



FY 2013-14  
Recommended Annual Operating  
Budget and Performance Plan

**Moving Forward**

W. Brian Hiatt, City Manager  
May 29, 2013

**GUIDING DOCUMENT**

FY 2013-14  
Mayor/City Council Goals

Total Recommended  
City-Wide  
Budget FY 2013-14  
  
\$213,386,710

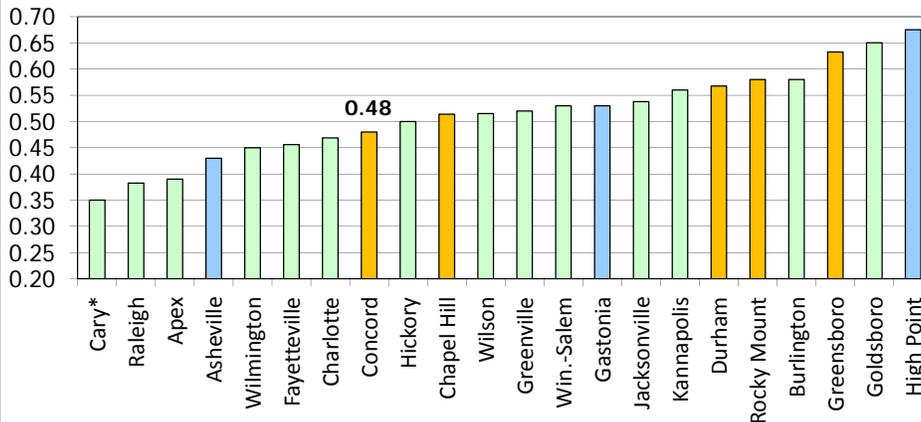
## Recommendation Summary

- No property tax rate increase (48 cents)
- No Water, Wastewater, or Stormwater rate increases
- No increase in Electric rates, however Purchase Power Adjustment will be evaluated based on Duke Energy charges
- Continued conservative, but not worst case, revenue projections
- Moving forward with planned capital projects

Total Recommended  
General Fund Budget  
FY 2013-14

\$68,960,872

**FY 2013-14 Proposed Property Tax Rates for  
NC Full-Service Cities Over 35,000 Pop.  
(Cents per \$100 Valuation)**



**Note:**

\*Cary - extensive use of impact fees.

Cities in green apply a fee for solid waste (for some or all services) in addition to property tax.

Cities in blue (Asheville, Gastonia and High Point) charge a nominal recycling fee, but not for garbage or yard waste.

Charlotte and Jacksonville residents are assessed a solid waste fee for disposal through property tax or utility bills.

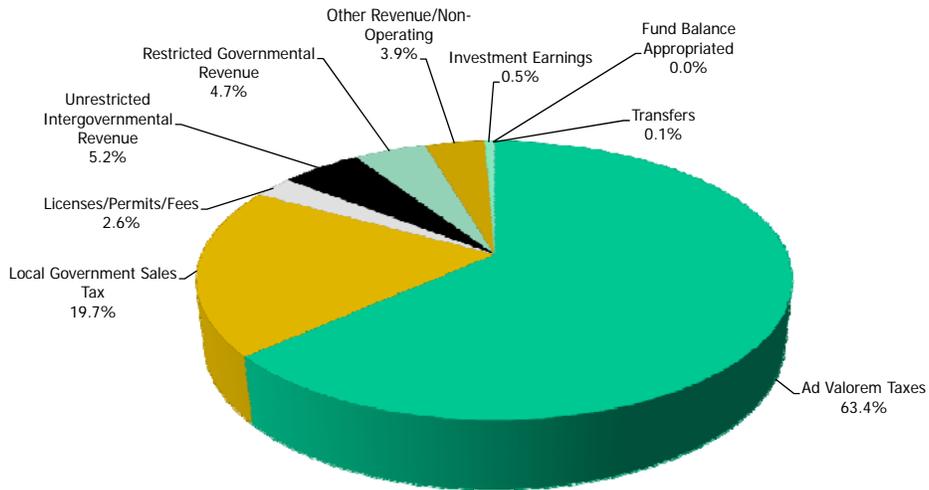
## General Fund Revenues

- .4800 tax rate recommended
  - Same tax rate as FY12-13, which was a revaluation year (48 cents was the Revenue-Neutral rate calculated under State Statute)
- One cent on tax rate = approx. \$892,960
- Projecting 4% increase in tax base over FY 2012-13

