



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, 2015

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, 2015. 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.

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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 17,500 city and county residents as well as sewer service to approximately 9,400 city residents. The city expanded the Wastewater Treatment Plant in 2014 which increased capacity from 6.8 to 12 million gallons daily.

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 should be complete by the end of 2016 and residents will be able to enjoy the amenities they chose to support. In the years to come, the city will issue another \$6 million in bond debt to complete the greenway and park projects.

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

2015 Census Estimates

City of Sanford	29,144
Town of Broadway	1,264
Lee County	59,660

Population Projections

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

Economic Characteristics

Median Age	37.3 years
Average Household Size	2.73 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

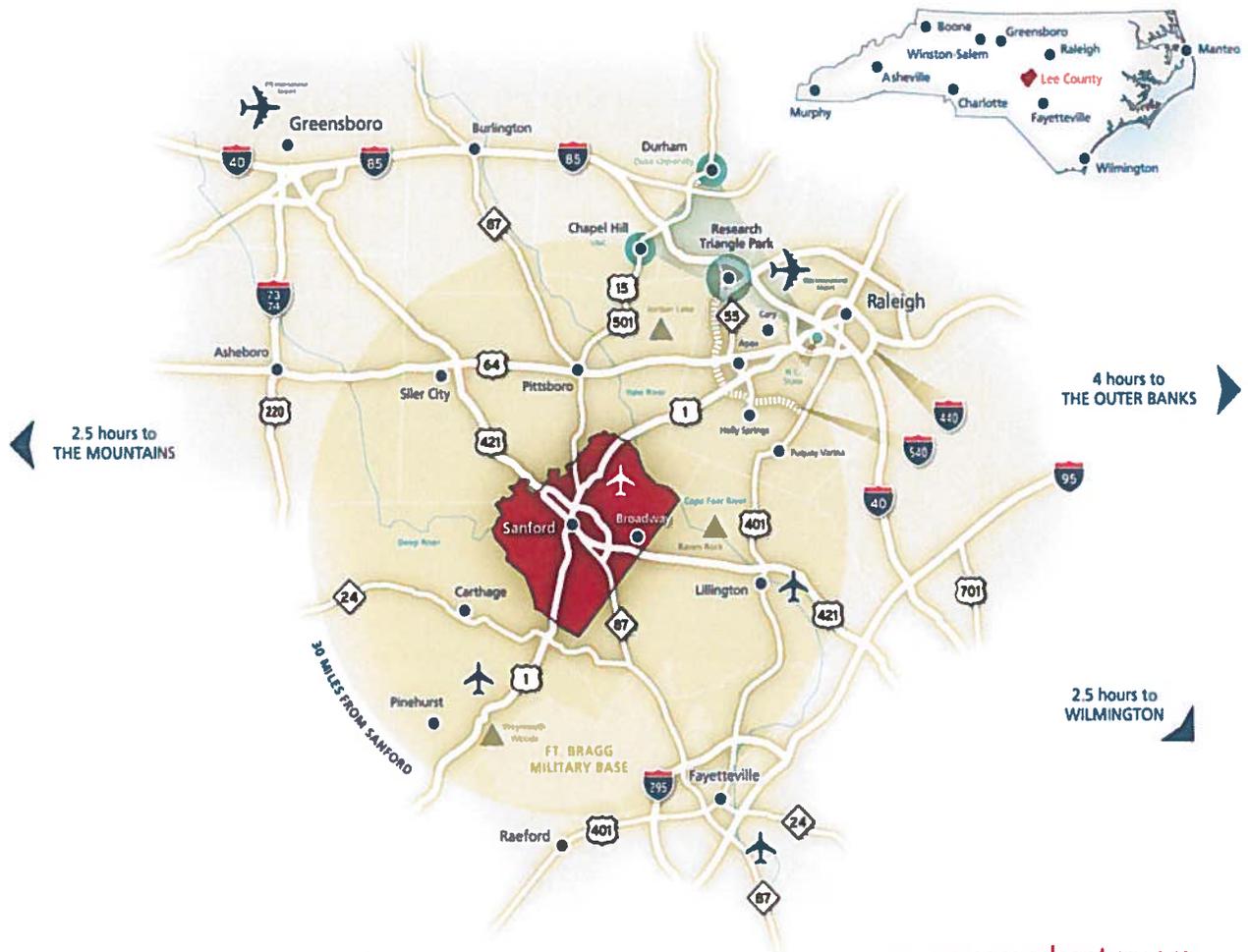
Family Income

Median Household	\$46,309
Per Capita	\$21,556
Median Family	\$56,370

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
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Water System Daily Capacity

Sanford	12,000,000 gallons per day
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Waste Water System Capacity

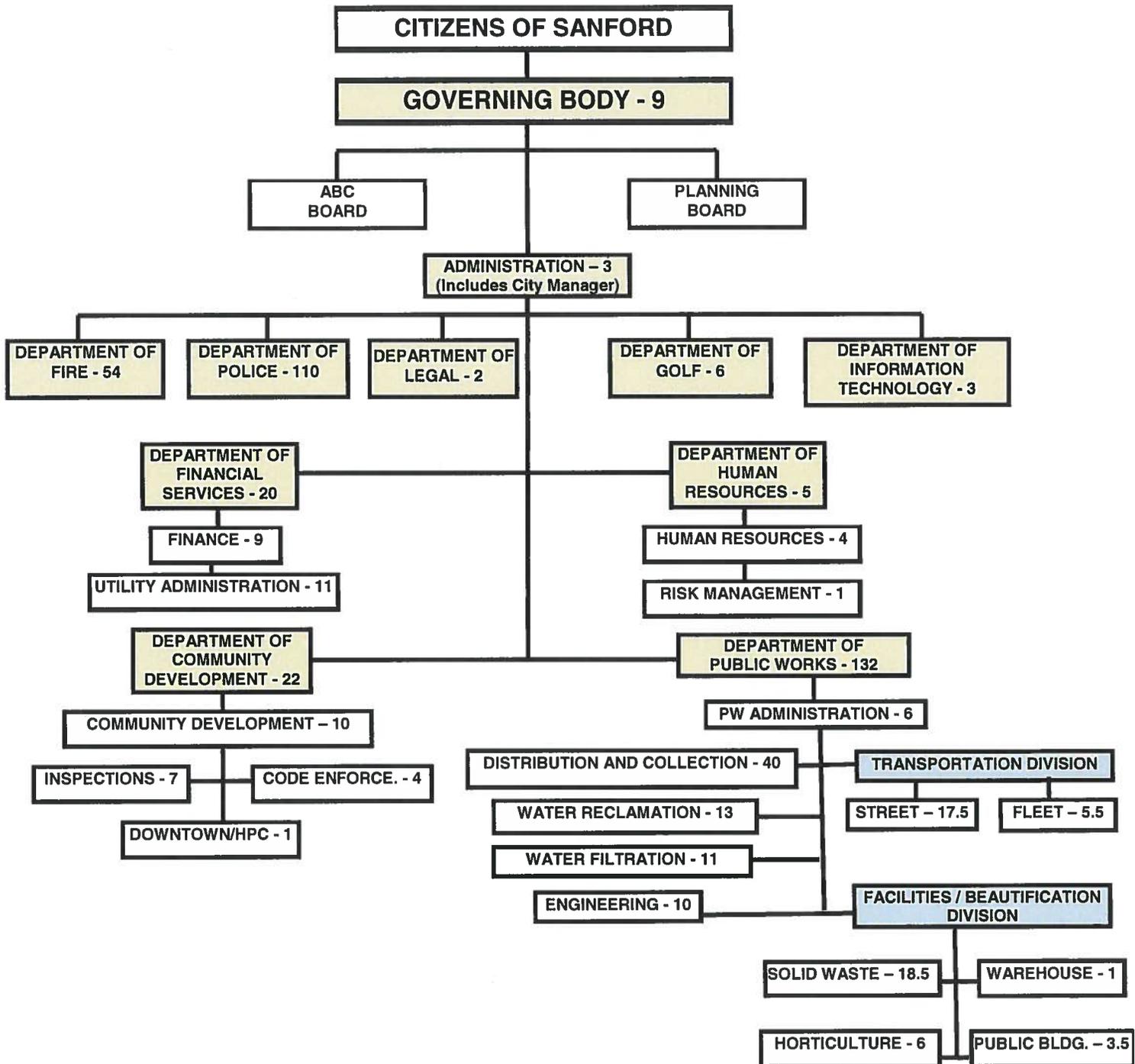
Sanford	12,000,000 gallons per day
Broadway	145,000 gallons per day

General Information

Power - Progress Energy and Central Electric Membership

Gas - PSNC Energy

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 2016-2017 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 while continuing to provide a high quality of service to the citizens of Sanford.

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.

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 15-16 are included in an appendix beginning on page 229.

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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: May 17, 2016

SUBJECT: Proposed Annual Operating Budget Fiscal Year 2016-17

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) 2016-17.

The first phase of our streetscape and sidewalk bond projects is nearly complete and we are anxiously awaiting the final product. These projects offer significant, tangible improvements to Sanford's current sense of place and quality of life. This public investment in Sanford's look and feel is expected to be a catalyst for future economic development by the private sector. We are entering into the 2016-17 budget with a number of noteworthy accomplishments: the completed Buggy Company building renovation allows us to offer a one-stop-shop for development; the Sanford Area Growth Alliance is maturing to include a Visitors and Tourism component, and we have experienced strong retail expansion in the southern part of the city.

I anticipate that we will continue to see positive growth in both the economy and private sector investment. For the first time during my tenure as City Manager, we have an excellent cooperative relationship between the City, County, and private sector. Everyone is working together for the betterment of our citizenry and we present a united front for economic development. The City and County are making significant contributions toward creating a state-of-the-art industrial park, in cooperation with the private sector. For the first time in many years, we will have marketable, shovel-ready sites that can compete with other locations in North Carolina. Competition for jobs and investment is intense and we must remain vigilant in our commitment to providing jobs for our citizenry.

We have realized our first full year of debt service payment associated with the initial phase of bonds and will acquire an additional \$1.5 to \$2 million of installment purchase debt relating to these projects in the FY 2016-17 budget. In the years to come, we will need to issue another \$6 million in bond debt to complete the greenway and park projects that were approved in the 2013 bond referendum. These projects will require us to budget additional maintenance and operating expenses for perpetuity, so it is necessary to minimize recurring expenses.

Providing excellent health care benefits for our employees continues to be a challenge. The good news is while health care expenses continue to rise, they remain manageable. Based upon our claims experience, an 8.7 percent increase was recommended. However, we were able to lower the increase to 5 percent by raising our aggregate stop-loss deductible from \$100,000 to \$135,000. This increase resulted in additional funding of only \$170,000.

The Local Government Employees System Board made several decisions regarding our employees' retirement system that affect this budget and future budgets for the next four years. Upon recommendation from the North Carolina Treasurers' Office, the Board adopted an employer contribution rate stabilization policy. The new policy requires an increase in the employer contribution rate next year to 7.25 percent (from 6.67 percent) for general employees and an increase to 8 percent (from 7.15 percent) for law enforcement officers. After FY 2016-17, both rates will increase by 0.25 percent annually through FY 2020-21. This policy will enable predictable and stable contribution rates, while keeping the local retirement system one of the best funded systems in the country.

Fuel prices continue to be a very bright spot and I expect they will remain low in comparison to previous years. This budget continues to support an aggressive vehicle replacement policy that is intended 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 tax and sales tax. These two sources make up 71.4 percent of the total revenue collected in the fund for FY 2016-17. General Fund revenue will increase this year by \$520,107 (1.9 percent), primarily due to growth in our tax base and utility sales tax. I recommend using Fund Balance toward one-time capital purchases totaling \$868,375. I also recommend that we continue to freeze six positions in the Human Resources, Inspections, Solid Waste, and Community Development departments.

GENERAL FUND REVENUES

I recommend our tax rate of \$0.60 remain unchanged. General Fund revenues are budgeted to be \$28,775,872 for FY 2016-17. Our ad valorem tax revenue is projected to increase by \$265,758, or 1.8 percent. Sales tax revenues are projected to increase by approximately \$45,051 from the FY 2015-16 budget, or 1.0 percent. The growth in sales tax will be limited in the budget because Lee County raised its tax rate last year. The tax rate increase changes the allocation of sales tax revenue received by Lee County, Sanford, and Broadway. In summary, we are losing approximately \$250,000 for FY 2016-17. Investment income continues to be insignificant and dismal, providing only \$45,600 in projected earnings.

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% of the closing fiscal year’s General Fund operating budget; at no time shall the unassigned fund balance fall below 25% of the closing year’s General Fund operating budget. Unassigned fund balances in excess of the target 30% 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% 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% 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 54.43 percent of operating costs and the average for cities in North Carolina is 46.08 percent. Meanwhile, as shown in the chart below, our Fund Balance available at the end of FY 2014-2015 was 29.4 percent, or \$7,784,597.

City of Sanford Historic Fund Balance

	2015	2014	2013	2012	2011	2010	2009
Fund Balance Available in Dollars (FBA)	\$7,784,597	7,619,273	8,937,266	9,411,869	\$9,386,394	10,756,922	10,956,925
Change in Fund Balance Available	165,324	(1,317,993)	(474,603)	25,475	(1,370,528)	(200,003)	(393,825)
Unit FBA%	29.40	32.94	36.27	39.65	37.86	46.26	47.33
Group Average FBA %	54.43	50.03	49.97	51.11	49.77	44.27	41.08
State Average Non-Electric Group	46.95	44.68	44.07	42.64	40.91	38.70	37.89
State Average FBA %	46.08	43.55	42.79	41.66	39.42	37.47	37.03

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

Our Fund Balance is anticipated to decrease at the end of FY 2015-16 by approximately \$1.5 million. This is attributed to the loan the city made to the airport and several bond project expenditures that we funded.

GENERAL FUND EXPENDITURES

Our 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 Building, Central Office, Other Contributions, Fleet Maintenance and Horticulture.

There is an expected budgetary decrease of 23.9 percent or \$1,672,869 from last year's revised budget. This decrease is primarily related to several expenditures added to the budget during the year, including a \$650,000 loan to the airport; \$200,000 for additional costs related to streetscape projects; \$128,100 for the purchase of three properties along First Street; \$76,000 for the purchase of police body cameras; and \$75,600 for the parks bond consultant.

There are several operating transfers and contributions to specific organizations included in the General Fund. Staff received funding requests from Boys & Girls Clubs, El Refugio, Family Promise, Lee County Arts Council, Outreach Mission, the Railroad House, Sanford Job Express, and the Temple Theatre totaling \$60,500. This year's recommended contributions are the same as last year: \$18,000 to the Temple Theatre; \$2,700 to the Arts Council; and \$2,700 to the Railroad House. Other contributions include \$178,792 set aside to meet our contractual obligations to companies receiving incentive grants.

Additionally, in this year's budget, a \$25,000 contribution is included to establish a Tourism and Visitors Services Initiative with the Sanford Area Growth Alliance. The Sanford Area Growth Alliance has requested an additional \$50,000 so that they can embark on an extensive, systematic marketing campaign to promote our community. This request has not been funded but will be at Council's discretion. Their plan is to position Sanford to be visible, recognized, and pursued as a place to locate industry. Also included is a \$5,000 commitment to the Sister City Association of Sanford, which is intended as start-up capital for a City-initiated non-profit organization.

In General Government, I recommend we continue to freeze a position in the Human Resources Department to minimize recurring expenditures. Major capital expenditures include a new web server and operating funds for website redesign. A budget amount of \$25,000 is included in the capital reserve account for park improvements. As of July 2016, the balance in the Capital Reserve Fund will be approximately \$150,000.

Public Safety – This category of expenditures includes Police, Fire, and Inspections. The Public Safety category is projected to increase 0.8 percent or \$126,573 from last year's budget.

In the Police Department, major capital expenditures include replacing thirteen vehicles for \$342,200 in accordance with our routine two-year replacement schedule; \$25,000 for four mobile data terminals; \$12,000 for a new server; and \$9,000 for specialized firearms. To address staffing concerns as recommended in a 911 study conducted last year, we need to

add two additional positions in the City's Dispatch Center. The study recommended we add four additional members (to increase staff from three to four per shift) and implement a Lead Telecommunicator position for each shift to provide oversight, rather than a member serving in the position as a peer. In FY 2015-16, we added two positions and created the lead positions.

In the Fire Department, the major expenditures include \$80,000 for various repairs to the concrete aprons at Central Fire Station; \$34,800 for an incident command vehicle; \$59,000 for twelve VHF mobile radios; \$12,000 to replace the HVAC system at Fire Station Number Two; and \$28,000 for roof repair at Fire Station Number Two.

In the Inspections Department, I recommend we continue to freeze two positions: one clerk and one field inspector.

Transportation – This category includes Street Maintenance and Street Capital Improvements. Expenditures will increase by \$187,426 or 6.1 percent from last year's budget. The budget includes \$500,000 for street resurfacing and \$100,000 for sidewalk replacement, as well as \$12,350 to purchase brackets for the Downtown Sanford and Jonesboro teardrop streetscape poles; \$20,880 for purchase of customized banners for Downtown Sanford and Jonesboro; \$4,950 for holiday wreath replacement lights; and \$50,000 for seasonal decorations. Funds were included for debt payments totaling \$87,000 for sidewalk/sidepath construction at the proposed Central Carolina Enterprise Park and to purchase a pothole patcher for \$187,000.

Sanitation – This category encompasses our Solid Waste Division, which includes garbage collection, recycling, and disposal. I recommend capital outlay of \$157,000 to replace a knuckleboom truck, as well as \$20,000 for improvements to our compost facility. There will be an increase in our annual charge from Waste Industries of 0.7 percent. The overall increase in this category is \$37,711 or 1.4 percent versus the FY 2015-16 budget. There is also one frozen position in the Solid Waste Division.

Community Development – This category includes Community Development, Code Enforcement, the Buggy Company building, and Downtown/Historic Preservation. There will be an overall decrease in this category of \$258,578 or 15.3 percent versus the FY 2015-16 budget. This is due to expenditures in last year's budget for an updated Land Use Plan (\$100,000) and upgrades to the EnerGov software used by the Planning, Inspections and Code Enforcement divisions. The Buggy Company building's budget is organized into reimbursable and non-reimbursable sections. The reimbursable section is shared collectively with Lee County. The non-reimbursable section is comprised of the City-only commitment. The budget includes \$35,000 for way-finding signage that will be placed in Downtown Sanford and historic Jonesboro. I recommend we continue to freeze an administrative position in Code Enforcement and the Assistant Community Development Director position. I believe these positions can remain frozen due to the efficiencies generated by consolidating Community Development's operations at the Buggy Company building.

Debt Service – This category includes principal, interest, and fees paid or accrued on bonds and notes. This budget includes \$727,500 for a debt payment related to bond projects and \$233,750 anticipated debt payment related to installment purchase financing to be issued during FY 2016-17.

UTILITY FUND OVERVIEW

For years, economic development experts have recommended the City and County create a shovel-ready industrial site, which is considered critical to compete in today's economy. The proposed FY 2016-17 budget addresses this need by partnering with the County and private sector investors to create the Central Carolina Enterprise Park, a shovel-ready site with all the amenities required to be competitive. Our commitment includes an estimated \$4.5 million to extend water and sewer lines to the site. Comprised of more than 700 acres, Central Carolina Enterprise Park will be annexed into the City's corporate limits. Lee County has committed to the installation of broadband at the park and is considering other entrance amenities to add value and appeal. The park will serve as an economic engine that will provide a competitive product to the marketplace that enables our community to compete for top industrial, manufacturing, office, and distribution projects; build the tax base; attract new jobs; and retain existing jobs in our community.

In FY 2015-16, the maximum debt payment was realized on the bonds and state revolving loans issued for Waste Water Treatment Plant expansion and debt consolidation. The good news is that we will experience relief as our debt payment decreases over time. It is anticipated that we will need to borrow approximately \$6 million in order to extend water and sewer to the park and complete other utility rehabilitation efforts. Through North Carolina's "Connect NC" bond program, there is a potential for \$209 million in revolving loans and over \$100 million in grants. If realized, there would be three rounds of funding beginning in September 2016 at approximately \$100 million per round. We anticipate waiting to issue debt until we determine whether these funding sources may be available.

The City's projected debt service coverage ratio for total debt for FY 2016-17 is 1.15. 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. In order to meet the debt coverage ratio required by our bond covenant and to plan for future capital improvements, along with necessary water and wastewater line rehabilitation efforts, we must adjust our water and sewer rates by 2 percent annually.

The average monthly impact on a City residential water and sewer account will be \$1.30 per month or \$15.60 annually. With the 2-percent increase, residential customers in the City will pay \$65.66 per month for 5,000 gallons. In comparison, the median monthly bill across North Carolina for a residential city customer's water and sewer service is \$70.68 and the average monthly bill is \$74.27.

Affordability is very difficult to assess, and there is no one true, accurate measure. The most commonly used and most cited measure in the water industry is the cost as a percentage of median household income. With our 2-percent increase, our rates would equate to 1.77 percent of the median household income. Currently, 54 percent of utilities in North Carolina charge more than 2.5 percent of median household income for water and wastewater at 5,000 gallons per month. The City's last increase in water and wastewater rates was in FY 2013-14.

UTILITY FUND REVENUES

Utility Fund revenues for FY 2016-17 are estimated at \$20,333,534 (excluding loan proceeds and appropriated retained earnings), an increase of 5.4 percent or \$1,056,217, compared to the FY 2015-16 budget. We anticipate Utility Fund revenues will increase due to recommended rate increases and some growth in consumption.

UTILITY FUND EXPENSES

Utility Fund expenses will increase \$6,271,391 or 27.9 percent over last year's budget. This year, we will commit \$500,000 for water system rehabilitation and \$386,232 for wastewater system rehabilitation. Other Utility Fund capital purchases total \$374,650 for vehicles and equipment. The City's Wastewater Master Plan identified areas within the collection system that require additional capacity under certain storm events. In order to address this need, \$3.5 million is being set aside to upsize the Little Buffalo outfall sewer line.

To provide a shovel-ready Central Carolina Enterprise Park, we must extend water and wastewater infrastructure to the planned sites. The cost associated with a gravity sewer extension to the site is \$3.3 million and the cost of extending a water line to the site is approximately \$1.2 million, for a total cost of \$4.5 million. The water line improvement will be an additional benefit by providing redundancy and connectivity to our system in multiple locations.

The City joined NC 811 in October 2015 as required by state law. NC 811 is a distribution center which must be notified about any work that will require excavation, and then notifies affected utility companies. The utility companies must mark their infrastructure locations and inform NC 811 when their work is complete (all within a certain time frame). Currently, we have one employee designated to fill this NC 811 role. Due to the considerable overtime required to fulfill the demands of the position, I am requesting an additional utility locator. The additional locator will minimize the overtime hours worked and will be used to remedy inaccuracies in the City's GIS mapping system.

I recommend two positions in the Engineering Department and one position in the Sewer Construction and Maintenance Division remain frozen.

GOLF FUND

The overall increase of expenditures in the Golf Fund budget is \$65,011 or 8.9 percent versus the FY 2015-16 budget. This increase is due to higher capital expenditure requests. The revenues in the Golf Fund are projected to be \$793,445, including \$203,445 in contributions from the General Fund. The General Fund contribution is higher this year due to capital expenditures necessary for cart path rehabilitation at \$55,000. A slight fee increase is recommended to generate additional revenues.

SPECIAL TAX DISTRICT

The proposed Special Tax District budget for FY 2016-17 is \$118,310, which reflects a 1.9 percent decrease compared to last year's budget. 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 facade improvements and \$15,000 to increase the advertising budget from \$10,000 to \$25,000. The \$15,000 requested increase was not budgeted and is being left to Council's discretion.

SUMMARY

I recommend that our tax rate remain at \$0.60 per \$100 assessed valuation. The City of Sanford must invest in our 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 0.5 percent of salary will be effective with the July 14, 2016 pay date. The performance and merit program is funded at 2 percent of total salary.

I always ask that when you examine this budget, you do not consider it for just one fiscal year. Consider the budget as a small snapshot of the City at this point in time and realize that decisions made will have repercussions that will last for many years.

I would like to thank Mayor Mann and the 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 2016-17.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Hal Hegwer', with a large loop at the end.

Hal Hegwer, City Manager

FY 16-17 Changes To Budget Ordinance from Originally Presented to Council				
	AMOUNT PRESENTED TO COUNCIL	STAFF OR COUNCIL RECOMM.	NET CHANGE	DESCRIPTION
GENERAL FUND				
EXPENDITURES				
Governing Body	304,962	309,754	4,792	Increase cost of living adjustment by 0.5% and increase interfund reimbursement (transferring golf into general fund)
Administration	271,269	277,057	5,788	Increase cost of living adjustment by 0.5% and increase interfund reimbursement (transferring golf into general fund)
Human Resources	246,488	253,014	6,526	Increase cost of living adjustment by 0.5% and increase interfund reimbursement (transferring golf into general fund)
Risk Management	47,953	48,310	357	Increase cost of living adjustment by 0.5%
Finance	764,744	778,145	13,401	Increase cost of living adjustment by 0.5% and increase interfund reimbursement (transferring golf into general fund)
Information Technology	364,239	369,899	5,660	Increase cost of living adjustment by 0.5% and increase interfund reimbursement (transferring golf into general fund)
Legal	183,339	184,319	980	Increase cost of living adjustment by 0.5%
Community Development	850,776	854,304	3,528	Increase cost of living adjustment by 0.5%
Public Building	763,828	764,907	1,079	Increase cost of living adjustment by 0.5%
Police	8,164,072	8,193,767	29,695	Increase cost of living adjustment by 0.5%
Police Dispatching	1,131,401	1,136,218	4,817	Increase cost of living adjustment by 0.5%
Fire	4,581,486	4,598,389	16,903	Increase cost of living adjustment by 0.5%
Inspections	473,039	474,788	1,749	Increase cost of living adjustment by 0.5%
Code Enforcement	246,928	247,820	892	Increase cost of living adjustment by 0.5%
Planning / Historic Preservation	139,958	140,321	363	Increase cost of living adjustment by 0.5%
Street	2,468,876	2,472,554	3,678	Increase cost of living adjustment by 0.5%
Solid Waste	1,545,401	1,549,611	4,210	Increase cost of living adjustment by 0.5%
Fleet Maintenance	387,527	389,197	1,670	Increase cost of living adjustment by 0.5%
Horticulture	662,285	663,703	1,418	Increase cost of living adjustment by 0.5%
Golf	-	736,324	736,324	Transfer Golf into General Fund
Contributions	1,296,848	1,097,658	(199,190)	Transfer Golf into General Fund
Street Capital	792,525	705,525	(87,000)	Did not fund sidepath / CCEP annexation
Street Capital	705,525	720,525	15,000	Increase total sidewalk funds to \$115,000 for sidewalks from First to Third Street
Community Development-Buggy Factory Non-reimbursable	142,936	143,431	495	Additional square footage of office space at Buggy Factory
TOTAL EXPENDITURE ADJUSTMENTS			\$ 573,135	

FY 16-17 Changes To Budget Ordinance from Originally Presented to Council

	AMOUNT PRESENTED TO COUNCIL	STAFF OR COUNCIL RECOMM.	NET CHANGE	DESCRIPTION
GENERAL FUND				
REVENUE				
Green Fees - Annual	0	75,000	75,000	Move Golf into General Fund
Green Fees - Daily	0	175,000	175,000	Move Golf into General Fund
Cart Fees	0	230,000	230,000	Move Golf into General Fund
Driving Range Fees	0	16,500	16,500	Move Golf into General Fund
Tournament Fees	0	11,500	11,500	Move Golf into General Fund
Pro Shop	0	52,000	52,000	Move Golf into General Fund
Golf Concessions	0	30,000	30,000	Move Golf into General Fund
Fund Balance Appropriation	868,375	851,510	(16,865)	Reduce fund balance to offset items described above
TOTAL REVENUE ADJUSTMENTS			\$ 573,135	
UTILITY FUND				
EXPENSES				
Administration	1,969,155	1,971,642	2,487	Increase cost of living adjustment by 0.5%
Warehouse	132,098	132,341	243	Increase cost of living adjustment by 0.5%
Engineering	750,328	753,110	2,782	Increase cost of living adjustment by 0.5%
Public Works Administration	583,181	585,623	2,442	Increase cost of living adjustment by 0.5%
Water Treatment Plant	2,481,094	2,484,428	3,334	Increase cost of living adjustment by 0.5%
Wastewater Treatment Plant	2,231,163	2,234,913	3,750	Increase cost of living adjustment by 0.5%
Distribution and Collection	4,810,721	4,820,788	10,067	Increase cost of living adjustment by 0.5%
Contingency	100,000	74,895	(25,105)	Reduce contingency to offset items described above
TOTAL EXPENSE ADJUSTMENTS			\$ -	
GOLF FUND				
EXPENSES				
Golf Expenses	793,445	-	(793,445)	Move Golf into General Fund
TOTAL EXPENSE ADJUSTMENTS			\$ (793,445)	
REVENUE				
Golf Revenue	793,445	-	(793,445)	Move Golf into General Fund
TOTAL REVENUE ADJUSTMENTS			\$ (793,445)	

**ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2016-2017**

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, 2016 and ending June 30, 2017 according to the following summary and schedules.

<u>SUMMARY</u>	<u>REVENUES</u>	<u>APPROPRIATIONS</u>
General Fund	\$29,349,007	\$29,349,007
Enterprise Fund	28,730,184	28,730,184
Municipal Service District	<u>118,310</u>	<u>118,310</u>
TOTAL BUDGET	<u>\$58,197,501</u>	<u>\$58,197,501</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	309,754
Administration	277,057
Human Resources	253,014
Risk Management	48,310
Elections	0
Finance	778,145
Information Technology	369,899
Legal	184,319
Public Building	764,907
Central Office	32,522
GF Contributions	1,097,658
Fleet Maintenance	1,098,597
Horticulture	663,703
Golf	736,324
DEBT SERVICE	961,250
PUBLIC SAFETY	
Police	8,276,767
Dispatching Services	1,136,218
Police – 911 Surcharge	629,347
Fire	4,598,389
Inspections	474,788

TRANSPORTATION

Street	2,472,554
Street Capital Imp.	720,525

SANITATION

Solid Waste	1,549,611
Sanitation	1,189,958

COMMUNITY DEVELOPMENT

Community Development	1,046,650
Code Enforcement	247,820
Planning / Historic Preservation	140,321

SUBTOTAL GENERAL FUND EXPENDITURES	30,058,407
Less Departmental Charges (Fleet Maintenance)	(709,400)
TOTAL GENERAL FUND EXPENDITURES	29,349,007

TAXES- AD VALOREM

Current Year Taxes	13,579,870
Prior Year Taxes	130,000
NC Vehicle Tax	1,102,926
NC Vehicle Tax - Penalties	8,000
Penalties Less Discounts	50,000
Payments in Lieu of Taxes	35,000

OTHER TAXES

Privilege License	2,000
Cable Franchise – Video Programming	185,856
Disposal Tax	18,526
Local Sales Tax – Article 39	2,046,168
Local Sales Tax – Article 40	1,023,657
Local Sales Tax – Article 44	931,851
Local Sales Tax – Article 42	1,023,084

LICENSE AND PERMITS

City Permits	239,006
County Permits	117,867
Broadway Permits	6,000
Fire Permits / Fines	38,014

INVESTMENT INCOME

Interest Income	45,000
Interest on Assessments	500
Powell Bill Interest Income	100

INTERGOVERNMENTAL REVENUES**UNITED STATES OF AMERICA**

Federal Drug Forfeiture	83,000
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STATE OF NORTH CAROLINA

Electricity Sales Tax	1,952,373
Natural Gas Sales Tax	71,678
Telecommunication Sales Tax	182,101
Beer and Wine Tax	67,932
N.C. DOT Mowing Agreement	20,816
Powell Bill	799,241

OTHER LOCAL GOVERNMENTS

Consolidated Planning Services	386,891
911 Surcharge Reimbursement	629,347
911 Dispatch	287,415
Lee County Inspection Contract	45,996
Financial Services – Broadway	3,500
Receipt Lee County – Buggy Factory	24,458
Clearwater Drive Fire Service	43,000

SALES AND SERVICE

Sale of Material	4,000
Sale of Compost Materials	35,000
Sale of Capital Assets	150,000
Sale of Non-Capital Assets	2,500
Sanitation Fees	1,790,000

GOLF

Green Fees – Annual	75,000
Green Fees – Daily	175,000
Cart Fees	230,000
Driving Range Fees	16,500
Tournament Fees	11,500
Pro Shop	52,000
Concessions	30,000

OTHER

Court Cost Fees	8,000
ABC Revenue	160,000
Street Paving Charges	225,000
Parking Revenue	2,500
Miscellaneous	185,000
Assessments	3,000
Tower Consultant Fee	8,000
Civil Violation	3,000
Employee Computer Purchase	50,000
Airport Loan Reimbursement	100,324

APPROPRIATED FUND BALANCE 851,510

TOTAL GENERAL FUND REVENUE 29,349,007

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

Debt Service 6,673,638

OTHER

Utility Fund Contributions 187,469

PUBLIC UTILITIES

UF Administration	1,971,642
Engineering	753,110
UF PW Administration	585,623
Distribution and Collection	4,820,788
Water Filtration	2,484,428
Water Reclamation	2,234,913
Water Capital Imp.	1,700,000
Sewer Capital Imp.	7,186,232
Warehouse	317,341

SUBTOTAL UTILITY FUND EXPENSES 28,915,184

Less Departmental Charges (Warehouse) (185,000)

TOTAL UTILITY FUND EXPENSES 28,730,184

USER CHARGES

Water Charges	10,709,449
Sewer Charges	8,113,885

INVESTMENT INCOME

Interest Income	35,000
Interest on Assessments	1,900

OTHER

Taps and Connections	120,000
Sewer Surcharge	51,000
Sludge Charge	40,000
Monitoring Fee	75,000
Charges on Past Due Accounts	140,000
Oil and Grease Fees	20,000
Sales Other Funds	25,000
Non Compliance Fees	1,000
Sale of Capital Assets	50,000
Sale of Non-Capital Assets	1,000
Miscellaneous	10,000
Meter Rental	3,800
Rental Income	75,000
After Hours Fees	5,500
NSF Charges	6,000

INTERGOVERNMENTAL REVENUES**UNITED STATES OF AMERICA**

Build America Bonds Rebate	850,000
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INSTALLMENT PURCHASE PROCEEDS	6,000,000
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RETAINED EARNINGS	2,396,650
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TOTAL UTILITY FUND REVENUE	28,730,184
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TOTAL ENTERPRISE FUND	28,730,184
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SCHEDULE C: MUNICIPAL SERVICE DISTRICT FUND**OTHER**

Municipal Service District Fund	118,310
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TOTAL MUNICIPAL SERVICE DISTRICT EXPENSES	118,310
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TAXES AD VALOREM

Current Year Taxes	53,100
Motor Vehicle Tax	1,320

INVESTMENT INCOME

Interest Income	250
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OTHER

Contribution from General Fund	43,100
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FUND BALANCE APPROPRIATION

20,540

TOTAL MUNICIPAL SERVICE DISTRICT REVENUE 118,310

TOTAL ALL FUNDS \$58,197,501

Section 3: There is hereby levied for the fiscal year ending June 30, 2017, the following rate of taxes on each \$100 assessed valuation of taxable property as listed as of January 1, 2016 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, 2017, 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, 2016 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, 2016.

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 7th day of June, 2016.



