

FUND AND BUDGET UNIT STRUCTURE (FY 2015-2016)

Below outlines the organizational structure the city uses to account for (including accounting numbers) revenues and expenditures of city operations. Revenues are accounted at the fund level. Expenditures are accounted at the budget unit level (e.g. Governing Body, Tree Trimming, Purchasing, Police, etc.).

GENERAL FUND

FUND 100 – GENERAL FUND

General Government

1. Governing Body – 4110
2. Public Services Admin. – 4115
3. City Manager’s Office – 4120
4. Risk Management – 4121
5. Human Resources – 4125
6. Wellness Center – 4126
7. Finance – 4130
8. Tax – 4140
9. Legal – 4150
10. Non-Departmental – 4190
11. Emergency Management -- 4343

Public Safety

12. Police – 4310
13. Code Enforcement – 4312
14. Emergency Communications – 4315
15. Radio Shop – 4330
16. Fire Operations – 4340
17. Fire Prevention – 4341
18. Fire Training – 4342

Public Works

19. Streets & Traffic – 4510
20. Powell Bill – 4511
21. Traffic Signals – 4513
22. Traffic Services – 4514
23. Solid Waste & Recycling – 4520
24. Cemeteries – 4540
25. Fleet Services -- 4550

Economic Development

26. Planning & Neighborhood Development – 4910
27. Transportation Planning – 4915
28. Economic Development – 4920

Cultural and Recreational

29. Parks and Recreation – 6120
30. Aquatics – 6121

SPECIAL REVENUE FUNDS

FUND 201 – MUNICIPAL SERVICE DISTRICT FUND

1. Municipal Service District – 5000

FUND 210 – SECTION 8 VOUCHER PROGRAM FUND

1. Housing Vouchers Program – 1500

FUND 256 – HOME CONSORTIUM FUND

1. Administration – 2560
2. Projects 2015 – 2565

FUND 292 – ADDL. \$5 VEHICLE TAX (TRANSIT) FUND

1. Addl. \$5 Vehicle Tax – 8200

FUND 306 – COMMUNITY DEVELOPMENT

BLOCK GRANT (CDBG) FUND

1. Administration – 3060
2. Projects 2014 – 3065

ENTERPRISE FUNDS

FUND 600 – STORMWATER FUND

1. Stormwater Operations – 7100

FUND 610 – ELECTRIC SYSTEMS FUND

1. Electric Administration – 7200
2. Purchased Power – 7210
3. Powerlines Maintenance – 7220
4. Tree Trimming – 7230
5. Electric Construction – 7240
6. Peak Shaving – 7241
7. Electric Engineering Services – 7250
8. Utility Locate Services – 7260

FUND 620 – WATER RESOURCES FUND

1. Hillgrove Treatment Plt. – 7330
2. Coddle Creek Treatment Plt. – 7331
3. Waterlines Oper. & Maint. – 7340

FUND 630 – PUBLIC TRANSIT FUND

1. Rider Transit System – 7612

FUND 640 – WASTEWATER RESOURCES FUND

1. Wastewaterlines Operations & Maintenance – 7420

FUND 650 – GOLF COURSE FUND

1. Rocky River Golf Club – 7501

FUND 680 – AVIATION FUND

1. Aviation Operations – 4530

FUND 690 – PUBLIC HOUSING FUND

1. Public Housing Operations – 1000

INTERNAL SERVICES FUND

FUND 800 – INTERNAL SERVICES FUND

1. Utilities Collections – 4200
2. Data Services – 4210
3. Billing – 4215
4. Customer Care – 4220
5. Engineering - 4230
6. Purchasing – 4250
7. Buildings & Grounds – 4270

PROJECT FUNDS

FUND 285 – GENERAL CAPITAL RESERVE PROJECTS

1. Capital Reserve Expenditures – 8150

FUND 420 – PARKS & RECREATION CAPITAL PROJECTS

2. P&R Capital Projects – 8300
3. Hector H Henry II Greenway – 8311
4. McEachern Greenway – 8312
5. Parks – 8313

FUND 421 – WASTEWATER CAPITAL PROJECTS

1. Wastewater Projects – 8402
2. Quail Haven – 8403
3. Irish Buffalo/Zion Church Outfall – 8404

FUND 423 – TRANSPORTATION CAPITAL PROJECTS

1. Streets Projects – 8600

FUND 426 – FIRE & LIFE SAFETY PROJECTS

1. Fire & Life Safety Projects – 8670

FUND 429 – WATER CAPITAL PROJECTS

1. Water Projects – 8700

FUND 430 – GENERAL CAPITAL PROJECTS

1. BOC Projects - 8800
2. Business & Neighborhood Services Projects - 8801
3. Solid Waste Projects - 8802
4. Data Service Projects - 8803
5. General Fund Projects - 8804

FUND 451 –AIRPORT PROJECTS

1. Airport Projects – 6300

FUND 473 – ELECTRIC PROJECTS

1. Electric Projects – 6949

FUND 474 – STORMWATER PROJECTS

1. Stormwater Master Plan – 7101
2. Stream Restoration Project – 7102
3. Stormwater Projects – 7103

FUND 475 – ROCKY RIVER GOLF COURSE PROJECTS

1. Golf Course – 7550

FIRST CONCORD/DEBT SERVICE FUNDS

FUND 550 – 2010 LIMITED OBLIGATION

1. 2010 LOBS – 7020

FUND 552 – 2014 LOBS

1. 2014 LOBS First Concord – 6990

FUND 553– 2005 CERTIFICATES OF PARTICIPATION

1. Police Headqrtrs & Commun – 7000

FUND 569 – 160A-19 FINANCING AGREEMENT

1. Golf Course – 4600
2. Aviation – 4650

MAJOR REVENUE SOURCES

General Fund: The General current Fund budget for the 2015-16 fiscal year totals \$72,765,445 compared to the amended budget of \$73,633,413 for FY 2014-15. Factoring out transfers, financing proceeds and appropriations from fund balance (non-operating revenue); there is a revenue increase of \$1,174,301 (1.6%) when compared to the current amended budget. The increase in revenues for the City's General Fund budget proposal is a result of a 3% growth in the City's assessed values. The City's tax rate of 0.48¢ per \$100 will not change. The City has estimated revenues conservatively using information provided by the North Carolina League of Municipalities, historical and statistical trends, and other local factors. Again, this budget was prepared under the assumption that the City of Concord will receive all of its State shared revenues for the 2015-16 fiscal years.

Property Taxes: The budget is balanced with a property tax rate of \$.48 per \$100 valuation. This will yield \$46,291,850 in total current and prior year ad valorem tax revenue based on an average real and personal property collection rate of 97.70%. The tax base used in this budget preparation represents a 3% increase in property values for a total valuation of \$9,765,423,462 (including motor vehicles). One cent on the City's tax rate produces \$945,983 in revenue, after the City's estimated collection rate is applied. This rate compares favorably to past City tax rates and remains one of the lowest in the state among medium to large size cities.

Sales Taxes: Local sales taxes levied by the City and County comprise 2.25% of the total 7.0% sales tax paid on retail sales in North Carolina. The local sales tax portion consists of a 1-cent tax that was first levied in 1971, a ½-cent tax levied in 1983, a ½-cent tax levied in 1986 and an additional ½-cent that was levied July 1, 2003. Effective October 1, 2008, the State took over one quarter cent of the Article 44 local option sales tax and effective October 1, 2009 the state took over the remaining one-quarter cent of this local tax. The City will be completely reimbursed for the loss of this revenue with hold harmless payments. The State of North Carolina collects the sales taxes and distributes them to the local units.

