbursement | 185,524 | 324,152 | 237,892 | 629,347 | 365,265 | 365,265 | -264,082 | -42% |
| 911 Dispatch | 197,657 | 188,161 | 219,880 | 287,415 | 317,712 | 317,712 | 30,297 | 11% |
| Rec. Local Inspections Contract | 43,512 | 23,571 | 0 | 45,996 | 32,253 | 32,253 | -13,743 | -30% |
| Financial Services - Broadway | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 0 | 0% |
| Total Intergovernmental | 3,364,618 | 3,927,102 | 4,063,903 | 4,615,902 | 4,228,368 | 4,228,368 | -387,534 | -8% |

GENERAL FUND REVENUE

| REVENUE SOURCES | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Sale of Materials | 1,379 | 3,323 | 5,632 | 4,000 | 4,000 | 4,000 | 0 | 0% |
| Sale of Non-Capital Assets | 0 | 0 | 6,304 | 2,500 | 2,500 | 2,500 | 0 | 0% |
| Sale of Compost Materials | 46,800 | 34,543 | 46,470 | 35,000 | 25,000 | 25,000 | -10,000 | -29% |
| Sale of Capital Assets | 141,109 | 20,855 | 367,849 | 233,200 | 150,000 | 150,000 | -83,200 | -36% |
| Sanitation Fees | 1,304,491 | 1,744,064 | 1,761,988 | 1,790,000 | 2,019,375 | 2,019,375 | 229,375 | 13% |
| Total Sales and Service | 1,493,779 | 1,802,784 | 2,188,243 | 2,064,700 | 2,200,875 | 2,200,875 | 136,175 | 7% |
| Court Cost Fees | 9,798 | 8,064 | 8,107 | 8,000 | 8,000 | 8,000 | 0 | 0% |
| Installment Purchase Proceeds | 0 | 1,058,570 | 0 | 0 | 2,110,000 | 2,110,000 | 2,110,000 | 0% |
| Employee Computer Purchase | 0 | 0 | 0 | 50,000 | 50,000 | 50,000 | 0 | 0% |
| Charges on Past Due Accounts | 65 | 0 | 90 | 0 | 0 | 0 | 0 | 0% |
| Insurance Proceeds | 27,778 | 0 | 71,775 | 29,818 | 25,000 | 25,000 | -4,818 | -16% |
| Youth Council | 1,310 | 1,330 | 0 | 0 | 0 | 0 | 0 | 0% |
| Airport Loan Reimbursement | 0 | 0 | 60,126 | 100,324 | 97,256 | 97,256 | -3,068 | -3% |
| ABC Revenue | 140,000 | 215,000 | 160,000 | 160,000 | 160,000 | 160,000 | 0 | 0% |
| Contribution - Municipal Service Dist. | 0 | 0 | 0 | 15,000 | 0 | 0 | -15,000 | -100% |
| Street Charges | 174,497 | 189,993 | 224,649 | 225,000 | 225,000 | 225,000 | 0 | 0% |
| Block Party Funds | 0 | 0 | 1,073 | 0 | 0 | 0 | 0 | 0% |
| Parking Revenue | 8,348 | 5,107 | 2,192 | 8,004 | 4,500 | 4,500 | -3,504 | -44% |
| Youth Council | 0 | 0 | 2,582 | 0 | 0 | 0 | 0 | 0% |
| Animal Control | 469 | 0 | 100 | 0 | 0 | 0 | 0 | 0% |
| Donations | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0% |
| Miscellaneous | 290,460 | 156,558 | 262,326 | 212,278 | 150,000 | 150,000 | -62,278 | -29% |
| Civil Violations | 3,376 | 1,181 | 2,663 | 3,000 | 2,000 | 2,000 | -1,000 | -33% |
| Contribution-Other | 0 | 7,874 | 0 | 0 | 0 | 0 | 0 | 0% |
| Duke Energy Grant | 0 | 0 | 0 | 10,000 | 0 | 0 | -10,000 | -100% |
| Tower Consultant Fee | 0 | 0 | 4,000 | 8,000 | 8,000 | 8,000 | 0 | 0% |
| Special Assessments | 3,053 | 2,993 | 3,640 | 3,000 | 3,000 | 3,000 | 0 | 0% |
| Golf Concessions | 0 | 0 | 0 | 30,000 | 30,000 | 30,000 | 0 | 0% |
| Pro Shop Sales | 0 | 0 | 0 | 52,000 | 53,000 | 53,000 | 1,000 | 2% |
| OPEB Distribution | 0 | 0 | 0 | 0 | 75,000 | 75,000 | 75,000 | 0% |
| MLK Donations | 100 | 0 | 50 | 0 | 0 | 0 | 0 | 0% |
| Total Other | 649,456 | 1,638,605 | 803,473 | 914,424 | 3,000,756 | 3,000,756 | 2,197,283 | 228% |
| SUB-TOTAL GENERAL FUND | 23,644,322 | 27,202,123 | 28,149,439 | 29,544,001 | 31,403,979 | 31,403,979 | 1,859,978 | 6% |
| Appropriated Fund Balance | 0 | 0 | 0 | 3,434,151 | -466,971 | -466,971 | -3,901,122 | -114% |
| Transfer in Capital Projects | 15,000 | 1,410,700 | 0 | 0 | 0 | 0 | 0 | 0% |
| TOTAL GENERAL FUND | 23,659,322 | 28,612,823 | 28,149,439 | 32,978,152 | 30,937,008 | 30,937,008 | -2,041,144 | -6% |

GENERAL FUND EXPENDITURES

| DEPARTMENT | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Governing Body | 323,234 | 328,600 | 347,192 | 380,932 | 394,325 | 382,919 | 1,987 | 1% |
| Administration | 256,032 | 287,063 | 316,073 | 339,237 | 350,086 | 434,449 | 95,212 | 28% |
| Human Resources | 283,888 | 325,004 | 300,665 | 326,912 | 335,168 | 340,287 | 13,375 | 4% |
| Risk Management | 63,091 | 87,066 | 89,368 | 84,578 | 84,918 | 86,578 | 2,000 | 2% |
| Elections | 44,705 | 0 | 33,773 | 0 | 67,815 | 67,815 | 67,815 | 0% |
| Financial Services | 946,453 | 907,343 | 969,844 | 1,065,779 | 1,107,382 | 1,121,015 | 55,236 | 5% |
| Information Technology | 316,137 | 377,833 | 401,957 | 456,292 | 460,477 | 466,612 | 10,320 | 2% |
| Legal | 242,218 | 245,101 | 283,102 | 309,417 | 293,395 | 296,354 | -13,063 | -4% |
| Public Building | 885,877 | 1,118,555 | 1,361,420 | 1,207,608 | 1,045,340 | 989,979 | -217,629 | -18% |
| General Services | 215,336 | 269,668 | 210,108 | 0 | 0 | 0 | 0 | 0% |
| Central Office | 22,147 | 19,299 | 20,197 | 38,953 | 26,028 | 26,028 | -12,925 | -33% |
| GF Contributions | 2,534,733 | 3,593,831 | 2,216,691 | 3,241,359 | 1,160,763 | 1,167,747 | -2,073,612 | -64% |
| Golf | 0 | 0 | 0 | 941,724 | 1,021,840 | 870,150 | -71,574 | -8% |
| Fleet Maintenance | 1,171,974 | 1,080,016 | 851,536 | 1,214,814 | 1,159,606 | 1,164,879 | -49,935 | -4% |
| Less Fleet Maintenance Charges | -788,600 | -658,940 | -430,400 | -584,400 | 0 | -635,000 | -50,600 | 9% |
| Horticulture | 554,868 | 555,756 | 585,306 | 663,703 | 758,557 | 743,321 | -79,618 | 12% |
| General Government | 7,072,094 | 8,536,196 | 7,556,832 | 9,686,908 | 8,265,700 | 7,523,133 | -2,163,775 | -22% |
| Police | 7,219,474 | 7,516,442 | 7,719,654 | 8,487,405 | 8,341,227 | 8,201,428 | -285,977 | -3% |
| Police - 911 Surcharge | 188,427 | 338,726 | 250,258 | 629,347 | 365,265 | 365,265 | -264,082 | -42% |
| Police - Dispatching | 948,786 | 917,023 | 976,689 | 1,136,218 | 1,128,407 | 1,159,330 | 23,112 | 2% |
| Fire | 3,916,993 | 3,986,601 | 4,933,416 | 4,635,330 | 6,595,621 | 5,439,322 | 803,992 | 17% |
| Inspection | 397,097 | 402,810 | 442,963 | 486,788 | 553,069 | 528,545 | 41,757 | 9% |
| Public Safety | 12,670,778 | 13,161,601 | 14,322,981 | 15,375,088 | 16,983,589 | 15,693,890 | 318,802 | 2% |
| Street | 2,136,627 | 2,422,641 | 1,920,087 | 2,738,800 | 2,766,259 | 2,562,638 | -176,162 | -6% |
| Street Capital Imp. | 141,819 | 693,344 | 389,885 | 1,064,611 | 1,555,525 | 1,221,185 | 156,574 | 15% |
| Streets | 2,278,446 | 3,115,985 | 2,309,972 | 3,803,411 | 4,321,784 | 3,783,823 | -19,588 | -1% |
| Debt Service | 0 | 0 | 738,113 | 727,500 | 943,250 | 799,037 | 71,537 | 10% |
| Solid Waste | 1,348,181 | 1,508,940 | 1,442,445 | 1,549,611 | 2,164,633 | 1,613,238 | 63,627 | 4% |
| Sanitation | 1,137,931 | 1,156,074 | 1,168,767 | 1,189,958 | 1,223,857 | 1,223,857 | 33,899 | 3% |
| Sanitation | 2,486,111 | 2,665,014 | 2,611,212 | 2,739,569 | 3,388,490 | 2,837,095 | 97,526 | 4% |
| Community Development | 871,045 | 788,815 | 998,962 | 1,231,474 | 1,138,633 | 1,116,521 | -114,953 | -9% |
| Code Enforcement | 292,031 | 228,871 | 252,563 | 249,334 | 268,767 | 250,803 | 1,469 | 1% |
| Planning / Historic Preservation | 104,855 | 108,955 | 110,704 | 175,321 | 287,576 | 153,964 | -21,357 | -12% |
| Community Development | 1,267,931 | 1,126,641 | 1,362,229 | 1,656,129 | 1,694,976 | 1,521,288 | -134,841 | -8% |
| SUB-TOTAL GENERAL FUND | 25,775,359 | 28,605,437 | 28,901,340 | 33,988,605 | 35,597,789 | 32,158,266 | -1,830,339 | -5% |
| Interfund Reimbursements | -870,483 | -988,034 | -1,041,506 | -1,010,453 | -1,221,258 | -1,221,258 | -210,805 | 21% |
| TOTAL GENERAL FUND | 24,904,876 | 27,617,403 | 27,859,834 | 32,978,152 | 34,376,531 | 30,937,008 | -2,041,144 | -6% |

UTILITY FUND REVENUE

| REVENUE SOURCES | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Water Charges | 10,421,755 | 10,342,799 | 10,275,173 | 10,709,449 | 10,758,444 | 10,758,444 | 48,995 | 0% |
| Sewer Charges | 7,196,876 | 7,171,039 | 7,644,040 | 8,113,885 | 8,541,080 | 8,541,080 | 427,195 | 5% |
| Total User Charges | 17,618,631 | 17,513,838 | 17,919,213 | 18,823,334 | 19,299,524 | 19,299,524 | 476,190 | 3% |
| Interest Income | 33,738 | 15,450 | 47,641 | 35,000 | 45,000 | 45,000 | 10,000 | 29% |
| Interest on Assessments | 2,146 | 977 | 1,463 | 1,900 | 1,000 | 1,000 | -900 | -47% |
| Interest on Judgements | 0 | 754 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total Investment Income | 35,884 | 17,181 | 49,103 | 36,900 | 46,000 | 46,000 | 9,100 | 25% |
| Taps and Connections | 156,046 | 118,216 | 130,472 | 146,979 | 140,000 | 140,000 | -6,979 | -5% |
| Sewer Surcharge | 58,439 | 56,749 | 45,760 | 51,000 | 20,000 | 20,000 | -31,000 | -61% |
| Meter Rental | 3,604 | 3,607 | 3,850 | 3,800 | 3,000 | 3,000 | -800 | -21% |
| Sludge Charge | 44,900 | 46,725 | 43,765 | 40,000 | 45,000 | 45,000 | 5,000 | 13% |
| Non Compliance Fines | 2,850 | 450 | 1,400 | 1,000 | 1,300 | 1,300 | 300 | 30% |
| Pretreatment Monitoring Fee | 80,784 | 80,784 | 80,784 | 75,000 | 80,000 | 80,000 | 5,000 | 7% |
| Charges on Past Due Accounts | 151,445 | 137,047 | 148,554 | 140,000 | 143,000 | 143,000 | 3,000 | 2% |
| Oil and Grease Fees | 20,325 | 20,342 | 20,309 | 20,000 | 20,300 | 20,300 | 300 | 1% |
| Sales Other Funds | 22,851 | 28,628 | 26,043 | 25,000 | 27,000 | 27,000 | 2,000 | 8% |
| Sale of Capital Assets | 90,229 | 42,672 | 223,161 | 50,000 | 50,000 | 50,000 | 0 | 0% |
| Sale of Non-Capital Assets | 0 | 0 | 2,430 | 1,000 | 0 | 0 | -1,000 | -100% |
| After Hours | 5,500 | 5,557 | 8,350 | 5,500 | 8,000 | 8,000 | 2,500 | 45% |
| NSF Charges | 8,945 | 7,145 | 6,212 | 6,000 | 5,500 | 5,500 | -500 | -8% |
| Miscellaneous | 14,690 | 8,175 | 4,833 | 10,000 | 5,000 | 5,000 | -5,000 | -50% |
| Gain/Loss on Capital Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Installment Purchase Proceeds | 0 | 0 | 0 | 6,000,000 | 3,500,000 | 3,500,000 | -2,500,000 | -42% |
| Bond Premium Revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Contribution Capital Projects | 0 | 0 | 192,107 | 0 | 0 | 0 | 0 | 0% |
| Insurance Proceeds | 0 | 0 | 39,127 | 0 | 0 | 0 | 0 | 0% |
| Rental Income | 75,655 | 72,172 | 69,377 | 75,000 | 73,000 | 73,000 | -2,000 | -3% |
| Total Other Revenue | 736,263 | 628,269 | 1,046,534 | 6,650,279 | 4,121,100 | 4,121,100 | -2,529,179 | -38% |
| Build American Bonds Rebate | 892,864 | 891,902 | 896,713 | 850,000 | 860,000 | 860,000 | 10,000 | 1% |
| Total Intergovernmental | 892,864 | 891,902 | 896,713 | 850,000 | 860,000 | 860,000 | 10,000 | 1% |
| SUB-TOTAL UTILITY FUND | 19,283,642 | 19,051,190 | 19,911,563 | 26,360,513 | 24,326,624 | 24,326,624 | -2,033,889 | -8% |
| Retained Earnings | 0 | 0 | 0 | 8,822,439 | 1,363,964 | 1,363,964 | -7,458,475 | -85% |
| Transfer In-Capital Project | 0 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0% |
| TOTAL UTILITY FUND | 19,283,642 | 19,251,190 | 19,911,563 | 35,182,952 | 25,690,588 | 25,690,588 | -9,492,364 | -27% |

UTILITY FUND EXPENSES

| DEPARTMENT | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Debt Service | 5,697,854 | 6,634,488 | 6,552,826 | 6,373,638 | 6,662,357 | 6,662,357 | 288,719 | 5% |
| UF Contributions | 88,037 | 1,492,491 | 382,802 | 8,452,574 | 212,574 | 219,931 | -8,232,643 | -97% |
| Other | 88,037 | 1,492,491 | 382,802 | 8,452,574 | 212,574 | 219,931 | -8,232,643 | -97% |
| Warehouse | 265,977 | 281,326 | 310,267 | 317,341 | 339,596 | 340,793 | 23,452 | 7% |
| Less Warehouse Charges | -186,804 | -199,858 | -216,525 | -185,000 | -185,000 | -185,000 | 0 | 0% |
| UF Administration | 1,705,619 | 1,834,961 | 1,940,460 | 2,088,642 | 2,282,875 | 2,295,655 | 207,013 | 10% |
| Engineering | 515,503 | 546,664 | 733,009 | 763,087 | 749,309 | 762,834 | -253 | 0% |
| UF Public Works Administration | 355,802 | 356,498 | 430,056 | 592,501 | 604,746 | 622,954 | 30,453 | 5% |
| Sewer Const. | 1,666,832 | 1,625,441 | 1,559,715 | 0 | 0 | 0 | 0 | 0% |
| Water Const. | 2,898,723 | 3,185,139 | 2,993,861 | 0 | 0 | 0 | 0 | 0% |
| Water Filtration | 2,028,554 | 2,091,207 | 2,154,637 | 2,853,428 | 2,393,203 | 2,388,561 | -464,867 | -16% |
| Water Reclamation | 1,837,039 | 1,874,883 | 1,898,206 | 2,384,913 | 2,098,484 | 2,116,935 | -267,978 | -11% |
| Distribution & Collection | 0 | 0 | 0 | 4,926,501 | 5,093,913 | 5,051,519 | 125,018 | 3% |
| Water Capital Imp. | 542,223 | 366,397 | 499,200 | 989,325 | 4,700,000 | 4,914,049 | 3,924,724 | 397% |
| Sewer Capital Imp. | 581,104 | 1,044,851 | 814,119 | 5,626,002 | 2,867,480 | 500,000 | -5,126,002 | -91% |
| Public Utilities | 12,210,573 | 13,007,509 | 13,117,005 | 20,356,740 | 20,944,606 | 18,808,300 | -1,548,440 | -8% |
| TOTAL UTILITY FUND | 17,996,463 | 21,134,489 | 20,052,633 | 35,182,952 | 27,819,537 | 25,690,588 | -9,492,364 | -27% |

GOLF FUND REVENUE

| DEPARTMENT | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Green Fees Annual | 70,190 | 65,551 | 48,828 | 0 | 0 | 0 | 0 | 0% |
| Green Fees Daily | 170,124 | 164,682 | 166,003 | 0 | 0 | 0 | 0 | 0% |
| Cart Fees | 224,176 | 204,954 | 202,050 | 0 | 0 | 0 | 0 | 0% |
| Tournament | 12,075 | 1,350 | 20,850 | 0 | 0 | 0 | 0 | 0% |
| School Fees | 4,325 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Driving Range | 16,639 | 15,192 | 13,355 | 0 | 0 | 0 | 0 | 0% |
| Total Golf User Charges | 497,529 | 451,728 | 451,085 | 0 | 0 | 0 | 0 | 0% |
| Interest Income | 181 | 98 | 133 | 0 | 0 | 0 | 0 | 0% |
| Total Investment Income | 181 | 98 | 133 | 0 | 0 | 0 | 0 | 0% |
| Concession | 32,432 | 28,330 | 28,572 | 0 | 0 | 0 | 0 | 0% |
| Miscellaneous | -1,301 | -1,358 | -2,492 | 0 | 0 | 0 | 0 | 0% |
| Pro Shop Sales | 51,631 | 50,150 | 50,832 | 0 | 0 | 0 | 0 | 0% |
| Installment Purchase Proceeds | 0 | 40,002 | 0 | 0 | 0 | 0 | 0 | 0% |
| Sale of Capital Assets | 0 | 4,375 | 1,869 | 0 | 0 | 0 | 0 | 0% |
| Total Golf Other | 82,762 | 121,500 | 78,781 | 0 | 0 | 0 | 0 | 0% |
| SUB-TOTAL GOLF FUND | 580,472 | 573,327 | 529,998 | 0 | 0 | 0 | 0 | 0% |
| Contribution from General Fund | 72,258 | 121,149 | 160,687 | 0 | 0 | 0 | 0 | 0% |
| TOTAL GOLF FUND | 652,730 | 694,476 | 690,685 | 0 | 0 | 0 | 0 | 0% |

GOLF FUND EXPENSES

| DEPARTMENT | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Golf | 803,913 | 842,188 | 679,603 | 0 | 0 | 0 | 0 | 0% |
| Total Other | 803,913 | 842,188 | 679,603 | 0 | 0 | 0 | 0 | 0% |
| TOTAL GOLF EXPENSES | 803,913 | 842,188 | 679,603 | 0 | 0 | 0 | 0 | 0% |

MUNICIPAL SERVICE DISTRICT FUND REVENUE

| REVENUE SOURCES | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Current Year Taxes | 53,885 | 52,045 | 51,724 | 53,100 | 55,090 | 55,090 | 1,990 | 4% |
| Prior Year Taxes | 3,379 | 1,474 | 3,975 | 0 | 0 | 0 | 0 | 0% |
| Motor Vehicle Tax | 704 | 769 | 1,700 | 1,320 | 1,980 | 1,980 | 660 | 50% |
| Motor Vehicle Tax - Penalties | 0 | 6 | 14 | 0 | 0 | 0 | 0 | 0% |
| Penalties Less Discounts | 637 | 458 | 1,133 | 0 | 0 | 0 | 0 | 0% |
| Total Ad Valorem Taxes | 58,605 | 54,752 | 58,546 | 54,420 | 57,070 | 57,070 | 2,650 | 5% |
| Interest Income | 138 | 71 | 278 | 250 | 300 | 300 | 50 | 20% |
| Total Investment Income | 138 | 71 | 278 | 250 | 300 | 300 | 50 | 20% |
| Parking Revenues | 450 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| Total Other | 450 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| SUB-TOTAL MUNICIPAL SERVICE DISTRICT FUND | 59,193 | 54,823 | 58,824 | 54,670 | 57,370 | 57,370 | 2,700 | 5% |
| Appropriated Fund Balance | 0 | 0 | 0 | 35,540 | 86,890 | 45,224 | 9,684 | 27% |
| Contribution From General Fund | 0 | 0 | 42,000 | 43,100 | 55,000 | 55,000 | 11,900 | 28% |
| TOTAL MUNICIPAL SERVICE DISTRICT FUND | 59,193 | 54,823 | 100,824 | 133,310 | 199,260 | 157,594 | 24,284 | 18% |

MUNICIPAL SERVICE DISTRICT FUND EXPENDITURES

| DEPARTMENT | FY 13-14 ACTUAL | FY 14-15 ACTUAL | FY 15-16 ACTUAL | FY 16-17 BUDGET | FY 17-18 REQUESTED | FY 17-18 APPROVED | VARIANCE 17 BUD./18 APP. | % CHG. |
|--|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|-------------------------------------|-------------------|
| Municipal Service District | 47,233 | 43,930 | 96,668 | 133,310 | 199,260 | 157,594 | 24,284 | 18% |
| Total Other | 47,233 | 43,930 | 96,668 | 133,310 | 199,260 | 157,594 | 24,284 | 18% |
| TOTAL MUNICIPAL SERVICE DISTRICT FUND | 47,233 | 43,930 | 96,668 | 133,310 | 199,260 | 157,594 | 24,284 | 18% |

Staffing Comparison - Headcount

| Department | FY 13-14 Actual | FY 14-15 Actual | FY 15-16 Actual | FY 16-17 Actual | FY 17-18 Approved |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| Governing Body - Elected | 9 | 9 | 9 | 9 | 9 |
| Administration | 3 | 3 | 3 | 3 | 4 |
| Human Resources | 4 | 4 | 4 | 4 | 4 |
| Risk Management | 1 | 1 | 1 | 1 | 1 |
| Financial Services | 9 | 9 | 9 | 9 | 9 |
| Information Technology | 2 | 3 | 3 | 3 | 3 |
| Legal | 2 | 2 | 2 | 2 | 2 |
| Public Building | 3 | 3 | 3.5 | 3.5 | 3.5 |
| General Services | 2 | 2 | 0 | 0 | 0 |
| Golf | 0 | 0 | 0 | 6 | 6 |
| Fleet Maintenance | 5 | 5 | 5.5 | 5.5 | 5.5 |
| Horticulture | 6 | 6 | 6 | 6 | 6 |
| TOTAL GENERAL GOVERNMENT | 46 | 47 | 46 | 52 | 53 |
| Police | 106 | 106 | 108 | 110 | 110 |
| Fire | 54 | 54 | 54 | 54 | 54 |
| Inspections | 7 | 7 | 7 | 7 | 7 |
| TOTAL PUBLIC SAFETY | 167 | 167 | 169 | 171 | 171 |
| Street | 18 | 18 | 17.5 | 17.5 | 17.5 |
| TOTAL TRANSPORTATION | 18 | 18 | 17.5 | 17.5 | 17.5 |
| Solid Waste | 18 | 18 | 18.5 | 18.5 | 18.5 |
| TOTAL SANITATION | 18 | 18 | 18.5 | 18.5 | 18.5 |
| Community Development | 10 | 10 | 10 | 10 | 10 |
| Code Enforcement | 4 | 4 | 4 | 4 | 4 |
| Planning/HPC | 1 | 1 | 1 | 1 | 1 |
| TOTAL COMMUNITY DEVELOPMENT | 15 | 15 | 15 | 15 | 15 |
| TOTAL GENERAL FUND | 264 | 265 | 266 | 274 | 275 |

Includes permanent part-time position and frozen position

Includes permanent part-time position

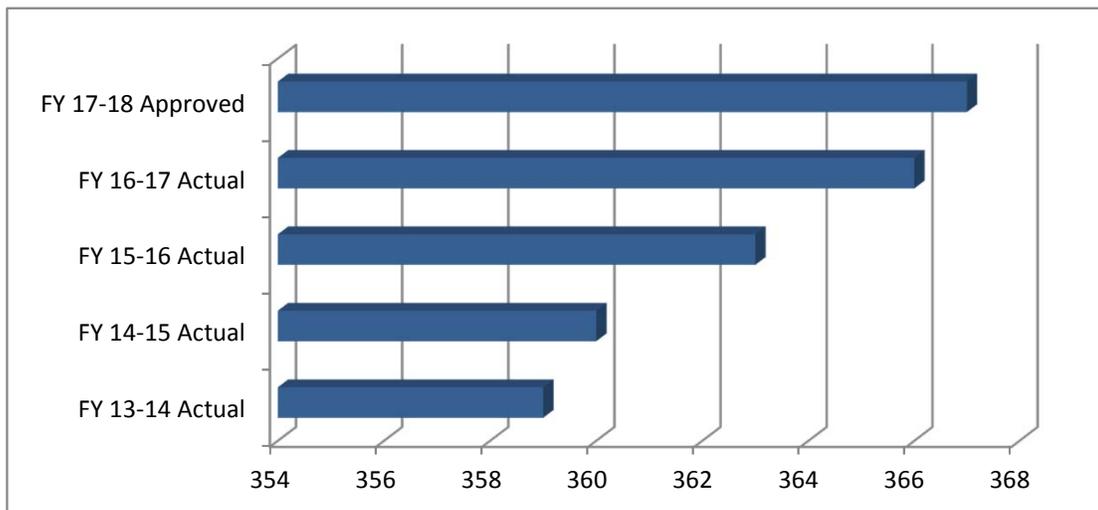
Includes frozen position(s)

Staffing Comparison - Headcount

| Department | FY 13-14 Actual | FY 14-15 Actual | FY 15-16 Actual | FY 16-17 Actual | FY 17-18 Approved |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| Warehouse | 1 | 1 | 1 | 1 | 1 |
| UF Administration | 11 | 11 | 11 | 11 | 11 |
| Engineering | 8 | 8 | 9 | 10 | 10 |
| Public Works Administration | 4 | 4 | 6 | 6 | 6 |
| Sewer Construction & Maintenance | 14 | 14 | 0 | 0 | 0 |
| Water Construction & Maintenance | 27 | 27 | 0 | 0 | 0 |
| Distribution and Collection | | | 40 | 40 | 40 |
| Water Filtration | 11 | 11 | 11 | 11 | 11 |
| Water Reclamation | 13 | 13 | 13 | 13 | 13 |
| TOTAL PUBLIC UTILITIES | 89 | 89 | 91 | 92 | 92 |
| TOTAL UTILITY FUND | 89 | 89 | 91 | 92 | 92 |
| TOTAL GOLF FUND | 6 | 6 | 6 | 0 | 0 |
| TOTAL ENTERPRISE FUND | 95 | 95 | 97 | 92 | 92 |
| GRAND TOTAL | 359 | 360 | 363 | 366 | 367 |

Includes permanent part-time position

Includes frozen position(s)



GENERAL FUND CAPITAL OUTLAY

| QTY | ITEM | DEPARTMENT | REQUESTED | | APPROVED |
|-----|---|------------------------|----------------|-------------------|------------------|
| | | | REPLACE | NEW | |
| 1 | Domain Controller Server | Information Technology | \$ 24,000 | | \$ 24,000 |
| | Total Information Technology | | 24,000 | 0 | 24,000 |
| 1 | Air condition re-claiming machine | Fleet Maintenance | | 10,000 | 10,000 |
| 1 | Electronic scan tool | Fleet Maintenance | 10,000 | | 10,000 |
| | Total Fleet Maintenance | | 10,000 | 10,000 | 20,000 |
| 1 | Passenger vehicle | Public Building | 20,500 | | 0 |
| | Upgrade electrical switch | Public Building | 8,500 | | 8,500 |
| | City hall improvements | Public Building | 40,000 | | 0 |
| | Total Public Building | | 69,000 | 0 | 8,500 |
| | Bay addition #2 fire station | Fire | | 225,000 | 0 |
| | Renovations to #2 fire station | Fire | 0 | 566,000 | 0 |
| 1 | Brush truck | Fire | 125,000 | | 0 |
| 1 | AWD SUV | Fire | 31,000 | | 0 |
| 1 | Pumper (Installment purchase) | Fire | 560,000 | | 560,000 |
| 9 | UHF mobile radios | Fire | 51,350 | | 51,350 |
| 1 | SCBA air compressor | Fire | 57,575 | | 0 |
| | Concrete at Central Fire Station | Fire | 75,000 | | 0 |
| | Replace bay doors at Central Fire Station | Fire | 80,000 | | 0 |
| | Land acquisition for #4 fire station (Installment Purchase) | Fire | | 150,000 | 150,000 |
| | Total Fire | | 979,925 | 941,000 | 761,350 |
| 1 | 3/4 ton truck | Horticulture | 22,275 | | 0 |
| 1 | Zero turn mower with bagger | Horticulture | 13,000 | | 13,000 |
| | Total Horticulture | | 35,275 | 0 | 13,000 |
| 52 | Lithium battery golf carts (Installment Purchase) | Golf | 250,000 | | 125,000 |
| 2 | Sidewinder mowers (Installment Purchase) | Golf | 40,000 | | 40,000 |
| | Total Golf | | 290,000 | 0 | 165,000 |
| 1 | 1/2 ton standard truck | Inspections | 22,500 | | 0 |
| | Total Inspections | | 22,500 | 0 | 0 |
| 1 | 1/2 ton truck | Code Enforcement | 22,000 | | 0 |
| | Total Code Enforcement | | 22,000 | 0 | 0 |
| | Wayfinding signs - Downtown Sanford and Historic Jonesboro | Downtown/HPC | | 50,000 | 35,000 |
| | Art of Fire | Downtown/HPC | | 4,000 | 0 |
| | Public art | Downtown/HPC | | 50,000 | 10,000 |
| | Bike lanes on Woodland/Vance St | Downtown/HPC | | 80,000 | 0 |
| | Total Planning / HPC | | \$ - | \$ 184,000 | \$ 45,000 |

DEBT SERVICE

The North Carolina General Statutes are very specific about the amount of general long term debt that can be issued by local governments. The statutes state that long-term debt, net of debt issued for specific enterprise activities, cannot exceed eight percent of the assessed valuation of the governmental unit. The legal debt limit of the City as of June 30, 2016 is as shown in the following table.

| | |
|--|------------------------------|
| Assessed Valuations | <u>\$ 2,478,483,833</u> |
| Debt limit 8% of assessed valuations | 198,278,707 |
| Amount of debt applicable to debt limit | 46,730,000 |
| Outstanding debt not evidenced by bonds: | |
| Notes | 16,120,392 |
| Installment purchase contracts | 1,359,883 |
| Capital leases | - |
| Annexation liability for fire protection | - |
| | <u>64,210,275</u> |
| Less deduction allowed by G.S. 159.55(a)(2) and G.S. 159.55(b)-Utility debt | <u>38,680,000</u> |
| Net Debt | <u>25,530,275</u> |
| LEGAL DEBT MARGIN | <u>\$ 172,748,432</u> |

Revenue bonds in the amount of \$52.8 million were issued in December of 2010 to fund an expansion of the Wastewater Treatment Plant. This expansion was completed in 2014 and increased capacity from 6.8 to 12 million gallons daily. The City's current bond ratings are as follows:

| | |
|---|-----|
| Moody's Investment Service | Aa3 |
| Fitch | AA |
| NC Municipal Council, Inc. ¹ | 84 |

The City has been in compliance with the covenants as to rates, fees, rentals and charges in Section 6.6 of the Bond Order, authorizing the issuance of the Enterprise System Revenue Bonds, Series 2010, since its adoption in December 2010. Section 6.6 of the Bond Order requires the debt service coverage ratio for parity indebtedness (revenue bonds only) to be 1.20 and for all indebtedness to be 1.00.

The City anticipated sufficient revenue to meet our FY 17-18 obligations without having to adjust water and sewer rates. However, without revenue growth, future rate increases may be necessary. It is important for the City to maintain a strong bond rating, adequate reserves, and debt coverage necessary to meet our obligations.

¹ The NC Municipal Council works closely with the Local Government Commission, a division of the North Carolina State Treasurer's office, which has statutory responsibility for debt issued by local governments in North Carolina. This council assists the local issuers in improving their credit quality and to improve their access to capital for essential municipal projects.

The debt service coverage ratio calculation for the year ended June 30, 2016 is as follows:

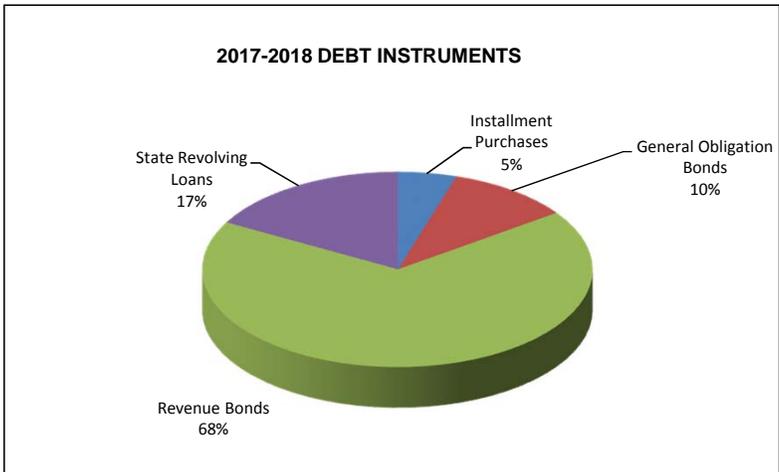
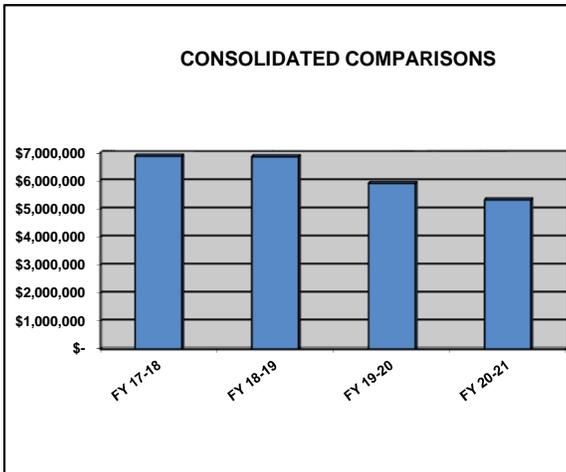
| | |
|---|----------------------|
| Operating revenues | \$ 18,522,354 |
| Operating expenses | <u>(17,383,670)</u> |
| Operating income | 1,138,684 |
| Non-operating revenues (expenses)* | <u>747,601</u> |
| Income before transfers and capital contributions | 1,886,285 |
| Adjustments: | |
| Depreciation and amortization expense (net) | 5,532,519 |
| Interest expense | 2,789,291 |
| Other post-employment benefit accrued expense | <u>247,399</u> |
| Income available for debt service | <u>\$ 10,455,494</u> |
| Parity debt service (Revenue bonds only) | \$ 5,280,853 |
| Parity debt service coverage ratio | 1.98 |
| G.O., Subordinate, and all other indebtedness | <u>1,270,273</u> |
| Total debt service | <u>\$ 6,551,126</u> |

Total debt service coverage ratio 1.60

*Per rate covenants, this does not include revenue bond interest paid of \$2,430,853.

SCHEDULE OF DEBT SERVICE

| DESCRIPTIONS | FY 17-18 REQ. | FY 18-19 REQ. | FY 19-20 REQ. | FY 20-21 REQ. | FY 21-22 REQ. | FY 22-24 REQ. | TOTAL |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Installment Purchases | | | | | | | |
| Street Resurfacing; dated 7/12/2012; 2.09% interest; BB & T; 10 years outstanding \$523,377 | \$ 105,520 | \$ 105,520 | \$ 105,520 | \$ 105,520 | \$ 105,520 | \$ 26,380 | \$ 553,980 |
| Fire Pumper; dated 11/18/14; 1.46% interest; BB & T; 5 years outstanding \$259,145 | 112,739 | 112,739 | 38,606 | - | - | - | 264,084 |
| Solid Waste Dept.; knuckleboom and leaf vac truck; dated 11/18/14; 1.46% interest; BB & T; 5 yrs; outstanding \$136,654 | 59,442 | 59,442 | 20,358 | - | - | - | 139,242 |
| Golf; rough mower; 11/18/14; 1.46% interest; BB & T; 5 years; outstanding \$18,413 | 8,014 | 8,014 | 2,743 | - | - | - | 18,771 |
| Street Dept.; street sweeper; dated 11/18/14; 1.46% interest; BB & T; 5 yrs. outstanding \$110,373 | 48,023 | 48,023 | 16,443 | - | - | - | 112,489 |
| | \$ 333,738 | \$ 333,738 | \$ 183,670 | \$ 105,520 | \$ 105,520 | \$ 26,380 | \$ 1,088,566 |
| General Obligation Bonds | | | | | | | |
| Streetscape and sidewalk GO Bonds Series 2015; 2/10/15; 2.545749% interest; outstanding \$7,600,000 | 709,500 | 691,500 | 673,500 | 655,500 | 637,500 | 6,400,800 | 9,768,300 |
| | \$ 709,500 | \$ 691,500 | \$ 673,500 | \$ 655,500 | \$ 637,500 | \$ 6,400,800 | \$ 9,768,300 |
| Revenue Bonds | | | | | | | |
| Revenue Bonds Series 2010; issued 12/22/10; 3.51% interest; outstanding \$35,965,000 | 4,668,506 | 4,665,628 | 3,890,922 | 3,405,977 | 3,370,645 | 39,160,908 | 59,162,586 |
| | \$ 4,668,506 | \$ 4,665,628 | \$ 3,890,922 | \$ 3,405,977 | \$ 3,370,645 | \$ 39,160,908 | \$ 59,162,586 |
| State Revolving Loans | | | | | | | |
| Water Imp.; 2.6% interest; issued 11/1/00; due annually to 2022; outstanding \$487,500 | 110,175 | 107,640 | 105,105 | 102,570 | 100,035 | | 525,525 |
| Water Treatment Plant; 0% interest; issued 1/29/10; due annually to 2030; outstanding \$587,329 | 45,179 | 45,179 | 45,179 | 45,179 | 45,179 | 361,434 | 587,329 |
| WWTP SRF Loan; 2.22% interest; issued 10/4/2010; 20 years; outstanding \$14,216,053 | 1,014,694 | 1,014,694 | 1,014,694 | 1,014,694 | 1,014,694 | 12,109,305 | 17,182,775 |
| | \$ 1,170,048 | \$ 1,167,513 | \$ 1,164,978 | \$ 1,162,443 | \$ 1,159,908 | \$ 12,470,739 | \$ 18,295,629 |
| TOTAL DEBT SERVICE | \$ 6,881,792 | \$ 6,858,379 | \$ 5,913,070 | \$ 5,329,440 | \$ 5,273,573 | \$ 58,058,827 | \$ 88,315,081 |



Note: Principle and interest included with annual requirements.

THIS PAGE LEFT BLANK INTENTIONALLY.

GENERAL FUND

Goal: To account for the revenues of all city departments except those required to be accounted for in other funds.

REVENUE SUMMARIES

| Revenue Sources | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------------|---------------------------|
| Ad Valorem Taxes | 13,510,642 | 14,564,534 | 14,970,256 | 15,230,146 | 15,207,887 | 15,207,887 |
| Penalties Less Disc. | 73,528 | 68,298 | 69,350 | 50,000 | 50,000 | 50,000 |
| Other Taxes | 4,186,593 | 4,781,255 | 5,335,169 | 5,453,142 | 5,655,993 | 5,655,993 |
| User Charges – Golf | 0 | 0 | 0 | 508,000 | 481,500 | 481,500 |
| Intergovernmental | 3,364,618 | 3,927,103 | 4,063,903 | 4,615,902 | 4,228,368 | 4,228,368 |
| Other | 649,456 | 1,638,605 | 803,473 | 914,424 | 3,000,756 | 3,000,756 |
| Sales/Service | 1,493,779 | 1,802,784 | 2,188,243 | 2,064,700 | 2,200,875 | 2,200,875 |
| Investment Income | 28,757 | 18,685 | 47,913 | 45,600 | 50,600 | 50,600 |
| Licenses/Permits | 336,949 | 400,860 | 671,132 | 662,087 | 528,000 | 528,000 |
| Appropriated Fund Balance | 0 | 0 | 0 | 3,434,151 | (466,971) | (466,971) |
| Transfer in Cap.Proj. | 15,000 | 1,410,700 | 0 | 0 | 0 | 0 |
| Total | 23,659,322 | 28,612,823 | 28,149,439 | 32,978,152 | 30,937,008 | 30,937,008 |

GRAPHIC REPRESENTATION

FY 17-18 revenues reflect a decrease of \$2,041,144 or six (6%) percent compared to the FY 16-17 budget. This decrease is mainly due to fund balance appropriated in FY 16-17 for the following items: streetscape project (\$1,191,932); design of Kiwanis park (\$148,660); re-appropriation of funds not expended at year end (\$699,622); greenway project (\$90,000); purchase of property on Charlotte Avenue (\$40,000); Christmas decorations for downtown Sanford and Jonesboro (\$96,079); and Lee County Inspections settlement (\$116,898). Intergovernmental reflects a decrease due to the purchase of new radio system consoles and workstations for the E911 system in prior year. Council elected to increase the sanitation fee per household by \$25, resulting in additional yearly revenue of approximately \$225,000 which is shown within sales and service. The increase shown within other is due to installment purchase proceeds in the amount of \$2,110,000 budgeted for rolling stock and street paving (\$950,000). The tax rate will remain at \$0.60 per \$100 valuation.