T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk



Susan C. Patterson, City Attorney

CITY OF SANFORD

RATE SCHEDULE FOR FISCAL YEARS 2016-2017

RATES EFFECTIVE AUGUST 1, 2016

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 2016-2017
RATES EFFECTIVE JULY 1, 2016

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	\$20.00
Additional fee for Reconnection after hours	\$25.00

Sanitation Fee	
Annually	\$200.00

CITY OF SANFORD

BEER AND WINE FEES FOR FISCAL YEARS 2016-2017

RATES EFFECTIVE JULY 1, 2016

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 2016-2017

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 2016-2017**

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 **2016-2017 fiscal year**:

Domestic	\$30 / 1,000 gallons
Commercial	\$65 / 1,000 gallons
Industrial	Minimum \$130 / 1,000 gallons (actual cost may vary)

**Municipal Golf Course
FY 2016-2017 Fee Schedule**

Daily Rates

	<u>Ride</u>	<u>Walk</u>
Daily Rates:		
Monday – Friday	\$25.00	\$14.00
Saturday and Sunday	\$30.00	\$16.00
Afternoon Special (after 1 PM):		
Monday – Friday	\$22.75	
Saturday and Sunday	\$26.75	
9 Hole Rates:		
Monday – Friday	\$14.50	\$ 7.00
Saturday and Sunday	\$17.50	\$10.00
Winter Rates (December 1 – February 28)		
Monday – Friday	\$23.00	
Saturday and Sunday	\$29.00	
Monday – Thursday Senior Rates	\$20.00	
Active Duty Military Rates (active duty military ID required):		
Monday – Friday	\$22.00	
Saturday and Sunday	\$26.75	
Saturday and Sunday (after 1 PM)	\$23.75	
Senior Rates (Ages 55 and up)		
Monday thru Thursday	\$22.00	
Junior Rates		
Monday – Friday		\$ 7.00
Saturday and Sunday		\$10.00

Annual Membership Rates

	<u>In City</u>	<u>Outside City</u>
1 Person	\$475	\$500
2 Persons	\$595	\$650
Full Family	\$675	\$725
Single LTD	\$420	\$450
Double LTD	\$525	\$575
Junior	\$195	\$225
Payment #1	One-third due in July	
Payment #2	One-third due in September	
Payment #3	One-third due in November	

LTD – Limited Play - Monday – Friday – excluding Holidays

Member Cart Fee \$14.00

NOTE: The Golf Pro is granted the authority to administer loyalty / incentive programs and discounts with the approval of the City Manager.

**City of Sanford FY 16-17 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 2016-2017
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 100% penalty. (Permit fees x 2)

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	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
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REHAB SUPPLIES

Food, drinks, snacks, etc.	At Cost
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RENTAL EQUIPMENT

Trucks, backhoes, etc.	At Cost
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EQUIPMENT / SUPPLIES NOT LISTED

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

MANUFACTURED 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:	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; Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$4	
	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:	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.

**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 (Gas Furnace, Electric Heat, Etc.)	\$60.00 each
Gas Accessories. (Gas Logs, Fireplace, Dryer, Range, Grill, Space Heater, Lights, Woodburning Inserts, Etc.)	\$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 contingency appropriation totals \$100,000 and Utility Fund is \$74,895. 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, 2015 was \$7,159,809. General Fund balance available for appropriation was \$7,784,597 or 31.05% of General Fund expenditures. Council approved a formal fund balance policy in December 2014 stating that General Fund balance would be held to an amount equal to thirty percent (30%) of net General Fund expenditures.

The city adjusted utility rates from 2009-2014 in anticipation of the debt requirements for our capital improvements in the Utility Fund. The city anticipated sufficient revenue to meet the last two year's obligations without having to adjust water and sewer rates. However, council approved to increase water and sewer rates by 2% in order to meet the City's obligations for FY 16-17. The Utility Fund shows a net income before capital contributions and transfers of \$4,087,078 for the year compared with a net income before capital contributions of \$4,719,321 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.

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, 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, 2015. 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, 2015. 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:

- o 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).
- o 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.
- o Capital Outlays within the Proprietary Funds are recorded as assets on a GAAP basis and expended on a Budget Basis.
- o 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

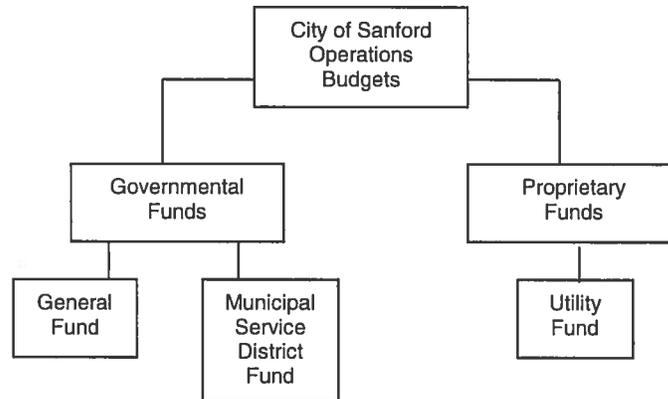
Any revisions that alter total expenditures / revenues of the adopted budget must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes. The city manager has the authority to 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

December 18, 2015	CIP	Memo/instructions and CIP form transmitted to departments
January 22, 2016	Year End Estimates	Memo/MUNIS budget worksheet program transmitted to departments
January 22, 2016	CIP	CIP request forms due from department managers
January 29, 2016	Year End Estimates	Year end estimates due from department managers (year end expenditure estimates entered into the MUNIS worksheet program by departments)
February 5, 2016	FY 15-16 Budget	Year end revenue estimates consolidated and reviewed
February 12, 2016	CIP	Finalize prioritization of projects and assignment of revenues
February 12, 2016	Year End Estimates	Year end departmental expenditure estimates consolidated and reviewed
February 19, 2016	FY 16-17 Budget	Prepare and transmit FY 16-17 departmental request information to department heads
March 11, 2016	FY 16-17 Budget	Departmental budget requests for FY 16-17 due from departments
March 25, 2016	FY 16-17 Budget	Need insurance estimate numbers from HR
April 8, 2016	FY 16-17 Budget	City manager and department heads begin review of department requests
April 15, 2016	FY 16-17 Budget	Finalize 16-17 revenue projections
April 15, 2016	FY 16-17 Budget	Need final insurance numbers from HR
April 21, 2016	FY 16-17 Budget	Review preliminary budget with department heads at staff meeting
April 19, 2016	FY 15-16 Budget	Present cleanup amendment to council for FY 15-16
April 22, 2016	FY 16-17 Budget	Budget must be balanced by this date to allow finance staff time to prepare presentation at May 10th law and finance meeting
May 10, 2016	FY 16-17 Budget	Present to council at law and finance meeting and publish public hearing notice (publish at least ten days prior to public hearing)
May 17, 2016	FY 16-17 Budget	Regular council meeting - budget work session
May 24, 2016	FY 16-17 Budget	May 17, 2016 council meeting recessed and reconvened to hold budget work session (if necessary)
May 31, 2016	FY 16-17 Budget	May 17, 2016 council meeting recessed and reconvened to hold budget work session (if necessary)
June 7, 2016	FY 16-17 Budget	Public hearing and adopt budget (first scheduled meeting in June)
June 21, 2016	Year End Estimates	Present FY 15-16 year end cleanup budget amendment to council
June 21, 2016	FY 16-17 Budget	Alternate date to adopt FY 16-17 budget (regular council meeting)
June 28, 2016	FY 16-17 Budget	Second alternate date to adopt FY 16-17 budget (special called meeting)
June 28, 2016	Year End Estimates	Alternate date to present cleanup budget amendment to council (special called meeting)
July 1, 2016	FY 16-17 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

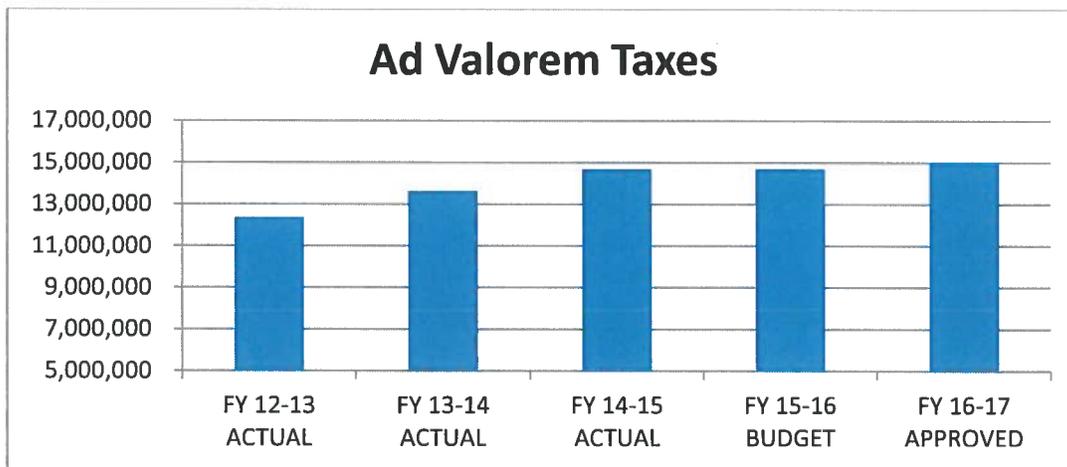
Department	Fund
Administration	General
Billing	Utility
Central Office	General
Code Enforcement	General
Community Development	General
Debt Service	General / Utility
Distribution and Collection	Utility
Downtown/HPC	General
Elections	General
Engineering	Utility
Finance	General
Fire	General
Fleet Maintenance	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.

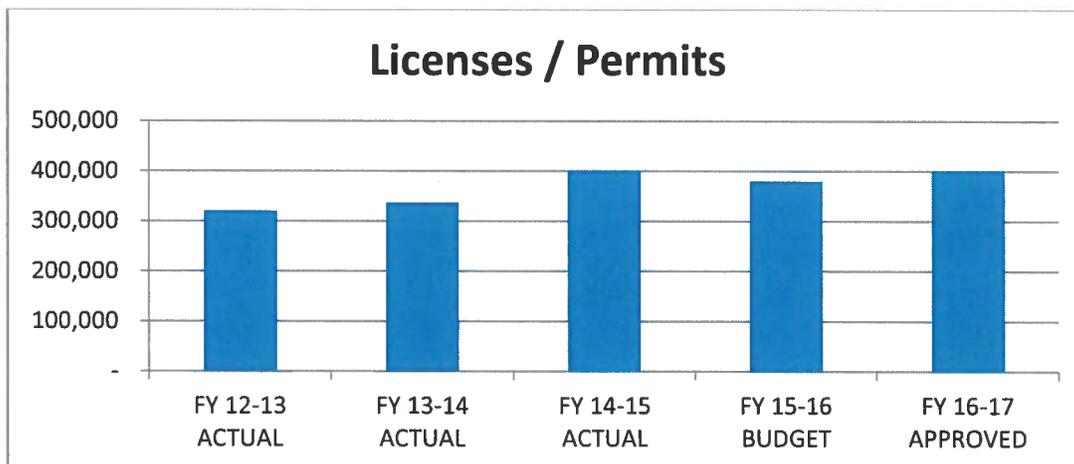
The major revenues by source are as follows:

Ad Valorem Taxes - Collections of current year and prior year tax levies; and payment in lieu of taxes.

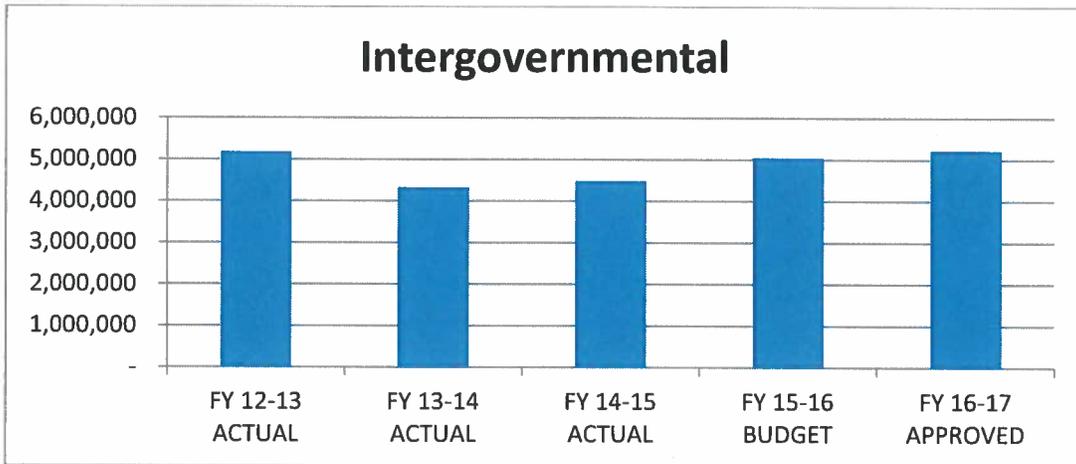


Penalties Less Discounts – Interest on delinquent taxes; late listing penalties; and other costs of collecting delinquent taxes.

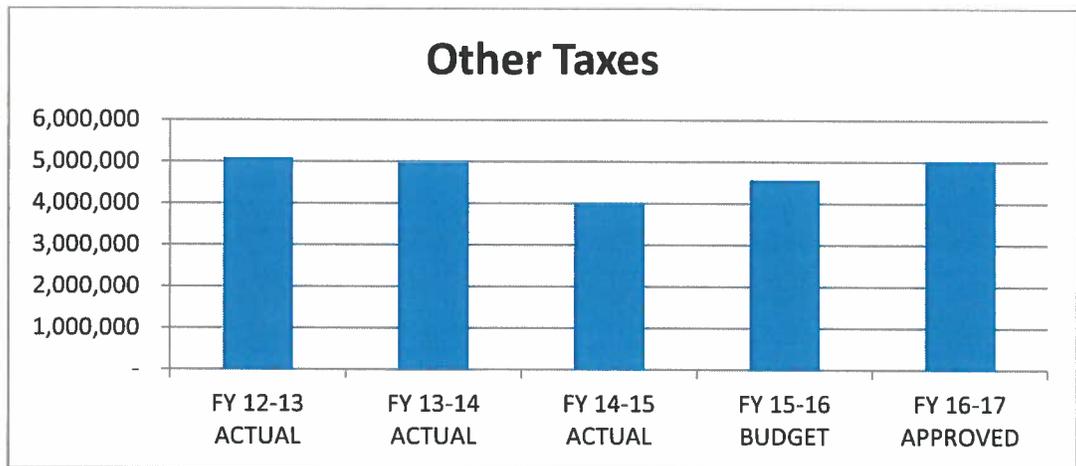
Licenses and Permits – Building permits; inspection penalties; inspection fees; and code enforcement.



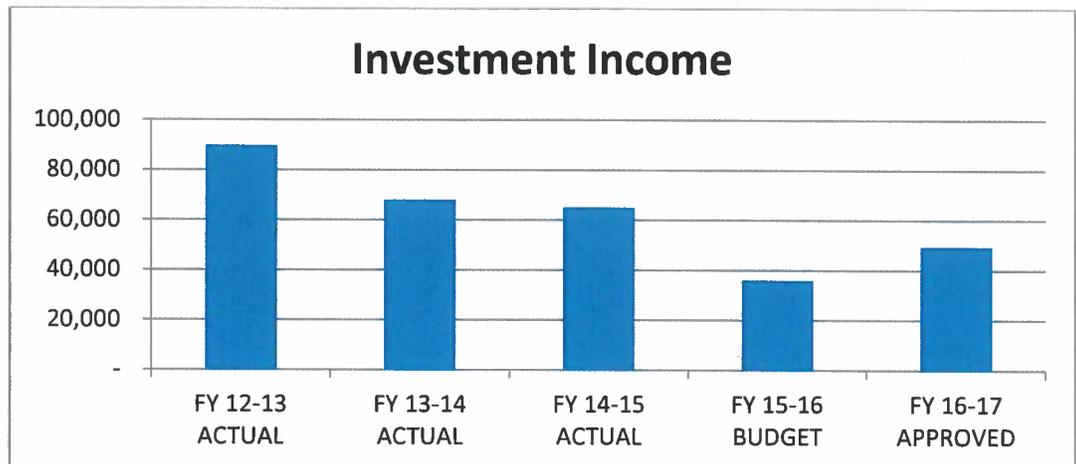
Intergovernmental - Federal, State, and local financial assistance; retail inventory taxes; utility franchise tax; beer & wine tax; and Powell Bill funds.



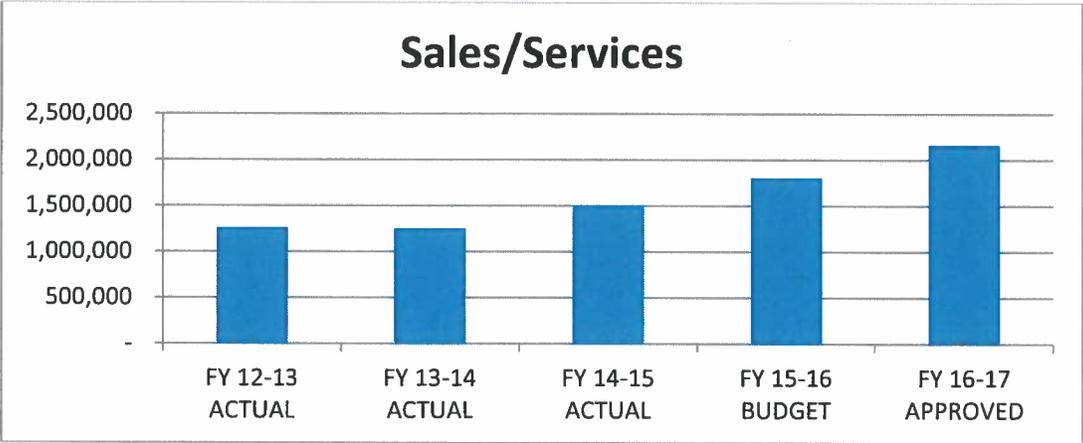
Other Taxes - Collections of the one percent local options sales tax and the one-half of one percent local option sales taxes (Articles 39, 40, 42, and 44); privilege license; and cable franchise tax.



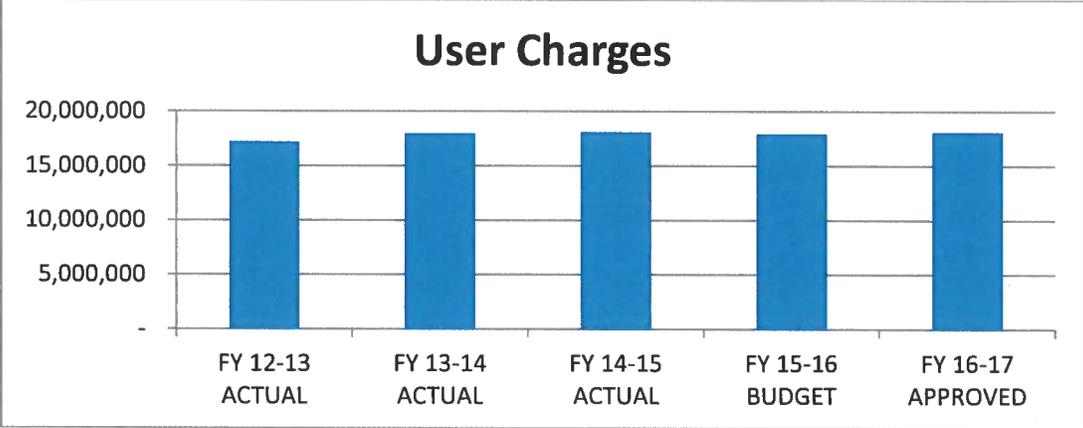
Investment Income – Interest earned.



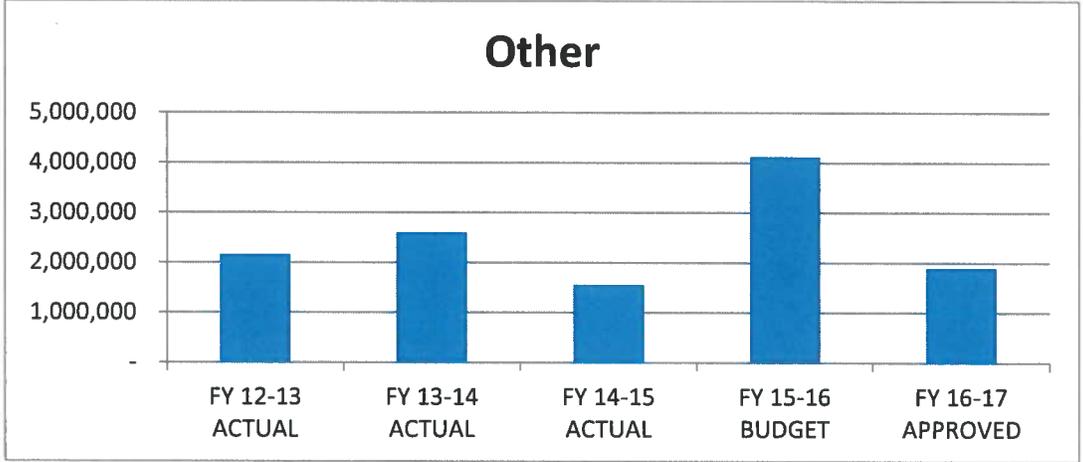
Sales and Service – Sale of materials; sale of compost; sale of fixed assets; sale of land; and waste management fees.



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.

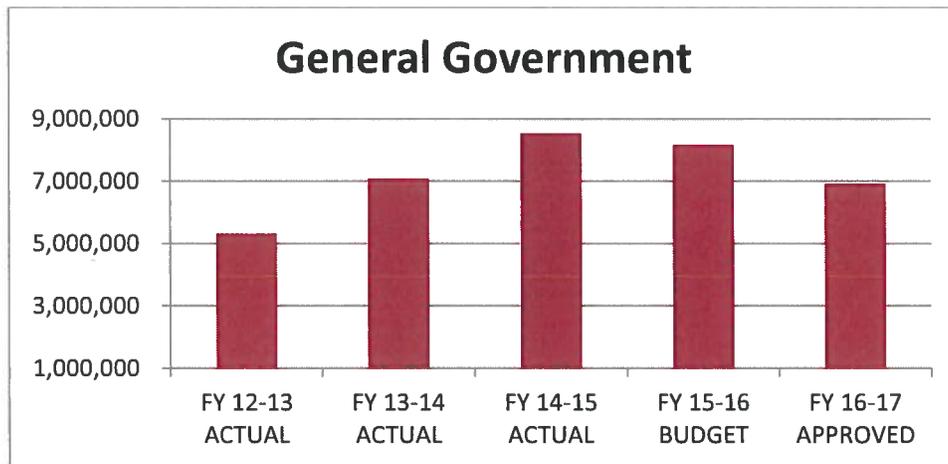


EXPENDITURES BY FUNCTION

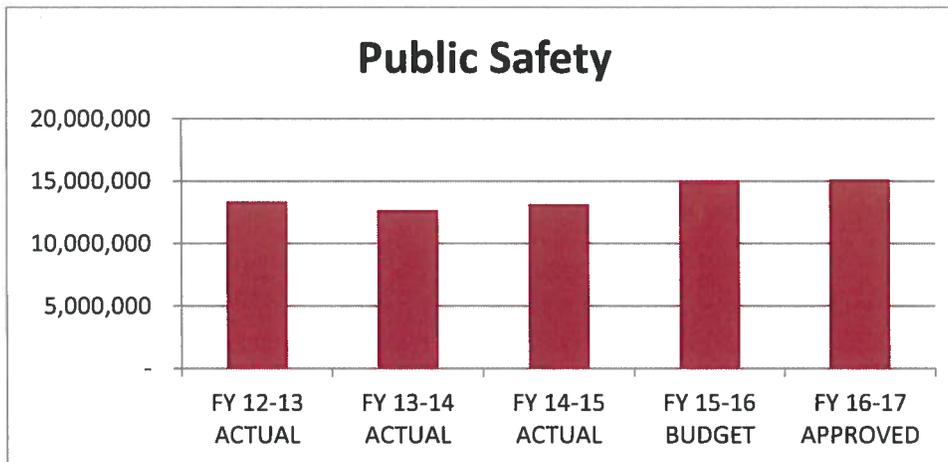
Expenditures are shown in the budget classified by funds from which they are paid, by departments spending the money, by the functions for which the expenditures are made and by the object of expenditures, which provides greater detail for controlling expenditures. Funds are appropriated at adequate 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:

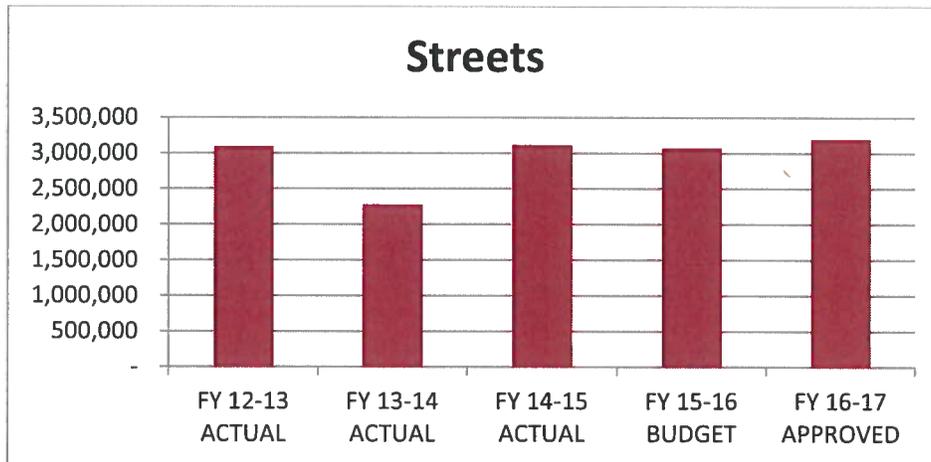
General Government - Expenditures for the Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Technology, Legal, Public Building, General Services, Central Office, GF Contributions, Fleet Maintenance, Golf, and Horticulture.



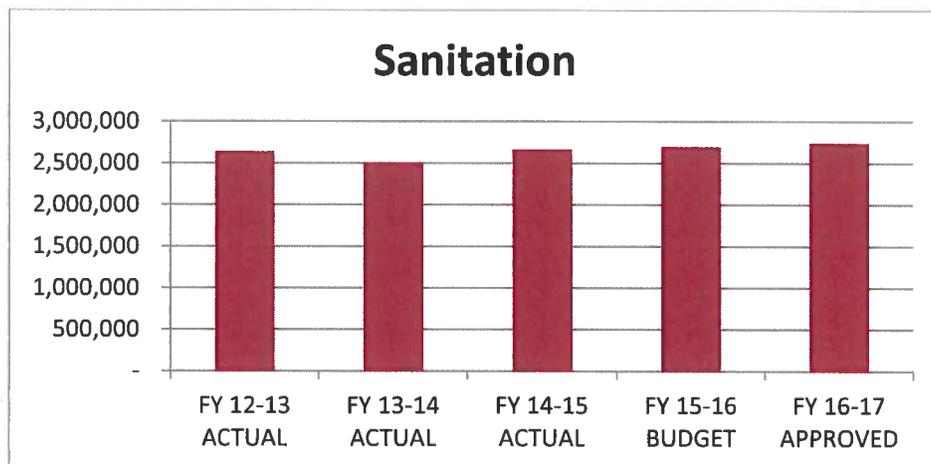
Public Safety - Expenditures for Police, Fire, and Inspections.



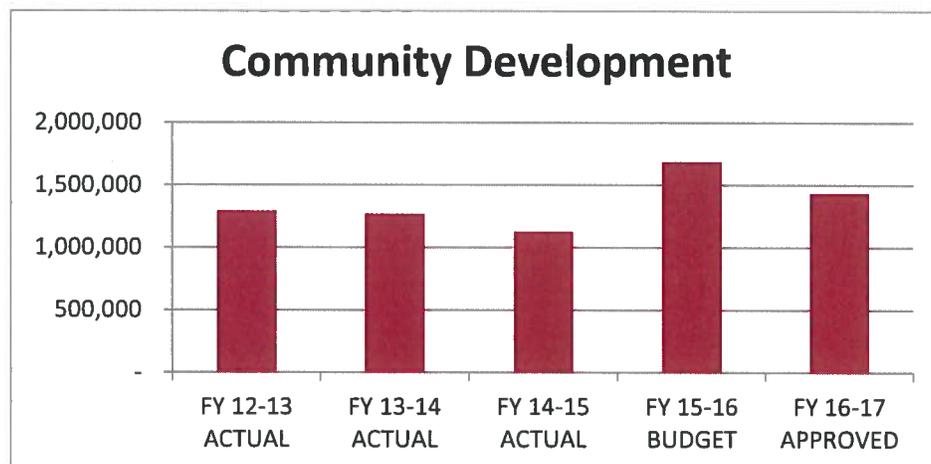
Streets - Expenditures for Street Maintenance and Street Capital Improvements.



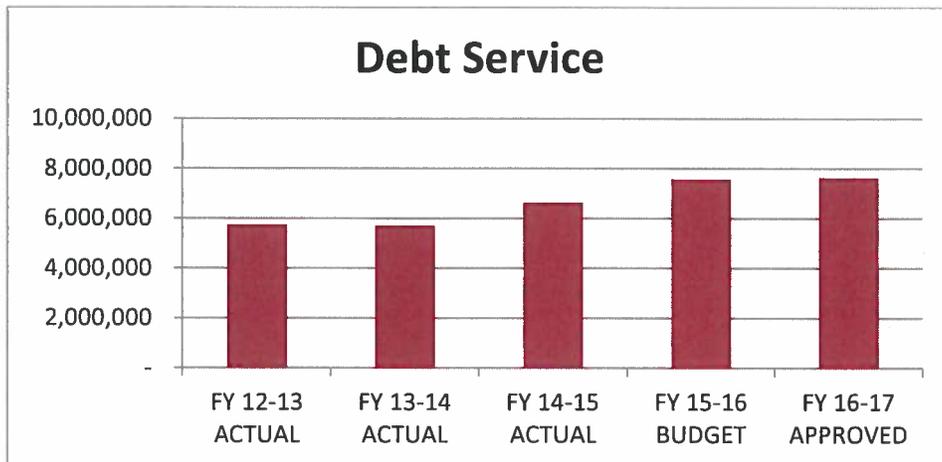
Sanitation - Expenditures for Solid Waste and Sanitation.



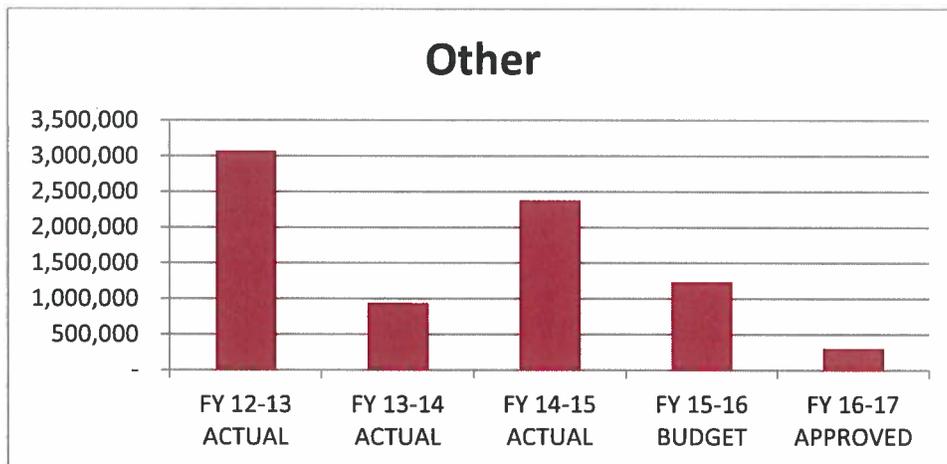
Community Development – Expenditures for Community Development, Community Enhancement – Code Enforcement, and Community Enhancement – Downtown / HPC.



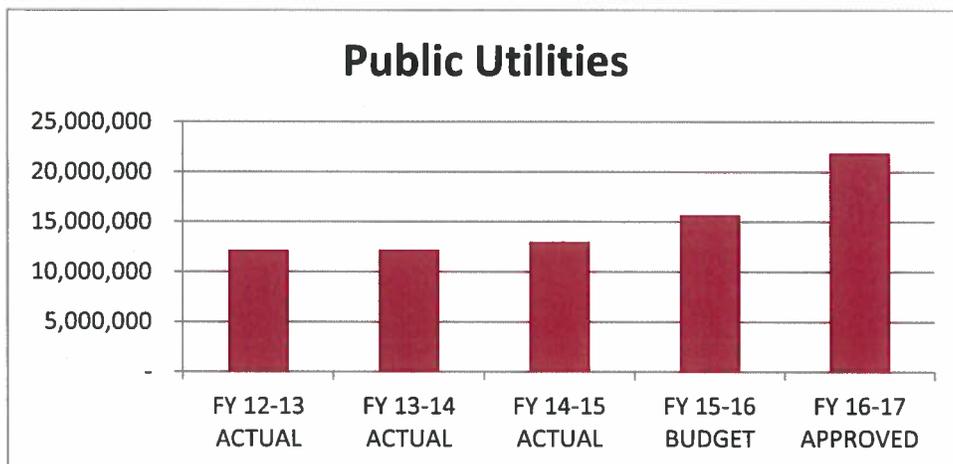
Debt Service - Principal; interest; and fees paid or accrued on bonds and notes.



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.

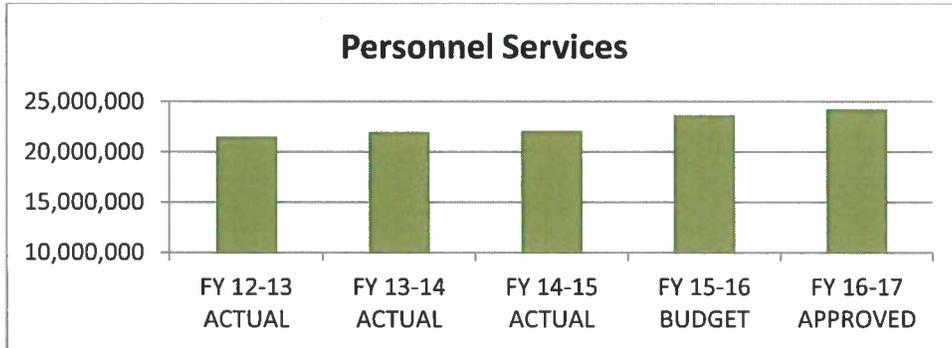


EXPENDITURES BY CATEGORY

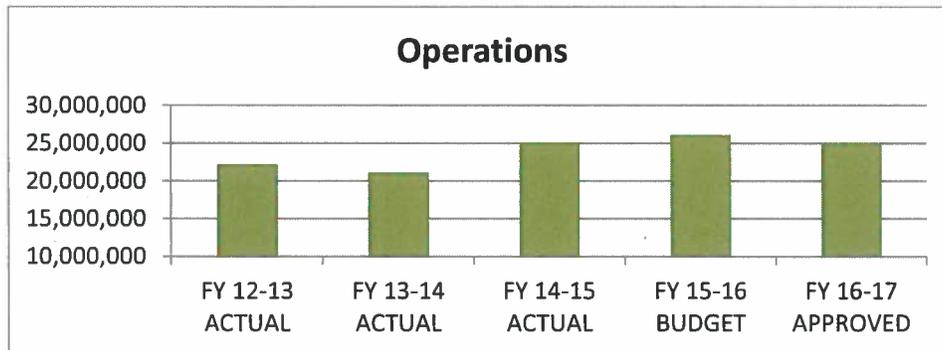
Expenditures by object are divided into three major categories - personnel services, operating expenses and capital outlays.

These categories are summarized below:

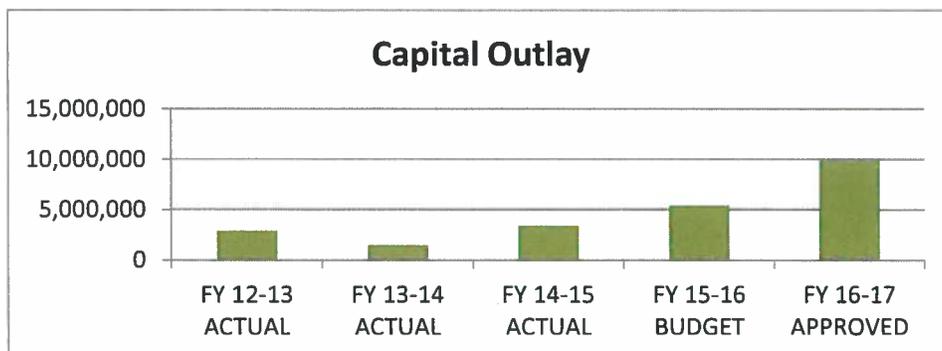
Personnel Services - Expenses, which can be directly attributed to the individual employee. These expenses would include salaries, group insurance, retirement, 401K expense and FICA. The cost of group insurance, retirement, 401K expenses and FICA has been budgeted within each operating department, which 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 2016-2017 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 \$14,820,796 Municipal Service District Fund \$54,420
After Hours	Fees charged to customers for after hour service calls. Appropriation—Utility Fund \$5,500
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 \$100,324
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 851,510 Utility Fund \$2,396,650 Municipal Service District Fund \$20,540
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 \$67,932
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 \$850,000**

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 \$239,006**

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 \$117,867**

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 \$6,000**

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 \$185,856**

Cart Fees

Fees are collected for rental of golf carts with projections based on trend analysis. **Appropriation--General Fund \$230,000**

Charges on Past Due Accts.