Local option sales taxes, telecommunications sales taxes and video programming sales taxes are estimated to be \$14,084,105 for fiscal year 2015-16. This revenue source is expected to remain flat with no growth when compared to the current year amended budget. Sales tax allocations for Cabarrus County are based on proportional property tax levies. The City has projected no growth in local option sales tax allocations for FY 2015-16 when compared to FY 2014-15 budgeted collections. The City continues to apply a conservative approach when estimating this revenue source. Although sales continue to increase, the refunds issued by the State have not been fully issued in the current year. A conservative estimate ensures the City can absorb the refunds if they are disbursed in FY 2015-2016.

Legislation passed during the 2001 session repealed the utility franchise tax on telephone companies and replaced it with a sales tax on telecommunications of 6% of gross receipts (now 8%). As State and local tax rates change, the percentage of the net proceeds on which the municipal distribution is based also changes in order to keep municipality's revenue share neutral. The rate is currently 18.7%. The estimated telecommunications sales tax included for FY 2015-14 is \$561,725, which represents a 3% decline when compared to FY15 estimated collections. Much of the recent decline has been driven by a loss in revenue from landlines as consumers have increasingly opted to go solely wireless.

The N.C. Department of Revenue distributes part of the state sales tax collected on video programming and telecommunication services to counties and cities. Local governments receive 23.6% of the sales tax collections from video programming service, an additional 7.7% of the existing telecommunications sales tax and 37.1% of sales tax collections on satellite television service. The estimated video programming sales tax included in FY 2015-16 is \$542,990, which represents a 2% decline in this

revenue source when compared to FY15 estimates. The decrease in revenue is attributed to more consumers switching from traditional cable and satellite television services to Internet-based viewing services.

Utility Franchise Tax & Piped Natural Gas Sales Tax: The distribution method for the electricity sales tax changed in Fiscal Year 2014-15 as a result of the tax reform legislation passed during the General Assembly session in 2013. The general sales tax rate is now be applied to the sales of electricity, and 44 percent of the proceeds from the sales tax is returned to cities and towns. That percentage was chosen with the intent that it would be sufficient to hold municipalities harmless from the amount they were currently receiving in utility franchise tax distributions. The amount of electricity franchise tax municipalities received in Fiscal Year 2013-14 was intended to serve as a baseline for the amount they were to receive going forward. The City has projected Franchise Tax in FY2015-16 to be \$3,060,000 which is based on actual estimated collections in FY2015. As with the electricity sales tax, the distribution method for the tax on piped natural gas was changed as part of the tax reform legislation passed during the General Assembly session in 2013. The general sales tax rate is now applied to the sale of piped natural gas, and 20 percent of the proceeds from the sales tax are returned to cities and towns. Similar to the electricity sales tax, that percentage was chosen with the intention that it would be sufficient to hold municipalities harmless from the amount they were currently receiving in piped natural gas distributions. The amount of piped natural gas excise tax municipalities received in Fiscal Year 2013-14 is intended to serve as a baseline for the amount they are to receive going forward. The FY2015-16 proposed budget of \$278,915 is based on estimated collections for FY2015.

Powell Bill Street Allocation: These funds represent redistribution by the State of a portion of the motor fuel taxes collected. The use of these funds is restricted to maintaining, repairing, constructing, reconstructing or widening any public street or thoroughfare within the City limits. Bridges, drainage, curb and gutter and other necessary appurtenances are also approved uses of these funds. One-quarter of distribution is based on the number of miles of local streets in the City and the remainder is distributed on a population basis. These funds are expected to provide \$2,247,065 for FY 2015-16, which represents no growth when compared to current year estimates. This revenue source continues to remain flat as the State's allocation per street mile does not increase; in some years, it is reduced.

Fund Balance: The City's unassigned General Fund balance was \$38,394,345 as of June 30, 2014. It is anticipated that the City will meet our target goal of a 30-35% minimum General Fund unassigned fund balance at June 30, 2015, as unassigned fund balance is not expected to materially change. Our ability to maintain a healthy fund balance in previous fiscal years was attributable to the economic vibrancy present in the City of Concord and increases in available cash for investments, collection percentage of property taxes, and conservative estimates on revenues. As the City experienced a slowing economy, our conservative policies and procedures were even more important. The proposed budget for FY 2015-16 does not include an appropriation from fund balance.

The recommended budget does appropriate \$1,940,000 from the General Capital Reserve fund balance for one time capital expenditures. In FY2007-08 the City created a General Fund Reserve to begin preparing for future projects and each year the City contributes available resources to this Capital Reserve Fund. Although these reserves (approximately \$14,100,000) now reside in a separate fund from the General Fund and are no longer included in the City's General Fund *Balance*, the amounts are still available for projects and capital designated by the City Council.

Special Revenue Funds: The Municipal Service District tax rate is \$0.23 per \$100 assessed valuation. Also, included in the Special Revenue Fund is the budget request for Community Development Block Grant Funds, the H.O.M.E. Program, the \$5 Vehicle Tax fund (Transit), and the Section 8 Housing Vouchers program. The special revenue funds total \$5,998,340.

Enterprise Funds: Stormwater, Electric, Water and Wastewater rates and charges will generate \$119,911,646 in revenues.

Stormwater: The Stormwater Fund is comprised of \$3,811,061 in operating revenue, \$50,000 in investment earnings and \$1,000 in non-operating revenues. No rate or fee increases are proposed for the Stormwater program. Rate revenue for FY 2016 is expected to remain stable when compared to FY 2015 year-end estimates.

Electric Fund: The Electric Fund is comprised of \$81,722,445 in operating revenues, \$315,000 in investment earnings and \$30,000 in non-operating revenues, with an appropriation from the rate stabilization reserve in retained earnings of \$7,000,000. Electric revenues are estimated using the City's rate model. The proposed budgeted revenue does not include a rate increase. The purchase power adjustment to rates will be evaluated during the year, but the FY 2016 budget proposal does not project increases in purchase power rate adjustments. FY 2016 rate revenue is anticipated to remain stable.

Water Fund: The Water Fund is comprised of \$21,305,040 in operating revenue, non-operating revenue of \$34,000, \$340,000 in investment earnings, and an appropriation from retained earnings of \$1,090,580 for one time capital project costs. Water revenues are estimated using a recommended average rate increase of 2.5% and no growth in consumption.

Wastewater Funds: The Wastewater Fund is comprised of operating revenue of \$16,111,000 and investment earnings of \$200,000. There is no appropriation from retained earnings. Wastewater revenues are estimated using no growth in consumption and a recommended average rate increase of 3%.

Public Transit: The Public Transit budget is comprised of \$275,000 in operating revenue, \$2,536,749 in restricted intergovernmental revenue, and transfers of \$704,068. In FY 2015-16, Concord's General Fund contribution to the Transit system is \$394,068, which includes our portion of the CATS 79x service. No fare increases are proposed for the FY 2015-16 budget.

Golf Course: The Golf Course Fund anticipates earned revenue for FY 2015-16 to increase when compared to the proposed budget of the prior year. Total revenues are estimated at \$1,674,487 with an additional transfer from the General Fund of \$939,920 which is designated towards debt service.

Aviation: The Aviation budget is comprised of \$8,217,689 in operating revenue, \$45,000 in non-operating revenue and a transfer of \$756,641 from the General Fund. There is an appropriation from retained earnings of \$467,635 for one time grant matches. Fuel Sales have been budgeted with no material increases.