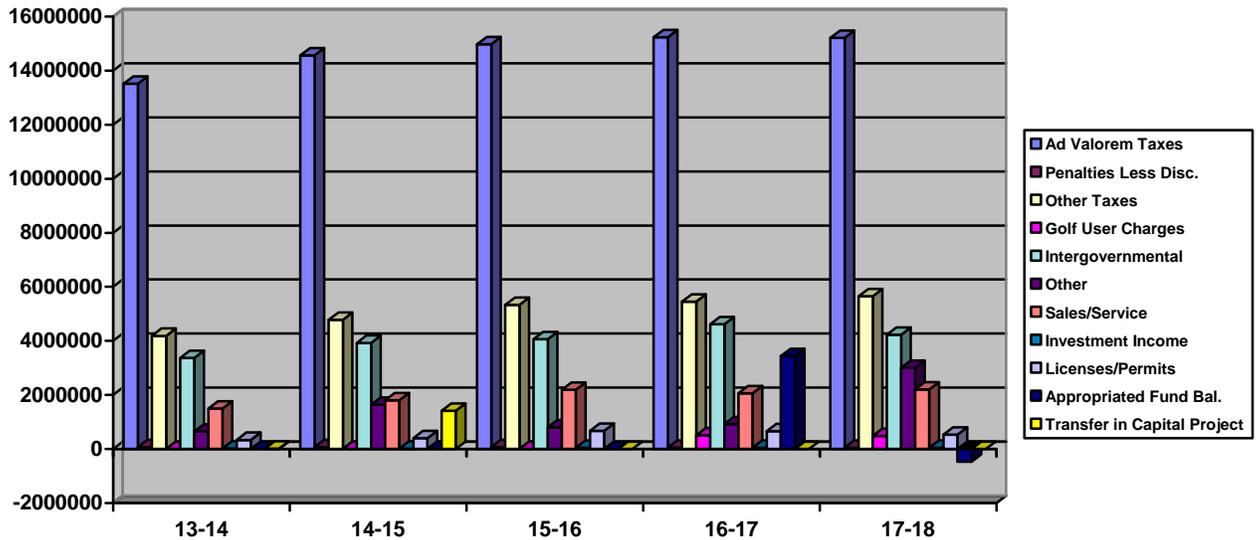
FY 16-17 tax rate remained at \$0.60 per \$100 valuation. Fund balance was appropriated for several large ticket items and are listed in the paragraph above. The growth in sales tax was limited in the budget because Lee County raised its tax rate last year. This tax rate increase changes the allocation of sales tax revenue received by Lee County, Sanford, and Broadway. Intergovernmental reflects an increase mainly shown within utility franchise tax which is related to weather and growth; E911 surcharge reimbursement reflects an increase for the purchase of new radio system consoles and workstations; and 911 dispatch increased due to the addition of two new positions. Investment income continues to be insignificant and dismal. **It should be noted that council elected to transfer the Golf Fund from an Enterprise Fund into the General Fund in FY 16-17 resulting in the golf user charges shown above.**

FY 15-16 tax rate remained at 0.60 cents per \$100 valuation. The city increased property tax by six cents in FY 14-15, which in turn increased our sales tax revenue as distribution is based on the ad valorem method. Other revenue reflects a decrease mainly due to funding capital through installment purchase proceeds in prior year.

GENERAL FUND REVENUE SUMMARIES (Continued)

FY 14-15 ad valorem tax includes an increase of six cents on the tax rate. Other revenue includes \$1,058,506 to fund capital through installment purchase proceeds. Sales and service includes an increase of \$50 per household for the annual waste management fee. Fund balance was used to purchase one time capital and begin bond projects. However, the monies used for the bond projects were reimbursed to the General Fund and reflected in "transfer in capital project".

As stated earlier, Lee County changed the sales tax distribution methodology in **FY 13-14**. The annual waste management fee was also increased by \$25 per household in **FY 13-14** and a three cent tax increase was implemented.



GENERAL FUND

Goal: To account for the expenditures of all city departments except those required to be accounted for in other funds.

EXPENDITURE SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------------|---------------------------|
| Personnel | 16,435,430 | 16,489,678 | 17,015,342 | 18,464,602 | 19,168,516 | 19,381,457 |
| Operating | 7,949,762 | 9,538,215 | 8,830,434 | 12,617,526 | 11,386,588 | 10,149,755 |
| Capital Outlay | 519,684 | 1,589,510 | 2,014,058 | 1,896,024 | 3,821,427 | 1,405,796 |
| Total | 24,904,876 | 27,617,403 | 27,859,834 | 32,978,152 | 34,376,531 | 30,937,008 |
| Budgeted Positions | 264 | 265 | 266 | 274 | 283 | 275 |

GRAPHIC REPRESENTATION

FY 17-18 expenditures reflect a decrease of \$2,041,144 or six (6%) percent compared to the FY 16-17 budget. Personnel cost represent sixty-three (63%) percent of the total general fund budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, a 13% increase for group health insurance, the addition of one management analyst position within the Administration department, and funding one frozen administrative position within the Inspections department. Five positions remain frozen and are included within the Human Resources, Inspections, Solid Waste, Community Development, and Code Enforcement departments. Please note freezing a total of five positions puts more pressure on our service delivery level as we continue to do more with less. Operating reflects a decrease of \$2,467,771 or twenty-four (24%) percent compared to prior year. This decrease is mainly due to contributions made to capital projects in FY 16-17. The city plans to pave streets through installment purchase in the amount of \$950,000. Central Business Tax District will receive a contribution from the City in the amount of \$55,000, an \$11,900 increase from prior year contribution. Council elected to contribute \$25,000 to a capital reserve fund for park improvements, as well as a contribution in the amount of \$179,000 to SAGA, a \$54,000 increase from prior year. Interfund reimbursements are shown as reductions to expenses for services provided and charged to other funds. Capital funding includes a fire pumper, golf carts and mowers, a leaf vac truck (installment purchase), a dump truck (installment purchase), land acquisition for #4 fire station (installment purchase), and other various items listed at the departmental level.

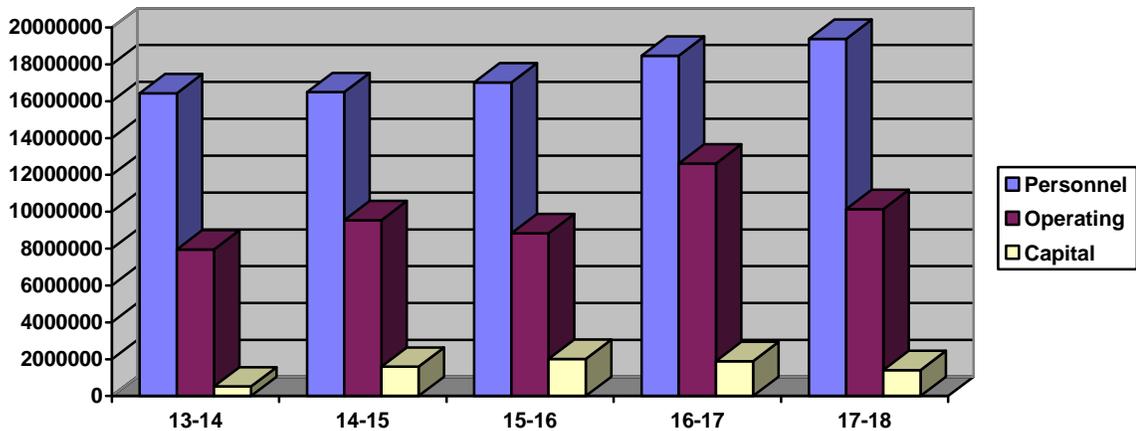
FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, (0.85% retirement increase for police sworn officers), a 5% increase for group health insurance, and the addition of two police dispatcher positions. Six positions remain frozen and are included within the Human Resources, Inspections, Solid Waste, Community Development, and Code Enforcement departments. The increase within operating is mainly the result of contributions made to the streetscape, greenway, and sidewalk capital projects. Operating also includes street resurfacing funds in the amount of \$500,000 and debt payment for streetscape and sidewalk projects in the amount of \$961,250. Central Business Tax District will receive a contribution from the City in the amount of \$43,100 to allow Downtown Sanford, Inc. (DSI) to hire their own employee rather than use City staff. Council elected to contribute \$25,000 to a capital reserve fund for park improvements, as well as a contribution in the amount of \$25,000 to SAGA for the establishment of a Visitors and Tourism Center. Capital outlay funding includes police patrol vehicles, a knuckleboom truck, concrete replacement at Central Fire Station, a pothole patcher, cart path repair at the golf course, E911 radio system consoles, and other various items listed at the departmental level.

GENERAL FUND EXPENDITURE SUMMARIES (Continued)

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment (based on a salary study performed in prior year), a 2% merit adjustment (not funded in the previous six years), a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and the addition of two police dispatcher positions. Six positions remain frozen and are included within the Human Resources, Inspections, Solid Waste, Community Development, and Code Enforcement departments. A firefighter position previously frozen was funded. The decrease within operating is the result of a reduction in fuel cost and re-classification of capital expenditures. Central Business Tax District will receive a contribution from the City in the amount of \$42,000 to allow Downtown Sanford, Inc. (DSI) to hire their own employee rather than use City staff. Council elected to contribute \$50,000 to a capital reserve fund for park improvements. FY 15-16 reflects the first full year of debt related to the issuance of bonds (\$8.5 million) for streetscape and sidewalk projects, as well as installment purchase debt (\$2.75 million) to complete the streetscape project. Funds are also included within operating to relocate the Sanford / Lee County Planning and Community Development Department and other stand-alone departments to create a one-stop shop for economic development. This new department is referred to as the “Buggy Factory” and includes a recurring lease payment and one-time expenditures to set up the department. Capital outlay funding includes police investigative vehicles, a knuckleboom truck, a new roof at Central Fire Station, upgrade of the Gasboy system at the fleet shop, and other various items listed at the departmental level.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and the addition of a programmer analyst position within the Information Technology department. Capital outlay funding includes police patrol vehicles, a park upgrade, a knuckleboom truck (Installment Purchase (IP)), a leaf vac truck (IP), a fire pumper, (IP), a street sweeper (IP), and other various items.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, a one-time bonus for employees, and several employees took advantage of the early retirement incentive package offered by the City. Operating includes a capital contribution for GO Bonds in the amount of \$1,722,030. The contribution to Lee County for animal control was eliminated.



GENERAL FUND

FUND BALANCE GOVERNMENTAL FUNDS - UNAUDITED

| | ACTUAL | ACTUAL | ACTUAL | BUDGET | BUDGET |
|-----------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| GENERAL FUND | | | | | |
| BEGINNING BALANCE | \$ 10,766,761 | \$ 9,521,206 | \$ 10,516,626 | \$ 10,068,118 | \$ 5,598,514 |
| REVENUES | | | | | |
| AD VALOREM TAXES | 13,584,170 | 14,632,832 | 15,039,606 | 15,280,146 | 15,257,887 |
| INTERGOVERNMENTAL | 3,364,618 | 3,927,102 | 4,063,903 | 4,615,902 | 4,228,368 |
| SALES TAX | 3,968,393 | 4,561,944 | 5,126,461 | 5,240,760 | 5,444,230 |
| OTHER | 2,727,141 | 4,080,245 | 3,919,469 | 4,407,193 | 6,473,494 |
| TOTAL | <u>23,644,322</u> | <u>27,202,123</u> | <u>28,149,439</u> | <u>29,544,001</u> | <u>31,403,979</u> |
| EXPENDITURES | | | | | |
| GENERAL GOVERNMENT | 4,405,323 | 4,747,013 | 6,575,153 | 9,686,908 | 7,523,133 |
| PUBLIC SAFETY | 12,670,778 | 13,161,601 | 14,322,981 | 15,375,088 | 15,693,890 |
| STREETS | 2,278,446 | 3,115,985 | 2,309,972 | 3,803,411 | 3,783,823 |
| DEBT SERVICE | 0 | 0 | 738,113 | 727,500 | 799,037 |
| SANITATION | 2,486,111 | 2,665,014 | 2,611,212 | 2,739,569 | 2,837,095 |
| COMMUNITY DEV. | 1,267,931 | 1,126,641 | 1,362,229 | 1,656,129 | 1,521,288 |
| TOTAL | <u>23,108,589</u> | <u>24,816,254</u> | <u>27,919,660</u> | <u>33,988,605</u> | <u>32,158,266</u> |
| TRANSFER TO OTHER FUNDS | 1,796,288 | 2,801,149 | 678,287 | 25,000 | 25,000 |
| TRANSFER IN CAPITAL PROJECT | 15,000 | 1,410,700 | - | - | - |
| ENDING BALANCE | <u>\$ 9,521,206</u> | <u>\$ 10,516,626</u> | <u>\$ 10,068,118</u> | <u>\$ 5,598,514</u> | <u>\$ 4,819,227</u> |

Note: The reduction shown in FY 16-17 and 17-18 is the result of a capital contribution made to the General Obligation Bond projects which will be reimbursed to the General Fund once the bonds are issued. Also council elected to move the Golf department into the General Fund in FY 16-17. The City strives to use fund balance for nonrecurring capital expenditures only.

GOVERNING BODY

Fund: General

Function: General Government

Goal: To maintain a safe, pleasant environment within the community by providing effective government through the efficient delivery of public services.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 224,755 | 239,145 | 243,707 | 253,902 | 277,300 | 265,544 |
| Operating | 98,479 | 89,455 | 103,485 | 124,845 | 117,025 | 117,375 |
| Capital | 0 | 0 | 0 | 2,185 | 0 | 0 |
| Subtotal | 323,234 | 328,600 | 347,192 | 380,932 | 394,325 | 382,919 |
| Less Interfund Reimbursement | (71,790) | (71,845) | (74,465) | (71,178) | (77,368) | (77,368) |
| Total | 251,444 | 256,755 | 272,727 | 309,754 | 316,957 | 305,551 |
| Budgeted Positions | 9 | 9 | 9 | 9 | 9 | 9 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

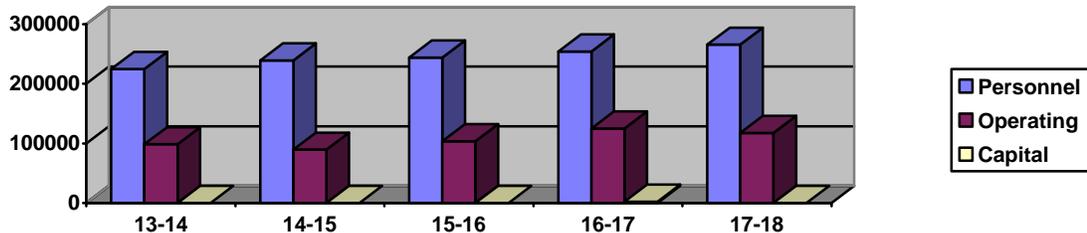
FY 17-18 appropriations reflect an increase of \$1,987 or 1% compared to FY 16-17 budget prior to interfund reimbursements. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Fireworks are included in the amount of \$7,000 and are shown within the operating budget. Also included within the operating budget are funds for the Youth Academy, \$4,000; and \$11,000 to be used towards National Night Out.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Fireworks are included in the amount of \$12,000 and are shown within the operating budget.

FY 15-16 personnel adjustments are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.65% increase for group health insurance. **FY 15-16** reflects the first year of participation in the NC Metro Mayors Coalition and is the result of the increase shown within the operating budget.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and additional council members taking health insurance. New programs including Citizens 101 Academy and Citizens Advisory Council were implemented in **FY 14-15**.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



GOVERNING BODY

The Governing Body is the legislative and policy making body of the city. It is composed of a mayor and seven council members, five of whom are elected from individual wards and two who are elected at-large. The Mayor is elected for a four-year term of office and the council members are elected for staggered terms of four years. The Mayor presides at meetings and serves as the ceremonial head of government. The Mayor Pro Tem serves in the absence of the Mayor and is appointed by fellow council members for a period of four years. The council members are all members of the Law and Finance Committee. Special meetings are held when necessary to include budget work sessions. The city clerk prepares the agenda and minutes for board and committee meetings; attests to and maintains files of certified minutes; indexes minutes for easy reference; maintains resolutions and ordinances and administers Oaths of Office.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To maintain and expand the governing body's knowledge of new programs and initiatives which will assist in the development of sound policy-making decisions on behalf of the citizens of our community

Objective: Council members will attend pertinent national, state, and local meetings which will help them stay abreast of important local issues

Measures:

| | | | |
|---|----|----|----|
| Town Hall Day (members attending) | 4 | 3 | 4 |
| National League of Cities conferences (members attending) | 4 | 5 | 5 |
| NC League of Municipalities conferences (members attending) | 4 | 2 | 2 |
| Public Policy meetings | 13 | 12 | 12 |
| Sanford Area Growth Alliance meetings | 12 | 12 | 12 |
| NC Metro Mayors coalition (call-ins) | 50 | 52 | 52 |
| Joint Interlocal Committee meetings (members attending) | 3 | 4 | 4 |

Goal: To maximize the benefit of the National Night Out program which seeks to bring the city officials, the law enforcement community, and neighborhoods together to be aware of crime and its impact on our community

Objective: 1) Council will continue strengthening the program by visiting as many community events as possible to communicate with the citizens as they listen to their concerns and ideas; 2) to serve as coordinator for special events sponsored by the city held jointly with the public; 3) Installation of elected officials, city employee's golf tournament, participates in city awards banquet and gives tours of City Hall to elementary classes; overall coordinator for National Night Out

Measures:

| | | | |
|--------------------------------------|----|----|----|
| National Night Out events | 34 | 33 | 34 |
| National Night Out awards received | 19 | 21 | 22 |
| Coordinate National Night Out events | 40 | 35 | 35 |

GOVERNING BODY

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: City Clerk – To provide for and ensure the accurate compilation and maintenance of the legislative history of the official actions and documents of the City of Sanford

Objective: 1) To compile and distribute all agenda documents for City Council and Law and Finance Committee meetings; 2) To attend meetings and transcribe accurate, unbiased minutes of proceedings in accordance with established procedures and time frames; accurate documentation of ordinances, resolutions, and proclamations; 3) Advertise and prepare applications for boards and commissions appointments

Measures:

| | | | |
|--|----|-----|-----|
| Law and Finance Committee meetings | 24 | 4 | 0 |
| Work sessions | 8 | 20 | 24 |
| City Council meetings | 28 | 26 | 26 |
| Prepare agendas and attend commission meetings | 54 | 52 | 50 |
| Adopted city ordinances and resolutions | 71 | 142 | 150 |
| Prepare applications for Boards and Commissions appointments | 25 | 26 | 26 |

Goal: To serve as a principal contact for citizens inquiries; inform the residents of the actions of the city using the most current means and methods; advise and process Itinerant Merchant License

Objective: To provide effective and courteous customer service to the public; answer telephone inquiries within 24 hours and to urgent requests immediately

Measures:

| | | | |
|--|-----|-----|-----|
| Telephone inquiries responded to within 24 hours | 99% | 99% | 99% |
|--|-----|-----|-----|

ADMINISTRATION

Fund: General

Function: General Government

Goal: To see that all the laws of the state, and ordinances, resolutions, rules and regulations, and goals of City Council are faithfully executed and enforced within the jurisdiction of the city.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 238,115 | 266,593 | 294,870 | 309,951 | 320,396 | 404,759 |
| Operating | 17,917 | 20,470 | 21,203 | 29,286 | 29,690 | 29,690 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 256,032 | 287,063 | 316,073 | 339,237 | 350,086 | 434,449 |
| Less Interfund Reimbursement | (51,894) | (57,228) | (59,777) | (62,180) | (98,604) | (98,604) |
| Total | 204,138 | 229,835 | 256,296 | 277,057 | 251,482 | 335,845 |
| Budgeted Positions | 3 | 3 | 3 | 3 | 3 | 4 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

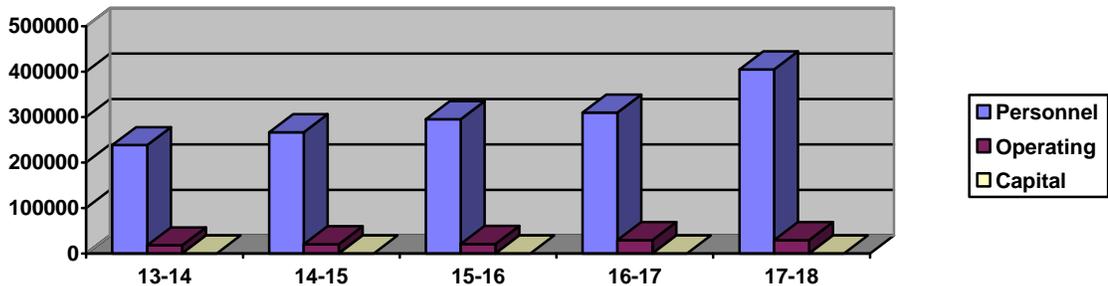
FY 17-18 appropriations reflect an increase of \$95,212 or twenty-eight (28%) compared to FY 16-17 budget prior to interfund reimbursements. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, a 13% increase for group health insurance, and the addition of one management analyst position.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating includes funds for an employee to attend the Municipal Administration course at the Institute of Government resulting in the increase shown.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and an adjustment related to the salary study.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and converting a part time position into a full time position with benefits.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



ADMINISTRATION

The city manager, appointed by the City Council, is the Chief Executive Officer of the city. The manager administers the policies adopted by the council and supervises the daily operation of the city through department heads. Other responsibilities include the development of the annual budget, preparation of council meeting agendas, development of staff recommendations, supporting information on all matters to be considered by the council, responding to citizen complaints and service requests, conducting disciplinary hearings, approving purchases, and preparing and reviewing special reports.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide professional administration of policies and programs established by the City Council as well as provide leadership in the daily administration of city government

Objective: 1) Review all agenda items being presented to the City Council and attend all council meetings;
2) To represent the city at all meetings and provide policy guidance for the council

Measures:

| | | | |
|---|----|----|----|
| Conduct department head meetings | 8 | 5 | 7 |
| Town Hall Day (members attending) | 1 | 1 | 1 |
| National League of Cities conferences (members attending) | 4 | 1 | 1 |
| NC League of Municipalities conferences (members attending) | 1 | 1 | 1 |
| Public Policy meetings | 13 | 14 | 14 |
| Sanford Area Growth Alliance (SAGA) meetings | 18 | 18 | 18 |
| Metro Mayor’s Coalition conference | 1 | 1 | 1 |
| Airport Authority meetings | 14 | 14 | 14 |

HUMAN RESOURCES

Fund: General

Function: General Government

Goal: To organize a comprehensive personnel program that will facilitate the hiring and retention of well-qualified employees.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 240,419 | 239,556 | 247,641 | 248,079 | 253,123 | 258,242 |
| Operating | 43,469 | 85,448 | 53,024 | 78,833 | 82,045 | 82,045 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 283,888 | 325,004 | 300,665 | 326,912 | 335,168 | 340,287 |
| Less Interfund Reimbursement | (62,974) | (67,064) | (65,742) | (70,398) | (66,998) | (66,998) |
| Total | 220,914 | 257,940 | 234,923 | 256,514 | 268,170 | 273,289 |
| Budgeted Positions | 4 | 4 | 4 | 4 | 4 | 4 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

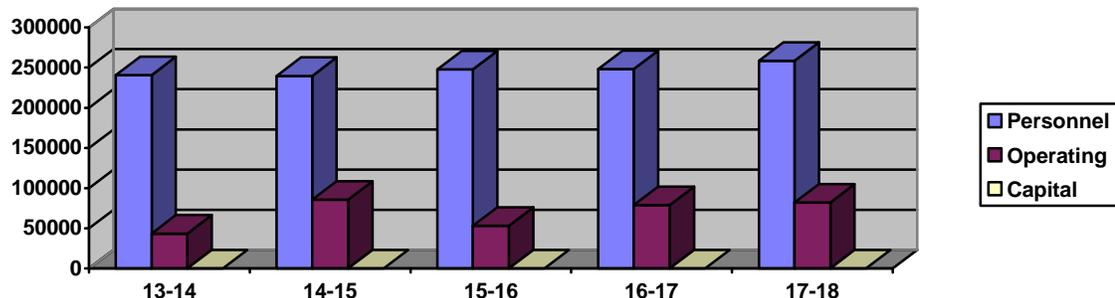
FY 17-18 appropriations reflect an increase of \$13,375 or four percent (4%) compared to FY16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. One vacant position remains frozen resulting in a savings of approximately \$41,000. A slight increase in employee training and employee benefits results in the increase shown within operating.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. CDL drug and alcohol testing previously funded within the Risk Management department was transferred into this department resulting in the increase shown within **FY 16-17**. Also, funds were included to set up personnel action forms through Munis workflow.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and additional funds included to train a new hire prior to the retirement of a long time employee. Operating reflects a significant decrease due to the salary study as well as two years of employee awards funded in prior year.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. Operating reflects a substantial increase due to funding a salary study in the amount of \$35,000 as well as funding employee awards for current year and prior year.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. Retirement celebrations and employee awards were not funded in **FY 13-14**.



HUMAN RESOURCES

The Department of Human Resources exists as a support department to all other city departments and provides a wide range of services to employees. The most prominent functions that the department performs include recruitment and selection; new employee orientation; benefits review and administration; wage & salary administration; position evaluation; employee development, training and education; performance management; employee relations (reward and disciplinary procedures and programs); human resource policy development, interpretation and administration; leave management (short-term disability, family medical leave, leave without pay, etc.), tracking and trending; personnel database development and administration; reporting; record retention and management; and compliance with Federal laws affecting human resources such as FLSA, Equal Pay Act, Title VII Discrimination, FMLA, ADA, Sexual Harassment, HIPPA, COBRA, USERRA, etc.; NC State laws and court decisions such as employee records privacy and applicant privacy; and local City of Sanford Policies and Procedures. A growing workforce, coupled with increasingly complex state and federal regulations, continues to expand the scope and responsibility of the department.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To continue to provide effective Human Resources Management by developing and implementing programs and services which contribute to the attainment of city and employee goals

Objective: To provide general administration of Human Resources activities that balance the needs of the employee and the needs of the city

Measures:

| | | | |
|---|----|----|----|
| Service Award employees honored (calendar year) | 57 | 53 | 68 |
| Wellness Program / Lunch-n-Learn sessions | 21 | 21 | 21 |
| Employee Relations Activities | 0 | 4 | 5 |
| Formal Benefit Meetings | 0 | 4 | 4 |

Objective: To provide a communication resource to share general business information, improve employee understanding of programs, etc., and improve employee morale

Measures:

| | | | |
|-------------------------|---|---|---|
| Newsletter Publications | 6 | 6 | 6 |
| City Webpage | 1 | 1 | 1 |

Goal: To maintain organizational development and employee effectiveness through Human Resource programs

Objective: To hire the most qualified employees by pre-planning staff needs, ensuring an effective interview process, increasing company visibility in the employment marketplace, identifying the best and most cost effective recruitment sources, conducting thorough reference checks, and monitoring recruitment and retention efforts for all city positions.

Measures:

| | | | |
|---|-------|-------|-------|
| US DOL / ESC Monthly Employment Statistics Report | 12 | 12 | 12 |
| Personnel hired – full time regular | 16 | 19 | 15 |
| Personnel hired – temporary | 6 | 3 | 2 |
| Personnel changes – promotions | 23 | 20 | 18 |
| Personnel changes – promotions / transfers | 7 | 4 | 4 |
| Personnel changes – demotions | 1 | 0 | 0 |
| Personnel separated – all personnel | 18 | 12 | 15 |
| Personnel separated – excluding retirees | 15 | 4 | 8 |
| Turnover rate – all personnel | 5.42% | 3.61% | 4.52% |
| Turnover rate – excluding retirees | 4.52% | 1.20% | 2.41% |

HUMAN RESOURCES

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To ensure that the city remains compliant with all applicable federal, state, and local laws and city policies

| |
|---|
| Objective: To ensure compliance with COBRA regulations |
|---|

Measures:

| | | | |
|---|----|----|----|
| COBRA notices to new employees | 16 | 19 | 15 |
| COBRA election forms to eligible employees / dependents | 16 | 12 | 15 |

| |
|---|
| Objective: To update City of Sanford personnel policies and procedures in an effort to ensure compliance with federal, state, and local laws and assure fair and equitable treatment |
|---|

Measures:

| | | | |
|--|---|---|---|
| Review and revise City of Sanford Personnel Policy | 4 | 2 | 2 |
|--|---|---|---|

RISK MANAGEMENT

Fund: General

Function: General Government

Goal: To organize and administer a comprehensive safety program that will insure a safe working environment for all city employees.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 52,401 | 73,478 | 77,316 | 80,770 | 82,368 | 84,028 |
| Operating | 10,690 | 13,588 | 12,052 | 3,808 | 2,550 | 2,550 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 63,091 | 87,066 | 89,368 | 84,578 | 84,918 | 86,578 |
| Less Interfund Reimbursement | (30,942) | (27,125) | (26,411) | (36,268) | (39,828) | (39,828) |
| Total | 32,149 | 59,941 | 62,957 | 48,310 | 45,090 | 46,750 |
| Budgeted Positions | 1 | 1 | 1 | 1 | 1 | 1 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

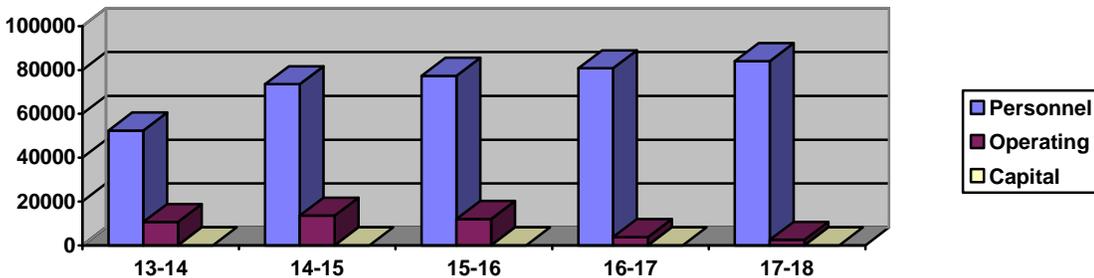
FY 17-18 appropriations reflect an increase of \$2,000 or two percent (2%) compared to FY 16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The decrease shown within operating is related to the cancellation of a subscription no longer required.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. CDL drug and alcohol testing has been transferred into the Human Resources Department resulting in the decrease shown within operating.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. This department had an employee on military leave in **FY 13-14**. These remaining funds were transferred at year end to accommodate another department's shortfall. Training of employees was transferred into the Public Works Administration department for the safety officer to oversee in **FY 13-14**.



RISK MANAGEMENT

The Risk Management Office is responsible for coordinating and administering the City of Sanford's health & safety, workers' compensation, and property & liability programs. These responsibilities include conducting necessary compliance and general training sessions, developing and updating policies and procedures, investigating accidents/injuries/claims, monitoring and advising on loss control and safety matters, negotiating claim settlements, communicating with all departments on insurance matters to minimize the overall risk of loss to the city, and preparing reports.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide a safe employee and public work environment intending to minimize injury, property damage and related claims costs

Objective: To provide general administration of the city's workers' compensation, property and liability, and health and safety programs

Measures:

| | | | |
|---|-----------|----------|-----------|
| Formal safety training at the department / division level | 8 | 10 | 9 |
| Field inspections related to employee and public safety | 12 | 12 | 12 |
| Workers' comp claims administered per calendar year | 19 | 23 | 21 |
| Recordable cases | 22 | 18 | 20 |
| Lost Work Days (LWD) | 357 | 197 | 277 |
| Workers' comp claims paid | \$98,766 | \$44,246 | \$71,506 |
| Auto / general liability claims administered | 52 | 31 | 42 |
| Auto / general liability annual loss incurred | \$178,062 | \$53,355 | \$115,708 |

ELECTIONS

Fund: General

Function: General Government

Goal: To account for expenditures incurred for the municipal elections.

DEPARTMENTAL SUMMARIES

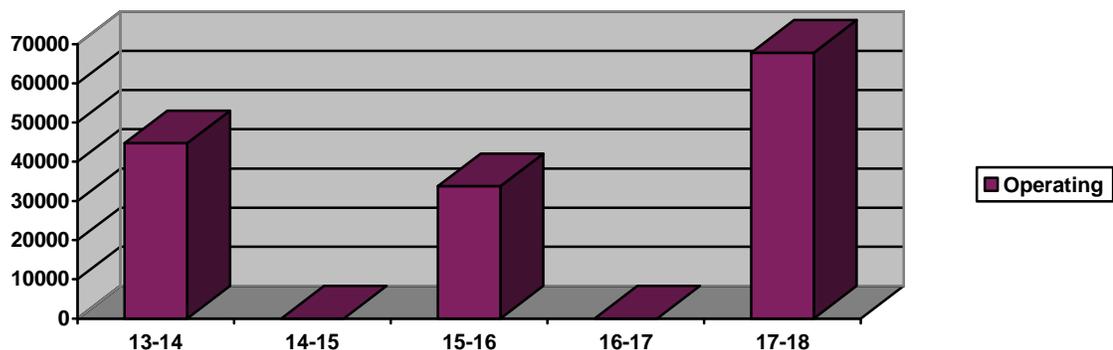
| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|---------------|--------------|---------------|--------------|-----------------|----------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 44,705 | 0 | 33,773 | 0 | 67,815 | 67,815 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 44,705 | 0 | 33,773 | 0 | 67,815 | 67,815 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

Elections reflect costs associated with the city election held bi-annually. **FY 17-18** reflects an \$34,042 increase compared to FY 15-16. Lee County Board of Elections provides a preliminary cost estimate to the city. The NC House of Representatives elected to change the voting process for the City of Sanford by requiring a bi-partisan election in **FY 13-14**, therefore requiring the city to have two elections within one year.



FINANCIAL SERVICES

Fund: General

Function: General Government

Goal: To plan, organize, and coordinate the administration of all fiscal functions in a fiscally responsible manner, resulting in a financially strong city, as one of the goals of City Council.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 543,744 | 513,839 | 573,810 | 640,327 | 673,206 | 686,839 |
| Operating | 402,709 | 393,504 | 396,034 | 425,452 | 434,176 | 434,176 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 946,453 | 907,343 | 969,844 | 1,065,779 | 1,107,382 | 1,121,015 |
| Less Interfund Reimbursement | (257,245) | (294,433) | (299,355) | (278,384) | (356,745) | (356,745) |
| Total | 689,208 | 612,910 | 670,489 | 787,395 | 750,637 | 764,270 |
| Budgeted Positions | 9 | 9 | 9 | 9 | 9 | 9 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

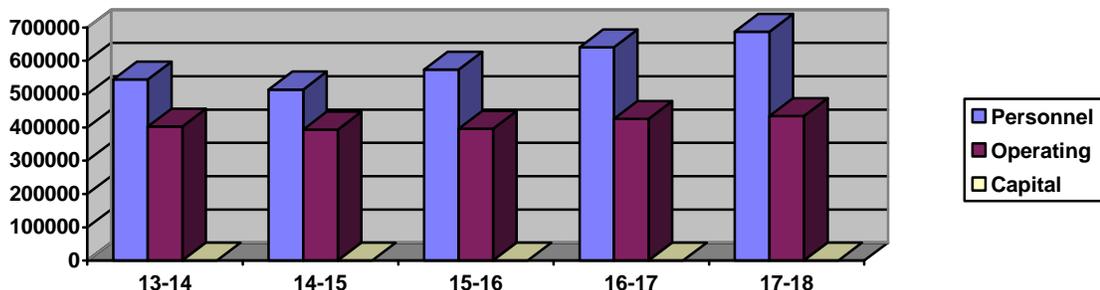
FY 17-18 appropriations reflect an increase of \$55,236 or five percent (5%) compared to FY 16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The increase shown within operating is mainly due to the Lee County collection fees.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. The increase shown within operating is mainly due to Lee County collection fees.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. Staff turnover drives the decrease shown within personnel. A decrease is shown within operating mainly due to actuarial study funded in FY 13-14 (required to be performed once every two years) and a change in the bank service contract.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



FINANCIAL SERVICES

Financial Services is responsible for managing all the financial operations of the city which include: accounts payable, accounts receivable, annual audit process, annual budget preparation and monitoring, capital project accounting, capital asset reporting, cash and investment management, debt administration, financial analysis, financial reporting, and payroll.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To insure accountability of public funds, the department will have an annual independent audit conducted and issue a Comprehensive Annual Financial Report (CAFR)

Objective: Prepare the annual financial report according to state requirements and submit to the Government Finance Officer's Association's (GFOA) for consideration in the Certificate of Achievement for Excellence in Financial Reporting Awards Program

Measures:

| | | | |
|---|------|------|------|
| Submit CAFR to state treasurer no later than October 31 | 100% | 100% | 100% |
| Number of GFOA Certificate of Achievement for Excellence in Financial Reporting awards received | 36 | 37 | 38 |
| Publish financial statements within 15 days of month end | 100% | 100% | 100% |

Goal: To insure accountability of public funds, the finance department will prepare and monitor the annual budget

Objective: Provide ongoing monitoring of the budget and submit the budget to GFOA for consideration in the Distinguished Budget Presentation Awards Program

Measures:

| | | | |
|---|------|------|------|
| Provide quarterly budget reports within 20 days of quarter end | 100% | 100% | 100% |
| Submit the budget to GFOA no later than 90 days after adoption date | 100% | 100% | 100% |
| Number of GFOA Distinguished Budget Presentation awards received | 30 | 31 | 32 |

Goal: Monitor compliance with internal control policies and procedures to assist in safeguarding public funds

Objective: Conduct at least four policy and procedure audits each fiscal year and at least two inventory counts

Measures:

| | | | |
|---------------------------|------|------|------|
| Audit of cash drawers | 100% | 100% | 100% |
| Physical inventory counts | 100% | 100% | 100% |

INFORMATION TECHNOLOGY

Fund: General

Function: General Government

Goal: To develop system strategy plans as well as computer network implementation for city systems operating in compliance with state and federal licensing.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 199,172 | 258,403 | 286,149 | 297,491 | 303,936 | 310,071 |
| Operating | 101,326 | 110,433 | 101,962 | 145,001 | 132,541 | 132,541 |
| Capital | 15,639 | 8,997 | 13,846 | 13,800 | 24,000 | 24,000 |
| Subtotal | 316,137 | 377,833 | 401,957 | 456,292 | 460,477 | 466,612 |
| Less Interfund Reimbursements | (67,196) | (69,033) | (69,228) | (79,893) | (86,484) | (86,484) |
| Total | 248,941 | 308,800 | 332,729 | 376,399 | 373,993 | 380,128 |
| Budgeted Positions | 2 | 3 | 3 | 3 | 3 | 3 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) domain controller server, \$24,000.