Charges assessed against accounts that are paid after the due date. **Appropriation—Utility Fund \$140,000**

Civil Violations

Fines are levied by the city for violations of the city's ordinances. Projections are based on historical trends. **Appropriation--General Fund \$3,000**

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 \$43,100**

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 \$18,526**

Driving Range

Fees are collected for use of golf course driving range. Revenues are estimates based on anticipated use. **Appropriation—General Fund \$16,500**

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 \$83,000**

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 \$38,014**

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 \$75,000**

Green Fees Daily

Fees are collected for daily play at the Municipal Golf Course. Estimates are based on historical data. **Appropriation--General Fund \$175,000**

REVENUE

FORECAST RATIONALE

Installment Purchase Proceeds

Installment purchase proceeds, which result from issuing debt, will be used to construct sewer line extension at Clyde Rhyne Road / Enterprise Park, \$2,300,000; sewer remediation project A, \$1,500,000; Triassic Development sewer extension, \$1,000,000; and water line extension at Clyde Rhyne Road / Enterprise Park, \$1,200,000. **Appropriation--Utility Fund \$6,000,000**

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 \$45,100 Utility Fund \$35,000 Municipal Service District Fund \$250**

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 \$1,900**

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 \$5,024,760**

Meter Rental

Revenue received from contractors for rental of meters placed on hydrants for temporary water access. **Appropriation-- Utility Fund \$3,800**

Miscellaneous

This revenue includes revenue sources not otherwise classified. Projections are based on comparisons of past operating data. **Appropriation--General Fund \$185,000 Utility Fund \$10,000**

Non-Compliance Fines

Fees are assessed for sewer not in compliance with discharge permits. **Appropriation--Utility Fund \$1,000**

NSF Charges

Charges assessed against customers for non-sufficient funds of returned checks. **Appropriation--Utility Fund \$6,000**

REVENUE

FORECAST RATIONALE

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 \$20,000

Parking Revenues

Proceeds projected for parking fines and parking space rentals.

Appropriation—General Fund \$2,500

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 \$35,000

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 \$50,000

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 15-16: 135.70 miles of street times \$1,629.43 and population 28,725 times \$20.39. **Appropriation--General Fund \$799,241**

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 \$75,000**

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 \$52,000**

REVENUE

FORECAST RATIONALE

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 \$45,996**

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 \$24,458**

Receipt Other Governments-
State

The state will pay for mowing right-of-ways through negotiated contract. **Appropriation--General Fund \$20,816**

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 22.01% calls ratio (\$287,415). The county's cost of the merged community development department is projected to be \$378,891. 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 \$629,347. **Appropriation--General Fund \$378,891, \$629,347, \$287,415, \$8,000, \$3,500**

Rental Income

To account for cell tower rental on the city's water tanks. **Appropriation--Utility Fund \$75,000**

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 \$35,000**

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**

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 Utility Fund \$1,000**

REVENUE

FORECAST RATIONALE

Sales Other Funds

To record revenue from other funds due the Utility Fund for items received from internal store. **Appropriation--Utility Fund \$25,000**

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 \$1,790,000**

Sewer Charges

Proceeds are received for the collection and treatment of wastewater. Projections are based on historical user trends. **Appropriation--Utility Fund \$8,113,885**

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 \$51,000**

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 \$40,000**

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 \$120,000**

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 \$2,206,152

Water Charges

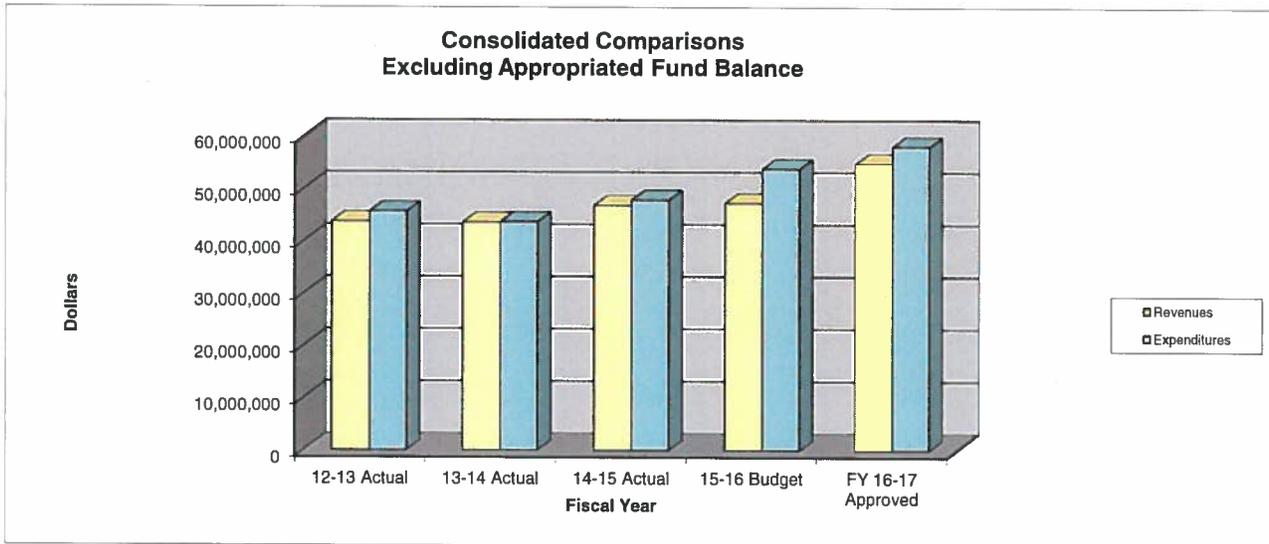
Proceeds are from the sale of treated water through the distribution system. Revenue estimates are based on historical user trends adjusted to reflect the existing rate structure.
Appropriation--Utility Fund \$10,709,449

**CONSOLIDATED BUDGET
FUND SUMMARIES**

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
REVENUES								
General Fund	24,013,649	23,669,120	28,620,887	27,387,390	27,907,497	28,497,497	1,110,107	4%
Enterprise Fund	19,773,056	19,936,372	19,945,666	20,005,751	27,126,979	26,333,534	6,327,783	32%
Special Tax District	58,503	59,193	54,823	95,218	97,770	97,770	2,552	3%
SUB-TOTAL	43,845,208	43,664,685	48,621,376	47,488,359	55,132,246	54,928,801	7,440,442	16%
Appropriated Fund Balance	0	0	0	6,541,357	3,268,700	3,268,700	-3,272,657	-50%
Less Interfund Activity	-108,016	-87,258	-1,731,849	-165,874	-246,545	-43,100	122,774	-74%
TOTAL BUDGET	43,737,193	43,577,427	46,889,528	53,863,842	58,154,401	58,154,401	4,290,559	8%
EXPENDITURES								
General Fund	24,834,253	24,904,876	27,617,403	30,456,829	30,742,251	29,349,007	-1,107,822	-4%
Enterprise Fund	20,876,821	18,800,377	21,976,677	23,452,227	28,586,760	28,730,184	5,277,957	23%
Special Tax District	80,195	47,233	43,930	120,660	132,410	118,310	-2,350	-2%
SUB-TOTAL	45,791,269	43,752,486	49,638,010	54,029,716	59,461,421	58,197,501	4,167,785	8%
Less Interfund Activity	-108,016	-87,258	-1,731,849	-165,874	-246,545	-43,100	122,774	-74%
TOTAL BUDGET	45,683,253	43,665,228	47,906,161	53,863,842	59,214,876	58,154,401	4,290,559	8%

GRAPHIC REPRESENTATION

Illustrated below are revenues as they relate to expenditures.

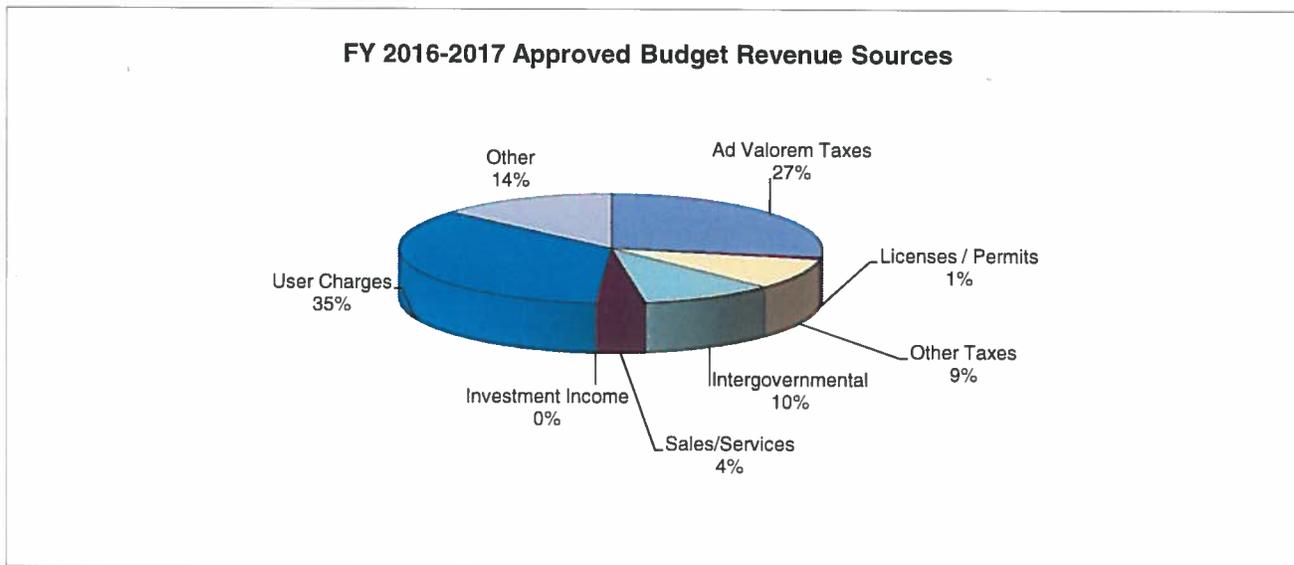


**CONSOLIDATED BUDGET
REVENUE SUMMARIES**

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
REVENUES								
Ad Valorem Taxes	12,363,749	13,642,775	14,687,585	14,692,676	14,960,216	14,960,216	267,540	2%
Licenses / Permits	320,529	336,949	400,860	379,738	400,887	400,887	21,149	6%
Other Taxes	4,965,129	3,968,393	4,561,944	4,982,409	5,026,760	5,026,760	44,351	1%
Intergovernmental	4,320,874	4,485,480	5,046,378	5,224,471	5,660,130	5,660,130	435,659	8%
Sales/Services	1,248,963	1,493,779	1,802,784	2,160,738	1,981,500	1,981,500	-179,238	-8%
Investment Income	68,055	64,960	36,035	49,423	82,750	82,750	33,327	67%
User Charges	17,960,556	18,116,160	17,965,566	18,102,540	19,331,334	19,331,334	1,228,794	7%
Other	2,597,353	1,556,189	4,120,223	1,896,364	7,688,669	7,485,224	5,588,860	295%
SUB-TOTAL	43,845,208	43,664,685	48,621,376	47,488,359	55,132,246	54,928,801	7,440,442	16%
Appropriated Fund Balance	0	0	0	6,541,357	3,268,700	3,268,700	-3,272,657	-50%
Less Interfund Activity	-108,016	-87,258	-1,731,849	-165,874	-246,545	-43,100	122,774	-74%
TOTAL BUDGET	43,737,192	43,577,427	46,889,528	53,863,842	58,154,401	58,154,401	4,290,559	8%

GRAPHIC REPRESENTATION

The relative value of major revenue sources are shown below. Ad-Valorem Taxes and User Charges represent 62% of the revenues received by the city.



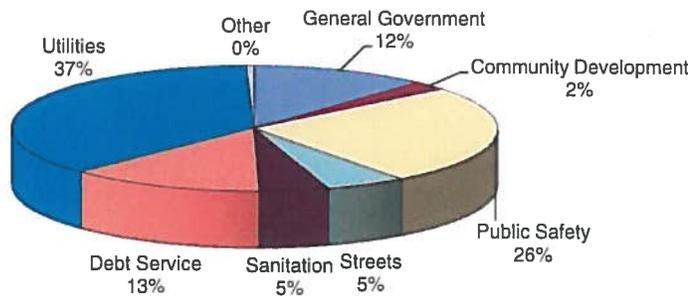
**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
FUNCTIONS								
General Government	5,313,311	7,072,094	8,536,196	8,167,379	6,648,969	6,915,262	-1,252,117	-15%
Community Development	1,292,033	1,267,931	1,126,641	1,688,091	1,487,428	1,434,791	-253,300	-15%
Public Safety	13,350,439	12,670,778	13,161,601	14,935,772	15,452,524	15,115,509	179,737	1%
Streets	3,090,164	2,278,446	3,115,985	3,073,975	4,391,289	3,193,079	119,104	4%
Sanitation	2,636,189	2,486,111	2,665,014	2,697,648	3,073,618	2,739,569	41,921	2%
Debt Service	5,736,447	5,697,854	6,634,488	7,575,582	7,042,138	7,634,888	59,306	1%
Utilities	12,154,608	12,210,573	13,007,509	15,700,630	21,331,438	21,869,077	6,168,447	39%
Other	3,065,961	939,183	2,378,609	1,232,145	1,073,094	305,779	-926,366	-75%
SUB-TOTAL	46,639,152	44,622,969	50,626,044	55,071,222	60,500,498	59,207,954	4,136,732	8%
Less Interfund Activity	-108,016	-87,258	-1,731,849	-165,874	-246,545	-43,100	122,774	-74%
Interfund Reimbursement	-847,884	-870,483	-988,034	-1,041,506	-1,039,077	-1,010,453	31,053	-3%
TOTAL BUDGET	45,683,253	43,665,228	47,906,161	53,863,842	59,214,876	58,154,401	4,290,559	8%

GRAPHIC REPRESENTATION

Expenditures classed by function reflect cost as it relates to total spending. Public safety and utilities represent 63% of the city's total appropriations.

FY 2016-2017 Approved Budget

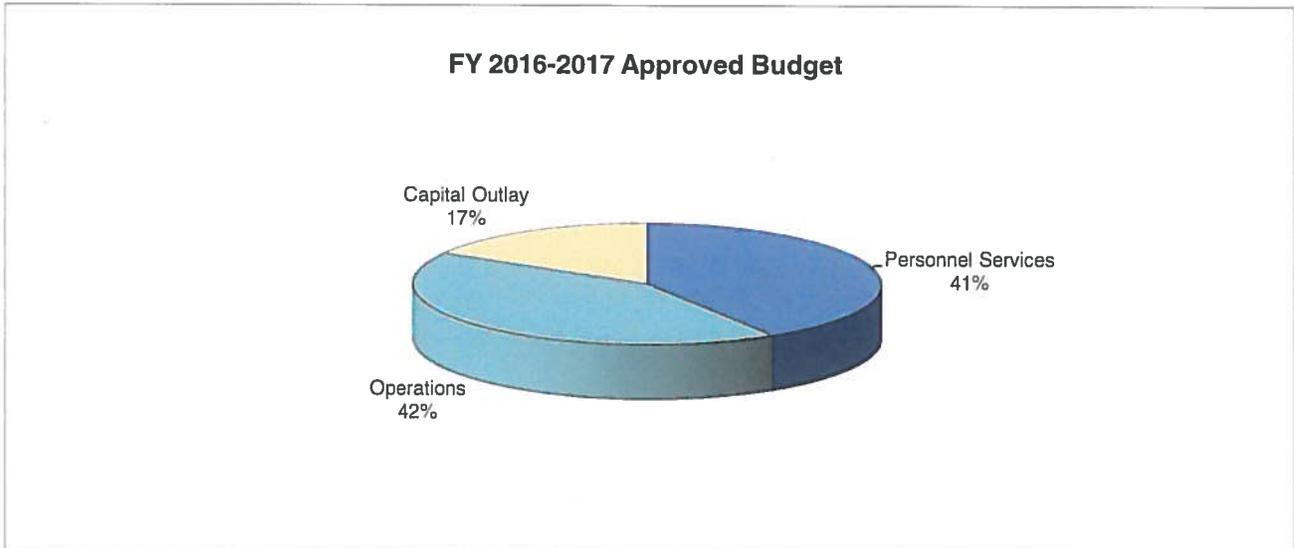


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
EXPENDITURES								
Personnel Services	21,512,814	21,996,548	22,095,070	23,659,765	21,309,414	24,254,004	594,239	3%
Operations	22,219,639	21,136,083	25,133,542	26,069,060	25,114,366	25,054,648	-1,014,412	-4%
Capital Outlay	2,906,700	1,490,338	3,397,432	5,342,397	14,076,718	9,899,302	4,556,905	85%
SUB-TOTAL	46,639,153	44,622,968	50,626,044	55,071,222	60,500,498	59,207,954	4,136,732	8%
Less Interfund Activity	-108,016	-87,258	-1,731,849	-165,874	-246,545	-43,100	122,774	-74%
Interfund Reimbursement	-847,884	-870,483	-988,034	-1,041,506	-1,039,077	-1,010,453	31,053	-3%
TOTAL BUDGET	45,683,253	43,665,228	47,906,161	53,863,842	59,214,876	58,154,401	4,290,559	8%

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 357 employees. Nine (9) 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 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Prior	223,968	244,689	85,323	175,000	130,000	130,000	-45,000	-26%
Current	11,993,980	12,500,305	13,385,630	13,344,861	13,579,870	13,579,870	235,009	2%
Motor Vehicle Tax	0	706,301	1,054,817	1,014,945	1,102,926	1,102,926	87,981	9%
Payment in Lieu of Taxes	28,755	28,671	29,534	35,232	35,000	35,000	-232	-1%
Penalties Less Discounts	60,361	73,528	68,298	65,000	50,000	50,000	-15,000	-23%
Motor Vehicle Tax - Penalties	0	5,127	9,231	5,000	8,000	8,000	3,000	60%
MV Tax Setup Cost Refund	0	25,549	0	0	0	0	0	#DIV/0!
Total Ad Valorem Taxes	12,307,064	13,584,170	14,632,832	14,640,038	14,905,796	14,905,796	265,758	2%
Local Sales Tax - Article 39	2,084,939	1,656,699	1,905,476	2,026,127	2,046,168	2,046,168	20,041	1%
Local Sales Tax - Article 40	1,001,428	808,476	932,041	1,017,822	1,023,657	1,023,657	5,835	1%
Local Sales Tax - Article 44	883,819	711,737	838,626	1,004,501	931,851	931,851	-72,650	-7%
Local Sales Tax - Article 42	992,114	788,751	883,748	931,259	1,023,084	1,023,084	91,825	10%
Privilege License	2,745	2,730	1,934	2,700	2,000	2,000	-700	-26%
Past Due	85	0	120	0	0	0	0	#DIV/0!
Total Other Taxes	4,965,129	3,968,393	4,561,944	4,982,409	5,026,760	5,026,760	44,351	1%
Fire Permits / Fines	6,364	27,235	44,831	38,014	38,014	38,014	0	0%
City Permits	195,907	183,120	232,482	218,527	239,006	239,006	20,479	9%
County Permits	110,204	119,648	117,470	117,197	117,867	117,867	670	1%
Broadway Permits	8,054	6,946	6,077	6,000	6,000	6,000	0	0%
Total Licenses / Permits	320,529	336,949	400,860	379,738	400,887	400,887	21,149	6%
Interest Income	32,582	27,815	18,134	25,000	45,000	45,000	20,000	80%
Interest on Assessments	1,755	767	531	800	500	500	-300	-38%
Powell Bill Interest Income	0	175	20	100	100	100	0	0%
Total Investment Income	34,337	28,757	18,685	25,900	45,600	45,600	19,700	76%
Green Fees Annual	0	0	0	0	0	75,000	75,000	#DIV/0!
Green Fees Daily	0	0	0	0	0	175,000	175,000	#DIV/0!
Cart Fees	0	0	0	0	0	230,000	230,000	#DIV/0!
Tournament	0	0	0	0	0	11,500	11,500	#DIV/0!
Driving Range	0	0	0	0	0	16,500	16,500	#DIV/0!
Total Golf User Charges	0	0	0	0	0	508,000	508,000	#DIV/0!
Intergovernmental Revenues								
United States of America								
Firefighters Grant	0	0	0	1,000	0	0	-1,000	-100%
Build American Bonds Rebate	2,427	1,161	132	0	0	0	0	#DIV/0!
Federal Drug Forfeiture	0	0	0	0	83,000	83,000	83,000	#DIV/0!
State of North Carolina								
Utility Franchise Tax	1,443,802	1,562,537	2,016,387	2,137,845	0	0	-2,137,845	-100%
Electricity Sales Tax	0	0	0	0	1,952,373	1,952,373	1,952,373	#DIV/0!
Natural Gas Sales Tax	0	0	0	0	71,678	71,678	71,678	#DIV/0!
Telecommunications Sales Tax	0	0	0	0	182,101	182,101	182,101	#DIV/0!
Beer & Wine Tax	57,090	62,706	68,827	67,816	67,932	67,932	116	0%
Powell Bill	796,175	813,029	816,401	807,859	799,241	799,241	-8,618	-1%
State Drug Forfeiture	9,912	32,825	18,757	0	0	0	0	#DIV/0!
Rec. Other Gov.-State	30,624	25,712	26,164	26,164	20,816	20,816	-5,348	-20%
Cable Franchise	114,564	200,683	200,686	199,619	185,856	185,856	-13,763	-7%
Court Cost Fees	9,042	9,798	8,064	9,600	8,000	8,000	-1,600	-17%
Disposal Tax	15,781	17,517	18,625	18,943	18,526	18,526	-417	-2%
NC Electronics Management Fund	1,623	1,896	2,222	1,500	0	0	-1,500	-100%
Other Local Governments								
Rec. Lee County-Buggy Factory	0	0	0	16,172	24,458	24,458	8,286	51%
Clearwater Fire Protection	36,000	36,000	40,000	42,000	43,000	43,000	1,000	2%
Rec. Lee County - Sports Complex	0	0	29,540	15,000	0	0	-15,000	-100%
Consolidated Planning Services	399,081	398,559	369,287	399,779	386,891	386,891	-12,888	-3%
911 Surcharge Reimbursement	234,674	185,524	324,152	352,569	629,347	629,347	276,778	79%
911 Dispatch	202,678	197,657	188,161	231,292	287,415	287,415	56,123	24%
Rec. Local Inspections Contract	41,616	43,512	23,571	43,813	45,996	45,996	2,183	5%
Financial Services - Broadway	4,000	3,500	3,500	3,500	3,500	3,500	0	0%
Total Intergovernmental	3,399,089	3,592,616	4,154,477	4,374,471	4,810,130	4,810,130	435,659	10%

GENERAL FUND REVENUE

REVENUE SOURCES	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Sale of Materials	4,521	1,379	3,323	3,000	4,000	4,000	1,000	33%
Sale of Non-Capital Assets	0	0	0	2,200	2,500	2,500	300	14%
Sale of Compost Materials	52,853	46,800	34,543	50,338	35,000	35,000	-15,338	-30%
Sale of Capital Assets	101,463	141,109	20,855	361,700	150,000	150,000	-211,700	-59%
Sanitation Fees	1,090,125	1,304,491	1,744,064	1,743,500	1,790,000	1,790,000	46,500	3%
Total Sales and Service	1,248,963	1,493,779	1,802,784	2,160,738	1,981,500	1,981,500	-179,238	-8%
Concession	0	0	0	0	0	30,000	30,000	#DIV/0!
Pro Shop Sales	0	0	0	0	0	52,000	52,000	#DIV/0!
Total Golf Other	0	0	0	0	0	82,000	82,000	#DIV/0!
Installment Purchase Proceeds	950,000	0	1,058,570	0	0	0	0	#DIV/0!
Employee Computer Purchase	0	0	0	50,000	50,000	50,000	0	0%
Charges on Past Due Accounts	0	65	0	0	0	0	0	#DIV/0!
Insurance Proceeds	0	27,778	0	0	0	0	0	#DIV/0!
Reimbursement-Golf	275	0	0	0	0	0	0	#DIV/0!
Youth Council	1,775	1,310	1,330	0	0	0	0	#DIV/0!
Airport Loan Reimbursement	0	0	0	0	100,324	100,324	100,324	#DIV/0!
ABC Revenue	230,000	140,000	215,000	160,000	160,000	160,000	0	0%
Street Charges	271,876	174,497	189,993	225,000	225,000	225,000	0	0%
Rental Income	15,510	0	0	0	0	0	0	#DIV/0!
Parking Revenue	14,667	8,348	5,107	14,250	2,500	2,500	-11,750	-82%
Animal Control	1,891	469	0	1,000	0	0	-1,000	-100%
Cable Franchise Fees	8,290	0	0	0	0	0	0	#DIV/0!
Miscellaneous	234,325	290,460	156,558	360,746	185,000	185,000	-175,746	-49%
Civil Violations	2,540	3,376	1,181	3,100	3,000	3,000	-100	-3%
Contribution-Other	0	0	7,874	0	0	0	0	#DIV/0!
Tower Consultant Fee	4,000	0	0	8,000	8,000	8,000	0	0%
Special Assessments	3,390	3,053	2,993	2,000	3,000	3,000	1,000	50%
MLK Donations	0	100	0	0	0	0	0	#DIV/0!
Total Other	1,738,539	649,456	1,638,605	824,096	736,824	736,824	-87,272	-11%
SUB-TOTAL GENERAL FUND	24,013,649	23,654,120	27,210,187	27,387,390	27,907,497	28,497,497	1,110,107	4%
Appropriated Fund Balance	0	0	0	3,069,439	851,510	851,510	-2,217,929	-72%
Transfer in Capital Projects	0	15,000	1,410,700	0	0	0	0	#DIV/0!
TOTAL GENERAL FUND	24,013,649	23,669,120	28,620,887	30,456,829	28,759,007	29,349,007	-1,107,822	-4%

GENERAL FUND EXPENDITURES

DEPARTMENT	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Governing Body	309,664	323,234	328,600	375,315	337,848	380,932	5,617	1%
Administration	243,514	256,032	287,063	325,270	304,317	339,237	13,967	4%
Human Resources	287,938	283,888	325,004	317,907	291,899	323,412	5,505	2%
Risk Management	64,403	63,091	87,066	91,819	73,803	84,578	-7,241	-8%
Elections	0	44,705	0	53,117	0	0	-53,117	-100%
Financial Services	926,697	946,453	907,343	1,025,194	1,037,522	1,056,529	31,335	3%
Information Technology	300,508	316,137	377,833	426,788	421,093	449,792	23,004	5%
Legal	232,568	242,218	245,101	295,469	267,997	286,417	-9,052	-3%
Public Building	830,306	885,877	1,118,555	1,631,535	972,208	1,005,713	-625,822	-38%
General Services	182,032	215,336	269,668	220,831	0	0	-220,831	-100%
Central Office	25,350	22,147	19,299	25,753	38,953	38,953	13,200	51%
GF Contributions	1,014,134	2,534,733	3,593,831	2,246,169	1,170,018	1,097,658	-1,148,511	-51%
Golf	0	0	0	0	0	736,324	736,324	#DIV/0!
Fleet Maintenance	1,189,538	1,171,974	1,080,016	1,253,858	1,119,219	1,161,414	-92,444	-7%
Less Fleet Maintenance Charges	-818,075	-788,600	-658,940	-767,873	0	-709,400	58,473	-8%
Horticulture	524,736	554,868	555,756	646,227	614,092	663,703	17,476	3%
General Government	5,313,311	7,072,094	8,536,196	8,167,379	6,648,969	6,915,262	-1,252,117	-15%
Police	7,442,081	7,219,474	7,516,442	8,069,507	7,160,916	8,276,767	207,260	3%
Police - 911 Surcharge	238,486	188,427	338,726	358,444	629,347	629,347	270,903	76%
Police - Dispatching	948,675	948,786	917,023	980,067	994,057	1,136,218	156,151	16%
Fire	4,324,308	3,916,993	3,986,601	5,060,864	6,220,442	4,598,389	-462,475	-9%
Inspection	396,890	397,097	402,810	466,890	447,762	474,788	7,898	2%
Public Safety	13,350,439	12,670,778	13,161,601	14,935,772	15,452,524	15,115,509	179,737	1%
Street	2,026,144	2,136,627	2,422,641	2,324,780	2,685,764	2,472,554	147,774	6%
Street Capital Imp.	1,064,020	141,819	693,344	749,195	1,705,525	720,525	-28,670	-4%
Streets	3,090,164	2,278,446	3,115,985	3,073,975	4,391,289	3,193,079	119,104	4%
Debt Service	0	0	0	935,470	727,500	961,250	25,780	3%
Solid Waste	1,315,306	1,348,181	1,508,940	1,523,520	1,892,301	1,549,611	26,091	2%
Sanitation	1,320,883	1,137,931	1,156,074	1,174,128	1,181,317	1,189,958	15,830	1%
Sanitation	2,636,189	2,486,111	2,665,014	2,697,648	3,073,618	2,739,569	41,921	2%
Community Development	902,595	871,045	788,815	1,243,371	1,136,999	1,046,650	-196,721	-16%
Code Enforcement	277,532	292,031	228,871	293,794	218,653	247,820	-45,974	-16%
Planning / Historic Preservation	111,906	104,855	108,955	150,926	131,776	140,321	-10,605	-7%
Community Development	1,292,033	1,267,931	1,126,641	1,688,091	1,487,428	1,434,791	-253,300	-15%
SUB-TOTAL GENERAL FUND	25,682,137	25,775,359	28,605,437	31,498,335	31,781,328	30,359,460	-1,138,875	-4%
Interfund Reimbursements	-847,884	-870,483	-988,034	-1,041,506	-1,039,077	-1,010,453	31,053	-3%
TOTAL GENERAL FUND	24,834,253	24,904,876	27,617,403	30,456,829	30,742,251	29,349,007	-1,107,822	-4%

UTILITY FUND REVENUE

REVENUE SOURCES	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Water Charges	10,297,001	10,421,755	10,342,799	10,516,677	10,709,449	10,709,449	192,772	2%
Sewer Charges	7,142,787	7,196,876	7,171,039	7,072,863	8,113,885	8,113,885	1,041,022	15%
Total User Charges	17,439,788	17,618,631	17,513,838	17,589,540	18,823,334	18,823,334	1,233,794	7%
								#DIV/0!
Interest Income	29,095	33,738	15,450	21,407	35,000	35,000	13,593	63%
Interest on Assessments	4,080	2,146	977	1,936	1,900	1,900	-36	-2%
Interest on Judgements	300	0	754	0	0	0	0	#DIV/0!
Total Investment Income	33,476	35,884	17,181	23,343	36,900	36,900	13,557	58%
								#DIV/0!
Taps and Connections	117,692	156,046	118,216	137,316	120,000	120,000	-17,316	-13%
Sewer Surcharge	23,668	58,439	56,749	56,389	51,000	51,000	-5,389	-10%
Meter Rental	4,444	3,604	3,607	3,808	3,800	3,800	-8	0%
Sludge Charge	37,940	44,900	46,725	45,000	40,000	40,000	-5,000	-11%
Non Compliance Fines	750	2,850	450	1,300	1,000	1,000	-300	-23%
Pretreatment Monitoring Fee	80,784	80,784	80,784	80,000	75,000	75,000	-5,000	-6%
Charges on Past Due Accounts	163,260	151,445	137,047	147,000	140,000	140,000	-7,000	-5%
Oil and Grease Fees	20,533	20,325	20,342	20,000	20,000	20,000	0	0%
Sales Other Funds	27,790	22,851	28,628	25,000	25,000	25,000	0	0%
Sale of Capital Assets	12,877	90,229	42,672	194,813	50,000	50,000	-144,813	-74%
Sale of Non-Capital Assets	0	0	0	1,142	1,000	1,000	-142	-12%
After Hours	4,525	5,500	5,557	6,017	5,500	5,500	-517	-9%
NSF Charges	7,797	8,945	7,145	8,134	6,000	6,000	-2,134	-26%
Miscellaneous	68,319	14,690	8,175	13,515	10,000	10,000	-3,515	-26%
Installment Purchase Proceeds	0	0	0	0	6,000,000	6,000,000	6,000,000	#DIV/0!
Rental Income	81,872	75,655	72,172	75,000	75,000	75,000	0	0%
Total Other Revenue	652,252	736,263	628,269	814,434	6,623,300	6,623,300	5,808,866	713%
FEMA Proceeds-Federal	1,125	0	0	0	0	0	0	#DIV/0!
FEMA Proceeds-State	375	0	0	0	0	0	0	#DIV/0!
Build American Bonds Rebate	920,285	892,864	891,902	850,000	850,000	850,000	0	0%
Plank Road					0	0	0	#DIV/0!
Total Intergovernmental	921,785	892,864	891,902	850,000	850,000	850,000	0	0%
SUB-TOTAL UTILITY FUND	19,047,301	19,283,642	19,051,190	19,277,317	26,333,534	26,333,534	7,056,217	37%
Retained Earnings	0	0	0	3,446,476	2,396,650	2,396,650	-1,049,826	-30%
Transfer In-Capital Project	1,126	0	200,000	0	0	0	0	#DIV/0!
TOTAL UTILITY FUND	19,048,427	19,283,642	19,251,190	22,723,793	28,730,184	28,730,184	6,006,391	26%

UTILITY FUND EXPENSES

DEPARTMENT	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Debt Service	5,736,447	5,697,854	6,634,488	6,640,112	6,314,638	6,673,638	33,526	1%
UF Contributions	2,072,909	88,037	1,492,491	383,051	198,077	187,469	-195,582	-51%
Other	2,072,909	88,037	1,492,491	383,051	198,077	187,469	-195,582	-51%
Warehouse	275,971	265,977	281,326	316,601	307,862	317,341	740	0%
Less Warehouse Charges	-189,060	-186,804	-199,858	-185,000	-185,000	-185,000	0	0%
UF Administration	1,635,475	1,705,619	1,834,961	1,991,261	1,879,666	1,971,642	-19,619	-1%
Engineering	518,637	515,503	546,664	811,395	667,801	753,110	-58,285	-7%
UF Public Works Administration	331,332	355,802	356,498	452,664	526,610	585,623	132,959	29%
Sewer Const.	1,672,154	1,666,832	1,625,441	1,660,614	0	0	-1,660,614	-100%
Water Const.	2,738,974	2,898,723	3,185,139	3,117,559	0	0	-3,117,559	-100%
Water Filtration	2,121,165	2,028,554	2,091,207	2,472,288	2,384,839	2,484,428	12,140	0%
Water Reclamation	1,570,873	1,837,039	1,874,883	2,181,278	2,130,453	2,234,913	53,635	2%
Distribution & Collection	0	0	0	0	4,519,208	4,820,788	4,820,788	#DIV/0!
Water Capital Imp.	875,385	542,223	366,397	962,490	1,700,000	1,700,000	737,510	77%
Sewer Capital Imp.	603,702	581,104	1,044,851	1,919,480	7,400,000	7,186,232	5,266,752	274%
Public Utilities	12,154,608	12,210,573	13,007,509	15,700,630	21,331,438	21,869,077	6,168,447	39%
TOTAL UTILITY FUND	19,963,963	17,996,463	21,134,489	22,723,793	27,844,153	28,730,184	6,006,391	26%