Internal Services Fund: The Internal Services Fund – comprised of Data Services, Customer Care, Utilities Collections, Billing, Engineering, Buildings and Grounds and Purchasing – totals \$11,080,223. All costs within this fund are allocated among the Electric, Water, Wastewater, Stormwater, Aviation and General Funds based on percentages derived from a cost allocation method.

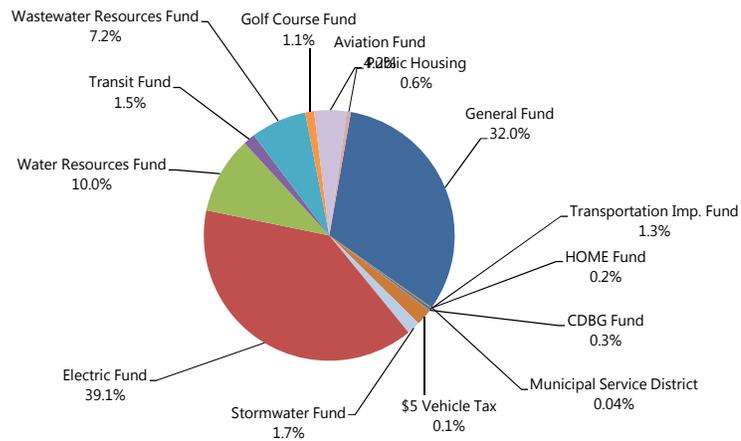
All rates, fees, and charges are listed in the Schedule of Fees and Charges.

City Revenues

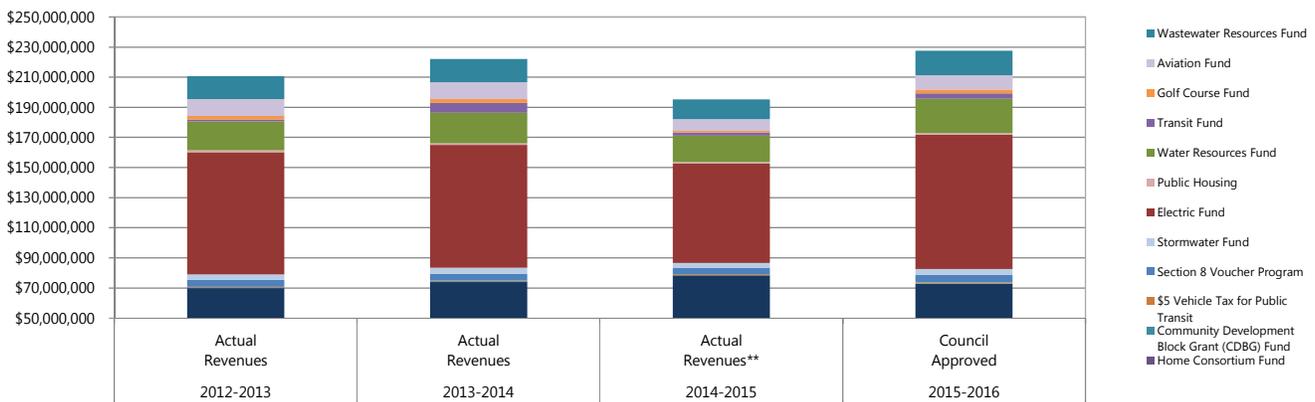
By Fund	2012-2013	2013-2014	2014-2015	2014-2015	2015-2016	2015-2016
	Actual Revenues	Actual Revenues	Council Approved*	Actual Revenues**	Manager Recommended	Council Approved
General Fund	\$ 69,939,222	\$ 73,998,621	\$ 75,544,129	\$ 78,439,569	\$ 72,765,445	\$ 72,765,445
Municipal Service District	\$ 99,263	\$ 99,007	\$ 103,290	\$ 104,399	\$ 89,240	\$ 89,240
Home Consortium Fund	\$ 98,870	\$ 132,582	\$ 344,743	\$ 140,492	\$ 277,299	\$ 277,299
Community Development Block Grant (CDBG) Fund	\$ 297,596	\$ 288,600	\$ 496,426	\$ 137,148	\$ 492,545	\$ 492,545
\$5 Vehicle Tax for Public Transit	\$ 320,103	\$ 512,378	\$ 358,605	\$ 393,292	\$ 310,000	\$ 310,000
Section 8 Voucher Program	\$ 4,636,094	\$ 4,514,998	\$ 4,790,717	\$ 4,295,194	\$ 4,829,256	\$ 4,829,256
Stormwater Fund	\$ 3,745,026	\$ 3,936,832	\$ 3,733,448	\$ 3,192,681	\$ 3,862,061	\$ 3,862,061
Electric Fund	\$ 81,131,380	\$ 81,513,408	\$ 82,805,667	\$ 65,939,256	\$ 89,067,445	\$ 89,067,445
Water Resources Fund	\$ 19,358,500	\$ 20,389,774	\$ 20,320,270	\$ 17,434,560	\$ 22,769,620	\$ 22,769,620
Transit Fund	\$ 1,189,620	\$ 6,578,015	\$ 3,767,824	\$ 2,150,489	\$ 3,515,817	\$ 3,515,817
Wastewater Resources Fund	\$ 15,212,155	\$ 15,537,033	\$ 15,902,824	\$ 13,110,285	\$ 16,311,000	\$ 16,311,000
Golf Course Fund	\$ 2,352,763	\$ 2,539,685	\$ 2,695,592	\$ 1,119,715	\$ 2,614,407	\$ 2,614,407
Aviation Fund	\$ 11,144,207	\$ 11,100,573	\$ 11,964,370	\$ 7,834,946	\$ 9,486,965	\$ 9,486,965
Public Housing	\$ 1,110,677	\$ 1,032,799	\$ 1,211,929	\$ 987,824	\$ 1,253,610	\$ 1,253,610
TOTAL CITY REVENUES	\$ 210,635,476	\$ 222,174,305	\$ 224,039,834	\$ 195,279,850	\$ 227,644,710	\$ 227,644,710
% budget change		5%		-12%		2%

* as amended **as of August 17, 2015

FY 2015-2016 City-wide Revenues (by Fund)



Total City Revenue Trend



City Expenditures

By Fund	2012-2013	2013-2014	2014-2015	2014-2015	2015-2016	2015-2016
	Actual Expenses	Actual Expenses	Council Approved*	Actual Expenses**	Manager Recommended	Council Approved
General Fund	\$ 72,259,283	\$ 71,844,372	\$ 75,544,129	\$ 66,431,011	\$ 72,765,445	\$ 72,765,445
Municipal Service District	\$ 99,263	\$ 99,007	\$ 103,290	\$ 104,399	\$ 89,240	\$ 89,240
Home Consortium Fund	\$ 93	\$ 80	\$ 344,743	\$ 77	\$ 277,299	\$ 277,299
Community Development Block Grant (CDBG) Fund	\$ 303,396	\$ 71,127	\$ 496,426	\$ 129,137	\$ 492,545	\$ 492,545
\$5 Vehicle Tax for Public Transit	\$ 320,103	\$ 358,605	\$ 358,605	\$ 393,292	\$ 310,000	\$ 310,000
Section 8 Voucher Program	\$ 4,588,823	\$ 4,596,324	\$ 4,790,717	\$ 4,439,762	\$ 4,829,256	\$ 4,829,256
Stormwater Fund	\$ 4,119,527	\$ 3,460,856	\$ 3,733,448	\$ 2,331,190	\$ 3,862,061	\$ 3,862,061
Electric Fund	\$ 79,083,228	\$ 76,407,890	\$ 82,805,667	\$ 56,534,466	\$ 89,067,445	\$ 89,067,445
Water Resources Fund	\$ 16,149,891	\$ 20,108,311	\$ 20,320,270	\$ 12,653,146	\$ 22,769,620	\$ 22,769,620
Transit Fund	\$ 3,056,103	\$ 7,749,440	\$ 3,767,824	\$ 2,150,489	\$ 3,515,817	\$ 3,515,817
Wastewater Resources Fund	\$ 13,966,088	\$ 13,660,161	\$ 15,902,824	\$ 11,085,907	\$ 16,311,000	\$ 16,311,000
Golf Course Fund	\$ 2,372,081	\$ 2,539,685	\$ 2,695,592	\$ 888,676	\$ 2,614,407	\$ 2,614,407
Aviation Fund	\$ 11,728,617	\$ 12,433,127	\$ 11,964,370	\$ 6,820,014	\$ 9,486,965	\$ 9,486,965
Public Housing	\$ 1,532,032	\$ 1,176,711	\$ 1,211,929	\$ 991,467	\$ 1,253,610	\$ 1,253,610
Internal Service Fund***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CITY EXPENDITURES	\$ 209,578,527	\$ 214,505,696	\$ 224,039,834	\$ 164,953,033	\$ 227,644,710	\$ 227,644,710