GRAPHIC REPRESENTATION

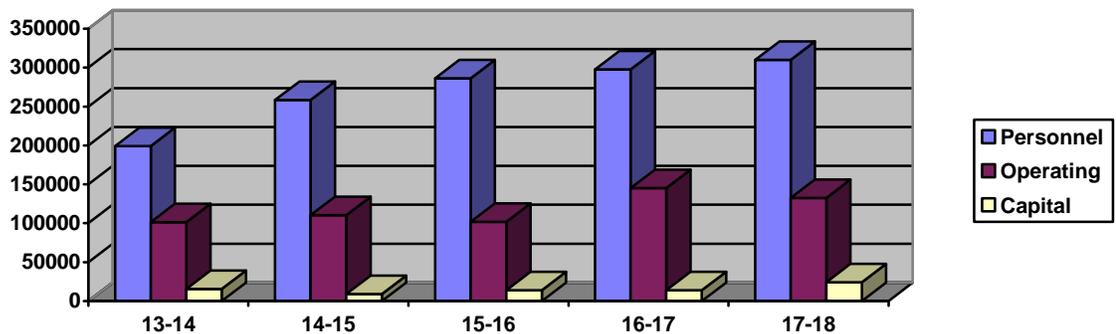
FY 17-18 appropriations reflect an increase of \$10,320 or two percent (2%) compared to the FY 16-17 budget prior to interfund reimbursement. The decrease shown within operating is mainly due to a revised copier contract.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Funds are included to have the city website re-designed resulting in the increase shown within operating.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and the addition of a programmer analyst position. Operating reflects an increase mainly shown within contractual services due to labor required while employee was on leave.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



INFORMATION TECHNOLOGY

The Information Technology Department is responsible for computers, servers, and software at City Hall and eleven satellite locations. Our systems include: fiber optics, transceivers, network switches, routers, networked line printers, networked laser printers, fax devices, programs, tape devices, disk arrays, PCs, servers, and network operating systems. The department upgrades software and hardware systems to all areas of city government with necessary support to perform and accomplish job functions more efficiently. Information Systems will continue to upgrade software and hardware systems where as to provide all areas of city government with necessary support to perform and accomplish job functions more efficiently. Another major accomplishment, in addition to building the computer and fiber network, is the completion of the enhanced city website (www.sanfordnc.net) for citizens and city employees to use for job postings, applications, meeting minutes, schedules, downloadable forms, departmental information, the Unified Development Ordinance (UDO) and much more. The department continues to maintain the local access channel services to televise council meetings, public service announcements, visitor information, local events, schedules, and more.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To reduce the number of network downtime hours to an absolute minimum that will allow users more time for productivity throughout the entire work year

Objective: To choose reliable computer hardware / software, do all preventive maintenance of systems, fix problems as quickly as possible to provide maximum computer network uptime

Measures:

| | | | |
|--|------|------|------|
| Hours of network downtime | 4 | 4 | 4 |
| Respond to help desk problems in a timely manner | 100% | 100% | 100% |

Goal: For the city to operate in the most technologically efficient methods possible

Objective: To expand the use of technology throughout all departments to maximize employee efficiency

Measures:

| | | | |
|-------------------------------------|-----|-----|-----|
| Number of computer users | 245 | 245 | 250 |
| Number of computer systems in place | 240 | 240 | 245 |
| Number of network servers in place | 19 | 19 | 19 |
| Number of databases being utilized | 35 | 35 | 35 |

LEGAL

Fund: General

Function: General Government

Goal: To provide legal assistance to the City of Sanford's administrative staff when needed and to assist and advise the City Council on any legal matters in the performance of their duties.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 200,554 | 202,435 | 208,675 | 215,927 | 219,915 | 224,349 |
| Operating | 41,664 | 42,666 | 71,779 | 93,490 | 73,480 | 72,005 |
| Capital | 0 | 0 | 2,648 | 0 | 0 | 0 |
| Subtotal | 242,218 | 245,101 | 283,102 | 309,417 | 293,395 | 296,354 |
| Less Interfund Reimbursement | (98,992) | (97,952) | (101,394) | (102,098) | (124,989) | (124,989) |
| Total | 143,226 | 147,149 | 181,708 | 207,319 | 168,406 | 171,365 |
| Budgeted Positions | 2 | 2 | 2 | 2 | 2 | 2 |

2017-2018 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

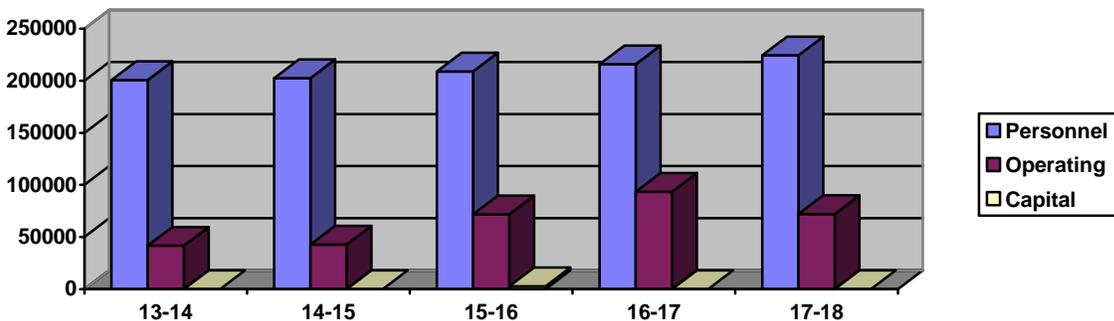
FY 17-18 appropriations reflect a decrease of \$13,063 or four percent (4%) compared to FY 16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The decrease shown within operating is the result of required outside legal fees in prior year.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating reflects a significant increase shown within contractual services for hiring outside council.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



LEGAL

A city attorney and paralegal manage the legal affairs of the city and give advice and counsel to the City Council, the city manager, staff, and advisory boards.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To insure City Council business is conducted in accordance with requirements of law, the city attorney will furnish legal support at meetings of the council

Objective: To insure proper procedures are followed at meetings

Measures:

| | | | |
|---------------------------------------|------|------|------|
| Attend Council workshops and retreats | 99% | 99% | 99% |
| City Council meetings | 99% | 99% | 99% |
| Board of Adjustment meetings | 100% | 100% | 100% |
| Housing Board of Appeals meetings | 100% | 100% | 100% |

Goal: Render advice to staff, management, and City Council and insure legal documents meet requirements of law

Objective: To assist with interpreting the law

Measures:

| | | | |
|--|-------|-------|-------|
| Review ordinances, minutes, resolutions | 99% | 99% | 99% |
| Review contracts, documents, easements | 100% | 100% | 100% |
| Provide guidance on statutes, ordinances and regulations | Daily | Daily | Daily |

Goal: To insure the city is properly represented in litigation and prepares the best defense or prosecution of legal claims

Objective: To minimize tax dollars spent on claims

Measures:

| | | | |
|---|------|------|------|
| Manage Insurance Defense Counsel, provide assistance at trial, prepare staff for court actions | 100% | 100% | 100% |
| Collect debts owed the City of Sanford, parking tickets, computer purchase program, water bills, etc. | 98% | 98% | 98% |

PUBLIC BUILDING

Fund: General

Function: General Government

Goal: To maintain all public buildings and grounds in the most efficient and economical manner.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 188,933 | 190,388 | 193,687 | 248,083 | 253,480 | 258,619 |
| Operating | 680,030 | 607,274 | 730,785 | 825,918 | 722,860 | 722,860 |
| Capital | 16,914 | 320,893 | 436,948 | 133,607 | 69,000 | 8,500 |
| Subtotal | 885,877 | 1,118,555 | 1,361,420 | 1,207,608 | 1,045,340 | 989,979 |
| Less Interfund Reimbursements | (154,710) | (225,967) | (258,810) | (240,806) | (292,930) | (292,930) |
| Total | 731,167 | 892,588 | 1,102,610 | 966,802 | 752,410 | 697,049 |
| Budgeted Positions | 3 | 3 | 3 | 3 ½ | 3 ½ | 3 ½ |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes an upgrade to electrical switch, \$8,500.

GRAPHIC REPRESENTATION

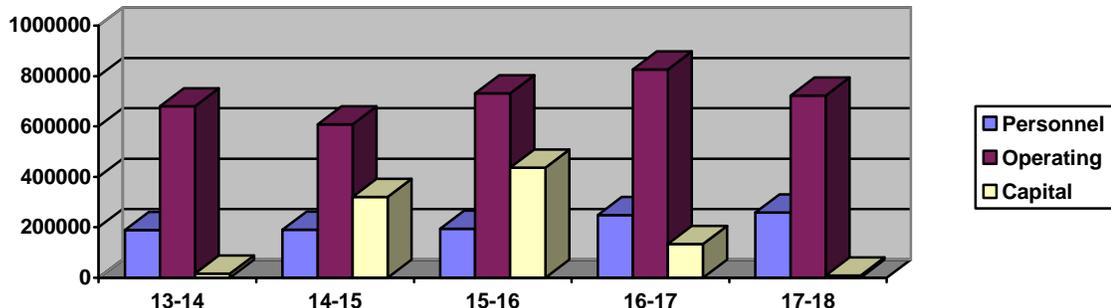
FY 17-18 appropriations reflect a decrease of \$217,629 or eighteen (18%) percent compared to FY 16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The operating cost center reflects a decrease mainly due to HVAC repairs in prior year; asbestos removal at the Old Jaycee Hut and demolition of properties in prior year.

FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the transfer of half a position into this department related to the public works re-organization.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating cost center reflects an increase mainly shown within telephone, utilities, and insurance and bonds. The purchase of the Depot Building and several other properties are included within the capital cost center.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. The decrease shown within operating is mainly due to the cleanup of a diesel spill at City Hall in prior year. The capital cost center includes funds to purchase property on Charlotte Avenue and Carthage Street.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. Operating includes funds for the cleanup of a diesel spill at city hall.



PUBLIC BUILDING

Building maintenance is responsible for the routine and preventive maintenance of city buildings (approximately 150,000 square feet) in order to maintain all city facilities in a safe, structurally sound, and aesthetically pleasing condition for public and employee occupancy in compliance with all city codes. Special jobs are also performed as requested by departments that include: plumbing, carpentry, electrical, painting, relocation of equipment or furniture, and roofing. Other responsibilities include: performing general preventive maintenance, responding to emergency calls pertaining to vandalism, power outages, plumbing leaks or electrical malfunctions. Provide electrical repair work for buildings and downtown lighting, assisting departments in obtaining contract maintenance and construction services and monitoring contract services for air conditioning, plumbing, electrical work, and janitorial services.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To maintain all city buildings in a safe, structurally sound, and aesthetically pleasing condition for public and employee occupancy, in compliance with all city codes, through preventive maintenance and repairs

Objective: To complete a comprehensive inspection of all city buildings at least once every quarter; to provide technical support for special events

Measures:

| | | | |
|---|------|------|------|
| Number of city buildings maintained | 7 | 7 | 7 |
| Facilities inspected quarterly | 7 | 7 | 7 |
| Preventive maintenance service on A/C units | | | |
| Change filters every 3 months | 100% | 100% | 100% |
| Clean A/C coils, drain and check belts every 6 months | 100% | 100% | 100% |
| Respond to emergencies within 4 hours | 100% | 100% | 100% |
| Work order response time | | | |
| Schedule within 2 days of receipt | 100% | 100% | 100% |
| Complete within 2 weeks | 95% | 95% | 95% |

Objective: To ensure all city departments are kept informed on the status of work orders and project recommendations

Measures:

| | | | |
|--|-----|-----|-----|
| Provide monthly project status reports to departments | 12 | 12 | 12 |
| Provide project recommendations within 72 hours of receipt | 95% | 95% | 95% |

GENERAL SERVICES

Fund: General

Function: General Government

Goal: To increase the effectiveness of all divisions within the Public Works Department.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 173,494 | 174,928 | 169,598 | 0 | 0 | 0 |
| Operating | 17,095 | 94,741 | 10,713 | 0 | 0 | 0 |
| Capital | 24,747 | 0 | 29,797 | 0 | 0 | 0 |
| Subtotal | 215,336 | 269,668 | 210,108 | 0 | 0 | 0 |
| Less Interfund Reimbursement | (15,599) | (15,333) | (15,951) | 0 | 0 | 0 |
| Total | 199,737 | 254,336 | 194,157 | 0 | 0 | 0 |
| Budgeted Positions | 2 | 2 | 2 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

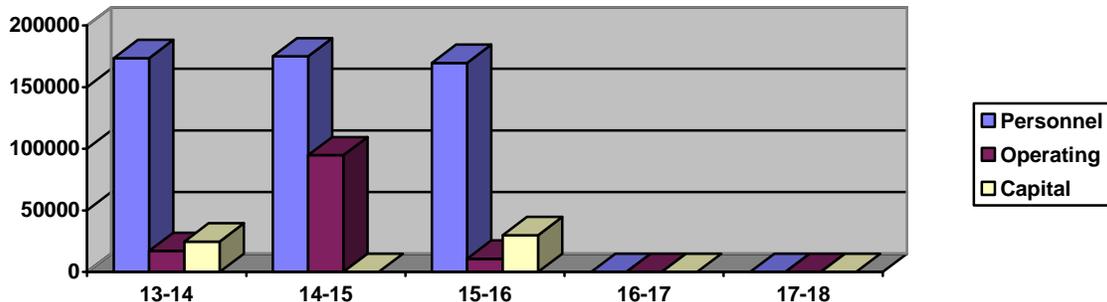
GRAPHIC REPRESENTATION

This department has been transferred into the Public Works Administration department within the Utility Fund.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Capital includes funds for a site analysis of a sports complex.

FY 14-15 includes funds to conduct a feasibility study of the sports complex. **FY 14-15** personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. Capital includes funds for the purchase of a vehicle.



CENTRAL OFFICE

Fund: General

Function: General Government

Goal: To provide office supplies at the most economical prices through bulk purchasing.

DEPARTMENTAL SUMMARIES

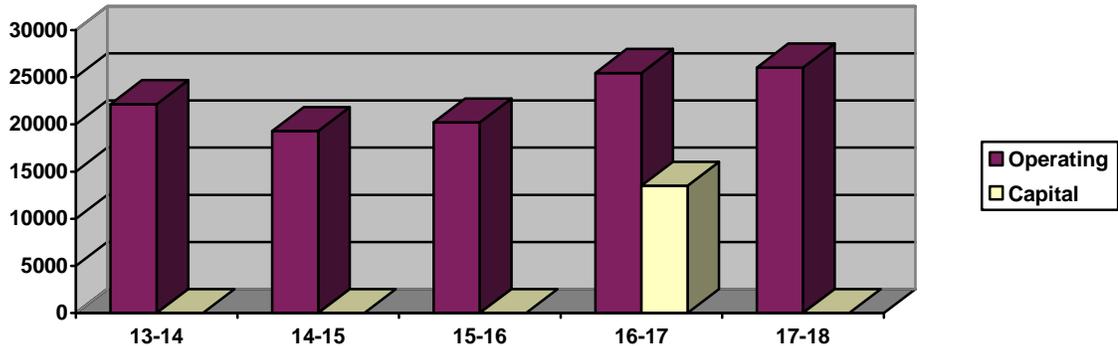
| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 22,147 | 19,299 | 20,197 | 25,453 | 26,028 | 26,028 |
| Capital | 0 | 0 | 0 | 13,500 | 0 | 0 |
| Subtotal | 22,147 | 19,299 | 20,197 | 38,953 | 26,028 | 26,028 |
| Less Interfund Reimbursement | (1,732) | (6,288) | (7,417) | (6,431) | (7,201) | (7,201) |
| Total | 20,415 | 13,011 | 12,780 | 32,522 | 18,827 | 18,827 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital was requested.

GRAPHIC REPRESENTATION

FY 17-18 reflects a decrease of \$12,925 or thirty-three (33%) percent compared to FY 16-17 budget prior to interfund reimbursement. A mail machine was purchased in prior year resulting in the decrease shown within capital. The interfund reimbursement calculation reflects the utility fund's portion of this department cost. The percent allocation was increased in **FY 14-15** due to increase in volume of accounts payable checks and paper supplies used by the Utility Fund.



GENERAL FUND CONTRIBUTIONS

Fund: General

Function: General Government

Goal: To account for transfer appropriation, agency support funding, and contingency appropriation.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 2,534,733 | 3,593,831 | 2,216,691 | 3,241,359 | 1,160,763 | 1,167,747 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2,534,733 | 3,593,831 | 2,216,691 | 3,241,359 | 1,160,763 | 1,167,747 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect a decrease of \$2,073,612 or sixty-four percent (64%) compared to FY 16-17 budget. The majority of this decrease is the result of contributions made to capital projects in prior year. Contributions are included for non-profits such as Temple Theatre, Railroad House, and Arts Council (total of \$23,400). Central Business Tax District will receive a contribution from the City in the amount of \$55,000, an \$11,900 increase from prior year. Strategic Services (\$96,560), Economic Development incentives (\$167,968), and Economic Development administration (\$179,000) are included. No funds are included for Other Post Employment Benefits (OPEB) or animal control. Council elected to contribute \$25,000 to a capital reserve fund for park improvements. Also included is a \$5,000 contribution to the NC Coalition to End Homeless, and \$8,200 for the Northview Fire Department to provide fire protection for Enterprise Park. Contingency funds are included at \$100,000.

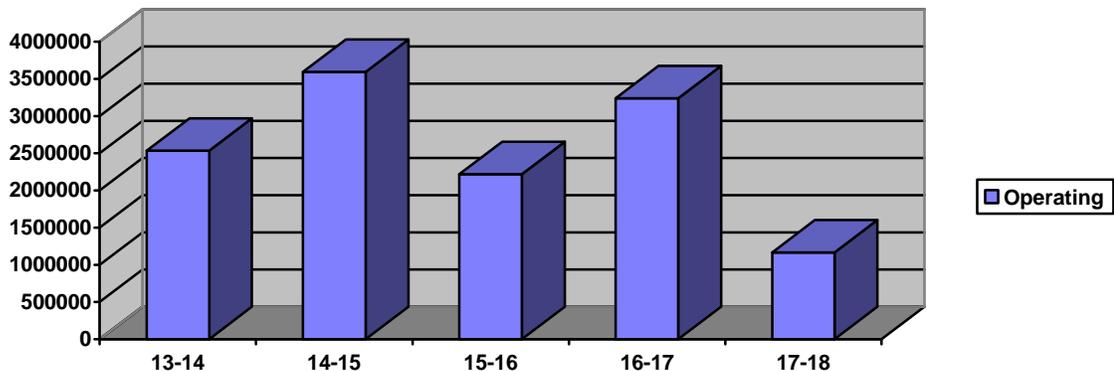
FY 16-17 includes funds for non-profits such as Temple Theatre, Railroad House, and Arts Council (total of \$23,400). Central Business Tax District received a contribution from the City in the amount of \$43,100 to allow Downtown Sanford, Inc. (DSI) to fund the hiring of their own employee rather than use City staff. This is the second year this funding has been provided by the City. Strategic Services (\$93,746), Economic Development incentives (\$178,792), and Economic Development administration (\$125,000) are included. Council elected to contribute \$25,000 to a capital reserve fund for park improvements. Council also elected to transfer the Golf Fund back into the General Fund, therefore, the annual golf contribution is not necessary. This is the first year the City will contribute to the Northview Fire Department (\$8,200) to provide fire protection for Enterprise Park as well as Sister City seed money in the amount of \$5,000. The City also included \$25,000 to fund tourism visitor services. Several amendments were approved mid-year for contributions for the following items: Lee County to reconcile the Inspections Department (\$243,903); Streetscape project (\$1,391,682); Greenway project (\$90,000); and design of the Kiwanis Park (\$148,660).

FY 15-16 includes funds for non-profits such as Temple Theatre, Railroad House, and Arts Council (total of \$23,400). Central Business Tax District received a contribution from the City in the amount of \$42,000 to allow Downtown Sanford, Inc. (DSI) to hire their own employee rather than use City staff. Strategic Services (\$88,771), Economic Development incentives (\$118,509), and Economic Development administration (\$125,000) are included. No funds are included for Other Post Employment Benefits (OPEB) or animal control. Council elected to contribute \$50,000 to a capital reserve fund for park improvements. A contribution to support the Golf Fund is included in the amount of \$114,574, a \$23,191 increase from prior year. FY 15-16 also includes contributions to a Department of Transportation sidewalk project (\$145,000), and \$200,000 to the streetscape project.

GENERAL FUND CONTRIBUTIONS (Continued)

FY 14-15 includes funds in the amount of \$2.6M for voter approved bond projects which will be reimbursed to the City once the bonds are issued. Contributions are included for non-profits such as Temple Theatre, Railroad House, and Arts Council (total of \$23,400). No contributions were made to the Central Business Tax District, Other Post Employment Benefits (OPEB) Trust Fund, or for Animal Control. Strategic Services (\$79,695), and Economic Development incentives (\$118,509) are included. There is also a contribution made to support the Golf Fund in the amount of \$121,149. With the formation of a new economic development organization (Sanford-Lee County Partnership for Prosperity), the city's portion to fund this organization has increased to \$125,000, a \$62,967 increase from prior year.

FY 13-14 includes contributions for non-profits in the amount of \$23,400, Strategic Services (\$79,695), Economic Development incentives (\$151,817), Golf Fund (\$48,922), as well as a contribution to the voter approved \$14 million bond projects for improvements within the city in the amount of \$1,722,030.



GOLF

Fund: General

Function: General Government

Goal: To provide an enjoyable, quality golf course for the general public.

EXPENDITURE SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 0 | 0 | 0 | 446,144 | 509,635 | 463,189 |
| Operating | 0 | 0 | 0 | 227,680 | 222,205 | 241,961 |
| Capital | 0 | 0 | 0 | 267,900 | 290,000 | 165,000 |
| Total | 0 | 0 | 0 | 941,724 | 1,021,840 | 870,150 |
| Budgeted Positions | 0 | 0 | 0 | 6 | 8 | 6 |

2017-2018 CAPITAL OUTLAY DETAIL

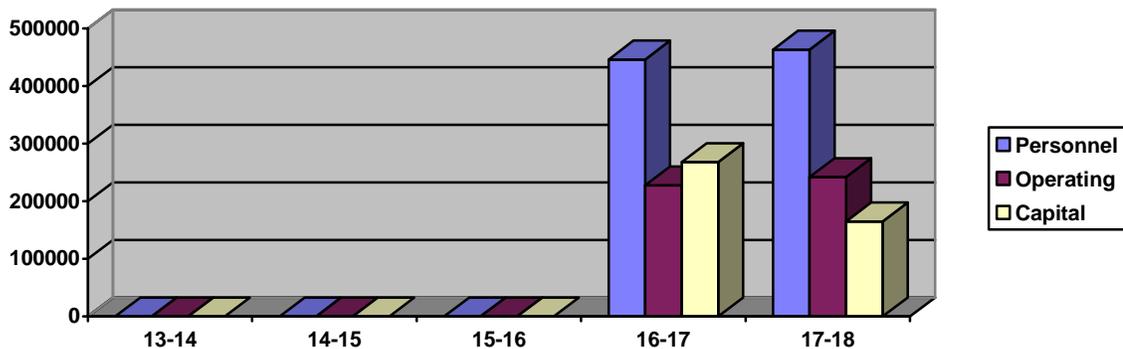
Capital outlay funding includes fifty-two (52) golf carts, \$125,000 (installment purchase); and two (2) sidewinder mowers, \$40,000 (installment purchase).

GRAPHIC REPRESENTATION

NOTE: Council elected to move the Golf Fund from the Enterprise Fund into the General Fund. Golf will now be shown within the General Government function of the General Fund. See page 176 for historical data.

FY 17-18 appropriations reflect a decrease of \$71,574 or eight (8%) percent compared to FY 16-17 budget. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The increase shown within operating is mainly due to installment purchase debt for purchase of new golf carts and mowers.

FY 16-17 personnel cost center includes a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Capital reflects \$55,000 to repair cart paths and \$11,000 for the purchase of a maintenance utility vehicle. A budget amendment was approved at the end of the fiscal year to order new golf carts, however, the carts were not received until after July 1, 2017. The capital budget is therefore overstated.



GOLF

The Sanford Municipal Golf Course is an 18 hole public golf course, a pro shop, and a complete practice facility on 155 acres of city property. The golf course serves the general public by offering a facility that caters to men, women, children, churches, industries, civic organizations, and to public and private schools in the community and surrounding areas.

| Performance Measures | 15-16 Actual | 16-17 Actual | 17-18 Projected |
|----------------------|-----------------|-----------------|--------------------|
|----------------------|-----------------|-----------------|--------------------|

Goal: To maintain the golf course at optimum level in order to provide an enjoyable, quality golf experience for all golfers

Objective: Keep a highly motivated and well trained maintenance crew that will take on the responsibility of keeping a first class municipal facility

Measures:

| | | | |
|-------------------------|----|----|----|
| Aerate greens | 1 | 1 | 1 |
| Aerate fairways | 1 | 1 | 1 |
| Aerate tees | 2 | 3 | 3 |
| Fertilize fairways | 2 | 2 | 2 |
| Fertilize greens | 28 | 28 | 28 |
| Top dress greens | 12 | 12 | 12 |
| Spray for foreign grass | 3 | 3 | 4 |
| Overseed tees | 1 | 1 | 1 |
| Edge sand traps | 3 | 3 | 3 |
| Paint greens (winter) | 1 | 1 | 1 |

Goal: To maintain a rate schedule that is both beneficial to the city and to the patrons who choose to play golf at the course

Objective: To maintain a clean and appealing course and clubhouse while providing superior customer service

Measures:

| | | | |
|----------------|--------|--------|--------|
| Rounds of golf | 24,400 | 27,406 | 29,750 |
| Days closed | 72.5 | 43.5 | 55 |

FLEET MAINTENANCE

Fund: General

Function: General Government

Goal: To provide for general repairs and maintenance of all city/county vehicles and equipment.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 314,919 | 315,133 | 328,549 | 385,680 | 397,325 | 405,373 |
| Operating | 857,055 | 708,596 | 504,646 | 773,454 | 742,281 | 739,506 |
| Capital | 0 | 56,287 | 18,341 | 55,680 | 20,000 | 20,000 |
| Subtotal | 1,171,974 | 1,080,016 | 851,536 | 1,214,814 | 1,159,606 | 1,164,879 |
| Less Interfund Reimbursement | (57,409) | (55,766) | (62,956) | (62,817) | (70,111) | (70,111) |
| Total | 1,114,565 | 1,024,250 | 788,580 | 1,151,997 | 1,089,495 | 1,094,768 |
| Budgeted Positions | 5 | 5 | 5 | 5 ½ | 5 ½ | 5 ½ |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) air condition re-claiming machine, \$10,000; and one (1) electronic scan tool, \$10,000.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect a decrease of \$49,935 or four (4%) percent compared to FY 16-17 budget prior to interfund reimbursement. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance.

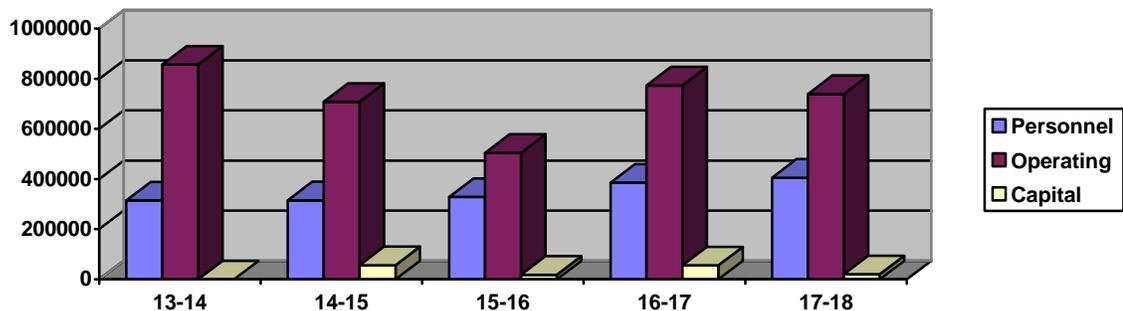
FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the transfer of half a position into this department related to the public works re-organization.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating changes are related to fluctuation in prices for fuel and parts and varies from year to year.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.

It should be noted that operating costs mainly represent costs for inventory items and gasoline. Fluctuation in fuel prices drive this cost center.



FLEET MAINTENANCE

Fleet Maintenance is responsible for maintaining, in a safe and reliable manner, all assigned fleet assets which includes: 70 trucks, 74 cars, 10 dump trucks, 9 tractors, 6 backhoes, 12 fire trucks, 3 knucklebooms, and 64 pieces of specialty equipment. Services include a comprehensive preventive maintenance inspection program, oil and filter changes, as well as emergency repairs. Contract maintenance will be utilized as required to enhance in-house resources and for warranty requirements. Management will provide for the rehabilitation of equipment when economically feasible and develop specifications and recommendations, based on user operational requirements, for replacement vehicles.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide maintenance and repair to the city's vehicle and equipment fleet in a timely manner so as to ensure adequate fleet availability

Objective: Reduce vehicle down time by ensuring that 95% of vehicle repairs are completed within 24 hours

Measures:

| | | | |
|---|------|------|------|
| Total number of vehicles and equipment | 250 | 250 | 250 |
| Average percent of fleet in service | 97% | 97% | 98% |
| Complete minor repairs in house within 24 hours | 97% | 97% | 98% |
| Complete major repairs in house within 3 days | 97% | 97% | 98% |
| Complete major repairs assigned to outside contractor within 7 days of delivery to vendor | 95% | 95% | 95% |
| Respond to emergency callout within 30 minutes | 100% | 100% | 100% |

Goal: To ensure that the fleet is mechanically safe, in good repair, and meets or exceeds forecasted life

Objective: To complete 95% of Preventative Maintenance Inspections (PMI) by scheduled due date

Measures:

| | | | |
|---|------|------|------|
| Number of PMI's scheduled | 580 | 580 | 580 |
| PMI's for Fire Rescue Emergency Response 2 times per year | 100% | 100% | 100% |
| PMI's for police patrol every 3,000 miles | 95% | 95% | 95% |
| PMI's for non-emergency vehicles every 3,000 miles | 95% | 95% | 95% |
| PMI's for support equipment minimum 1 time per year | 95% | 95% | 98% |

HORTICULTURE

Fund: General

Function: General Government

Goal: To maintain a beautification program, which focuses on the City goal of quality of life for citizens.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 310,150 | 311,302 | 321,095 | 337,108 | 346,042 | 353,081 |
| Operating | 212,071 | 186,060 | 222,627 | 286,930 | 377,240 | 377,240 |
| Capital | 32,647 | 58,394 | 41,584 | 39,665 | 35,275 | 13,000 |
| Total | 554,868 | 555,756 | 585,306 | 663,703 | 758,557 | 743,321 |
| Budgeted Positions | 6 | 6 | 6 | 6 | 6 | 6 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) zero turn mower, \$13,000.

GRAPHIC REPRESENTATION

FY 17-18 appropriation reflects an increase of \$79,618 or twelve (12%) percent compared to FY 16-17 budget. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Additional funds are included within operating to maintain a higher level of service for mowing vacant lots and to provide mowing at the new industrial park, recently annexed into the City.

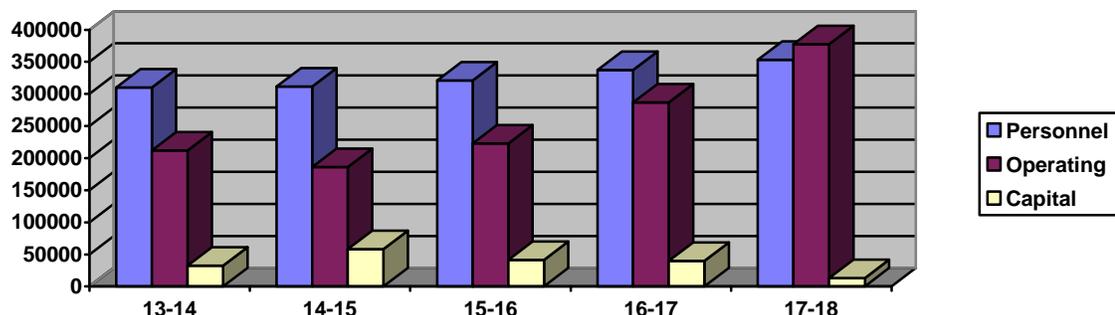
FY 16-17 personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating continues to increase with the additional of streetscape and greenway projects to maintain.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating includes funds to maintain vacant lots (\$40,000) resulting in the increase shown.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.

It should be noted that the operating cost center continues to increase annually for additional mowing and planting areas to be maintained. The use of inmate labor continues to assist in the accomplishments of this department.



HORTICULTURE

The major functions of the Horticulture Department include landscape and maintenance of traffic islands and other city properties; landscape, installation and maintenance of horticultural areas and fine turf areas around and adjacent to governmental buildings; assist the Downtown Revitalization Committee and various merchants with the landscape and projects of joint interest to both business and local government; remove litter; responsible for erection of Christmas decorations; maintain an ongoing public speaking program to civic groups, garden clubs, and other governmental organizations concerning horticulture; and installation and maintenance of tropical plants within City Hall and Public Works Service Center.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To maintain, beautify and improve appearances of traffic islands as well as interior / exterior scapes at municipal buildings and parking areas

Objective: 1) Continue to maintain areas through routine maintenance such as mowing, trimming, edging, proper pruning, fertilization applications, and litter removal; 2) Appearance will also improve by adding a splash of color with annual plantings of flowers as well as start to incorporate perennials on some islands

Measures:

| | | | |
|----------------------------------|--------|--------|--------|
| Sites maintained | 67 | 69 | 75 |
| Plant beds installed / renovated | 3 | 5 | 5 |
| Annuals grown and planted | 50,000 | 48,000 | 50,000 |
| Acres mowed | 20 | 21 | 23 |
| Litter removal | 50,000 | 50,000 | 55,000 |
| Interior plants maintained | 150 | 100 | 125 |

GENERAL FUND DEBT SERVICE

Fund: General

Function: Debt Service

Goal: To account for the annual debt service requirements of the General Fund.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 0 | 0 | 738,113 | 727,500 | 943,250 | 799,037 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 738,113 | 727,500 | 943,250 | 799,037 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

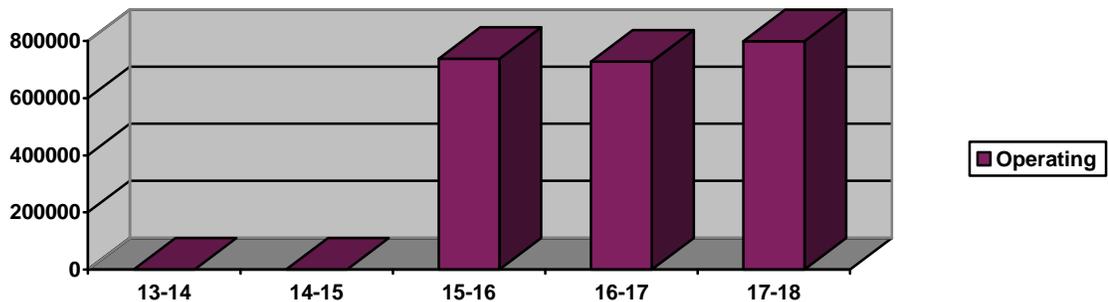
2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 17-18 appropriation reflects an increase of \$71,537 or ten (10%) percent compared to FY 16-17 budget. In September 2013, voters authorized the City to issue general obligation bonds totaling \$14.5 million for several quality-of-life improvement projects. **FY 15-16** reflects the first full year of debt related to the issuance of bonds (\$8.5 million) for streetscape and sidewalk projects.

In the years to come, additional bonds will be issued for the Greenway and Park projects.



POLICE

Fund: General

Function: Public Safety

Goal: The goal of the Police Department is a continuous one aimed at reducing crimes, drug traffic, juvenile delinquency, and promoting safety on our streets as a goal of City Council.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 6,987,834 | 7,019,596 | 7,247,629 | 7,808,185 | 8,021,654 | 8,119,263 |
| Operating | 1,283,948 | 1,275,602 | 1,420,685 | 1,717,887 | 1,678,918 | 1,522,814 |
| Capital | 84,905 | 476,993 | 278,287 | 726,898 | 134,327 | 83,946 |
| Total | 8,356,687 | 8,772,191 | 8,946,601 | 10,252,970 | 9,834,899 | 9,726,023 |
| Budgeted Positions | 106 | 106 | 108 | 110 | 110 | 110 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) selective enforcement vehicle, \$25,757; one (1) investigative vehicle, \$24,624; and seven (7) mobile data terminals, \$33,565.

GRAPHIC REPRESENTATION

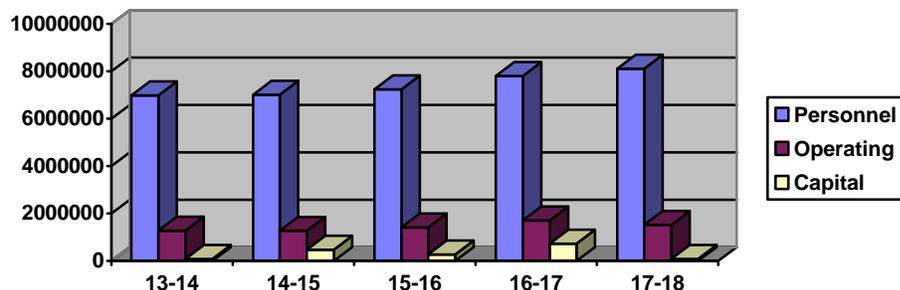
FY 17-18 appropriations reflect a decrease of \$526,947 or five (5%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% retirement increase, and a 13% increase for group health insurance. The operating decrease is related to the police pension contribution. Patrol vehicles were purchased in prior year resulting in the decrease shown within capital.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% retirement increase in non-sworn officers, a 0.85% retirement increase in sworn officers, a 5% increase for group health insurance, and the addition of two new dispatcher positions. The increase within operating is contributed to the police pension fund. Capital reflects a substantial increase for the purchase of patrol vehicles. These vehicles are purchased every other year.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and the addition of two new dispatcher positions. The majority of the increase reflected in **FY 15-16** operating is the result of the purchase of body cameras, contribution to pension fund, and insurance and bonds. A reduction in debt is also shown within operating as the 911 Console were paid off in FY 14-15.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. A front desk position frozen in previous years has been funded. Capital reflects a substantial increase for the purchase of patrol vehicles.

FY 13-14 personnel adjustments are related to a 0.07% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, a one-time bonus for employees, and freezing a front desk position.



POLICE

The Police department provides an array of police services including administration, uniform patrol, criminal investigations, selective enforcement unit, drug enforcement unit, community policing and communications. The administration arm of the department is responsible for managing all divisions. Central to the department is the uniform patrol division which provides traffic control, protection and detection of crimes, apprehension of criminal offenders and all other calls for service. The department also provides investigations on criminal cases, identification and arrests of suspects, targets high crime areas with a specialized enforcement unit, promotes community involvement and problem oriented policing strategies, as well as targeting the illegal use of drugs and drug traffic in the city and county.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To protect and detect criminal activity and apprehend criminal offenders

Objective: To protect life and property in the City of Sanford, strive to provide a feeling of safety and security of all citizens and provide the fastest response time possible to any location within the city

Measures:

| | | | |
|-----------------------------------|--------|--------|--------|
| Average response time (minutes) | 4 | 4 | 4 |
| Number of calls for service | 30,742 | 29,269 | 31,000 |
| Number of accident investigations | 1,550 | 1,503 | 1,600 |

Goal: To combat the illegal use of drugs and drug traffic in Sanford and Lee County

Objective: 1) The drug enforcement unit will provide drug awareness programs in schools, civic clubs and churches to create public awareness of drug problems; 2) The unit will also expand drug enforcement efforts throughout the city

Measures:

| | | | |
|------------------------|-----|-----|-----|
| Number of drug arrests | 118 | 122 | 150 |
|------------------------|-----|-----|-----|

Goal: Through the investigative division, the department will conduct follow up investigation on criminal cases and identify and arrest suspects

Objective: Assign cases for investigative follow up within 24 hours of their receipt in the investigative division

Measures:

| | | | |
|-----------------|-------------|-------------|-------------|
| Part I offenses | 950 | 988 | 1,080 |
| Property damage | \$5,149,803 | \$5,252,276 | \$5,350,000 |

FIRE

Fund: General

Function: Public Safety

Goal: To protect life and property by preventing fires from starting and to maintain a construction and fire loading system that will keep potential fire problems within the manageable limits of the fire control system and supports the City goal of providing safety and quality of life for citizens.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 3,482,363 | 3,484,008 | 3,670,584 | 3,793,564 | 4,000,399 | 3,974,513 |
| Operating | 375,880 | 473,748 | 621,532 | 668,577 | 674,297 | 703,459 |
| Capital | 58,750 | 28,845 | 641,300 | 173,189 | 1,920,925 | 761,350 |
| Total | 3,916,993 | 3,986,601 | 4,933,416 | 4,635,330 | 6,595,621 | 5,439,322 |
| Budgeted Positions | 54 | 54 | 54 | 54 | 54 | 54 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) fire pumper, \$560,000 (installment purchase); nine (9) UHF mobile radios, \$51,350; and land acquisition for No. 4 fire station, \$150,000 (installment purchase).

GRAPHIC REPRESENTATION

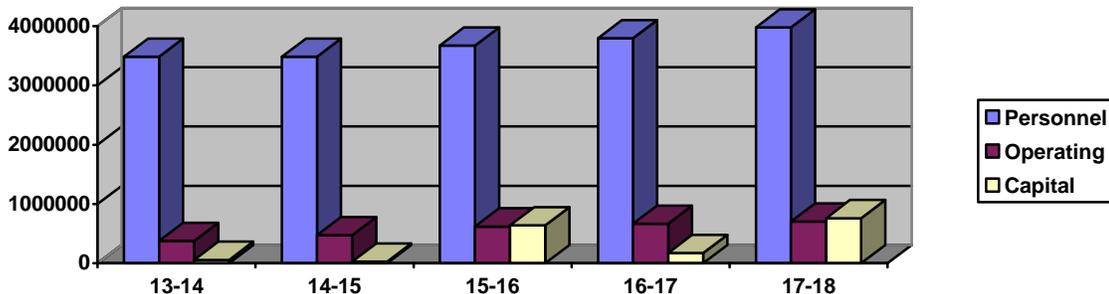
FY 17-18 appropriations increased \$803,992 or seventeen percent (17%) compared to the FY 16-17 budget. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Operating includes installment purchase debt for a new fire pumper. Capital is shown above.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating reflects increases for mold remediation at No. 3 fire station and roof replacement at No. 2 fire station.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and unfreezing one firefighter position. Operating reflects increases within maintenance building and maintenance equipment related to capital outlay reclassification and the first full year of installment purchase payments on the new fire pumper. Capital funding reflects a new fire pumper.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and one firefighter position remains frozen. Operating reflects increases within training, utilities, departmental supplies/computers, uniforms and contractual services.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, a one-time bonus for employees and freezing one firefighter position. The decrease reflected within operating is mainly due to the completion of the narrow banding project and the purchase of self-contained breathing apparatus (SCBA) equipment in prior year.