GOLF FUND REVENUE

DEPARTMENT	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Green Fees Annual	72,322	70,190	65,551	72,000	75,000	0	-72,000	-100%
Green Fees Daily	172,454	170,124	164,682	175,000	175,000	0	-175,000	-100%
Cart Fees	244,980	224,176	204,954	236,000	230,000	0	-236,000	-100%
Tournament	11,250	12,075	1,350	12,000	11,500	0	-12,000	-100%
School Fees	0	4,325	0	0	0	0	0	#DIV/0!
Driving Range	19,762	16,639	15,192	18,000	16,500	0	-18,000	-100%
Total Golf User Charges	520,768	497,529	451,728	513,000	508,000	0	-513,000	-100%
Interest Income	130	181	98	100	0	0	-100	-100%
Total Investment Income	130	181	98	100	0	0	-100	-100%
Concession	37,049	32,432	28,330	36,000	30,000	0	-36,000	-100%
Miscellaneous	3,751	-1,301	-1,358	0	0	0	0	#DIV/0!
Pro Shop Sales	56,042	51,631	50,150	55,460	52,000	0	-55,460	-100%
Installment Purchase Proceeds	0	0	40,002	0	0	0	0	#DIV/0!
Sale of Capital Assets	0	0	4,375	0	0	0	0	#DIV/0!
Total Golf Other	96,842	82,762	121,500	91,460	82,000	0	-91,460	-100%
SUB-TOTAL GOLF FUND	617,740	580,472	573,327	604,560	590,000	0	-604,560	-100%
Contribution from General Fund	106,890	72,258	121,149	123,874	203,445	0	-123,874	-100%
TOTAL GOLF FUND	724,630	652,730	694,476	728,434	793,445	0	-728,434	-100%

GOLF FUND EXPENSES

DEPARTMENT	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Golf	912,858	803,913	842,188	728,434	742,607	0	-728,434	-100%
Total Other	912,858	803,913	842,188	728,434	742,607	0	-728,434	-100%
TOTAL GOLF EXPENSES	912,858	803,913	842,188	728,434	742,607	0	-728,434	-100%

MUNICIPAL SERVICE DISTRICT FUND REVENUE

REVENUE SOURCES	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Current Year Taxes	54,712	53,885	52,045	50,358	53,100	53,100	2,742	5%
Prior Year Taxes	1,504	3,379	1,474	0	0	0	0	#DIV/0!
Motor Vehicle Tax	0	704	769	1,780	1,320	1,320	-460	-26%
Motor Vehicle Tax - Penalties	0	0	6	0	0	0	0	#DIV/0!
Penalties Less Discounts	469	637	458	500	0	0	-500	-100%
Total Ad Valorem Taxes	56,685	58,605	54,752	52,638	54,420	54,420	1,782	3%
Interest Income	113	138	71	80	250	250	170	213%
Total Investment Income	113	138	71	80	250	250	170	213%
Miscellaneous							0	#DIV/0!
Parking Revenues	1,705	450	0	500	0	0	-500	-100%
Total Other	1,705	450	0	500	0	0	-500	-100%
SUB-TOTAL MUNICIPAL SERVICE DISTRICT FUND	58,503	59,193	54,823	53,218	54,670	54,670	1,452	3%
Appropriated Fund Balance	0	0	0	25,442	20,540	20,540	-4,902	-19%
Contribution From General Fund	0	0	0	42,000	43,100	43,100	1,100	3%
TOTAL MUNICIPAL SERVICE DISTRICT FUND	58,503	59,193	54,823	120,660	118,310	118,310	-2,350	-2%

MUNICIPAL SERVICE DISTRICT FUND EXPENDITURES

DEPARTMENT	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 ACTUAL	FY 15-16 BUDGET	FY 16-17 REQUESTED	FY 16-17 APPROVED	VARIANCE	% CHG.
Municipal Service District	80,195	47,233	43,930	120,660	132,410	118,310	-2,350	-2%
Total Other	80,195	47,233	43,930	120,660	132,410	118,310	-2,350	-2%
TOTAL MUNICIPAL SERVICE DISTRICT FUND	80,195	47,233	43,930	120,660	132,410	118,310	-2,350	-2%

Staffing Comparison - Headcount

Department	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Approved
Governing Body - Elected	9	9	9	9	9
Administration	3	3	3	3	3
Human Resources	4	4	4	4	4
Risk Management	1	1	1	1	1
Financial Services	9	9	9	9	9
Information Technology	2	2	3	3	3
Legal	2	2	2	2	2
Public Building	3	3	3	3.5	3.5
General Services	2	2	2	0	0
Golf	0	0	0	0	6
Fleet Maintenance	5	5	5	5.5	5.5
Horticulture	6	6	6	6	6
TOTAL GENERAL GOVERNMENT	46	46	47	46	52
Police	106	106	106	108	110
Fire	54	54	54	54	54
Inspections	7	7	7	7	7
TOTAL PUBLIC SAFETY	167	167	167	169	171
Street	18	18	18	17.5	17.5
TOTAL TRANSPORTATION	18	18	18	17.5	17.5
Solid Waste	18	18	18	18.5	18.5
TOTAL SANITATION	18	18	18	18.5	18.5
Community Development	10	10	10	10	10
Code Enforcement	4	4	4	4	4
Downtown/HPC	1	1	1	1	1
TOTAL COMMUNITY DEVELOPMENT	15	15	15	15	15
TOTAL GENERAL FUND	264	264	265	266	274

Includes permanent part-time position and frozen position

Includes permanent part-time position

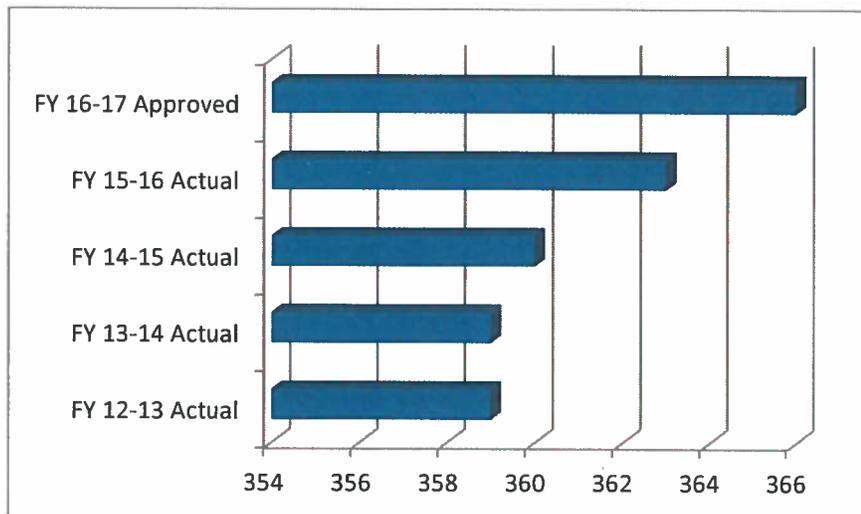
Includes frozen position(s)

Staffing Comparison - Headcount

Department	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Approved
Warehouse	1	1	1	1	1
UF Administration	11	11	11	11	11
Engineering	8	8	8	9	10
Public Works Administration	4	4	4	6	6
Sewer Construction & Maintenance	14	14	14	0	0
Water Construction & Maintenance	27	27	27	0	0
Distribution and Collection				40	40
Water Filtration	11	11	11	11	11
Water Reclamation	13	13	13	13	13
TOTAL PUBLIC UTILITIES	89	89	89	91	92
TOTAL UTILITY FUND	89	89	89	91	92
TOTAL GOLF FUND	6	6	6	6	0
TOTAL ENTERPRISE FUND	95	95	95	97	92
GRAND TOTAL	359	359	360	363	366

Includes permanent part-time position

Includes frozen position(s)



GENERAL FUND CAPITAL OUTLAY					
QTY	ITEM	DEPARTMENT	REQUESTED		APPROVED
			REPLACE	NEW	
1	Web server	Information Technology	\$ 8,900		\$ 8,900
1	Firewall	Information Technology	4,900		4,900
	Total Information Technology		13,800	0	13,800
1	Fireproof file cabinet	Governing Body		3,400	3,400
	Total Governing Body		0	3,400	3,400
1	Air condition re-claiming machine	Fleet Maintenance		10,000	0
	Total Fleet Maintenance		0	10,000	0
1	Mail machine	Central Office	13,500		13,500
	Total Central Office		13,500	0	13,500
	City hall improvements	Public Building	40,000		20,000
	Total Public Building		40,000	0	20,000
	Bay addition #2 fire station	Fire		225,000	0
	Renovations to #2 fire station	Fire	0	566,000	0
1	4x4 crew cab truck w/ bedcover	Fire	34,800		34,800
1	Brush truck	Fire	125,000		0
1	4x4 extended cab truck	Fire	30,550		0
12	VHF mobile radios	Fire	59,000		59,000
	Replace roof at #2 fire station	Fire	28,000		28,000
	Concrete at Central Fire Station	Fire	80,000		80,000
	Replace bay doors at Central Fire Station	Fire	80,000		0
	Replace HVAC at #2 fire station	Fire	12,000		12,000
	Land acquisition for #4 fire station	Fire		995,000	0
	Total Fire		449,350	1,786,000	213,800
1	3/4 ton crew cab truck	Horticulture	29,150		29,150
1	Zero turn mower	Horticulture	9,200		9,200
	Total Horticulture		38,350	0	38,350
1	1/2 ton standard truck	Inspections	22,500		22,500
	Total Inspections		22,500	0	22,500
	Wayfinding signs - Downtown Sanford and Historic Jonesboro	Downtown/HPC		35,000	35,000
	Schematic designs-Depot Park	Downtown/HPC		3,000	3,000
	Total Downtown / HPC		0	38,000	38,000
12	Patrol vehicles	Police	317,400		317,400
1	Selective enforcement vehicle	Police	24,800		24,800
4	Mobile data terminals	Police	25,000		25,000
3	Specialized firearms	Police	9,000		9,000
1	Domain controller and client access licenses	Police	12,000		12,000
1	Vehicle	Police - Drug Forfeiture	40,000		40,000
4	Telephone workstations	Police - E911	18,102		18,102
	Radio system consoles	Police - E911	250,000		250,000
	Total Police		\$ 696,302	\$ -	\$ 696,302

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, 2015 is as shown in the following table.

Assessed Valuations	<u>\$ 2,436,353,667</u>
Debt limit 8% of assessed valuations	194,908,293
Amount of debt applicable to debt limit	50,030,000
Outstanding debt not evidenced by bonds:	
Notes	16,915,503
Installment purchase contracts	1,700,391
Capital leases	-
Annexation liability for fire protection	-
	68,645,894
Less deduction allowed by G.S. 159.55(a)(2) and G.S. 159.55(b)-Utility debt	50,030,000
Net Debt	18,615,894
LEGAL DEBT MARGIN	<u>\$ 176,292,399</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 bond ratings received for these bonds 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 increased water and sewer rates from 2009 through 2014 to accommodate for the debt service for our capital improvements in the Utility Fund. The City anticipated sufficient revenue to meet the last two years obligations without having to adjust water and sewer rates. However, council approved an increase to water and sewer rates by 2% in order to meet the City's obligation for FY 16-17. 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, 2015 is as follows:

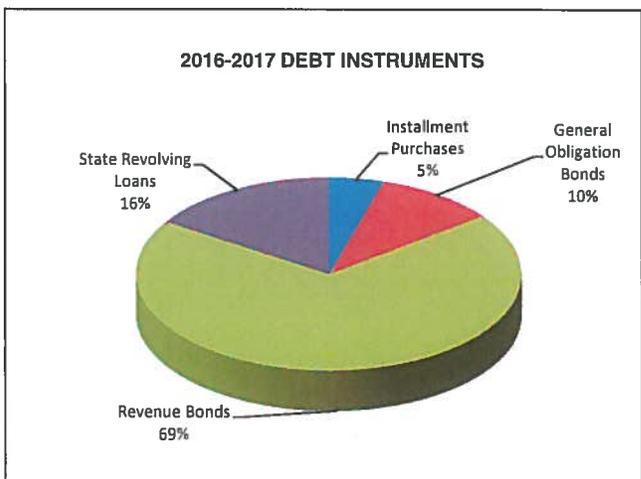
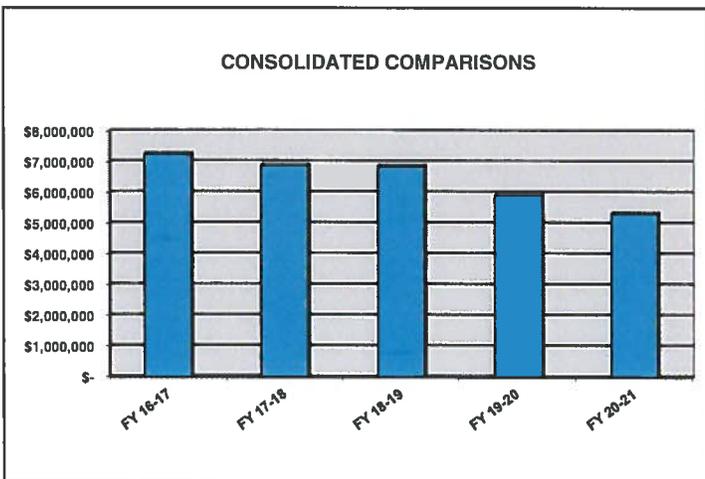
Operating revenues	\$ 18,102,010
Operating expenses	<u>(14,623,753)</u>
Operating income	3,478,257
Non-operating revenues (expenses)*	<u>608,821</u>
Income before transfers and capital contributions	4,087,078
Adjustments:	
Depreciation and amortization expense (net)	3,720,583
Interest expense	395,194
Other post-employment benefit accrued expense	<u>239,725</u>
Income available for debt service	<u>\$ 8,442,580</u>
Parity debt service (Revenue bonds only)	\$ 5,281,607
Parity debt service coverage ratio	1.60
G.O., Subordinate, and all other indebtedness	<u>1,347,078</u>
Total debt service	<u>\$ 6,628,685</u>

Total debt service coverage ratio 1.27

*Per rate covenants, this does not include revenue bond interest paid of \$2,566,607.

SCHEDULE OF DEBT SERVICE

DESCRIPTIONS	FY 16-17 REQ.	FY 17-18 REQ.	FY 18-19 REQ.	FY 19-20 REQ.	FY 20-21 REQ.	FY 21-34 REQ.	TOTAL
Installment Purchases							
Street Resurfacing; dated 7/12/2012; 2.09% interest; BB & T; 10 years outstanding \$616,736	\$ 105,520	\$ 105,520	\$ 105,520	\$ 105,520	\$ 105,520	\$ 131,900	\$ 659,500
Fire Pumper; dated 11/18/14; 1.46% interest; BB & T; 5 years outstanding \$367,114	112,739	112,739	112,739	38,606	-	-	376,823
Solid Waste Dept.; knuckleboom and leaf vac truck; dated 11/18/14; 1.46% interest; BB & T; 5 yrs; outstanding \$193,590	59,442	59,442	59,442	20,358	-	-	198,684
Golf; rough mower; 11/18/14; 1.46% interest; BB & T; 5 years; outstanding \$26,084	8,014	8,014	8,014	2,743	-	-	26,785
Street Dept.; street sweeper; dated 11/18/14; 1.46% interest; BB & T; 5 yrs. outstanding \$156,358	48,023	48,023	48,023	16,443	-	-	160,512
	\$ 333,738	\$ 333,738	\$ 333,738	\$ 183,670	\$ 105,520	\$ 131,900	\$ 1,422,304
General Obligation Bonds							
Streetscape and sidewalk GO Bonds Series 2015; 2/10/15; 2.545749% interest; outstanding \$8,050,000	727,500	709,500	691,500	673,500	655,500	7,038,300	10,495,800
	\$ 727,500	\$ 709,500	\$ 691,500	\$ 673,500	\$ 655,500	\$ 7,038,300	\$ 10,495,800
Revenue Bonds							
Revenue Bonds Series 2010; issued 12/22/10; 3.51% interest; outstanding \$38,680,000	5,031,853	4,668,506	4,665,628	3,890,922	3,405,977	42,531,553	64,194,439
	\$ 5,031,853	\$ 4,668,506	\$ 4,665,628	\$ 3,890,922	\$ 3,405,977	\$ 42,531,553	\$ 64,194,439
State Revolving Loans							
Water Imp.; 2.6% interest; issued 11/1/00; due annually to 2022; outstanding \$585,000	112,710	110,175	107,640	105,105	102,570	100,035	638,235
Water Treatment Plant; 0% interest; issued 1/29/10; due annually to 2030; outstanding \$632,508	45,179	45,179	45,179	45,179	45,179	406,612	632,507
WWTP SRF Loan; 2.22% interest; issued 10/4/2010; 20 years; outstanding \$14,902,884	999,868	1,014,694	1,014,694	1,014,694	1,014,694	13,123,999	18,182,643
	\$ 1,157,757	\$ 1,170,048	\$ 1,167,513	\$ 1,164,978	\$ 1,162,443	\$ 13,630,646	\$ 19,453,385
TOTAL DEBT SERVICE	\$ 7,250,848	\$ 6,881,792	\$ 6,858,379	\$ 5,913,070	\$ 5,329,440	\$ 63,332,399	\$ 95,565,928



Note: Principle and interest included with annual requirements.

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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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Ad Valorem Taxes	12,246,702	13,510,642	14,564,534	14,575,038	14,855,796	14,855,796
Penalties Less Disc.	60,361	73,528	68,298	65,000	50,000	50,000
Other Taxes	4,965,129	3,968,393	4,561,944	4,982,409	5,026,760	5,026,760
User Charges – Golf	0	0	0	0	0	508,000
Intergovernmental	3,399,089	3,592,616	4,154,477	4,374,471	4,810,130	4,810,130
Other	1,738,539	649,456	1,638,605	824,096	736,824	818,824
Sales/Service	1,248,963	1,493,779	1,802,784	2,160,738	1,981,500	1,981,500
Investment Income	34,337	28,757	18,685	25,900	45,600	45,600
Licenses/Permits	320,529	336,949	400,860	379,738	400,887	400,887
Appropriated Fund Balance	0	0	0	3,069,439	851,510	851,510
Transfer in Cap.Proj.	0	15,000	1,410,700	0	0	0
Total	24,013,649	23,669,120	28,620,887	30,456,829	28,759,007	29,349,007

GRAPHIC REPRESENTATION

FY 16-17 revenues reflect a decrease of \$1,107,822 or four (4%) percent compared to the FY 15-16 budget. This decrease is mainly shown within appropriated fund balance and is the result of the following items budgeted in FY 15-16: 1) purchase property (\$368,100); 2) loan to airport authority (\$650,000); 3) re-appropriation of funds not expended at year end (\$1,037,951); and 4) additional funds required for the streetscape project (\$200,000). Ad valorem taxes and penalties less discounts are showing a combined increase of \$265,758 or two percent (2%) from prior year. Since FY 14-15 was a revaluation year and appeals were still outstanding, staff budgeted conservatively. The tax rate will remain at 0.60 cents per \$100 valuation. Sales tax revenues are projected to increase by approximately \$45,000 from the FY 15-16 budget or one (1%) percent. The growth in sales tax is 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 a \$435,659 or ten percent (10%) increase mainly shown within utility franchise tax which is related to weather and growth; E911 surcharge reimbursement reflects a \$276,778 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. No significant changes within other revenue. Sales and service reflects a decrease of \$179,238 or eight (8%) percent which is mainly the result of sale of capital in prior year. Licenses and permits show an increase of \$21,149 or six percent (6%) compared to prior year. **It should be noted that council elected to transfer the Golf Fund from an Enterprise Fund into the General Fund resulting in the golf user charges shown above.**

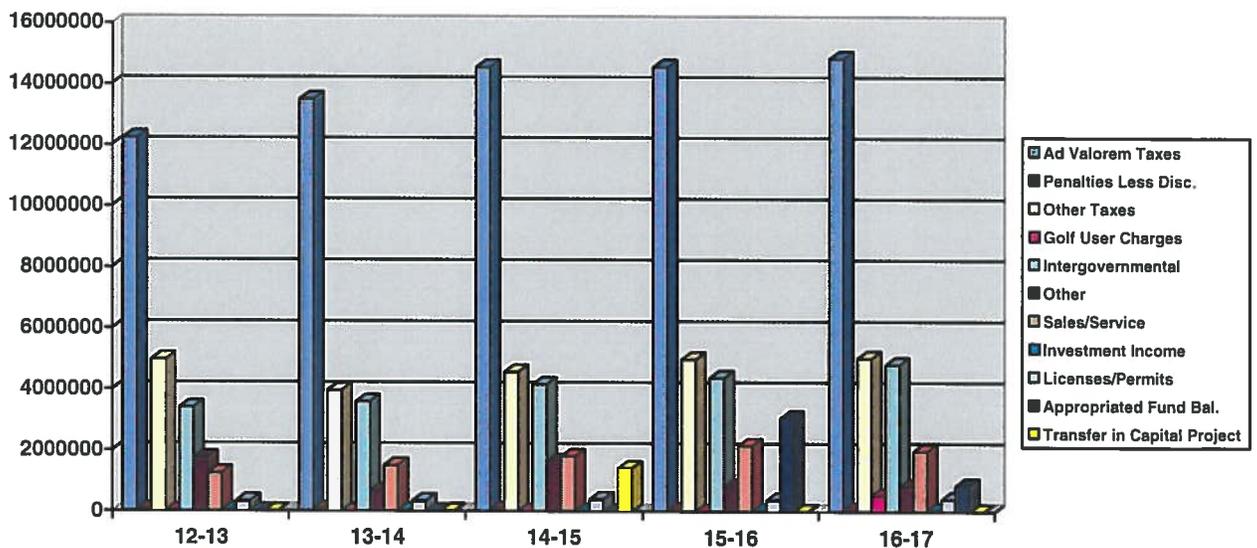
FY 15-16 tax rate remained at 0.60 cents per \$100 valuation. The city increased property tax by six cents in FY 14-15, which in turn increased our sales tax revenue as distribution is based on the ad valorem method. Other revenue reflects a decrease mainly due to funding capital through installment purchase proceeds in prior year. Fund balance was appropriated for several large ticket items and are listed in paragraph above.

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.

Council increased compost fees in **FY 12-13** and is shown within sales and service.



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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	16,044,276	16,435,430	16,489,678	17,637,017	15,900,067	18,421,502
Operating	6,460,431	7,949,762	9,538,215	10,460,522	10,378,816	9,437,853
Capital Outlay	2,329,546	519,684	1,589,510	2,359,290	4,463,368	1,489,652
Total	24,834,253	24,904,876	27,617,403	30,456,829	30,742,251	29,349,007
Budgeted Employees	264	264	265	266	268	274

GRAPHIC REPRESENTATION

FY 16-17 expenditures reflect a decrease of \$1,107,822 or four (4%) percent compared to the FY 15-16 budget. Personnel costs 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 0.58% 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. Please note freezing a total of six positions puts more pressure on our service delivery level as we continue to do more with less. Operating reflects a decrease of \$1,022,669 or eleven (11%) percent compared to prior year. The City loaned the Airport Authority \$650,000 as well as contributed to the streetscape and sidewalk projects in FY 15-16 resulting in the decrease shown within operating. The decrease is also the result of a reduction in fuel cost, re-classification of capital expenditures, as well as the establishment of the "Buggy Factory" to house Community Development, Code Enforcement, Inspections, Sanford Area Growth Alliance (SAGA), and other stand-alone departments in prior year. Operating includes street resurfacing funds in the amount of \$500,000 and debt payment for streetscape and sidewalk projects in the amount of \$961,250. Interfund reimbursements are shown as reductions to expenses for services provided and charged to other funds. 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.

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. Street resurfacing in the amount of \$500,000 is included within operating. 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

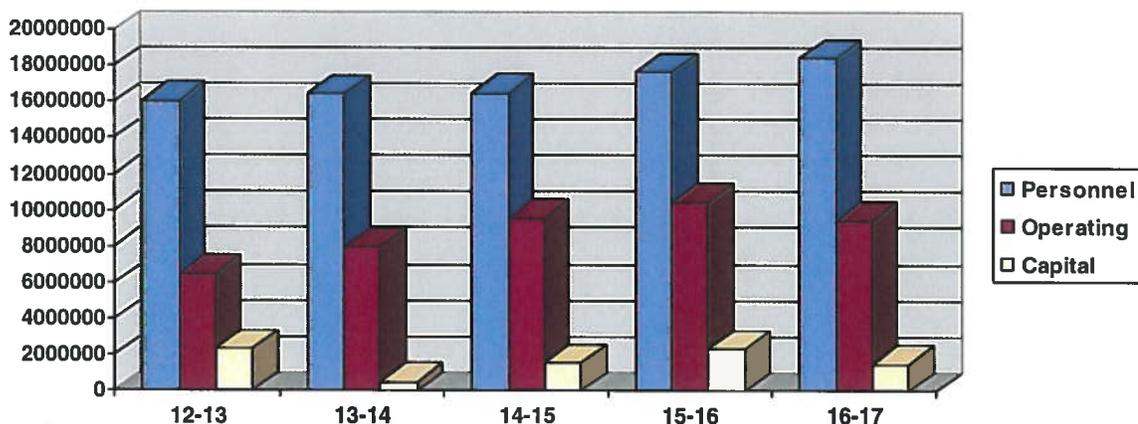
GENERAL FUND EXPENDITURE SUMMARIES (Continued)

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.

FY 12-13 personnel costs include a 2.5% cost of living adjustment for employees and a 0.14% reduction in the employer retirement contribution. The city elected to make changes to health plan copays and deductibles rather than increase health insurance premiums. Employees now have the option to choose between a Preferred Provider Organization (PPO) or a Consumer Driven Health Plan (CDHP). A new computer systems administrator position is funded within the Finance department. Street paving funds are included in **FY 12-13** and shown within capital outlay.



GENERAL FUND

FUND BALANCE GOVERNMENTAL FUNDS - UNAUDITED

	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	BUDGET 16-17
GENERAL FUND					
BEGINNING BALANCE	\$ 11,587,365	\$ 10,766,761	\$ 9,546,004	\$ 10,901,618	\$ 10,432,179
REVENUES					
AD VALOREM TAXES	12,307,065	13,584,170	14,632,832	14,640,038	14,905,796
INTERGOVERNMENTAL	3,399,089	3,592,616	4,154,477	4,374,471	4,810,130
SALES TAX	4,965,129	3,968,393	4,561,944	4,982,409	5,026,760
OTHER	3,342,366	2,523,941	4,213,064	3,390,472	3,754,811
TOTAL	24,013,649	23,669,120	27,562,317	27,387,390	28,497,497
EXPENDITURES					
GENERAL GOVERNMENT	4,260,307	4,405,323	4,747,013	6,876,399	5,879,809
PUBLIC SAFETY	13,350,440	12,670,778	13,161,601	14,935,772	15,115,509
STREETS	3,090,164	2,278,446	3,115,985	3,073,975	3,193,079
DEBT SERVICE	0	0	0	935,470	961,250
SANITATION	2,636,189	2,486,111	2,665,014	2,697,648	2,739,569
COMMUNITY DEV.	1,292,033	1,267,931	1,126,641	1,688,091	1,434,791
TOTAL	24,629,133	23,108,589	24,816,254	30,207,355	29,324,007
TRANSFER TO OTHER FUNDS	205,120	1,796,288	2,801,149	249,474	25,000
TRANSFER IN CAPITAL PROJECT	-	15,000	1,410,700	2,600,000	-
ENDING BALANCE	\$ 10,766,761	\$ 9,546,004	\$ 10,901,618	\$ 10,432,179	\$ 9,580,669

Note: The reduction shown in FY 13-14 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, 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

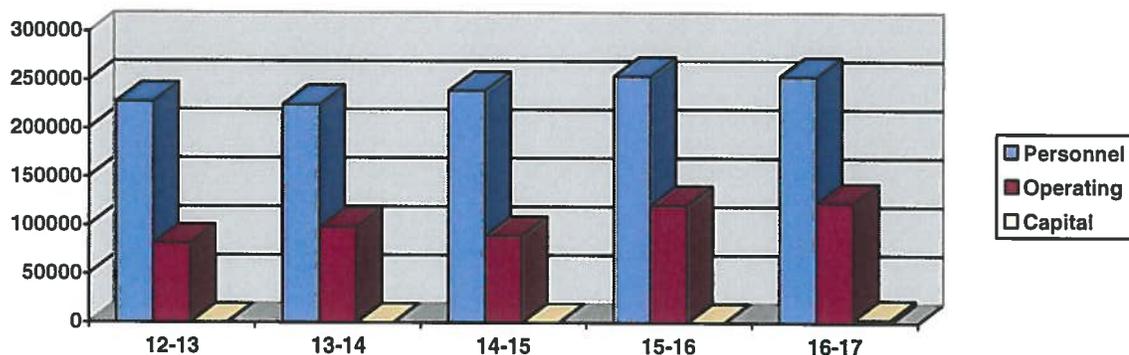
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	228,044	224,755	239,145	254,112	219,610	253,902
Operating	81,620	98,479	89,455	121,203	114,838	123,630
Capital	0	0	0	0	3,400	3,400
Subtotal	309,664	323,234	328,600	375,315	337,848	380,932
Less Interfund Reimbursement	(67,018)	(71,790)	(71,845)	(74,465)	(75,023)	(71,178)
Total	242,646	251,444	256,755	300,850	262,825	309,754
Budgeted Employees	9	9	9	9	9	9

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) fireproof file cabinet, \$3,400.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$5,617 or 1% compared to FY 15-16 budget prior to interfund reimbursements. 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. **FY 12-13** personnel cost center reflects a 2.5% cost of living adjustment and a retirement contribution rate decrease of 0.14%.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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)	3	4	3
National League of Cities conferences (members attending)	4	4	5
NC League of Municipalities conferences (members attending)	3	4	2
Public Policy meetings	13	13	12
Sanford Area Growth Alliance meetings	12	12	12
NC Metro Mayors coalition (call-ins)	-	50	52
Joint Interlocal Committee meetings (members attending)	-	3	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	37	35	35
National Night Out awards received	18	19	21
Coordinate National Night Out events	40	40	40

GOVERNING BODY

Performance Measures	14-15 Actual	15-16 Projected	16-17 Projected
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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	24	10
Work sessions	7	8	14
City Council meetings	28	28	28
Prepare agendas and attend commission meetings	50	54	50
Adopted city ordinances and resolutions	110	71	91
Prepare applications for Boards and Commissions appointments	25	25	25

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%
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ADMINISTRATION

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

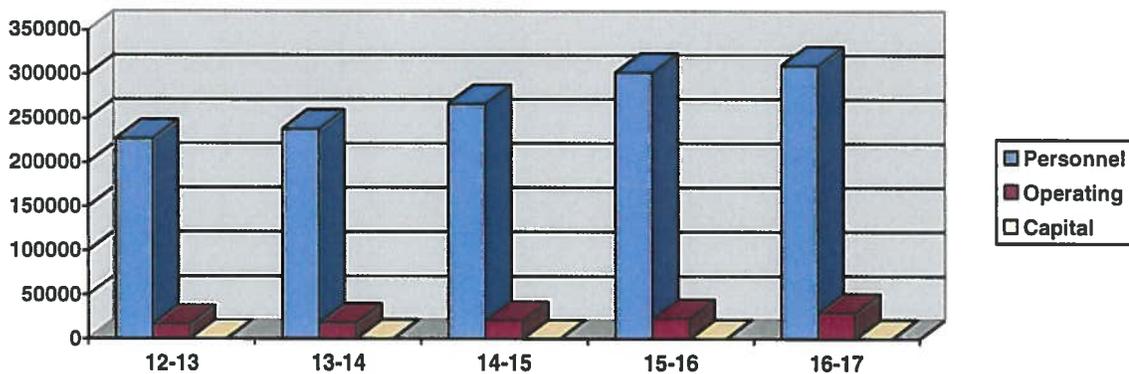
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	227,077	238,115	266,593	302,410	276,281	309,951
Operating	16,437	17,917	20,470	22,860	28,036	29,286
Capital	0	0	0	0	0	0
Subtotal	243,514	256,032	287,063	325,270	304,317	339,237
Less Interfund Reimbursement	(47,008)	(51,894)	(57,228)	(59,779)	(66,601)	(62,180)
Total	196,506	204,138	229,835	265,491	237,716	277,057
Budgeted Employees	3	3	3	3	3	3

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$13,967 or four percent (4%) compared to FY 15-16 budget prior to interfund reimbursements. 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 employee 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. **FY 12-13** reflects 2.5% cost of living adjustment, a retirement contribution rate decrease of 0.14%, and additional hours for the public information officer.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	8	5
Town Hall Day (members attending)	7	1	1
National League of Cities conferences (members attending)	6	4	1
NC League of Municipalities conferences (members attending)	4	1	1
Public Policy meetings	13	13	14
Sanford Area Growth Alliance (SAGA) meetings	18	18	18
Airport Authority meetings	12	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

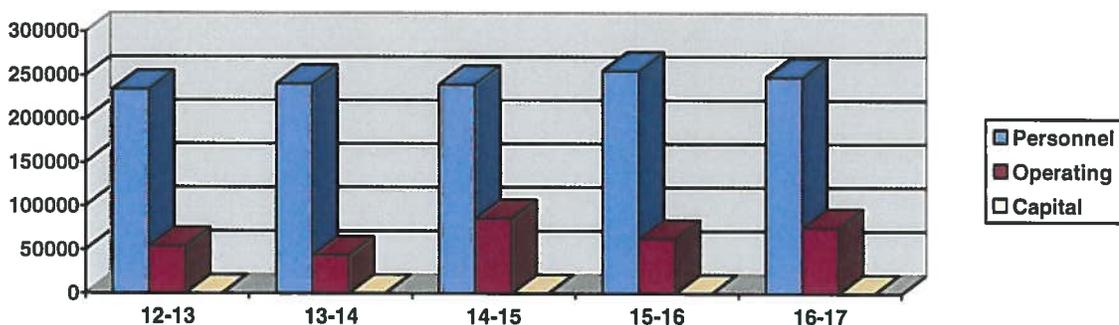
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	234,289	240,419	239,556	255,360	219,716	248,079
Operating	53,649	43,469	85,448	62,547	72,183	75,333
Capital	0	0	0	0	0	0
Subtotal	287,938	283,888	325,004	317,907	291,899	323,412
Less Interfund Reimbursement	(61,823)	(62,974)	(67,064)	(65,742)	(75,826)	(70,398)
Total	226,115	220,914	257,940	252,165	216,073	253,014
Budgeted Employees	4	4	4	4	4	4

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$5,505 or two percent (2%) compared to FY15-16 budget prior to interfund reimbursement. 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 decrease shown within operating is the result of the retirement of a long time employee as well as an additional pay period in FY 15-16. One receptionist position remains frozen resulting in a savings of approximately \$41,000. CDL drug and alcohol testing previously funded within the Risk Management Department has been transferred into this department 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, 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**. Personnel adjustments shown in **FY 12-13** are the result of a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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)	58	57	53
Wellness Program / Lunch-n-Learn sessions	32	20	21

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 staffing 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	15	15	15
Personnel hired – temporary	1	5	2
Personnel changes – promotions	16	20	18
Personnel changes – promotions / transfers	1	6	4
Personnel changes – demotions	1	0	0
Personnel separated – all personnel	14	14	14
Personnel separated – excluding retirees	8	12	12
Turnover rate – all personnel	4.20%	5.40%	5.40%
Turnover rate – excluding retirees	2.40%	3.30%	3.30%

HUMAN RESOURCES

Performance Measures	14-15 Actual	15-16 Projected	16-17 Projected
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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	15	16	15
COBRA election forms to eligible employees / dependents	13	15	14

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
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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

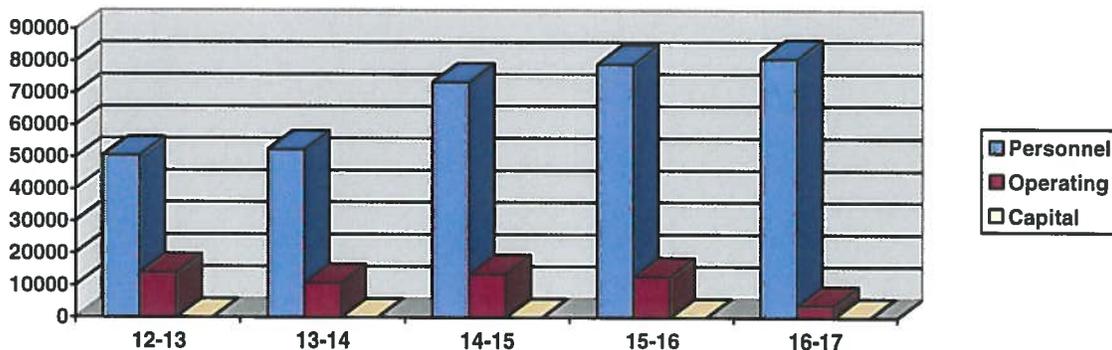
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	50,525	52,401	73,478	79,111	69,995	80,770
Operating	13,878	10,690	13,588	12,708	3,808	3,808
Capital	0	0	0	0	0	0
Subtotal	64,403	63,091	87,066	91,819	73,803	84,578
Less Interfund Reimbursement	(33,843)	(30,942)	(27,125)	(26,411)	(36,268)	(36,268)
Total	30,560	32,149	59,941	65,408	37,535	48,310
Budgeted Employees	1	1	1	1	1	1

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$7,241 or eight percent (8%) compared to **FY 15-16** budget prior to interfund reimbursement. 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. No significant changes 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. 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**. **FY 12-13** personnel cost center shows a 2.5% cost of living adjustment and an employer retirement contribution rate decrease of 0.14%.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	10	10	10
Field inspections related to employee and public safety	12	18	18
Workers' comp claims administered per calendar year	21	27	24
Recordable cases	17	22	20
Lost Work Days (LWD)	237	357	297
Workers' comp claims paid	\$109,760	\$182,194	\$145,977
Auto / general liability claims administered	45	60	53
Auto / general liability annual loss incurred	\$84,657	\$244,964	\$164,810
Auto / medical claims annual loss incurred	\$42,936	\$315	\$15,968

ELECTIONS

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

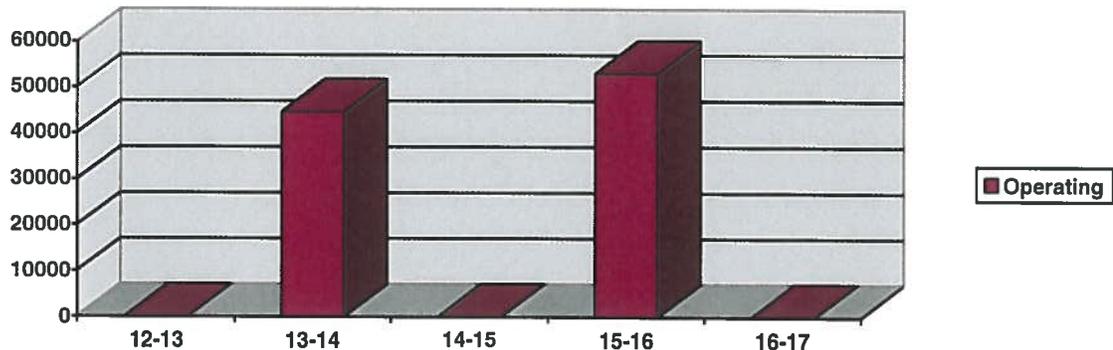
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	0	44,705	0	53,117	0	0
Capital	0	0	0	0	0	0
Total	0	44,705	0	53,117	0	0
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

Elections reflect costs associated with the city election held bi-annually. **FY 15-16** reflects an \$8,412 increase compared to FY 13-14. 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.