## Other Revenue Trends

- Projecting 2% growth in sales tax revenue over FY13 budgeted, still slightly below FY 07-08 actuals
- Development related revenue continues to recover
- Investment Earnings remain below 1%
- Use of \$1.6 million in Capital Reserve Funds for capital needs

## General Fund Revenues by Source



## General Fund Balance/Capital Reserve Fund

- Unassigned Fund Balance will meet 30-35% City Council goal
- Use of \$1.6 million in funds from Capital Reserve Fund recommended for FY 2013-14; will be applied to Fire SCBA breathing apparatus and McEachern Greenway - Cabarrus

## Utility Funds Revenue

- All Utility Fund revenue for FY14 is expected to remain stable
- No rate increases
- Rate revenue is projected to meet FY13 estimates, with no major consumption changes expected

## Recommended Fee Changes

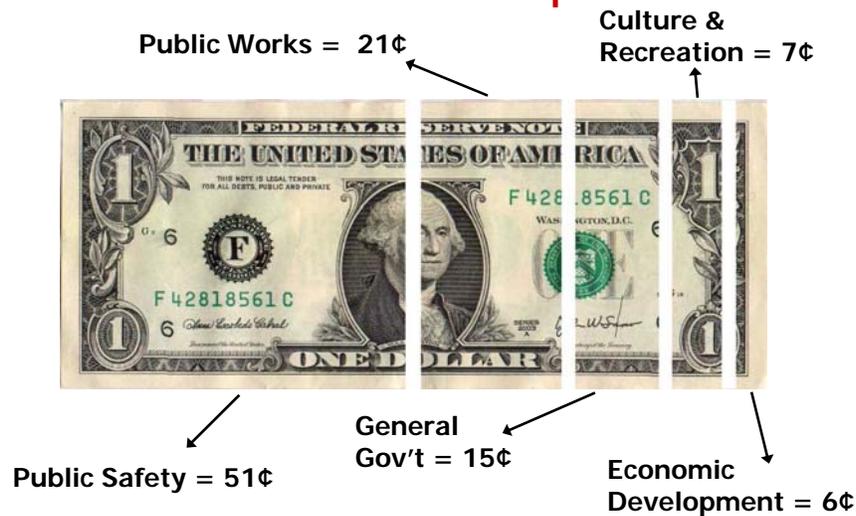
- Rocky River Golf Club – change in age definition of “senior”, changes to annual golf plan packages
- Parks and Recreation – change in Personal Trainer rates, change in age for birthday parties from 16 to 18
- Electric – insertion of Metal Halide rates under Outdoor and Public Lighting; removal of certain types of Electric Meter Base Fees

## Recommended Fee Changes

- Transportation – addition of curb and gutter/sidewalk installation and Right-of-Way Encroachment Permit Application Fee
- Aviation – changes to Daily Rates, Hangar rental rates, operating fees, and other miscellaneous fees
- Solid Waste – Roll-off container rental, lost or damaged roll-out cart replacement, code enforcement fees for removal of appliances, scrap metal and tires

## Summary of Recommended General Fund Expenditures

## How will each General Fund tax dollar be spent?



## General Government

### *Administrative Departments—*

- Increased funding for Neighborhood matching grants
- Design of new City Hall
- Upgrade of Financial software
- Contingency set aside for upcoming needs
- Allows for the loan of funds to the Housing Department for office expansion (to be repaid with Housing funds) - \$260,000

