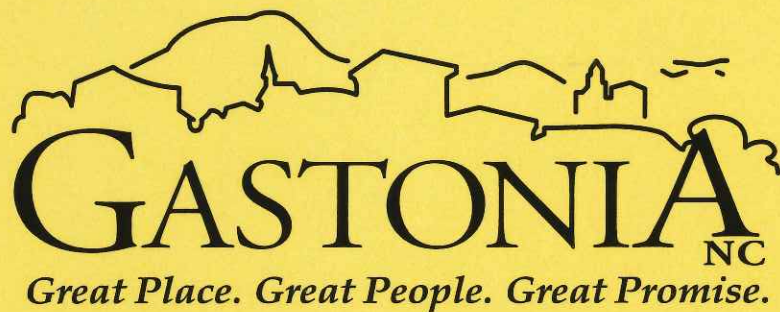


CITY OF GASTONIA

== NORTH CAROLINA ==



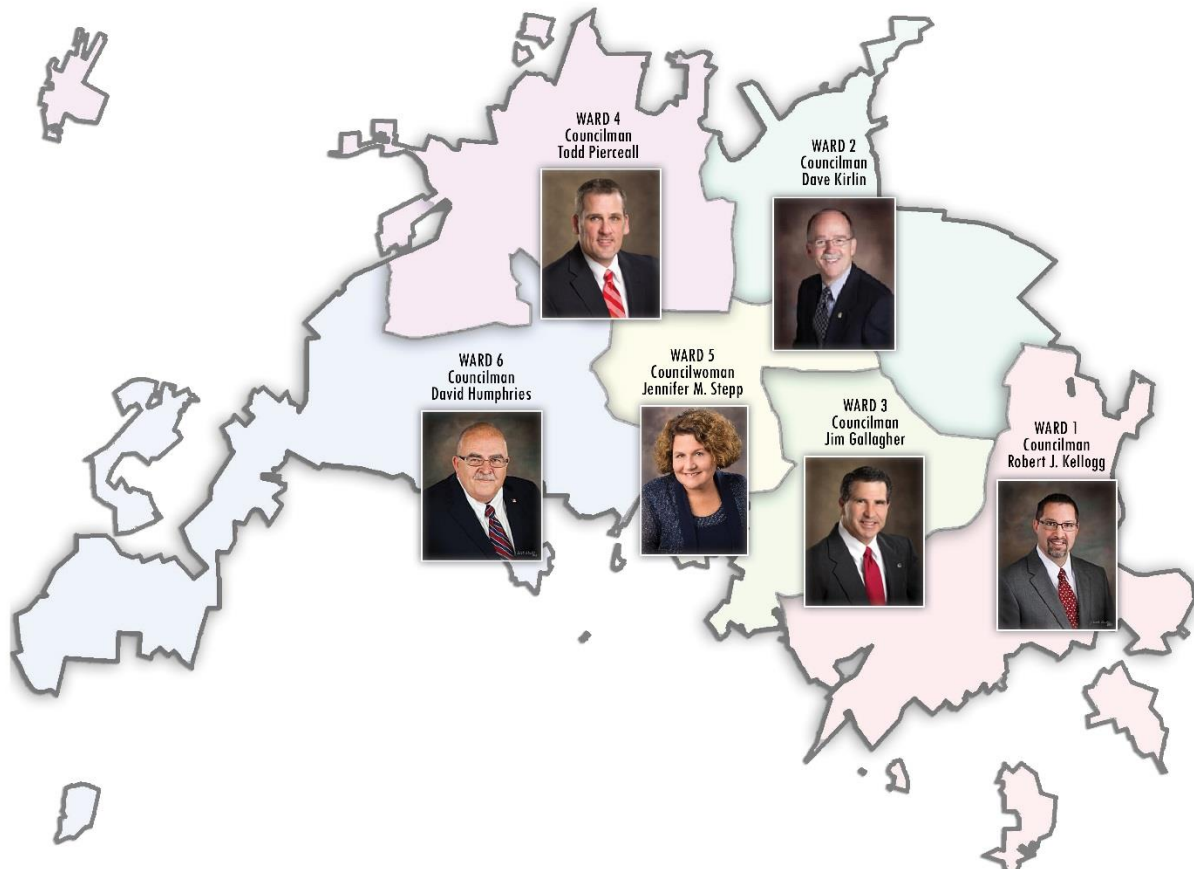
ANNUAL BUDGET
FISCAL YEAR 2019

City of Gastonia

Adopted Budget

Fiscal Year 2019

Gastonia City Council by Wards



Mayor

Walker E. Reid, III

City Manager

Michael C. Peoples

Director of Financial Services

Crystal Certain



For more information about the City of Gastonia's budget, please contact the Budget Office.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Gastonia
North Carolina

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Gastonia, North Carolina** for its Annual Budget for the fiscal year beginning **July 1, 2017**. In order to receive this award, a governmental unit must publish a budget document and meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

This 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.



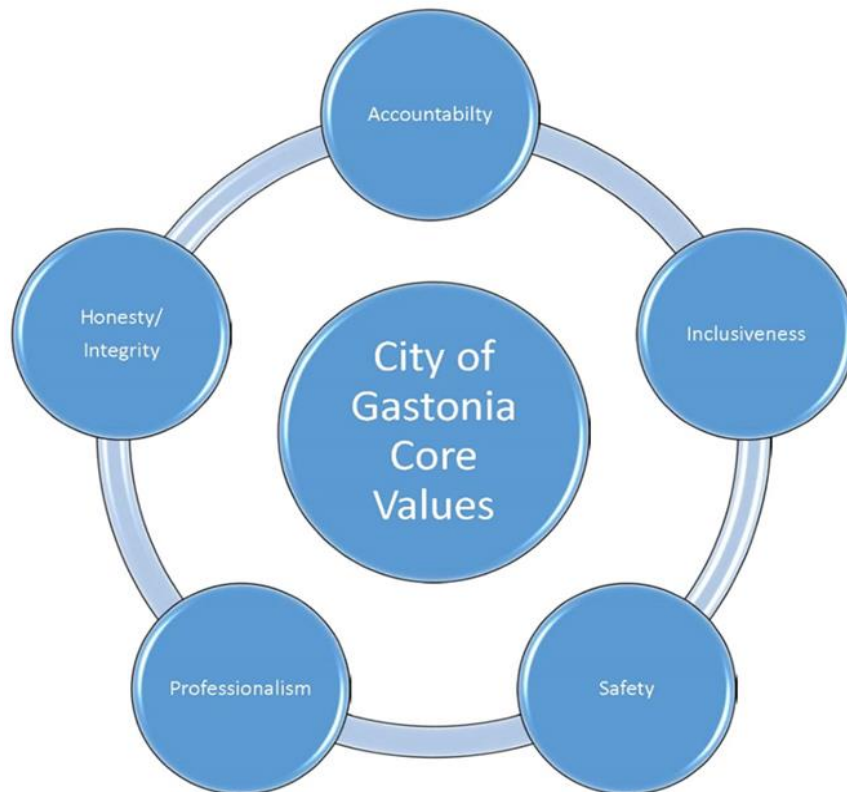
City of Gastonia Priorities

❖ Vision ❖

The City of Gastonia serves as a model for civic leadership as we engage our community of dedicated neighbors (Great People). We share a collective passion for personal safety, economic vitality, inclusiveness, cultural richness, and overall sustainability (Great Place). Our distinct character is built upon a rich and unique heritage and fueled by enthusiasm for the promise of a bright tomorrow (Great Promise).

❖ Mission ❖

To provide fair, competent, responsive, cost-effective services at the highest level.



❖ Core Values ❖

We, the Mayor, City Council, Managers, Supervisors and Employees serve with and practice ACCOUNTABILITY, INCLUSIVENESS, SAFETY, PROFESSIONALISM, HONESTY/INTEGRITY to safeguard and enhance the public trust in City Government.



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Reader's Guide

Welcome

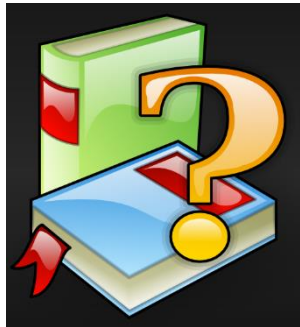
The City of Gastonia thanks you for your interest in your local government and encourages you to use this document to expand your knowledge about our community. Included on the following pages are descriptions of City departments, the services they provide, and how much it costs to provide those services. We hope this information is useful to you and answers your questions about your city government.



Feel free to contact the **City of Gastonia Budget Office** at (704) 866-6957 or (704) 854-6639 and you may also reach us via e-mail at crystal@cityofgastonia.com or jessiew@cityofgastonia.com with your budget questions, as well as your comments about how we can improve this document.

What's in Here?

This document is divided into numerous sections. The *Executive Summary* section immediately follows. Here you'll find the City Manager's Budget Message which gives information on what's included in the City's budget. It also includes the Budget Highlights with significant changes for expenditures and revenues from the prior fiscal year.



The *Financial Summary* section is next. This section gives budgetary information on the City's revenues and expenditures for current and previous years, along with fund structure, debt service, budgetary process, financial policies and long-range planning,

Following the *Financial Summary* section is the *Organizational Design* section. This section provides information on the organizational structure for the City as well as personnel information.

After the *Organizational Design* section is the *Appropriation by Area* section. This is the largest section of this budget document and it contains profiles and other financial information for each department or service area. For each service area in this section, it begins with an organizational chart for the department and then a chart page. On the chart page, you will find a Department Mission statement describing the department or service area, along with a table and graph with the department's budget information.