% budget change

2%

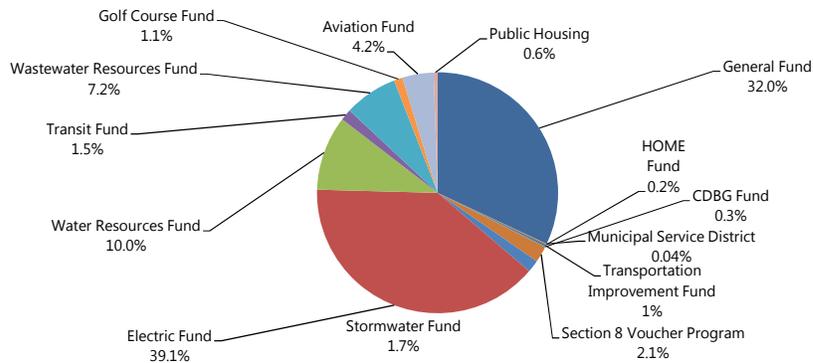
-23%

2%

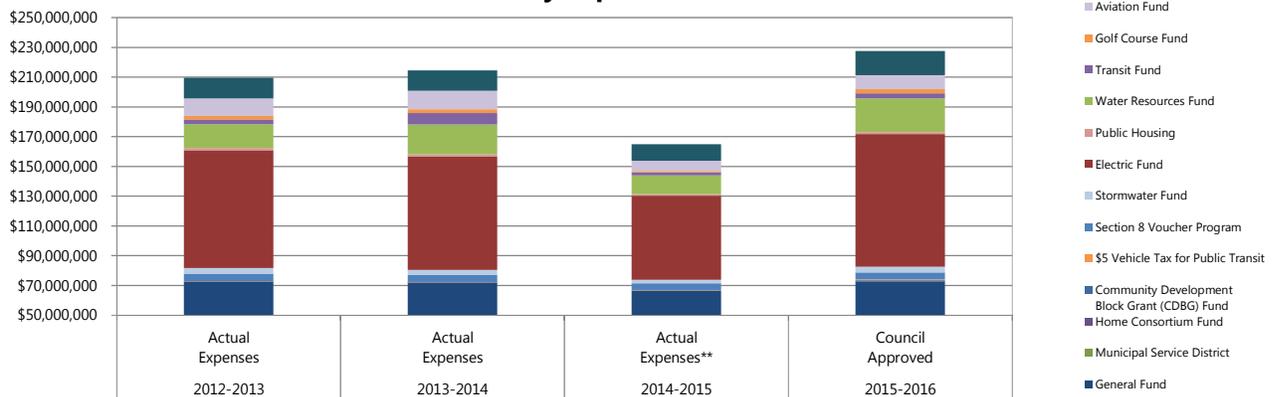
* as amended **as of August 17, 2015

*** All Internal Service Expenditures are allocated to other City departments.

FY 2015-2016 City-wide Expenditures (by Fund)



Total City Expenditure Trend



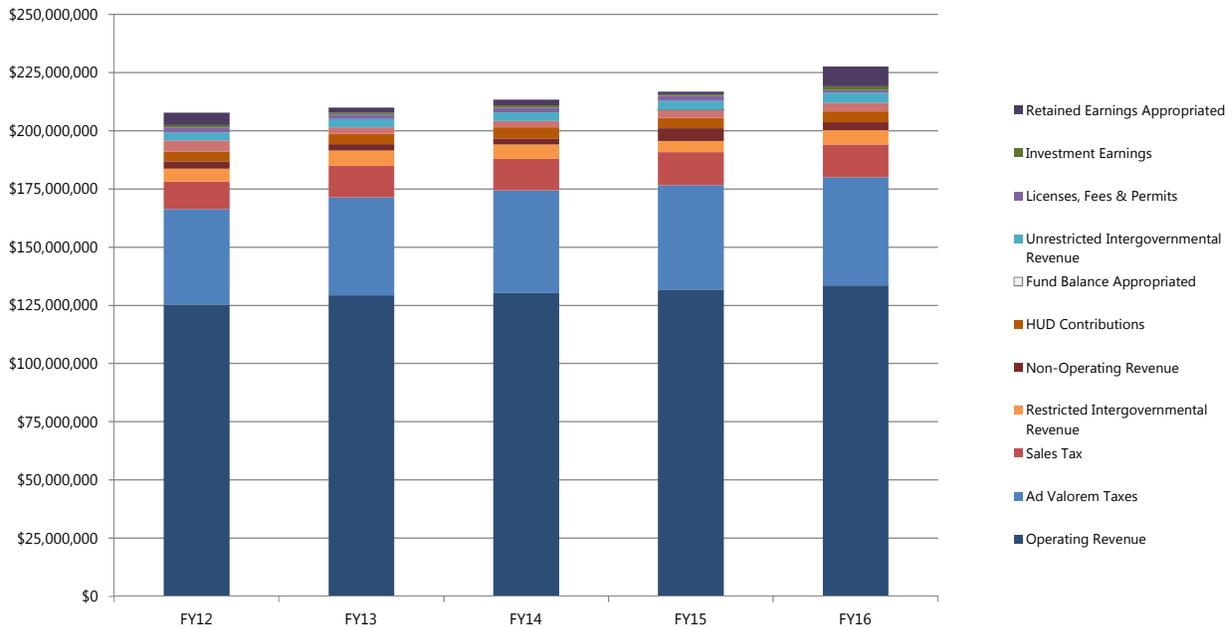
FY 2015-2016 Budget

Revenues:	General Fund	Special Revenue Funds					Stormwater
	General Fund	Municipal Service District	Section 8 Voucher Program	HOME Consortium	CDBG	\$5 Vehicle Tax	
Ad Valorem Taxes	\$ 46,291,850	\$ 89,240	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	\$ 14,084,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Fees & Permits	\$ 864,800	\$ -	\$ -	\$ -	\$ -	\$ 310,000	\$ -
Unrestricted Intergovernmental Revenue	\$ 4,327,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Intergovernmental Revenue	\$ 3,031,820	\$ -	\$ -	\$ 173,225	\$ 476,545	\$ -	\$ -
Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,811,061
Other/Non-Operating Revenue	\$ 2,364,437	\$ -	\$ 1,061,000	\$ 48,331	\$ 16,000	\$ -	\$ 1,000
Investment Earnings	\$ 631,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Retained Earnings Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HUD Contributions	\$ -	\$ -	\$ 3,768,256	\$ -	\$ -	\$ -	\$ -
Transfers	\$ 1,170,000	\$ -	\$ -	\$ 55,743	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 72,765,445	\$ 89,240	\$ 4,829,256	\$ 277,299	\$ 492,545	\$ 310,000	\$ 3,862,061
		\$ 5,998,340					