## Economic Development

### *Planning and Neighborhood Development-*

- Accela Plan Review software – \$655,000

### *Economic Development (under CMO)-*

- Continue incentive grant funding for economic development projects already approved by Council
- Additional \$15,000 in distribution of sales tax to the Concord Downtown Development Corporation

## Public Safety

### *Police-*

- Maintenance of one car per officer plan
- Continued progress towards one camera per patrol vehicle

### *Radio Shop –*

- Purchase of additional equipment to provide considerable in-house maintenance of digital radios – cost savings associated

## Public Safety

### *Fire and Life Safety –*

- Replacement of SCBA breathing equipment - \$1,200,000 (Capital Reserve funds)
- Increased maintenance needs at fire stations (roofs, windows, driveways, etc.) - \$200,000
- Security improvements/renovations to Fire Admin offices - \$50,000

## SAFER Grant – 12 Firefighters

	<b>FEMA</b>	<b>CITY</b>
• First year	90%	10%
• Second year	80%	20%
• Third year	50%	50%
• Fourth year	30%	70% until 12/13
• Fifth year	0%	100% after 12/13

This grant represents over \$500,000 in salaries/benefits that the City has now absorbed into its own funding.

## City-wide Public Safety Expenses/Projects

- Establish fund for fiber extension and maintenance needs – budgeted at \$100,000 total each year, across all funds
- Concord share of the remaining 6 Channel Radio System infrastructure (as part of a regional partnership) – total of \$520,000 budgeted across all funds

## Culture and Recreation

### *Parks and Recreation -*

- ID card system at all 3 Rec Centers - \$20,000
- Replace Les Myers Park playground- \$30,000
- Replace Hartsell Rec Center Gymnasium windows - \$80,000
- Construct McEachern Greenway – Cabarrus Phase - \$440,000 (project using Capital Reserves)
- Hartsell Rec Center Improvements (design only) - \$50,000 (project using General Fund monies)
- Complete renovation of pool deck - \$26,000

## Public Works

### *Transportation –*

- Combined funds for street resurfacing:  
\$1.4 million (includes Glengrove subdivision)
- Transportation Projects (using dedicated Transportation funds) - \$3,309,298
  - Traffic Signal Technology
  - NE Subset Sidewalk Ext.
  - Weddington Rd NW Ext.
  - Virginia St SE Segment Improvement
  - Brookwood Corridor Design
  - Miramar Sidewalk Ext. Phase II - PIP

## Public Works

### *Solid Waste and Recycling –*

- Addition of funds for:
  - Electronic Recycling Disposal (\$18,750)
  - Yard Waste Disposal (\$20,000)
- Construct Disaster Debris Management/Leaf Disposal site - \$145,288
- Includes cost to eliminate bulky call-in requirement

## Summary of Recommended Utility Fund Expenditures

Water, Wastewater, Electric and  
Stormwater

### Water Resources

- Continued maintenance of waterlines, mains, and valves; replacement/upgrade of problem areas - \$240,000
- Upsizing of lines and extension of water mains, rehab of existing mains - \$285,500
- Boosted Pressure Zone for Fire Flow Improvements - \$150,000
- Waterline improvements related to DOT projects:
  - I-85 Widening
  - Derita Rd
  - George Liles Blvd (Weddington to Roberta phase)

## Wastewater

- Small outfall sewer replacements/upgrades:
  - Cabarrus County Boys and Girls Club
  - Southbrook Sewer outfall upsizing
  - Wilkinson and Rosehaven replacement
  - Concord Business Park Phase I and II
- Continue to invest in slip lining for wastewater lines - \$623,000
- Roberta Woods Pumps Station Elimination - \$598,000

## Electric System

- FY14 Wholesale Purchase Power budget is almost \$1 million less than the FY13 budget
- Relocation of infrastructure for various DOT projects - \$410,000
- Downtown Vault System - \$150,000
- Finalization of EPA emission reductions on the generation of electricity - \$169,000
- Substation I-1 and I-2 Upgrade to a single station - \$1.5 million