Reader's Guide



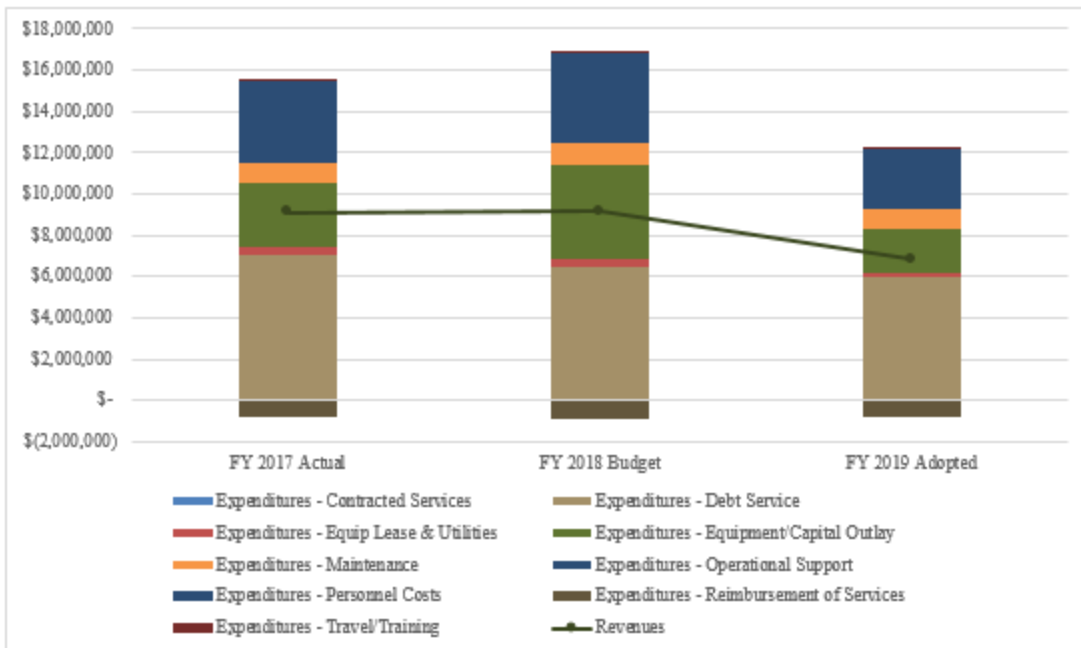
Department

Department Head Name

Department Mission

Brief description of the Department's mission

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	89,295	108,615	75,100	(33,515)	-30.86%
Debt Service	6,992,622	6,311,644	5,940,246	(371,398)	-5.88%
Equip Lease & Utilities	357,095	436,227	114,807	(321,420)	-73.68%
Equipment/Capital Outlay	3,104,225	4,563,916	2,199,354	(2,364,562)	-51.81%
Maintenance	919,945	1,060,060	937,211	(122,849)	-11.59%
Operational Support	406,639	424,385	193,852	(230,533)	-54.32%
Personnel Costs	3,579,612	3,946,877	2,696,506	(1,250,371)	-31.68%
Travel/Training	10,888	16,424	8,907	(7,517)	-45.77%
Total Expenditures	15,460,321	16,868,148	12,165,983	(4,702,165)	-27.88%
Reimbursement of Service	(825,641)	(932,479)	(817,785)	114,694	-12.30%
Total Revenues	9,104,696	9,147,149	6,833,004	(2,314,145)	-25.30%
Funding (+ or -)	5,529,983	6,788,520	4,515,194	(2,273,326)	-33.49%



The **expenditures** for each department are listed in summary format and include amounts budgeted for personnel costs, operational expenses, and outlays for major capital expenditures in the fiscal year. The **revenues** of each department identify the amount of money received by a department from the federal and state governments, local and other revenues. Local funds come from the property tax, unearmarked sales tax revenues, interest earnings, and so on. The City's fiscal year begins on July 1 of each year and ends on June 30 of the following year.

Reader's Guide

Figures in the ***FY 2017 Actual*** column list revenues and expenditures received or spent by the department in that fiscal year. The next column, ***FY 2018 Budget***, lists the budgeted revenues and expenditures as adopted by the City Council plus any amendments and carryover amounts for FY 2018. The ***FY 2019 Adopted*** column lists the expenditure and revenue amounts the City Council adopted for FY 2019. The **Amount Change** and **% Change** columns indicate what the expenditures or sources of funds figures changed from ***FY 2018 Budget*** to ***FY 2019 Adopted***.

Next are the department summary, budget highlights, goals, and objectives. This page(s) has the mission statement for the department, budget highlights, department goals, which are broad and generally difficult to measure, and objectives, which are narrow and measurable steps that can be taken to meet the goal.

Following the *Appropriations by Area* section is the *Capital Improvements* section where you will find a pro forma that estimates future revenues and expenditures for the major capital project funds, as well as a brief summary of capital improvements that were adopted for FY 2019.

Finally, at the end of this document is the *Appendices* section where you will find the Budget Ordinance, Capital Project Ordinance, Community Development Project Ordinance and a glossary of technical terms used in this document.



City Profile

City History

The City of Gastonia was incorporated in 1877, the year reconstruction ended, and became the county seat of Gaston County in 1911. The impetus for the early development of Gastonia, which began in 1873 as a small railroad depot, was the combined effect of the realignment of the Atlanta & Charlotte Airline Railroad (now



Norfolk Southern) from its original intended path several miles to the north of the City, the charter of the Chester and Lenoir Narrow Gauge Railroad (now CSX) which crossed the Atlanta & Charlotte railroad and the introduction of the steam powered textile mill. The crossing of these two railroads and the beginning of the City's textile industry brought opportunity for employment and social life. The initial population of the town was approximately 200 people and the land area was less than one square mile. The City's original population was reflective of the surrounding county and was comprised of English, German, Scotch Highlander, and Scotch-Irish citizens, with a few African American residents also moving into the settlement. The City has operated continuously under the Council-Manager form of government since its adoption in 1919.

Gastonia is located in the heart of the Piedmont section of the State of North Carolina, approximately 22 miles west of Charlotte and covers an area of approximately 51.69 square miles. It is the third largest city in the Charlotte-Concord-Gastonia NC-SC Metropolitan Statistical Area (MSA) as identified by the United States Census Bureau. The MSA 2010 Census population was 1,531,965. As of 2016, its population has increased to 2,474,314 according to the U.S. Department of Commerce's Bureau of Economic Analysis, ranking it 22nd in the country. The United States Census Bureau estimates the population of the City at 75,536, ranking it thirteenth in the State.

City Profile



City Government

The City is responsible for providing governmental services, including police and fire protection, community development, recreation programs, solid waste collection and disposal, water and sewer, electricity, public transportation and other miscellaneous public services. The City is governed by a Mayor and a six-member City Council elected on a non-partisan basis. The Mayor is elected for a two-year term and City Council members are elected for four-year staggered terms. Each council member represents a particular City ward, but elections are determined by an at-large vote. The Mayor presides over all City Council meetings (held on the first and third Tuesday of each month) and has the ability to vote on any issue as if he/she were a member of the City Council. The City Council enacts all general and technical ordinances, including budgetary appropriations and revenues, construction and zoning ordinances, approves contracts and originates general management policies.

The City Council employs a City Manager who directs the daily operations of the City through one Deputy Manager and two Assistant City Managers. For FY 2019, the City of Gastonia has funds budgeted for 936.25 full-time equivalent employees. This full-time equivalent (FTE) number was arrived at by adding all full-time, part-time and seasonal employee hours and assuming a full-time position is equivalent to 2,080 hours of service.

Property taxes may be levied by the City without a vote of the people and are collected as an annual ad valorem tax on the appraised value of all real and tangible personal property within its boundaries. In FY 1994, Gaston County began collecting current taxes for the City of Gastonia. Delinquent taxes continue to be collected by both the City's collection offices, as well as the County's.

City Profile

Education

The City of Gastonia is served by the Gaston County public school system, which is governed by the Board of Education. This Board consists of nine members who are elected for four-year terms. A school superintendent is appointed by the Board of Education. The State provides funding for a basic minimum educational program (approximately 69%), which is supplemented by the County and Federal governments. This minimum program provides funding for operational costs only. The financing of public school facilities has been a joint State and County effort. Thus, local financial support is provided by the County for capital and operating costs, which are not provided for by the State or Federal government. The City does not provide any funding for the school system.

Transportation

The City has approximately 443 linear miles of streets. The City and State maintain approximately 343 miles and 100 miles, respectively, of paved streets. Major expansion, improvement and maintenance of primary and secondary highway thoroughfares falls under the responsibilities of the State. Major construction, improvement, and maintenance of the local street system is the responsibility of the City. Construction of new streets within subdivisions is the responsibility of the developer and the City.

Gastonia owns and operates a transit system consisting of eight (8) 35-foot buses and three (3) special handicapped vans. The City will receive approximately 50% of the operating costs and 80% of the capital costs from the Federal government. The remaining funds are supplied by the City, with the State contributing a small percentage for capital expenditures. In May 2000, the City of Gastonia and the Charlotte Area Transit System (CATS) entered into a commuter bus program to help reduce vehicular traffic between the two urban areas. In March 2018, 85X Mid-day Express service began. In addition, the City has an interlocal agreement with the NC Department of Natural and Cultural Resources to provide bus shuttle service to Crowders Mountain State Park on weekends and holidays.

The Gastonia Municipal Airport, a general aviation airport, is owned by the City. The airport serves the City and the County for both business and pleasure trips. In FY 2006, the City entered into an agreement that is still in effect with Fly Carolina, LLC to serve as the Fixed Base Operator for the airport.

Recreation

The City has available many different national, regional and local recreational facilities. A National Football League team, the Carolina Panthers, play in a facility located in the downtown area of Charlotte, North Carolina. In July 2014, after 12 years, the Charlotte Bobcats officially became the Charlotte Hornets again. This change occurred as a result of New Orleans giving up the Hornets name to become the Pelicans. A professional minor league hockey team, the Charlotte Checkers, and a Triple-A minor league baseball team, the Charlotte Knights, are also located within 25 miles of the City. The US Whitewater Center is located just across the Gaston County line, approximately 4.5 miles from the City. The Center provides over 1,300 acres along the

City Profile

Catawba River and is the world's largest man-made whitewater river. It offers more than 30 outdoor activities and various events during the year. It was designed by the United States Olympic Committee as an official Olympic Training site. The U.S. National Whitewater Center hosts World Cup competitions and Olympic trials. In addition, the NASCAR Hall of Fame opened in Charlotte in May 2010. Also, a Summer Baseball - College All-Star League team, the Gastonia Grizzlies, currently play at Sims Park.

The City sponsors a full range of recreation programs. Recreation facilities are located on approximately 587 acres of land including six community centers, eight jogging tracks, 28 tennis courts, 19 baseball/softball fields, two swimming pools, two splash parks, 16 parks, 4 soccer fields, two disc golf courses and a municipal skeet and trap range. The first portion of the City's Greenway System was dedicated in 2002 and consists of a 2.5 mile paved walking trail stretching from Lineberger Park to the Gastonia Armory. A ½ mile trail section has been added and serves as a connector to Ferguson Park. An additional 1.2 miles of abandoned railway bed was converted as part of the Rails to Trails program and begins at the corner of Broad & Long Streets and runs behind Sims Park just beyond I-85. The walking trail is within walking distance of almost 10,000 City residents.

Public Utility Enterprises

The City owns and operates the water, sanitary sewer and electric systems. Water and sanitary sewer services are provided to customers inside and outside the City limits, with customers outside the City limits paying higher rates. The water, sanitary sewer and electric systems are supported solely by user charges.

Two Rivers Utilities

Gastonia has served as a regional provider of wholesale water and wastewater services to surrounding municipalities for more than two decades. In 2011, after years of discussion on the formation of a regional utility, a consolidation of water and wastewater utility services with the Town of Cramerton created Two Rivers Utilities (TRU). The agreement allowed Gastonia to begin the transformation into a true regional water and wastewater provider.



In addition, the establishment of Two Rivers Utilities proved to be a “win-win” partnership for both Gastonia and Cramerton. As part of the consolidation, Gastonia assumed ownership of Cramerton's water and wastewater utilities. This includes the 4 MGD Eagle Road Wastewater Treatment Plant that will be critical for serving future growth in southeastern Gaston County. Cramerton residents benefited from Gastonia's lower utility rates.

Water System

The City's water system consists of 25.3 million gallons per day (MGD) treatment capacity, with an average daily use of 14.5 MGD. There are approximately 33,050 water meters in use. The current raw water storage capacity is 275 million gallons at the Rankin Lake reservoir. The water distribution system consists of approximately 601 miles of pipeline, 7 million gallons of elevated

City Profile

storage and 6.75 million gallons of ground storage at its Water Treatment Plant.

Gastonia currently serves the cities of Lowell, McAdenville, Ranlo and Cramerton, North Carolina, and Clover, South Carolina with water treatment and supply. Water system interconnects are also provided to the cities of Dallas, Bessemer City, and Belmont for drinking water and to the City of Mount Holly for use in emergency situations.