Expenditures:							
Personal Services*	\$ 39,948,800	\$ -	\$ 277,291	\$ 60,784	\$ 80,735	\$ -	\$ 1,439,238
Operations	\$ 23,116,582	\$ 89,240	\$ 4,551,965	\$ 216,515	\$ 411,810	\$ -	\$ 600,713
Capital Outlay	\$ 3,312,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ 3,748,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Allocations	\$ (1,505,602)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 478,032
Transfers	\$ 4,144,781	\$ -	\$ -	\$ -	\$ -	\$ 310,000	\$ 1,344,078
TOTAL EXPENDITURES	\$ 72,765,445	\$ 89,240	\$ 4,829,256	\$ 277,299	\$ 492,545	\$ 310,000	\$ 3,862,061

*Note: Personal Service costs for the Internal Service Fund (\$6,506,391) are captured in the Cost Allocations line above

Budgeted Revenues FY12-FY16

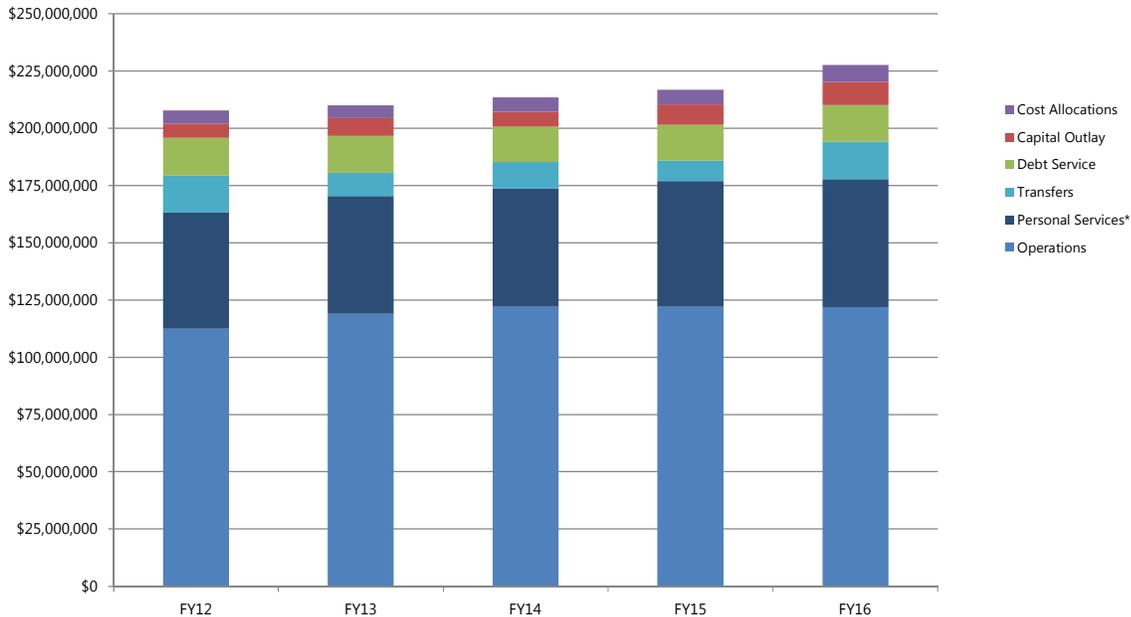


Summary By Fund

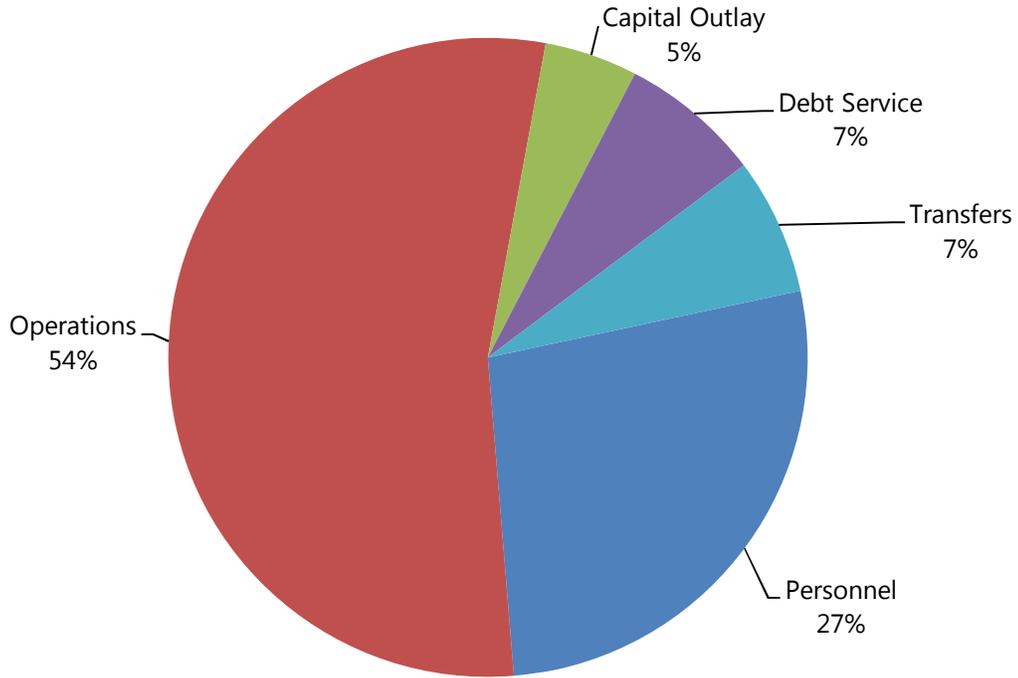
Enterprise Funds								
Revenues:	Electric	Water Resources	Transit	Wastewater Resources	Golf Course	Aviation	Public Housing	All Funds
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,381,090
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,084,105
Licenses, Fees & Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,174,800
Unrestricted								
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,327,433
Restricted Intergovernmental								
Revenue	\$ -	\$ -	\$ 2,536,749	\$ -	\$ -	\$ -	\$ -	\$ 6,218,339
Operating Revenue	\$ 81,722,445	\$ 21,305,040	\$ 275,000	\$ 16,111,000	\$ 1,655,639	\$ 8,411,689	\$ 330,000	\$ 133,621,874
Other/Non-Operating								
Revenue	\$ 30,000	\$ 34,000	\$ -	\$ -	\$ 18,848	\$ (189,000)	\$ 17,000	\$ 3,401,616
Investment Earnings	\$ 315,000	\$ 340,000	\$ -	\$ 200,000	\$ -	\$ 40,000	\$ -	\$ 1,576,000
Retained Earnings								
Appropriated	\$ 7,000,000	\$ 1,090,580	\$ -	\$ -	\$ -	\$ 467,635	\$ -	\$ 8,558,215
Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HUD Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 906,610	\$ 4,674,866
Transfers	\$ -	\$ -	\$ 704,068	\$ -	\$ 939,920	\$ 756,641	\$ -	\$ 3,626,372
TOTAL REVENUE	\$ 89,067,445	\$ 22,769,620	\$ 3,515,817	\$ 16,311,000	\$ 2,614,407	\$ 9,486,965	\$ 1,253,610	\$ 227,644,710