DEPARTMENTAL SUMMARIES

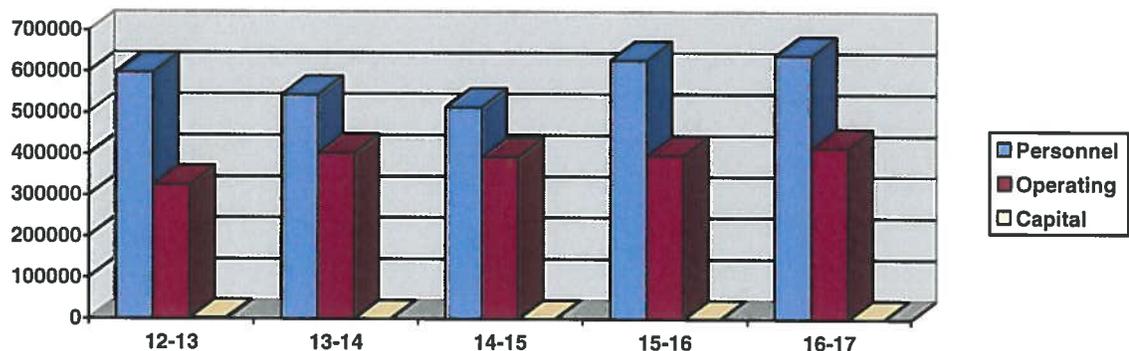
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	598,289	543,744	513,839	628,399	623,920	640,327
Operating	326,058	402,709	393,504	396,795	413,602	416,202
Capital	2,350	0	0	0	0	0
Subtotal	926,697	946,453	907,343	1,025,194	1,037,522	1,056,529
Less Interfund Reimbursement	(243,098)	(257,245)	(294,433)	(299,355)	(288,999)	(278,384)
Total	683,599	689,208	612,910	725,839	748,523	778,145
Budgeted Employees	9	9	9	9	9	9

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$31,335 or three percent (3%) compared to FY 15-16 budget prior to interfund reimbursement. 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. No significant changes 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. 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. Staff turnover drives the decrease shown within personnel. Remaining funds were transferred at year end to accommodate another department's shortfall. **FY 12-13** personnel cost center shows a 2.5% cost of living adjustment, a 0.14% employer retirement contribution decrease, and the addition of one computer systems administrator position. Seventy-five percent (75%) of this new position will be charged to the Utility Fund and is reflected through interfund reimbursement.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	35	36	37
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	29	30	31

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

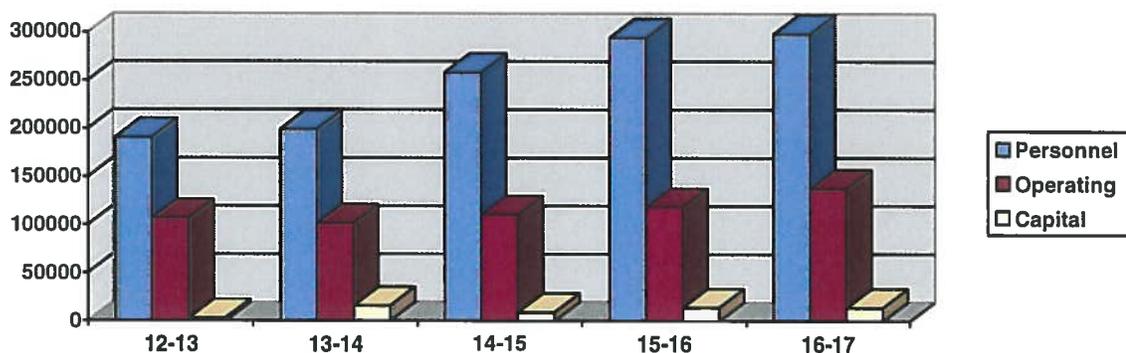
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	190,831	199,172	258,403	294,347	269,042	298,391
Operating	106,713	101,326	110,433	118,441	138,251	137,601
Capital	2,964	15,639	8,997	14,000	13,800	13,800
Subtotal	300,508	316,137	377,833	426,788	421,093	449,792
Less Interfund Reimbursements	(63,623)	(67,196)	(69,033)	(69,227)	(84,208)	(79,893)
Total	236,885	248,941	308,800	357,561	336,885	369,899
Budgeted Employees	2	2	3	3	3	3

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) web server, \$8,900; and one (1) firewall, \$4,900.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$23,004 or five percent (5%) compared to the FY 15-16 budget prior to interfund reimbursement. 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. No significant changes within operating. **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. **FY 12-13** personnel adjustments reflect a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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 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	14-15 Actual	15-16 Projected	16-17 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	240	245	250
Number of computer systems in place	235	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

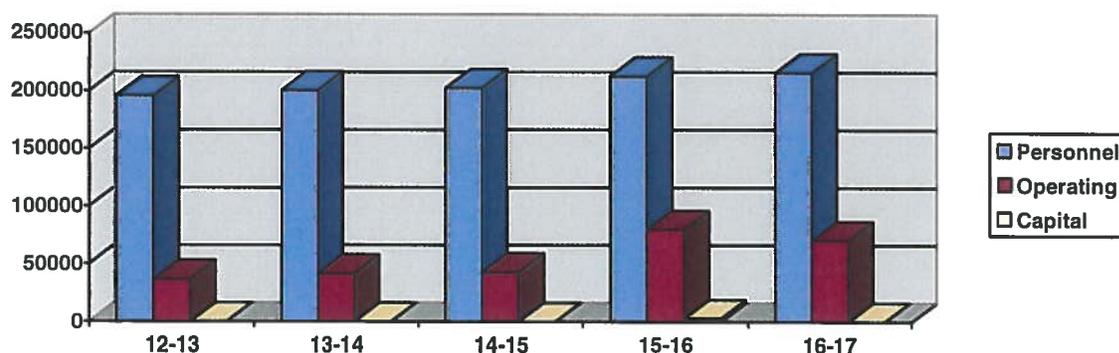
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	195,870	200,554	202,435	212,805	196,032	215,927
Operating	36,698	41,664	42,666	79,812	71,965	70,490
Capital	0	0	0	2,852	0	0
Subtotal	232,568	242,218	245,101	295,469	267,997	286,417
Less Interfund Reimbursement	(103,910)	(98,992)	(97,952)	(101,394)	(102,098)	(102,098)
Total	128,658	143,226	147,149	194,075	165,899	184,319
Budgeted Employees	2	2	2	2	2	2

2016-2017 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$9,052 or three percent (3%) compared to FY 15-16 budget prior to interfund reimbursement. 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 decrease shown within operating is mainly due to the hiring of outside council for litigation in prior 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, 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. Operating reflects an increase mainly shown within contractual services for hiring of outside council. **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 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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

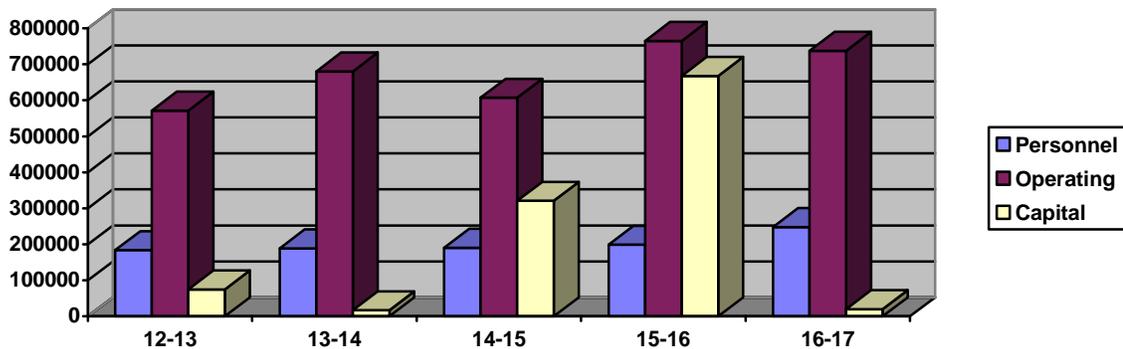
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	184,049	188,933	190,388	198,845	215,800	248,083
Operating	571,325	680,030	607,274	764,870	716,408	737,630
Capital	74,932	16,914	320,893	667,820	40,000	20,000
Subtotal	830,306	885,877	1,118,555	1,631,535	972,208	1,005,713
Less Interfund Reimbursements	(158,285)	(154,710)	(225,967)	(258,810)	(240,806)	(240,806)
Total	672,021	731,167	892,588	1,372,725	731,402	764,907
Budgeted Employees	3	3	3	3	3 ½	3 ½

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes city hall improvements, \$20,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$625,822 or thirty-eight (38%) percent compared to FY 15-16 budget prior to interfund reimbursement. 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. The operating cost center reflects a decrease mainly due to the re-classification of capital expenditures and establishing energy efficient measures in prior 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, and a 1.6% increase for group health insurance. Operating cost center reflects an increase mainly shown within telephone, utilities, and insurance and bonds. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease; however, only a slight increase is shown due to the retirement of an employee in FY 11-12. A space needs study was performed in **FY 12-13**.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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

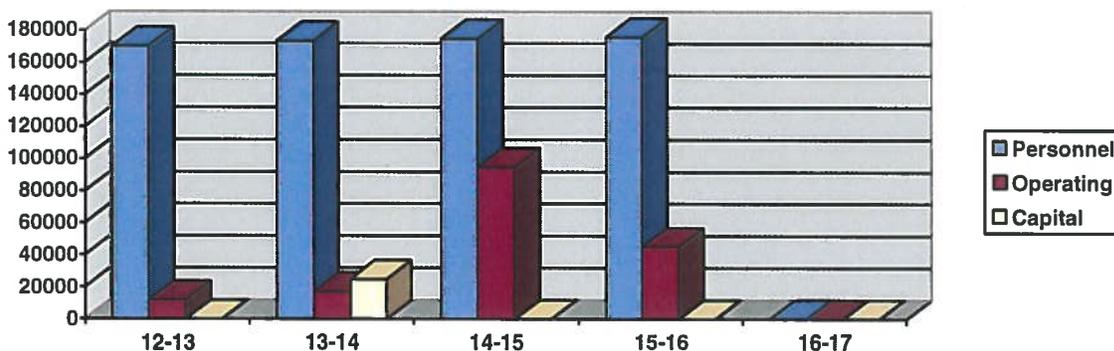
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	170,211	173,494	174,928	175,816	0	0
Operating	11,821	17,095	94,741	45,015	0	0
Capital	0	24,747	0	0	0	0
Subtotal	182,032	215,336	269,668	220,831	0	0
Less Interfund Reimbursement	(14,702)	(15,599)	(15,333)	(15,950)	0	0
Total	167,330	199,737	254,336	204,881	0	0
Budgeted Employees	2	2	2	2	0	0

2016-2017 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. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living adjustment and a 0.14% employer retirement contribution decrease.



CENTRAL OFFICE

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

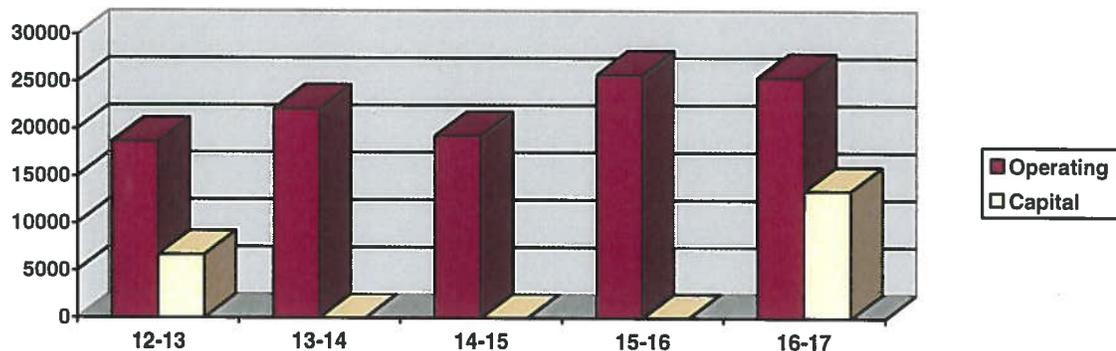
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	18,662	22,147	19,299	25,753	25,453	25,453
Capital	6,688	0	0	0	13,500	13,500
Subtotal	25,350	22,147	19,299	25,753	38,953	38,953
Less Interfund Reimbursement	(1,670)	(1,732)	(6,288)	(7,417)	(6,431)	(6,431)
Total	23,680	20,415	13,011	18,336	32,522	32,522
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) mail machine, \$13,500.

GRAPHIC REPRESENTATION

FY 16-17 reflects an increase of \$13,200 or fifty-one (51%) percent compared to FY 15-16 budget prior to interfund reimbursement. This increase is shown within the capital cost center. **FY 12-13** reflects the purchase of a shredder shown within the capital cost center. 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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	1,014,134	2,534,733	3,593,831	2,246,169	1,170,018	1,097,658
Capital	0	0	0	0	0	0
Total	1,014,134	2,534,733	3,593,831	2,246,169	1,170,018	1,097,658
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$1,148,511 or fifty-one percent (51%) compared to FY 15-16 budget. The majority of this decrease is the result of a loan the city issued to the Airport Authority in the amount of \$650,000 in prior year, as well as contributions to the streetscape project and sidewalk projects. 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 \$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. 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. 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. Contingency funds are included at \$100,000.

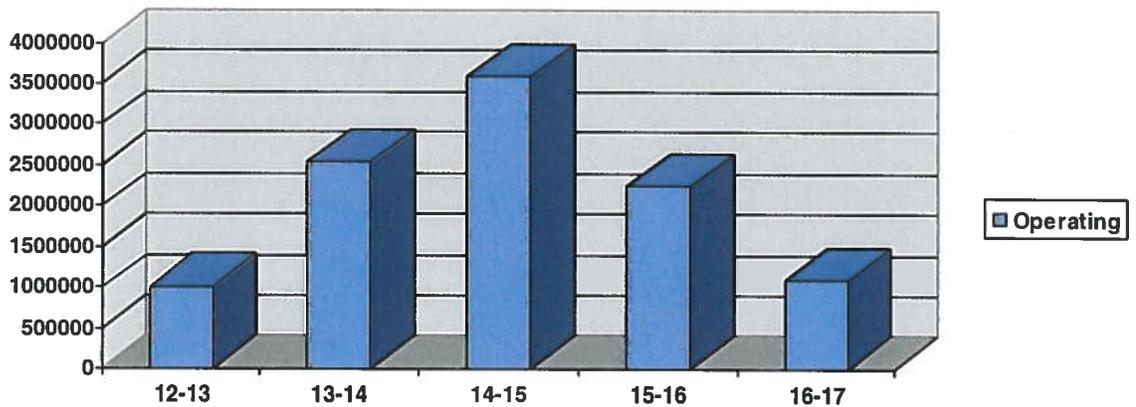
FY 15-16 includes funds for non-profits such as Temple Theatre, Railroad House, and Arts Council (total of \$23,400). Central Business Tax District received a contribution from the City in the amount of \$42,000 to allow Downtown Sanford, Inc. (DSI) to hire their own employee rather than use City staff. 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 a \$200,000 to the streetscape project.

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.

GENERAL FUND CONTRIBUTIONS (Continued)

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.

FY 12-13 includes contributions for non-profits in the amount of \$26,000, Animal Control (\$70,535), Strategic Services (\$94,518), Economic Development incentives (\$134,733), and Golf Fund (\$106,890).



GOLF

Fund: General

Function: General Government

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

EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	446,144
Operating	0	0	0	0	0	224,180
Capital	0	0	0	0	0	66,000
Total	0	0	0	0	0	736,324
Budgeted Employees	0	0	0	0	0	6

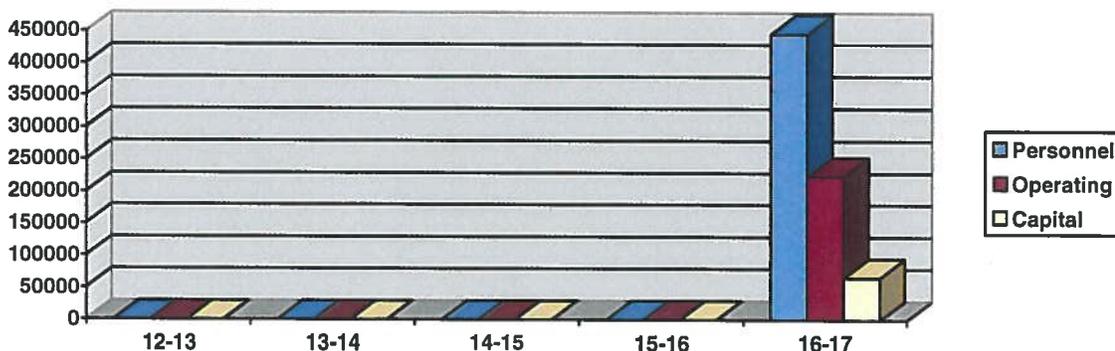
2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes cart path repair, \$55,000; and one (1) maintenance utility vehicle, \$11,000.

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 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 is shown above.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	2	1	1
Aerate fairways	1	2	2
Aerate tees	2	2	2
Fertilize fairways	2	2	2
Fertilize greens	35	28	30
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	24,649	26,000	29,500
Days closed	68.5	72.5	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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	298,372	314,919	315,133	325,394	332,485	384,680
Operating	860,740	857,055	708,596	867,864	776,734	776,734
Capital	30,426	0	56,287	60,600	10,000	0
Subtotal	1,189,538	1,171,974	1,080,016	1,253,858	1,119,219	1,161,414
Less Interfund Reimbursement	(52,905)	(57,409)	(55,766)	(62,956)	(62,817)	(62,817)
Total	1,136,633	1,114,565	1,024,250	1,190,902	1,056,402	1,098,597
Budgeted Employees	5	5	5	5 ½	5 ½	5 ½

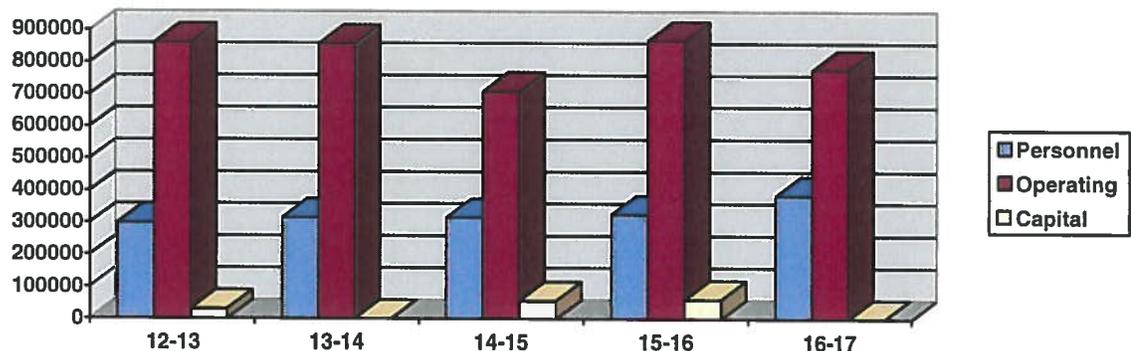
2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay included.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$92,444 or seven (7%) percent compared to **FY 15-16** budget prior to interfund reimbursement. 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. Operating changes are related to fluctuation in prices for fuel and parts and varies from year to 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, 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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement decrease.

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	14-15 Actual	16-17 Projected	16-17 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	95%	97%	98%
Complete minor repairs in house within 24 hours	95%	97%	98%
Complete major repairs in house within 3 days	95%	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	550	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 citywide beautification program, which will be enjoyed by all citizens.

DEPARTMENTAL SUMMARIES

Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	297,992	310,150	311,302	323,243	283,497	337,108
Operating	213,154	212,071	186,060	279,684	292,245	288,245
Capital	13,590	32,647	58,394	43,300	38,350	38,350
Total	524,736	554,868	555,756	646,227	614,092	663,703
Budgeted Employees	6	6	6	6	6	6

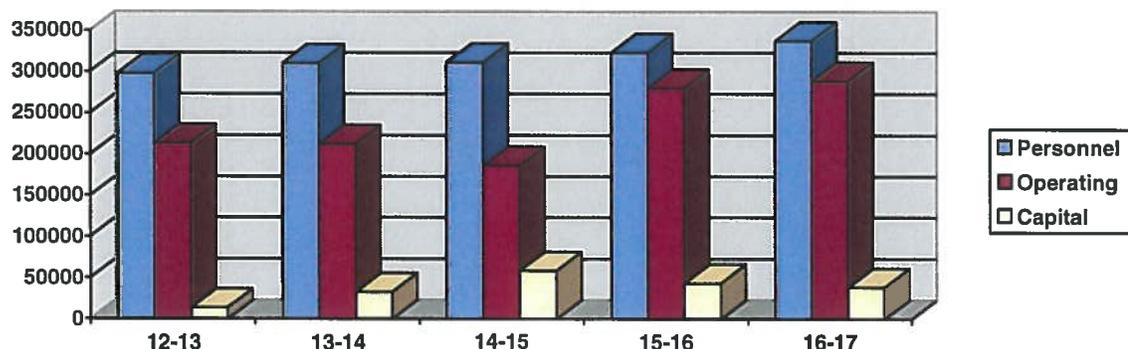
2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ¾ ton crew cab truck, \$29,150; and one (1) zero turn mower, \$9,200.

GRAPHIC REPRESENTATION

FY 16-17 appropriation reflects an increase of \$17,476 or three (3%) percent compared to FY 15-16 budget. 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. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. Increases are shown within operating for improvements to the train at Depot Park (\$28,000).

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	14-15 Actual	15-16 Projected	16-17 Projected
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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	69
Plant beds installed / renovated	3	5	5
Annuals grown and planted	50,000	48,000	50,000
Acres mowed	20	21	21
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

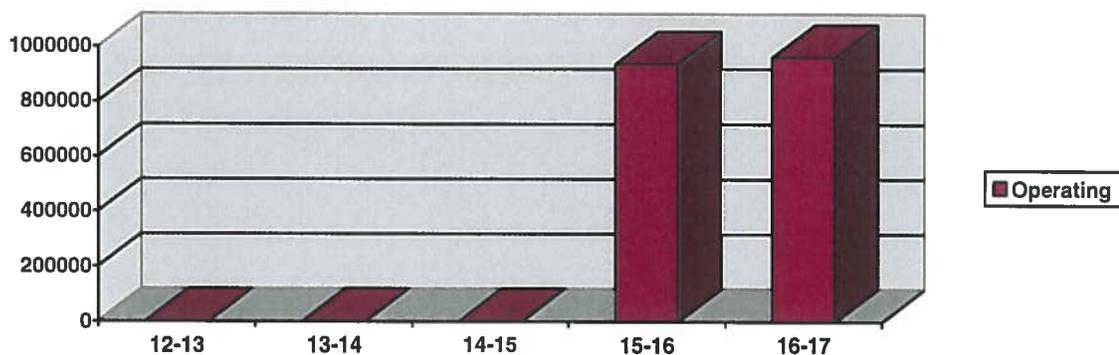
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	0	0	0	935,470	727,500	961,250
Capital	0	0	0	0	0	0
Total	0	0	0	935,470	727,500	961,250
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

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, as well as installment purchase debt (\$2.75 million) to complete the streetscape project.



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.

DEPARTMENTAL SUMMARIES

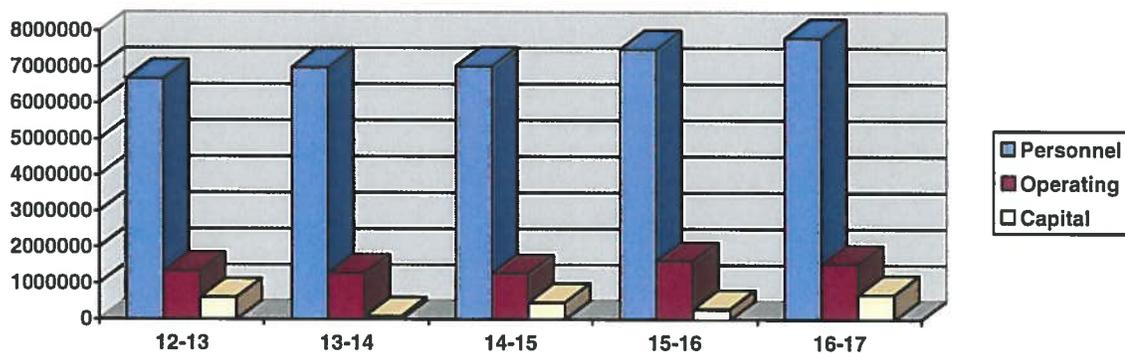
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	6,677,507	6,987,834	7,019,596	7,489,777	6,898,368	7,808,185
Operating	1,339,920	1,283,948	1,275,602	1,620,879	1,229,650	1,537,845
Capital	611,815	84,905	476,993	297,362	656,302	696,302
Total	8,629,242	8,356,687	8,772,191	9,408,018	8,784,320	10,042,332
Budgeted Employees	106	106	106	108	110	110

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes twelve (12) patrol vehicles, \$317,400; one (1) selective enforcement vehicle, \$24,800; four (4) mobile data terminals, \$25,000; three (3) specialized firearms, \$9,000; one (1) domain controller and client access licenses, \$12,000; one (1) vehicle, \$40,000 (purchased with drug forfeiture funds); four (4) E911 telephone workstations, \$18,102; and E911 radio system consoles, \$250,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$634,314 or seven (7%) percent compared to **FY 15-16** budget. 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 decrease shown within operating is mainly due to the purchase of body cameras in prior year and a fluctuation in fuel prices. Capital is shown above. **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. These vehicles are purchased every other year. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. This is the final year the city will receive COPS Hiring Recovery Grant funds to partially offset the cost of four patrol officers.



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	14-15 Actual	15-16 Projected	16-17 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	31,911	30,742	32,000
Number of accident investigations	1,412	1,550	1,650

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	131	240	250
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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	1,093	950	1,050
Property damage	\$4,628,700	\$5,149,803	\$5,050,000

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.

DEPARTMENTAL SUMMARIES

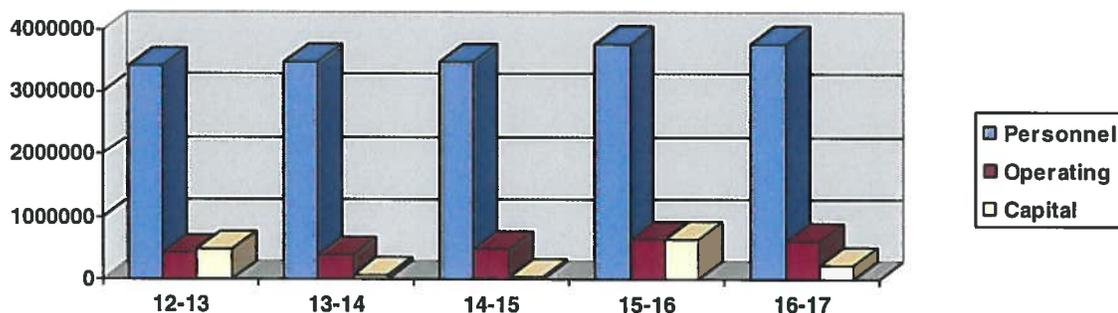
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	3,433,527	3,482,363	3,484,008	3,776,519	3,392,492	3,785,564
Operating	416,092	375,880	473,748	643,160	592,600	599,025
Capital	474,689	58,750	28,845	641,185	2,235,350	213,800
Total	4,324,308	3,916,993	3,986,601	5,060,864	6,220,442	4,598,389
Budgeted Employees	54	54	54	54	54	54

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) 4x4 extended cab truck with bedcover, \$34,800; twelve (12) VHF mobile radios, \$59,000; roof replacement at No. 2 Fire Station, \$28,000; concrete replacement at Central Fire Station, \$80,000; and HVAC replacement at No. 2 Fire Station, \$12,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations decreased \$462,475 or nine percent (9%) compared to the FY 15-16 budget. 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 decreases within maintenance building and maintenance equipment related to the reclassification of capital outlay in prior year. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. A heavy duty equipment truck was funded within the capital cost center.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	1,054	950	1,015
Number of structure fires	41	50	45
Number of vehicle fires	25	28	30
Number of motor vehicle accident responses	279	250	270
All other responses	709	622	670

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	1,834	1,800	1,800
Number of logged pre-incident plans	175	225	225
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	302	240	240
Total number of training hours for department	14,798	12,800	13,040
Number of state certified firefighters (including part-time)	52	52	54
Number of state certified fire instructors	25	20	23

FIRE

Performance Measures	14-15 Actual	15-16 Projected	16-17 Projected
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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)	6	25	25
Number of fires deemed incendiary or still under investigation	6	5	5
Number of certified fire / arson investigators	3	3	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	14	180	100
Number of fire and life-safety education programs	1,277	600	685
Number reached by programs (school age > senior citizen)	8,129	6,500	10,200
Number of state certified fire and life safety educators	5	4	5
Number of child passenger safety seats installed or checked	81	60	90

INSPECTIONS

Fund: General

Function: Public Safety

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

DEPARTMENTAL SUMMARIES

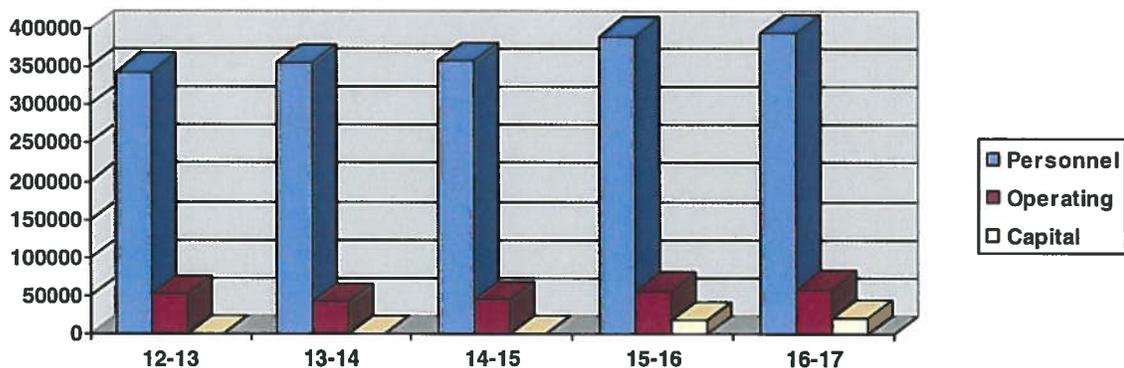
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	343,099	355,178	358,175	390,031	361,382	393,033
Operating	53,791	41,919	44,635	56,959	63,880	59,255
Capital	0	0	0	19,900	22,500	22,500
Total	396,890	397,097	402,810	466,890	447,762	474,788
Budgeted Employees	7	7	7	7	7	7

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ½ ton standard truck, \$22,500.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$7,898 or two percent (2%) compared to the FY 15-16 budget. 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. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	415	497	507
Number of electrical permits issued	783	833	850
Number of mechanical permits issued	760	699	713
Number of plumbing permits issued	363	398	406
Other permits issued	172	171	178
Revenue generated from permits	\$356,029	\$621,804	\$362,873

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	5,857	6,423	6,553
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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

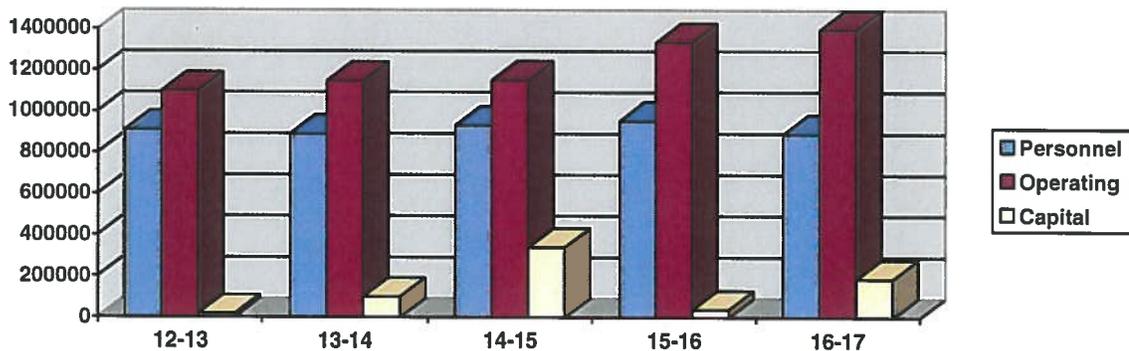
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	910,624	889,391	931,437	953,960	735,378	889,911
Operating	1,098,272	1,147,221	1,151,377	1,333,537	1,339,825	1,395,643
Capital	17,248	100,015	339,827	37,283	610,561	187,000
Total	2,026,144	2,136,627	2,422,641	2,324,780	2,685,764	2,472,554
Budgeted Employees	18	18	18	17 ½	17 ½	17 ½

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) pothole patcher, \$187,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations increased \$147,774 or six (6%) percent compared to **FY 15-16** budget. 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. Capital is shown above. **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 increase shown within operating is mainly due to LED street light change out and a full year of debt payments for equipment financed in **FY 14-15**. **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. **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. Increases shown within **FY 13-14** operating is mainly due to additional funds required for utilities and departmental supplies. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. Included within operating is a street survey in the amount of \$20,000.