The City uses Mountain Island Lake as its primary raw water supply source. Mountain Island Lake is a man-made lake constructed by Duke Energy on the Catawba River between Lake Norman and Lake Wylie, approximately 11 miles northeast of Gastonia. Approximately 11 miles of 54-inch and 48-inch raw water lines provide raw water from the lake to the City. Gastonia has a permit to withdraw up to 75 million gallons per day (MGD) from the lake, with peak rate of withdrawal up to 150 MGD. It is anticipated that this will supply the raw water needs for Gastonia, its municipal customers, and portions of Gaston County until the year 2100.

Sanitary Sewer System

The sanitary sewer system for the City consists of 26 million gallons per day (MGD) treatment capacity at three (3) wastewater treatment facilities. Average maximum daily flow at these plants is 7.2 MGD. The sanitary sewer collection system consists of approximately 561.7 miles of collection lines, including Cramerton, 38 pump stations and TRU has approximately 27,720 sanitary sewer customers, both inside and outside the corporate limits. Of the approximately 27,720 sanitary sewer customers, the top ten customers comprise less than 20% of the City's billed wastewater volume. The service area for the sanitary sewer system encompasses the entire corporate limits of the City and portions of Gaston and Cleveland counties adjoining the city limits and portions of York County, South Carolina. The City also owns and operates under private contract, a 700-acre Biosolids Storage Facility and Resource Recovery Farm located at Pasour Mountain, approximately five miles northwest of the City.

Two Rivers Utility discharges wastewater tributaries of the Catawba River. TRU's Long Creek Wastewater Treatment Plant has a capacity of 16 MGD. The Crowders Creek Wastewater Treatment Plant has a capacity of 6 MGD and the Eagle Road Wastewater Treatment plant has a capacity of 4 MGD. In addition, all three Wastewater Treatment Plants have nutrient removal capability, which gives Gastonia and Two Rivers Utilities the most advanced capability in the region.

Electric System

The City is a member of ElectriCities of North Carolina, Inc., a joint municipal agency serving the interests of municipal electric systems in the State. Of the 71 municipalities in the State that own their electric systems, 64 are members of this agency. Gastonia is also one of 19 cities that own 75% of one unit at the Catawba Nuclear Station. These 19 cities are part of a Power Agency (NCMPA#1) which uses the ownership of the Catawba Nuclear Station to meet the needs of its customers. Employees of the NCMPA#1 facilitate the purchase or sale of energy to balance the energy demands of the 19 members.

The City's electric system operates under a 7,200/12,470 volt distribution system, which serves approximately 29,000 meters in a system of 473 miles of electrical distribution lines. The electric

City Profile

system is the largest revenue producer in the City and has been used to supplement the General Fund and other funds in previous years. In FY 1994, the City Council voted to reduce the dependency on electric revenues and to establish a Rate Stabilization Fund to set aside monies to provide funding for capital projects, any unforeseen occurrences, and to offset future rate increases.

Solid Waste

The City currently provides residential refuse, yard waste, bulky waste, and leaf collection to City residents. Bulk container refuse collection to City facilities and the Downtown area businesses, as well as residential curbside recycling service, is provided by a private contractor. A major change to our system was implemented in October 1994, as the City modified its pick-up schedule from backyard to curbside service, while an additional improvement in July 1996 occurred when the City went forward with fully automated collection trucks for the roll out carts. These trucks only need a driver/operator and delete the need for a full manual crew for each vehicle. The City's residential and commercial waste is hauled to the Gaston County Landfill located near the Town of Dallas.

In July 2011, the Solid Waste program transitioned from a divisional account within the General Fund to an Enterprise Fund. The City began charging a solid waste fee of \$4.00 per month to Solid Waste customers in July 2012 and increased the fee to \$6.50 in July 2016. This year's budget includes a \$2.00 increase, bringing the monthly fee to \$8.50.

The City first introduced its recycling program in FY 1994 utilizing 18 gallon bins. Participation was voluntary and customers were charged a fee. In January 2012, the City implemented a citywide recycling program, eliminating the previous recycling fee. The 18-gallon bins were replaced with 95-gallon recycling carts and distributed to all customers, with curbside collections in an effort to encourage more recycling. Multiple adaptations of solid waste services and operations have increased efficiencies, improved customer service, and enhanced the aesthetics of the City.

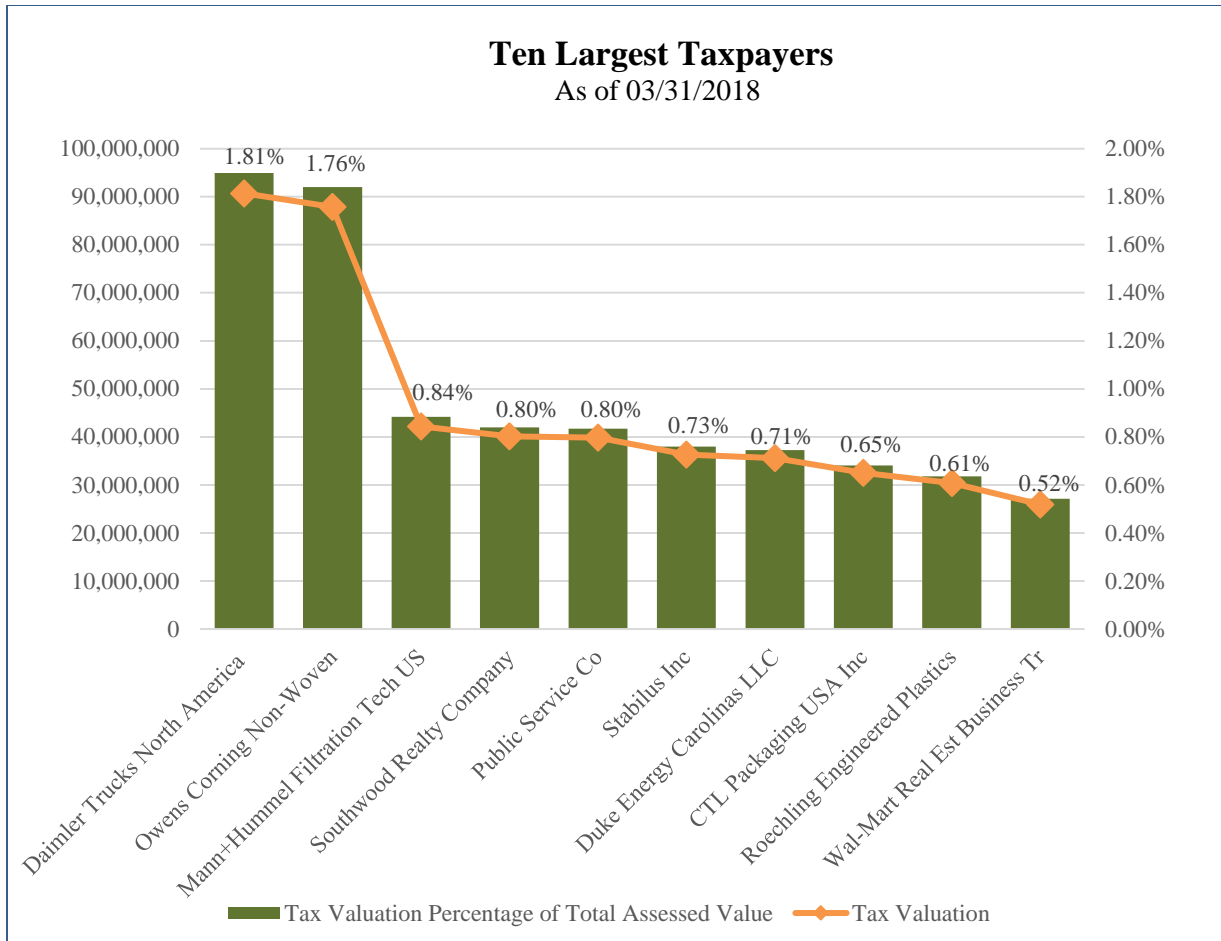
Public Safety

The City currently provides both fire protection and police coverage for its residents. The City of Gastonia Police Department has 170 sworn officers and associated support staff and provides services throughout the City in three (3) patrol districts and twelve (12) beats. Fire services are delivered through eight (8) fire stations located throughout the City with 141 employees.

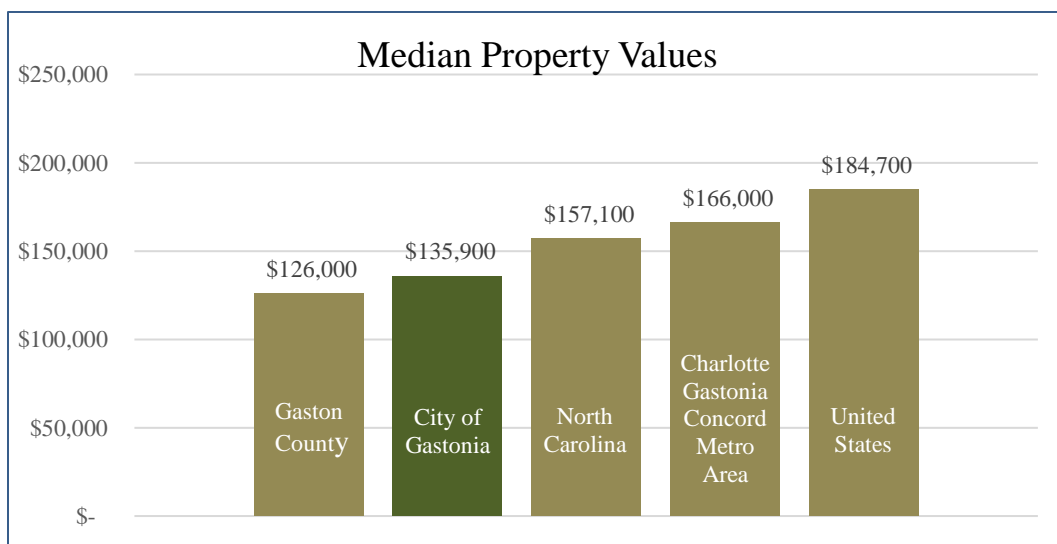
Tax Base

Another important aspect of the City's economy is its tax base, which is made up of real property (land and buildings), personal property (such as vehicles), and utility certifications. Gaston County collects these taxes on behalf of the City of Gastonia, and administers all tax value appeals, collection and administration. The largest portion of tax revenue is generated through real property. Naturally, upswings in the economy bring increased development and rising property values, causing the tax base to grow and expand. This, in turn, means the City brings in more property tax revenue or a lower tax rate to compensate for the increases in the tax base. During economic downturns, the opposite is true.

City Profile



Property values in Gastonia track slightly higher when compared to Gaston County; however, they are significantly lower than the state, metro and national averages. To further illustrate, the following chart provides a comparison of median housing values based on Census data from 2016.