FIRE

To protect life and property by preventing fires from starting through education and inspections, and to reduce human suffering and property loss by responding to every incident as quickly, professionally, and safely as possible with the training, equipment and determination to do our job effectively with optimum results. To maintain a good working relationship with all customers, the citizens of our city.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: Reduce loss of life and property

Objective: To reduce the amount of property loss and injury caused by fire and other forces

Measures:

| | | | |
|--|-------|-------|-------|
| Total number of fire department responses | 1,196 | 1,200 | 1,205 |
| Number of structure fires | 48 | 45 | 50 |
| Number of vehicle fires | 23 | 30 | 35 |
| Number of motor vehicle accident responses | 322 | 380 | 340 |
| All other responses | 803 | 760 | 780 |

Goal: Gain knowledge of facilities and their characteristics for preparation of incidents

Objective: To accumulate vital information concerning industrial complexes and business occupancies and to keep owners and operators updated on safety aspects of their respective businesses, fire inspections (according to NC Fire Prevention code) and pre-incident planning will continue

Measures:

| | | | |
|---|-------|-------|-------|
| Number of fire safety inspections performed | 1,600 | 1,600 | 1,600 |
| Number of logged pre-incident plans | 325 | 350 | 350 |
| Number of State Certified Fire Inspectors | 4 | 4 | 4 |

Goal: Maintain the highest level of knowledge and capabilities of our personnel

Objective: 1) To promote the effectiveness of the individual firefighter, an in-depth training program is continuing for the full-time and part-time personnel; 2) While training is still brought to our personnel from our in-house state certified instructors, outside sources are utilized from North Carolina Emergency Management, North Carolina Forestry Service, FEMA, and Central Carolina Community College; 3) As part of our continuing effort to provide diverse services to our citizenry, all full-time suppression personnel continue to average over 200 hours of training in all aspects of fire and emergency response; this, with our training in confined space rescue, hazardous materials training, and pre-planning programs, continues to sharpen our abilities to serve the citizens of Sanford

Measures:

| | | | |
|--|--------|--------|--------|
| Number of training hours per certified firefighters | 279 | 280 | 280 |
| Total number of training hours for department | 14,000 | 14,000 | 14,000 |
| Number of state certified firefighters (including part-time) | 52 | 54 | 54 |
| Number of state certified fire instructors | 25 | 25 | 25 |

FIRE

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: Identify factors of origin and cause of unintentional and intentional fires

Objective: To investigate origin and cause of fires, and to help with prosecution of those who intentionally set fires to structures and other objects, by maintaining knowledgeable and capable investigators and engine company officers

Measures:

| | | | |
|--|----|----|----|
| Number of investigations conducted (structural) | 48 | 35 | 40 |
| Number of fires deemed incendiary or still under investigation | 5 | 5 | 5 |
| Number of certified fire / arson investigators | 3 | 5 | 5 |

Goal: Be responsive to citizens' needs by providing proactive service to prevent injury due to fire and other factors

Objective: Provide presentations to school age children, senior citizens, and others that will explain the need for proactive preventive efforts on everyone's part to prevent fires, and injuries due to fires, motor vehicle accidents, and other incidents; this includes continuation of our smoke detector program, the SAFE KIDS Coalition, operation of child protective seat check points, and maintaining designation as a "Safe Place" for our youth

Measures:

| | | | |
|---|-------|-------|-------|
| Number of smoke detectors installed – free service | 244 | 200 | 200 |
| Number of fire and life-safety education programs | 1,457 | 1,200 | 1,200 |
| Number reached by programs (school age > senior citizen) | 8,164 | 8,500 | 8,500 |
| Number of state certified fire and life safety educators | 6 | 6 | 6 |
| Number of child passenger safety seats installed or checked | 63 | 65 | 65 |

INSPECTIONS

Fund: General

Function: Public Safety

Goal: To enforce the North Carolina state building code and related codes and ordinances.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 355,178 | 358,175 | 375,324 | 393,033 | 458,144 | 456,120 |
| Operating | 41,919 | 44,635 | 49,298 | 71,255 | 72,425 | 72,425 |
| Capital | 0 | 0 | 18,341 | 22,500 | 22,500 | 0 |
| Total | 397,097 | 402,810 | 442,963 | 486,788 | 553,069 | 528,545 |
| Budgeted Positions | 7 | 7 | 7 | 7 | 7 | 7 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

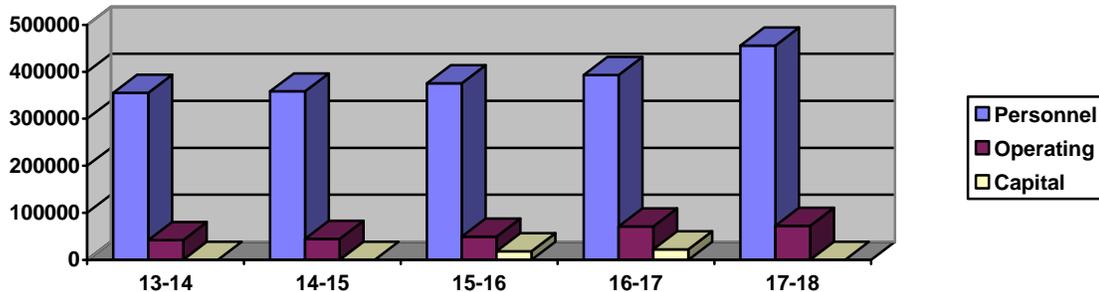
FY 17-18 appropriations reflect an increase of \$41,757 or nine percent (9%) compared to the FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, a 13% increase for group health insurance, and funding one previously frozen administrative position. One building inspector position remains frozen resulting in a savings of approximately \$62,000.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Due to current economic conditions, two vacant positions continue to remain frozen for a total savings of approximately \$100,000. Funded within operating are tablets for the inspector's to use in the field resulting in the increase shown.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. New code books were funded within operating.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



INSPECTIONS

The purpose of the Inspections Division of the Community Development Department is to provide protection, safety, and general welfare of the citizens of Sanford, Lee County, and the Town of Broadway by enforcing the North Carolina state building, plumbing, and mechanical codes, and the international electrical code, which serves as a comprehensive regulatory document to guide decisions aimed at public protection. Protection is accomplished through the process of performing inspections on all new construction, alterations, repairs, equipment installations, use and occupancy, building location, structures moved to another site, removal or demolition, or any appurtenances connected or attached to every building or structure, for compliance with the North Carolina state building codes, and related codes and ordinances. Certificates of Occupancy are issued as required by the technical codes. Establishments are inspected prior to the sale of alcoholic beverages to insure that the fire requirements are met and occupancy loads are evaluated. Daycare facilities are inspected for compliance with code requirements. The Inspections Division also conducts fire inspections and minimum housing inspections for the Town of Broadway. Policy direction and administrative support for the department's overall activities and functions are centralized in the Administrative Division of Community Development.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide safety, health, and welfare to the citizens of the City of Sanford, Lee County and the Town of Broadway by enforcing the North Carolina state building codes, and related codes and ordinances while maintaining a superior level of customer service

Objective: To review and approve all building, electrical, plumbing, mechanical, and other permits within established timeframes

Measures:

| | | | |
|-------------------------------------|-----------|-----------|-----------|
| Number of building permits issued | 467 | 552 | 562 |
| Number of electrical permits issued | 873 | 948 | 967 |
| Number of mechanical permits issued | 783 | 876 | 894 |
| Number of plumbing permits issued | 412 | 420 | 428 |
| Other permits issued | 183 | 180 | 184 |
| Revenue generated from permits | \$621,804 | \$689,730 | \$759,370 |

Goal: To provide prompt inspections on all requests within the City of Sanford, Lee County, and the Town of Broadway

Objective: Schedule and facilitate inspections as promptly as possible

Measures:

| | | | |
|---------------------------------|-------|-------|-------|
| Number of inspections conducted | 6,617 | 7,644 | 7,797 |
|---------------------------------|-------|-------|-------|

STREET

Fund: General

Function: Streets

Goal: To maintain an effective street system, which will promote the safety and free flow of pedestrian and vehicular traffic.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 889,391 | 931,437 | 865,477 | 919,911 | 960,785 | 980,340 |
| Operating | 1,147,221 | 1,151,377 | 1,017,588 | 1,618,689 | 1,471,374 | 1,482,298 |
| Capital | 100,015 | 339,827 | 37,022 | 200,200 | 334,100 | 100,000 |
| Total | 2,136,627 | 2,422,641 | 1,920,087 | 2,738,800 | 2,766,259 | 2,562,638 |
| Budgeted Positions | 18 | 18 | 17 ½ | 17 ½ | 17 ½ | 17 ½ |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) dump truck, \$100,000 (installment purchase).

GRAPHIC REPRESENTATION

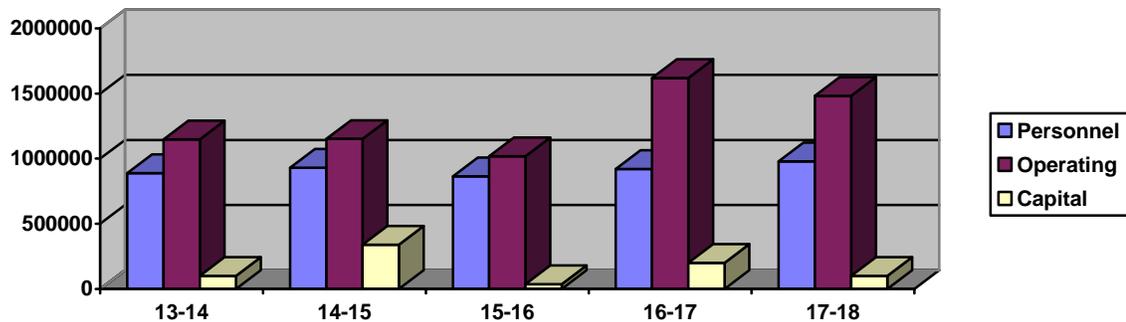
FY 17-18 appropriations decreased \$176,162 or six (6%) percent compared to FY 16-17 budget. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The decrease shown within operating is the result of Christmas decorations and banners funded in prior year.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, the transfer of half a position into this department as well as the transfer of one position into another department (related to the public works re-organization). Christmas decorations, brackets for streetscape poles, and banners are included within the operating cost center for a total of \$88,180. Also included within operating is \$40,000 for a street paving condition survey which is completed every four years. A pothole patcher was funded within capital.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and the retirement of an employee. A street sweeper was funded within capital.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



STREET

The Street Division is primarily responsible for the maintenance of Sanford's streets, associated street right-of-ways, curb and guttering, traffic services, and snow removal. The following are additional responsibilities: grading dirt streets; cutbacks for site distance; repainting street markings and hand rails; maintaining and upgrading traffic signals; fabrication, repair, and installation of street name signs (both regular and historic); rodent control; graffiti removal; installing Christmas decorations; and providing signage and barricade placement for special events. The Street Division also maintains sidewalks, curb and gutter, and catch basins. There are also responsibilities that are completed on a scheduled basis: the division sweeps curb and gutter streets, streets are resurfaced every twelve years, and potholes and utility cuts are patched within one week of notification. The Street Division also coordinates efforts with Progress Energy to operate and maintain the existing system of street lights within the city, including decorative lighting.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To ensure all streets, sidewalks, and curbs within the city are properly maintained

Objective: 1) To ensure we promptly respond to all notifications of deterioration and damage to sidewalks and roadways to guarantee a pleasant, safe, and adequate means of travel; 2) To continue a program of street maintenance that will ensure that all city streets are paved or resurfaced every twelve years; 3) Maintain a comprehensive program of open drainage and appropriate street cleaning that will aid in proper drainage for the street system

Measures:

| | | | |
|--|-------|-------|--------|
| Tonnage of patching | 1,822 | 1,403 | 2,350 |
| Feet of curb and gutter installed / repaired | 751 | 447 | 800 |
| Feet of sidewalk installed / repaired | 1,228 | 729 | 1,800 |
| Cutbacks for site distance | 268 | 131 | 400 |
| Feet of on-street ditches cleaned | 6,172 | 4,013 | 8,000 |
| Hours of street cleaning | 1,396 | 1,241 | 1,466 |
| Feet of shoulder work repair | 5,619 | 4,374 | 18,000 |

Goal: To maintain adequate signage, replace damaged and faded signs, markings, and striping on all city streets and parking areas so as to maintain an effective and efficient flow of traffic for pedestrians and vehicles and enhance the safety for motorists and pedestrians

Objective: 1) To continue maintaining adequate signage on all city streets through repair and replacement activities and provide specialty signs as needed; 2) To maintain and enhance markings and striping on streets and parking areas throughout the city

Measures:

| | | | |
|--|-------|-----|-------|
| Feet of lines painted | 2,320 | 98 | 1,500 |
| Traffic sign installation | 114 | 266 | 200 |
| Street markers installed / replaced / repaired | 210 | 105 | 221 |

Goal: To maintain adequate street lighting on all city streets and city parking areas and to determine the adequate number of lights required to light new areas of residential development to maintain a safe lighting plan for traffic of pedestrians and vehicles; to maintain the city's 5 signalized intersections

Objective: 1) To ensure we promptly correspond with Duke Progress Energy with all notifications of lighting repairs to guarantee a pleasant, safe, and adequate means of travel; 2) To maintain a comprehensive program of standard and decorative street lighting within the city limits; 3) to enhance all street lighting to AASHO standards

Measures:

| | | | |
|------------------------------|-------|-------|-------|
| Number of lights within city | 3,453 | 3,491 | 3,562 |
|------------------------------|-------|-------|-------|

STREET CAPITAL IMPROVEMENTS

Fund: General

Function: Streets

Goal: To provide funding for street capital improvements such as paving sidewalks and catch basin improvements as detailed in the five year Capital Improvements Program.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|----------------|----------------|----------------|------------------|------------------|------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 105,520 | 693,344 | 125,726 | 1,064,611 | 1,555,525 | 1,221,185 |
| Capital | 36,299 | 0 | 264,159 | 0 | 0 | 0 |
| Total | 141,819 | 693,344 | 389,885 | 1,064,611 | 1,555,525 | 1,221,185 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

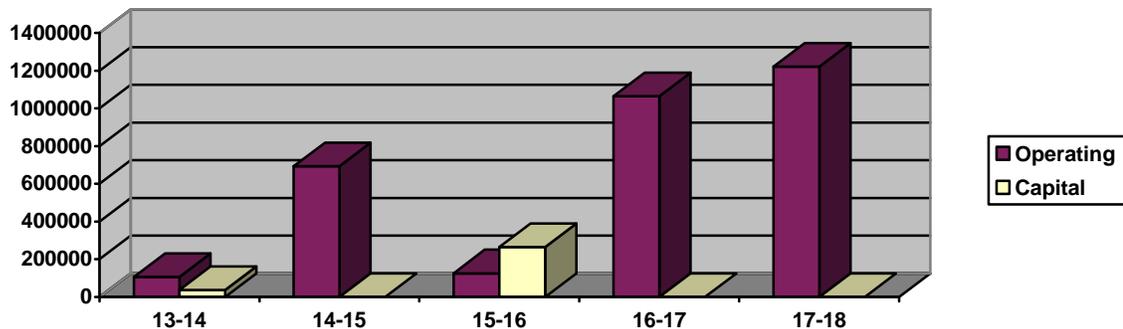
2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect an increase of \$156,574 or fifteen (15%) percent compared to FY 16-17 budget. Operating includes \$100,000 for sidewalk replacement, curb and gutter, and catch basin repair. The city plans to borrow \$950,000 for street resurfacing. Debt payments are included to repay these borrowed funds in the amount of \$65,660. Debt payments are also included in the amount of \$105,525 to repay funds borrowed in FY 2012-13 for street resurfacing.

FY 16-17 includes funds for street resurfacing in the amount of \$500,000. Debt payments in the amount of \$105,525 are included to repay funds borrowed in FY 2012-13 for street resurfacing. Operating also includes \$15,000 to install sidewalks from First Street to Third Street and \$100,000 for additional sidewalk replacement, curb and gutter, and catch basin repair.



SOLID WASTE

Fund: General

Function: Sanitation

Goal: To provide to the city residents a cost effective and comprehensive system of yard waste (leaf and limb) removal, bulk trash as well as right-of-way mowing, sidewalk cleaning, curb cutting, ditch cleaning and correcting sight distance problems.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 892,802 | 884,653 | 872,728 | 998,602 | 1,003,048 | 1,023,449 |
| Operating | 306,202 | 308,903 | 374,617 | 379,509 | 396,285 | 404,789 |
| Capital | 149,177 | 315,384 | 195,100 | 171,500 | 765,300 | 185,000 |
| Total | 1,348,181 | 1,508,940 | 1,442,445 | 1,549,611 | 2,164,633 | 1,613,238 |
| Budgeted Positions | 18 | 18 | 18 ½ | 18 ½ | 18 ½ | 18 ½ |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) leaf vac truck, \$185,000 (installment purchase).

GRAPHIC REPRESENTATION

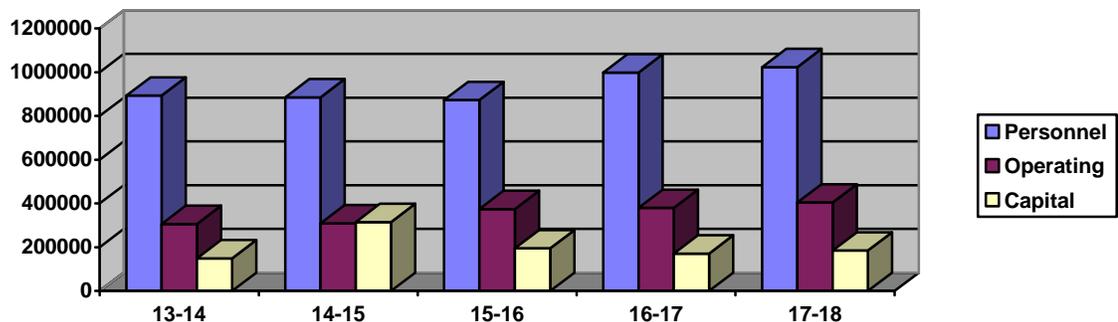
FY 17-18 appropriations reflect an increase of \$63,627 or four (4%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. One maintenance worker position remains frozen resulting in a savings of approximately \$41,000. Operating includes debt for installment purchase of leaf vac truck. Capital is shown above.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the transfer of half a position into this department related to the public works re-organization. Capital funding includes a knuckleboom truck.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. The debt of new capital is included in the operating cost center which reflects a substantial increase. Capital funding includes a knuckleboom truck.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and an employee who elected the early retirement incentive package. Capital funding includes a knuckleboom truck and a leaf vac truck.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. Capital funding includes a leaf vac truck.



SOLID WASTE

The Solid Waste Department provides weekly collection of yard waste (leaves and limbs) as well as bulk trash from city residents at the curbside. The material from yard waste is either composted or ground into woodchips at the city's compost facility as a recycling process. The material is then sold back to the public. The division also maintains approximately 20 acres of city lots, mows approximately 115 miles of city right-of-ways and approximately 75 miles of Department of Transportation right-of-ways, as well as sidewalk cleaning, curb cutting, and spraying.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To develop and provide residents of the City of Sanford with the cost-effective debris collection program consisting of yard waste and bulk trash pick-up that will insure a better appearance within our city

Objective: Maintain a comprehensive yard waste collection program as well as scheduled bulk trash collection insuring a better appearance to our city

Measures:

| | | | |
|--|-------|-------|-------|
| Number of loads of limbs and leaves hauled | 1,983 | 2,000 | 2,025 |
| Number of loads of bulk trash hauled | 782 | 750 | 780 |

Goal: Increase appearance of residential areas through the monitoring of mowing needs as well as cleaning of sidewalks and curb cutting

Objective: Increase time allotted for maintaining the aesthetics of our residential areas

Measures:

| | | | |
|---------------------------------------|--------|--------|--------|
| Equipment hours cutting curb | 508 | 510 | 500 |
| Equipment hours mowing | 1,014 | 1,210 | 1,200 |
| Equipment hours cleaning sidewalk | 103 | 200 | 250 |
| Pounds of litter collected by inmates | 16,755 | 25,000 | 21,000 |

SANITATION

Fund: General

Function: Sanitation

Goal: To assure the citizens of the City of Sanford the most effective delivery of sanitation services including the addition of year around service for bulk trash collections.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 1,137,931 | 1,156,074 | 1,168,767 | 1,189,958 | 1,223,857 | 1,223,857 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1,137,931 | 1,156,074 | 1,168,767 | 1,189,958 | 1,223,857 | 1,223,857 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

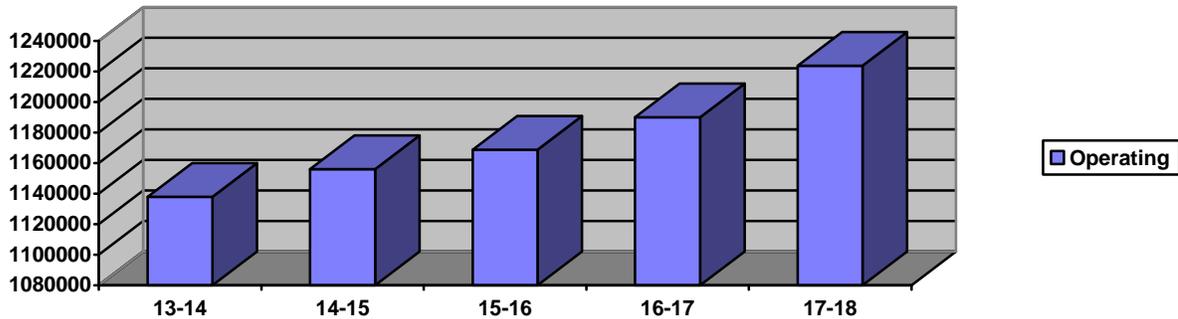
GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect an increase of \$33,899 or three (3%) percent compared to FY 16-17 budget. An increase in number of households and C.P.I. (2.8%) is reflected within operating. Council elected to increase the annual waste management fee from \$200 to \$225 per household.

FY 16-17 reflects a slight increase in number of households and C.P.I. (0.7%). The annual waste management fee remained at \$200 per household.

FY 14-15 reflects a 1.2% C.P.I. adjustment. Council elected to increase the annual waste management fee in FY 14-15 from \$150 to \$200 per household.

FY 13-14 reflects a newly awarded waste collection contract resulting in a savings for the city. Council also elected to increase the annual waste management fee from \$125 to \$150 in FY 13-14.



SANITATION

The Sanitation program is under the direction of the city's General Services department. Services are contracted with Waste Industries for one pickup weekly of garbage and bi-weekly collection of recyclables. The General Services director, city manager, and Solid Waste superintendent monitor the waste collector's performance to promote and encourage the prevention of litter throughout the city.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: Provide timely, efficient, and cost effective services to all residential customers being responsive to resident's concerns and desired level of performance

Objective: To track the level of services provided by accurately accounting for the billing of solid waste fees associated with the garbage services for all residential customers

Measures:

| | | | |
|----------------------------|-------------|-------------|-------------|
| Number of units | 8,883 | 8,933 | 8,975 |
| Solid waste fees collected | \$1,761,988 | \$1,750,559 | \$2,019,375 |

Goal: To protect the environment and encourage the prevention of litter throughout the city

Objective: Determine the effectiveness of recycling and monitor tonnage of garbage from residential collection

Measures:

| | | | |
|---------------------------------------|-------|-------|-------|
| Number of tons of recycling collected | 1,893 | 1,801 | 1,900 |
| Number of tons of residential waste | 7,087 | 7,172 | 7,100 |

COMMUNITY DEVELOPMENT

Fund: General

Function: Community Development

Goal: To be responsive to the needs of Sanford and Lee County's citizens and provide an unparalleled level of customer service and assistance; to execute specialized guidance in the facilitation of planning issues, building inspections, historic preservation, and community revitalization projects; to respond to every challenge as quickly and professionally as possible.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 817,619 | 731,060 | 751,152 | 795,284 | 799,462 | 819,956 |
| Operating | 53,426 | 57,755 | 247,810 | 433,790 | 339,171 | 296,565 |
| Capital | 0 | 0 | 0 | 2,400 | 0 | 0 |
| Total | 871,045 | 788,815 | 998,962 | 1,231,474 | 1,138,633 | 1,116,521 |
| Budgeted Positions | 10 | 10 | 10 | 10 | 10 | 10 |

2017-2018 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

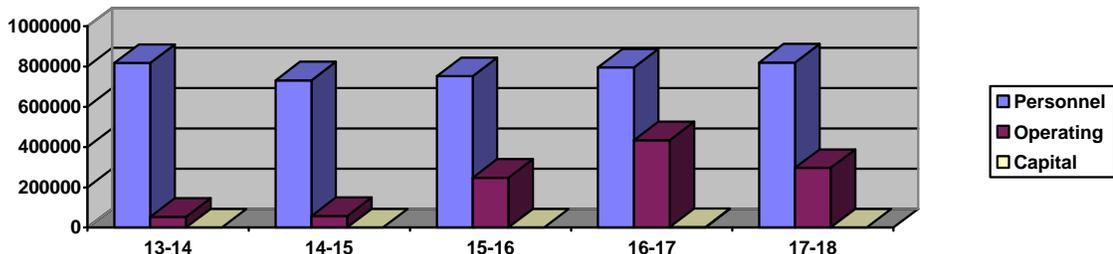
FY 17-18 appropriations reflect a decrease of \$114,953 or nine percent (9%) compared to the FY 16-17 budget. Personnel adjustments are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The assistant director position remains frozen resulting in a savings of approximately \$92,000. Prior year operating includes funds to update the Land Use Plan resulting in the decrease shown. Operating includes funds to renovate the Buggy Factory for additional office space.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Prior year operating includes funds for the initial set up of Energov software / training related to locating staff in the Buggy Factory.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Included within operating are funds to re-locate the Sanford / Lee County Planning and Community Development Department and other stand-alone departments to create a one-stop shop for economic development. This new department called "Buggy Factory" includes a recurring lease payment and one-time capital expenditures to set up the department.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. With the retirement of a top level employee, a position has been frozen resulting in the decrease shown within personnel.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



COMMUNITY DEVELOPMENT

The Community Development Department provides services with respect to land use, zoning and development issues; overseeing the land use review and approval process; providing professional advice and direction with respect to the physical development and redevelopment to the City of Sanford, Lee County, and the Town of Broadway; developing, maintaining and providing compliance review of the Sanford/Lee County comprehensive plan; preparation and maintenance of the Sanford/Lee County base map; providing technical assistance and staff support to the various boards who review and/or make decisions regarding land development within all three jurisdictions.

The Community Development Department is responsible for the administration, management, and implementation of various federal, state, and local grant-funded programs that benefit the low, very low, and moderate income households within the city. Emphasis has been directed at the preservation of existing housing units, increasing home ownership opportunities, and residential landscape and exterior improvements. Community Development staff encourage and develop public/private partnerships with organizations.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To develop administrative programs and procedures designed to provide efficient customer service in all functions of the department

Objective: Respond to all correspondence items and/or requests for information within established timeframes

Measures:

| | | | |
|--|-----|-----|-----|
| Respond to all correspondence within five working days | 95% | 95% | 95% |
| Return all phone calls same day | 85% | 85% | 85% |

Goal: To encourage and educate citizens on issues affecting zoning procedures and quality of life issues

Objective: Plan, schedule, and facilitate community wide meetings directed at enhancing citizen input and participation in the decision making process

Measures:

| | | | |
|-------------------------|---|---|---|
| Community wide meetings | 3 | 4 | 6 |
|-------------------------|---|---|---|

Goal: To provide comprehensive land development growth management policies for development, redevelopment and preservation of land resources within Sanford, Lee County, and Broadway.

Objective: To enforce the Sanford/Lee County/Broadway Unified Development Ordinance (UDO) and all other related codes and ordinances

COMMUNITY DEVELOPMENT

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|---|-----------------|--------------------|--------------------|
| Measures: | | | |
| Number of Planning Board cases processed | 9 | 10 | 12 |
| Number of Board of Adjustment cases processed | 16 | 11 | 12 |
| Number of major subdivision plats reviewed and/or approved | 3 | 4 | 6 |
| Number of minor subdivision plats reviewed and/or approved | 40 | 40 | 50 |
| Number of commercial projects researched/reviewed | 139 | 180 | 200 |
| Number of zoning permits (signs, temporary uses, ABC, etc.) | 120 | 160 | 200 |
| Number of zoning permits (residential projects) | 321 | 353 | 388 |
| Number of zoning permits (mobile home setups) | 75 | 75 | 85 |
| Number of zoning permits (commercial projects) | 181 | 200 | 220 |

Objective: To investigate zoning complaints for Sanford, Lee County, and Broadway.

| | | | |
|----------------------------|-----|-----|-----|
| Measures: | | | |
| Zoning complaints received | 267 | 294 | 352 |
| Zoning complaints resolved | 260 | 286 | 352 |

Goal: To provide opportunities for low to moderate income eligible households by rehabilitating existing homes.

Objective: Complete rehabilitation to owner occupied units in order to provide decent, safe, and standard housing units (funded through NC Housing Finance Agency). (CDBG housing funds no longer available.)

| | | | |
|--|----|----|----|
| Measures: | | | |
| NC HFA Urgent Repair Program | 16 | 14 | 14 |
| NC HFA Single Family Rehabilitation Program | 3 | 3 | 7 |
| Annual block party | 1 | 1 | 1 |
| Sanford / Lee County Youth Council meetings per year | 10 | 10 | 10 |
| Race to Read 5K Run | 1 | 1 | 1 |

CODE ENFORCEMENT

Fund: General

Function: Community Development

Goal: To enforce the provisions of the Sanford City Code of Ordinances and to ensure fitness for human habitation, and safeguard the interest of the general public by investigating and bringing into compliance all nuisance violations.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 229,240 | 200,593 | 188,570 | 205,815 | 199,197 | 203,233 |
| Operating | 62,791 | 28,278 | 27,311 | 43,519 | 47,570 | 47,570 |
| Capital | 0 | 0 | 36,682 | 0 | 22,000 | 0 |
| Total | 292,031 | 228,871 | 252,563 | 249,334 | 268,767 | 250,803 |
| Budgeted Positions | 4 | 4 | 4 | 4 | 4 | 4 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

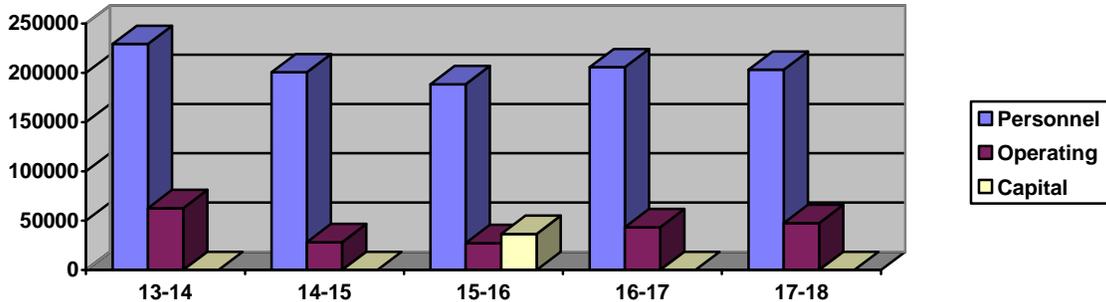
FY 17-18 appropriations reflect an increase of \$1,469 or one percent (1%) compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. The decrease shown within personnel is the result of the retirement of a long time employee. One administrative assistant position remains frozen resulting in a savings of approximately \$48,000.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating includes funds for Energov training resulting in the increase shown.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and an employee who elected the early retirement incentive package. Operating reflects a decrease due to Energov software and licenses funded in prior year.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. Operating reflects an increase for laptops and software budgeted to improve efficiency in the field.



CODE ENFORCEMENT

The purpose of the Code Enforcement section of the Community Development Department is to provide protection, safety, and general welfare of the citizens of the City of Sanford by enforcing the Code of Ordinances. Compliance is achieved through the process of performing inspections on nuisance violations (i.e. rodent, overgrown lots, trash / junk, health / fire hazard, junked / nuisance vehicles) and issuing violation notices when necessary. Inspections are conducted on structures that are substandard to insure that they are fit for human habitation.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide a comprehensive program of service to the citizens of Sanford by enforcing the provisions of the Code of Ordinances, Unified Development Ordinance (UDO), and related North Carolina General Statutes, by inspecting to ensure residential structures are fit for human habitation, and by safeguarding the interest of the general public by investigating and bringing into compliance all nuisance violations.

Objective: Investigate complaints of overgrown lots, trash / junk, nuisance vehicles, rodents, animals, health / safety, minimum housing, commercial maintenance code and other items as directed within the City of Sanford. To assist other city agencies in bringing properties into compliance with the City of Sanford Code of Ordinances and the North Carolina General Statutes.

Measures:

| | | | |
|--------------------------------|-------|-------|-------|
| Overgrown lot complaints | 1,332 | 1,350 | 1,400 |
| Trash / junk complaints | 294 | 300 | 450 |
| Nuisance vehicle complaints | 215 | 220 | 361 |
| Sewer complaints | 10 | 10 | 10 |
| Minimum housing complaints | 111 | 115 | 144 |
| Other nuisance complaints | 33 | 35 | 40 |
| Health / fire complaints | 8 | 10 | 10 |
| Animals / poultry complaints | 14 | 15 | 15 |
| Laps / limbs complaints | 31 | 30 | 28 |
| Solid waste violations | 17 | 20 | 10 |
| Graffiti | 0 | 3 | 10 |
| Housing Task Force block party | 24 | 25 | 25 |
| Zoning | 0 | 3 | 20 |
| Building without permits | 0 | 0 | 5 |

PLANNING / HISTORIC PRESERVATION

Fund: General

Function: Community Development

Goal: To restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, pre-historic, architectural, or cultural importance.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 94,345 | 94,956 | 98,783 | 86,746 | 89,101 | 90,489 |
| Operating | 10,510 | 13,999 | 11,921 | 15,575 | 14,475 | 18,475 |
| Capital | 0 | 0 | 0 | 73,000 | 184,000 | 45,000 |
| Total | 104,855 | 108,955 | 110,704 | 175,321 | 287,576 | 153,964 |
| Budgeted Positions | 1 | 1 | 1 | 1 | 1 | 1 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes Wayfinding signs in Downtown Sanford and Historic Jonesboro, \$35,000; and Public Art, \$10,000.

GRAPHIC REPRESENTATION

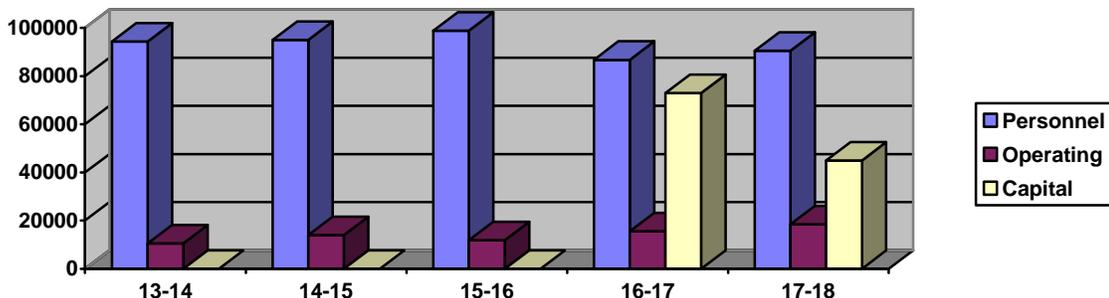
FY 17-18 appropriations reflect a decrease of \$21,357 or twelve percent (12%) compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Operating includes funds for Historic Preservation Trades Day in the amount of \$2,000 resulting in the increase shown. Capital is reflected above.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Due to changing job duties, employees were switched between this department and the Community Development department resulting in the decrease shown within personnel. Additional funds are included within operating for advertising of proposed annexations. Wayfinding signs are budgeted in the amount of \$70,000 and shown within the capital cost center.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. Included within operating is a program to scan all historic district case files resulting in the increase shown.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



PLANNING / HISTORIC PRESERVATION

Historic Preservation – The purpose of the Historic Preservation Division is to oversee the inventory of properties of historic, pre-historic, architectural and / or cultural significance, and make recommendations to the City Council to designate by ordinance “historical districts.” Historic Preservation staff offers assistance to property owners of buildings, structures, sites, or areas when considering the restoration, preservation, and operation of historic matters.

Annexation – Studies are conducted to determine the feasibility of all proposed voluntary and involuntary annexations, which include cost analysis for delivery of services and corresponding revenues.

Progressive Neighborhood Program – The city’s Progressive Neighborhood Program encourages public/private, community oriented partnerships that are neighborhood driven, and designed to improve the quality of life throughout the city. The program is designed to preserve neighborhoods by dealing with issues that affect long-term livability.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, prehistoric, architectural, or cultural importance

Objective: To take the necessary action to insure construction, re-construction, alteration, restoration, moving, or demolition of buildings, structures, appurtenant features, outdoor advertising signs, or other significant features, that would be incongruous with the special character of historic districts and landmarks

Measures:

| | | | |
|--|----|----|----|
| Minor certificate of appropriateness | 57 | 52 | 65 |
| Major certificate of appropriateness | 7 | 14 | 16 |
| Investigate design guideline violations | 28 | 32 | 32 |
| Number of National Registered Historic Districts | 5 | 5 | 5 |

Goal: Ensure that voluntary and involuntary annexation applications are processed in a timely manner and that they comply with the General Statutes of the State of North Carolina

Objective: Conduct feasibility studies, and cost analysis for delivery of services on all annexations, and process applications within the time frames specified in the general statutes

Measures:

| | | | |
|-----------------------------------|---|---|---|
| Processed annexation applications | 0 | 1 | 2 |
|-----------------------------------|---|---|---|

Goal: To assist neighborhood driven partnerships through the city’s Progressive Neighborhood Program that encourages improvement of quality of life throughout the city.

Objective: Strive to be an All American City through hard work, commitment of resources, and caring people working together

Measures:

| | | | |
|---|------|------|------|
| Review plan and make suggestions to the neighborhood committees | 100% | 100% | 100% |
| Evaluation of infrastructure within neighborhood | 100% | 100% | 100% |

UTILITY FUND

Goal: To account for the operations of the water treatment, wastewater treatment, and distribution systems.

REVENUE SUMMARIES

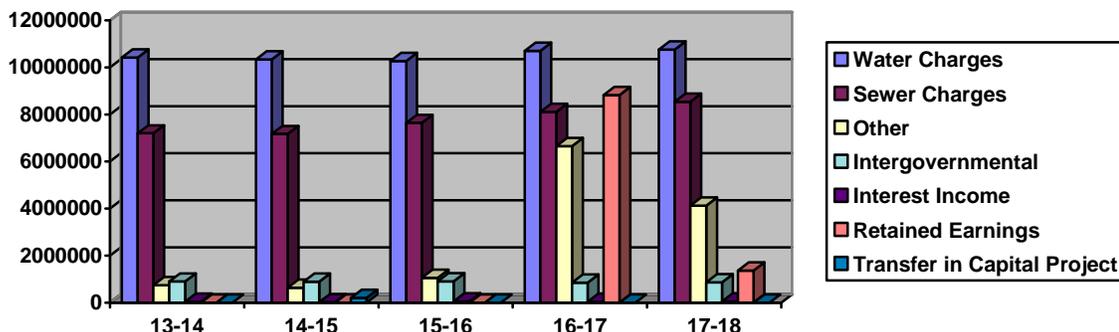
| Revenue Sources | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Water-User Charges | 10,421,755 | 10,342,799 | 10,275,173 | 10,709,449 | 10,758,444 | 10,758,444 |
| Sewer-User Charges | 7,196,876 | 7,171,039 | 7,644,040 | 8,113,885 | 8,541,080 | 8,541,080 |
| Other | 736,263 | 628,269 | 1,046,534 | 6,650,279 | 4,121,100 | 4,121,100 |
| Intergovernmental | 892,864 | 891,902 | 896,713 | 850,000 | 860,000 | 860,000 |
| Interest Income | 35,884 | 17,181 | 49,103 | 36,900 | 46,000 | 46,000 |
| Retained Earnings | 0 | 0 | 0 | 8,822,439 | 1,363,964 | 1,363,964 |
| Transfer in Cap. Proj. | 0 | 200,000 | 0 | 0 | 0 | 0 |
| Total | 19,283,642 | 19,251,190 | 19,911,563 | 35,182,952 | 25,690,588 | 25,690,588 |

GRAPHIC REPRESENTATION

FY 17-18 revenues decreased \$9,492,364 or twenty-seven (27%) percent compared to FY 16-17 budget. This decrease is mainly due to retained earnings appropriated in prior year for items such as the Moncure Megasite (\$3.5M), sewer assessment project (\$500,000), re-appropriation of funds not expended at year end (\$1,747,625), and an agreement with Lee County for Colon Road waterline (\$350,000). User charges reflect an increase of \$476,190 or three (3%) percent compared to prior year. This is due to an interlocal agreement with Chatham County to purchase the capacity to receive 1.5 million gallons of water per day beginning January 1, 2018. The city must extend a 16-inch waterline along Hawkins Avenue at a cost of approximately \$3.5 million to honor this agreement. The City anticipates sufficient revenue to meet our FY 2017-18 obligations without raising water or sewer rates. However, without revenue growth, future rate increases may be necessary. Retained earnings represents the purchase of one time capital.

FY 16-17 reflects an increase in user charges due to a two percent (2%) water and two percent (2%) sewer increase as well as some growth in consumption. The average monthly impact on a city water/sewer account will be \$1.30 per month. Partnering with Lee County and private sector investors, the City will create a new industrial park referred to as the Central Carolina Enterprise Park (CCEP). The City plans to extend water and sewer lines to this 700 acre site located near the Deep River Community. This budget includes \$6,000,000 in "Other" revenue source as installment purchase proceeds to begin funding this project. Retained earnings represents the purchase of one time capital, re-appropriations, and funding large items such as the Moncure Megasite and the sewer assessment project.

Utility rates were not adjusted in **FY 15-16 and FY 14-15**. **FY 13-14** increased water and sewer rates by two percent.



UTILITY FUND
EXPENDITURE SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|------------------------|-----------------------|
| Personnel | 5,151,523 | 5,203,789 | 5,357,437 | 5,832,502 | 6,045,174 | 6,172,949 |
| Operating | 11,874,286 | 14,144,051 | 13,139,210 | 22,959,414 | 13,760,883 | 13,984,289 |
| Capital Outlay | 970,654 | 1,786,649 | 1,555,986 | 6,391,036 | 8,013,480 | 5,533,350 |
| | | | | | | |
| Total | 17,996,463 | 21,134,489 | 20,052,633 | 35,182,952 | 27,819,537 | 25,690,588 |
| Budgeted Positions | 89 | 89 | 91 | 92 | 92 | 92 |

GRAPHIC REPRESENTATION

FY 17-18 appropriation reflects a decrease of \$9,492,364 or twenty-seven percent (27%) compared to FY 15-16 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Three positions remain frozen and are included in the Engineering and Distribution and Collection departments. Prior year funding includes over \$4,000,000 contributed to capital projects such as the Moncure Megasite, Central Carolina Enterprise Park (CCEP) waterline extension, sewer remediation, and sewer assessments. Other factors driving the decrease shown within operating are a \$350,000 contribution to Lee County to extend the waterline on Colon Road, as well as a \$175,000 contribution made to the Airport Authority for utility line extension. Capital is shown at the departmental level.

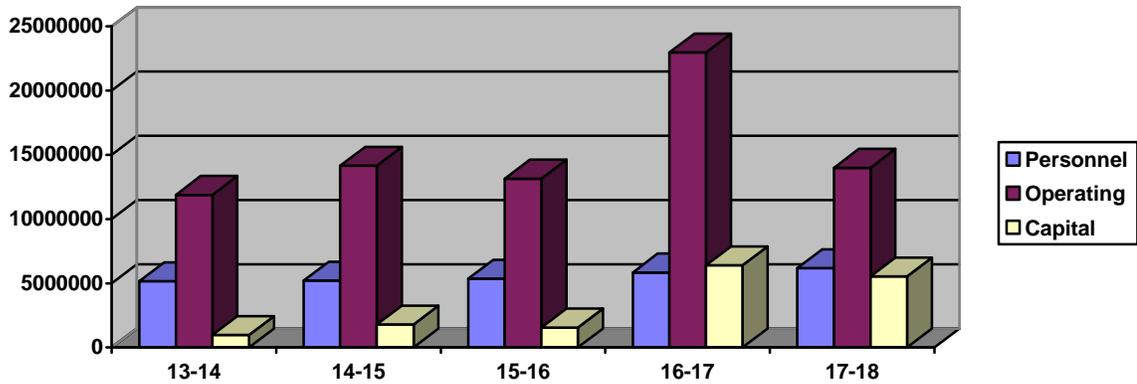
FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the addition of a utility locator position within the Engineering department. A total of three (3) positions remain frozen and are included in the Engineering and Distribution and Collection departments. The increase shown within operating is mainly the result of water and sewer rehabilitation funds previously budgeted within the capital cost center is now included in the operating cost center as a result of re-classification requirements by auditors. Operating also includes installment purchase debt in the amount of \$359,000 related to the Central Carolina Enterprise Park (CCEP). Capital outlay cost center includes funds to extend water and sewer to a new industrial park referred to as CCEP; and Triassic development sewer extension.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment (based on a salary study performed in prior year), a 2% merit adjustment (not funded in the last six years), a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and the addition of a utility locator position within the Engineering department. A total of three (3) positions remain frozen. Capital outlay major funding includes sewer rehabilitation, water rehabilitation, sewer overflow project, and the final payment to Lee County for the Colon Road pump station.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. Several employees elected to take advantage of the early retirement incentive package offered to employees in this fiscal year. Capital outlay major funding includes sewer rehabilitation, water rehabilitation, and other rolling stock.