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	14-15 Actual	15-16 Projected	16-17 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	2,278	2,320	2,475
Feet of curb and gutter installed / repaired	804	790	850
Feet of sidewalk installed / repaired	1,750	1,718	1,920
Cutbacks for site distance	384	400	450
Feet of on-street ditches cleaned	7,907	6,125	9,000
Hours of street cleaning	1,461	1,245	1,500
Feet of shoulder work repair	15,404	21,000	22,800
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	3,114	1,500	2,148
Traffic sign installation	145	240	240
Street markers installed / replaced / repaired	190	265	300
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	3,520	3,540	3,570

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

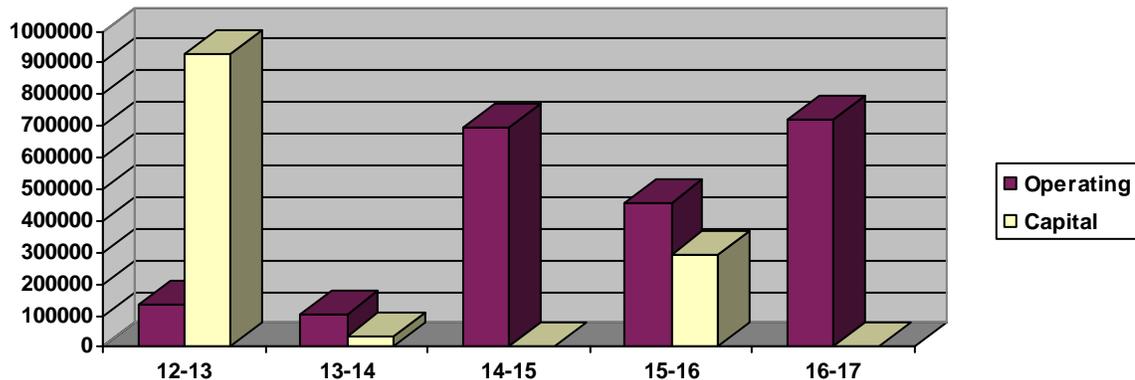
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	136,175	105,520	693,344	455,525	1,600,000	720,525
Capital	927,845	36,299	0	293,670	105,525	0
Total	1,064,020	141,819	693,344	749,195	1,705,525	720,525
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$28,670 or four (4%) percent compared to FY 15-16 budget. Street resurfacing is funded at \$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

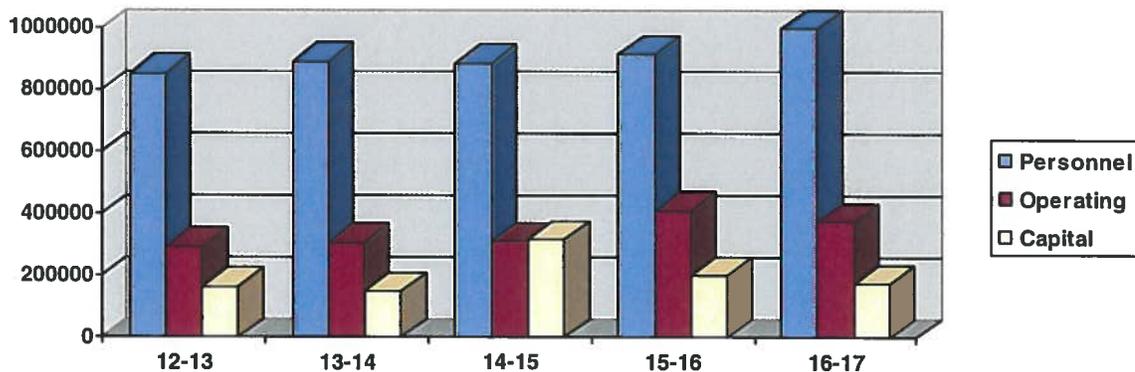
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	852,688	892,802	884,653	913,442	841,937	998,602
Operating	295,618	306,202	308,903	408,978	374,284	374,009
Capital	167,000	149,177	315,384	201,100	676,080	177,000
Total	1,315,306	1,348,181	1,508,940	1,523,520	1,892,301	1,549,611
Budgeted Employees	18	18	18	18 ½	18 ½	18 ½

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) knuckleboom truck, \$157,000; and improvements to the compost facility, \$20,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$26,091 or two (2%) percent compared to FY 15-16 budget. 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. One maintenance worker position remains frozen resulting in a savings of approximately \$40,000. The decrease shown within operating is mainly due to fuel prices and insurance and bonds. Capital is shown above. **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. **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. **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 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 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	1,908	2,000	2,025
Number of loads of bulk trash hauled	614	625	630

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	604	510	500
Equipment hours mowing	1,298	1,210	1,200
Equipment hours cleaning sidewalk	357	300	325
Pounds of litter collected by inmates	18,785	20,000	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

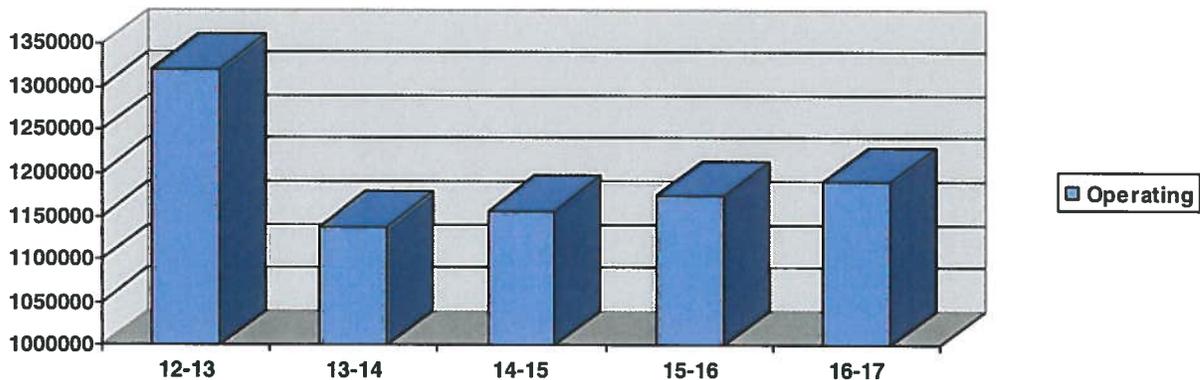
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	1,320,883	1,137,931	1,156,074	1,174,128	1,181,317	1,189,958
Capital	0	0	0	0	0	0
Total	1,320,883	1,137,931	1,156,074	1,174,128	1,181,317	1,189,958
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$15,830 or one (1%) percent compared to **FY 15-16** budget. Slight increase in number of households and C.P.I. (0.7%). The annual waste management fee remains at \$200 per household. Council elected to increase the annual waste management fee in **FY 14-15** from \$150 to \$200 per household. **FY 14-15** reflects a 1.2% C.P.I. adjustment. **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**. Recycling carts were purchased in **FY 12-13**.



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	14-15 Actual	15-16 Projected	16-17 Projected
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Goal: Provide timely, efficient, and cost effective services to all residential customers being responsive to residents 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	8,841	8,874	8,900
Solid waste fees collected	\$1,744,064	\$1,761,988	\$1,790,000

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	1,711	1,893	1,900
Number of tons of residential waste	7,004	7,087	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

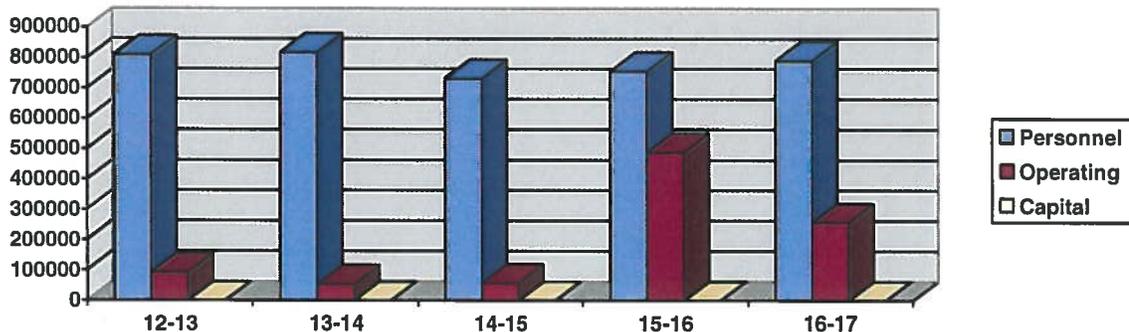
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	810,448	817,619	731,060	755,782	711,133	790,284
Operating	92,147	53,426	57,755	487,589	425,866	256,366
Capital	0	0	0	0	0	0
Total	902,595	871,045	788,815	1,243,371	1,136,999	1,046,650
Budgeted Employees	10	10	10	10	10	10

2016-2017 CAPITAL OUTLAY DETAIL

No capital outlay funding was approved.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$196,721 or sixteen percent (16%) compared to the **FY 15-16** budget. 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. The assistant director position remains frozen resulting in a savings of approximately \$90,000. Prior year operating includes funds to update the Land Use Plan (\$100,000) and the initial set up of Energov software / training related to locating staff in the Buggy Factory resulting in the decrease 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. Operating includes funds to update the Land Use Plan (\$100,000). Also 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. Engineering services for the Endor Iron Trail Greenway are included in **FY 12-13**.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	90%	90%	90%

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	2	4	4
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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	14-15 Actual	15-16 Projected	16-17 Projected
Measures:			
Number of Planning Board cases processed	22	48	40
Number of Board of Adjustment cases processed	7	16	15
Number of major subdivision plats reviewed and/or approved	2	1	8
Number of minor subdivision plats reviewed and/or approved	27	35	40
Number of zoning permits (signs, temporary uses, ABC, etc.)	107	117	128
Number of zoning permits (residential projects)	292	321	353
Number of zoning permits (mobile home setups)	73	75	75
Number of zoning permits (commercial projects)	165	181	200

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

Measures:

Zoning complaints received	301	249	280
Zoning complaints resolved	300	235	270

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	9	12	15
NC HFA Single Family Rehabilitation Program	4	1	6
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

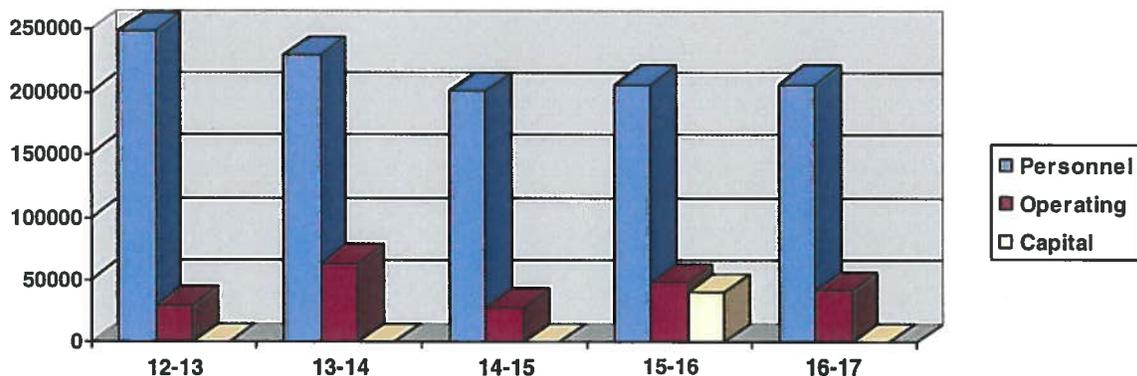
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	247,766	229,240	200,593	205,795	176,398	205,815
Operating	29,766	62,791	28,278	48,199	42,255	42,005
Capital	0	0	0	39,800	0	0
Total	277,532	292,031	228,871	293,794	218,653	247,820
Budgeted Employees	4	4	4	4	4	4

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$45,974 or sixteen percent (16%) compared to FY 15-16 budget. 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. One administrative assistant position remains frozen resulting in a savings of approximately \$47,500. Operating reflects a decrease shown within contractual services and training related to Energov software / license / training in prior 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, 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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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, animals) 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	14-15 Actual	15-16 Projected	16-17 Projected
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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	643	1,332	1,350
Trash / junk complaints	273	294	300
Abandoned vehicle complaints	76	215	220
Sewer complaints	10	10	10
Minimum housing complaints	68	111	115
Other nuisance complaints	20	33	35
Health / fire complaints	29	8	10
Animals / poultry complaints	14	14	15
Laps / limbs complaints	25	31	30
Solid waste violations	5	17	20
Graffiti	5	0	3
Housing Task Force block party	26	24	25
Commercial maintenance code	5	22	25

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

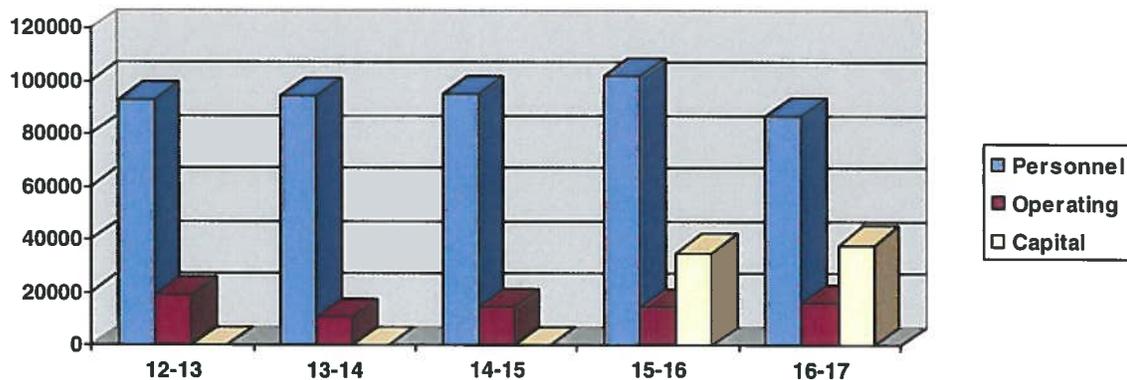
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	93,068	94,345	94,956	101,869	76,601	86,746
Operating	18,838	10,510	13,999	14,057	17,175	15,575
Capital	0	0	0	35,000	38,000	38,000
Total	111,906	104,855	108,955	150,926	131,776	140,321
Budgeted Employees	1	1	1	1	1	1

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes Wayfinding signs in Downtown Sanford and Historic Jonesboro, \$35,000; and Schematic Design Depot Park, \$3,000.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$10,605 or seven percent (7%) compared to FY 15-16 budget. 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. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. Funded within operating is historic entrance and welcome to Sanford signs.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	80	83	85
Major certificate of appropriateness	14	16	17
Investigate design guideline violations	13	14	16
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	2	2	2
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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%
Evaluation of infrastructure within neighborhood	-	100%	100%

UTILITY FUND

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

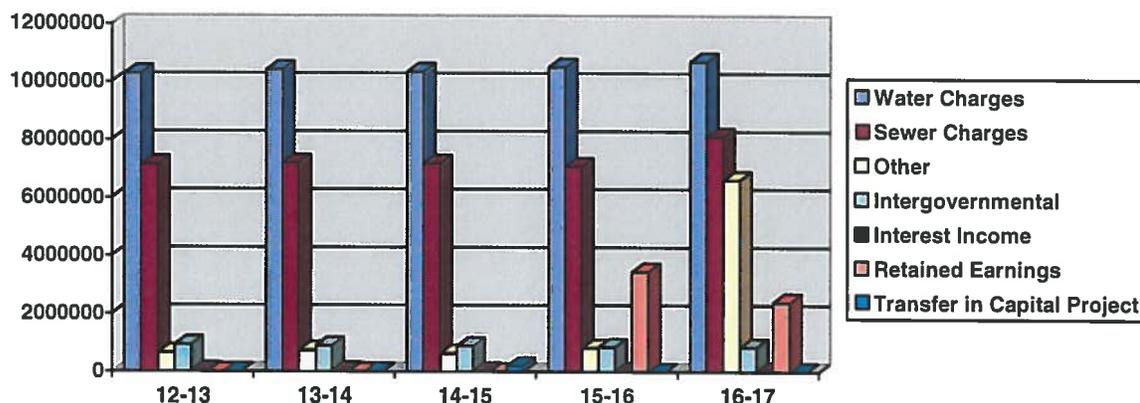
REVENUE SUMMARIES

Revenue Sources	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Water-User Charges	10,297,001	10,421,755	10,342,799	10,516,677	10,709,449	10,709,449
Sewer-User Charges	7,142,787	7,196,876	7,171,039	7,072,863	8,113,885	8,113,885
Other	652,252	736,263	628,269	814,434	6,623,300	6,623,300
Intergovernmental	921,785	892,864	891,902	850,000	850,000	850,000
Interest Income	33,476	35,884	17,181	23,343	36,900	36,900
Retained Earnings	0	0	0	3,446,476	2,396,650	2,396,650
Transfer in Cap. Proj.	1,126	0	200,000	0	0	0
Total	19,048,427	19,283,642	19,251,190	22,723,793	28,730,184	28,730,184

GRAPHIC REPRESENTATION

FY 16-17 revenues increased \$6,006,391 or twenty-six (26%) percent compared to **FY 15-16** budget. User charges reflect an increase of \$1,233,794 or seven (7%) percent compared to prior year. This is due to a two percent (2%) water and two percent (2%) sewer increase as well as some growth in consumption. These new rates will be effective August 1, 2016. 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.

Utility rates were not adjusted in **FY 15-16** and **FY 14-15**. **FY 13-14** increased water and sewer rates by two percent. **FY 12-13** user charges reflect a two percent water and wastewater rate increase as well.



UTILITY FUND
EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	5,059,452	5,151,523	5,203,789	5,585,819	5,012,019	5,832,502
Operating	14,432,261	11,874,286	14,144,051	14,162,874	13,284,784	14,488,032
Capital Outlay	472,250	970,654	1,786,649	2,975,100	9,547,350	8,409,650
Total	19,963,963	17,996,463	21,134,489	22,723,793	27,844,153	28,730,184
Budgeted Employees	89	89	89	91	92	92

GRAPHIC REPRESENTATION

FY 16-17 appropriation reflects an increase of \$6,006,391 or twenty-six percent (26%) compared to FY 15-16 budget. Personnel cost represent twenty (20%) percent of the total Utility Fund budget. 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 in the amount of \$7,000,000 to extend water and sewer to a new industrial park referred to as CCEP; \$1,000,000 for Triassic development sewer extension; and other various items listed at departmental level.

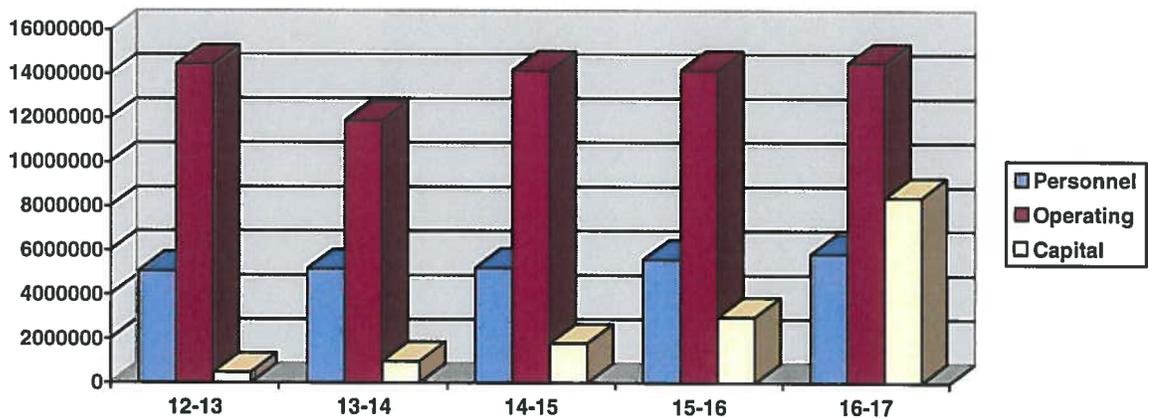
FY 15-16 personnel changes are related to a 2% cost of living and market adjustment (based on a salary study performed in prior year), a 2% merit adjustment (not funded in the last six years), a 0.48%-decrease in retirement, a 1.6% increase for group health insurance, and the addition of a utility locator position within the Engineering department. A total of three (3) positions remain frozen. Capital outlay major funding includes \$500,000 for sewer rehabilitation, \$500,000 for water rehabilitation, \$1,000,000 for sewer overflow project, and \$400,000 for 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 \$450,000 for sewer rehabilitation, \$400,000 for water rehabilitation, and other rolling stock.

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 in the amount of \$250,000 for upgrade to Gaster's Creek Lift Station.

UTILITY FUND EXPENDITURE SUMMARIES (Continued)

FY 12-13 personnel cost center reflects a 2.5% cost of living adjustment and a 0.14% employer retirement contribution decrease. The city elected to make changes to health plan copays and deductibles rather than increase health insurance premiums. Employees now have the option to choose between a Preferred Provider Organization (PPO) or a Consumer Driven Health Plan (CDHP). **FY 12-13** operating cost center reflects a \$2,000,000 capital contribution for the Hawkins Avenue Waterline project. Capital outlay funding includes utility improvements, a control center, and a HVAC system at the Water Treatment Plant.



UTILITY FUND DEBT SERVICE

Fund: Utility

Function: Debt Service

Goal: To account for the operations of debt service.

DEPARTMENTAL SUMMARIES

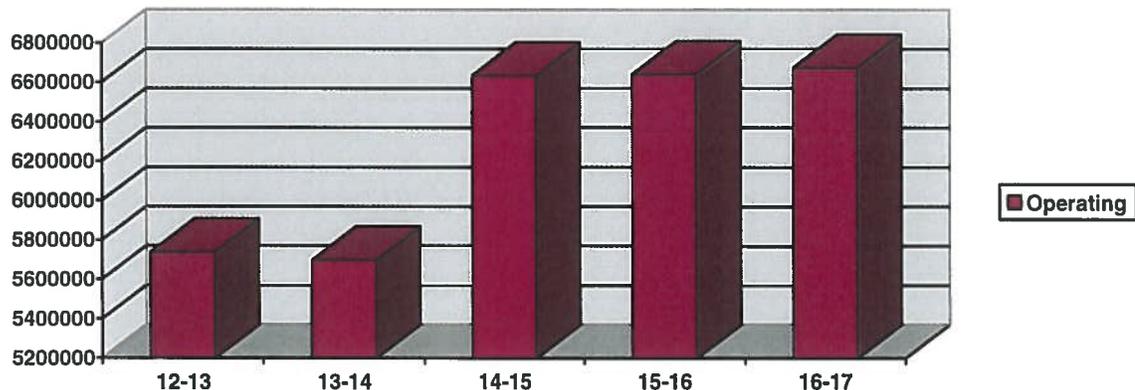
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	5,736,447	5,697,854	6,634,488	6,640,112	6,314,638	6,673,638
Capital	0	0	0	0	0	0
Total	5,736,447	5,697,854	6,634,488	6,640,112	6,314,638	6,673,638
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$33,526 compared to FY 16-17 budget. Funds are included 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

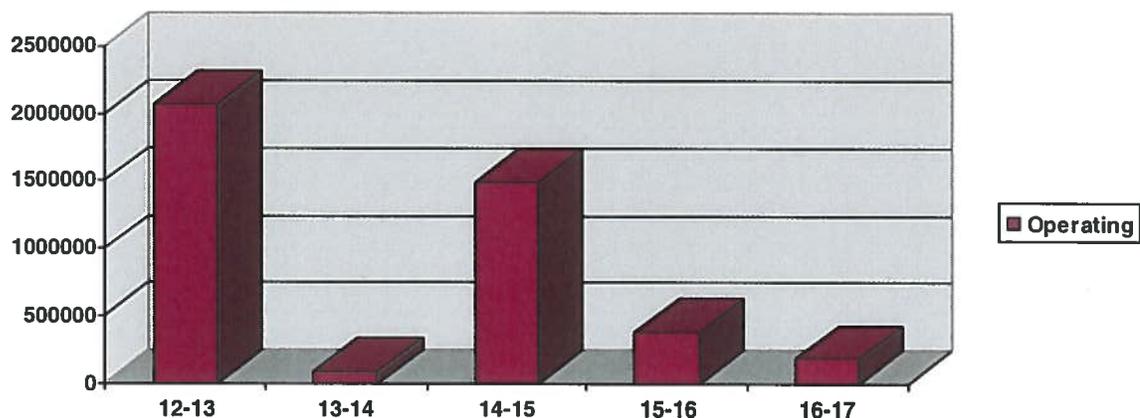
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	2,072,909	88,037	1,492,491	383,051	198,077	187,469
Capital	0	0	0	0	0	0
Total	2,072,909	88,037	1,492,491	383,051	198,077	187,469
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$195,582 or fifty-one (51%) percent compared to **FY 15-16** budget. Contingency funds are included in the amount of \$74,895. **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). A capital contribution for the Hawkins Avenue Waterline project (\$2,000,000) was made in **FY 12-13**. 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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	51,323	53,058	52,474	56,195	48,506	57,466
Operating	224,648	212,919	228,852	260,406	259,356	259,875
Capital	0	0	0	0	0	0
Total	275,971	265,977	281,326	316,601	307,862	317,341
Budgeted Employees	1	1	1	1	1	1

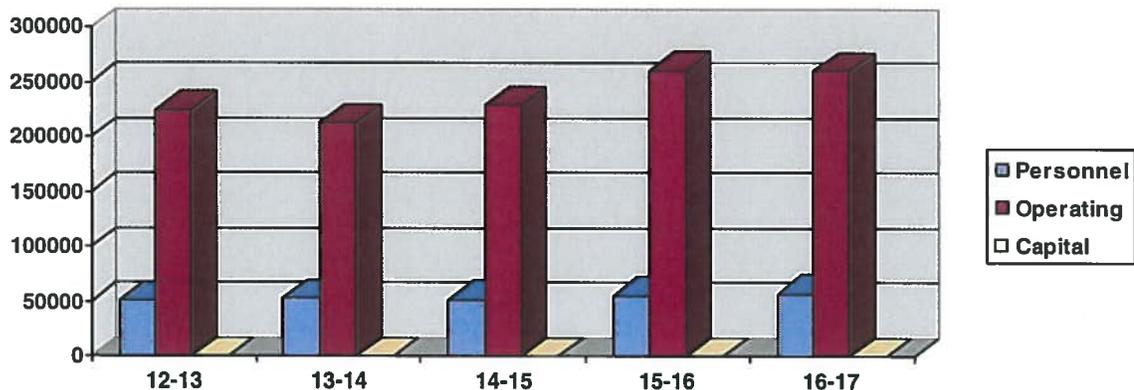
2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$740 compared to FY 15-16 budget. 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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.

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	14-15 Actual	15-16 Projected	16-17 Projected
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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
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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%
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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
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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

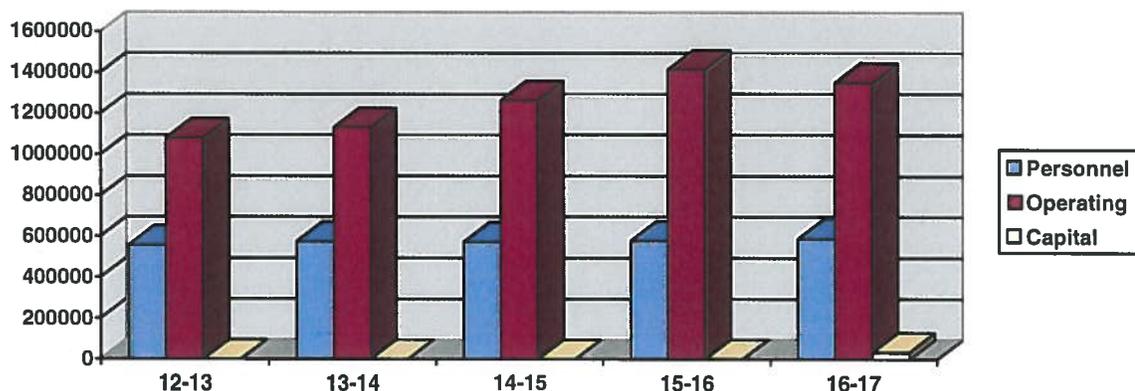
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	556,081	573,890	571,740	577,082	488,077	587,806
Operating	1,079,394	1,131,729	1,263,221	1,414,179	1,391,589	1,348,836
Capital	0	0	0	0	0	35,000
Total	1,635,475	1,705,619	1,834,961	1,991,261	1,879,666	1,971,642
Budgeted Employees	11	11	11	11	11	11

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) utility kiosk, \$35,000.

GRAPHIC REPRESENTATION

FY 16-07 appropriations reflect a decrease of \$19,619 or one (1%) percent compared to FY 15-16 budget. 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. Budgeted in prior year are funds to update the rate model and smart metering feasibility study resulting in the decrease shown within operating. Capital is listed above. **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 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 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. For more efficient management, this department was combined with the Billing department in **FY 12-13**. **FY 12-13** personnel adjustments reflect a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	93%	93%	93%
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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	\$828,923	\$789,377	\$801,877
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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	17,086	17,169	17,254
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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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	460,762	474,464	486,119	624,031	550,789	631,548
Operating	57,875	41,039	51,548	111,243	81,412	85,962
Capital	0	0	8,997	76,121	35,600	35,600
Total	518,637	515,503	546,664	811,395	667,801	753,110
Budgeted Employees	8	8	8	9	10	10

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ditch witch, \$3,300; and one (1) ½ ton super cab truck, \$32,300.

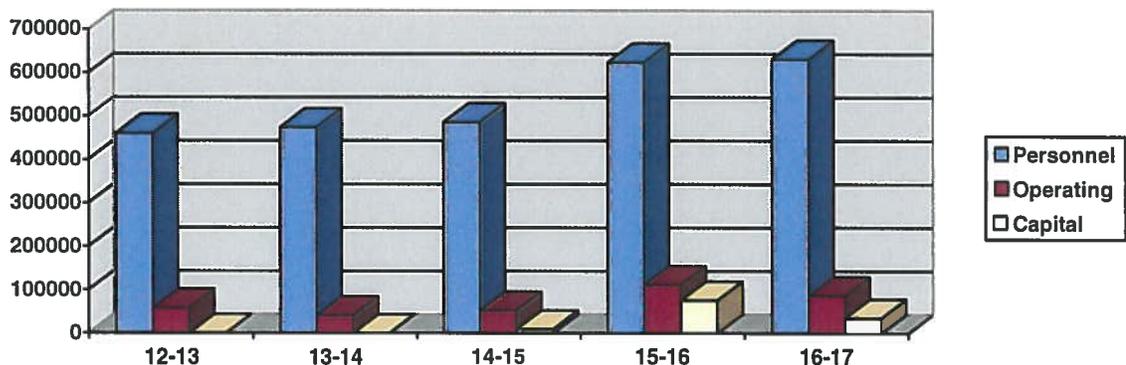
GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect a decrease of \$58,285 or seven percent (7%) compared to FY 15-16 budget. 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 reflects a decrease mainly due to utility locate contract support budgeted in prior year. With the addition of a new utility locator position, these funds are not required in current year. The utility locate program is state mandated where the City is required to locate underground utilities within three days of contractor request. This program was implemented in FY 15-16. Capital is shown above.

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. 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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. A Chatham County engineering study was funded in **FY 12-13** and is shown within operating.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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

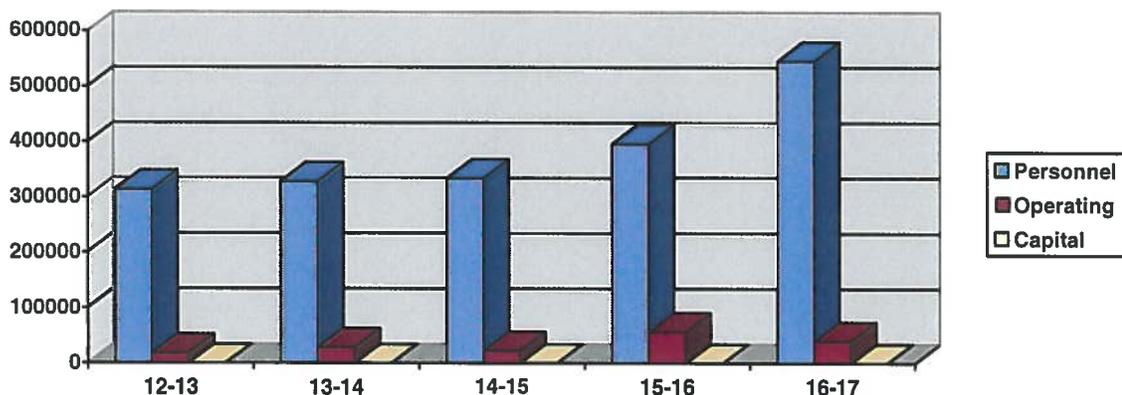
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	313,953	328,050	334,144	396,212	487,298	546,308
Operating	17,379	27,752	22,354	56,452	39,312	39,315
Capital	0	0	0	0	0	0
Total	331,332	355,802	356,498	452,664	526,610	585,623
Budgeted Employees	4	4	4	6	6	6

2016-2017 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$132,959 or twenty-nine percent (29%) compared to **FY 15-16** budget. 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. Prior year operating includes funds for a new utility building study resulting in the decrease 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. 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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase, a 0.14% employer retirement contribution decrease, and the addition of a new safety officer position.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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

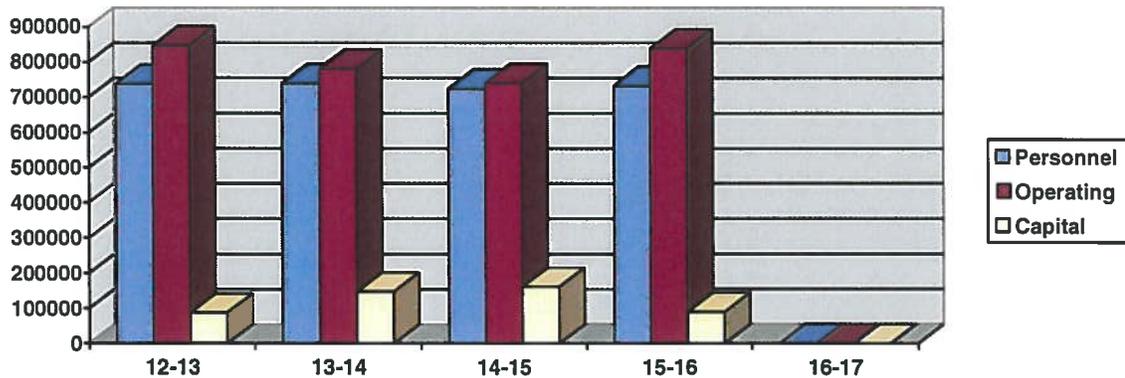
Goal: To expand and maintain a sewer system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	738,171	739,093	724,428	732,669	0	0
Operating	846,983	780,490	740,194	838,595	0	0
Capital	87,000	147,249	160,819	89,350	0	0
Total	1,672,154	1,666,832	1,625,441	1,660,614	0	0
Budgeted Employees	14	14	14	14	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

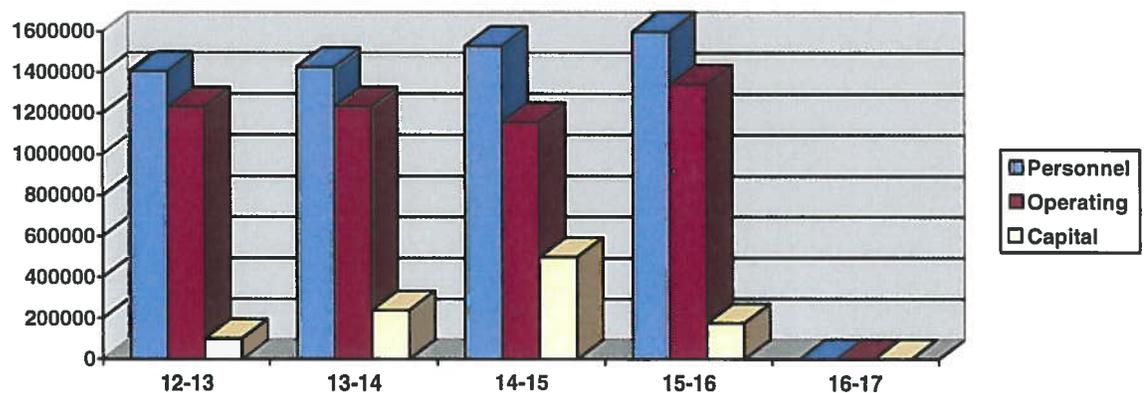
Goal: To expand and maintain a water system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	1,406,637	1,426,851	1,529,396	1,599,438	0	0
Operating	1,231,305	1,233,040	1,156,760	1,342,758	0	0
Capital	101,032	238,832	498,983	175,363	0	0
Total	2,738,974	2,898,723	3,185,139	3,117,559	0	0
Budgeted Employees	27	27	27	27	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

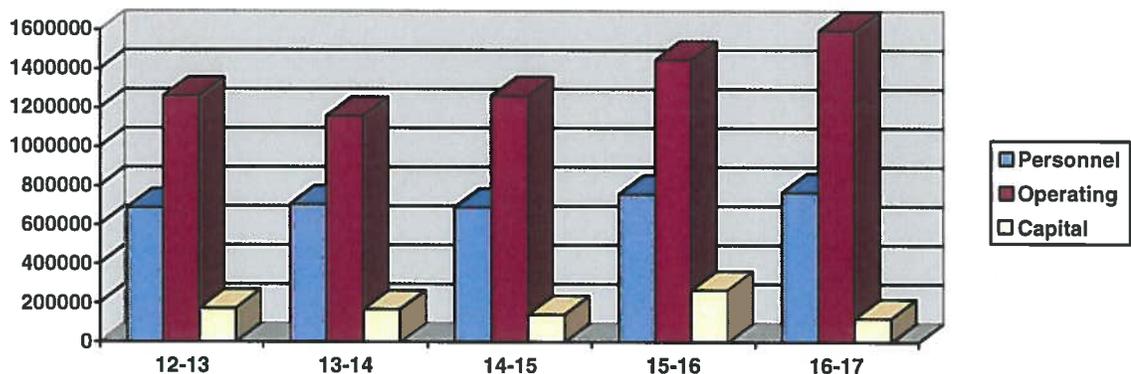
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	688,560	704,750	690,139	758,893	666,679	767,902
Operating	1,260,253	1,157,310	1,261,073	1,446,669	1,574,660	1,595,026
Capital	172,352	166,494	139,995	266,726	143,500	121,500
Total	2,121,165	2,028,554	2,091,207	2,472,288	2,384,839	2,484,428
Budgeted Employees	11	11	11	11	11	11

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding SCADA system upgrade, \$33,500; Pendergrass Road booster station upgrade, \$13,500; fluoride system upgrade, \$45,000; five (5) sampling stations, \$12,500; one (1) spectrophotometer, \$9,500; and paint high service pump building, \$7,500.