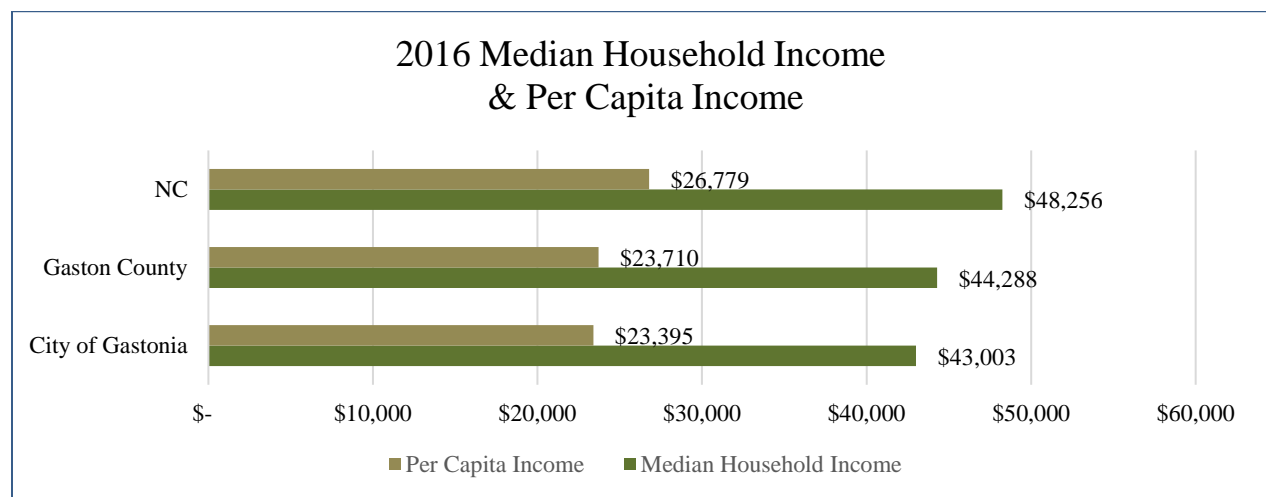
Another way to gauge the health of a location's economy is to look at the strength of the area's

City Profile

retail sales. The following table compares the total retail sales for the City of Gastonia, Gaston County, and the State of North Carolina according to the most recent data available from the U.S Census Bureau.

2012 Retail Sales (\$1,000)		
City of Gastonia	Gaston County	State of North Carolina
\$1,341,552	\$2,329,466	\$120,691,007

The chart below shows per capita retail sales comparisons for North Carolina, Gaston County, and the City of Gastonia in 2016 dollars. Per capita retail sales in the City of Gastonia were considerably higher when compared to Gaston County or the State of North Carolina.



Economic Development

Gastonia took a new step in economic development in 2017 with the creation of its first Economic Development Department. Led by an Economic Development Director, this department will develop and execute a plan to transform Gastonia to the western gateway into Charlotte and a destination to “live, work, play.” A main focus during the initial year was on promoting and advocating for greater transportation connectivity to Charlotte and the Charlotte/Douglas International Airport (CLT). Gastonia partnered with Gaston County, the Greater Gaston Development Corporation and other municipal and private partners to conduct an economic development study of Gaston County in relation to the CLT International Airport and how to capitalize on its expansion.

Gastonia has proven to be a hot economic market recently. Loray Mill opened Phase I of their project with over \$22 million invested. Loray is boasting a 100% occupancy rate for its residential units and most closely compares to Charlotte’s successful South End, but without the price tag. Loray is now home to the Loray Athletic Club, Growler Pub and soon two firms opening offices. Loray has become a sought after spot for millennial living. Construction on Phase II is slated to begin soon.

City Profile

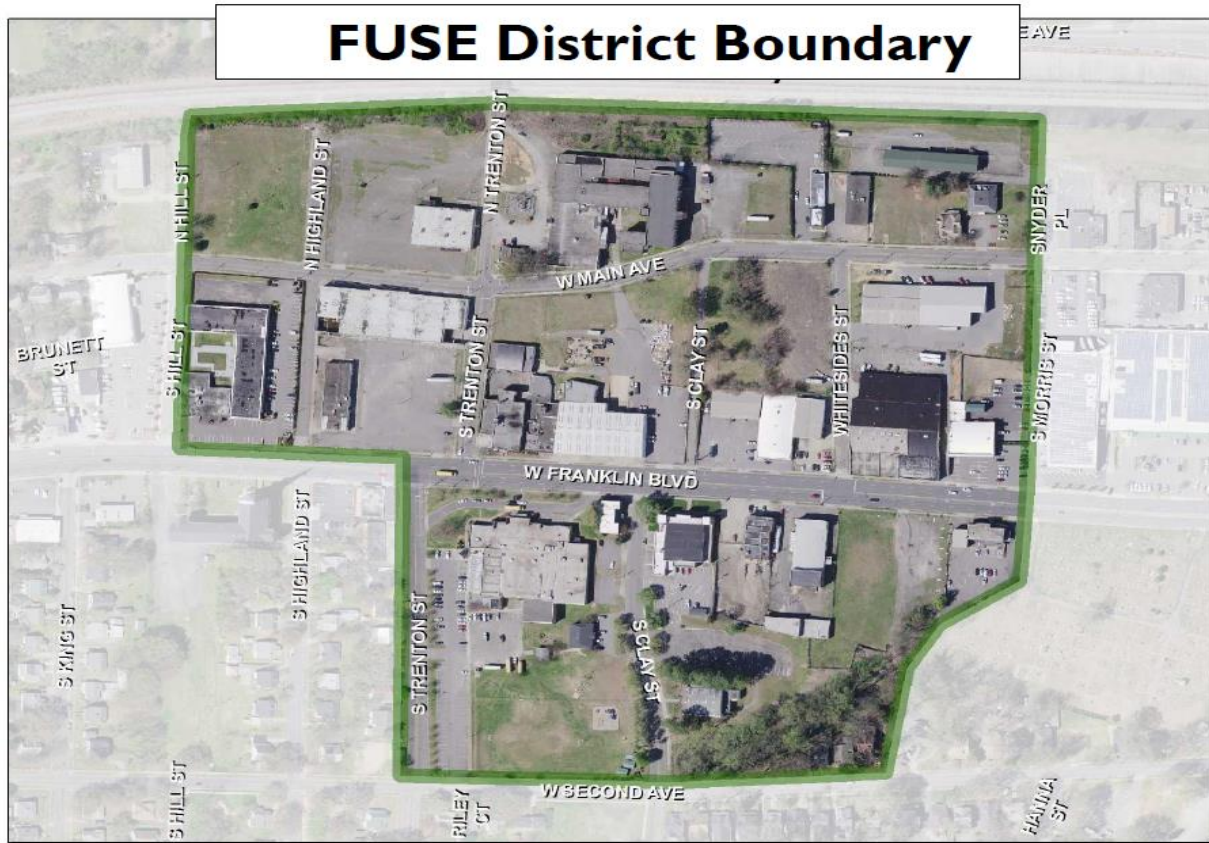


Gaston County YMCA opened a new \$20 million, 55,230 square foot flagship site near the Robinwood Lake area and we are looking forward to additional opportunities that are developing from other commercial developers.



The most notable project is Gastonia's new Franklin Urban Sports & Entertainment (FUSE) district. This visionary project is located in the former Trenton Mill neighborhood and will serve as a catalyst for redevelopment. The FUSE district will be anchored by a new multi-sport and entertainment venue that will be home to the Gastonia Grizzlies baseball team. Property acquisition has been completed and the project is in the design phase.

City Profile



The downtown area of the City is undergoing notable revitalization. Gastonia's FUSE project has energized Downtown as never before, for example, the former Smith Drug Store is under renovation, the large "Gunn" property has been sold for redevelopment and Sleepy Poet Antique Mall (that opened in 2016) has already purchased an additional building for expansion. In the past year, two coffee shop concepts, Java House and Gaston Pour House, have opened near the South Street promenade. Gastonia has also planning on actively promoting redevelopment along the Main Avenue corridor west to reach the FUSE district.

The \$10 million, 29,506 sq. ft., LEED-certified Gastonia Conference Center with attached parking deck has become the centerpiece of downtown redevelopment. The project's construction costs were financed through installment financing obligations issued as recovery zone economic development bonds and repaid primarily from the City's hotel occupancy tax revenues. The Conference Center has already attracted additional investment and is currently serving as an economic drive to recruit an additional Downtown hotel that allow the Conference Center to service multi-day events.



City Profile

In addition, a nationally branded boutique hotel is currently being constructed in another historic building, along with other various new businesses and restaurants. Webb Custom Kitchen has



grown into their first two years open into a regional destination with its upscale menu and movie-themed décor. This success has led the investors of Webb Custom Kitchen to acquire additional Downtown property for a new high end art gallery and cooking school. The \$1.5 million renovation to another historic building to house the business district's third large antique mall became the catalyst for highlighting downtown as an emerging arts and antique district.

Downtown has a bright future that will be led by a new Economic Development Specialist position that will focus on development and redevelopment of our downtown buildings, as well as develop strategies for attracting people to live, work and play in the heart of our City.

Commerce and Industry

Gastonia's retail market has been competitive with a steady rise in new stores. The grocery sector has been nothing short of explosive. Two new high-end grocery stores opened in 2016. Publix occupied an existing grocery store space bringing a \$4 million remodel investment. Harris Teeter returned to the Gastonia market with a \$7 million new shopping complex. Additionally, Lidl and WOW supermarkets have entered the Gastonia market.

Gastonia has aggressively worked with property owners of fading retail areas to look at ways for promoting growth and redevelopment. This includes both Eastridge Mall and Akers Center shopping center. A thorough economic development study was done for Highway 7 that runs east/west through Gastonia. This corridor serves as an entrance into our Downtown and connection to the FUSE district. This study will allow better positioning moving forward to develop this area.

City Profile

The Gastonia Technology Park, the area's premier international business park, has welcomed Owens Corning in 2016 with 120 jobs and \$120 million investment. Now at almost full build-out, several of the existing industries have already begun expansions. Lanxess has expanded with additional warehouse space and a new production line. Dixon Quick Coupling has also expanded from their original operation. Although just newly opened, Owens Corning is planning for additional investment and expansion.