UTILITY FUND EXPENDITURE SUMMARIES (Continued)

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. The city funded \$1,000,000 for water and sewer rehabilitation in **FY 13-14** as well as a Comprehensive Wastewater Master Plan in the amount of \$100,000. Capital includes funds to upgrade Gaster's Creek Lift Station.



UTILITY FUND DEBT SERVICE

Fund: Utility

Function: Debt Service

Goal: To account for the operations of debt service.

DEPARTMENTAL SUMMARIES

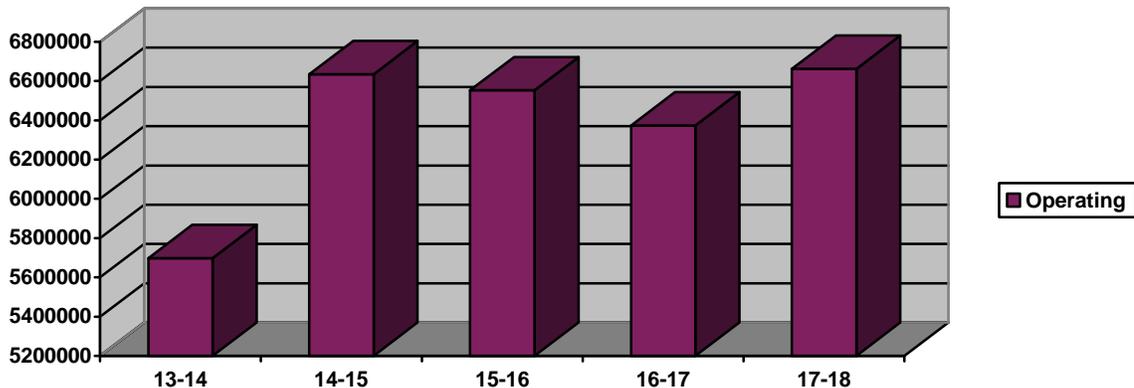
| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 5,697,854 | 6,634,488 | 6,552,826 | 6,373,638 | 6,662,357 | 6,662,357 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 5,697,854 | 6,634,488 | 6,552,826 | 6,373,638 | 6,662,357 | 6,662,357 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect an increase of \$288,719 or five (5%) percent compared to FY 16-17 budget. New debt is included for Hawkins Avenue waterline improvements. **FY 16-17** includes funds in the amount of \$359,000 for installment purchase debt related to Central Carolina Enterprise Park. The first annual payment on the \$17,500,000 State Revolving Fund loan for the Wastewater Treatment Plant Expansion was paid in **FY 14-15**. **Historical** shifts in spending are related to the net change in approved new debt and retirement of old debt.



UTILITY FUND CONTRIBUTIONS

Fund: Utility

Function: Other

Goal: To account for contingency appropriations, transfer to general fund, and capital projects.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 88,037 | 1,492,491 | 382,802 | 8,452,574 | 212,574 | 219,931 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 88,037 | 1,492,491 | 382,802 | 8,452,574 | 212,574 | 219,931 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

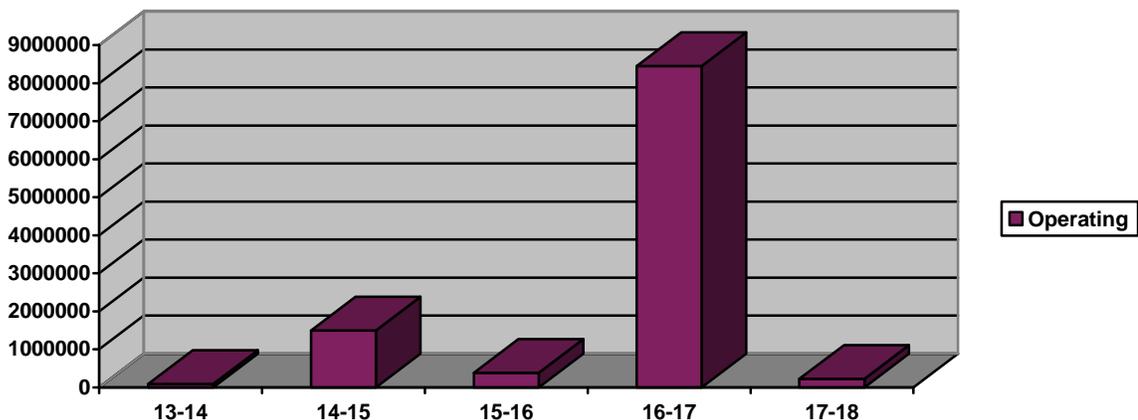
GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect a decrease of \$8,232,643 or ninety-seven (97%) percent compared to FY 16-17 budget. Contingency funds are included in the amount of \$100,000.

Contributions to several large capital projects are budgeted in **FY 16-17** and include sewer extension to the Moncure Megasite (\$3.5M), waterline extension to Central Carolina Enterprise Park (\$2.8M), sewer remediation (\$900,000), sewer assessment project (\$500,000), agreement with Lee County for the construction of a waterline on Colon Road (\$350,000), and a contribution to the Airport Authority to install waterlines at the airport (\$175,000).

FY 15-16 includes funds for the design of the water and sewer improvements at Central Carolina Enterprise Park in the amount of \$265,000. These funds will be reimbursed to the City once financing has been secured.

FY 14-15 includes a \$1.4 million contribution to a capital project (VA Clinic). Contingency funds are used for emergency needs within the fund relative to infrastructure. The contingency budget is transferred each year to departments utilizing funds; therefore the actual expenditures are not shown in this cost center. Other Post Employment Benefit (OPEB) contribution was not funded.



WAREHOUSE

Fund: Utility

Function: Public Utilities

Goal: To maintain a sufficient inventory of parts/supplies for all operational departments.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|--------------------|-------------------|
| Personnel | 53,058 | 52,474 | 54,906 | 57,466 | 58,843 | 60,040 |
| Operating | 212,919 | 228,852 | 255,361 | 259,875 | 260,753 | 260,753 |
| Capital | 0 | 0 | 0 | 0 | 20,000 | 20,000 |
| Total | 265,977 | 281,326 | 310,267 | 317,341 | 339,596 | 340,793 |
| Budgeted Positions | 1 | 1 | 1 | 1 | 1 | 1 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ½ ton truck, \$20,000.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect an increase of \$23,452 or seven (7%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. No significant changes within operating. Capital is listed above.

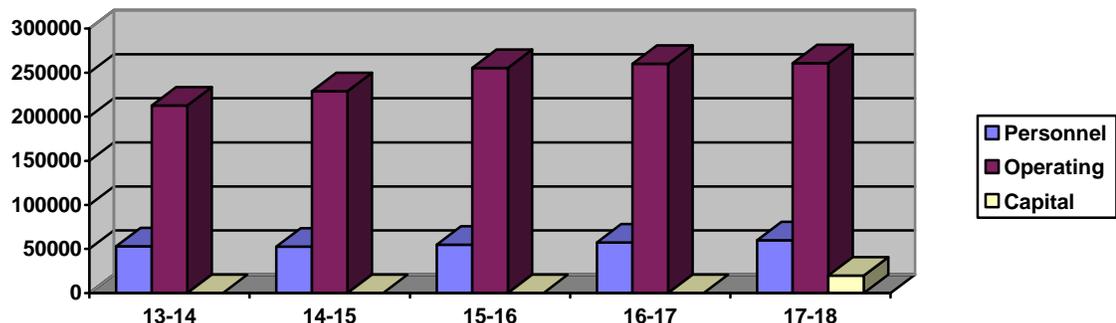
FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. No significant changes within operating.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Included within operating are funds to purchase supplies for water meter change out.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.

It should be noted costs within this center are relative to inventory requirements.



WAREHOUSE

The Warehouse is responsible for maintaining inventory control of materials and supplies which are used by operational departments. The department's inventory control system, which is a completely automated system, provides accurate inventory records but also assists in controlling inventory cost. Monthly reports are prepared charging the user departments for goods used and identifies items falling below established reorder quantities. The department is responsible for securing competitive bids on supplies and materials using guidelines established by NC General Statute 143-129. To control inventory loss and provide for departmental accountability, inventory counts are taken periodically.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide user departments with materials which are required for departmental operations, a complete inventory program is established

Objective: Working with department personnel in identifying additional items that need to be added to warehouse room inventory for departmental operational use

Measures:

| | | | |
|---|---|---|---|
| Additional materials added to actual warehouse room inventory | 9 | 9 | 9 |
|---|---|---|---|

Goal: To maintain accurate inventory records, a comprehensive computerized inventory system will be continued

Objective: To ensure accountability and accuracy in the inventory records, a monthly physical inventory will be performed, not to exceed a 2% discrepancy of physical inventory to actual inventory records reported

Measures:

| | | | |
|---|-----|-----|-----|
| Monthly average accuracy of physical inventory versus inventory reporting records for fiscal year | 99% | 98% | 98% |
|---|-----|-----|-----|

Goal: To ensure that all materials are purchased at the most economical cost, a process of acquiring competitive bids on supplies and materials will be maintained

Objective: Secure competitive bids on purchases for water and sewer department's brass and copper parts, which consist of approximately 80% of actual warehouse room inventory; these bid quotes should not exceed more than 10% of purchasing the same materials from previous fiscal year

Measures:

| | | | |
|---|---|---|---|
| Bid quotes obtained for water and sewer warehouse materials by approved vendors on a yearly basis | 3 | 3 | 3 |
|---|---|---|---|

UTILITY FUND ADMINISTRATION

Fund: Utility

Function: Public Utilities

Goal: To organize a systematic procedure of collecting and record keeping for water and sewer user charges.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Personnel | 573,890 | 571,740 | 552,758 | 587,806 | 611,002 | 623,782 |
| Operating | 1,131,729 | 1,263,221 | 1,387,702 | 1,465,836 | 1,671,873 | 1,671,873 |
| Capital | 0 | 0 | 0 | 35,000 | 0 | 0 |
| Total | 1,705,619 | 1,834,961 | 1,940,460 | 2,088,642 | 2,282,875 | 2,295,655 |
| Budgeted Positions | 11 | 11 | 11 | 11 | 11 | 11 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

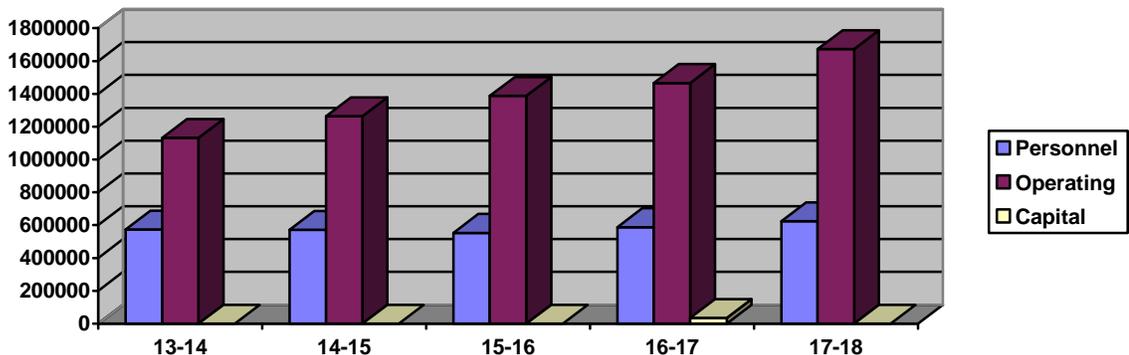
FY 17-18 appropriations reflect an increase of \$207,013 or ten (10%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Operating reflects an increase mainly due to general fund reimbursement. This is where the Utility Fund is charged for its portion of the costs of various General Fund departments.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Funds are included to update the rate model and smart metering feasibility study resulting in the increase shown within operating. A utility kiosk is funded within capital.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and an employee who elected to participate in the early retirement incentive package. Operating reflects an increase mainly due to general fund reimbursement.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



UTILITY FUND ADMINISTRATION

Utility Fund Administration is responsible for the accurate and timely collection and billing of water and sewer charges as well as billing any other fees generated in the utility function.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To insure accurate posting of collections to customer accounts and insure correct receivable balances

Objective: To achieve a minimum cash drawer accuracy of at least 95% department wide

Measures:

| | | | |
|--|------|------|------|
| Accuracy of payments versus receivable reports | 100% | 100% | 100% |
|--|------|------|------|

Goal: To insure all billed accounts are collected promptly, reducing the age of receivables

Objective: Reduce the outstanding receivables for utility bills and assessment bills

Measures:

| | | | |
|--|-----------|-----------|-----------|
| Utility bill accounts receivable – current and overdue | \$792,369 | \$788,426 | \$784,484 |
|--|-----------|-----------|-----------|

Goal: To bill customers accurately and promptly to insure the financial stability of the Utility Fund

Objective: Bill customer no later than the applicable bill date and insure all accounts are billed

Measures:

| | | | |
|---------------------------------|--------|--------|--------|
| Water and sewer bills – monthly | 17,169 | 17,364 | 17,538 |
|---------------------------------|--------|--------|--------|

ENGINEERING

Fund: Utility

Function: Public Utilities

Goal: To administer engineering and construction contracts and assure that work proceeds in an efficient and timely manner.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 474,464 | 486,119 | 588,361 | 631,548 | 668,452 | 681,977 |
| Operating | 41,039 | 51,548 | 68,576 | 98,304 | 80,857 | 80,857 |
| Capital | 0 | 8,997 | 76,072 | 33,235 | 0 | 0 |
| Total | 515,503 | 546,664 | 733,009 | 763,087 | 749,309 | 762,834 |
| Budgeted Positions | 8 | 8 | 9 | 10 | 10 | 10 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

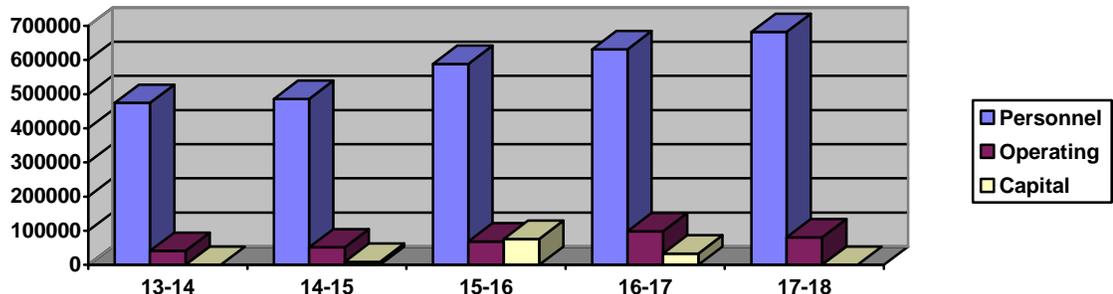
FY 17-18 appropriations reflect a decrease of \$253 compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Two positions remain frozen within this department for a total savings of approximately \$122,000. The decrease shown within operating is mainly the result of funds budgeted for Little Buffalo stream restoration in prior year.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the addition of a new utility locator position. Two positions remain frozen within this department for a total savings of approximately \$120,000. Operating includes funds for Little Buffalo stream restoration study. Capital funding includes a ditch witch and a ½ ton truck.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, a 1.6% increase for group health insurance, and the addition of a new utility locator position. The utility locate program is state mandated where the City is required to locate underground utilities within three days of contractor request. Operating reflects an increase mainly due to utility locate contract support.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. A new Mobile 311 service is funded within operating. This service is a website that links the city’s construction drawings into a file index system which can be accessed from any computer. This gives employees the ability to e-mail drawings to contractors or engineers immediately.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



ENGINEERING

The department provides technical support to all divisions of public works and the city. Additionally, we interface with developers and the public to ensure managed growth of the city's infrastructure. We manage capital projects undertaken by the city to provide for timely completion and efficient use of funds.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide competent, timely advice for departments within the city

Objective: To provide technical advice to city departments and the public by returning phone calls and performing field and office investigations

Measures:

| | | | |
|--|-----|------|------|
| Return phone calls within 24 hours | 98% | 100% | 100% |
| Provide technical advice within 5 days | 98% | 100% | 100% |
| Attend special meetings | 99% | 100% | 100% |

Goal: Communicate with developers, engineers, etc. to provide quality developments that are constructed to city standards

Objective: To provide construction and engineering support that results in products of the highest possible quality

Measures:

| | | | |
|---|------|------|------|
| Provide construction inspection daily and within 24 hours of special requests | 100% | 100% | 100% |
| Provide technical specifications to consulting engineers within 3 days | 98% | 98% | 100% |

Goal: Manage capital projects of the city in such a manner as to produce quality products in a timely manner

Objective: To provide project administration of capital projects such that projects remain in budget and meet milestone dates

Measures:

| | | | |
|--|-----|------|------|
| Review and process pay requests such that payments can be made on time | 99% | 99% | 100% |
| Attend design and construction progress meetings | 99% | 99% | 100% |
| Respond to citizen complaints within 24 hours | 99% | 100% | 100% |

UF PUBLIC WORKS ADMINISTRATION

Fund: Utility

Function: Public Utilities

Goal: To administer engineering and construction contracts and assure that work proceeds in an efficient and timely manner.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| Personnel | 328,050 | 334,144 | 387,169 | 546,308 | 564,813 | 581,021 |
| Operating | 27,752 | 22,354 | 42,887 | 46,193 | 39,933 | 41,933 |
| Capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 355,802 | 356,498 | 430,056 | 592,501 | 604,746 | 622,954 |
| Budgeted Positions | 4 | 4 | 6 | 6 | 6 | 6 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

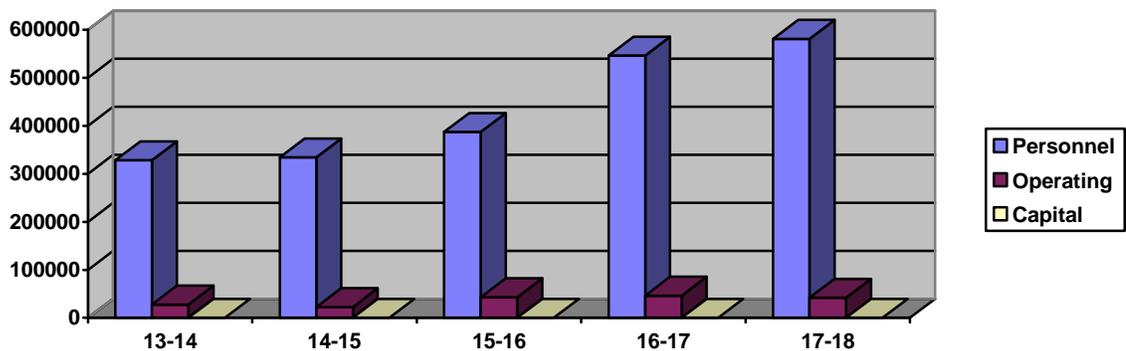
FY 17-18 appropriations reflect an increase of \$30,453 or five percent (5%) compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Prior year operating includes funds for a new utility building / city hall study resulting in the decrease shown.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, a 5% increase for group health insurance, and the transfer of two employees related to the public works re-organization into this department. A utility building study is included within operating.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating includes funds for a new utility building study.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. The City initially joined the Jordan Lake Partnership in FY 13-14 resulting in the increase shown.



UF PUBLIC WORKS ADMINISTRATION

Public Works Administration is responsible for the effective management of the Public Works Department which consists of Engineering, Water Construction and Maintenance, Sewer Construction and Maintenance, Water Treatment Plant, Wastewater Treatment Plant, and Street. Formal departmental staff meetings are held in order to enhance open, productive communication. Discussions are held concerning each division's activities and any actions or decisions made by administration. The Public Works Director meets informally with division heads on a daily basis to promote communication and problem solving. Safety training is provided on a continuous basis for prevention of accidents and compliance to OSHA standards. The division is also responsible for administrative work including routing record keeping, project funding through grant and loan applications, implementation of written policies, information literature for in-house and public use, special projects and public relations.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To maintain a productive department through strong leadership and teamwork; services essential to the quality of life in Sanford are provided to citizens and user departments in the most cost effective, and courteous manner possible

Objective: To provide constructive leadership to the department by projecting a clear vision for the future, developing effective divisions within the department, and planning, directing and coordinating the efficient use of these divisions while serving the citizens of Sanford

Measures:

| | | | |
|--|------|------|------|
| Respond to customers' contacts within 24 hours | 98% | 100% | 100% |
| Attend special meetings | 99% | 100% | 100% |
| Schedule meetings to provide adequate communication | 100% | 100% | 100% |
| Training opportunities to ensure staff is adequately trained | 98% | 98% | 100% |

SEWER CONSTRUCTION AND MAINTENANCE

Fund: Utility

Function: Public Utilities

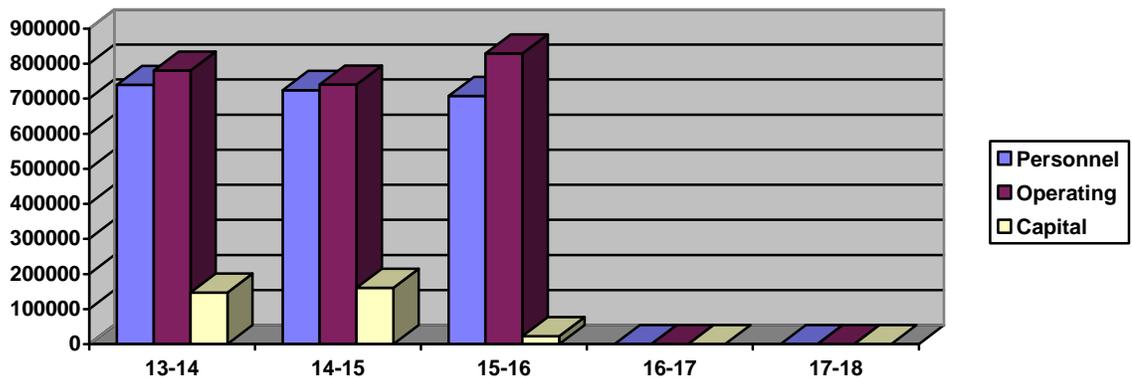
Goal: To expand and maintain a sewer system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|------------------|------------------|------------------|-----------------|--------------------|-------------------|
| Personnel | 739,093 | 724,428 | 707,555 | 0 | 0 | 0 |
| Operating | 780,490 | 740,194 | 829,635 | 0 | 0 | 0 |
| Capital | 147,249 | 160,819 | 22,525 | 0 | 0 | 0 |
| Total | 1,666,832 | 1,625,441 | 1,559,715 | 0 | 0 | 0 |
| Budgeted Positions | 14 | 14 | 14 | 0 | 0 | 0 |

GRAPHIC REPRESENTATION

NOTE: This department has been combined with Water Construction and Maintenance as a result of the public works re-organization and is now referred to as the Distribution and Collection department.



WATER CONSTRUCTION AND MAINTENANCE

Fund: Utility

Function: Public Utilities

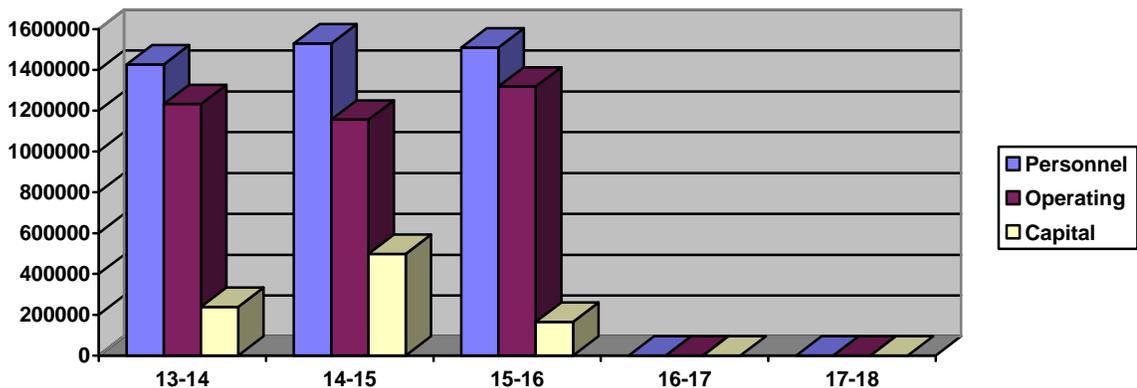
Goal: To expand and maintain a water system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 1,426,851 | 1,529,396 | 1,509,787 | 0 | 0 | 0 |
| Operating | 1,233,040 | 1,156,760 | 1,318,701 | 0 | 0 | 0 |
| Capital | 238,832 | 498,983 | 165,373 | 0 | 0 | 0 |
| Total | 2,898,723 | 3,185,139 | 2,993,861 | 0 | 0 | 0 |
| Budgeted Positions | 27 | 27 | 27 | 0 | 0 | 0 |

GRAPHIC REPRESENTATION

NOTE: This department has been combined with Sewer Construction and Maintenance as a result of the public works re-organization and is now referred to as the Distribution and Collection department.



WATER FILTRATION

Fund: Utility

Function: Public Utilities

Goal: To treat and maintain an adequate and safe supply of water for our citizens.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 704,750 | 690,139 | 718,140 | 767,902 | 782,186 | 798,044 |
| Operating | 1,157,310 | 1,261,073 | 1,398,030 | 1,760,726 | 1,455,617 | 1,455,617 |
| Capital | 166,494 | 139,995 | 38,467 | 324,800 | 155,400 | 134,900 |
| Total | 2,028,554 | 2,091,207 | 2,154,637 | 2,853,428 | 2,393,203 | 2,388,561 |
| Budgeted Positions | 11 | 11 | 11 | 11 | 11 | 11 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding one (1) ammonia-monochloramine analyzer, \$28,000; ten (10) RTU radios, \$27,500; ten (10) SC 200 controllers, \$22,000; rebuild sodium hypochlorite metering pumps and associated piping, \$40,000; and paint the maintenance building, \$17,400.

GRAPHIC REPRESENTATION

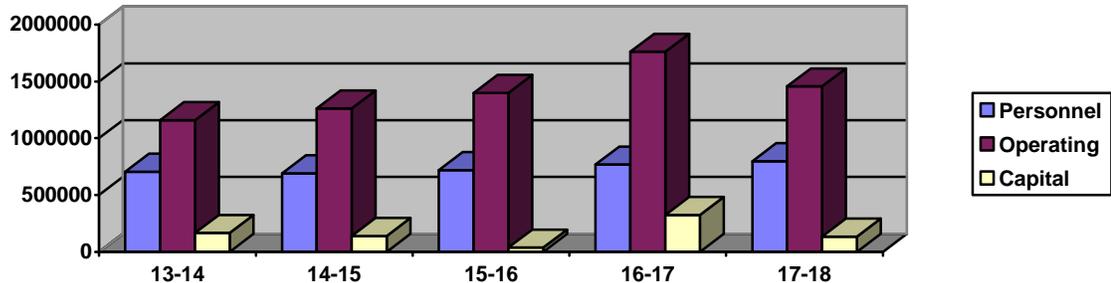
FY 17-18 appropriations decreased \$464,867 or sixteen (16%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Prior year includes funds for LED lighting upgrade, removal and rebuild of the high service pump #3 and raw water pump #3 resulting in the decrease shown within operating. Capital is shown above.

FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating includes funds for LED lighting upgrade at the water plant in the amount of \$22,000, maintenance equipment increase of \$80,000, and \$23,500 is included for Operator 10 software upgrade resulting in the increase shown. Large ticket capital items include the replacement of two chemical storage tanks, SCADA system upgrade, and fluoride system upgrade.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Operating reflects a Duke Progress meter error in prior year that has been corrected resulting in the increase shown.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment and a 3.5% increase for group health insurance. An increase in utilities is reflected within the operating cost center.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.



WATER FILTRATION

The Water Filtration Department provides the citizens of Sanford, Lee County, the Town of Broadway and Chatham County utilities with potable drinking water through chemical treatment and distribution.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To provide a safe, reliable, uninterrupted supply of potable water to our customers

Objective: Maintain elevated tank levels above 50% and maintain system pressure above 100% psi

Measures:

| | | | |
|---|------|-----|-----|
| SCADA computer records of tank levels | 92% | 96% | 93% |
| SCADA computer records of system pressure | 100% | 98% | 99% |

Goal: To exceed state and federal regulations on bacteriological water quality

Objective: Collecting and analyzing fifty distribution samples monthly for bacteriological quality

Measures:

| | | | |
|---|-----|-----|-----|
| Maintain a combined chlorine level above 1.0 mg/l | 88% | 86% | 90% |
| Maintain a heterotrophic plate count below 500 | 82% | 92% | 94% |

Goal: To thoroughly train, state certify, and retain operators for consistency and efficient operation of the plant

Objective: Maintain state certified operators and laboratory staff

Measures:

| | | | |
|---|------|------|------|
| Percent of certified operators of plant staff | 100% | 100% | 100% |
| Retainage of employees | 100% | 100% | 100% |

WATER RECLAMATION

Fund: Utility

Function: Public Utilities

Goal: To provide an effective recycling of domestic and industrial wastewater.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Personnel | 851,367 | 815,349 | 838,761 | 868,963 | 909,961 | 928,412 |
| Operating | 937,592 | 985,295 | 1,025,220 | 1,491,250 | 1,179,323 | 1,179,323 |
| Capital | 48,080 | 74,239 | 34,225 | 24,700 | 9,200 | 9,200 |
| Total | 1,837,039 | 1,874,883 | 1,898,206 | 2,384,913 | 2,098,484 | 2,116,935 |
| Budgeted Positions | 13 | 13 | 13 | 13 | 13 | 13 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) analytical balance, \$5,200; and one (1) cordless crane remote, \$4,000.

GRAPHIC REPRESENTATION

FY 17-18 appropriations decreased \$267,978 or eleven (11%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Prior year operating includes funds for Patterson Creek, cleaning digestors, and year-end emergencies resulting in the decrease shown. Capital is shown above.

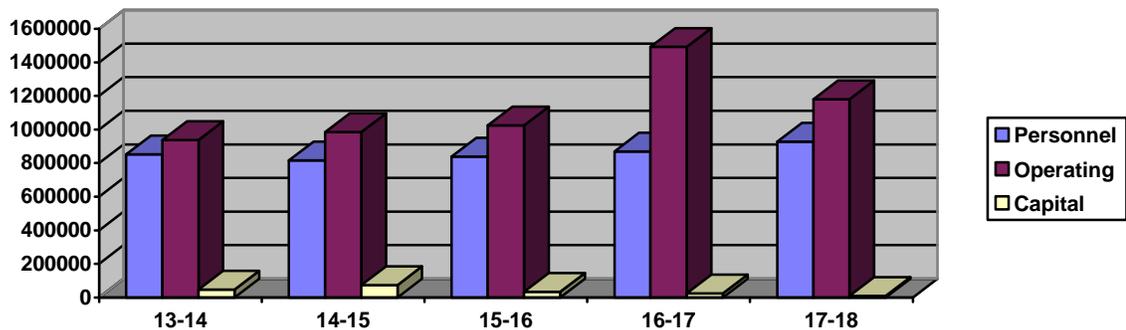
FY 16-17 personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Operating includes \$50,000 to clean in-ground digestors and backwash tanks and funds appropriated at year end for emergencies.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and the retirement of two employees who elected to participate in the early retirement incentive package.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees.

It should be noted the steady increase shown within operating is the result of new equipment and buildings coming on line in regards to the Wastewater Treatment Plant expansion and is reflected in the utility bills.



WATER RECLAMATION

The Water Reclamation Department is responsible for treating wastewater by residential, commercial, and industrial users to state and EPA requirements. The maintenance personnel are continually practicing preventive maintenance and repairing equipment in order to assure continued operations. The laboratory personnel constantly sample and test industrial discharges for surcharge data, to meet state requirements, and to protect the treatment plant. The laboratory tests daily, the effluent discharge to ensure that compliance is maintained with all state permits. Current operations of the new bio-solids handling facility has enhanced efficiency and reduced operating cost.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: Comply with state and EPA regulations for Industrial Pretreatment Program and plant

Objective: Monitor industries with an aggressive sampling program to ensure compliance with their permits and test daily influent and effluent at the plant

Measures:

| | | | |
|--|-------|-------|-------|
| Number of samples taken from industries and at the plant | 9,000 | 9,000 | 9,000 |
|--|-------|-------|-------|

Goal: Comply with state and EPA regulations for Land Application Program

Objective: Permit additional acreage for application of bio-solids

Measures:

| | | | |
|--|-------|-----|-----|
| Number of acres permitted for Land Application Program | 1,070 | 917 | 917 |
|--|-------|-----|-----|

Goal: Operate the plant with skilled and certified personnel for efficient operation

Objective: Certify all personnel to NC Biological Operator Certification grade I

Measures:

| | | | |
|---|------|------|------|
| Percent of certified operators of plant staff | 100% | 100% | 100% |
|---|------|------|------|

DISTRIBUTION AND COLLECTION

Fund: Utility

Function: Public Utilities

Goal: To provide adequate, clean, and safe water to residential, commercial, and industrial users. To maintain underground gravity piping systems, force main piping systems, wastewater lift stations, and potable water booster station.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|------------------|------------------|------------------|
| Personnel | 0 | 0 | 0 | 2,372,509 | 2,449,917 | 2,499,673 |
| Operating | 0 | 0 | 0 | 2,262,429 | 2,382,596 | 2,382,596 |
| Capital | 0 | 0 | 0 | 291,563 | 261,400 | 169,250 |
| Total | 0 | 0 | 0 | 4,926,501 | 5,093,913 | 5,051,519 |
| Budgeted Positions | 0 | 0 | 0 | 40 | 40 | 40 |

2017-2018 CAPITAL OUTLAY DETAIL

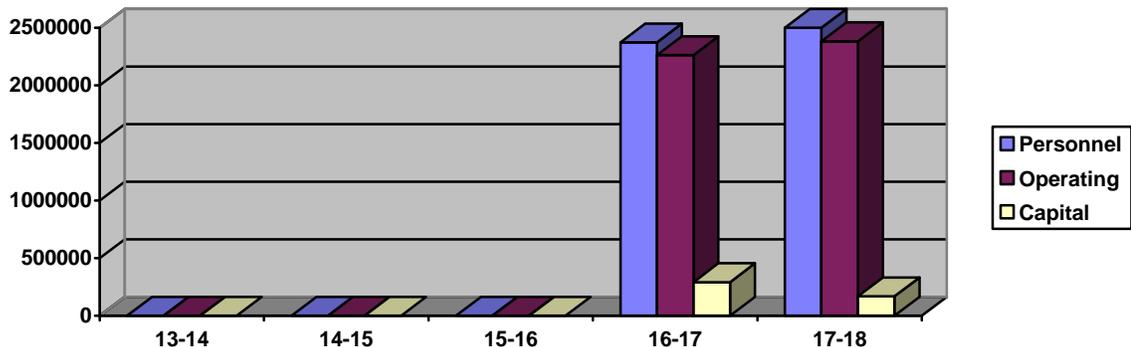
Capital outlay funding includes one (1) one ton utility truck, \$45,150; one (1) ¾ ton 4x4 truck, \$28,400; one (1) passenger vehicle, \$22,650; one (1) traffic warning system, \$20,500; one (1) all-terrain mower, \$5,700; one (1) ten ton equipment trailer, \$18,850; and one (1) polyethylene storage tank, \$28,000.

GRAPHIC REPRESENTATION

Note: This newly created department is the result of the public works re-organization and combines the Water Construction and Maintenance department with the Sewer Construction and Maintenance department.

FY 17-18 appropriations increased \$125,018 or three (3%) percent compared to FY 16-17 budget. Personnel changes are related to a 1% cost of living adjustment, a 2% merit adjustment, a 0.25% increase in retirement, and a 13% increase for group health insurance. Operating includes funds for a system wide meter change out which is scheduled to be completed every fifteen years resulting in the increase shown. Capital is shown above.

FY 16-17 personnel reflects a 1% cost of living adjustment, a 2% merit adjustment, a 0.58% increase in retirement, and a 5% increase for group health insurance. Capital funding includes three ½ ton trucks, one ton utility truck, one passenger vehicle, a traffic warning system, one roller tamp, one mower tractor, one air compressor, and one foot tamp.



DISTRIBUTION AND COLLECTION

The basic function of the Distribution and Collection Department is to distribute adequate, clean and safe water to residential, commercial and industrial users. This includes the monthly reading of meters, performing cut-on, cut-offs, taps and replacement of still meters. A comprehensive maintenance program is performed by departmental personnel which includes cutting all right-of-ways, prompt repairing of broken lines with immediate notification to the public on service interruptions, maintenance of water tanks and operation of a meter repair shop. This department inspects all water lines installed by contractors, raises covered valve boxes and checks and maintains all fire hydrants and valves. This department also has a Backflow Prevention Program to ensure water quality and eliminate cross connections as well as a Fats, Oils and Grease Program to help minimize entry of fats, oils and grease into the city's sanitary sewer system. This department is responsible for the operation and maintenance of the underground gravity piping systems, force main piping systems, wastewater lift stations and a potable water booster station. Facilities include 255 miles of gravity wastewater lines and pressurized force mains, 10,000 service laterals, 4,700 manholes, and 9 wastewater lift stations. The system serves a residential population of approximately 20,000 residents as well as 1,500 commercial and industrial customers. Programs include sewer line cleaning, smoke testing, sewer line rehabilitation, manhole rehabilitation and repairs, sewer lift station maintenance, easement clearing, root control, closed circuit televised inspections, and sewer line construction.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: Ensure the reliable distribution of drinking water to the residents of the City of Sanford and Lee County compliant with all current and future federal, state, and local requirements of system pressure, integrity, and water quality

Objective: 1) Perform leak investigations and respond to water main failures; 2) Install new taps and retaps and perform utility locates

Measures:

| | | | |
|--|-----|-----|-----|
| Miles of distribution lines maintained | 632 | 635 | 635 |
| Leak investigations | 370 | 325 | 325 |
| Major water line repairs (6" or greater) | 120 | 130 | 135 |
| Minor water line repairs (4" or smaller) | 60 | 58 | 60 |
| New water taps made | 135 | 133 | 136 |
| Water retaps | 132 | 130 | 130 |

Objective: To install new meters, read existing meters, test meters, replace old meters and ensure optimum levels of customer service

Measures:

| | | | |
|---|---------|---------|---------|
| New meters installed | 62 | 55 | 53 |
| Water meters read | 230,000 | 228,000 | 228,000 |
| Large water meters tested (3" or greater) | 30 | 32 | 33 |
| Small meters tested (2" or smaller) | 28 | 18 | 18 |
| Replace old meters | 834 | 675 | 670 |

Objective: Ensure consistent operational reliability of water distribution system through routine operation and maintenance of system components i.e. fire hydrants and isolation valves

Measures:

| | | | |
|---------------------------------|-------|-------|-------|
| Hydrants inspected / maintained | 2,000 | 2,100 | 2,100 |
| Valves inspected / exercised | 2,000 | 2,000 | 2,000 |

DISTRIBUTION AND COLLECTION

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Objective: Prevent water system contamination through administration of city's Backflow Prevention Program and minimize entry of fats, oils and grease in city's sanitary sewer system through city's Fats, Oils, and Grease Program

Measures:

| | | | |
|--|---------|---------|---------|
| City owned backflow devices inspected | 42 | 42 | 42 |
| Privately owned backflow devices inspected | 718 | 715 | 715 |
| Grease containing fluids removed (gallons) | 447,205 | 440,000 | 440,000 |

Goal: To provide a safe and environmentally sound wastewater collection system that will accommodate peak demands without interruption while continuing efforts to improve and upgrade facilities to allow growth and expansion as economic development dictates and to be environmentally sensitive and in compliance with all state and federal regulations.

Objective: 1) Provide proper maintenance of sanitary sewer systems, continue TV inspection and smoke testing programs to detect and evaluate line impairments, continue manhole rehab and infiltration efforts to reduce flow and cost to the treatment plant, and repair and replace sanitary sewer lines to reduce inflow and infiltration.

Measures:

| | | | |
|---|---------|---------|---------|
| Stoppage complaints | 200 | 210 | 205 |
| New taps installed | 15 | 20 | 22 |
| Manhole adjustments | 30 | 18 | 18 |
| Right of ways mowed (feet) | 150,000 | 155,000 | 155,000 |
| Sewer line jetted (feet) | 135,000 | 137,000 | 136,000 |
| Sewer retaps | 15 | 12 | 13 |
| Priority outfall line inspection (feet) | 250,000 | 250,000 | 250,000 |
| Collections system line inspection | 200,000 | 200,000 | 200,000 |

WATER CAPITAL IMPROVEMENTS

Fund: Utility

Function: Public Utilities

Goal: To account for the capital improvement costs which relates directly to the water treatment and distribution system.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|----------------|----------------|----------------|----------------|------------------|------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 538,073 | 4,955 | 25,359 | 490,127 | 0 | 214,049 |
| Capital | 4,150 | 329,850 | 473,841 | 499,198 | 4,700,000 | 4,700,000 |
| Total | 542,223 | 366,397 | 499,200 | 989,325 | 4,700,000 | 4,914,049 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

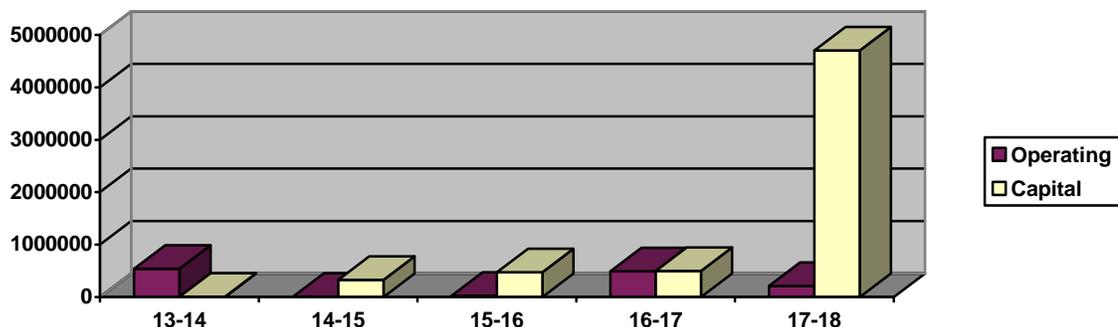
Capital outlay funding includes Hawkins Avenue waterline improvements, \$3,500,000 (installment purchase); water rehabilitation, \$500,000; paint exterior of Tramway water tank, \$300,000; and relocate waterline on NC Highway 42, \$400,000.