GRAPHIC REPRESENTATION

FY 16-17 appropriations increased \$12,140 compared to FY 15-16 budget. 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. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	90%	92%	92%
SCADA computer records of system pressure	98%	98%	98%

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	82%	92%	92%
Maintain a heterotrophic plate count below 500	96%	96%	96%

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	92%	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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	843,964	851,367	815,349	841,299	750,092	868,963
Operating	726,909	937,592	985,295	1,305,416	1,355,661	1,341,250
Capital	0	48,080	74,239	34,563	24,700	24,700
Total	1,570,873	1,837,039	1,874,883	2,181,278	2,130,453	2,234,913
Budgeted Employees	13	13	13	13	13	13

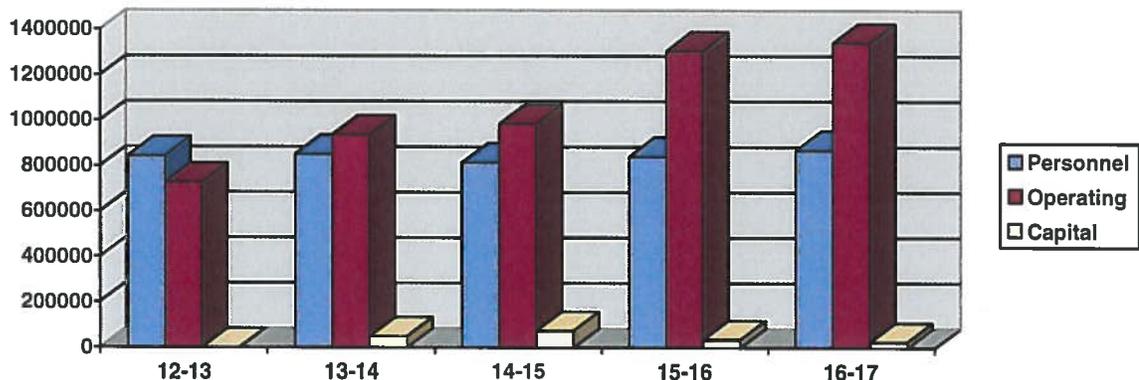
2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) midsize vehicle, \$20,500; and one (1) spectrophotometer, \$4,200.

GRAPHIC REPRESENTATION

FY 16-17 appropriations increased \$53,635 or two (2%) percent compared to FY 15-16 budget. 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-group digestors and backwash tanks. Capital is shown above. **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. **FY 12-13** personnel adjustments are related to a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease.

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	14-15 Actual	15-16 Projected	16-17 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
<hr/>			
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	1,200	1,200	1,200
<hr/>			
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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	2,020,579	2,372,509
Operating	0	0	0	0	2,255,079	2,255,429
Capital	0	0	0	0	243,550	192,850
Total	0	0	0	0	4,519,208	4,820,788
Budgeted Employees	0	0	0	0	0	0

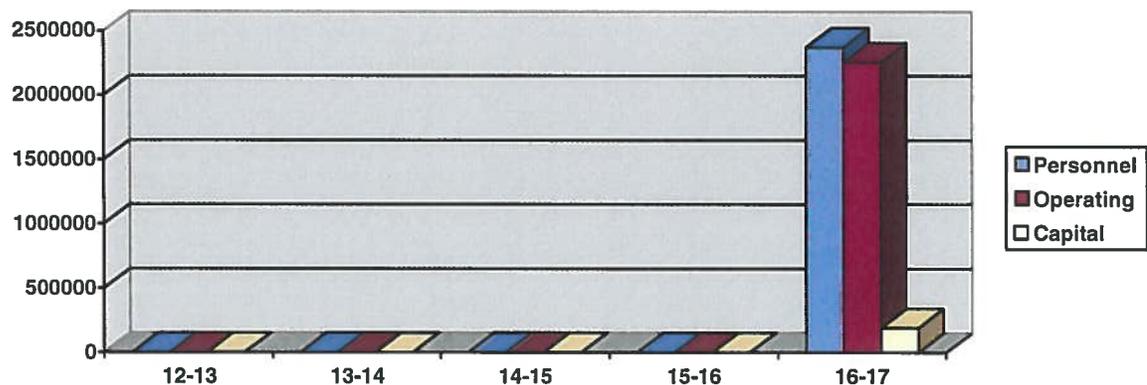
2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes three (3) ½ ton standard trucks, \$66,450; one (1) ton utility truck, \$40,800; one (1) passenger vehicle, \$22,300; one (1) traffic warning system, \$18,500; one (1) foot tamp, \$5,500; one (1) roller tamp, \$23,500; and one (1) air compressor, \$15,800.

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.

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 is shown above.



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	14-15 Actual	15-16 Projected	16-17 Projected
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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	625	632	635
Leak investigations	370	370	325
Major water line repairs (6" or greater)	115	120	130
Minor water line repairs (4" or smaller)	55	60	58
New water taps made	138	135	133
Water retaps	125	132	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	62	55
Water meters read	229,400	230,000	228,000
Large water meters tested (3" or greater)	30	30	32
Small meters tested (2" or smaller)	28	28	18
Replace old meters	786	834	675

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	2,200	2,000	2,100
Valves inspected / exercised	2,224	2,000	2,000

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	32	42	42
Privately owned backflow devices inspected	278	718	715
Grease containing fluids removed (gallons)	325,000	447,205	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	218	200	210
New taps installed	27	15	20
Manhole adjustments	30	25	18
Right of ways mowed (feet)	227,941	150,000	155,000
Sewer line jetted (feet)	138,530	135,000	137,000
Sewer retaps	20	15	12
Priority outfall line inspection (feet)	279,873	250,000	250,000
Collections system line inspection	115,595	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

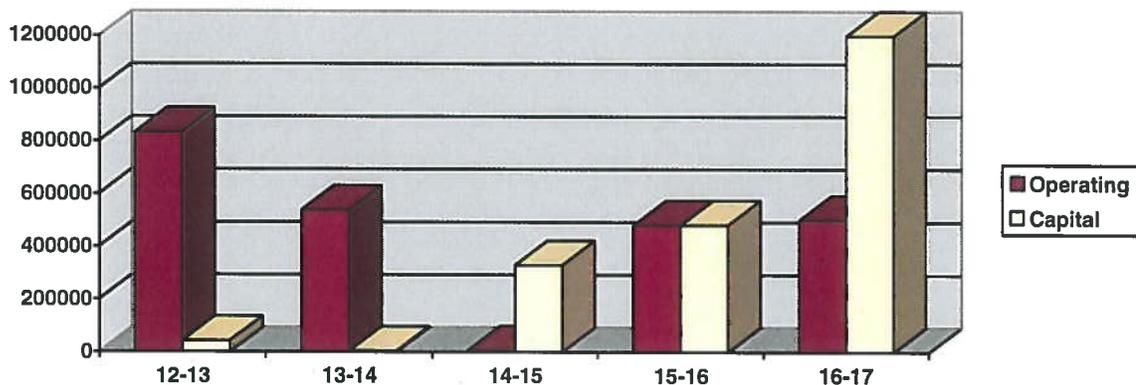
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	832,246	538,073	4,955	480,360	0	500,000
Capital	43,139	4,150	329,850	482,130	1,700,000	1,200,000
Total	875,385	542,223	366,397	962,490	1,700,000	1,700,000
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes waterline extension at Clyde Rhyne Road, \$1,200,000 (installment purchase).

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$737,510 or seventy-seven (77%) percent compared to **FY 15-16** budget. Water rehabilitation is funded at \$500,000 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. Capital is listed above. **FY 15-16** includes funds to paint the Spruce Street water tank in the amount of \$450,000. Major project approved within the capital cost center is water rehabilitation in the amount of \$482,130. This was previously budgeted in the operating cost center and moved to the capital cost center in **FY 14-15**. **FY 12-13** includes NC Department of Transportation utility relocate payments in regards to the US 421 bypass project. 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

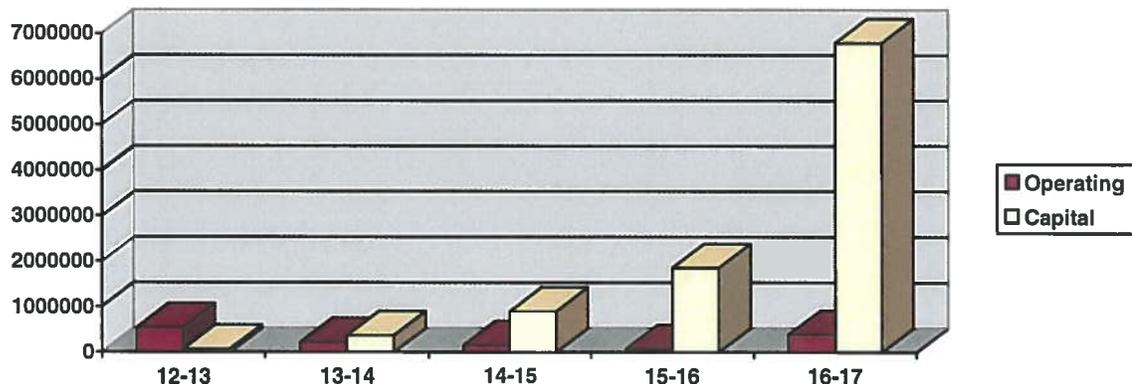
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	534,975	215,255	152,526	68,633	0	386,232
Capital	68,727	365,849	892,325	1,850,847	7,400,000	6,800,000
Total	603,702	581,104	1,044,851	1,919,480	7,400,000	7,186,232
Budgeted Employees	0	0	0	0	0	0

2016-2017 CAPITAL OUTLAY DETAIL

Capital outlay funding includes sewer line extension at Clyde Rhyne Road, \$2,300,000 (installment purchase); Triassic development sewer extension, \$1,000,000 (installment purchase); and sewer remediation project A, \$3,500,000 (\$1,500,000 of this \$3,500,000 is installment purchase).

GRAPHIC REPRESENTATION

FY 16-17 appropriations reflect an increase of \$5,266,752 or two hundred and seventy-four percent (274%) compared to FY 15-16 budget. 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. **FY 15-16** major projects approved within the capital cost center are \$1,000,000 to address sanitary sewer overflows and \$400,000 for the final payment to Lee County for the purchase of the Colon Road Pump Station. Sewer rehabilitation was previously budgeted in the operating cost center and moved to the capital cost center in FY 14-15. 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. **FY 12-13** included \$534,975 for sewer rehabilitation. **FY 12-13** reflects capital for a 24" steel encasement pipe related to the 421 bypass utility relocates. 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

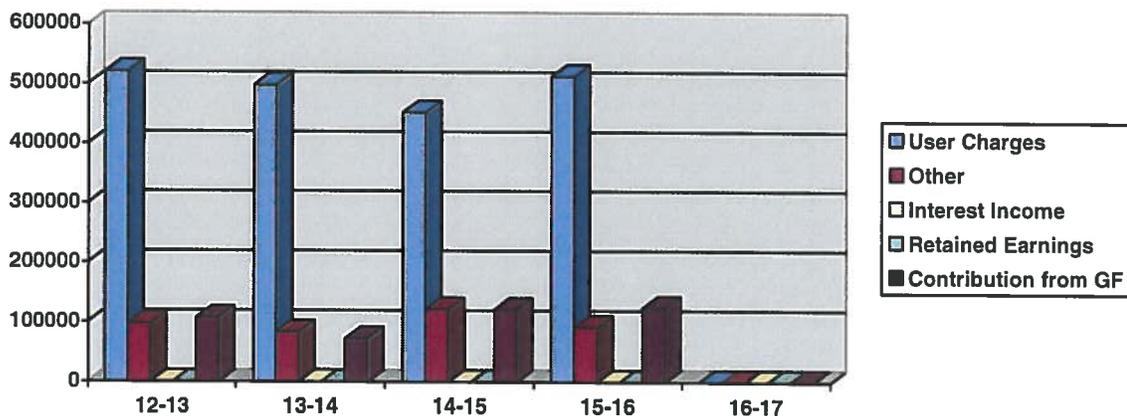
Revenue Sources	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
User Charges	520,768	497,529	451,728	513,000	508,000	0
Other	96,842	82,762	121,500	91,460	82,000	0
Interest Income	130	181	98	100	0	0
Retained Earnings	0	0	0	0	0	0
Contribution from GF	106,890	72,258	121,149	123,874	203,445	0
Total	724,630	652,730	694,476	728,434	793,445	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 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	409,084	409,595	401,602	436,929	397,328	0
Operating	399,589	394,318	403,203	279,080	279,279	0
Capital	104,185	0	37,383	12,425	66,000	0
Total	912,858	803,913	842,188	728,434	742,607	0
Budgeted Employees	6	6	6	6	6	0

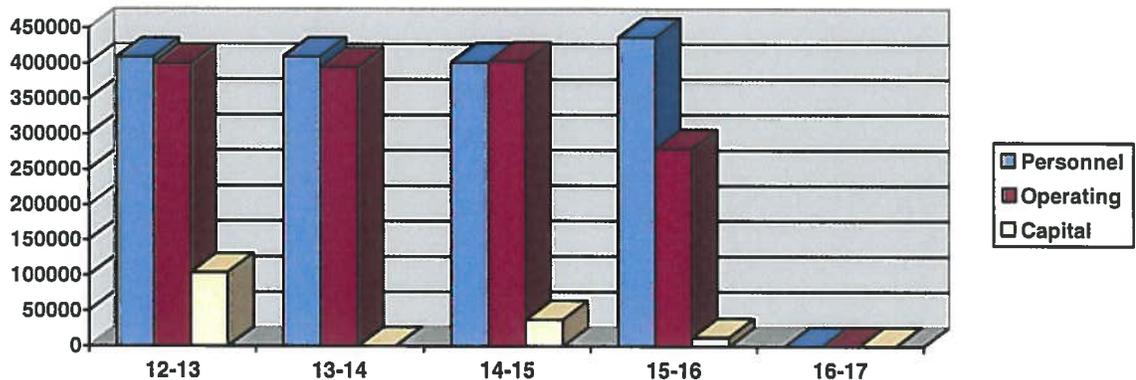
2016-2017 CAPITAL OUTLAY DETAIL

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. **FY 12-13** personnel adjustments include a 2.5% cost of living increase and a 0.14% employer retirement contribution decrease. Cart paths, a fairway mower, and an HVAC unit were funded in **FY 12-13** and shown within capital.



MUNICIPAL SERVICE DISTRICT FUND

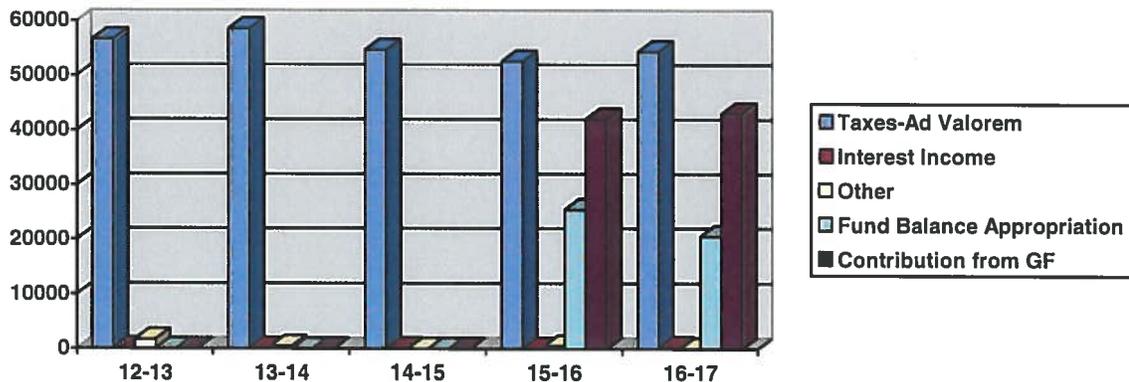
Goal: To account for the activities of the Central Business Tax District established to assist in revitalization of the downtown area.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Taxes- Ad Valorem	56,685	58,605	54,752	52,638	54,420	54,420
Interest Income	113	138	71	80	250	250
Other	1,705	450	0	500	0	0
Fund Balance Appropriation	0	0	0	25,442	20,540	20,540
Contribution from GF	0	0	0	42,000	43,100	43,100
Total	58,503	59,193	54,823	120,660	118,310	118,310

GRAPHIC REPRESENTATION

FY 16-17 Municipal Service District revenue decreased \$2,350 or two percent (2%) compared to FY 15-16 budget. The tax rate remains level at 11 cents per \$100 valuation. Fund balance appropriated in the amount of \$20,540 is for building improvements within the City. Council elected to make a \$43,100 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

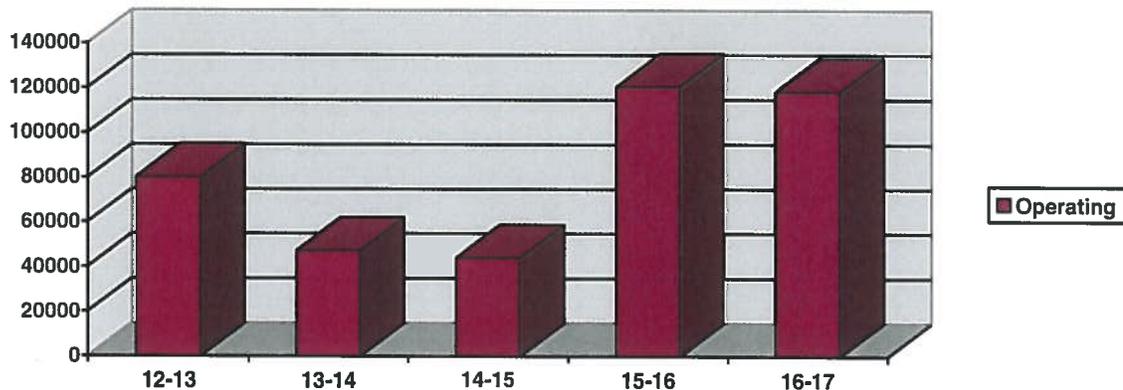
Object of Expenditure	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	REQUESTED 16-17	APPROVED 16-17
Personnel	0	0	0	0	0	0
Operating	80,195	47,233	43,930	120,660	132,410	118,310
Capital Outlay	0	0	0	0	0	0
Total	80,195	47,233	43,930	120,660	132,410	118,310

2016-2017 CAPITAL OUTLAY DETAIL

No capital outlay funding was approved.

GRAPHIC REPRESENTATION

FY 16-17 Special Tax District expenditures reflect a decrease totaling \$2,350 or two percent (2%) compared to FY 15-16 budget. No significant changes within operating. **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. A \$40,000 contribution is included in **FY 12-13** for improvements to McIver Street sidewalk. .



MUNICIPAL SERVICE DISTRICT FUND

FUND BALANCE GOVERNMENTAL FUNDS

	ACTUAL 12-13	ACTUAL 13-14	ACTUAL 14-15	BUDGET 15-16	BUDGET 16-17
MUNICIPAL SERVICE					
BEGINNING BALANCE	\$ 103,404	\$ 81,712	\$ 93,672	\$ 104,565	\$ 79,123
REVENUES					
AD VALOREM TAXES	56,685	58,605	54,752	52,638	54,420
OTHER	<u>1,818</u>	<u>588</u>	<u>71</u>	<u>42,580</u>	<u>43,350</u>
TOTAL	<u>58,503</u>	<u>59,193</u>	<u>54,823</u>	<u>95,218</u>	<u>97,770</u>
EXPENDITURES					
DOWNTOWN REVITALIZATION	<u>80,195</u>	<u>47,233</u>	<u>43,930</u>	<u>120,660</u>	<u>118,310</u>
TOTAL	<u>80,195</u>	<u>47,233</u>	<u>43,930</u>	<u>120,660</u>	<u>118,310</u>
ENDING BALANCE	<u>\$ 81,712</u>	<u>\$ 93,672</u>	<u>\$ 104,565</u>	<u>\$ 79,123</u>	<u>\$ 58,583</u>

Note: The Municipal Service District plans to use fund balance in FY 15-16 and FY 16-17 to improve the facades of downtown buildings. Fund balance was used in FY 12-13 for the McIver Street sidewalk.

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	14-15 Actual	15-16 Projected	16-17 Projected
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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	\$150,000	\$57,500	\$150,000
Private funds attained	\$6,135	\$8,000	\$10,000

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	5	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	0	0	6
Building improvement grants awarded	8	11	10
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	2	2
Downtown festival	1	1	2
Merchant open house	2	1	1
Sanford Second Sunday series	1	1	1

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. 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

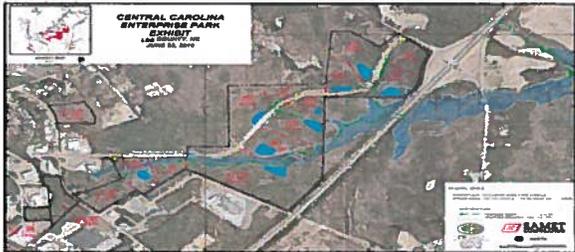
PROJECT DESCRIPTION	FUNDING SOURCE	APPROVED	PLANNING	PLANNING	PLANNING	PLANNING
		YEAR	YEAR	YEAR	YEAR	YEAR
		2016-17	2017-18	2018-19	2019-20	2020-21
WATER:						
Water System Rehabilitation	6	500,000	500,000	500,000	500,000	500,000
Paint Water Tank - Cool Springs	6	-	450,000	-	-	-
Erection of Elevated Storage Facility for Potable Water	6	-	1,500,000	-	-	-
Utility Administration Building	4,6	-	-	5,500,000	-	-
Water Treatment Plant Expansion	6	-	-	-	-	500,000
Clyde Rhyne Road water line - Enterprise Park	4	1,200,000	-	-	-	-
Hawkins Avenue Waterline	4,6	-	4,500,000	-	-	-
TOTAL WATER		1,700,000	6,950,000	6,000,000	500,000	1,000,000
SEWER:						
Sewer System Rehabilitation	6	386,232	700,000	500,000	700,000	500,000
Sewer Remediation Project - section A	4,6	3,500,000	-	-	-	-
Sewer Remediation Project - section B	6	-	-	3,500,000	-	-
Sewer Remediation Project - section C	6	-	-	-	-	500,000
Triassic Development Sewer Extension	4	1,000,000	-	-	-	-
Clyde Rhyne Road sewer line - Enterprise Park	4	2,300,000	-	-	-	-
Gum Fork Branch Forced Main Replacement	6	-	1,000,000	-	-	-
TOTAL SEWER		7,186,232	1,700,000	4,000,000	700,000	1,000,000
TOTAL UTILITY FUND		8,886,232	8,650,000	10,000,000	1,200,000	2,000,000
STREET:						
Street Resurfacing	5	500,000	1,350,000	1,350,000	1,350,000	1,350,000
Sidewalks	2	173,258	-	-	-	-
Sidewalk - Woodland/Courtland	3,5	212,156	-	-	-	-
Horner Blvd Sidewalk	2,3	171,057	-	-	-	-
Sidewalk Rehab	5	100,000	100,000	100,000	100,000	100,000
TOTAL STREET		1,156,471	1,450,000	1,450,000	1,450,000	1,450,000
GENERAL FUND PROJECTS:						
Relocate phone cable on Charlotte, Chatham, McIver	5	-	300,000	-	-	-
Streetscape	2	1,483,907	-	-	-	-
San Lee Parking Lot	5	-	125,000	-	-	-
421 Bypass Sign	5	-	80,000	-	-	-
Municipal Park	2	-	112,950	1,082,950	804,100	-
Wicker St.-Kiwanis Family Park Greenway	2	-	89,995	510,005	-	-
Medical Mile Greenway / Carthage Greenway	2	-	-	306,525	1,593,475	-
Little Buffalo Greenway	2	-	-	-	350,000	350,000
Downtown Wicker Street Greenway	2	-	90,700	-	400,000	309,300
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	-	-	1,000,000	-	-
Golf Cart Storage Facility	5	-	-	200,000	-	-
Golf Club House Renovations	4,5	-	-	-	950,000	300,000
TOTAL GENERAL PROJECTS		1,483,907	1,063,645	3,484,480	5,597,575	4,959,300

CAPITAL IMPROVEMENTS SCHEDULE

PROJECT DESCRIPTION	FUNDING SOURCE	APPROVED YEAR 2016-17	PLANNING YEAR 2017-18	PLANNING YEAR 2018-19	PLANNING YEAR 2019-20	PLANNING YEAR 2020-21
PUBLIC SAFETY:						
Public Safety Facility	4,5	-	500,000	3,235,000	3,500,000	-
Central Station Bay Renovation	5	-	90,000	-	-	-
Replace Concrete at Central	5	80,000	-	-	-	-
Sprinkler and Fire Alarm Grant	3	-	222,900	-	-	-
Equipment Storage Building	5	-	380,000	-	-	-
Renovation - #2 Fire Station	5	-	639,585	-	-	-
Land Acquisition No. 4 Fire Station	5	-	750,000	-	-	-
No. 4 Fire Station	5	-	-	1,960,000	-	-
Land Acquisition No. 5 Fire Station	5	-	-	-	750,000	-
No. 5 Fire Station	5	-	-	-	-	1,960,000
TOTAL PUBLIC SAFETY		80,000	2,582,485	5,195,000	4,250,000	1,960,000
TOTAL GENERAL FUND		2,720,378	5,096,130	10,129,480	11,297,575	8,369,300
TOTAL ALL FUNDS		11,606,610	13,746,130	20,129,480	12,497,575	10,369,300
FUNDING SOURCE						
1 = ASSESSMENTS - Budgeted within Annual Operating Budget						
2 = BONDS - Budgeted within Capital Projects Ordinances						
3 = GRANTS - Budgeted within Capital Projects Ordinances						
4 = LOAN PROCEEDS - Budgeted within Capital Projects Ordinances						
5 = GENERAL FUND OPERATING REVENUE - Budgeted within Annual Operating Budget						
6 = ENTERPRISE FUND OPERATING REVENUE - Budgeted within Annual Operating Budget						
7 = SPECIAL TAX FUND OPERATING REVENUE - Budgeted within Annual Operating Budget						
8 = STATE FUNDING - Budgeted within Annual Operating Budget						
9 = GRANTS/LOAN FORGIVENESS - Budgeted within Capital Projects Ordinances						

CITY OF SANFORD CAPITAL IMPROVEMENT PROGRAM 2017-2021 PROJECT SUMMARY FORM							
Responsible Dept: Engineering - 721			Project Title: Water Rehabilitation				
PROJECT DESCRIPTION: Rehabilitation of portions of the water distribution system							
PROJECT JUSTIFICATION: The City maintains approximately 600 miles of water lines and associated appurtenances, 6 elevated storage tanks and 3 booster pump stations. These assets wear out over time.							
Externally Mandated:	No	Growth	No	Service	Yes		
IMPACT IF CANCELLED OR DELAYED: The assets will not be maintained.							
PROJECTED STATUS as of JUNE 30, 2016:				PROJECTED DATES:			
2017 Appropriation:		\$500,000		Projected Begin:		7/1/2016	
Current Budget Amt:	\$500,000			Est. Completion:		6/30/2017	
Total Expenditures:	\$0						
Projected Balance:	\$500,000						
Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	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.)	2016-17	2017-18	2018-19	2019-20	2020-21	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 Govt (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	2016-17	2017-18	2018-19	2019-20	2020-21	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						
Collection/Distribution	Will oversee maintenance and repair.						
Finance	Water rates will be reviewed annually and adjusted as necessary to continue to provide clean drinking water to the citizens of Sanford / Lee County.						

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Clyde Rhyne Rd Water Line Extension - Enterprise Park	
PROJECT DESCRIPTION: Extension of the City of Sanford's water distribution service to Enterprise Park located off of Clyde Rhyne Rd.			
PROJECT JUSTIFICATION: Further Sanford's growth and development by taking a proactive approach to planning for potential service needs in the area through the continued maintenance and expansion of the City's water distribution system.			
Externally Mandated:	No	Growth	Yes
Service	Yes		

IMPACT IF CANCELLED OR DELAYED: Inability to provide service to new customers.

PROJECTED STATUS as of JUNE 30, 2016:		Planning				PROJECTED DATES:	
2017 Appropriation:		\$1,200,000				Projected Begin:	7/1/2016
Current Budget Amt:	\$1,200,000					Est. Completion:	6/30/2017
Total Expenditures:	\$0						
Projected Balance:	\$1,200,000						
Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	1,200,000						1,200,000
Other							0
Total	1,200,000	0	0	0	0	0	1,200,000
Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts	1,200,000						1,200,000
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	1,200,000	0	0	0	0	0	1,200,000
Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Personnel							0
Operating Expense	12,000	12,000	12,000	12,000	12,000		60,000
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	12,000	12,000	12,000	12,000	12,000	0	60,000
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						
Collection/Distribution	Will oversee maintenance and repair of water lines.						

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721 Project Title: Sewer Rehabilitation

PROJECT DESCRIPTION: Work necessary to rehabilitate identified assets in the sewer collection system.



PROJECT JUSTIFICATION: The City maintains approximately 200 miles of sewer lines with associated appurtenances and 8 lift stations. These assets wear out over time.

Externally Mandated: No Growth No Service Yes

IMPACT IF CANCELLED OR DELAYED: The assets will not be maintained which can result in violations of our permits and higher future costs to rehabilitate the affected portions of the system.

PROJECTED STATUS as of JUNE 30, 2016:			PROJECTED DATES:		
2017 Appropriation:		\$386,232	Projected Begin:	7/1/2016	
Current Budget Amt:	\$386,232		Est. Completion:	6/30/2017	
Total Expenditures:	\$0				
Projected Balance:	\$386,232				

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	386,232	700,000	500,000	700,000	500,000		2,786,232
Other							0
Total	386,232	700,000	500,000	700,000	500,000	0	2,786,232
Financing Plan (to be completed by Finance Dept.)							
General Fund							0
Utility Fund	386,232	700,000	500,000	700,000	500,000		2,786,232
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	386,232	700,000	500,000	700,000	500,000	0	2,786,232
Operating Budget Impact							
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	
Collection/Distribution	Will oversee maintenance and repair.
Finance	Sewer rates will be reviewed annually and adjusted as necessary to continue to provide sewer collection for the citizens of Sanford.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721	Project Title: Sewer Remediation Project - section A
PROJECT DESCRIPTION: Work necessary to start addressing sanitary sewer overflows that occur.	
PROJECT JUSTIFICATION: The City completed a wastewater master plan which identified areas of the sewer collection system which are too small to adequately handle water generated by the 2 year 24 hr storm event. The plan also recommended engineering solutions to address the identified issues.	

Externally Mandated:	No	Growth	No	Service	Yes
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IMPACT IF CANCELLED OR DELAYED: Potential fines and other costs associated with violation of the City's permit to operate the collection system.

PROJECTED STATUS as of JUNE 30, 2016:	Planning			PROJECTED DATES:	
2017 Appropriation:	\$3,500,000			Projected Begin:	7/1/2016
Current Budget Amt:	\$3,500,000			Est. Completion:	6/30/2017
Total Expenditures:	\$0				
Projected Balance:	\$3,500,000				

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	3,500,000						3,500,000
Other							0
Total	3,500,000	0	0	0	0	0	3,500,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund	2,000,000						2,000,000
Revenue Bonds							0
GO Bonds							0
Installment Contracts	1,500,000						1,500,000
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	3,500,000	0	0	0	0	0	3,500,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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	
Collection/Distribution	Will contribute to the purpose of this division by addressing areas in need of maintenance and repair.
	This project will not affect the operating budget.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Triassic Development Sewer Extension
PROJECT DESCRIPTION: Extension of the City of Sanford's wastewater collection service (approximately 1/2 mile) to Triassic Development/Central Carolina Enterprise Park.		
PROJECT JUSTIFICATION: Further Sanford's growth and development by taking a proactive approach to planning for potential service needs in the area through the continued maintenance and expansion of the City's wastewater collection system.		
Externally Mandated:	No Growth Yes	Service: Yes

IMPACT IF CANCELLED OR DELAYED: Inability to provide service to new customers.

PROJECTED STATUS as of JUNE 30, 2016:		Planning	PROJECTED DATES:				
2017 Appropriation:		\$1,000,000		Projected Begin:	7/1/2016		
Current Budget Amt:	\$1,000,000			Est. Completion:	6/30/2017		
Total Expenditures:	\$0						
Projected Balance:	\$1,000,000						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	1,000,000						1,000,000
Other							0
Total	1,000,000	0	0	0	0	0	1,000,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts	1,000,000						1,000,000
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	1,000,000	0	0	0	0	0	1,000,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Personnel							0
Operating Expense	4,000	4,000	4,000	4,000	4,000		20,000
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	4,000	4,000	4,000	4,000	4,000	0	20,000

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

Department/Division Impacted	Explanation: How & Why
Collection/Distribution	Will oversee maintenance and repair of sewer line.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Clyde Rhyne Rd Sewer Line Extension - Enterprise Park	
PROJECT DESCRIPTION: Extension of the City of Sanford's wastewater collection service (approximately 1 1/2 miles) to Enterprise Park located off of Clyde Rhyne Rd.			
PROJECT JUSTIFICATION: Further Sanford's growth and development by taking a proactive approach to planning for potential service needs in the area through the continued maintenance and expansion of the City's wastewater collection system.			
Externally Mandated:	No	Growth	Yes
Service	Yes		

IMPACT IF CANCELLED OR DELAYED: Inability to provide service to new customers.