Expenditures:								
Personal Services*	\$ 5,448,811	\$ 4,108,358	\$ 282,702	\$ 1,834,544	\$ -	\$ 1,810,032	\$ 508,102	\$ 55,799,397
Operations	\$ 66,063,990	\$ 8,588,925	\$ 2,954,538	\$ 7,495,764	\$ 1,556,383	\$ 5,555,649	\$ 724,388	\$ 121,926,462
Capital Outlay	\$ 3,570,795	\$ 1,459,500	\$ 141,220	\$ 1,024,700	\$ -	\$ 615,388	\$ -	\$ 10,124,078
Debt Service	\$ 2,959,374	\$ 4,448,449	\$ -	\$ 2,796,226	\$ 939,920	\$ 1,154,238	\$ 1,451	\$ 16,048,067
Cost Allocations	\$ 3,453,816	\$ 2,576,141	\$ 137,357	\$ 1,917,253	\$ -	\$ 347,918	\$ -	\$ 7,404,915
Transfers	\$ 7,570,659	\$ 1,588,247	\$ -	\$ 1,242,513	\$ 118,104	\$ 3,740	\$ 19,669	\$ 16,341,791
TOTAL EXPENDITURES	\$ 89,067,445	\$ 22,769,620	\$ 3,515,817	\$ 16,311,000	\$ 2,614,407	\$ 9,486,965	\$ 1,253,610	\$ 227,644,710

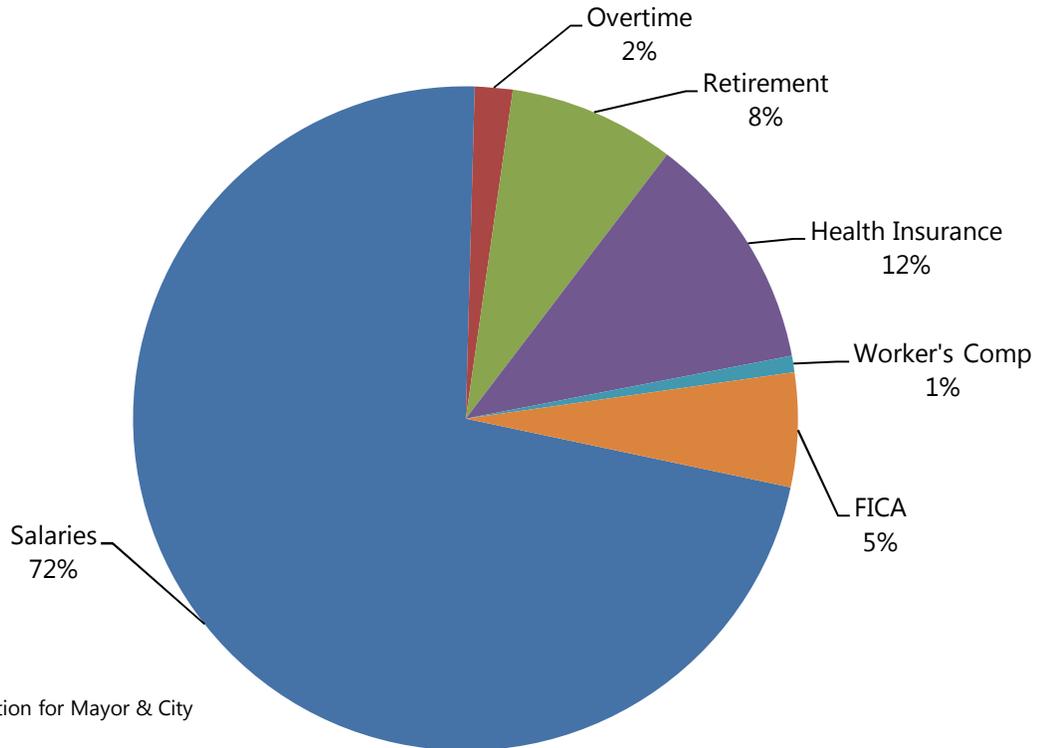
Budgeted Expenses FY12-FY16



FY 15-16 Expenditures by Category
(City total = \$227,644,710)



FY 15-16 Summary of Budgeted City-wide Compensation Expenditures*
(\$62,563,755)



*Includes compensation for Mayor & City Council Members

Fund Balances / Net Position

Amounts shown as fund balance for Governmental Funds represent a running total of monies over the years that remain unspent after all budgeted expenditures have been made. For many years, the North Carolina Local Government Commission has recommended that units retain an amount of available fund balance in the general fund to at least 8% of the appropriations of the fund. The Concord City Council has a financial policy requiring a fund balance between 30%-35% of its general fund operating budget. The reason for this policy is to avoid cash flow interruptions, to generate investment income, to eliminate the need for short-term borrowing, and to have a reserve available in case of sudden emergencies. In accordance with GASB, the City reports net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) in Proprietary Funds as opposed to retained earnings (accumulated earnings of funds after all budget business expenses have been made).

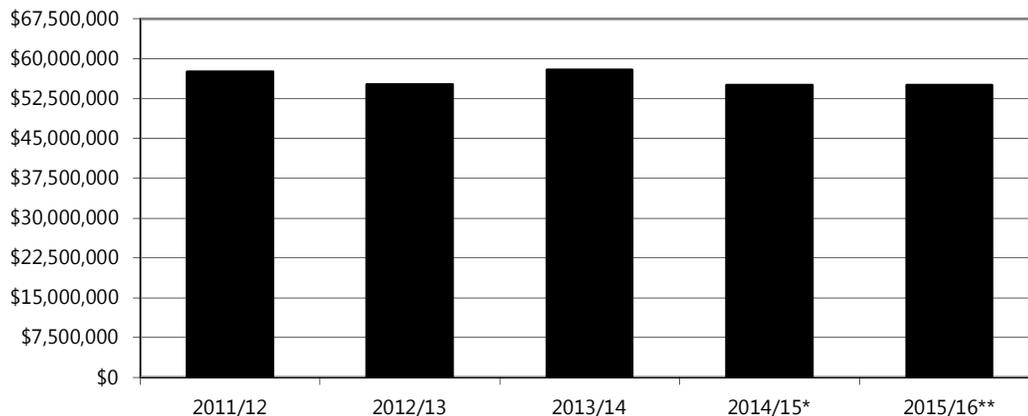
Fund Balances	2011/12	2012/13	2013/14	2014/15*	2015/16**
General Fund	\$ 57,480,127	\$ 55,160,067	\$ 57,879,528	\$ 55,046,270	\$ 55,046,270
Other Governmental Funds	\$ 22,271,455	\$ 31,634,171	\$ 35,917,593	\$ 35,697,942	\$ 33,000,000
Totals	\$ 79,751,582	\$ 86,794,238	\$ 93,797,121	\$ 90,744,212	\$ 88,046,270

Net Position					
Business Type Activities - Enterprise Funds					
Electric Fund	\$ 88,702,887	\$ 94,000,371	\$ 99,847,033	\$ 97,817,302	\$ 90,817,300
Water Fund	\$ 87,737,772	\$ 90,882,515	\$ 95,653,439	\$ 94,863,869	\$ 93,763,870
Wastewater Fund	\$ 58,342,053	\$ 58,986,048	\$ 67,199,198	\$ 66,323,373	\$ 66,323,400
Aviation Fund	\$ 66,158,930	\$ 69,723,777	\$ 70,697,418	\$ 70,672,611	\$ 70,172,610
Stormwater Fund	\$ 53,002,720	\$ 53,037,393	\$ 53,189,453	\$ 53,189,005	\$ 53,189,100
Other Enterprise Funds	\$ 15,410,714	\$ 15,298,407	\$ 19,548,401	\$ 15,200,400	\$ 15,200,400
Totals	\$ 369,355,076	\$ 381,928,511	\$ 406,134,942	\$ 398,066,560	\$ 389,466,680