GRAPHIC REPRESENTATION

FY 17-18 appropriations reflect an increase of \$3,924,724 or three hundred and ninety-seven (397%) percent compared to FY 16-17 budget. Operating includes debt payment for installment purchase of Hawkins Avenue waterline. Capital is shown above.

FY 16-17 includes funds to paint the Spruce Street water tank and is shown within the capital cost center.

Capital costs drive expenditures within this cost center. Specific projects are analyzed and recommended for funding within the Capital Improvements Program.



SEWER CAPITAL IMPROVEMENTS

Fund: Utility

Function: Public Utilities

Goal: To account for the capital improvement costs which relates directly to the wastewater system.

DEPARTMENTAL SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|----------------|------------------|----------------|------------------|------------------|----------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 215,255 | 152,526 | 68,633 | 443,462 | 0 | 0 |
| Capital | 365,849 | 892,325 | 745,486 | 5,182,540 | 2,867,480 | 500,000 |
| Total | 581,104 | 1,044,851 | 814,119 | 5,626,002 | 2,867,480 | 500,000 |
| Budgeted Positions | 0 | 0 | 0 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

Capital outlay funding includes sewer rehabilitation, \$500,000.

GRAPHIC REPRESENTATION

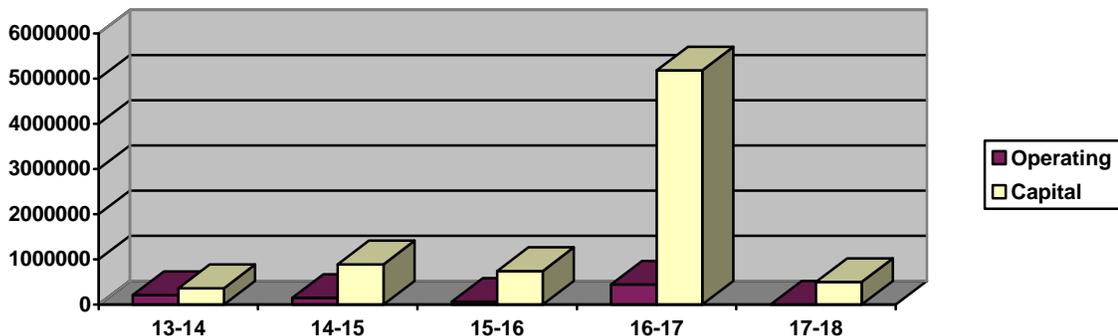
FY 17-18 appropriations reflect a decrease of \$5,126,002 or ninety-one percent (91%) compared to FY 16-17 budget. Capital is shown above.

FY 16-17 sewer rehabilitation is funded at \$386,232 and included in the operating cost center. These funds were previously included in the capital cost center, however, auditors have requested the City re-class these expenses in the operating budget. Partnering with Lee County and private sector investors, the City will create a new industrial park referred to as the Central Carolina Enterprise Park (CCEP). The City plans to extend water and sewer lines to this 700 acre site located near the Deep River Community. The majority of the capital listed above is for this industrial park project.

Included in **FY 14-15** is a \$400,000 payment to Lee County for the purchase of the Colon Road Pump Station.

FY 13-14 includes funds for Gaster's Creek improvements.

Capital costs drive expenditures within this cost center. Specific projects are analyzed and recommended for funding within the Capital Improvements Program.



GOLF FUND

Goal: To account for the activities of the City of Sanford Golf Course.

REVENUE SUMMARIES

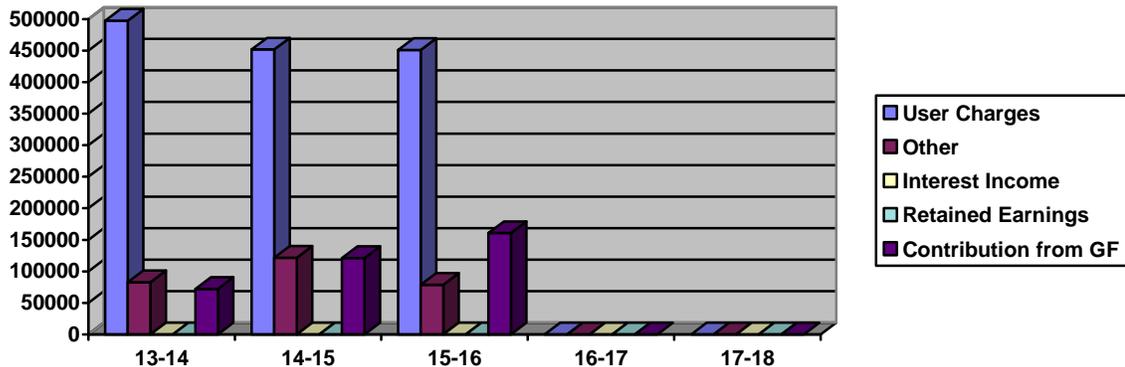
| Revenue Sources | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| User Charges | 497,529 | 451,728 | 451,085 | 0 | 0 | 0 |
| Other | 82,762 | 121,500 | 78,781 | 0 | 0 | 0 |
| Interest Income | 181 | 98 | 133 | 0 | 0 | 0 |
| Retained Earnings | 0 | 0 | 0 | 0 | 0 | 0 |
| Contribution from GF | 72,258 | 121,149 | 160,687 | 0 | 0 | 0 |
| Total | 652,730 | 694,476 | 690,685 | 0 | 0 | 0 |

GRAPHIC REPRESENTATION

NOTE: Council elected to move the Golf Fund from the Enterprise Fund into the General Fund. Any revenue received pertaining to Golf will now be included in General Fund revenues. Golf user charges will be listed as a separate revenue source.

FY 15-16 other revenue source decrease is mainly due to an appropriation of \$40,000 for installment purchase proceeds for the purchase of a rough mower in prior year. The City elected to leave user fees unchanged in this fiscal year as the fees were increased in FY 11-12, FY 12-13 and FY 13-14. Council elected to transfer the Golf Department into the Enterprise fund in FY 11-12 and is now referred to as the Golf Fund.

It should be noted the number of days closed due to weather and rounds played drive this revenue source.



GOLF FUND

Goal: To provide an enjoyable, quality golf course for the general public.

EXPENDITURE SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|-----------------------|--------------|--------------|--------------|--------------|-----------------|----------------|
| Personnel | 409,595 | 401,602 | 416,968 | 0 | 0 | 0 |
| Operating | 394,318 | 403,203 | 257,635 | 0 | 0 | 0 |
| Capital | 0 | 37,383 | 5,000 | 0 | 0 | 0 |
| Total | 803,913 | 842,188 | 679,603 | 0 | 0 | 0 |
| Budgeted Positions | 6 | 6 | 6 | 0 | 0 | 0 |

2017-2018 CAPITAL OUTLAY DETAIL

No funding for capital outlay approved.

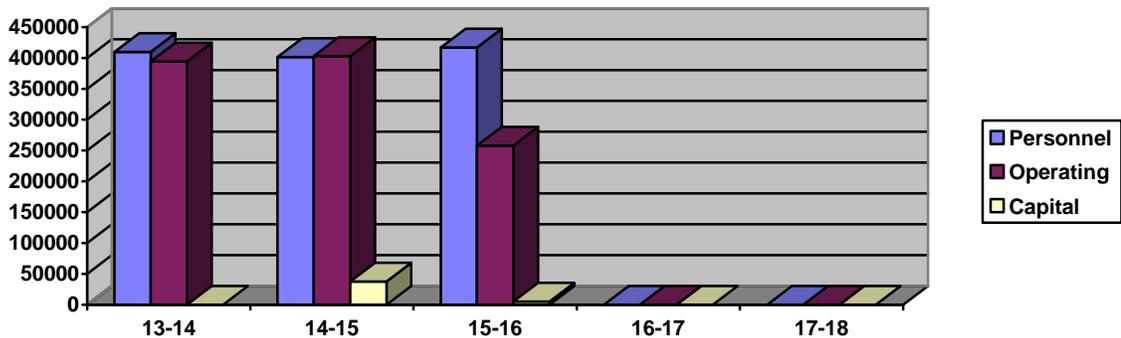
GRAPHIC REPRESENTATION

NOTE: Council elected to move the Golf Fund from the Enterprise Fund into the General Fund. Golf will now be shown within the General Government function of the General Fund.

FY 15-16 personnel changes are related to a 2% cost of living and market adjustment, a 2% merit adjustment, a 0.48% decrease in retirement, and a 1.6% increase for group health insurance. Staff elected to reduce course maintenance based on historical usage, resulting in the decrease shown within operating. A debt payment in the amount of \$8,447 is included for the purchase of the rough mower bought in FY 14-15 with installment purchase proceeds.

FY 14-15 personnel adjustments are related to a 2% cost of living adjustment, a 3.5% increase for group health insurance, and a decrease shown within temporary salaries. A rough mower was purchased in **FY 14-15** and is shown within the capital cost center.

FY 13-14 personnel adjustments are related to a 0.33% state mandated employer retirement contribution rate increase, a change in method of funding unemployment insurance, and a one-time bonus for employees. **FY 13-14** personnel also reflect a shift from one full time position to a part time position.



MUNICIPAL SERVICE DISTRICT FUND

Goal: To account for the activities of the Municipal Service District established to assist in revitalization of the downtown area.

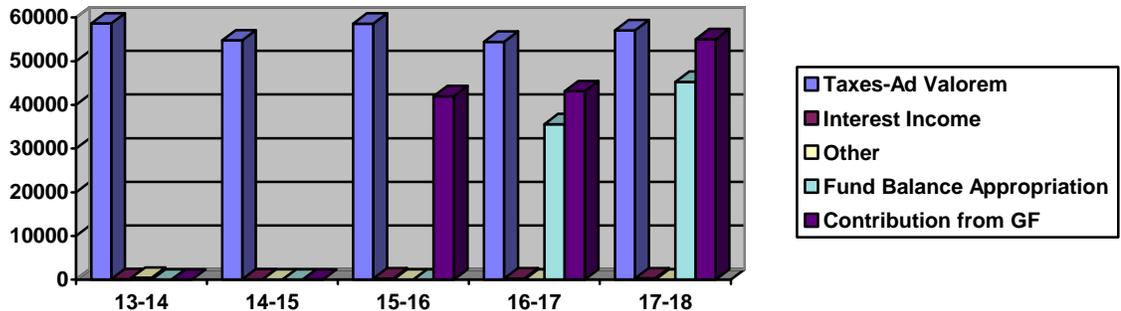
REVENUE SUMMARIES

| Revenue Sources | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|----------------------------|---------------|---------------|----------------|----------------|-----------------|----------------|
| Taxes- Ad Valorem | 58,605 | 54,752 | 58,546 | 54,420 | 57,070 | 57,070 |
| Interest Income | 138 | 71 | 278 | 250 | 300 | 300 |
| Other | 450 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance Appropriation | 0 | 0 | 0 | 35,540 | 86,890 | 45,224 |
| Contribution from GF | 0 | 0 | 42,000 | 43,100 | 55,000 | 55,000 |
| Total | 59,193 | 54,823 | 100,824 | 133,310 | 199,260 | 157,594 |

GRAPHIC REPRESENTATION

FY 17-18 Municipal Service District revenue increased \$24,284 or eighteen percent (18%) compared to FY 16-17 budget. This increase is mainly due to an \$11,900 increase in the City's contribution and additional fund balance appropriated. Fund balance appropriated in the amount of \$45,224 is for building improvements within the City and an ice skating rink. The tax rate remains level at 11 cents per \$100 valuation.

FY 15-16 council elected to make a \$42,000 contribution from the General Fund to allow Downtown Sanford, Inc. (DSI) the ability to hire its own employee rather than use city staff.



MUNICIPAL SERVICE DISTRICT FUND

EXPENDITURE SUMMARIES

| Object of Expenditure | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | REQUESTED 17-18 | APPROVED 17-18 |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------------|---------------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating | 47,233 | 43,930 | 85,757 | 133,310 | 199,260 | 157,594 |
| Capital Outlay | 0 | 0 | 10,911 | 0 | 0 | 0 |
| Total | 47,233 | 43,930 | 96,668 | 133,310 | 199,260 | 157,594 |

2017-2018 CAPITAL OUTLAY DETAIL

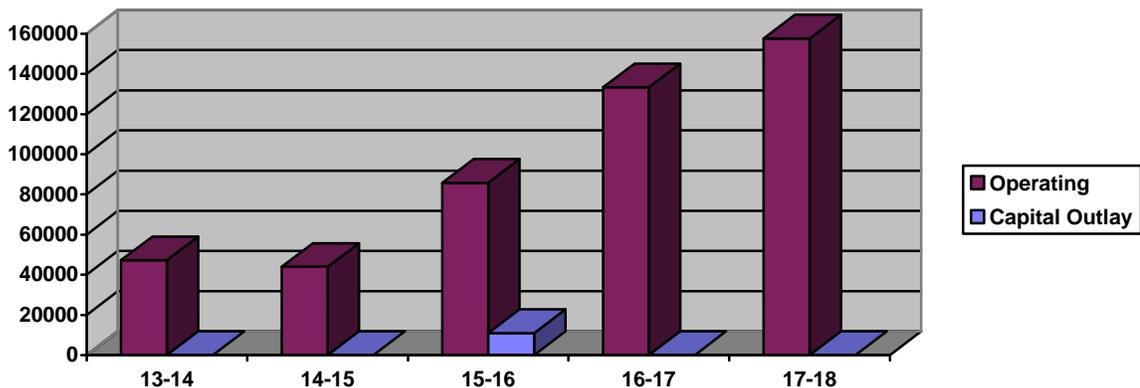
No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 17-18 Municipal Service District expenditures reflect an increase totaling \$24,284 or eighteen percent (18%) compared to FY 16-17 budget. Building improvements in the amount of \$15,000, an ice skating rink in the amount of \$30,000, holiday decorations in the amount of \$10,000, and \$28,884 for advertising are included within operating. Operating also includes \$55,000 for Downtown Sanford, Inc. (DSI) to fund personnel expenses.

FY 16-17 includes \$30,000 for building improvements and \$43,100 for DSI to fund personnel expenses.

FY 15-16 reflects an increase mainly due to Council electing to make a contribution to this fund to allow Downtown Sanford, Inc. (DSI) the ability to hire its own employee rather than use city staff.



MUNICIPAL SERVICE DISTRICT FUND

FUND BALANCE GOVERNMENTAL FUNDS

| | ACTUAL 13-14 | ACTUAL 14-15 | ACTUAL 15-16 | BUDGET 16-17 | BUDGET 17-18 |
|-----------------------------|--------------------------------|---------------------------------|---------------------------------|--------------------------------|--------------------------------|
| MUNICIPAL SERVICE | | | | | |
| BEGINNING BALANCE | \$ 81,712 | \$ 93,672 | \$ 104,565 | \$ 108,720 | \$ 73,180 |
| REVENUES | | | | | |
| AD VALOREM TAXES | 58,605 | 54,752 | 57,398 | 54,420 | 57,070 |
| OTHER | <u>588</u> | <u>71</u> | <u>1,425</u> | <u>250</u> | <u>300</u> |
| TOTAL | <u>59,193</u> | <u>54,823</u> | <u>58,823</u> | <u>54,670</u> | <u>57,370</u> |
| EXPENDITURES | | | | | |
| DOWNTOWN REVITALIZATION | <u>47,233</u> | <u>43,930</u> | <u>96,668</u> | <u>133,310</u> | <u>157,594</u> |
| TOTAL | <u>47,233</u> | <u>43,930</u> | <u>96,668</u> | <u>133,310</u> | <u>157,594</u> |
| TRANSFERS IN - GENERAL FUND | - | - | 42,000 | 43,100 | 55,000 |
| ENDING BALANCE | <u><u>\$ 93,672</u></u> | <u><u>\$ 104,565</u></u> | <u><u>\$ 108,720</u></u> | <u><u>\$ 73,180</u></u> | <u><u>\$ 27,956</u></u> |

Note: The Municipal Service District plans to use fund balance in FY 17-18 to fund an ice skating rink and improve the facades of downtown buildings; FY 16-17 to improve the facades of downtown buildings.

MUNICIPAL SERVICE DISTRICT FUND

To manage the development of Downtown Sanford Inc. (DSI) as the primary economic, cultural, and social center of the community; to educate the community on the unique assets and historical significance of the downtown area; and to promote and stimulate the improvement of these assets.

| Performance Measures | 15-16 Actual | 16-17 Projected | 17-18 Projected |
|----------------------|-----------------|--------------------|--------------------|
|----------------------|-----------------|--------------------|--------------------|

Goal: To retain and develop downtown businesses

Objective: Actively pursue federal and state grants and other local fundraising opportunities which will improve the downtown infrastructure conducive for economic retention and development

Measures:

| | | | |
|------------------------------------|----------|----------|----------|
| Apply for federal and state grants | \$10,000 | \$10,000 | \$20,000 |
| Private funds attained | \$5,550 | \$19,380 | \$25,000 |

Objective: Advocate on behalf of DSI to various civic groups and the general public to create a downtown awareness and solicit funding for various projects

Measures:

| | | | |
|---|---|---|---|
| Conduct speaking engagements advocating DSI | 4 | 5 | 5 |
| Represent DSI on various local boards | 2 | 2 | 2 |

Goal: To improve the district's overall appearance

Objective: To fund projects to improve the district's overall appearance

Measures:

| | | | |
|--|---|----|---|
| Streetscape implemented on a number of downtown blocks | 8 | 8 | 3 |
| Building improvement grants awarded | 6 | 10 | 5 |
| Art project | 1 | 1 | 2 |

Goal: To add to the quality of life of local residents

Objective: Sponsor events that add to the quality of life to local residents while at the same time exposing them to other opportunities that downtown has to offer

Measures:

| | | | |
|-------------------------|---|---|---|
| Summer concert series | 1 | 1 | 1 |
| Holiday tree lighting | 1 | 1 | 1 |
| Movie series | 2 | 1 | 0 |
| Downtown festival | 0 | 1 | 0 |
| Merchant open house | 1 | 1 | 1 |
| Trick or treating | 0 | 1 | 1 |
| Small business Saturday | 1 | 1 | 1 |
| Easter egg hunt | 0 | 1 | 1 |
| Host NC Main Street | 1 | 1 | 0 |

CITY OF SANFORD CAPITAL IMPROVEMENTS PROGRAM

The City of Sanford's Capital Improvements Plan is prepared as a compendium to the annual operating budget. The plan is designed to provide a five year perspective of future capital needs for the city on a rolling basis. The program is intended to coordinate financing, scheduling and planning of capital needs well in advance which will eliminate hasty decisions and provide well designed, orderly growth. Project prioritizing and funding resource availability are paramount in providing a successful program. Safeguarding the city's assets and meeting state and federal mandates are also critical components of the plan.

The city's Capital Improvements Plan contains projected revenue sources and cost estimates for each recommended capital project with a cost of \$50,000 or greater. Project descriptions detailing the specifics of each project along with visual aids are included when necessary. The projects are categorized by fund, department and type of improvement. The following improvement types are recommended.

1. Water Capital Projects
2. Sewer Capital Improvements
3. Street Capital Improvements
4. General Service Capital Improvements

Generally, the purchase of vehicles or heavy equipment is included in the annual operating budget, not the CIP, regardless of initial cost.

Useful Life Table

| | |
|--|---------------|
| Utility plants, tanks, and system lines | 40 – 50 years |
| Buildings, land improvements and streets | 20 years |
| Equipment | 3 - 15 years |

The financial data for the ensuing fiscal year of the plan will be the same as the recommended capital outlays for major improvements within the ensuing operating budget and/or capital project ordinances. The remainder of the five year plan will be subject to annual revisions and authorizations. The acceptance of the plan is not binding on future budgets but will be used as a planning document.

The following pages are excerpts from the Capital Improvement Program. This information will provide the reader with more information concerning current year projects.

CAPITAL IMPROVEMENTS SCHEDULE

| PROJECT DESCRIPTION | FUNDING SOURCE | BUDGET YEAR 2017-18 | PLANNING YEAR 2018-19 | PLANNING YEAR 2019-20 | PLANNING YEAR 2020-21 | PLANNING YEAR 2021-22 |
|---|----------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| WATER: | | | | | | |
| Water Rehabilitation | 6 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Water Treatment Plant Expansion | 6 | | | | 6,000,000 | |
| Utility Administration Building | 4,6 | | 5,500,000 | | | |
| Paint Exterior of Tramway Water Tank | 6 | 300,000 | | | | |
| Clyde Rhyne Road / Enterprise Park Waterline Extension | 4 | 1,154,418 | | | | |
| NC 42 Waterline Relocation | 6,8 | 400,000 | | 5,000,000 | - | - |
| Hawkins Avenue Waterline | 4,6 | 1,000,000 | 3,500,000 | - | - | - |
| Erection of Elevated Storage Facility for Potable Water | 6 | - | 1,500,000 | | | |
| TOTAL WATER | | 3,354,418 | 11,000,000 | 5,500,000 | 6,500,000 | 500,000 |
| SEWER: | | | | | | |
| Sewer Rehabilitation | 6 | 500,000 | 500,000 | 700,000 | 500,000 | 700,000 |
| Clyde Rhyne Road / Enterprise Park Sewerline Extension | 4 | 1,429,954 | | | | |
| Triassic Development Sewer Extension | 4 | 580,628 | | | | |
| Sewer Remediation-Section A | 4,6 | 500,000 | 3,000,000 | | | |
| Sewer Remediation-Section B | 6 | | | 3,500,000 | | |
| Sewer Remediation-Section C | 6 | | | | 500,000 | 3,000,000 |
| Moncure Sewer Extension | 3,6 | 2,000,000 | 9,000,000 | - | - | - |
| Gum Fork Branch Forced Main Replacement | 5 | - | - | - | 1,000,000 | |
| TOTAL SEWER | | 5,010,582 | 12,500,000 | 4,200,000 | 2,000,000 | 3,700,000 |
| TOTAL UTILITY FUND | | 8,365,000 | 23,500,000 | 9,700,000 | 8,500,000 | 4,200,000 |
| STREET: | | | | | | |
| Street Resurfacing | 4 | 950,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 |
| Sidewalk replacement, curb and gutter, catch basin repair | 5 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| TOTAL STREET | | 1,050,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| GENERAL SERVICES: | | | | | | |
| Bronze Statue of Charlie Watson | 5 | - | - | 40,000 | 60,000 | |
| Bronze Statue of Brownstone Stone Cutter | 5 | - | 30,000 | 60,000 | | |
| Bicycle Lane Striping | 5 | - | 80,000 | 80,000 | 80,000 | |
| Relocate Phone Cable Underground on Charlotte, Chatham, Mcl | 5 | - | 300,000 | - | - | - |
| Municipal Park | 2 | 750,000 | 1,250,000 | - | - | - |
| Wicker St.-Kiwanis Family Park Greenway | 2 | 89,500 | 300,000 | - | - | - |
| Medical Mile Greenway | 2 | 250,000 | 422,500 | - | - | - |
| Little Buffalo Greenway | 2 | - | - | - | 350,000 | 472,500 |
| Downtown Wicker Street Greenway | 2 | 280,000 | 1,000,000 | 1,000,000 | - | - |
| Passenger Depot | 5 | - | 250,000 | 250,000 | - | - |
| Parking Expansion at Service Center | 5 | - | 15,000 | 135,000 | - | - |
| Remodel / Renovate City Hall | 4,5 | - | - | - | 2,500,000 | - |
| Greenway System Development | 4,5 | - | - | 1,500,000 | 1,500,000 | - |
| Vehicle, Salt, Sand, Rock Storage Buildings | 6 | - | 1,250,000 | - | - | - |
| Golf Clubhouse and Cart storage facility | 4,5 | - | 200,000 | 950,000 | 300,000 | - |
| TOTAL GENERAL SERVICES | | 1,369,500 | 5,097,500 | 4,015,000 | 4,790,000 | 472,500 |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - Water **Project Title:** Water system rehabilitation

PROJECT DESCRIPTION: Various projects designed to rehabilitate the water distribution system.



PROJECT JUSTIFICATION: System components need to be replaced as they age.

Externally Mandated: No **Growth Related:** No **Service Related:** Yes

PROJECTED STATUS as of JUNE 30, 2017:

| | |
|--------------------------------------|-----------------------------|
| 2018 Appropriation: \$500,000 | PROJECTED DATES: |
| Current Budget Amt: \$500,000 | Projected Begin: July, 2017 |
| Total Expenditures: | Est. Completion: June, 2018 |
| Projected Balance: \$500,000 | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|------------------------|---------|---------|---------|---------|---------|---------------|-----------|
| Planning/Design | | | | | | | 0 |
| Acquisition | | | | | | | 0 |
| Construction | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | | 2,500,000 |
| Other | | | | | | | 0 |
| Total | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 0 | 2,500,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|---|---------|---------|---------|---------|---------|---------------|-----------|
| General Fund | | | | | | | 0 |
| Utility Fund | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | | 2,500,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 0 | 2,500,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------|---------|---------|---------|---------|---------|---------------|-------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List | Explanation: How & Why |
|------------------------------|--|
| Department/Division Impacted | |
| | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | |
|--|---|
| Responsible Dept: Engineering - Water | Project Title: Paint Tramway Water Tank (Exterior) |
|--|---|

PROJECT DESCRIPTION: Paint the exterior of the Tramway water tank.



PROJECT JUSTIFICATION: To maintain water tanks in the most cost effective manner, rule of thumb is to repaint them every ten years. The interior of this tank was painted in a previous budget year. Funds were not available at the time to paint the exterior of the tank.

| | | | | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|
| Externally Mandated: | No | Growth Related: | No | Service Related: | Yes |
|-----------------------------|----|------------------------|----|-------------------------|-----|

| | | | | | | | |
|--|-----------|------------------|--|-------------------------|--|------------|--|
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$300,000 | | Projected Begin: | | July, 2017 | |
| Current Budget Amt: | \$300,000 | | | Est. Completion: | | June, 2018 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$300,000 | | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|------------------------|----------------|----------|----------|----------|----------|---------------|----------------|
| Planning/Design | | | | | | | 0 |
| Acquisition | | | | | | | 0 |
| Construction | 300,000 | | | | | | 300,000 |
| Other | | | | | | | 0 |
| Total | 300,000 | 0 | 0 | 0 | 0 | 0 | 300,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|---|----------------|----------|----------|----------|----------|---------------|----------------|
| General Fund | | | | | | | 0 |
| Utility Fund | 300,000 | | | | | | 300,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 300,000 | 0 | 0 | 0 | 0 | 0 | 300,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-----------------------------|----------|----------|----------|----------|----------|---------------|----------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List | Explanation: How & Why |
|------------------------------|--|
| Department/Division Impacted | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | | | | | | | |
|--|--|--|----------------|-------------------------|-------------------------|----------------------|------------------|
| Responsible Dept: Engineering - Water | | Project Title: Clyde Rhyne Road Waterline - Enterprise Park | | | | | |
| PROJECT DESCRIPTION: Install 16" waterline along Clyde Rhyne Road from Colon Road to Womack Road. | |  | | | | | |
| PROJECT JUSTIFICATION: Economic Development | | | | | | | |
| Externally Mandated: | No | Growth Related: | yes | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$1,154,418 | | | Projected Begin: | July, 2017 | |
| Current Budget Amt: | \$1,154,418 | | | | Est. Completion: | June, 2018 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$1,154,418 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 115,442 | | | | | | 115,442 |
| Acquisition | | | | | | | 0 |
| Construction | 1,038,976 | | | | | | 1,038,976 |
| Other | | | | | | | 0 |
| Total | 1,154,418 | 0 | 0 | 0 | 0 | 0 | 1,154,418 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | 1,154,418 | | | | | | 1,154,418 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 1,154,418 | 0 | 0 | 0 | 0 | 0 | 1,154,418 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | | 15,000 |
| Capital Outlay (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 0 | 15,000 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| List | Explanation: How & Why | | | | | | |
| Department/Division Impacted | | | | | | | |
| Water Department | With the construction of this waterline, the City will have more waterlines to maintain at a cost of approximately \$3,000 per year. | | | | | | |
| | | | | | | | |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | | | | | | | |
|---|--|--|------------------|-------------------------|----------------|----------------------|------------------|
| Responsible Dept: Engineering - Water | | Project Title: NC 42 Waterline Relocation | | | | | |
| PROJECT DESCRIPTION: Relocate water transmission main on NC 42 from Horner Blvd to Dixie Farm Road in preparation for NCDOT road widening project. | |  | | | | | |
| PROJECT JUSTIFICATION: Required by NCDOT | | | | | | | |
| Externally Mandated: | yes | Growth Related: | No | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$400,000 | | Projected Begin: | July, 2017 | | |
| Current Budget Amt: | \$400,000 | | | Est. Completion: | June, 2020 | | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$400,000 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 400,000 | | | | | | 400,000 |
| Acquisition | | | | | | | 0 |
| Construction | | | 5,000,000 | | | | 5,000,000 |
| Other | | | | | | | 0 |
| Total | 400,000 | 0 | 5,000,000 | 0 | 0 | 0 | 5,400,000 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | 400,000 | | 5,000,000 | | | | 5,400,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 400,000 | 0 | 5,000,000 | 0 | 0 | 0 | 5,400,000 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| List | Explanation: How & Why | | | | | | |
| Department/Division Impacted | This project will not affect the operating budget. | | | | | | |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | | | | | | | |
|---|--|--|----------------|-------------------------|------------------|----------------------|------------------|
| Responsible Dept: Engineering - Water | | Project Title: Hawkins Avenue Waterline | | | | | |
| PROJECT DESCRIPTION: Install 16" transmission main from Weatherspoon to Deep River Road along Hawkins/15-501. | |  | | | | | |
| PROJECT JUSTIFICATION: This will augment our water supply distribution system to that area, especially the industrial park which will support additional growth. | | | | | | | |
| Externally Mandated: | No | Growth Related: | Yes | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$1,000,000 | | | Projected Begin: | July, 2017 | |
| Current Budget Amt: | \$1,000,000 | | | | Est. Completion: | June, 2019 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$1,000,000 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 450,000 | | | | | | 450,000 |
| Acquisition | | | | | | | 0 |
| Construction | 550,000 | 3,500,000 | | | | | 4,050,000 |
| Other | | | | | | | 0 |
| Total | 1,000,000 | 3,500,000 | 0 | 0 | 0 | 0 | 4,500,000 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | 1,000,000 | | | | | | 1,000,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | 3,500,000 | | | | | 3,500,000 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 1,000,000 | 3,500,000 | 0 | 0 | 0 | 0 | 4,500,000 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| List Department/Division Impacted | Explanation: How & Why | | | | | | |
| | This project will not affect the operating budget. | | | | | | |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - Sewer **Project Title:** Sewer System Rehabilitation

PROJECT DESCRIPTION: Various projects to rehabilitate assets in the sewer collection system.



PROJECT JUSTIFICATION: The City's collection system consists of 200 miles of sewer mains and approximately 4000 manholes. Overtime these assets must be rehabilitated.

Externally Mandated: No **Growth Related:** No **Service Related:** Yes

PROJECTED STATUS as of JUNE 30, 2017:

| | | | | | | |
|----------------------------|------------------|--|--|--|-------------------------|------------|
| 2018 Appropriation: | \$500,000 | | | | PROJECTED DATES: | |
| Current Budget Amt: | \$500,000 | | | | Projected Begin: | July, 2017 |
| Total Expenditures: | | | | | Est. Completion: | June, 2018 |
| Projected Balance: | \$500,000 | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|------------------|
| Planning/Design | | | | | | | 0 |
| Acquisition | | | | | | | 0 |
| Construction | 500,000 | 500,000 | 700,000 | 500,000 | 700,000 | | 2,900,000 |
| Other | | | | | | | 0 |
| Total | 500,000 | 500,000 | 700,000 | 500,000 | 700,000 | 0 | 2,900,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|----------------|----------------|----------------|----------------|----------------|----------------------|------------------|
| General Fund | | | | | | | 0 |
| Utility Fund | 500,000 | 500,000 | 700,000 | 500,000 | 700,000 | | 2,900,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 500,000 | 500,000 | 700,000 | 500,000 | 700,000 | 0 | 2,900,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|--------------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List | Explanation: How & Why |
|-------------------------------------|--|
| Department/Division Impacted | |
| | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | | | | | | | |
|--|--|--|----------------|-------------------------|----------------|----------------------|------------------|
| Responsible Dept: Engineering - Sewer | | Project Title: Clyde Rhyne Road Sewer Line Extension | | | | | |
| PROJECT DESCRIPTION: Extend gravity sewer into the Central Carolina Enterprise Park. | |  | | | | | |
| PROJECT JUSTIFICATION: Economic Development | | | | | | | |
| Externally Mandated: | No | Growth Related: | Yes | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$1,429,954 | | Projected Begin: | | July, 2017 | |
| Current Budget Amt: | \$1,429,954 | | | Est. Completion: | | June, 2018 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$1,429,954 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 142,995 | | | | | | 142,995 |
| Acquisition | | | | | | | 0 |
| Construction | 1,286,959 | | | | | | 1,286,959 |
| Other | | | | | | | 0 |
| Total | 1,429,954 | 0 | 0 | 0 | 0 | 0 | 1,429,954 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | 1,429,954 | | | | | | 1,429,954 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 1,429,954 | 0 | 0 | 0 | 0 | 0 | 1,429,954 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | | 12,500 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 0 | 12,500 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| List | Explanation: How & Why | | | | | | |
| Department/Division Impacted | | | | | | | |
| Collection/Distribution | With the construction of this sewer line, the City will have more sewer lines to maintain at a cost of approximately \$2,500 per year. | | | | | | |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | | | | | | | |
|--|--|--|----------------|-------------------------|----------------|----------------------|----------------|
| Responsible Dept: Engineering - Sewer | | Project Title: Triassic Development Sewer Extension | | | | | |
| PROJECT DESCRIPTION: Install sewer from the Gum Fork Lift station to the Triassic Park. | |  | | | | | |
| PROJECT JUSTIFICATION: Economic Development | | | | | | | |
| Externally Mandated: | No | Growth Related: | Yes | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$580,628 | | Projected Begin: | July, 2017 | | |
| Current Budget Amt: | \$580,628 | | | Est. Completion: | June, 2018 | | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$580,628 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 58,062 | | | | | | 58,062 |
| Acquisition | | | | | | | 0 |
| Construction | 522,566 | | | | | | 522,566 |
| Other | | | | | | | 0 |
| Total | 580,628 | 0 | 0 | 0 | 0 | 0 | 580,628 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | 580,628 | | | | | | 580,628 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 580,628 | 0 | 0 | 0 | 0 | 0 | 580,628 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | | 12,500 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 0 | 12,500 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| List | Explanation: How & Why | | | | | | |
| Department/Division Impacted | | | | | | | |
| Collection/Distribution | With the construction of this sewer line, the City will have more sewer lines to maintain at a cost of approximately \$2,500 per year. | | | | | | |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | |
|--|--|
| Responsible Dept: Engineering - Sewer | Project Title: Sewer Remediation Project - section A |
| PROJECT DESCRIPTION: The wastewater master plan identified areas in the system that needs to be addressed in order to minimize sanitary sewer overflows. This project will rehabilitate a section of the sewer system affected by chronic sanitary sewer overflows. |  |
| PROJECT JUSTIFICATION: During heavy rain events certain section of our sewer collection system experience chronic overflows. The State of NC requires that you address situations such as these. | |

| | | | | | | | |
|--|----------------|------------------------|----------------|-------------------------|----------------|----------------------|------------------|
| Externally Mandated: | Yes | Growth Related: | No | Service Related: | Yes | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$500,000 | | Projected Begin: | July, 2017 | | |
| Current Budget Amt: | \$500,000 | | | Est. Completion: | June, 2019 | | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$500,000 | | | | | | |
| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Planning/Design | 350,000 | | | | | | 350,000 |
| Acquisition | | | | | | | 0 |
| Construction | 150,000 | 3,000,000 | | | | | 3,150,000 |
| Other | | | | | | | 0 |
| Total | 500,000 | 3,000,000 | 0 | 0 | 0 | 0 | 3,500,000 |
| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | 500,000 | | | | | | 500,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | 3,000,000 | | | | | 3,000,000 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 500,000 | 3,000,000 | 0 | 0 | 0 | 0 | 3,500,000 |
| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| | |
|------------------------------|--|
| List | Explanation: How & Why |
| Department/Division Impacted | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - Sewer **Project Title:** Moncure Sewer Extension

PROJECT DESCRIPTION: To extend sewer to the Moncure Mega site.



PROJECT JUSTIFICATION: Economic Development

Externally Mandated: No **Growth Related:** Yes **Service Related:** Yes

PROJECTED STATUS as of JUNE 30, 2017: **PROJECTED DATES:**
2018 Appropriation: \$2,000,000 Projected Begin: July, 2017
 Current Budget Amt: \$2,000,000 Est. Completion: June, 2019
 Total Expenditures:
 Projected Balance: \$2,000,000

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|------------------|------------------|----------------|----------------|----------------|----------------------|-------------------|
| Planning/Design | 1,000,000 | 700,000 | | | | | 1,700,000 |
| Acquisition | | | | | | | 0 |
| Construction | 2,000,000 | 7,300,000 | | | | | 9,300,000 |
| Other | | | | | | | 0 |
| Total | 3,000,000 | 8,000,000 | 0 | 0 | 0 | 0 | 11,000,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|------------------|------------------|----------------|----------------|----------------|----------------------|-------------------|
| General Fund | | | | | | | 0 |
| Utility Fund | 3,000,000 | 500,000 | | | | | 3,500,000 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't | | 3,500,000 | | | | | 3,500,000 |
| Grants | | 4,000,000 | | | | | 4,000,000 |
| Other | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 3,000,000 | 8,000,000 | 0 | 0 | 0 | 0 | 11,000,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| Personnel | | | | | | | 0 |
| Operating Expense | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | | 100,000 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 0 | 100,000 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List | Explanation: How & Why |
|-------------------------------------|--|
| Department/Division Impacted | |
| Collection/Distribution | This project is to serve an industrial site with a design capacity of over \$1M gallons per day, resulting in increased revenue. With this addition of this project, the city's maintenance and operation cost will increase by approximately \$20,000 per year. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - Streets **Project Title: Street Resurfacing**

PROJECT DESCRIPTION: Rehabilitation of city streets.



PROJECT JUSTIFICATION: The City maintains 135 miles of roads. The condition of the roads deteriorate over a period of time. These funds will be used to improve the condition of select streets in our transportation systems.

Externally Mandated: No **Growth Related:** No **Service Related:** Yes

PROJECTED STATUS as of JUNE 30, 2017:

| | |
|----------------------------|------------------|
| 2018 Appropriation: | \$950,000 |
| Current Budget Amt: | \$950,000 |
| Total Expenditures: | |
| Projected Balance: | \$950,000 |

PROJECTED DATES:

| | |
|------------------|------------|
| Projected Begin: | July, 2017 |
| Est. Completion: | June, 2018 |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|----------------|------------------|------------------|------------------|------------------|----------------------|------------------|
| Planning/Design | | | | | | | 0 |
| Acquisition | | | | | | | 0 |
| Construction | 950,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | | 6,350,000 |
| Other | | | | | | | 0 |
| Total | 950,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 0 | 6,350,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|----------------|------------------|------------------|------------------|------------------|----------------------|------------------|
| General Fund | | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | | 5,400,000 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | 950,000 | | | | | | 950,000 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 950,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 0 | 6,350,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|--------------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|--|--|
| | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - Streets **Project Title:** Sidewalk Rehabilitation

PROJECT DESCRIPTION: Replace sections of city sidewalk.



PROJECT JUSTIFICATION: The City maintains in excess of 32 miles of sidewalk which deteriorates over time. The city will utilize the funds to address substandard sections of sidewalk, curb, and gutter.

Externally Mandated: No **Growth Related:** No **Service Related:** Yes

PROJECTED STATUS as of JUNE 30, 2017: **PROJECTED DATES:**
2018 Appropriation: \$100,000 Projected Begin: July, 2017
 Current Budget Amt: \$100,000 Est. Completion: June, 2018
 Total Expenditures:
 Projected Balance: \$100,000

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| Planning/Design | | | | | | | 0 |
| Acquisition | | | | | | | 0 |
| Construction | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | | 500,000 |
| Other | | | | | | | 0 |
| Total | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 0 | 500,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| General Fund | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | | 500,000 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 0 | 500,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|--------------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|--|--|
| | This project will not affect the operating budget. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering **Project Title:** Municipal Park

PROJECT DESCRIPTION: Provide park enhancements as per the bond referendum.



PROJECT JUSTIFICATION: Citizens of Sanford have indicated they want a higher level of park improvements than what is being supplied by the county.

| | | | | | | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|
| Externally Mandated: | No | Growth Related: | No | Service Related: | Yes | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|

| | | | | | | | |
|--|-----------|------------------|--|-------------------------|--|------------|--|
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$750,000 | | Projected Begin: | | July, 2017 | |
| Current Budget Amt: | \$750,000 | | | Est. Completion: | | June, 2019 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$750,000 | | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|------------------------|----------------|------------------|----------|----------|----------|---------------|------------------|
| Planning/Design | 200,000 | | | | | | 200,000 |
| Acquisition | | | | | | | 0 |
| Construction | 550,000 | 1,250,000 | | | | | 1,800,000 |
| Other | | | | | | | 0 |
| Total | 750,000 | 1,250,000 | 0 | 0 | 0 | 0 | 2,000,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|---|----------------|------------------|----------|----------|----------|---------------|------------------|
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | 750,000 | 1,250,000 | | | | | 2,000,000 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 750,000 | 1,250,000 | 0 | 0 | 0 | 0 | 2,000,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-----------------------------|----------|----------|----------|----------|----------|---------------|----------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|-----------------------------------|--|
| | This project may affect the operating budget and is currently being evaluated. |

CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM

| | | |
|--------------------------------------|--|--|
| Responsible Dept: Engineering | | Project Title: Wicker Street - Kiwanis Family Park Greenway |
|--------------------------------------|--|--|

PROJECT DESCRIPTION: Construct a Greenway from Kiwanis Family Park on Wicker Street to Carthage Street .