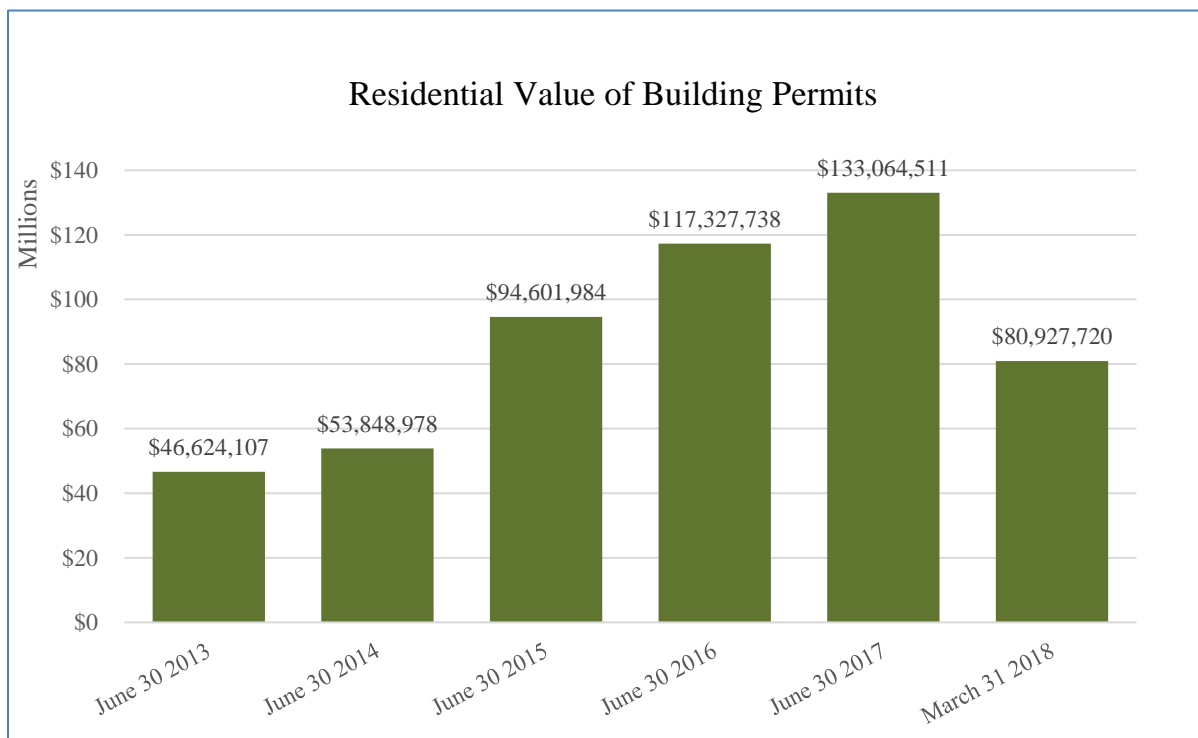
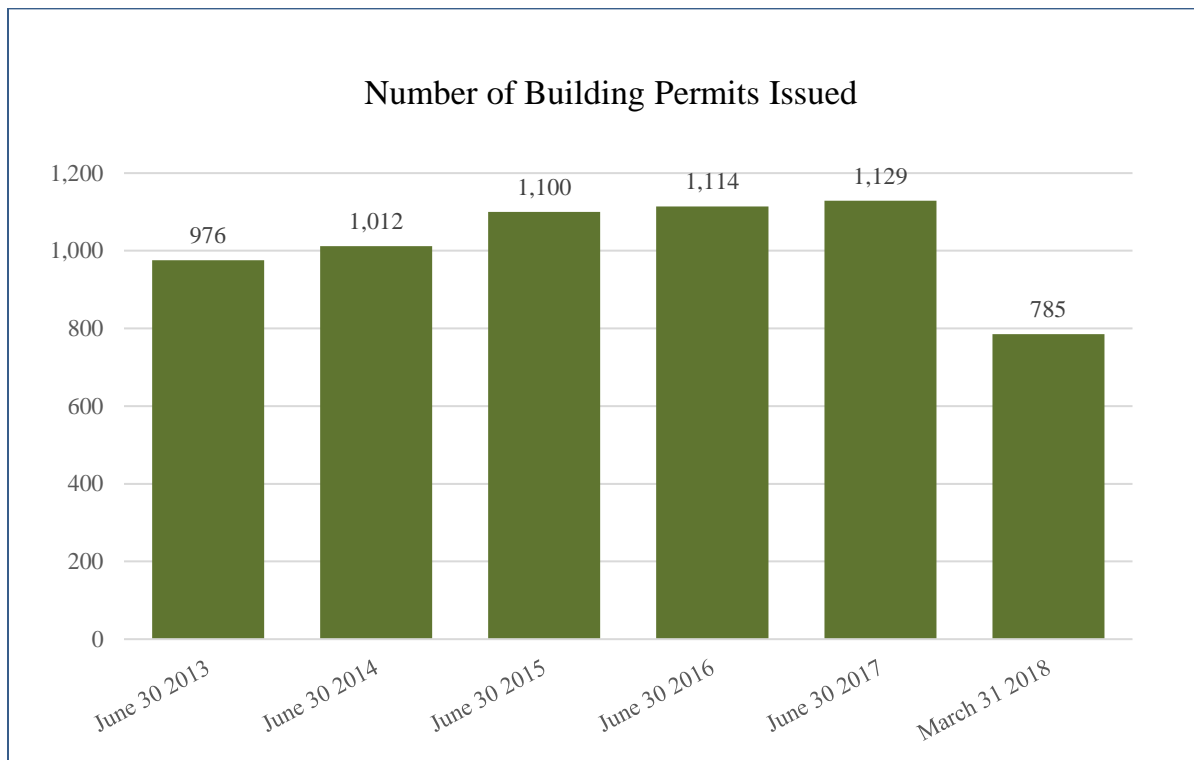
CaroMont Health, Inc., the parent corporation for a multi-state, integrated health care system consisting of CaroMont Regional Medical Center (the "Hospital"), physician office practices, imaging centers, outpatient centers, an ambulatory surgery center, a nursing home, occupational medicine, and hospice, maintains its principal offices in the City. The health system's service area includes

Gaston, Cleveland and Lincoln Counties in North Carolina and York County in South Carolina. The Hospital is located in the City on an 83-acre medical campus and is one of the City's largest employers. The Hospital's physical plant is approximately 1,300,000 square feet and includes 435 licensed beds, a specialty surgery center, a diagnostic center, medical office buildings and a business services annex. The campus is owned by the County and leased to CaroMont Health, Inc. and the non-profit corporation operating the hospital. The Hospital provides a wide variety of medical services including open heart surgery, a comprehensive cancer center, a neonatal intensive care unit and emergency services. In addition to the medical campus of the Hospital, services are provided at multiple locations throughout the region. The Hospital has received numerous awards and recognition, including Thomson Reuters' "Top 100 Hospitals" award for Quality and Safety and the Advanced Diabetes Certification and Advanced Certification in Heart Failure from the Joint Commission. In 2017, CaroMont opened their new administrative offices on Court Drive, capping that corridor as a prime regional medical employment center.

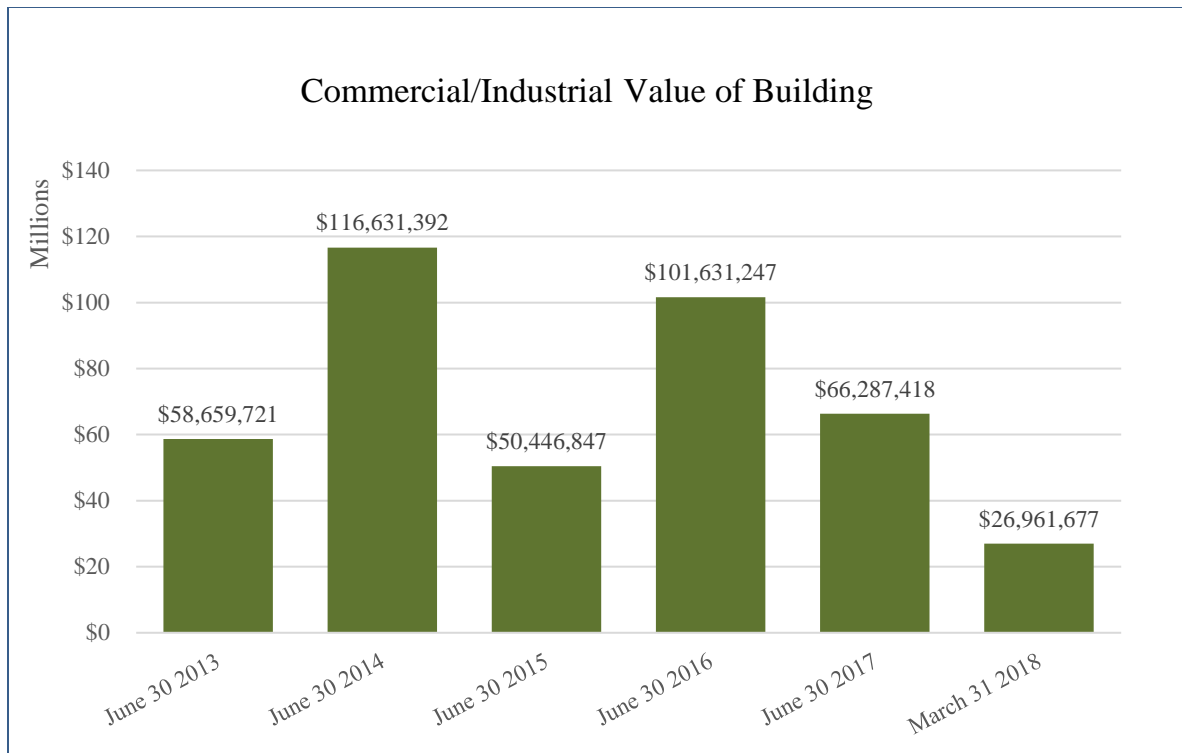
The City and surrounding area have been defined as a metropolitan-dominated region, with Charlotte serving as the central economic engine and employment center. Within this context, the

City Profile

City and the County are fast becoming what economists refer to as a “regional retail center.” With the establishment of the City as a retail destination, an influx of shoppers from surrounding counties such as Lincoln, Cleveland, York and Mecklenburg has been noted.



City Profile



Tourism

Tourism is another important aspect of Gastonia's economy. Not only does tourism help local businesses and workers in the tourism industry, but it also helps increase the City's sales revenues.

Some of the area attractions include:



Crowders Mountain State Park

Crowders Mountain State Park, a 5,000 plus acre natural mountain park, is partly located in the City, at its western edge. The park offers hiking, rock climbing, fishing, picnicking and other nature and environmental related activities. Rocky ledges and outcrops at the top of the 800 foot peak provide the perfect seats from which to view the panorama below and watch raptors soar in the wind currents.

City Profile

Schiele Museum

The Schiele Museum features the largest collection of land mammal specimens in the Southeast, Five permanent galleries, plus an outdoor Indian Village and an 18th Century Farm. The Schiele is one of only 70 museums in the U.S. designated as an affiliate of the Smithsonian Institution, enabling it to work with Smithsonian artifacts and materials.



US National Whitewater Center

The U.S. National Whitewater Center is an outdoor recreation facility set on the banks of the Catawba River. The 1,300 plus acres of woodlands is home to the world's largest man-made whitewater river, 14 miles of biking, hiking and running trails, and one of the world's largest outdoor climbing facilities.



American Military Museum

The American Military Museum, originally founded by American Legion Post 23, houses an authentic collage of military and related memorabilia from past wars and periods. The Military section, on the second floor in an octagonal room, features a mannequin dressed as a combat infantry soldier in World War II, displays of uniforms and weapons from other wars, and a large model collection of ships, planes, tanks, and other military vehicles from all wars. Medals of Gastonia's most decorated soldiers are also on display. The Drum and Bugle Corps section located in Memorial Hall features the alumni memorabilia of the Rambling Rebels which was one of the premier marching and music organizations in North Carolina for 30 years.