* unaudited

** estimate

General Fund - Fund Balance



Personnel Summary

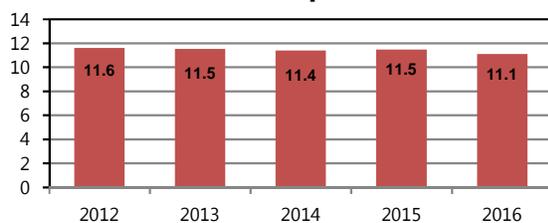
Personnel counts are calculated using the full-time-equivalent (FTE) method for all full-time and permanent part-time city employees (seasonal and temporary positions are not included). The FTE converts the hours worked by a position into a percentage of a full year's number of hours. For most city positions, 1 FTE equals 2,080 hours per year per position (based on a 40 hour work week and a 52 week work year). If a position works 1,040 hours per year, this translates into .5 FTE. Similarly, if a new full-time position has a Jan. 1 effective date (1/2 of the fiscal year), this translates into .5 FTE. In the case of Police Officer positions, 1 FTE equals 2,229.84 hours per year. A Fire Fighter FTE equals 2,920.96 hours per year.

Budget Unit	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
	FTE	FTE	FTE	FTE*
GENERAL FUND				
General Government				
Public Services Administration	1	1	1	1
City Manager's Office	6	6	6	6
Risk Management	3	3	3	3
Human Resources	7	7	7	7
Finance	14	14	13.25	13.25
Tax	4.5	4.5	4.5	3.5
Legal	5	6	6	6
Non-Departmental	0	0	0	0
Emergency Management	1	1	1	1
Public Safety				
Police	178.25	180.25	189.25	190.25
Code Enforcement	7	7	7	7
Communications	21.5	22.5	22.5	22.5
Radio Shop	3.5	2.5	3.5	3.5
Fire	181	181	181	181
Fire Prevention	6	6	9	9
Fire Training	4	4	2	4
Public Works				
Streets & Traffic	27	27	27	28
Powell Bill (staff part of Streets & Traffic)	0	0	0	0
Traffic Signals	4	5	6	6
Traffic Services	5	5	5	5
Solid Waste & Recycling	32	32	32	32
Cemeteries	8	8	8	8
Fleet Services	13	13	13	13
Economic Development				
Planning & Neighborhood Development	14	14.5	14.5	14.7
Transportation Planning (contract)	0	0	0	0
Economic Development	1	1	1	1
Culture & Recreation				
Parks & Recreation	20	21.25	21	22
Parks & Recreation - Aquatics (seasonal staff)	0	0	0	0
Total FTE General Fund	566.75	572.5	583.5	587.7
OTHER FUNDS				
Municipal Service District Fund	0	0	0	0
HOME Consortium Fund	0.9	1	0.9	0.8
Transportation Improvement Fund	0	0	0	0
CDBG Fund	1.1	1	1.1	1.2
Addl. \$5 Vehicle Tax (Transit) Fund	0	0	0	0

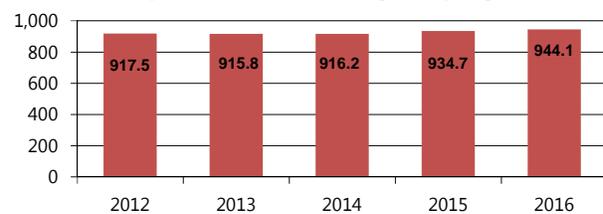
Budget Unit	FY 2012-13 FTE	FY 2013-14 FTE	FY 2014-15 FTE	FY 2015-16 FTE*
Stormwater Fund				
Stormwater Operations	20.25	19.77	22.09	22.09
Electric Systems Fund				
Electric Administration	2	2	3	3
Purchased Power	0	0	0	0
Powerlines Maintenance	13	13	17	17
Tree Trimming	9	9	7	7
Electric Construction	34	34	33	33
Peak Shaving	2	2	0	0
Electric Engineering Services	5	5	5	7
Utility Locate Services	4	4	5	5
Water Resources Fund				
Hillgrove Water Treatment Plant	14.5	14.5	14.5	14.5
Coddle Creek Water Treatment Plant	15.5	15.5	15.5	15.5
Waterlines Operations & Maintenance	34.75	34.24	34.59	34.59
Public Transit Fund				
Rider Transit System	2.55	2.7	3.7	4.7
Wastewater Resources Fund				
Wastewaterlines Operations & Maintenance	30	30	30.32	30.32
Golf Course Fund				
Golf Course Operations (contract)	0	0	0	0
Aviation Fund				
Aviation Operations	36	33	34	34
Public Housing / Sec. 8 Vouchers Funds				
Public Housing Operations / Vouchers Program	13	12	13.38	13.88
Internal Services Fund				
Utilities Collections	4.5	4.5	4.5	4.5
Data Services (contract)	1	1	1	1
Billing	11	10	10	10
Customer Care	24	25	25	26
Engineering	24	24	23	23
Purchasing	7	7	7	7
Buildings & Grounds	39	39.5	40.65	41.3
Total FTE Other Funds	348.1	343.7	351.2	356.4
Total FTE All City Funds	914.8	916.2	934.7	944.1

* For FY16, the equivalent of 11 FTE are not funded, but remain authorized for the future.

Number of City Employees Per 1,000 Population



Number of Budgeted Full-Time-Equivalent (FTE) City Employees



Customer Service Advancement Team



Concord is committed to creating a culture of customer service and providing the best service possible to our citizens. Customer service is the responsibility of every coworker; and as such, each time he or she interacts with an individual, answers a telephone, sends an e-mail, writes a letter, or attends a meeting, an impression is made on customers - whether they are citizens, visitors, or coworkers. The City hopes that **TEAM CONCORD** becomes the standard for how we work together to serve and interact with customers.

Upon the direction of the City Council, a customer service team composed of a dedicated group of coworkers from each department was formed in September 2007. The group's charge was to establish a shared definition of excellent customer service and to determine the best way to develop a culture of providing excellent customer service. Team members held frequent meetings and worked with a facilitator to develop a strategy. They adopted a motto – "Committed to excellent service" – established 9 key principles, a set of shared values and principles. Other accomplishments include the delivery of city wide customer service training, new employee orientation presentations, and the developed of an employee recognition initiative. After several years of work and success in building a culture of excellent service to customers, the team gained new members and a new name – *Customer Service Advancement Team*. CSAT members are focused on advancing the customer service initiative and to continuing to build on the previous team's success by identifying new ways to promote the desired culture.

The Customer Service Advancement Team is comprised of co-workers from each city department. The members are appointed by the City Manager based on the recommendation from the respective Department Director. Team meetings are held at 9:00 a.m. on the 2nd Wednesday of each month. During these meetings, team members present updates to team initiatives/projects, and discuss ways to continue to promote the culture of excellent customer service for our organization.