PROJECT JUSTIFICATION: This project provides connectivity from Kiwanis family park to downtown and is a quality of life enhancement for the citizens. This is funded by the bond referendum.

| | | | | | | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|
| Externally Mandated: | No | Growth Related: | No | Service Related: | Yes | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|

| | | | | | | | |
|--|----------|-----------------|--|-------------------------|------------|--|--|
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$89,500 | | Projected Begin: | July, 2017 | | |
| Current Budget Amt: | \$89,500 | | | Est. Completion: | June, 2019 | | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$89,500 | | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| Planning/Design | 38,950 | | | | | | 38,950 |
| Acquisition | | | | | | | 0 |
| Construction | 50,550 | 300,000 | | | | | 350,550 |
| Other | | | | | | | 0 |
| Total | 89,500 | 300,000 | 0 | 0 | 0 | 0 | 389,500 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|----------------|----------------|----------------|----------------|----------------|----------------------|----------------|
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | 89,500 | 300,000 | | | | | 389,500 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 89,500 | 300,000 | 0 | 0 | 0 | 0 | 389,500 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|--------------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|--|--|
| | This project may affect the operating budget and is currently being evaluated. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

| | |
|--------------------------------------|---|
| Responsible Dept: Engineering | Project Title: Medical Mile Greenway |
|--------------------------------------|---|

PROJECT DESCRIPTION: Construct a greenway along Skunk Creek from the Kiwanis Family Park to the hospital.



PROJECT JUSTIFICATION: This project provides connectivity from Kiwanis Family Park to the hospital and is a quality of life enhancement for the citizens. This is funded by the bond referendum.

| | | | | | | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|
| Externally Mandated: | No | Growth Related: | No | Service Related: | Yes | | |
|-----------------------------|----|------------------------|----|-------------------------|-----|--|--|

| | | | | | | | |
|--|-----------|------------------|--|-------------------------|--|------------|--|
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$250,000 | | Projected Begin: | | July, 2017 | |
| Current Budget Amt: | \$250,000 | | | Est. Completion: | | June, 2019 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$250,000 | | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|------------------------|----------------|----------------|----------|----------|----------|---------------|----------------|
| Planning/Design | 67,250 | | | | | | 67,250 |
| Acquisition | | | | | | | 0 |
| Construction | 182,750 | 422,500 | | | | | 605,250 |
| Other | | | | | | | 0 |
| Total | 250,000 | 422,500 | 0 | 0 | 0 | 0 | 672,500 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|---|----------------|----------------|----------|----------|----------|---------------|----------------|
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | 250,000 | 422,500 | | | | | 672,500 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 250,000 | 422,500 | 0 | 0 | 0 | 0 | 672,500 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-----------------------------|----------|----------|----------|----------|----------|---------------|----------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|-----------------------------------|--|
| | This project may affect the operating budget and is currently being evaluated. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2018
PROJECT SUMMARY FORM**

Responsible Dept: Engineering **Project Title:** Downtown Wicker Street Greenway

PROJECT DESCRIPTION: Construct a greenway on Wicker from Carthage to Horner by transforming the street via a street diet.



PROJECT JUSTIFICATION: This project, in conjunction with the Wicker Street Kiwanis Family Park Greenway, will provide connectivity between the Kiwanis Family Park and the downtown area. This is a quality of life enhancement for the citizens.

Externally Mandated: No **Growth Related:** No **Service Related:** Yes

| | | | | | | | |
|--|-----------|------------------|--|-------------------------|--|------------|--|
| PROJECTED STATUS as of JUNE 30, 2017: | | | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$280,000 | | Projected Begin: | | July, 2017 | |
| Current Budget Amt: | \$280,000 | | | Est. Completion: | | June, 2020 | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$280,000 | | | | | | |

| Appro/Expenditure Plan | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|-------------------------------|----------------|------------------|------------------|----------------|----------------|----------------------|------------------|
| Planning/Design | 228,000 | | | | | | 228,000 |
| Acquisition | | | | | | | 0 |
| Construction | 52,000 | 1,000,000 | 1,000,000 | | | | 2,052,000 |
| Other | | | | | | | 0 |
| Total | 280,000 | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 2,280,000 |

| Financing Plan (to be completed by Finance Dept.) | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--|----------------|------------------|------------------|----------------|----------------|----------------------|------------------|
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | 280,000 | 1,000,000 | 1,000,000 | | | | 2,280,000 |
| Installment Contracts | | | | | | | 0 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 280,000 | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 2,280,000 |

| Operating Budget Impact | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Remaining Yrs | Total |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------|--------------|
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

| List Department/Division Impacted | Explanation: How & Why |
|--|--|
| | This project may affect the operating budget and is currently being evaluated. |

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2022
PROJECT SUMMARY FORM**

| | | | | | | | |
|--|---|--|------------------|-------------------------|------------------|----------------------|----------------|
| Responsible Dept: Fire Department | | Project Title: Land Acquisition #4 Station | | | | | |
| PROJECT DESCRIPTION: Procure land in suitable location to build Fire Station #4. | |  | | | | | |
| PROJECT JUSTIFICATION: Growth of the City and the extended run times from our current three stations would be enhanced with the construction of a #4 station. This would allow a more equitable service to this area of the City. The outcome of a study conducted in cooperation with Strategic Services Division has identified the general location where station #4 needs to be located to help provide equitable service to our citizens. This area was identified through GIS mapping and actual Fire department calls and run times dating back from 1998-2009. This study was revisited in 2013 and 2015 where the results were once again validated. This area is in the Southeast part of the City. | | | | | | | |
| Externally Mandated: | Y | Growth Related: | Y | Service Related: | Y | | |
| IMPACT IF CANCELLED OR DELAYED: Continued extended run times in some areas of the City for response. | | | | | | | |
| PROJECTED STATUS as of JUNE 30, 2017: | | 0 | | PROJECTED DATES: | | | |
| 2018 Appropriation: | | \$150,000 | | Projected Begin: | 7/1/2017 | | |
| Current Budget Amt: | \$150,000 | | | Est. Completion: | 6/30/2018 | | |
| Total Expenditures: | | | | | | | |
| Projected Balance: | \$150,000 | | | | | | |
| Appro/Expenditure Plan | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | Remaining Yrs | Total |
| Planning/Design | | | | | | | 0 |
| Acquisition | 150,000 | | | | | | 150,000 |
| Construction | | | | | | | 0 |
| Other | | | | | | | 0 |
| Total | 150,000 | 0 | 0 | 0 | 0 | 0 | 150,000 |
| Financing Plan (to be completed by Finance Dept.) | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | Remaining Yrs | Total |
| General Fund | | | | | | | 0 |
| Utility Fund | | | | | | | 0 |
| Revenue Bonds | | | | | | | 0 |
| GO Bonds | | | | | | | 0 |
| Installment Contracts | 150,000 | | | | | | 150,000 |
| Other Local Gov't (Specify - Notes) | | | | | | | 0 |
| Grants (Specify - Notes) | | | | | | | 0 |
| Other (Specify - Notes) | | | | | | | 0 |
| Prior Year Balance | | | | | | | 0 |
| Total | 150,000 | 0 | 0 | 0 | 0 | 0 | 150,000 |
| Operating Budget Impact | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | Remaining Yrs | Total |
| Personnel | | | | | | | 0 |
| Operating Expense | | | | | | | 0 |
| Capital Outlay | | | | | | | 0 |
| (Minus Revenues) | | | | | | | 0 |
| Net Operating Effect | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why). | | | | | | | |
| <small>List</small> | | | | | | | |
| Department/Division Impacted | Explanation: How & Why | | | | | | |
| Fire Dept. | The land to place City Station #4 on is needed to begin the process of building a station to help reduce run times in the area identified by the recent study by the Fire Department and Strategic Services Division. | | | | | | |

CITY OF SANFORD CAPITAL/GRANT BUDGETS

The City of Sanford's Capital/Grant Budgets are authorized for appropriations through General Statutes 159-13.2 and are adopted separate from the annual operating budget. This authorization includes funding of "capital project" and "grant project" appropriations. The capital budget is used for projects financed totally or in part through bond proceeds, notes or other debt instruments which involve a capital asset. The grant budget refers to projects financed with revenues received from state or federal government for operation or capital purposes defined by the specific grant. The project ordinance authorizes the funding for the length of the project, therefore funds are cumulative for the life of the project. The city uses these ordinances to fund projects within the Capital Improvements Program and Community Development Grant Program. Each ordinance clearly identifies its purpose and authorization and identifies the revenues and appropriations (balanced). A project ordinance may be amended with City Council enactment in the same manner as the annual operating ordinance.

Following is a summary of ongoing project activity:

| APPROPRIATION | PROJECT / PROGRAM BUDGET | CURRENT YR. ACTIVITY | PRIOR YRS. ACTIVITY | TOTAL TO JUNE 30, 2016 |
|---|--------------------------------|-------------------------|------------------------|---------------------------|
| SPECIAL REVENUES | | | | |
| Community Development | | | | |
| Revenues | 571,693 | 188,376 | 513,370 | 701,746 |
| Expenditures | 551,693 | 98,083 | 76,479 | 174,562 |
| Other financing sources (uses) | (20,000) | 5,000 | (30,000) | (25,000) |
| Project Fund Balance | | | | <u>\$ 502,184</u> |
| GENERAL FUND CAPITAL PROJECTS | | | | |
| Downtown Improvements | | | | |
| Other financing sources (uses) | 196,157 | - | 196,157 | 196,157 |
| Expenditures | 196,157 | - | 179,962 | 179,962 |
| Project Fund Balance | | | | <u>\$ 16,195</u> |
| GENERAL FUND CAPITAL PROJECTS | | | | |
| Sidewalk / Greenway / Streetscape | | | | |
| Revenues | 394,943 | 188,608 | 1,072 | 189,680 |
| Other financing sources (uses) | 12,339,825 | 420,600 | 11,926,207 | 12,346,807 |
| Expenditures | 12,734,768 | 8,741,497 | 1,874,281 | 10,615,778 |
| Project Fund Balance | | | | <u>\$ 1,920,709</u> |
| UTILITY CAPITAL PROJECTS | | | | |
| Water & Sewer Capital Improvements | | | | |
| Revenues | 128,106 | - | 117,707 | 117,707 |
| Other financing sources | 21,171,969 | 275,830 | 3,117,428 | 3,393,258 |
| Expenditures | 21,300,075 | 138,599 | 318,049 | 456,648 |
| Project Fund Balance | | | | <u>\$ 3,054,317</u> |

THIS PAGE LEFT BLANK INTENTIONALLY.

**2017-2018
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|---|--------------------|----------------------|
| GOVERNING BODY (9) | | |
| Mayor | 1 | * |
| City Council Members | 7 | * |
| City Clerk/Asst. to City Manager | 1 | \$48,820 - \$80,553 |
| DEPARTMENT OF ADMINISTRATION (4) | | |
| City Manager | 1 | * |
| Deputy City Clerk | 1 | \$36,293 - \$59,883 |
| Public Information Officer/Grant Writer | 1 | \$48,820 - \$80,553 |
| Management Analyst | 1 | \$53,890 - \$88,919 |
| DEPARTMENT OF HUMAN RESOURCES (5) | | |
| <i>HUMAN RESOURCES</i> | | |
| Human Resources Director | 1 | \$72,469 - \$119,573 |
| Human Resources Analyst | 1 | \$44,223 - \$72,968 |
| Human Resources Assistant | 1 | \$36,293 - \$59,883 |
| Receptionist | 1 | \$26,988 - \$44,530 |
| <i>RISK MANAGEMENT</i> | | |
| Risk Management Officer | 1 | \$51,294 - \$84,635 |
| DEPARTMENT OF LEGAL (2) | | |
| City Attorney | 1 | \$80,013 - \$132,022 |
| Paralegal | 1 | \$38,142 - \$62,934 |
| DEPARTMENT OF COMMUNITY DEVELOPMENT (22) | | |
| <i>COMMUNITY DEVELOPMENT</i> | | |
| Comm. Development Director | 1 | \$80,013 - \$132,022 |
| Asst. Comm. Dev. Director | 1 | \$62,508 - \$103,138 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |
| Comm. Development Manager | 1 | \$59,496 - \$98,169 |
| Zoning Administrator | 1 | \$59,496 - \$98,169 |
| Senior Planner / Long Range | 1 | \$59,496 - \$98,169 |
| Planner II | 1 | \$51,294 - \$84,635 |
| Planner I | 1 | \$46,463 - \$76,663 |
| Planning Technician | 1 | \$40,082 - \$66,135 |
| Administrative Assistant III | 1 | \$40,082 - \$66,135 |

* Amount is established and set by the City Council on a year to year basis.

**2017-2018
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|---|---------------------------|----------------------|
| DEPARTMENT OF COMMUNITY DEVELOPMENT CON'T (22) | | |
| <i>INSPECTIONS</i> | | |
| Inspections Administrator | 1 | \$59,496 - \$98,169 |
| Building Inspector III | 1 | \$48,820 - \$80,553 |
| Building Inspector I | 3 | \$44,223 - \$72,968 |
| Administrative Assistant II | 1 | \$36,293 - \$59,883 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |
| <i>COMMUNITY ENHANCEMENT – CODE ENFORCEMENT</i> | | |
| Code Enforcement Supervisor | 1 | \$48,820 - \$80,553 |
| Code Enforcement Officer | 2 | \$42,109 - \$69,480 |
| Staff Assistant | 1 | \$29,793 - \$49,158 |
| <i>COMMUNITY ENHANCEMENT –PLANNING/HPC</i> | | |
| Planner II | 1 | \$51,294 - \$84,635 |
| DEPARTMENT OF INFORMATION TECHNOLOGY (3) | | |
| Information Technology Director | 1 | \$72,469 - \$119,573 |
| Program Analyst/Webmaster | 2 | \$51,294 - \$84,635 |
| SANFORD GOLF COURSE (6) | | |
| Golf Course Manager | 1 | \$62,508 - \$103,138 |
| Golf Course Superintendent | 1 | \$51,294 - \$84,635 |
| Asst. Golf Course Manager | 1 | \$42,109 - \$69,480 |
| Lead Turfgrass Technician | 1 | \$32,893 - \$54,273 |
| Turfgrass Technician | 1 | \$29,793 - \$49,158 |
| Turfgrass Technician | 1 | Part-time |

**2017-2018
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|-------------------------------------|---------------------------|----------------------|
| DEPARTMENT OF POLICE (110) | | |
| Chief of Police | 1 | \$80,013 - \$132,022 |
| Assistant Chief | 1 | \$65,670 - \$108,356 |
| Administrative Assistant II | 1 | \$36,293 - \$59,883 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |
| Police Records Supervisor | 1 | \$40,082 - \$66,135 |
| Records Clerk | 1 | \$32,893 - \$54,273 |
| Patrol Major | 1 | \$62,508 - \$103,138 |
| Internal Affairs / Training Officer | 1 | \$56,632 - \$93,443 |
| Narcotics Captain | 1 | \$56,632 - \$93,443 |
| Patrol Captain | 6 | \$53,890 - \$88,919 |
| Sergeant | 7 | \$46,463 - \$76,663 |
| Detective Captain | 1 | \$56,632 - \$93,443 |
| Detective | 10 | \$44,223 - \$72,968 |
| Narcotics Agent | 5 | \$44,223 - \$72,968 |
| Police Officer III | 37 | \$42,109 - \$69,480 |
| Police Officer II | 4 | \$40,082 - \$66,135 |
| Police Officer I | 10 | \$38,142 - \$62,934 |
| Telecomm. Supervisor | 1 | \$42,109 - \$69,480 |
| Lead Telecommunicator | 4 | \$38,142 - \$62,934 |
| Telecommunicator | 12 | \$34,572 - \$57,043 |
| Receptionist | 4 | \$26,988 - \$44,530 |
| DEPARTMENT OF FIRE (54) | | |
| Chief | 1 | \$76,137 - \$125,626 |
| Deputy Fire Chief / Fire Marshal | 1 | \$62,508 - \$103,138 |
| Battalion Commander | 3 | \$53,890 - \$88,919 |
| Deputy Fire Marshal | 1 | \$51,294 - \$84,635 |
| Fire Field Technician II | 1 | \$46,463 - \$76,663 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |
| Company Captain | 9 | \$46,463 - \$76,663 |
| Firefighter III | 24 | \$40,082 - \$66,135 |
| Fire Inspector | 1 | Part-time |
| Firefighter III/Driver Operator | 9 | \$40,082 - \$66,135 |
| Firefighter II | 1 | \$38,142 - \$62,934 |
| Firefighter I | 2 | \$36,293 - \$59,883 |

2017-2018

DEPARTMENTAL EMPLOYEE CLASSIFICATION

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|--|--------------------|----------------------|
| DEPARTMENT OF FINANCIAL SERVICES (20) | | |
| <i>FINANCE</i> | | |
| Director of Financial Services | 1 | \$80,013 - \$132,022 |
| Financial Services Supervisor | 1 | \$56,632 - \$93,443 |
| Financial Services Support Assistant | 1 | \$32,893 - \$54,273 |
| Accountant I | 2 | \$38,142 - \$62,934 |
| Senior Budget Analyst | 1 | \$48,820 - \$80,553 |
| Accounting Technician | 2 | \$32,893 - \$54,273 |
| Finance Application Support Analyst | 1 | \$48,820 - \$80,553 |
| <i>UTILITY FUND ADMINISTRATION</i> | | |
| Customer Service Manager | 1 | \$53,890 - \$88,919 |
| Assistant Customer Service Manager | 1 | \$48,820 - \$80,553 |
| Senior Accountant | 1 | \$46,463 - \$76,663 |
| Customer Service Representative | 4 | \$29,793 - \$49,158 |
| Customer Service Representative | 1 | Part-time |
| Senior Customer Service Represent. | 1 | \$32,893 - \$54,273 |
| Customer Service Specialist | 1 | \$32,893 - \$54,273 |
| Customer Service Billing Specialist | 1 | \$40,082 - \$66,135 |

**2017-2018
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|---|--------------------|----------------------|
| DEPARTMENT OF PUBLIC WORKS (132) | | |
| <i>PUBLIC WORKS ADMINISTRATION</i> | | |
| Public Works Director | 1 | \$84,038 - \$138,662 |
| Public Works Manager | 1 | \$72,469 - \$119,573 |
| Public Works Administrator | 1 | \$48,820 - \$80,553 |
| Public Works Safety Officer | 1 | \$42,109 - \$69,480 |
| Administrative Assistant II | 1 | \$36,293 - \$59,883 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |
| <i>STREET</i> | | |
| Administrator | ½ | \$59,496 - \$98,169 |
| Crew Supervisor I | 3 | \$36,293 - \$59,883 |
| Equipment Operator III | 1 | \$32,893 - \$54,273 |
| Equipment Operator II | 3 | \$29,793 - \$49,158 |
| Equipment Operator I | 1 | \$28,359 - \$46,792 |
| Maintenance Worker II | 6 | \$28,359 - \$46,792 |
| Lead Maintenance Worker | 2 | \$29,793 - \$49,158 |
| Traffic Services Technician | 1 | \$34,572 - \$57,043 |
| <i>SOLID WASTE</i> | | |
| Administrator | ½ | \$59,496 - \$98,169 |
| Solid Waste Superintendent | 1 | \$53,890 - \$88,919 |
| Crew Supervisor I | 2 | \$36,293 - \$59,883 |
| Equipment Operator II | 8 | \$29,793 - \$49,158 |
| Equipment Operator I | 1 | \$28,359 - \$46,792 |
| Lead Maintenance Worker / Graffiti | 1 | \$29,793 - \$49,158 |
| Maintenance Worker II | 3 | \$28,359 - \$46,792 |
| Compost Facility Operator | 1 | \$29,793 - \$49,158 |
| <i>HORTICULTURE</i> | | |
| Horticulturist | 1 | \$46,463 - \$76,663 |
| Lead Groundskeeper | 2 | \$29,793 - \$49,158 |
| Groundskeeper II | 1 | \$28,359 - \$46,792 |
| Groundskeeper I | 2 | \$26,988 - \$44,530 |

**2017-2018
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

| POSITION TITLES | BUDGETED POSITIONS | SALARY RANGE |
|---|--------------------|---------------------|
| DEPARTMENT OF PUBLIC WORKS CON'T (132) | | |
| <i>WATER FILTRATION</i> | | |
| Water Filtration Administrator | 1 | \$59,496 - \$98,169 |
| Chief Operator | 1 | \$42,109 - \$69,480 |
| Operator III | 4 | \$36,293 - \$59,883 |
| Operator II | 1 | \$32,893 - \$54,273 |
| Operator I | 1 | \$32,893 - \$54,273 |
| Utility Mechanic II | 1 | \$36,293 - \$59,883 |
| Lab Supervisor | 1 | \$48,820 - \$80,553 |
| Lab Technician II | 1 | \$40,082 - \$66,135 |
| <i>WATER RECLAMATION</i> | | |
| Water Reclamation Administrator | 1 | \$59,496 - \$98,169 |
| Chief Operator | 1 | \$42,109 - \$69,480 |
| Pretreatment Coordinator | 1 | \$44,223 - \$72,968 |
| Lab Supervisor | 1 | \$48,820 - \$80,553 |
| Lab Assistant II | 1 | \$34,572 - \$57,043 |
| Utility Mechanic II | 1 | \$38,142 - \$62,934 |
| Utility Mechanic I | 1 | \$36,293 - \$59,883 |
| Operator III | 3 | \$36,293 - \$59,883 |
| Operator II | 3 | \$32,893 - \$54,273 |
| <i>WAREHOUSE</i> | | |
| Maintenance/Inventory Tech. | 1 | \$32,893 - \$54,273 |
| <i>PUBLIC BUILDING</i> | | |
| Administrator | ½ | \$59,496 - \$98,169 |
| Bldg./Grounds Superintendent | 1 | \$53,890 - \$88,919 |
| Maintenance/Inventory Tech. | 1 | \$32,893 - \$54,273 |
| Administrative Assistant I | 1 | \$32,893 - \$54,273 |

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

1.0 GENERAL

It is the City of Sanford's policy to fairly compensate each employee for the value of his contribution to the success of the city through his assigned work. The employee wage and salary program will promote the goals of the City of Sanford and individual employees by optimizing employee performance and contributions. It is our intention to use a compensation system that will determine the current market value of a position based on the skills, knowledge and behaviors required of a fully competent incumbent. The system used will be objective and non-discriminatory in theory, application and practice.

The program includes the basic "salary schedule" and the "positions listed by salary grade". The salary schedule consists of steps for minimum, maximum, and intervening rates of pay for all classes of positions. The salaries and wages shall be adopted within the annual budget ordinance.

2.0 ADMINISTRATION AND MAINTENANCE

The City Manager shall be responsible for the administration and maintenance of the pay plan. The plan is intended to provide equitable compensation for all positions, reflecting differences in duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in cost of living, the financial conditions of the City, and other factors.

To assist the City Manager in evaluating pay levels and benefits, the Human Resources department will conduct and/or participate in periodic wage surveys of local businesses, industrial establishments and other North Carolina municipalities. The information obtained from such surveys, in conjunction with other economic indicators, is the basis for the Manager's proposed salary recommendations for maintaining a pay plan that is current, competitive, and promotes the attainment of the city's goals and objectives.

3.0 NEW EMPLOYEES – STARTING SALARIES

Under normal circumstances, a qualified but inexperienced new employee starts at the minimum salary for the classification in which they are employed; however, exceptionally well qualified applicants may be employed above the minimum of the established salary range upon approval by the City Manager.

New employees will be given written performance appraisals as they complete milestone points following date of hire based on the following schedule:

- a. Six (6) months - performance appraisal with salary adjustment, if approved

An employee appointed for less than full-time service will be paid an equitable compensation for the position assumed. The wage-rate must be approved by the City Manager.

4.0 TRAINEE DESIGNATION AND PROVISIONS

Applicants being considered for employment or City employees who do not meet the established minimum requirements for the position which they are being considered may be hired or engaged in a "trainee" status and appointed a rate of pay below the minimum established for the position. "Trainee" salaries shall be one grade below the minimum salary established for the position for which the person is being trained. A new employee designated as "trainee" shall concurrently serve a probationary period. However, probationary periods shall be no less than six months and trainee periods may extend from three to eighteen months. A trainee shall remain a probationary employee until the trainee period is satisfactorily completed. If the

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

training is successfully completed, the employee shall be paid at least the minimum rate established for the position for which the employee was trained.

5.0 PROBATIONARY PAY INCREASES

Employees hired, promoted, or reclassified may receive a pay increase within the range of up to approximately 5% upon successful completion of the probationary period. Employees serving a twelve-month probationary period are eligible for consideration of approximately a 2.5% increase after six months of successful employment and up to approximately an additional 5% upon successful completion of twelve months. The Human Resources Director must recommend and the City Manager must approve any exception.

6.0 MERIT PAY

Employees may be considered for advancement within the established salary range based on the quality of their overall performance. Guidelines for determining performance levels and performance pay increases shall be established and approved by the City Manager.

Merit increases are given at the discretion of City Council based upon available funds. When provided, a merit increase shall be given at the employee's anniversary/evaluation date, which is generally 12-months from the employee's probationary date, and shall accompany a written performance appraisal. Performance appraisals will be conducted for all employees in accordance with COS-PP-303, Employee Performance Appraisal, and forwarded to the Human Resources Department at least fourteen (14) days prior to the effective date. The salary increase should be in accordance with approved guidelines. The City Manager must approve any exception.

If the performance and salary review date for an employee occurs during a leave of absence, the employee should be reviewed within two (2) weeks of the employee's return to work unless an adjustment to the performance evaluation due date is approved. If a salary adjustment is recommended and approved, the adjustment will be effective at the beginning of the payroll period following the employee's return to work or adjusted performance evaluation due date.

7.0 MERIT/PERFORMANCE PAY BONUS

Employees who are at the maximum of their salary range for their position classification are eligible to be considered for a merit/performance pay bonus. Merit/performance pay bonuses shall be awarded in a lump sum payment and do not become part of the employee's base salary. The performance appraisal rating required for bonus consideration and the amount of the performance pay bonus will be determined by the City Manager with recommendation from the department head and the Human Resources Department.

8.0 SALARY EFFECT - PROMOTIONS/DEMOTIONS/TRANSFERS/RECLASSIFICATIONS

Promotions – When an employee is promoted into a position to which he is qualified, the employee's salary shall normally be advanced to the minimum level of the new position, or to a salary which provides an increase of up to approximately 5% over the employee's salary before the promotion, provided, however, that the new salary may not exceed the maximum rate of the new salary range. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility. A written performance appraisal is required if more than six months have elapsed since the last appraisal was conducted.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

At the discretion of the department head, a promoted employee may serve a six-month (6) probationary period in the new position. Upon satisfactory completion of the probationary period, the department head may recommend a probationary pay increase for the employee. A written performance appraisal must accompany the request and be submitted to the Human Resources Department. The increase must be recommended by the department head and Human Resources Director and approved by the City Manager.

Demotions – When an employee is demoted into a position to which he is qualified, the employee’s salary shall be adjusted as indicated below:

Demotion initiated by management:

- as a result of marginal or unacceptable performance or disciplinary reasons - the salary shall be decreased at least 5%, or to the maximum of the new range.
- due to reasons other than inadequate performance or discipline - the salary will not be reduced.

Demotion requested by employee:

- due to dissatisfaction with the job or for other personal reasons - the salary shall be set at a rate in the lower pay range based on the skills, knowledge, and abilities of the employee as compared to position requirements.

The demotion must be recommended by the department head, reviewed by the Human Resources Director and approved by the City Manager. A written performance appraisal is required if more than six months have elapsed since the last appraisal was conducted.

Transfers – The salary of an employee reassigned to a position in the same class or to a position in a different class within the same salary range shall not be changed by the assignment. Exceptions require prior approval of the City Manager. A written performance appraisal is required if more than six months have elapsed since the last appraisal was conducted.

Reclassifications – An employee whose position is reclassified to a class having a higher salary range shall receive a pay increase to the minimum of the new pay range or adjusted upward by at least 5.0% or an amount approved by the City Manager. If the employee is required to complete a probationary period, the employee’s salary may be advanced according to probationary pay guidelines. A written performance appraisal must accompany the request and be submitted to the Human Resources Department. The increase must be recommended by the department head and Human Resources Director and approved by the City Manager.

If the position is reclassified to a lower pay range, the employee’s salary shall remain the same. If the employee’s salary is above the maximum established for the new range, the salary of the employee shall be maintained at the current level until the range is increased above the employee’s salary.

9.0 POSITION DESCRIPTION, RE-EVALUATION, & EFFECT ON SALARY

Written position descriptions should be kept current and accurately reflect the responsibilities and requirements of the position. The Human Resources Department will maintain all position descriptions. Preparation of the position description is the responsibility of the employee’s supervisor. Supervisors may request an analysis of a new position or re-evaluation of a current position description through Human Resources.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

When re-evaluation results in a position class being assigned to a higher salary range, employees in that class shall receive a pay increase to the minimum step of the new range or at least 5.0% or an amount approved by the City Manager. When re-evaluation results in a position class being assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum step established for the new class, the salary of the employee shall be maintained at the current level until such time the employee's salary range is increased above the employee's current salary. Changes/adjustments must be recommended by the department head and Human Resources and approved by the City Manager.

10.0 CERTIFICATION

Salary increases may be granted to incumbents after obtaining job-related tenure, education, or certification/licensure in specialized areas of up to approximately 5.0%. Failure to obtain job related certification by the required time period may result in disciplinary action up to and including termination.

11.0 INTERIM ASSIGNMENT

Salary increases may be granted to employees who are temporarily assigned to a position at a higher salary grade. The assignment must be for an extended period of time; a minimum of 30 consecutive days. The salary shall be adjusted to the minimum of the higher salary grade or up to approximately 10%; whichever is greater. The salary shall be adjusted back to the lower grade and step upon completion of the assignment. Any non-exempt employee temporarily assigned to an exempt position shall not be eligible for overtime pay or compensatory time during the assignment.

12.0 EFFECTIVE DATE OF SALARY CHANGES

Salary changes shall be effective on the first day of the payroll period containing the effective date of the change; unless otherwise noted or approved by the City Manager.

13.0 AUTHORITY

The City Manager shall have responsibility for approving the following salary actions for city employees:

- a) transactions outside established guidelines
- b) new hires
- c) merit/performance pay bonus
- d) equity adjustments
- e) promotions
- f) demotions
- g) position reclassifications

Other pay adjustments for city employees that are within the established percentage frequency guidelines may be approved by the City Manager's designee.

14.0 SALARY INCREASE GUIDE

A salary increase guide will be established and published by Human Resources prior to the beginning of each fiscal year and updated as conditions warrant.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

15.0 OVERTIME PAY PROVISIONS

Employees of the City can be requested and may be required to work overtime hours as necessitated by the needs of the City and determined by the department head. To the extent that local government jurisdictions are so required, the City will comply with the Fair Labor Standards Act (FLSA). The Human Resources Director shall determine which jobs are “non-exempt” and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions.

Non-exempt employees will be paid at a straight rate for hours up to the FLSA established limit for their position (usually 40 hours in a 7-day period; 171 hours for police personnel in a 28-day cycle; and 159 hours for fire personnel in a 21-day cycle). Hours worked beyond the FLSA established limit will be compensated in either compensatory time off or pay at one and a half times the pay rate. In determining eligibility for overtime in a work period, hours actually worked shall be considered; in addition, vacation, sick, personal, and holiday leave will be included in the computation of hours worked.

Whenever practicable, departments may schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be paid or compensatory leave granted in accordance with the FLSA.

Overtime will be distributed as equally as practical among qualified employees in the same job classification, department and shift, without regard to age, sex, race, color, creed, religion, national origin or physical handicap.

Employees in positions determined to be “exempt” from the FLSA (as Executive, Administrative, or Professional staff) will not receive pay for hours worked in excess of their normal work periods. These employees may be granted compensatory leave by their supervisor where the work is of an unusual, unscheduled or emergency nature. Where work activities are directed by the department head and approved by the City Manager as a result of a natural disaster, these employees may be granted compensatory leave or pay at straight time; paid time is not contingent upon Federal funding. Such compensatory pay or time is not guaranteed and ends without compensation upon separation from the organization.

No employee shall work overtime except as authorized by the manager; and the City Manager’s approval is required for any variances from this policy.

16.0 CALL-BACK and ON-CALL PAY

The City provides continuous twenty-four hour a day, seven day a week service to its customers. Therefore, it is necessary for certain employees to respond to any reasonable request for duty at any hour of the day or night. One of the conditions of employment with the City is the acceptance of a share of the responsibility for continuous service, in accordance with the nature of each job position. If an employee fails to respond to reasonable calls for emergency service, either special or routine, the employee shall be subject to disciplinary action up to and including dismissal.

Call-Back Pay - Non-exempt employees will be paid at a rate of one and a half times the pay rate for hours worked outside the normal working hours when called back to work and the hours worked are beyond the FLSA established limit for the work period.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|----------------------------------|-----------------------|---------------|
| Employee Wage and Salary Program | March 1, 2012 | COS-PP-301 |

On-Call Pay - Non-exempt employees required to be “on-call” duty will be paid for five hours of work for each week of on-call time they serve plus any actual hours worked during the call. An additional two hours of overtime will be paid when the Service Center is closed for a holiday. Hours actually worked while on-call are calculated beginning when the employee leaves home to report to the work site and are added to the regular total hours worked for the week. On-call time is defined as that time when an employee must remain near an established telephone or otherwise substantially restrict personal activities in order to be ready to respond when called.

17.0 PAYROLL DEDUCTIONS

Deductions shall be made from each employee’s salary, as required by law. Additional deductions may be made upon request of the employee on determination by the City Manager as to the capability of payroll equipment and appropriateness of the deduction.

There are three (3) classes of payroll deductions:

1. Statutory deductions - mandatory for all full-time employees:
 - a) F.I.C.A.
 - b) Federal Income Tax
 - c) State Income Tax
 - d) Local Government Employees Retirement

2. Voluntary deductions - these deductions must be authorized in writing, by the employee:
 - a) Voluntary life insurance
 - b) Cancer insurance
 - c) Savings
 - d) Miscellaneous collections

3. Special Deductions - these deductions may be made as requested, but will not require the approval of the employee:
 - a) Tax garnishments
 - b) Overpayment of wages
 - c) Under deduction of statutory deductions
 - d) Court orders

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|--------------------------------|-----------------------|---------------|
| Performance Management Program | March 1, 2012 | COS-PP-303 |

1.0 GENERAL

Performance management is an ongoing process that helps managers and employees plan performance expectations for the upcoming year, communicate about those expectations during the year and review the results at the end of the year. Our employees benefit from a greater understanding of what is expected of them and the ongoing feedback and support that they need to be successful. The City benefits by having a skilled and knowledgeable workforce focused on achieving results.

The purpose of the performance management program is to:

- a) Provide for a formal method of communicating performance feedback to employees;
- b) Provide information upon which management can base personnel decisions;
- c) Provide a sound basis for compensation decisions;
- d) Standardize records for documenting employee performance;
- e) Provide for the establishment of specific job expectations and measurable and obtainable goals;
- f) Provide annual appraisal of on-the-job performance;
- g) Provide supervisors with a formal means of assessing what the employee accomplishes and how they accomplished it (i.e. customer focused, accountability, flexibility, collaboration, effective communication, etc.);
- h) Assist managers in assessing employee potential;
- i) Provide means for "raising the bar" on overall performance goals and expectations.

2.0 PERFORMANCE MANAGEMENT PROCESS

The Performance Management Process consists of the following steps:

- Performance Planning – establish specific goals and standards required to meet job responsibilities (SMART).
- Performance Monitoring – ongoing process of observing performance and behaviors.
- Providing Feedback – both positive and constructive.
- Performance Review and Appraisal – formal documented system that includes discussion with employee.

The following actions are required:

- a) Within the first thirty (30) days of the new appraisal period, the supervisor must establish job expectations and performance standards, which should include measurable and obtainable goals. These will be discussed with the employee and recorded on the performance appraisal form.
- b) Monitor performance progress throughout the year, observing both performance and behaviors.
- c) Provide consistent feedback to employee (both positive and constructive).
- d) At the end of the appraisal period or prior to a promotion, a performance review is conducted. This performance review will consist of the following:
 1. Review of job expectations and measurable and obtainable goals by supervisor and employee;
 2. Preparation of appraisal form by supervisor;
 3. Conducting of performance appraisal discussion with employee;
 4. Forwarding of forms to Human Resources Department.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|--------------------------------|-----------------------|---------------|
| Performance Management Program | March 1, 2012 | COS-PP-303 |

3.0 PERFORMANCE APPRAISAL GUIDELINES AND DISCUSSION

Performance appraisals must be completed on all:

- Full-time employees at the end of the probationary period and then every 12 months thereafter;
- Transferring or promoted employees if more than six months have elapsed since the last appraisal was conducted.

The appraisal of performance should be based upon performance of the specific job expectations and measurement of completion of goals. The overall performance rating is measured on a scale of one (1) to ten (10) as shown and described on the appraisal form.

An employee with a rating of one (1) or two (2) will be re-appraised in three (3) months. If at that time performance has not improved enough to warrant a rating of three (3) or above, transfer or termination will be considered.

4.0 APPROVALS

Levels of approval for a performance rating will be as follows:

- a) Appraisals with a rating of three (3) through eight (8) require two (2) levels of approval;
- b) Appraisals with a rating of one (1), two (2), nine (9), or ten (10) require three levels of approval, one of which must be the department head with budgetary responsibility for the employee's department and one of which must be the City Manager.

All approval signatures must be obtained prior to the performance appraisal discussion. Each department may expand the approval process as desired.

The City Manager's signature will be required on all performance appraisal forms for those actions requiring approval in accordance with COS-PP-301, 13.0.

The employee performance appraisal discussion must be conducted so that all forms will arrive in the Human Resources Office at least fourteen (14) days prior to the effective date. During the discussion, the supervisor and employee will review the completed appraisal form and discuss goals for the new appraisal period. The employee may enter personal comments and then should sign the form. The employee's signature indicates only that they have reviewed the form and does not indicate agreement with the appraisal.

The supervisor and the employee should retain copies of the completed appraisal form and the original will be placed in the employee's personnel folder.

CITY OF SANFORD, NC

FINANCE PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|-------------------|-----------------------|---------------|
| Investment Policy | June 1, 2006 | COS-FP-901 |

PURPOSE

Funds of the City will be invested in accordance with North Carolina General Statutes 159-30 and these policies and written administrative procedures. The City's investment portfolio shall be managed in a manner to attain a market rate of return while preserving and protecting capital in the overall portfolio.

RESPONSIBILITY

The Finance Director or his designee shall have the responsibility for the administration of the investment policy of the City of Sanford. The Finance Director will routinely monitor the contents of the portfolio, the available markets, and the relative values of competing instruments, and will adjust the portfolio accordingly.

PORTFOLIO DIVERSIFICATION

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

Diversification by Instrument:

Percent of Portfolio

| | |
|---|------|
| U.S. Treasury obligations (bills, notes, bonds) | 100% |
| U.S. Government Agencies (fully guaranteed) | 100% |
| Bankers Acceptance (BAs) | 40% |
| Commercial Paper | 40% |
| Repurchase Agreements | 25% |
| Certificates of Deposit (CDs) Commercial Banks | 100% |
| North Carolina Cash Management Trust | 95% |
| RBC Centura Public Fund Account | 30% |

Diversification by Financial Institution:

Bankers' Acceptance (BAs):

No more than 25% of the total BA portfolio with any one institution.

Commercial Paper:

No more than 30% of the total commercial paper portfolio with any one issuer.

Repurchase Agreements:

No more than 15% of the total repurchase agreement portfolio with any one institution.

Certificates of Deposit (CDs)

No more than 60% of the total CD portfolio with one institution.

Maturity Scheduling:

Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures, as well as considering sizable blocks of anticipated revenue (tax receipts, etc.). Maturities shall be timed to comply with the following guidelines:

| | | |
|-------|---------|------|
| Under | 1 year | 80% |
| Under | 2 years | 100% |

CITY OF SANFORD, NC

FINANCE PROCEDURE

| SUBJECT | EFFECTIVE DATE | NUMBER |
|-------------------|-----------------------|---------------|
| Investment Policy | June 1, 2006 | COS-FP-901 |

A. Strategy

The City invests funds by using a specific, but flexible, investment strategy. The City formulates its investment strategy by monitoring the performance of current economic indicators and current economic projections. The criteria for selecting investments are ranked as to: legality, safety, liquidity, yield, ease and cost of handling. Obvious profit opportunities are taken when market conditions shift (swaps). Long-term investments (over one year) are limited to maturities of two years or less. Maturities are selected to coincide with the periods when funds will be needed to meet expenditures.

B. Market Trading Procedures

The City monitors the investment market daily. It is the city's policy to contact the banks in Sanford for bids and offerings to receive the best pricing/yield possible. Other North Carolina based financial institutions may also be contacted when appropriate. All purchases, sales, swaps, and commitments are verified and documented as to the settlement date, interest rate, maturity date, and price. All transactions are recorded in complete detail. Investments are frequently settled by a bank wire transfer.

C. Collateralization of Deposits

North Carolina General Statute 159-31 (b) requires that sufficient collateral be pledged for all public funds. For demand deposits and time deposits, FDIC and FSLIC protection is available for \$100,000. However, once the City's demand or time deposits exceed \$100,000, specific eligible securities must be pledged as collateral for the City's funds. The Finance Director or his designee will ensure that sufficient and proper collateral exists for all demand and time deposits in excess of \$100,000.

D. Third-Party Safekeeping

The City uses third-party safekeeping for all investments not covered by collateralization requirements. Third-party safekeeping arrangements will be bid as part of the banking services contract. Third-party safekeeping provides the City with the safest category of credit risk for these investments.

REPORTING REQUIREMENTS

The Finance Director shall generate monthly reports for management purposes. In addition, the Law and Finance Committee of the City Council will be provided quarterly reports which include data on investment instruments being held and a statement that the portfolio conforms to these policies.