Rankin Lake Park

Rankin Lake has been a community landmark for the citizens of Gastonia and Gaston County since its construction in 1922 on 242 City-owned acres as a reservoir to provide the City's drinking water. Early work to the park by the depression-era Works Progress Administration helped to develop it as Gastonia's second City park. Rankin Lake Park expanded public recreation in the area and was a

favourite spot for family gatherings, picnicking, bank fishing, and other passive activities. To protect the lake as a first class water source, the City fenced off the lakeside part of the property in the late 1980s, which would then deny public access for more than twenty years. As the lake evolved into a secondary/emergency water source, and governing perceptions changed about public recreation on the lake, the park received the support and funding for a major renovation project that was completed in August 2012. The park features a clubhouse with tables and chairs to accommodate group rentals, a "warming" kitchen, and restrooms; two lakeside, corporate picnic shelters; one large picnic shelter; eight small picnic shelters; an 18-hole disc golf course; two



City Profile

horseshoe courts; an outdoor classroom; trailhead and connector to the Highland Rail Trail of the greenway system; two boardwalks over Kaylor Creek; an approximately 80 acre lake with a 1.569 mile paved trail around the perimeter; wooden boardwalk over the lake spillway; two fishing piers; one viewing pier; a lake office to handle boat rentals (jon boats, canoes, kayaks, and pedal boats) and fishing permits; and a restroom building.

Martha Rivers Youth Sports Complex

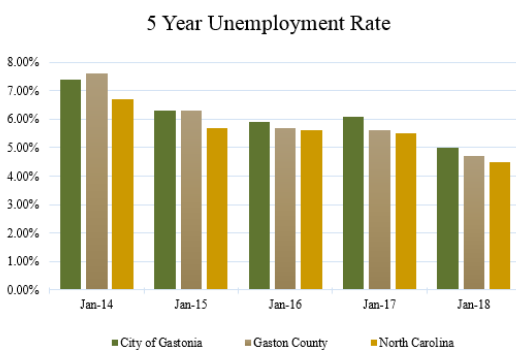


In 1995, the Gastonia City Council, Gaston County Commissioners, and the Gaston County School Board collectively worked to deed an existing 20-acre passive park (named Martha Rivers Park, after the daughter of the



original landowner), and 34 adjoining acres, originally purchased as a future school site, to the City for a Youth Sports Complex. The City then purchased an additional three adjacent acres bringing the total park size to 57.95 acres. Two phases of construction took place between 1997 and 2001 to produce the present facility. The park features four, lighted soccer fields; three, lighted youth baseball fields; one lighted youth softball field, two batting cages, and a scorers' tower with a concessions stand and restrooms. There is one small play area within the baseball complex area. Paved walking trails loop around the outer edge of the baseball fields, playground and soccer fields with several adjoining crossovers to vary distance and geography. There are two large picnic shelters, a sand volleyball court, two horseshoe courts, and a restroom building. The highlight for most children who visit the park is the result of Operation Playground – a one-acre playground designed by children, and built by hundreds of community volunteers who were organized by a group of dedicated citizens using thousands of private fund donations. The largely wooden structure, simply referred to as “the castle” consists of multiple levels and includes such features as a fort, a ship, a race car, swings, slides, a sand pit in which to dig “dinosaur” bones, places to hide, things to climb, places to explore and more, all interconnected by a series of ramps and catwalks above a safe, rubberized surface.

Economic Trends and Indicators



The chart to the left shows monthly unemployment trends for the State, Gaston County and the City of Gastonia since 2014. After reaching a peak in early 2011, unemployment within the City has continued to decline for the most part, with an upswing in 2017. The City of Gastonia's unemployment rate has tracked slightly above the State of North Carolina's rate for the past five years. The unemployment rate peaked in the City of Gastonia in 2011 at 11.6%; when compared to the State rate of 10.3%. As of January 2018, Gastonia's unemployment rate is

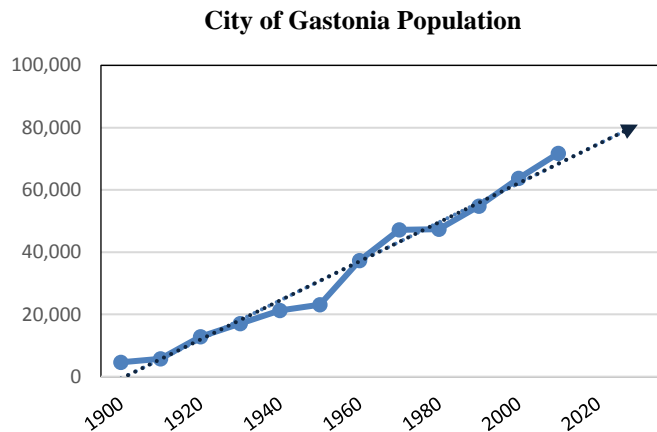
5.0%, confirming that the economy is continuing to grow.

City Profile

Moving forward, Gastonia has looked to other industries to expand the local economy. Today, Gastonia's economy is more diversified with a variety of industry, trade, and tourism businesses. Major business and institutional employers in the City include: CaroMont Healthcare, Freightliner Corporation, Gaston County Schools, Gaston County Government, Wix Filtration, Stabilius, City of Gastonia, and Walmart Stores.

Population

The City of Gastonia's population has increased steadily over the past century, as the graph to the left illustrates. In 1900, the city's population was 4,610; in 2010 the population was 71,741. The current population in 2018 is estimated at 75,536, according to the United States Census Bureau. Based on projections, population within the City of Gastonia should climb to well over 77,000 by the next census and surpass 80,000 in the year 2025. To that end, projections for population growth for the City of Gastonia suggest a continued stable increase over the next two decades, and a continued relatively constant share of Gaston County's overall population.



Executive Summary





The City of Gastonia

Our Community. Our Future.

City Manager's Budget Message FY 2018-2019

Mayor and City Council:

Enclosed is Gastonia's 2018-19 Adopted Annual Budget. I want to thank all our employees for their hard work and dedication in preparing this budget. The Annual Budget is our financial plan that will guide the City through the coming fiscal year. Under the direction of the Mayor and City Council, the City staff and I will implement and manage the new budget in a manner that takes advantage of opportunities and meets challenges as they occur during the year. The budget addresses, within the scope of available revenues, the goals and objectives recently approved by the Mayor and City Council.

Supporting economic development that produces jobs and capital investment by the private sector continues to be the City's focus, as we make decisions on where and when to spend our limited resources. Basic municipal services such as water, sewer, electricity, public safety, streets, and solid waste must be in place to support economic development and sustainable growth throughout the City. Parks, recreation, sidewalks, greenways, and museum amenities also support the goal of citywide quality economic development within Gastonia.

Budget Principles and Objectives

The focus for this budget has been centered on three guiding principles: ***financial responsibility***, ***customer service***, and ***economic development***.

Financial responsibility means that the budget includes programs and expenditures that are supported by adequate and predictable revenues. Also, financial responsibility means that capital projects, equipment, and human resource costs are budgeted each year so that the City is not faced with a deterioration that would require a crisis in future years. This budget continues to focus on a three-year operating budget horizon.

Customer service means that the budget focuses on the direct delivery of services to our customers. Expenditures that are directed to serving our citizens deserve to be emphasized. Our customers include our taxpayers, utility customers, and others that receive a service from the City. Our customer base also includes people simply looking to live or start a business venture in Gastonia.

Economic development means that the City should invest in specific ways to grow and diversify Gastonia's economic base. Expenditures in the budget that are targeted to encourage private sector economic investment are important because they stimulate additional jobs and commerce in our City. Public sector expenditures and carefully

MISSION

To provide fair, competent, responsive, cost-effective services at the highest level.



CORE VALUES

Accountability, Inclusiveness, Safety, Professionalism, Honesty/Integrity

designed revenues can grow the tax base, so we will not have to consider increasing the tax rate.

Budget Objectives

- Provide adequate funding for the basic operations of the City
- Provide adequate funding for City facilities and equipment
- Provide excellent customer service through effective and efficient programs and projects
- Maintain a three-year financial plan
- Maintain adequate fund balances compliant with the City's adopted fund balance policy
- Provide competitive compensation and benefit structure for all employees; implement a higher level of initiatives to insure inclusiveness throughout the workforce
- Stabilize the City's Health Insurance Fund
- Maintain the City's existing infrastructure
- Expand the City's infrastructure to promote economic development
- Fund capital projects that enhance the City
- Make improvements to neighborhoods and commercial areas throughout the City as funds are available
- Look for opportunities to provide and implement more cost-effective municipal operations
- Avoid a property tax increase
- Limit fee increases to amounts necessary to provide adequate City services
- Look for opportunities to grow our local economy

General Fund



The adopted budget for Fiscal Year 2018-19 does not include a change to the City's current tax rate.

Property tax revenue resulting from tax base growth is projected to increase again this year. The 2015 County Revaluation of real property resulted in a slight decrease in values, but currently the net revenues from all property tax categories are projected to increase by 3.5% over last year's budget. The tax rate remains the

same at \$0.53 per hundred dollars of value. We will continue to closely monitor the general economic conditions, as well as any changes by State government to the City's revenues.

The City has been able to balance the general fund each year with additional revenue, strategic expenditure reductions, and the careful use of excess fund balance for one-time expenditures. For the future, the General Fund will continue to be the area where expenditures and revenues will be pressured. For this reason, the staff will continue to focus on the General Fund and manage to a projected three-year horizon. In upcoming

fiscal years, the City will realize debt service payment reductions which will help, but as salary increases are embedded, the pressure on the General Fund will increase. The Gaston County tax revaluation will occur in 2019 and will affect the FY 2019-20 budget. County officials are predicting modest increases in property values that will correctly evaluate economic trends throughout the City and County.

Electric Fund

Staff is recommending the first general retail electric rate decrease in 19 years. The ElectriCities NC Municipal Power Agency One (NCMPA1) Board has approved a decrease in wholesale rates that will take effect July 1, 2018. With this wholesale power decrease, the City will be able to pass along a decrease in energy costs to customers while also providing reserve funds for future rate stabilization. This should allow for a consistent rate structure for the next five years. It is important to expand economic development into the areas served by the City's electric system. The City will continue to advocate for rate equity in NCMPA1 according to the approved allocated demand schedule. The City will move forward with the implementation of the third phase of the cost of services study to further adjust and consolidate our rate classifications which is necessary to provide equity and consistency with the complete rate structure. Capital funds will be available for redevelopment as well as for new growth corridors. The FY 2018-19 budget maintains



the same amount of adopted policy transfers to the General Fund as in the current budget year. Gastonia needs to maintain the level of transfers approved by the Local Government Commission as acceptable: 3% of Gross Electric Fixed Asset. The FY 2018-19 budget also provides funding for maintenance and capital projects (including such projects as the relocation of existing infrastructure

in the FUSE District and the LED street light conversion in our Downtown area). Expenditures in the Electric Fund are organized into priority areas: ***safety & maintenance, peak shaving & generation, load growth initiatives, and use of innovative ideas and technology.***

Water and Sewer Fund

A small increase in water and sewer rates is planned in the FY 2018-19 budget. This is only the second increase in water and sewer rates in the last seven budget years. As we have discussed for the last several years, water and sewer rates should be modified periodically to help support the utility's long term financial health as major capital projects move forward. The focus of the Water and Sewer Fund continues to be



completing the Water Plant renovation currently underway (\$65,000,000), meeting demands for economic development extensions, rehabilitation of older water and sewer lines, and continuing to develop cooperative agreements with surrounding municipal systems and the County. The Water Plant project is scheduled to be completed in 2019. The City was able to secure two no-interest loans from the North Carolina Department of Natural Resources totaling \$35,000,000. The no-interest loans are expected to save the City approximately \$19,000,000 over the life of the twenty-year loan.