## Stormwater

- Replacement of sweeper truck - \$235,000
- Funding for 5 Capital Improvement Plan (CIP) Projects:
  - Reubens Rd Culvert Replacement - \$104,781
  - Wyoming Drive at Grand Canyon Culvert Replacement - \$195,000
  - Treasure Dr Culvert Replacement - \$125,000
  - Chadbourne Ave Culvert Replacement - \$375,000
  - Chelwood Dr Culvert Replacement - \$375,000

## Summary of Recommended Expenditures in Other Funds

Transit, Aviation, Golf Course, and  
Internal Services

## Public Transit

- Continue adding shelters and lighting of bus stops
- Fuel cost/ADA increases
- Sunday service begins October 2013 – CMAQ grant covers 80% for first 3 years
- Arrival of new hybrid buses in March 2014 – 85% federal funding



## Aviation

- Primary focus on safety, security and the provision of excellent service
- Includes startup costs for potential limited commercial service
- Other capital projects dependent on grant funding



## Rocky River Golf Course

- Budget reflects increased revenue/rounds associated with new course greens
- Funding for preliminary design of potential Clubhouse expansion - \$5,000



## Internal Services

### *Data Services –*

- Upgrades to network capacity
- Needed server replacements for major systems and programs
- Upgrade Harris software
- Complete conversion process to Microsoft Outlook for email, utilizing Cloud-based storage

### *Utility Billing –*

- Outsourcing of bill printing and mailing functions

## Summary of Recommended Human Resources Expenditures

### Position Summary

This budget represents **916.20 FTE**, with **2** full-time vacant positions eliminated in FY14.

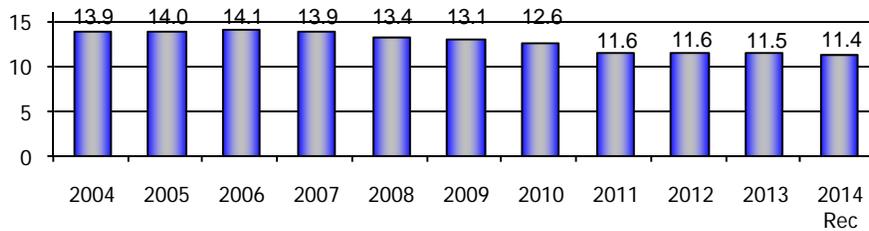
With the positions above, we have eliminated 24 full-time and 4 part-time positions since July 2010.

Vacant and unfunded for FY 13-14:

- 15 Full-time positions
- 1 Part-time position

Value of Positions Frozen (savings): \$672,645

## Number of Funded FTE Positions Per 1,000 Population



## Proposed Eliminations

### Wastewater (1 position):

- Wastewater Director

### Billing (1 position):

- Meter Technician

## Frozen/Unfunded Positions

### General Fund (5 positions):

- Solid Waste/Recycling: Utility Service Supvr., Equipment Operators (2)
- Parks & Recreation: Parks & Rec Specialist
- Fleet Services: Automotive Technician

### Electric Fund (3 positions):

- Electric Systems Technician I
- Project Engineer
- Utility Locator

## Frozen/Unfunded Positions

### Water Resources Fund (2 positions):

- Staff Engineer
- Utility Service Worker

### Aviation Fund (4 positions):

- Custodian/Courier
- Aviation Supervisor (newly frozen)
- Executive Assistant (newly frozen)
- Sr. Customer Service Specialist (newly frozen)

## Frozen/Unfunded Positions

Internal Service Fund (1 FT, 1 PT positions):

*Engineering:*

- Staff Engineer

*Building and Grounds:*

- Custodian (1 PT position – 20 hours/week)

## Recommended Positions

**8.5** new or unfrozen full-time positions recommended for FY14

- 2 Police Officer positions – 1 Forensic Examiner & 1 Special Investigations Unit
- 1 Telecommunicator (unfrozen position)
- 1 Assistant City Attorney
- 1 Transportation Tech II (Signals) – with revenue offsetting from the state