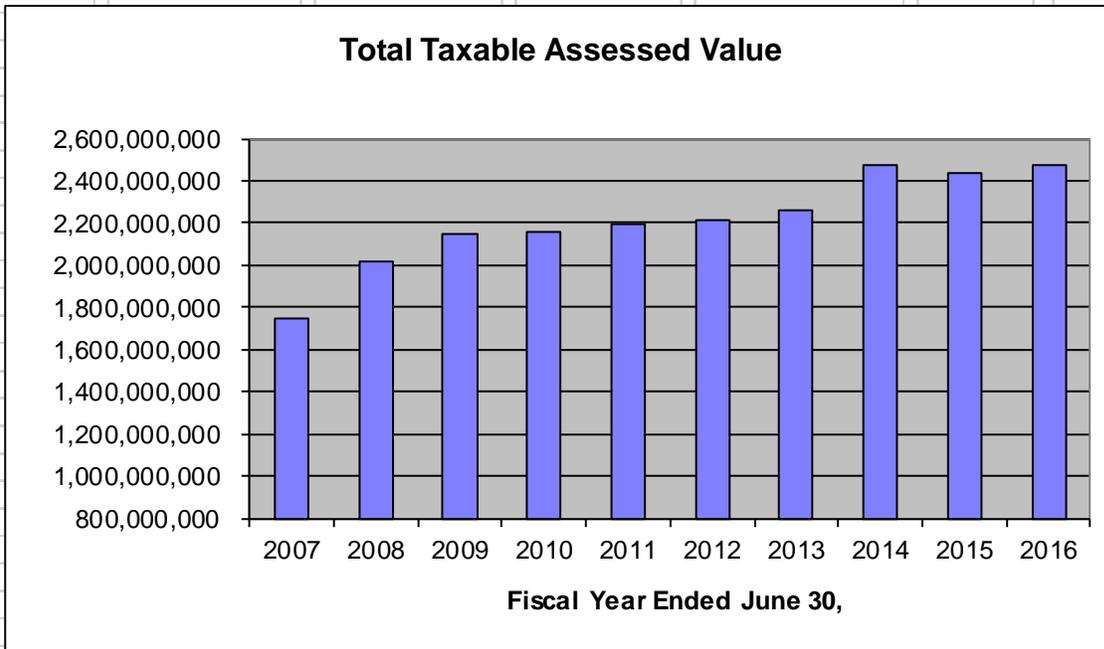
Extracted from Comprehensive Annual Financial Report
 Fiscal Year Ended June 30, 2016

| CITY OF SANFORD, NORTH CAROLINA | | | | | | |
|-------------------------------------|------------|-----------------|----------------------------|------------|-------------------|-------------------|
| DEMOGRAPHIC AND ECONOMIC STATISTICS | | | | | | |
| LAST TEN FISCAL YEARS | | | | | | |
| Calendar Year | Population | Personal Income | Per Capita Personal Income | Median Age | School Enrollment | Unemployment Rate |
| 2007 | 26,633 | 625,103,143 | 23,471 | 38.00 | 9,125 | 5.1% |
| 2008 | 27,271 | 643,131,993 | 23,583 | 38.00 | 9,304 | 7.0% |
| 2009 | 27,806 | 636,117,862 | 22,877 | 38.00 | 9,579 | 14.8% |
| 2010 | 28,178 | 632,229,786 | 22,437 | 38.00 | 9,545 | 12.5% |
| 2011 | 28,249 | N/A | N/A | N/A | 9,565 | 11.9% |
| 2012 | 28,198 | 593,144,930 | 21,035 | 37.2 | 9,871 | 11.8% |
| 2013 | 28,670 | 623,715,850 | 21,755 | 37.00 | 9,585 | 11.2% |
| 2014 | 28,862 | 626,767,192 | 21,716 | 38.00 | 9,697 | 8.1% |
| 2015 | 29,116 | 619,064,392 | 21,262 | 38.00 | 9,944 | 7.9% |
| 2016 | 28,802 | 620,855,912 | 21,556 | 37.30 | 9,936 | 6.0% |

Sources of Information:
 Population information provided by the North Carolina Office of State Budget and Management
 Personal income and median age provided by Lee County Living Magazine and United States Department of Commerce
 School enrollment provided by NC School Report Cards
 Unemployment rate provided by North Carolina Department of Commerce Division of Employment Security

Extracted from Comprehensive Annual Financial Report
 Fiscal Year Ended June 30, 2016

| CITY OF SANFORD, NORTH CAROLINA | | | | | | |
|---|---------------|-------------------|------------|------------------------------|-----------------------|--|
| ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY | | | | | | |
| LAST TEN FISCAL YEARS | | | | | | |
| Fiscal Year Ended June 30, | Real Property | Personal Property | Utilities | Total Taxable Assessed Value | Total Direct Tax Rate | Assessed Value as a Percentage of Actual Value |
| 2007 | 1,257,811,445 | 432,756,813 | 52,686,614 | 1,743,254,872 | 0.61 | 91.13% |
| 2008 | 1,520,181,596 | 441,051,810 | 56,121,257 | 2,017,354,663 | 0.54 | 100.00% |
| 2009 | 1,590,534,730 | 502,030,951 | 56,571,637 | 2,149,137,318 | 0.54 | 93.94% |
| 2010 | 1,596,056,195 | 503,155,504 | 53,650,278 | 2,152,861,977 | 0.54 | 95.77% |
| 2011 | 1,617,354,027 | 524,799,038 | 51,607,449 | 2,193,760,514 | 0.54 | 96.60% |
| 2012 | 1,608,945,658 | 553,086,452 | 50,526,305 | 2,212,558,415 | 0.54 | 98.50% |
| 2013 | 1,658,374,237 | 552,791,412 | 49,831,105 | 2,260,996,754 | 0.54 | 98.37% |
| 2014 | 1,757,667,113 | 671,166,645 | 47,978,665 | 2,476,812,423 | 0.54 | 99.33% |
| 2015 | 1,766,911,283 | 621,920,459 | 47,521,925 | 2,436,353,667 | 0.60 | 99.00% |
| 2016 | 1,784,972,909 | 639,868,257 | 53,642,667 | 2,478,483,833 | 0.60 | 98.00% |



Source: Lee County Tax Office

Extracted from Comprehensive Annual Financial Report
 Fiscal Year Ended June 30, 2016

| CITY OF SANFORD, NORTH CAROLINA | | | | |
|---|------------------|-------------|------------------|-------------|
| PRINCIPAL EMPLOYERS | | | | |
| JUNE 30, 2016 COMPARED TO JUNE 30, 2006 | | | | |
| | 2016 | | 2006 | |
| <u>Employer</u> | <u>Employees</u> | <u>Rank</u> | <u>Employees</u> | <u>Rank</u> |
| Lee County Schools | 1000+ | 1 | 1000+ | 2 |
| Coty, LLC | 500-999 | 2 | 500-999 | 5 |
| Belflex Staffing Network | 500-999 | 3 | | |
| Static Control Components, Inc | 500-999 | 4 | 1000+ | 4 |
| Caterpillar, Inc. | 500-999 | 5 | | |
| Pilgrim Pride Corporation | 500-999 | 6 | 1000+ | 3 |
| Central Carolina Community College | 500-999 | 7 | 500-999 | 6 |
| Pentair Water Pool & Spa, Inc. | 500-999 | 8 | 500-999 | 10 |
| Dip Partner Central Carolina | 500-999 | 9 | | |
| County of Lee | 500-999 | 10 | | |
| American Cyanamid Co. | | | 1000+ | 1 |
| Gold Kist, Inc. | | | 1000+ | 3 |
| Amisub of NC, Inc. | | | 500-999 | 7 |
| Tyson Mexican Original, Inc. | | | 500-999 | 8 |
| Moen, Inc. | | | 500-999 | 9 |
| Source: NC Department of Commerce | | | | |

THIS PAGE LEFT BLANK INTENTIONALLY.

BUDGET GLOSSARY

ABC Revenues - Contributions from the local Alcoholic Beverage Control Board. The City is appropriated a portion of the net operating revenue derived from the operation of the local liquor stores.

ADA – American Disability Act

Accrual Accounting - A basis of accounting in which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed. For example, in accrual accounting, revenue earned between June 1 and June 30, but for which payment was not received until July 12, is recorded as earned on June 30, rather than on July 12.

Activity – Departmental efforts which contribute to the achievement of a specific set of program objectives.

Ad Valorem Taxes - Revenue accounts showing taxes paid on real property, personal property to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue.

Annualize – Taking activities that occurred mid-year and calculating their cost for a full year.

Appropriation - An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources.

ARRA – American Recovery and Reinvestment Act (stimulus funds)

Assessed Valuation - A value that is established for real or personal property for use as a basis to levy property taxes.

Assessment Roll - An official list of real and personal property containing legal descriptions, ownerships and assessed values.

Attrition – A method to achieve a reduction in employees by not refilling the positions vacated through resignation, reassignment, transfer, retirement or other means excluding layoffs.

Authority (Airport)- A municipal or public agency which performs a specific function and is usually financed from fees or service charges. The agency could be independent from government, but rely on government for financial support.

Balanced Budget – North Carolina General Statute 159-8(a) states a budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements; the City of Sanford uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Basis of Budgeting – Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), applicable to governmental units. Budget ordinances are adopted annually for all funds, except project ordinance budgets which are adopted on a multi-year basis. All annual appropriations lapse at fiscal year end, except for project ordinance budgets which continue the length of the project.

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

Bond Anticipation Notes (BANs) - Short-term interest-bearing notes issued by the City in anticipation of bonds to be issued at a later date; the notes are retired from proceeds of the bond issue to which they are related.

Budget - A statement in dollar terms of the City's program of service delivery for the ensuing fiscal year.

Budget Amendment - A legal procedure utilized by the City staff and City Council to revise a budget appropriation.

Budget Calendar - The schedule of key dates which the City's departments follow in the preparation, adoption and administration of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Message - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budget Ordinance - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Outlays - Expenditures for the acquisition of capital assets. Includes the cost of land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment.

Capital Improvement Program (CIP) - A plan for major capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years.

Cash Accounting - A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

Cash Management - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships.

CAV- Community Assistance Visit

Classification - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

COBRA – Consolidated Omnibus Budget Reconciliation Act

CDHP – Consumer Driven Health Plan

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of increase in the cost of living (i.e., economic inflation).

Contingency Account - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies. (Examples would be maintenance agreements, rent and/or profession consulting services)

Cost of Living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Debt Services - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Deficit - An excess of expenditures over revenues or expense over income.

Delinquent Taxes - Taxes that remain unpaid on and after the due date on which a penalty for non-payment is attached.

Department - An organizational unit responsible for carrying out a major governmental function.

DENR – Department of Environment and Natural Resources

Depreciation - The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed assets lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Disbursement - Payment for goods and services in cash or by check.

Distinguished Budget Presentation Awards Program – A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Downtown / HPC (Historic Preservation Commission) – A department established to restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, pre-historic, architectural, or cultural importance.

Downtown Sanford, Inc. (DSI) – A group of downtown businesses established to focus on revitalization efforts in Sanford's business tax district.

ESTC – Emergency Service Training Center

Employee (or Fringe) Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for social security, and the various pension, medical and life insurance plans.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside or commit funds for future expenditures.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Sanford are established for services such as water and sewer and golf course.

EPA – Environmental Protection Association

EPZ – Emergency Processing Zone – A 10 mile area located around the Shearon Harris Nuclear Power Plant.

ERRP – Early Retiree Reinsurance Program

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council.

Expenditure - This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.

Expenses - Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FLSA – Fair Labor Standards Act

Fiscal Policy – A government's policies with respect to revenues, spending, and debt management as they relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year - The time period designating the beginning and ending period for recording financial transactions. The City of Sanford's fiscal year begins July 1st and ends June 30th.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FMLA – Family and Medical Leave Act

401K – Reference to Internal Revenue Code – Section 401, paragraph K which allows establishment of tax-deferred retirement savings plans for employees. Contributions can be made by an employee as well as their employer.

Frozen Position – A vacant position which is not funded and cannot be filled without approval from the City Council.

Full Faith and Credit – A pledge of a government's taxing power to repay debt obligations.

Function - A group of related programs crossing organizational (department) boundaries and aimed at accomplishing a broad goal or accomplishing a major service.

Fund - An accounting entity that has a set of self balancing accounts and that records all financial transactions for specific activities or government functions.

Fund Balance - Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statute declares that a portion of fund balance is not available for appropriation.

General Accepted Accounting Principles (GAAP) - Uniform minimum standards of and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices.

General Fund - The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenue includes property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, data processing, public works, and general administration.

General Ledger - A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings and improvements; the repayment of these bonds is usually made from the General Fund and these bonds are backed by the full faith and credit of the issuing government.

Geographic Information System (GIS) - A project which will link the City to a county-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by the City departments.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

GFOA – Government Finance Officers Association

Governmental Accounting Standards Board (GASB) – A board created to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year.

Grant - A contribution by a government or other organizations to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed by the grantee.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one department or one cost center.

Infrastructure – The basic facilities, equipment, and installations needed for the functioning of a system.

Interfund Activity - Amounts transferred from one fund to another. Transfer from General Fund to Special Tax District (\$50,000) in support of Streetscape.

Interfund Reimbursements – Funds due from one fund to another as a result of charges for services shared. (Sewer Const. \$65,000; Water Const. \$65,000; Utility Fund Administration \$269,500)

Intergovernmental Revenue - Revenue received from another government for a specified purpose.

Internal Service Fund - Funds used to account for the financing of goods or services provided by one department to another department on a cost reimbursement basis.

Inventory - A detailed listing of property currently held by the government.

Investment Revenue - Revenue earned on investments with a third party. The City uses a pooled cash system. We pool all funds' cash and invest it in total. The interest earned is then allocated back to individual funds by average cash balance in that fund.

LAN- Local Area Network

Lapsing Appropriation – An appropriation made for a certain period of time generally for the budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law.

Lease-Purchase Agreement - An agreement that conveys the right to property or equipment for a stated period of item that allows the City to spread the cost of the acquisition over several budget years.

LEED- Leadership in Energy and Environmental Design

Levy - To impose taxes, special assessments, or service charges for the support of City activities.

LIDAR- Light Aerial Detection Radar

Line Item Budget - A budget that lists each expenditure category (salaries, material, telephone, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Local Government Budget and Fiscal Control Act - This act governs all financial activities of local Governments within the State of North Carolina.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Mill – The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed valuations.

Maturities - The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Merit Program - An established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

Modified Accrual Accounting - The accounting approach under which revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period, and expenditures are recognized in the accounting period in which a fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due.

NFPA – National Fire Protection Association

Objectives - A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program.

Object Code - An expenditure category, such as salaries, supplies or vehicles.

Operations - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, materials and travel. Generally, all expenses that do not meet the personal services and capital outlay criteria.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, service fees, interest earnings and/or grant revenues. Operating revenues are used to pay for day to day services.

Operating Expenses – The cost for personnel, materials and equipment required for a department, function or cost center.

OSHA – Occupational Safety and Hazard Administration

Other Post Employment Benefits (OPEB) – Benefits that are provided to retired employees beyond those provided by their pension plans. Such benefits may include medical, prescription drug, life, dental, vision, disability, and long-term care insurance.

PASS – Personal Alert Safety System

Pay-as-you-go Basis – A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Measures - Descriptions of a programs effectiveness or efficiency (i.e., response time to public requests, frequency of document updates).

Personal Services - General category that includes salaries and wages, pensions, health insurance and other fringe benefits.

PLC – Programmable Logic Controller

PPO – Preferred Provider Organization

Position – A position represents one full time equivalent unless otherwise noted as permanent part-time. Each position is allocated to be funded in the applicable department(s) based on duties performed.

Powell Bill Funds - Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Productivity - A measure of the increase of service output of City programs compared to the per unit of resource input invested.

Program - An organized set of related work activities which are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

Property Tax - Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

RAS – Return Activated Sludge

Reappropriation - Appropriations which are not expended at the end of a fiscal year that were earmarked for a specific purpose and are funded in the subsequent year.

Reclassification - Change in a position title and /or the associated pay range based on changes in the job skills required for a given position.

Requisition - A written request from a department to the purchasing office for specific goods or services. This action precedes the authorization of a purchase order.

Restricted Reserve - An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Retained Earnings - An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

Reserve - A portion of fund balance earmarked to indicate 1) that is not available for expenditure, or 2) is legally segregated for a specific future use.

Resources - Assets that can be used to fund expenditures. These can be such things as Property Taxes, Charges for Service, Beginning Fund Balance or Working Capital.

Revaluation - Assignment of value to properties, buildings, vehicles, and equipment used for business purposes by the Lee County Tax Assessor's Office; under State law, all property must be revalued no less frequently than once every eight years.

Revenue - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Funds. Such bonds sometimes also contain a mortgage on the fund's property.

RIT – Rapid Intervention Team

SCBA – Self Contained Breathing Apparatus

Service Level - Services(s) or product(s) which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Assessment - A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund - A fund used to account for the revenues from specific sources which are to be used for legally specified expenditures.

State Revolving Loan – The State of North Carolina partnered with the United States Environmental Protection Agency (EPA) to provide loans to local governments for utility improvements; the stream of loan repayments are then used to serve as capital for future loans; this revolving structure has resulted in a robust infrastructure assistance program within the State of North Carolina.

TMA – Tax Management Associates – the firm hired by the County to audit business inventories as they relate to their tax assessments.

Tax Base - The assessed valuation of all taxable real and personal property within the City's corporate limits.

Transfers - All interfund transactions except loans or advances, quasi-external transactions and reimbursements.

UDO – Unified Development Ordinance

URP – Urgent Repair Program

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

User Charges – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

USERRA – Uniform Services Employment and Re-employment Rights Act

WAN – Wide Area Network

WTP – Water Treatment Plant

WWTP – Waste Water Treatment Plant

APPENDIX

FY 16-17 ACCOMPLISHMENTS

The accomplishments of the City of Sanford are highlighted below to give the reader some insight as to how the major goals provide direction to all areas of municipal service.

SECURITY

Inspections

- ◇ Continued plan review and issuance of all building and trade permits as related to the state building codes.
- ◇ Completed 8,030 site inspections for all new construction projects to ensure compliance with state building codes and the Unified Development Ordinance.
- ◇ Issued 3,457 commercial, residential, trade, and miscellaneous permits.
- ◇ Reviewed 186 commercial plans and 447 residential plans to issue building permits.

Fire

- ◇ The department continued the smoke detector program where we are canvassing neighborhoods where the City has had fatalities over the past few years. There were over 184 smoke alarms installed in two separate areas. The department received a grant from the Red Cross to help offset the cost of these alarms.
- ◇ Replaced the roof at #2 Fire Station;
- ◇ Replaced the HVAC at #2 Fire Station (both units);
- ◇ Replaced VHF mobile radios on all trucks;
- ◇ Continued 5-year replacement of turnout gear (NFPA).

Risk Management

- ◇ Investigated 63 property and liability claims against the City ranging from damage to vehicles, damage to homes or businesses from water line breaks or sewer backups, etc.
- ◇ Investigated 21 workers' compensation claims.
- ◇ Completed an audit of city fleet (approximately 376 vehicles) ensuring property insurance coverage.
- ◇ Twenty-five job site and or facility inspections conducted.
- ◇ Conducted six safety or risk management related classes held at the department level.
- ◇ Assisted all departments in developing and improving their current emergency action plans, process safety management plans, and hazardous communication plans within city departments.
- ◇ Worked with the PW safety officer to develop training in trenching competent person, work zone safety, and confined space competency.
- ◇ Provided guidance and conducted research for city department heads on workers' compensation insurance, City of Sanford safety requirements, NC motor vehicle law, property and liability claims (per department), and OSHA regulations.

PLANNING AND ZONING

Code Enforcement

- ◇ Continued on-going enforcement of city's nuisance codes and minimum housing code, including the demolition of a number of blighted residential structures.

Zoning and Design Review

- ◇ Continued administration of the Unified Development Ordinance (UDO) and related land development activities, including review of site plans and subdivision plats, issuance of all zoning approvals, site inspections and amendments to the UDO as warranted based on land use needs.
- ◇ Processed and prepared staff reports for numerous re-zonings, variances, and special use permits for the respective boards of Sanford, Lee County, and the Town of Broadway.
- ◇ Processed numerous development review applications and site plans through the Technical Review Committee (TRC).

Planning

- ◇ Dedication of the first five murals installed through the city in the fall of 2016.
- ◇ Award for Outstanding Project for the Downtown Streetscape initiative from the NC Urban Forestry Council.
- ◇ Oversaw the request for proposal, selection process, and the completion of Silent Wings Mural, Herb Thomas and the Fabulous Hudson Hornet, and the restoration of the Dr. Pepper Murals. (Public investment \$19,272)
- ◇ Adopt a highway picked up a total of 63 bags of trash.
- ◇ Maintained the City of Sanford Appearance Commission Facebook page.
- ◇ Tree City USA re-certification.
- ◇ Arbor Day Celebration May 5, 2017.
- ◇ Staff continues to attend training conferences on Historic Preservation, Urban Forestry, and Main Street.
- ◇ Speaking engagement at 4 Seasons Garden Club.
- ◇ Ensured vehicle parking in the Rosemount McIver Park Historic District were compliant with the parking regulations established by city council.

TRANSPORTATION AND PUBLIC WORKS

Solid Waste

- ◇ Continued focusing on the primary purpose of the Solid Waste Division, to protect public health and the environment by assuring that solid and hazardous wastes are managed properly.
- ◇ Continued promotion of comprehensive waste management activities that include the following components of successful waste management: source reduction, reuse, recycling, resource recovery (waste to energy), and landfilling.
- ◇ Continued compliance with North Carolina Department of Environmental Quality and US EPA solid waste regulations while maintaining cost effective services to all our customers.
- ◇ Reviewed the divisions Debris Management Plan. This plan is a proactive approach to coordinating and managing debris removal operations during a natural debris-generating event as part of the City of Sanford's overall emergency management plan. Communities with a debris management plan are better prepared to restore public services and ensure the public health and safety in the aftermath of a disaster, and they are better positioned to receive the full level of assistance available from FEMA and other participating entities.
- ◇ Participated in two Sanford Citizens Academy; one school day visit; and one middle school career day to help educate the importance of recycling.
- ◇ Participated with NC Department of Correction Division of Prisons Inmate Labor Program. Work release provides employment of 1,100 nearing release from prison. The labor is beneficial in developing skills and contacts that will help in getting a job after release.

Sanitation

- ◇ Garbage collection services were contracted with Waste Industries for one pickup weekly of garbage and bi-weekly collection of recyclables. The division ensured timely, efficient, and cost effective services to all residential customers, including being responsive to resident concerns and their desired level of performance.

Street

- ◇ In conjunction with Duke Energy, the city completed the street light change out program from sodium vapor bulbs to LED bulbs city wide.
- ◇ 1,701 tons of asphalt were installed for patching; and 130 yards of concrete were installed for curb, gutter, and sidewalk.

Fleet Maintenance

- ◇ Continued to buy compact trucks/cars to increase fuel mileage and lower initial costs.
- ◇ Continued scrutiny of vehicular usage in an attempt to maximize conformance of fleet vehicle replacement program.
- ◇ Disposed of surplus property through on line auction with GovDeals.

Public Building

- ◇ Continue to perform maintenance and repair work in house with our own skilled staff. Major repairs are provided through contractual arrangement for items such as roof repairs, backflow testing, HVAC repairs, janitorial services, and pest control services.
- ◇ The division strives to achieve energy efficient buildings. Regular interior lighting was converted to LED lighting which saved both maintenance on lamp replacement, as well as operational energy. The division has also completed converting all HVAC controls to full mobility control (VAV).
- ◇ Replaced and updated five (5) "panic" buttons to ensure reliability if needed. Ensured security and safety devices such as fire alarms and security alarms are functional.
- ◇ Demolished two houses and two businesses located on property acquired by the City of Sanford. These dwellings were a safety and health concern. The properties will be developed for public use such as parks and greenways.

Warehouse

- ◇ Continue to consistently maintain a sufficient inventory of parts / supplies at low cost for all operational departments.

Horticulture

- ◇ Continued design and renovate maintained areas throughout the city:
 - ◇ Select plants that are appropriate for our local climate conditions.
 - ◇ Promoting more Xeriscaping landscape design to help decrease water demands and maintenance cost.
 - ◇ Avoiding planting turf in areas that are difficult to irrigate properly such as steel inclines and isolated stripes along sidewalks and driveways.
 - ◇ Group plants – grouping plants according to their watering needs saves substantial water and maintenance cost.
 - ◇ Design annual beds with plants that grow larger reducing the amount to be planted while still maintaining an aesthetically pleasing look.
- ◇ Continued with the turf program consisting of turf herbicide applications and regular fertilizer applications. This reduces weed population and provides nutrients to turf to make it healthier and easier to maintain as well as improving appearance.
- ◇ In accordance with NC Department of Agriculture and Consumer Services, all staff have acquired the minimum level of certification for public grounds pesticide applications.
- ◇ Depot Park fountain is kept in accordance with Lee County Environmental Health to help ensure public safety and health, all pertinent staff have required the minimum level of certification for fountain operation.
- ◇ Participated with NC Department of Correction Division for Prison Inmate Labor Program.

- ◇ Park improvements:
 - ◇ Improved playground surfaces;
 - ◇ Added picnic tables, grills, concrete pad for clean level eating and cooking surfaces.
- ◇ Holiday lighting improvements and additions.

UTILITIES

Engineering

- ◇ Continued overseeing the completion of Downtown and Jonesboro streetscape projects.

Water Filtration

- ◇ Continued education opportunities to enable staff to receive certifications of equipment allowing knowledge necessary to trouble shoot and resolve performance issues.
- ◇ In accordance with state surface water treatment regulations, all staff operators have acquired the minimum level of certification to operate the plant independently.
- ◇ Improved team cohesion and staff development through encouragement, communicating expectations, and setting attainable goals.
- ◇ The Water Filtration Plant exceeded meeting all state / federal regulations for drinking water.

Water Reclamation

- ◇ Maintained laboratory certification.
- ◇ Land applied 400 dry tons of sludge.
- ◇ Treated 1.7 billion gallons of wastewater.
- ◇ Used 3.1 million gallons of reclaimed water.
- ◇ Started construction of storage warehouse.
- ◇ Sampled 11 industries semi-annually to ensure compliance with pretreatment program.

Distribution and Collection

- ◇ Maintained 588 miles of distribution lines, and 762 of hydrants.
- ◇ Repaired 136 major water lines and 39 minor water lines.
- ◇ Made 137 new water taps and 119 water retaps.
- ◇ Installed 53 new water meters and replaced 872 old meters.
- ◇ Tested 32 large water meters and 15 small water meters.
- ◇ Read 231,892 water meters.
- ◇ Inspected 44 city owned backflow devices and 870 privately owned backflow devices.
- ◇ Removed 1,018,022 gallons of grease containing fluids and inspected 122 (of 179) grease traps.
- ◇ Inspected 1,282 valves.

FINANCIAL PLANNING

Utility Fund Administration

- ◇ 38,381 payments were collected on-line for a total of \$2,683,192.
- ◇ 52,331 payments were collected through the lockbox for a total of \$7,119,343.
- ◇ The city's Debt Set Off Program continues to be successful in the collection of delinquent accounts; \$22,173 was collected in outstanding bills, ordinance violations, and judgments.

Finance

- ◇ Received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association for the city's June 30, 2016 Comprehensive Annual Financial Report; this is the 36th straight year the city has received this honor.

- ◇ Received a Distinguished Budget Presentation Award from the Government Finance Officers' Association for the city's Annual Operating Budget ending June 30, 2017; this is the 31st straight year the city has received this honor.
- ◇ Continued the contract in which the City of Sanford provides accounting services to a smaller area municipality; this arrangement provides the smaller unit with increased internal controls without hiring additional personnel.

DEVELOPMENT OF STAFF AND TECHNOLOGIES

Governing Body

- ◇ Continue to maintain relationship with Sister City in Yixing, China.
- ◇ Mayor Mann attended the Metro Mayors Coalition Conference in Durham, NC
- ◇ Continued participation in monthly meetings of the Triangle J. Council of Governments in Research Triangle Park.
- ◇ Mayor and council members attended the National League of Cities Annual Conference in Pittsburgh, PA; Town Hall Day in Raleigh, NC; and the NC League of Municipalities Annual Conference in Raleigh, NC.
- ◇ Developed a Homelessness Task Force to help end the issue of homelessness and assisted in placing 22 residents into housing from substandard conditions.
- ◇ Mayor Mann developed the Residential Task Force to meet with local and out-of-town developers to enhance growth in Sanford.
- ◇ Completed two interlocal agreements with Chatham County for water and wastewater and one interlocal agreement with Pittsboro for water.
- ◇ Held quarterly interlocal committee meetings with Lee County personnel.

Information Technology

- ◇ Completely revamped the city website www.sanfordnc.net to a very modern look with many new features.
- ◇ Installed the latest technology network docking stations to improve the Police Department body camera initiative.
- ◇ Updated computer systems in police cars.
- ◇ Achieved a state grant for operation of the Government Access Channel Sanford TV 191.
- ◇ Upgraded software in 911 dispatch and updated software in 911 backup facility.
- ◇ Installed new desktop computers at Central Fire Station, Fire Station #2, and Fire Station #3.
- ◇ Installed new Toughbook computer systems in fire trucks.
- ◇ Replaced a Police Department operations server.
- ◇ Installed several new computer systems at the Water Filtration Plant.
- ◇ Installed new version of the city email system.
- ◇ Upgraded network managed anti-virus system.
- ◇ Purchased and distributed 58 computer systems for the 2016 Employee Computer Purchase Program.
- ◇ Installed new systems at the Water Reclamation Plant.
- ◇ Installed new copiers in six buildings.
- ◇ Improved processes to provide electronic agendas and budgets to tablet computers.
- ◇ Performed several upgrades to the City's wireless network.
- ◇ Produced the video that helped the city win the 2016 National Night Out award as well as creating several informational videos for city services on Sanford TV191 and the website.
- ◇ Implemented new city intranet for employees to stay connected with Human Resources and Risk Management information.
- ◇ Maintained, repaired, and supported 250 computer systems/users in 15 buildings with 40 network printers.
- ◇ The IT Department enhanced the computer network, PC's, printers, and copiers on three floors at the Sanford Buggy Factory for Inspections, Planning and Code Enforcement.

- ◇ Upgraded the YourGov mobile app to provide more functionality for citizens that can be accessed anywhere in Sanford.
- ◇ Installed new software packages, service pack upgrades, and security patches for PC's and servers on the City's LAN and WAN network.

Human Resources

- ◇ Over \$3.7 million paid in medical claims/fixed costs under our BCBSNC group health care plan resulting in a loss ratio of 114.46%; up from 106.59% for plan year 2015-16; claims costs increased approximately \$560,000 from prior year.
- ◇ An initial rate increase of 29.26% for plan year 2017-2018 was recommended to cover expected medical claims, fixed, health care reform, and wellness program initiative costs; 13% increase was implemented following changes in stop-loss rate, copays, deductibles, out-of-pocket limits, and wellness program initiatives. Successfully re-negotiated 1% increase in the administrative fee and decreased the stop-loss fee for an annual savings of approximately \$100,000 by increasing the stop-loss rate from \$135,000 to \$200,000. The PPO medical plan option continues to be the plan of choice among employees.
- ◇ Successfully re-negotiated rates with the city's flexible spending account plan provider with no administrative rate change for 2017-18 plan year.
- ◇ Re-negotiated dental rates for all plans resulting in no increase for 2017-18 plan year.
- ◇ Wellness Program continues to be successful. Participation increased during the fiscal year and there were several new participants. The committee remains active and several new initiatives were introduced to include a wellness video library, on-site wellness workouts, and the biggest loser weight loss program. Approximately 280 pounds were lost during the biggest loser challenge.
- ◇ Coordinated successful flu shot program.
- ◇ Annual benefits enrollment program was adjusted. One-on-one health and wellness meetings were coordinated with employees and supplemental vendors. Participation was minimal.
- ◇ Recruited, hired, conducted new employee orientation, and processed 31 new employees; processed 6 new council / board / commission members; and processed 21 employee promotions.
- ◇ Increase in employee turnover rate from 5.42% in calendar year 2016 to 6.25% in 2017. Excluding retirees, the turnover rate is 3.88%.

RECREATION

Golf

- ◇ The Sanford Municipal Golf Course held the 41st Annual Brick Capital Classic Golf Tournament.
- ◇ Voted Best Golf Course for the 4th straight year by The Sanford Herald survey.
- ◇ Completed the cart path renovation project on holes 9, 15, 17, and 18.

| INDEX | |
|--|---|
| A | |
| ABC Revenue | 24, 67, 80, 225 |
| Administration Department | 8, 14, 21, 59, 63, 81, 86, 103, 104, 203 |
| Ad Valorem | 12, 13, 22, 26, 60, 67, 76, 85, 95, 96, 99, 177, |
| B | |
| Bonds | 4, 5, 9, 11,13, 16, 17, 25, 41, 51, 54, 65, 68, 79, 82, 91, 92, 93, 96, 98, 99, 117, 122, 129, 130, 183-200, 218, 225, 226, 227, 228, 231 |
| Budget Calendar | 57, 226 |
| Budget Format | 58 |
| Budget Ordinance | 19, 21-52 |
| Budget Overview | 11-18, 75-93 |
| Budget Process | 53, 55 |
| Building Permit Fees | 41-52 |
| C | |
| CIP Summary | 181 |
| Capital Improvement Schedule | 182, 183 |
| Central Office | 14, 21, 59, 63, 81, 120 |
| City Profile | 4-9 |
| COLA | 135, 137, 140, 144, 147, 149, 152, 158, 158, 160, 162, 166, 168, 170, 176, 210, 226, 227 |
| Communication 911 | 21, 23, 72, 79, 81, 82, 95, 130, 237 |
| Consolidated Budget | 75-78 |
| Community Development | 8, 14, 16, 19, 22, 58, 64, 72, 77, 81, 86, 97, 98, 136, 144, 145-149, 201, 203, 204 |
| Community Enhancement-Code Enforcement | 8,9, 16, 22, 59, 60, 64, 81, 86, 88, 97, 98, 147, 148, 204, 234, 237 |
| Community Enhancement-Downtown/HPC | 8, 16, 22, 26, 59, 81, 88, 144, 149, 150, 227, 234 |
| D | |
| Debt Service | 14, 16, 17, 21, 24, 59, 65, 77, 78, 81, 83, 91, 92, 93, 99, 129, 154, 227 |
| Distinguished Budget Award | 2, 237 |
| Distribution & Collection | 8, 24, 59, 87, 152, 164, 165, 170-172, 208, 236 |
| E | |
| Elections | 14, 21, 59, 63, 81, 110 |
| Engineering | 8, 24, 59, 65, 83, 87, 152, 160-163, 184-199, 208, 236 |
| Enhanced - 911 | 21, 23, 72, 79, 81, 82, 95, 130, 237 |
| Enterprise Fund | 21, 24, 25, 53, 55, 75, 87, 95, 123, 175, 176, 183, 227, 231 |
| F | |
| Finance Department | 8, 15, 21, 56, 59, 63, 112, 184-200, 206, 236, 237 |
| Financial Policies | 53, 54 |
| Fire Department | 8, 15, 21, 22, 23, 27, 37-40, 59, 63, 69, 70, 79, 81, 86, 88, 91, 93, 97, 98, 121, 126, 132-134, 183, 200, 205, 214, 228, 230, 233, 237 |
| Fiscal Control Act | 53, 55, 225, 229 |
| Fleet Maintenance | 8, 14, 21, 22, 59, 63, 81, 86, 88, 98, 125, 126, 208, 233, 235 |
| Franchise Tax | 27, 61, 74, 79, 95 |
| Fund Balance (Surplus) | 11-14, 19, 24, 26, 53, 67, 75, 76, 80, 85, 95, 96, 99, 177, 179, 201, 225, 228, 231 |
| G | |
| GAAFR | 53 |
| General Fund | 12-14, 17, 19, 21, 22, 24, 26, 49, 53, 58, 59, 67-75, 79-81, 84, 85, 88, 89, 95-99, 121-123, 129, 155, 158, 175-177, 179, 183-201, 228, 229 |
| General Government | 14, 15, 21, 58, 63, 77, 81, 86, 99, 100, 103, 105, 108, 110, 111, 113, 15, 117, 119, 120, 121, 123, 125, 127, 176 |
| General Services | 59, 63, 81, 86, 119, 143, 182 |
| GFOA Budget Award | 2, 112, 229 |
| Glossary | 225-232 |

| INDEX | |
|---------------------------------------|---|
| | |
| Golf | 8, 14, 19, 21, 23, 34, 55, 59, 62, 63, 67, 68, 69, 70, 72, 79, 80, 81, 84, 86-88, 93, 95, 97, 99, 101, 121, 122, 123, 124, 175, 176, 182, 204, 227, 238 |
| Governing Body | 1, 8, 9, 14, 21, 53, 56, 63, 81, 86, 100-102, 203, 237 |
| | |
| H | |
| Horticulture | 8, 14, 21, 59, 63, 81, 86, 88, 127, 128, 235 |
| Human Resources | 8, 14, 21, 59, 63, 81, 86, 97, 98, 105-108, 203, 210-214, 216, 217, 237, 238 |
| | |
| I | |
| Information Technology | 8, 14, 21, 59, 63, 81, 86, 88, 98, 113, 114, 204, 237 |
| Inspections Department | 8, 15, 16, 21, 52, 59, 63, 72, 79, 86, 88, 97, 98, 109, 121, 135, 136, 204, 233, 234 |
| Installment Purchase | 15, 16, 19, 24, 25, 54, 62, 70, 80, 82, 84, 88-91, 93, 95 - 98, 123, 132, 137, 140, 151, 152, 154, 173, 175, 176 |
| Interfund Activity | 75-78, 229 |
| Interfund Reimbursements | 77, 78, 81, 103, 105, 108, 111, 113, 115, 117, 120, 125, 229 |
| Intergovernmental | 23, 25, 58, 61, 76, 79, 82, 95, 96, 99, 151, 229 |
| Investment Policy | 53, 218, 219 |
| | |
| L | |
| Legal | 8, 14, 21, 59, 63, 81, 86, 115, 116, 203 |
| | |
| M | |
| Modified Accrual | 55, 225, 230 |
| Monitoring Fee | 25, 29, 62, 71, 82 |
| Municipal Service Tax District | 17, 19, 21, 26, 55, 58, 59, 65, 67, 69, 70, 80, 85, 177-180 |
| | |
| N | |
| Non-Compliance Fines | 25, 62, 71, 82 |
| | |
| O | |
| Operating Budget Policies | 53 |
| Other Post Employment Benefits (OPEB) | 54, 62, 71, 121, 122, 155, 230 |
| | |
| P | |
| Personnel Procedure | 210-217 |
| Police Department | 8, 15, 21, 59, 63, 81, 86, 89, 97, 98, 126, 130, 131, 205, 214, 228, 237 |
| Powell Bill | 23, 61, 71, 79, 231 |
| Privilege License | 22, 27, 61, 72, 79 |
| Public Building | 8, 14, 15, 21, 58, 63, 77, 81, 86, 88, 117, 118, 209, 235 |
| Public Safety | 9, 15, 21, 63, 77, 81, 86, 99, 109, 130, 132, 135, 183, 235 |
| Public Utilities | 24, 65, 83, 87, 156, 158, 160, 162, 164-166, 168, 170, 173, 174 |
| Public Works Administration | 8, 24, 59, 65, 83, 87, 108, 119, 162, 163, 207 |
| | |
| R | |
| Reserves | 53, 91, 231 |
| Retained Earnings | 17, 25, 67, 82, 151, 175, 231 |
| Revenue Assumptions | 67-74 |
| Revenue Policy | 53 |
| Risk Management | 8, 14, 21, 59, 63, 81, 86, 105, 108, 109, 203, 233, 237 |
| | |
| S | |
| Salaries and Wages | 66, 176, 210, 213, 215, 227, 229, 230 |
| Sales Tax | 12, 13, 22, 61, 68, 70, 79, 95, 96, 99 |
| Sanitation | 13-15, 22, 23, 29, 58, 59, 64, 73, 77, 80, 81, 86, 95, 99, 140, 142, 143, 235 |
| Sanitation Fee | 13, 23, 29, 73, 80, 95 |
| Sewer Rates | 16, 28, 36, 54, 91, 151 |
| Sewer Capital Improvements | 24, 59, 65, 83, 90, 174, 181, 201 |
| Sewer Construction | 8, 59, 65, 87, 103, 164, 165, 170 |
| Solid Waste | 8, 15, 22, 27, 59, 64, 81, 86, 89, 93, 97, 98, 140, 141, 143, 148, 207, 234 |
| Street Capital Improvements | 15, 22, 59, 64, 81, 139, 181, 194-195 |

| | |
|----------------------------|---|
| INDEX | |
| | |
| Street | 7, 8, 9, 15, 16, 22, 24, 26, 31, 53, 58, 59, 64, 70, 71, 73, 77, 80, 81, 86, 89, 93, 95, 97-99, 117, 121, 127, 129, 130, 137-139, 163, 180-182, 194, 195, 197, 199, 201, 207, 225, 228, 229, 231, 234-236 |
| T | |
| Tax Levied | 12, 22, 55, 58, 60, 61, 67, 71, 76, 79, 85, 95, 96, 99, 177, 179 |
| Transmittal Letter | 11-18 |
| | |
| U | |
| UF Administration | 8, 24, 59, 65, 87, 158, 159, 206, 229, 236 |
| User Charges | 25, 53, 58, 62, 76, 79, 82, 84, 95, 96, 151, 158, 175, 232 |
| Utility Fund | 16, 17, 24, 25, 53, 54, 58, 59, 67, 68, 70-74, 82, 83, 87, 90, 119, 120, 151, 152, 153-155, 158, 159, 182, 184-187, 189-192, 194, 196, 197, 199, 200, 206, 229, 236 |
| | |
| W | |
| Warehouse | 8, 24, 59, 65, 83, 87, 90, 156, 157, 209, 235, 236 |
| Waste Management | 13, 15, 16, 22, 27, 59, 62, 64, 81, 86, 89, 93, 96-98, 140-143, 148, 207, 234, 235 |
| Water Capital Improvements | 24, 59, 65, 83, 90, 173, 181 |
| Water Construction | 8, 24, 59, 65, 87, 163-165, 170 |
| Water Filtration | 8, 24, 59, 83, 87, 90, 166, 167, 209, 236, 237 |
| Water Rates | 27, 28, 36 |
| Water Reclamation | 8, 24, 59, 87, 90, 168, 169, 209, 236, 237, |
| | |
| Z | |
| Zoning Enforcement | 9, 31, 48, 145, 146, 148, 203, 234 |

THIS PAGE LEFT BLANK INTENTIONALLY.