The City is partnering with the Town of McAdenville and Pharr Yarns, LLC to construct a major sewer collection line that will pump to the Duharts Creek Pump Station. Gastonia will treat 100% of sewer flow from the Town of McAdenville and Pharr Yarns, LLC when the project is complete in 2019. The City is also partnering with the City of Dallas for an emergency sewer connection which is partially funded by a Gaston County Township grant. The City is further working with the City of Bessemer City on a supplemental water connection that is partially funded by the NC Rural Infrastructure Fund and Gaston County. This project should be completed in 2020.

We have and will continue to partner financially with the State, the private sector, other municipalities, and the County to extend lines into our important growth areas. This is particularly important now as the City and County see renewed development pressure following the last recession. New developments planned between the Union Road and New Hope Road corridors are underway and our water and sewer system will need to accommodate this growth. Staff is currently working with engineering consultants to design and acquire necessary right of way to construct major water distribution and sewer collection systems in this corridor.

City staff, along with consultants, have recently completed an updated system development fee study required by North Carolina General Statute. In order to equally distribute costs for new infrastructure extensions while adequately funding other necessary capital projects, the proposed fee schedule will include a modest increase in the system development fee for water and sewer infrastructure. The proposed fee schedule also establishes a separate southeast utility district system development fee that will recover capital investment costs for important utility extensions in this growth corridor. We will also seek to increase water and sewer usage through infill development because the infrastructure is already in place. Our priority for the Water and Sewer Fund will be ***safety, increasing our sales, infrastructure maintenance, system performance, system expansion in those areas that provide a viable return on investment, and use of innovative ideas and technology.***

Solid Waste Fund

The City's Solid Waste Fund that was created over six years ago receives revenues directly from solid waste fees and transfers from the General Fund. Staff is proposing an updated fee schedule in solid waste that will provide 50% of its revenues from fees and 50% from the General Fund. The proposed fee schedule increases residential household solid waste fees from \$6.50 to \$8.50 per



month. Other fee adjustments are bulk yard waste fees, increases in multiple residential carts, and individual business rollout cart fees. The proposed fee schedule for FY 2018-19 provides adequate funding for service cost increases for the next two fiscal years while maintaining the 50% fee – 50% general fund appropriation model.

The City will experience modest increases in contract recycling services, increases in solid waste tipping fees at the Gaston County landfill, increased debt service payments for necessary fleet replacements, and also increases in employee compensation and benefit structures.

Stormwater Fund

The changes to the City's Stormwater Fund, approved by City Council in November 2013, were fully implemented in the FY 2014-15 budget. The revenues have been directed to stormwater improvement projects throughout the City. Currently, the Stormwater Fund pays for a wide variety of State compliance requirements, maintenance and capital improvement projects. The priority for stormwater projects is concentrated on projects



within public rights-of-way that the City has an obligation to maintain and repair. Improvements proposed for stormwater problems (outside of the rights-of-ways) are given priorities by the Stormwater Citizen's Advisory Committee. Projects are rated according to a three-tier priority system. In addition, the City will be working on the Durharts Creek Conservation Area – Short and Long Term Land Management Plan, approved by City Council in

November 2015. City Staff will continue to seek state and federal funds to assist in the construction of demonstration projects, stream restoration, and hazard mitigation projects.

Employee Compensation and Benefits

The total number of budgeted full-time employees for the upcoming fiscal year is 893. The size of our workforce has grown slightly following the cutbacks initiated during the recession. The infill of existing residential subdivisions under construction are placing increased demands on City services. The FY 2018-19 budget includes a 2.5% - 4.0% salary increase (effective June 23, 2018) for all full-time and part-time employees. The



budget also maintains the annual \$350 Christmas Bonus for eligible employees, and will be distributed to employees the last week in November. The City will continue the 401(k) program for all full-time employees at the 5% level. The FY 2018-19 budget provides additional funding for the Employee Education Reimbursement Program (increased to a \$1,000 maximum per employee), centralized and enhanced professional development

opportunities, and establishes a citywide internship program.

Like other public and private organizations, controlling health care costs remains a budgetary challenge and will be so for the foreseeable future. The FY 2018-19 budget increase for the City's Health Insurance Fund is \$508,000 (7%) higher as compared to the current year. The Adopted Budget also provides funding for a \$750 payment to the Health Savings Account for all employees covered by the City's Health Insurance Program. Employees not eligible for a federally designated HSA would get the same dollar amount. For the first year, the City will welcome retirees who are enrolled in the City's health plan, to utilize the on-site health clinic. Wellness initiatives and incentives that positively impact employee health will continue for the upcoming fiscal year. Staff will continue to utilize employee wellness committees and focus groups to improve our overall employee health and wellness. Staff will continue to monitor claims throughout the year and will provide consistent updates through the City Council's Audit, Bids, and Insurance Committee.



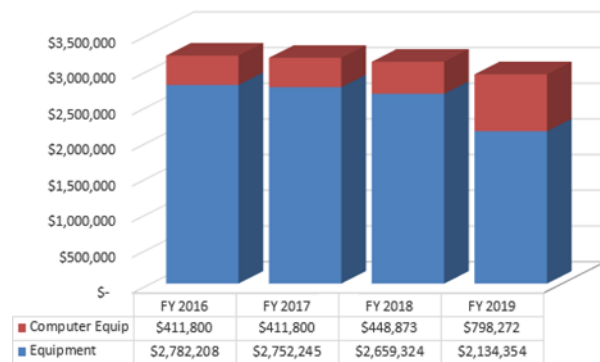
Infrastructure

The City of Gastonia is responsible for approximately 443 miles of paved streets (343 miles of local streets) along with sidewalks and traffic control systems, 601 miles of water lines, 561 miles of sewer lines, and 473 miles of electrical distribution lines. Our municipal facilities are spread from Mountain Island Lake to the South Carolina state line. One of the most important responsibilities of our City is to provide and maintain the critical public infrastructures that we all take for granted. The City maintains the water plant, overhead storage tanks, stormwater systems, wastewater treatment plants, parks, and rights-of-ways. Additional challenges related to maintaining other aspects of our vast infrastructure will be addressed through this budget and future budgets. Maintenance of our infrastructure, such as streets, water, sewer, electric, and other City facilities, while not glamorous, is critically important and commands significant resources. In order to capture new economic development opportunities, we must consistently maintain and expand when necessary our diverse infrastructure.



Funding for Equipment

Vehicles, large equipment, and computer/communications hardware are funded through an annual equipment loan. The loan for the equipment is spread over a fifty-nine month period, thereby leveling the impact of equipment needs from year to year. More than \$6.3 million of vehicle equipment was requested by City departments for replacement or additional equipment in the upcoming fiscal year. This proposed budget appropriates a total of \$2,932,626 in funding for equipment replacement, including \$798,272 for the replacement and upgrade of necessary computer and communication equipment. We are proposing to replace various fleet vehicles, including 14 Police vehicles, a new fire pumper truck (\$632,006), and \$936,018 for Solid Waste vehicles and equipment. Requests by departments for replacement equipment that were approved by the Fleet Services Manager and Public Works Director are included in the budget.



Transportation

The street bond projects approved by the voters in 2010 continues to move towards completion and closure. Titman Road and Myrtle School Road are now finished and will be accepted in this current fiscal year. The South New Hope Road widening project is under construction and is led by NCDOT. The Union Road project is currently under agreement with NCDOT and is scheduled to be constructed in 2021-2022. The FY 2018-19 budget provides \$1,715,862 for resurfacing and repairing local City streets. Funding comes from Powell Bill funds (\$165,862), Auto Tag Fee revenues (\$800,000) and \$750,000 from the General Fund balance. Traffic calming devices, such as speed humps, continue to be funded in the FY 2018-19 budget to address neighborhood safety issues. The NCDOT Project upgrading the US 321/I-85 Interchange will continue moving forward and is projected to be complete in 2019-2020.



During the FY 2018-19 fiscal year, staff will begin implementing the results of the Comprehensive Transit Study which will include the installation of upgraded shelters, improved access at Dixie Village, and the implementation of smaller buses in strategic areas of the City. Funding scheduled for the Gastonia Airport this year includes over \$1,900,000 in state and federal funding for multiple capital projects, including a comprehensive relocation or realignment study and the renovation of the existing fueling area and tarmac.

Ongoing communications with NCDOT will continue to identify and fund pedestrian improvements, medians, and lane realignments along the Franklin Boulevard corridor. The City is scheduled to apply for NCDOT funding to complete a Comprehensive Bicycle Plan. The City will continue to partner with the NCDOT to prepare for the proposed widening project for I-85 throughout Gaston County. Finally, the City will continue to support the Catawba Crossings Project (bridge crossings over the South Fork and Catawba Rivers). This is a critically important transportation project, connecting South New Hope Road to I-485 and Charlotte-Douglas International Airport.

Maintaining the Fund Balance

Gastonia is currently well over the 8% minimum available fund balance for the General Fund as recommended by the Local Government Commission (we currently maintain a 29% balance) This is above the Council's recently adopted Fund Balance Policy. The proposed FY 2018-19 Budget appropriates \$1,563,000 in fund balance for one-time projects that includes \$750,000 for additional street resurfacing. It should be noted that although the City typically budgets fund balance appropriations to balance each year, these funds are not normally expended, since revenues have expanded and expenditures have been contained.

The FY 2018-19 budget will increase fund balances for both the Electric and Water & Sewer Funds so that funds will be available for capital projects and rate stabilization. The Hotel Occupancy Tax Fund revenues currently cover the Conference Center debt service and operating deficit. The contracted management company Culinaire has significantly reduced the projected operating deficits for this current year and next. However, beginning in fiscal year 2020, the annual debt service will increase from \$308,151 to \$751,006 so all savings in operational costs will be necessary for future debt service payments.

Due to State shared revenue allocations, staff will not know the precise amount of fund balances for each fund until September 2018, after the close of the FY 2017-18 budget year. Accounting practices will allocate the last three months of sales tax and reimbursements received during the summer back to the FY 2017-18 budget year.

Economic Development

Gastonia has experienced return of positive economic growth. Several new retail commercial developments are currently under construction throughout the City and others have been approved to begin in FY 2018-19. The Gastonia Technology Park is almost at full capacity with industrial corporate citizens and the City is working with Gaston County and Gaston County Economic Development Commission to identify, secure, and develop additional industrial sites. The City is also working with private landowners, the City of Lowell, Gaston County, and Gaston Economic Development Commission



on the potential development of the “Lineberger Property” along I-85. The partnership is preparing an application for federal funding to match private investment in the construction of necessary infrastructure a potential blend of commercial, retail, office, residential, and light industrial uses.

Previously approved residential developments, primarily in the southeastern portion of the City, that were halted during the 2008 Recession, have restarted. The challenge for Gastonia is to encourage developments of high quality. Developments with high values are more fiscally sustainable and will contribute more to the expansion of the tax base. Consistent with our land development plans, Gastonia encourages commercial, office, industrial, and residential development in each sector of the City. In particular, infill developments are the most desirable form of economic growth because the infrastructure is already in place, thereby reducing the cost to serve the new development.