Customer Service Advancement Team Members

Katie Ashworth, Aviation
Tony Black, Buildings and Grounds
Stephanie Isbell, Communications
Billy Robbins, Electric Systems
Charity Langston, Engineering
Leigh Ann Sells, 30 Market Building
Miles Wright, Fleet Services
Angela Britt, Finance (Customer Service)
Carson Carroll, Finance (Purchasing)
Brannon Henry, Fire
Sonya Bost, Fire
Wendy Skinner, Housing
Tracee Hicklin, Human Resources
Angela McLean, Parks and Recreation
Brandon Davis, Planning and Neighborhood Development
Brian Hathcock, Police
Robert Watson, Police (Code Enforcement)
Alan Blackmon, Solid Waste
Michelle Hunt, Transit

Brian Taylor, Transportation
Gary Fritz, Water Resources (Wastewater)
Lonnie Benton, Water Resources (Stormwater)
Danny Smith, Water Resources (Water)

Staff Facilitator: Cherie Jzar, City Manager's Office



BACKGROUND ON THE CITY'S PERFORMANCE MEASUREMENT EFFORTS

The City of Concord is deeply committed to exploring new methods in providing cost efficient and quality services to citizens. In order to support these efforts, the City monitors its performance in a program commonly referred to as performance measurement. Performance measurement involves the regular collection of quantifiable information regarding the results of city services. It includes the measurement of the kind of job we are doing and includes the effects our efforts are having in our community. Together with benchmarking, performance measurement forms the nucleus for managing for results and productivity improvement. Performance information is designed to be a tool for use by the citizens of Concord, the City Council, city management, department directors, supervisors, and front-line employees.

Why do local governments measure performance? There are a number of reasons, which include:¹

1. To improve accountability
2. To enhance city planning and budgeting
3. To improve operational practices
4. To conduct performance evaluations/management by objectives/performance appraisals
5. To assist decision-making with regard to resource allocation, and
6. To enhance management decisions and contract monitoring

Several noteworthy elements of the City's performance measurement efforts include:

The Productivity Improvement Team ("The PIT Crew")

This team advises City Management and the Finance Department on the implementation of performance measurement and generates productivity improvement ideas for possible future implementation.

Striving Towards Excellence Program (STEP)

STEP is the name given to the City's performance measurement program.

North Carolina Local Government Performance Measurement Project

In 1999, the City of Concord joined the North Carolina Local Government Performance Measurement Project - coordinated by the University Of North Carolina Institute Of Government. The Project's measures are standardized so city services can be compared across fourteen municipalities and best practices identified. The program tracks performance information on the following basic city services:

- | | | |
|--------------------------------|---|-----------------------------|
| -Residential Refuse Collection | -Police Services | -Yard Waste/Leaf Collection |
| -Asphalt Maintenance & Repair | -Emergency Communications | -Fleet Maintenance |
| -Fire Services | -Human Resources | -Household Recycling |
| -Water Services | -Building Inspections (provided by Cabarrus County) | |
| -Sewer | -Parks & Recreation | |

This budget document does not attempt to list all performance measures associated with the NC Local Government Performance Measurement Project. Additional Project information can be obtained by contacting the City's Finance Department or the UNC – Chapel Hill School of Government.

In the spring of 2001, the City began an aggressive effort to incorporate the use of performance measures in all city departments. Most departments report performance information, which can be found on individual departmental pages later in this document. The implementation and enhancement of performance measurement is a continuous journey that will be reflected in future budget documents.

¹ Ammons, David N. (2001). *Municipal Benchmarks: Assessing Local Performance and Establishing Community Standards* (2nd ed.). Thousand Oaks, CA: Sage Publications.

SUMMARY OF EXTERNAL AGENCY FUNDING

The City of Concord grants funding to non-governmental, or "External Agencies," that contribute to the City's cultural, social, and economic vitality. External Agency funding requests are considered by the City Council under the auspices of the Public Purpose Clause of the North Carolina State Constitution (Article V, Sec. 2(7)). Further guidance by North Carolina Supreme Court case law allows the City Council to choose to fund activities that 1) are within the appropriate scope of governmental involvement and reasonably related to community needs and 2) benefit the general public, as opposed to special interests or persons.

<i>External Agency</i>	<i>Departmental Budget</i>	<i>FY 12/13 Budget</i>	<i>FY 13/14 Budget</i>	<i>FY 14/15 Budget</i>	<i>FY 15/16 Request</i>	<i>FY 15/16 Manager Rec.</i>	<i>FY 15/16 Council Approved</i>
General Fund monies							
Boys & Girls Club of Cabarrus County	Parks & Rec	6,000	6,000	6,500	10,000	6,500	6,500
Cabarrus Arts Council, Inc.	Parks & Rec	25,000	25,000	30,000	30,000	30,000	30,000
Cabarrus County Museum of Fine Art & African American History	Econ Dev	1,500	-	-	-	-	-
Cabarrus Events Association	Econ Dev	5,000	5,000	5,000	5,000	5,000	5,000
Cabarrus Victims Assistance Network (CVAN) Sustaining Grant	Police	9,500	9,500	10,000	10,000	10,000	10,000
Cabarrus Literacy Council	n/a	-	-	-	4,000	0	0
Habitat for Humanity Cabarrus County	Planning & Nbhd	7,000	6,000	4,000	-	-	-
Historic Cabarrus, Inc.	Econ Dev	5,000	10,000	10,000	10,000	9,000	9,000
Hope Haven	Planning & Nbhd	-	2,000	2,000	4,000	2,000	2,000
Multicultural Community Student Union	Parks & Rec	2,000	2,000	2,000	3,000	0	0
Special Olympics Cabarrus County	Parks & Rec	2,000	2,000	2,000	2,000	2,000	2,000
Teen Court (Conflict Resolution Center)	Police	2,500	2,500	3,000	3,500	3,000	3,000
Sub-total		\$65,500	\$70,000	\$74,500	\$81,500	\$67,500	\$67,500
Utility Fund monies							
Cabarrus Cooperative Christian Ministries	Water, Electric, Wastewater	12,000	13,000	13,000	14,000	14,000	14,000
Sub-total		\$12,000	\$13,000	\$13,000	\$14,000	\$14,000	\$14,000
Community Development Block Grant monies							
Cabarrus Arts Council, Inc.	CDBG	1,500	1,500	1,500	5,000	2,000	2,000
Cabarrus Cooperative Christian Ministry	CDBG	6,000	6,000	6,000	10,000	6,000	6,000
Cabarrus Literacy Council	CDBG	4,000	4,000	4,000	4,000	5,000	5,000
Cabarrus Meals on Wheels	CDBG	4,000	4,000	5,000	5,000	5,000	5,000
Coltrane LIFE Center, Inc.	CDBG	4,000	4,000	5,000	5,000	5,000	5,000
Habitat for Humanity Cabarrus County	CDBG	-	-	-	5,000	0	0
Hispanic Learning Center	CDBG	2,000	2,000	2,000	-	-	-
Hope Haven - Sustaining	CDBG	3,000	3,500	5,000	5,000	5,000	5,000
Hope Haven -Affordable Housing	CDBG	-	1,000	-	-	-	-
Multicultural Community Student Union	CDBG	-	-	-	3,000	3,000	3,000
Opportunity House	CDBG	-	-	-	10,000	2,000	2,000
Prosperity Community Connection Inc.	CDBG	1,500	1,500	1,500	1,500	1,500	1,500
Prosperity Unlimited, Inc. Sustaining Grant	CDBG	8,000	8,000	8,500	10,000	8,500	8,500
Salvation Army	CDBG	-	-	-	30,000	5,000	5,000
Safe Alliance	CDBG	1,750	1,750	2,500	5,000	3,000	3,000
Sub-total		\$35,750	\$37,250	\$41,000	\$98,500	\$51,000	\$51,000
		FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 15/16	FY 15/16
TOTAL		\$113,250	\$120,250	\$128,500	\$194,000	\$132,500	\$132,500

NOTE: A dash (-) signifies that no request was made.