PROJECTED STATUS as of JUNE 30, 2016:		Planning		PROJECTED DATES:			
2017 Appropriation:		\$2,300,000		Projected Begin:		7/1/2016	
Current Budget Amt:	\$2,300,000			Est. Completion:		6/30/2017	
Total Expenditures:	\$0						
Projected Balance:	\$2,300,000						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	2,300,000						2,300,000
Other							0
Total	2,300,000	0	0	0	0	0	2,300,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts	2,300,000						2,300,000
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	2,300,000	0	0	0	0	0	2,300,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Personnel							0
Operating Expense	12,000	12,000	12,000	12,000	12,000		60,000
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	12,000	12,000	12,000	12,000	12,000	0	60,000

Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).

Department/Division Impacted	Explanation: How & Why
Collection/Distribution	Will oversee maintenance and repair of sewer lines.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721 Project Title: Street Resurfacing

PROJECT DESCRIPTION: Rehabilitation of identified sections of City Streets



PROJECT JUSTIFICATION: The City maintains approximately 135 miles of roads. The road structure wears out over time which requires some form of rehabilitation.

Externally Mandated: No Growth No Service Yes

IMPACT IF CANCELLED OR DELAYED: A road in good condition deteriorates slowly until a critical point is reached. Once that happens, deterioration occurs quickly. The intent of the rehabilitation project is to rehabilitate the roads before they reach that critical point otherwise the cost of work goes up significantly.

PROJECTED STATUS as of JUNE 30, 2016:				PROJECTED DATES:			
2017 Appropriation:		\$500,000		Projected Begin:	7/1/2016		
Current Budget Amt:	\$500,000			Est. Completion:	6/30/2017		
Total Expenditures:	\$0						
Projected Balance:	\$500,000						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	500,000	1,350,000	1,350,000	1,350,000	1,350,000		5,900,000
Other							0
Total	500,000	1,350,000	1,350,000	1,350,000	1,350,000	0	5,900,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund	500,000	1,350,000	1,350,000	1,350,000	1,350,000		5,900,000
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	500,000	1,350,000	1,350,000	1,350,000	1,350,000	0	5,900,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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).

Department/Division Impacted	Explanation: How & Why
Transportation	This division is responsible for the maintenance and repair of existing City streets.
	This project will not affect the operating budget.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Sidewalk - Bond Project					
PROJECT DESCRIPTION: Sidewalk bond project to install \$2 million in new sidewalk.							
PROJECT JUSTIFICATION: The voters approved a bond referendum for \$2 million in new sidewalk. The areas for the new sidewalk were determined using the pedestrian plan and staff input. This project will provide a walking surface for pedestrians in the target areas.							
Externally Mandated:	No	Growth	Yes	Service	Yes		
IMPACT IF CANCELLED OR DELAYED: None							
PROJECTED STATUS as of JUNE 30, 2016:				PROJECTED DATES:			
2017 Appropriation:		\$173,258			Projected Begin:	7/1/2016	
Current Budget Amt:	\$2,000,000				Est. Completion:	6/30/2017	
Total Expenditures:	\$1,826,742						
Projected Balance:	\$173,258						
Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	173,258						173,258
Other							0
Total	173,258	0	0	0	0	0	173,258
Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds	173,258						173,258
Installment Contracts							0
Other Local Gov't (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	173,258	0	0	0	0	0	173,258
Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Personnel							0
Operating Expense	171,690	167,442	163,194	158,946	154,698	1,661,039	2,477,009
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	171,690	167,442	163,194	158,946	154,698	1,661,039	2,477,009
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							
Transportation	This division is responsible for the regular maintenance and repair of city sidewalks.						
Debt Service	As the new sidewalk ages, we anticipate an increase in operating cost to maintain them. Funds are required to re-pay the debt associated with the issuance of GO bonds.						

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721 Project Title: Sidewalk - Woodland/Courtland

PROJECT DESCRIPTION: Installation of new sidewalk along the south side of Woodland from Homer Blvd to Courtland, and Courtland from Woodland to Homer.



PROJECT JUSTIFICATION: The City was awarded construction funding from the Department of Transportation for the expansion of sidewalk along Courtland Drive and Woodland Avenue. The City is expected to pay a portion of the estimated project expense.

Externally Mandated: No Growth No Service Yes

IMPACT IF CANCELLED OR DELAYED: None

PROJECTED STATUS as of JUNE 30, 2016:		Easement acquisition is nearing completion.			PROJECTED DATES:		
2017 Appropriation:		\$212,156			Projected Begin:	7/1/2016	
Current Budget Amt:	\$255,000				Est. Completion:	6/30/2017	
Total Expenditures:	\$42,844						
Projected Balance:	\$212,156						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	212,156						212,156
Other							0
Total	212,156	0	0	0	0	0	212,156

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund	102,156						102,156
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants-DOT Federal Grant	110,000						110,000
Other (Specify - Notes)							0
Prior Year Balance							0
Total	212,156	0	0	0	0	0	212,156

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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).

Department/Division Impacted	Explanation: How & Why
Transportation	This division is responsible for the regular maintenance and repair of City sidewalks.
	This project will not affect the operating budget.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Sidewalk - Horner			
PROJECT DESCRIPTION: Installation of new sidewalk along Horner Boulevard.					
PROJECT JUSTIFICATION: The City was awarded construction funding from the Department of Transportation for the expansion of sidewalk along Horner Boulevard. The City is expected to pay a portion of the estimated project expense.					
Externally Mandated:	No	Growth	Yes	Service	Yes

IMPACT IF CANCELLED OR DELAYED: None

PROJECTED STATUS as of JUNE 30, 2016:		Easement acquisition is nearing completion.			PROJECTED DATES:		
2017 Appropriation:		\$171,057			Projected Begin:	7/1/2016	
Current Budget Amt:	\$245,551				Est. Completion:	6/30/2017	
Total Expenditures:	\$74,494						
Projected Balance:	\$171,057						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	171,057						171,057
Other							0
Total	171,057	0	0	0	0	0	171,057

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds	59,017						59,017
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants -Federal	112,040						112,040
Other (Specify - Notes)							0
Prior Year Balance							0
Total	171,057	0	0	0	0	0	171,057

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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).

Department/Division Impacted	Explanation: How & Why
Transportation	This division is responsible for the regular maintenance and repair of City sidewalks.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721		Project Title: Sidewalk Rehabilitation	
PROJECT DESCRIPTION: Rehabilitation of City sidewalks.			
PROJECT JUSTIFICATION: Over time due to wear and tear and extraneous events, sidewalks require maintenance and repair to minimize safety hazards for the pedestrians that utilize them.			
Externally Mandated:	No	Growth	No
Service	Yes		

IMPACT IF CANCELLED OR DELAYED: The assets will not be maintained

PROJECTED STATUS as of JUNE 30, 2016:		PROJECTED DATES:	
2017 Appropriation:	\$100,000	Projected Begin:	7/1/2016
Current Budget Amt:	\$100,000	Est. Completion:	6/30/2017
Total Expenditures:	\$0		
Projected Balance:	\$100,000		

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	100,000						100,000
Other							0
Total	100,000	0	0	0	0	0	100,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund	100,000						100,000
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	100,000	0	0	0	0	0	100,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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).

Department/Division Impacted	Explanation: How & Why
Transportation	This division is responsible for the regular maintenance and repair of City sidewalks.
	This project will not affect the operating budget.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Engineering - 721	Project Title: Streetscape
PROJECT DESCRIPTION: Installation of sidewalk, brick paver strip, granite curb, underground conduits, period lighting. Conversion of overhead utilities to underground. Mill and resurface roads.	Downtown Sanford (Proposed)
PROJECT JUSTIFICATION: Revitalization project for the Downtown Sanford and Jonesboro areas.	
	  
	Wicker Street Steele Street Moore Street

Externally Mandated:	No	Growth	Yes	Service	Yes
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IMPACT IF CANCELLED OR DELAYED: The project will be unfinished

PROJECTED STATUS as of JUNE 30, 2016:			PROJECTED DATES:		
2017 Appropriation:	\$1,483,907		Projected Begin:	7/1/2016	
Current Budget Amt:	\$10,348,802		Est. Completion:	6/30/2017	
Total Expenditures:	\$8,864,895				
Projected Balance:	\$1,483,907				

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design	11,870						11,870
Acquisition							0
Construction	1,465,055						1,465,055
Other	6,982						6,982
Total	1,483,907	0	0	0	0	0	1,483,907

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds	1,483,907						1,483,907
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	1,483,907	0	0	0	0	0	1,483,907

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Personnel							0
Operating Expense	868,166	854,414	840,662	826,910	813,158	8,442,422	12,645,732
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	868,166	854,414	840,662	826,910	813,158	8,442,422	12,645,732

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	
Transportation	This division is responsible for the maintenance and repair of City streets and sidewalk.
Facilities and Beautification	This division is responsible for the maintenance of landscaping in City maintained ROW.
Debt Service	Funds are required to re-pay debt associated with the issuance of GO bonds and installment purchase. Also anticipate increase in cost to operating related to water taps, maintenance of granite curb, maintenance of paver band, and maintenance of underground lighting circuit.

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2017-2021
PROJECT SUMMARY FORM**

Responsible Dept: Fire - 530 Project Title: Concrete Replacement

PROJECT DESCRIPTION: Replace concrete at Central Fire Station



PROJECT JUSTIFICATION: Broken concrete at the back of Central Fire Station allows water to seep underneath the concrete creating a problem with water, mud, and uneven driving surface. The weight of the fire trucks has caused this problem to accelerate over the last few years.

Externally Mandated: No Growth No Service Yes

IMPACT IF CANCELLED OR DELAYED: Concrete will continue to deteriorate.

PROJECTED STATUS as of JUNE 30, 2016:				PROJECTED DATES:			
2017 Appropriation:		\$80,000		Projected Begin:		7/1/2016	
Current Budget Amt:	\$80,000			Est. Completion:		6/30/2017	
Total Expenditures:	\$0						
Projected Balance:	\$80,000						

Appro/Expenditure Plan	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
Planning/Design							0
Acquisition							0
Construction	80,000						80,000
Other							0
Total	80,000	0	0	0	0	0	80,000

Financing Plan (to be completed by Finance Dept.)	2016-17	2017-18	2018-19	2019-20	2020-21	Remaining Yrs	Total
General Fund	80,000						80,000
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Govt (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	80,000	0	0	0	0	0	80,000

Operating Budget Impact	2016-17	2017-18	2018-19	2019-20	2020-21	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).

Department/Division Impacted	Explanation: How & Why
	This project will not affect the operating budget.

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, 2015
SPECIAL REVENUES				
Community Development				
Revenues	847,247	271,670	732,170	1,003,840
Expenditures	847,247	256,342	273,317	529,659
Project Fund Balance				<u>\$ 474,181</u>
GENERAL FUND CAPITAL PROJECTS				
Downtown Improvements				
Revenues	91,995	-	91,995	91,995
Other financing sources	468,230	-	468,230	468,230
Expenditures	560,225	32,347	511,683	544,030
Project Fund Balance				<u>\$ 16,195</u>
GENERAL FUND CAPITAL PROJECTS				
Sidewalk / Greenway / Streetscape				
Revenues	280,672	1,072	-	1,072
Other financing sources	11,919,225	10,204,177	1,722,030	11,926,207
Expenditures	12,199,897	1,774,393	99,888	1,874,281
Project Fund Balance				<u>\$ 10,052,998</u>
UTILITY CAPITAL PROJECTS				
Water & Sewer Capital Improvements				
Revenues	252,000	336	140,649	140,985
Other financing sources	61,405,118	1,200,000	59,227,238	60,427,238
Expenditures	61,657,118	317,738	55,707,806	56,025,544
Project Fund Balance				<u>\$ 4,542,679</u>

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**2016-2017
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	\$48,337 - \$79,756
DEPARTMENT OF ADMINISTRATION (3)		
City Manager	1	*
Administrative Support Assistant	1	\$35,933 - \$59,290
Public Information Officer/Grant Writer	1	\$48,337 - \$79,756
DEPARTMENT OF HUMAN RESOURCES (5)		
<i>HUMAN RESOURCES</i>		
Human Resources Director	1	\$71,751 - \$118,389
Human Resources Analyst	1	\$43,785 - \$72,246
Human Resources Assistant	1	\$35,933 - \$59,290
Receptionist	1	\$26,721 - \$44,089
<i>RISK MANAGEMENT</i>		
Risk Management Officer	1	\$50,786 - \$83,797
DEPARTMENT OF LEGAL (2)		
City Attorney	1	\$79,221 - \$130,715
Paralegal	1	\$37,764 - \$62,311
DEPARTMENT OF COMMUNITY DEVELOPMENT (22)		
<i>COMMUNITY DEVELOPMENT</i>		
Comm. Development Director	1	\$79,221 - \$130,715
Asst. Comm. Dev. Director	1	\$61,889 - \$102,117
Administrative Services Coord.	1	\$39,685 - \$65,480
Comm. Development Manager	1	\$58,907 - \$97,197
Design Review Coordinator	1	\$58,907 - \$97,197
Zoning Administrator	1	\$58,907 - \$97,197
Planner II	1	\$50,786 - \$83,797
Planning Technician	2	\$39,685 - \$65,480
Staff Assistant	1	\$32,567 - \$53,736

* Amount is established and set by the City Council on a year to year basis.

**2016-2017
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF COMMUNITY DEVELOPMENT CON'T (22)		
<i>INSPECTIONS</i>		
Inspections Administrator	1	\$58,907 - \$97,197
Field Superintendent	1	\$53,357 - \$88,039
Building Inspector III	1	\$48,337 - \$79,756
Building Inspector I	2	\$43,785 - \$72,246
Permit Coordinator	1	\$29,498 - \$48,671
Administrative Technician I	1	\$32,567 - \$53,736
<i>COMMUNITY ENHANCEMENT – CODE ENFORCEMENT</i>		
Code Enforcement Supervisor	1	\$48,337 - \$79,756
Code Enforcement Officer	2	\$41,692 - \$68,793
Staff Assistant	1	\$29,498 - \$48,671
<i>COMMUNITY ENHANCEMENT – DOWNTOWN/HPC</i>		
Downtown Development Manager II	1	\$58,907 - \$97,197
DEPARTMENT OF INFORMATION TECHNOLOGY (3)		
Information Technology Director	1	\$71,751 - \$118,389
Program Analyst/Webmaster	2	\$50,786 - \$83,797
SANFORD GOLF COURSE (6)		
Golf Course Manager	1	\$61,889 - \$102,117
Golf Course Superintendent	1	\$50,786 - \$83,797
Asst. Golf Course Manager	1	\$41,692 - \$68,793
Lead Turfgrass Technician	1	\$32,567 - \$53,736
Turfgrass Technician	1	\$29,498 - \$48,671
Turfgrass Technician	1	Part-time

**2016-2017
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF POLICE (110)		
Chief of Police	1	\$79,221 - \$130,715
Assistant Chief	1	\$65,020 - \$107,283
Administrative Support Asst.	1	\$35,933 - \$59,290
Staff Assistant	1	\$32,567 - \$53,736
Police Records Supervisor	1	\$39,685 - \$65,480
Records Clerk	1	\$32,567 - \$53,736
Major	1	\$61,889 - \$102,117
Internal Affairs / Training Officer	1	\$56,072 - \$92,518
Narcotics Captain	1	\$56,072 - \$92,518
Patrol Captain	6	\$53,357 - \$88,039
Narcotics Sergeant	1	\$48,337 - \$79,756
Detective Sergeant	1	\$48,337 - \$79,756
Sergeant	3	\$46,003 - \$75,904
Detective Captain	1	\$56,072 - \$92,518
Detective	7	\$43,785 - \$72,246
Narcotics Agent	4	\$43,785 - \$72,246
Police Officer III	40	\$41,692 - \$68,793
Police Officer II	6	\$39,685 - \$65,480
Police Officer I	11	\$37,764 - \$62,311
Telecomm. Supervisor	1	\$41,692 - \$68,793
Telecommunicator	16	\$34,229 - \$56,478
Receptionist	4	\$26,721 - \$44,089
DEPARTMENT OF FIRE (54)		
Chief	1	\$75,383 - \$124,382
Division Commander / Fire Marshal	1	\$53,357 - \$88,039
Battalion Commander	3	\$53,357 - \$88,039
Staff Assistant	1	\$32,567 - \$53,736
Company Captain	9	\$46,003 - \$75,904
Firefighter III	24	\$39,685 - \$65,480
Fire Inspector	1	\$43,785 - \$72,246
Fire Inspector	1	Part-time
Firefighter III/Driver Operator	9	\$39,685 - \$65,480
Firefighter II	1	\$37,764 - \$62,311
Firefighter I	3	\$35,933 - \$59,290

2016-2017

DEPARTMENTAL EMPLOYEE CLASSIFICATION

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF FINANCIAL SERVICES (20)		
<i>FINANCE</i>		
Director of Financial Services	1	\$79,221 - \$130,715
Financial Services Supervisor	1	\$56,072 - \$92,518
Financial Services Support Assistant	1	\$32,567 - \$53,736
Accountant I	2	\$37,764 - \$62,311
Senior Budget Analyst	1	\$48,337 - \$79,756
Accounting Technician	2	\$32,567 - \$53,736
Finance Application Support Analyst	1	\$48,337 - \$79,756
<i>UTILITY FUND ADMINISTRATION</i>		
Revenue Manager	1	\$53,357 - \$88,039
Assistant Revenue Manager	1	\$48,337 - \$79,756
Senior Accountant	1	\$46,003 - \$75,904
Customer Service Representative	4	\$29,498 - \$48,671
Customer Service Representative	1	Part-time
Senior Customer Service Represent.	1	\$32,567 - \$53,736
Revenue Assistant	1	\$32,567 - \$53,736
Billing Clerk	1	\$32,567 - \$53,736

**2016-2017
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS (132)		
<i>PUBLIC WORKS ADMINISTRATION</i>		
Public Works Director	1	\$83,206 - \$137,289
Public Works Manager	1	\$71,751 - \$118,389
Public Works Administrator	1	\$48,337 - \$79,756
Public Works Safety Officer	1	\$41,692 - \$68,793
Administrative Support Asst.	1	\$35,933 - \$59,290
Staff Assistant	1	\$32,567 - \$53,736
<i>STREET</i>		
Administrator	½	\$58,907 - \$97,197
Crew Supervisor I	3	\$35,933 - \$59,290
Equipment Operator III	1	\$32,567 - \$53,736
Equipment Operator II	4	\$29,498 - \$48,671
Equipment Operator I	2	\$28,078 - \$46,329
Maintenance Worker II	5	\$28,078 - \$46,329
Lead Maintenance Worker	1	\$29,498 - \$48,671
Traffic Services Technician	1	\$34,229 - \$56,478
<i>SOLID WASTE</i>		
Administrator	½	\$58,907 - \$97,197
Solid Waste Superintendent	1	\$53,357 - \$88,039
Crew Supervisor I	3	\$35,933 - \$59,290
Equipment Operator II	8	\$29,498 - \$48,671
Equipment Operator I	1	\$28,078 - \$46,329
Lead Maintenance Worker / Graffiti	1	\$29,498 - \$48,671
Maintenance Worker II	2	\$28,078 - \$46,329
Maintenance Worker I	2	\$26,721 - \$44,089
<i>HORTICULTURE</i>		
Horticulturist	1	\$46,003 - \$75,904
Lead Groundskeeper	2	\$29,498 - \$48,671
Groundskeeper II	1	\$28,078 - \$46,329
Groundskeeper I	2	\$26,721 - \$44,089

2016-2017

DEPARTMENTAL EMPLOYEE CLASSIFICATION

POSITION TITLES

BUDGETED POSITIONS

SALARY RANGE

DEPARTMENT OF PUBLIC WORKS CON'T (132)

FLEET MAINTENANCE

Administrator	½	\$58,907 - \$97,197
Fleet Maint. Superintendent	1	\$53,357 - \$88,039
Mechanic II	3	\$35,933 - \$59,290
Garage Clerk	1	\$32,567 - \$53,736

ENGINEERING

City Engineer	1	\$68,295 - \$112,686
Civil Engineer II	1	\$56,072 - \$92,518
Civil Engineer I	1	\$50,786 - \$83,797
Drafting Technician	1	\$34,229 - \$56,478
Engineering Technician	1	\$39,685 - \$65,480
Utility Locator	2	\$34,229 - \$56,478
Engineering GIS Technician	1	\$37,764 - \$62,311
Construction Inspector	2	\$39,685 - \$65,480

DISTRIBUTION AND COLLECTION

Utilities Administrator	1	\$58,907 - \$97,197
Public Works Coordinator	1	\$46,003 - \$75,904
Utility Connection Coordinator	1	\$46,003 - \$75,904
Crew Supervisor I	5	\$35,933 - \$59,290
Utility Technician	1	\$34,229 - \$56,478
Utility Maint. Worker II	8	\$28,078 - \$46,329
Utility Maint. Worker I	3	\$26,721 - \$44,089
Lead Utility Maint. Worker	5	\$29,498 - \$48,671
Equipment Operator III	1	\$32,567 - \$53,736
Equipment Operator II	5	\$29,498 - \$48,671
Meter Reading Supervisor	1	\$35,933 - \$59,290
Meter Reader	7	\$29,498 - \$48,671
Meter Services Technician	1	\$31,003 - \$51,154

**2016-2017
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS CON'T (132)		
<i>WATER FILTRATION</i>		
WTP Superintendent	1	\$58,907 - \$97,197
Chief WTP Operator	1	\$41,692 - \$68,793
WTP Operator III	4	\$35,933 - \$59,290
WTP Operator II	1	\$32,567 - \$53,736
WTP Operator I	1	\$32,567 - \$53,736
Utility Mechanic II	1	\$35,933 - \$59,290
Lab Supervisor	1	\$48,337 - \$79,756
Lab Technician II	1	\$39,685 - \$65,480
<i>WATER RECLAMATION</i>		
WWTP Superintendent	1	\$58,907 - \$97,197
Chief WWTP Operator	1	\$41,692 - \$68,793
Pretreatment Coordinator	1	\$43,785 - \$72,246
Lab Supervisor	1	\$48,337 - \$79,756
Lab Technician II	1	\$39,685 - \$65,480
Utility Mechanic II	1	\$37,764 - \$62,311
Utility Mechanic I	1	\$35,933 - \$59,290
WWTP Operator III	3	\$35,933 - \$59,290
WWTP Operator II	3	\$32,567 - \$53,736
<i>WAREHOUSE</i>		
Maintenance/Inventory Tech.	1	\$32,567 - \$53,736
<i>PUBLIC BUILDING</i>		
Administrator	½	\$58,907 - \$97,197
Bldg./Grounds Superintendent	1	\$53,357 - \$88,039
Maintenance/Inventory Tech.	1	\$32,567 - \$53,736
Staff Assistant	1	\$32,567 - \$53,736

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, 2015

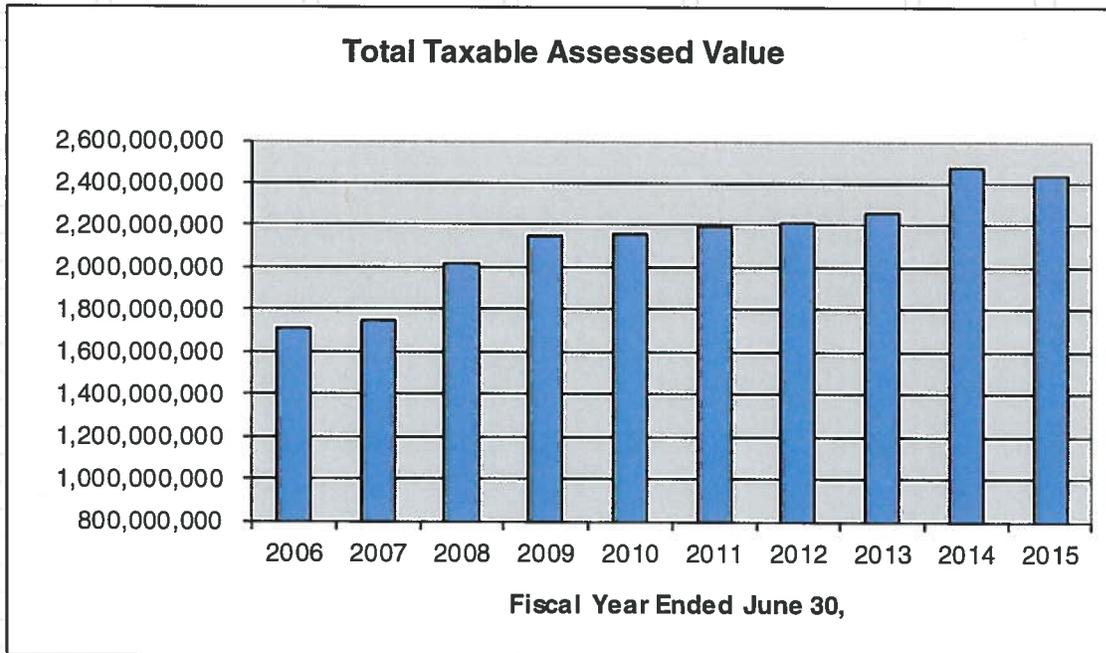
CITY OF SANFORD, NORTH CAROLINA DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS						
Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2006	25,864	721,191,776	27,884	36.4	9,021	5.4%
2007	26,633	625,103,143	23,471	38.00	9,125	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%

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, 2015

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
2006	1,219,464,773	444,276,889	46,020,518	1,709,762,180	0.59	88.75%
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	1,768,796,115	621,920,459	47,521,925	2,438,238,499	0.60	99.00%



Source: Lee County Tax Office

Extracted from Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

CITY OF SANFORD, NORTH CAROLINA PRINCIPAL PROPERTY TAX PAYERS JUNE 30, 2015 COMPARED TO JUNE 30, 2005						
Taxpayer	2015			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Coty, Inc.	\$ 102,297,682	1	4.20%	\$ 48,325,709	1	2.88%
Frontier Spinning Mills	78,856,742	2	3.23%	16,643,460	8	0.99%
Simpson & Simpson	68,510,366	3	2.81%	26,357,735	5	1.57%
Magneti Marelli USA, INC.	43,985,722	4	1.80%	26,914,082	3	1.60%
Moen, Inc.	36,855,454	5	1.51%	40,676,960	2	2.42%
Static Control	35,170,732	6	1.44%	19,511,104	7	1.16%
The Pantry	28,141,131	7	1.15%			
Central Carolina Hospital/ AMISUB	24,470,148	8	1.00%	22,073,833	4	1.31%
Pentair	22,056,409	9	0.90%			
Postoak Sanford	20,420,500	10	0.84%	14,645,000	9	0.87%
Alltel				23,890,026	6	1.42%
Wachovia Capital Markets				13,650,900	10	0.81%
Total	\$ 460,764,886		18.90%	\$ 252,688,809		15.05%
Source: Lee County Tax Office						

Extracted from Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

CITY OF SANFORD, NORTH CAROLINA				
PRINCIPAL EMPLOYERS				
JUNE 30, 2015 COMPARED TO JUNE 30, 2006				
	2015		2006	
Employer	Employees	Rank	Employees	Rank
Lee County Schools	1000+	1	1000+	2
Pilgrims Pride	500-999	2	500-999	
Static Control Components	500-999	3	1000+	4
Belflex Staffing Network	500-999	4		
Coty, LLC	500-999	5	500-999	5
Caterpillar, Inc.	500-999	6		
Anisub of NC, Inc.	500-999	7	500-999	7
Pentair Water Pool & Spa, Inc.	500-999	8	500-999	10
Central Carolina Community College	500-999	9	500-999	6
Frontier Spinning Mills, Inc.	500-999	10		
American Cyanamid Co.			1000+	1
Gold Kist, Inc.			1000+	3
Tyson Mexican Orginial, Inc.			500-999	8
Moen, Inc.			500-999	9
Source: NC Department of Commerce				

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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

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 15-16 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.
- ◇ Continued site inspections for all new construction projects to ensure compliance with state building codes and the Unified Development Ordinance.

Fire

- ◇ The new Rosenbauer fire pumper was put into service March of 2016; this replaced a 1977 Mack pumper.
- ◇ The department started a smoke detector program where we are canvassing neighborhoods where the City has had fatalities over the past few years. There were over 200 smoke alarms installed in two separate areas. The department received a \$1,000 grant to help offset the cost of these alarms.
- ◇ Replaced the roof at Central Fire Station;
- ◇ Replaced the HVAC at Central Fire Station on the dayroom side of the building;
- ◇ Replaced exercise equipment at three fire stations;
- ◇ Continued 5-year replacement of turnout gear (NFPA).

Risk Management

- ◇ Conducted twenty-five job site and/or facility inspections.
- ◇ Conducted or assisted in training city employees in various safety related topics such as: Active Shooter Training, First Aid and CPR, Workers' Compensation, Work Zone Safety, Asbestos and Silica Awareness, and Confined Space.
- ◇ Investigated 50+ property and liability claims against the city ranging from damage to vehicles, damage to homes or businesses from water line breaks or sewer backups, damage to crops/fields from city spraying activities, and damage to light poles and cables.
- ◇ Audited City vehicle fleet ensuring proper insurance coverage for 375+ vehicles.
- ◇ Managed (investigated, reported, processed invoices) 18 work related injuries. The City paid approximately \$68,000 in medical for FY 15-16.
- ◇ Assisted departments in developing and improving their current emergency action plans, process safety management plans, and hazardous communication plans.
- ◇ Provided guidance and conducted research for department heads on workers' compensation insurance, City of Sanford safety requirements, NC motor vehicle law, property and liability claims, and OSHA regulations.
- ◇ Ensured compliance with safety and OSHA regulations and reporting.

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.
- ◇ Revised internal policies and procedures.

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).

Long-Range Planning

- ◇ Tree City USA re-certification and installed two Tree City USA signs.
- ◇ Completed the World War II mural on Moore Street and the Visionary Builders mural.
- ◇ Arbor Day Celebration
- ◇ Staff continues to attend training conferences on Historic Preservation, Urban Forestry, and Storm Mitigation.
- ◇ Speaking engagement at the Civitan Club.
- ◇ Guest appearance on the local TV show "Preserving Our Traditions".
- ◇ Electronically scanned all Historic Preservation files.

TRANSPORTATION AND PUBLIC WORKS

Solid Waste

- ◇ Replaced a knuckleboom truck.
- ◇ Continued contract mowing of NC Department of Transportation right-of-ways and city right-of-ways.

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.

Horticulture

- ◇ Continue to renovate several maintained areas throughout the city.
- ◇ Continue to redesign annual beds with plants that grow larger reducing the amount to be planted while still maintaining an aesthetically pleasing look.
- ◇ Continue 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 the appearance.

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.
- ◇ The Water Plant was recognized by the NC Department of Labor for twenty consecutive years with no loss time accidents.
- ◇ 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 Plant exceeded meeting all state / federal regulations for drinking water.

Water Reclamation

- ◇ Maintained laboratory certification.
- ◇ Land applied 594 dry tons of sludge.
- ◇ Treated 1.7 billion gallons of wastewater.
- ◇ Used 2.9 million gallons of reclaimed water.
- ◇ Updated the Safety Data Sheet program to comply with OSHA regulations.
- ◇ Sampled 10 industries semi-annually to ensure compliance with pretreatment program.

Distribution and Collection

- ◇ Improved right-of-way access points and creek crossings.
- ◇ Removed trees from cross-country right-of-ways for better access.
- ◇ Cleaned 46 miles of the city's collection system lines.
- ◇ Staff responded to 174 stoppage complaints, mowed 35.5 miles of right-of-way easements, and inspected 54 miles of priority lines.
- ◇ Treated 2.0 miles of sewer main with root control.
- ◇ Vacuumed all wet wells and cleaned all build up and solids.
- ◇ Televised 1.4 miles of sewer line.
- ◇ Improved stock of spare parts to decrease downtime of lift stations.
- ◇ Ten employees attended the AWWA Pipe and Meter School to obtain NC state certifications.
- ◇ Maintained 588 miles of distribution lines, and 757 of hydrants.
- ◇ Repaired 141 major water lines and 34 minor water lines.
- ◇ Made 107 new water taps and 115 water retaps.
- ◇ Installed 58 new water meters and replaced 977 old meters.
- ◇ Tested 28 large water meters and 4 small water meters.
- ◇ Read 232,324 water meters.
- ◇ Inspected 42 city owned backflow devices and 873 privately owned backflow devices.
- ◇ Removed 1,017,056 gallons of grease containing fluids and inspected 120 (of 179) grease traps.
- ◇ Inspected 1,294 valves.

FINANCIAL PLANNING

Utility Fund Administration

- ◇ 34,863 payments were collected on-line for a total of \$2,098,598.
- ◇ 53,163 payments were collected through the lockbox for a total of \$6,519,949.
- ◇ The city's Debt Set Off Program continues to be successful in the collection of delinquent accounts; \$19,587 was collected in outstanding bills, ordinance violations, and judgments.
- ◇ 46,954 total calls with 44,322 answered and 2,632 abandoned for a 94% rating of calls answered verses calls received.

Finance

- ◇ Received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association for the city's June 30, 2015 Comprehensive Annual Financial Report; this is the 35th 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, 2016; this is the 30th 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.

Golf

- ◇ The Sanford Municipal Golf Course held the 40th Annual Brick Capital Classic Golf Tournament.
- ◇ Voted Best Golf Course for the 3rd straight year by The Sanford Herald survey.

Information Technology

- ◇ The IT Department installed a computer network, fiber optic connectivity, PC's, printers, and copiers on three floors at the Sanford Buggy Factory for Inspections, Planning, and Community Development.
- ◇ Installed the latest technology body camera server, network docking stations, and software to support new initiative by the Police Department.
- ◇ Managed the Video Server Project to update screens for a modern look and increase capacity of Sanford TV191.
- ◇ Achieved a state grant for operation of the Government Access Channel Sanford TV191.
- ◇ Upgraded software for 911 dispatch and 911 backup facility.
- ◇ Replaced the Police Department operations server.
- ◇ Upgraded network managed anti-virus system.
- ◇ Purchased and distributed 60 computer systems for the 2015 Employee Computer Purchase Program.
- ◇ Improved processes to provide electronic agendas and budgets to tablet computers.
- ◇ Produced the video that helped the City win the 2015 National Night Out award as well as creating several informational videos for City services on Sanford TV191 and the City website.
- ◇ Installed new software packages, service pack upgrades, and security patches for PC's and servers on the City's LAN and WAN networks.

Human Resources

- ◇ Over \$3.3 million paid in medical claims/fixed costs under our BCBSNC group health care plan resulting in a loss ratio of 106.59%; up from 100.7% for plan year 2014-15; claims costs increased approximately \$206,511 from prior year.
- ◇ A rate increase of 8.7% for plan year 2016-17 was recommended to cover expected medical claims, fixed and health care reform costs; 5.0% implemented. Successfully re-negotiated no increase in the administrative fee and decreased the stop-loss fee for an annual savings of approximately \$96,500 by increasing the stop-loss rate from \$100,000 to \$135,000. 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 2016-17 plan year.
- ◇ Re-negotiated dental rates for all plans resulting in no increase for 2016-17 plan year.
- ◇ Wellness Program continues to be successful. Participation continues to remain steady and the committee remains active.
- ◇ Coordinated successful flu shot program.
- ◇ Annual benefits enrollment program was adjusted. Health and wellness employee meetings sponsored instead of wellness fair. Participation was good and feedback position.
- ◇ Assisted Finance with questions regarding the setup of 1095-C's for employees under ACA.
- ◇ Race and ethnicity EEOC categories revised in 2015. Distributed survey/audit requesting employees verify/update their race and processed changes in Munis for EEO-4 biennial reporting.
- ◇ Recruited, hired, conducted new employee orientation, and processed 21 new employees; processed 10 new council / board / commission members; and processed 30 employee promotions.
- ◇ HR Director received certification as a Senior Certified Professional with the Society of Human Resources Management.
- ◇ Increase in employee turnover rate from 4.20% in calendar year 2015 to 5.42% in 2016. Excluding retirees, the turnover rate is 4.52%.

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