## Recommended Positions

8.5 new or unfrozen full-time positions recommended for FY14

- Parks and Rec Supervisor (unfrozen position)
- 1 PT Position for Clearwater Artist Studios
- 1 Customer Service Specialist (Cust Serv)
- 1 Bldg & Grounds Utility Service Worker for greenway maintenance (unfrozen and reclassified)

## Employee Compensation

### *Human Resources-*

- **FY09/10:** No merit increases, no adjustment to the pay structure
- **FY10/11:** Flat, across-the board \$600 salary increase at evaluation date
- **FY11/12:** Across the board 1.5% or \$600 (whichever was larger) salary increase effective December 2011
- **FY12/13:** \$400/\$500/\$600 lump-sum payments based on merit

No overall adjustment to pay ranges during this time.

## Employee Compensation

### *Human Resources-*

- 2 Performance Based Opportunities for Co-Worker Salary Adjustment
  - Co-workers in permanent full-time and part-time positions will receive a 2% salary adjustment on the first pay in July, provided they rated at least a "meets expectations" on their last performance evaluation
  - In addition, merit-based adjustment at time of FY14 performance review – ranges from 1 to 3% depending on evaluation rating (probationary not eligible)
- Full Compensation study of all positions

## Compensation/Benefits

### *Human Resources -*

- Small increases in health insurance premiums paid by City and co-workers, continuation of "tobacco-free" and "wellness " incentives
- Continues funding of Post Employment Benefits - \$100,000 set aside as a contribution to the State health insurance trust fund for retirees
- Funds an Unemployment Reserve equal to 1% of unemployment insurance taxable wages (newly mandated by the state) - \$190,000 city-wide

## External Agency Funding

*General Fund Recommended: \$70,000*

*(7% increase over FY13)*

- Cabarrus Arts Council - \$25,000
- Cabarrus Events Association - \$5,000
- CVAN - \$9,500
- Concord Museum/Historic Cabarrus - \$5,000
- Concord Museum/Historic Cabarrus (Special Project Grant) - \$5,000
- Boys & Girls Club - \$6,000
- Multicultural Student Union - \$2,000
- Special Olympics of Cabarrus County - \$2,000
- Habitat for Humanity (Affordable Housing Construction Grant) - \$6,000
- Teen Court (Conflict Resolution Center) - \$2,500
- Hope Haven (formerly Serenity House) - \$2,000

### *Utility Funds*

*Recommended: \$13,000*

- Cabarrus Cooperative Christian Ministries - \$13,000

## External Agency Funding

*CDBG Recommended: \$37,250*

*(4% increase over FY13)*

- Cabarrus Arts Council - \$1,500
- Cabarrus Cooperative Christian Ministry - \$6,000
- Cabarrus Literacy Council - \$4,000
- Cabarrus Meals on Wheels - \$4,000
- Coltrane LIFE Center - \$4,000
- Hispanic Learning Center - \$2,000
- Prosperity Unlimited - \$8,000
- Prosperity Community Connection - \$1,500
- Hope Haven (formerly Serenity House) - \$3,500
- Hope Haven (Affordable Housing) - \$1,000
- Safe Alliance (formerly United Family Services) - \$1,750

## LOOKING AHEAD

- The economy and the development of "product"
- The NC General Assembly
- Impact of the Albemarle water line
- Concord Regional Airport and the control tower
- Recreation and the Rocky River Greenway
- Employee compensation
- City Hall and 30 Market Street

## The Budget Adoption Process:

Budget Workshop June 11, 2013

Budget Hearing (regular meeting)  
June 13, 2013

Budget Adoption  
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## For More Details:

The entire budget document, including the City Manager's Message, can be viewed on our website at:

[www.concordnc.gov](http://www.concordnc.gov)

There will be a link from the City's main page.

Hard copies will also be available at Library in Concord and the City Clerk's Office (inside Municipal Building).