The City staff, partnering with Gaston County and the Gaston County Economic Development Commission, has completed the NC Highway 7 Corridor Study and is now tasked with implementing the plan and realize additional economic development while transforming this important gateway corridor into “Gastonia’s Second Main Street”. The City is also partnering with the Greater Gaston Development Corporation, Gaston County, and other neighboring Gaston municipalities to complete the Gaston County extension addition of the Charlotte-Douglas International Airport Economic Impact Study in the FY 2017-18 and FY 2018-19 years. The City will take steps towards being more proactive and focused with the creation of a dedicated economic development department, along with creating a new staff position to further initiate economic development. High value growth is important to the General Fund and also to our utility funds that need the growth of customers to broaden their revenue base. ***It is our on-going objective to grow our tax and utility bases and not our rates.***

Gastonia’s Center City area has been identified as being critical to our economic development and to our image. However, significant areas in the northern and western portions of the City have still not experienced the kind of economic growth that is otherwise occurring throughout the region. Specifically, the City will focus on the West Franklin corridor and the surrounding neighborhoods. The Loray neighborhood will receive continued focus so that the \$40 million redevelopment investment completed at the Mill, Optimist Park on Vance Street, and the focused efforts of Preservation NC can be leveraged and the surrounding community revitalized.



The largest economic development project moving forward in this budget will be the Franklin Urban Sports and Entertainment (FUSE) Economic Development District. The City has completed the purchase of approximately 16 acres of contiguous property and is currently working on the next phase of architectural design drawings and documents for the core

entertainment facility. Staff will like-wise continue efforts of constructability evaluations and cost estimate preparations with our Construction Manager at Risk in the FY 2018-19 budget year. The City has entered into a partnership with the UNC School of Government Development Finance Initiative group to assist the City in leveraging public investment with necessary private funding (currently related to the redevelopment of the Trenton Mill property). The City will also continue to partner with ElectriCities and Retail Strategies to market and recruit potential developers and businesses to the area. The FUSE district should include a mix of entertainment, restaurants, offices, multi-family residential, and other attractive uses that will make Downtown Gastonia a destination for the region.



Despite the challenges facing the City, the long-range future for Gastonia remains bright. We are located in one of the fastest growing and most affluent metropolitan areas in the United States. Our region is home to the second largest financial center in the country. Gastonia is located only twenty-five minutes west of the center of the region. Our location is excellent. Interstate 85, the transportation link between Atlanta and Charlotte, bisects our City with eight interchanges. US Highway 321 links us to Hickory and Interstate 40, while the proposed Catawba Crossings project would further connect Gastonia to the Charlotte-Douglas International Airport and Interstate 485.

We will need to make wise investments that capitalize on our location within the metropolitan region. Also, we will need to capitalize on our current strengths - an abundant water source at Mountain Island Lake, natural features such as Crowders Mountain State Park, the Schiele Museum, our City parks, the Conference Center, the quality of our neighborhoods and our schools. To further enhance our ability to attract quality new investment, we must create a positive private investment climate. Streamlining our regulatory process while delivering excellent citizen services will be our challenge every year.

Creating and Maintaining a Fiscally Sustainable Organization for the Future

In preparing this budget and during City Council work sessions earlier this year, the staff looked beyond this year's budget to identify revenue and expenditure trends focused on the next three years. On the revenue side, the General Fund depends upon tax base growth, which is tied so closely to the economic condition of our community. Regarding

future expenditures, over 58.8% of the General Fund consists of salary and fringe benefits. Therefore, most meaningful changes to General Fund expenditures in the future will have human resource implications.

We must always be vigilant for ways to reduce operating costs. Some operating costs will increase no matter what we do so in some cases, services may be reduced or even eliminated. There may be some services that simply cannot or should not be reduced at all. In those cases, we will still carefully examine their operating procedures to produce savings. The nature of these changes will be developed cooperatively with each City department and the Budget Office of the Financial Services Department. Expenditure reductions can be accomplished by using the following tools when appropriate: ***process simplification, technology and automation, program reduction, program elimination, consolidation, privatization, and innovation.***

Our organization and regulations should be streamlined to allow decision-making easier and more efficient. The structure of our organization should be as flat as we can make it. Fewer levels of organization will make us more efficient. We will search for best practices for delivering services by examining other jurisdictions and benchmarking our efforts with theirs.

New and expanded expenditures are carefully evaluated and must be viewed as an investment. Questions should be asked. If we make this expenditure, what kind of investment return will the City receive? We must view each new expenditure as one that may cause us to reduce an expenditure elsewhere within the City. A request to spend funds must always be viewed within the larger context of our budget. What is the choice we are making? Are we sure that this is the best utilization of our very scarce resources? We must also ask hard questions about the effectiveness of existing expenditures, be willing to modify our service levels and look for innovative ways to deliver services in the most efficient and effective manner.

Regularly, the City reviews user fees so that the actual costs can be tied to services delivered. Fees not representative of true costs should be evaluated and adjusted to reflect actual costs. Fees should be consistent with City objectives and within the market rates for similar services. Normally, fees increase over time, but there are occasions that the City has reduced fees based upon lower actual service costs or to encourage more use of a service and / or better support economic growth. As in previous years, the staff will review fees and make recommendations, if warranted, to the Mayor and City Council for their consideration.

Challenges Ahead

In closing, there were many worthy operating and capital projects that were considered for this budget, but limited funding means they must be prioritized, and if not currently fundable, considered in subsequent years. Employee related costs will continue to be the most significant challenge to fund each year. As pay increases are implemented and embedded into our budget, the new total becomes the floor for the following year. Growing

our revenues through quality economic development will be our way to provide the services expected for our City.

For the new fiscal year, our efforts will focus on implementing strategic actions that support the Mayor and City Council approved goals and objectives to build a City with on-going economic development and livability. We will continue to evaluate operations and processes for methods of efficiency and effectiveness. We will persistently strive to improve the quality of city services at the lowest cost possible, while seeking opportunity to improve all of our citizens' quality of life.

Respectfully submitted,

Michael C. Peoples

Michael C. Peoples
City Manager



Budget Highlights



Significant changes in expenditures from FY 2018 to FY 2019 include:

- **City-wide Overview**
 - \$1,621,458 Increase in Salaries due to compensation increases for all employees based on years of service
 - \$403,496 Increase in General and Police Retirement costs
 - \$508,480 Increase in Medical Insurance costs
- **General Fund Overview**
 - \$375,000 City Hall HVAC condenser piping and rooftop cooling tower
 - \$175,000 Bradley Center roof replacement
 - \$125,000 Replace playground equipment at Rankin Lake
 - \$78,000 Police HVAC duct maintenance
 - \$40,080 Replace Police Department flooring
 - \$40,000 Maintenance of score tower at Martha Rivers
 - \$30,000 Comprehensive Bike Plan
 - \$25,000 Fire Station #1 roof repair
 - \$25,000 Recreation Master Plan
- **Water/Sewer Fund Overview**
 - \$730,800 SCADA Master Plan
 - \$450,000 Southeast Sewer Phase II (Right-of-Way Permitting)
 - \$250,000 Dry material storage shed
 - \$150,000 Clearlogx control system
- **Stormwater Fund Overview**
 - \$574,761 Court and Wellman culvert replacement and Right-of-Way Program
- **Solid Waste Fund Overview**
 - \$58,000 Gaston County landfill tipping fee (\$1/ton increase)
 - \$24,800 Recycling contract CPI adjustment (3% increase)
- **Electric Fund Overview**
 - \$150,000 SCADA replacement ACS Centrix software
 - \$100,000 Downtown LED streetlight conversion
- **Transit Fund Overview**
 - \$100,000 Bradley Station renovation
 - \$60,000 New bus shelters (3)
 - \$52,000 Dixie village bus shelter
- **Health Insurance Fund Overview**
 - \$530,917 Increase in Group Health costs
 - \$148,000 Continuation of City wellness program
- **Vehicle/Equipment Replacement Fund Overview**
 - \$936,018 Automated Garbage Trucks (3)
 - \$632,006 Fire Engine
 - \$430,584 Police vehicles (14)
 - \$255,600 Police radio equipment (41 radios and 10 consolettes)
 - \$75,872 Fire radio equipment (16 radios)
 - \$58,000 Police generator
 - \$37,506 Full-size 4x4 SUV
 - \$30,000 Ballfield Mower
 - \$26,014 ¾ Ton Crew Cab 4x4 Truck

Budget Highlights



Significant changes in revenues from FY 2018 to FY 2019 include:

- **General Fund Overview**
 - \$1,007,014 Increase in Ad Valorem Taxes
 - \$288,623 Increase in Payment in lieu of Taxes
 - \$552,759 Increase in Sales Tax
 - \$77,950 Increase in Museum Admissions
 - \$50,000 Increase in Planetarium Fees
 - \$130,000 Decrease in Building Permit revenue
 - \$600,000 Decrease in Utility Sales Tax
- **Water/Sewer Fund Overview**
 - \$1,700,000 Increase in Water/Sewer sales
 - \$100,000 Increase in Water Sales – Irrigation
- **Solid Waste Fund Overview**
 - \$560,172 Increase in Residential Waste Collections (fee increased from \$6.50 to \$8.50)
 - \$181,000 Increase in Excess Yard Waste Fee (now charging for excess)
 - \$82,000 Increase in Bulky Item Pick Up
- **Electric Fund Overview**
 - \$1,342,687 Decrease in Electric sales
 - \$60,000 Decrease in NCMPPA Energy Efficient Award
- **Transit Fund Overview**
 - \$32,000 Decrease in Bus User Fees
 - \$993,740 Decrease in Federal grants
- **Health Self-Insurance Fund Overview**
 - \$469,880 Increase of Health Insurance Premiums
- **Fund Balance Appropriated**
 - \$1,563,000 Fund Balance Appropriated in the General Fund



Financial Summary





All Funds

(includes Internal Service Financial Plans)

Fund	Fund Title	FY 2018 Original	FY 2018 Revised	FY 2019 Adopted	% Change from Original Budget
110	General Fund	62,708,342	63,367,909	62,478,724	-0.37%
113	Webb Project	73,731	304,042	63,200	-14.28%
114	Conference Center Operations	754,250	1,043,198	782,150	3.70%
115	Solid Waste Disposal Tax	46,000	104,000	104,000	126.09%
118	M Rivers Oper. Playground	0	4,995	0	0.00%
119	Technology Support	35,400	266,545	35,400	0.00%
170	Powell Bill	0	0	3,885,910	0.00%
173	Fed Asset Forfeiture Trust	40,000	631,592	40,000	0.00%
174	State Asset Forfeiture Fd	20,000	50,000	20,000	0.00%
176	Local Law Enf Block Grant	0	80,824	0	0.00%
244	C.P.-Airport Projects	166,667	1,282,226	1,984,613	1090.77%
263	Capital Proj.-Street Improvement	80,000	9,258,218	0	-100.00%
283	General Fund Capital Projects	2,907,486	8,467,171	719,580	-75.25%
312	Water/Sewer Stimulus Grant	3,977	3,977	3,977	0.00%
330	Water & Sewer Fund	36,753,708	37,700,545	38,690,049	5.27%
331	Electric Fund	81,630,628	81,755,001	80,518,650	-1.36%
332	Transit System Fund	2,699,629	4,064,396	2,768,377	2.55%
335	Solid Waste Fund	4,982,839	4,985,706	5,597,670	12.34%
336	Stormwater Utility Fund	2,548,188	2,549,638	2,577,122	1.14%
342	W&S Capital Expansion/Dev	3,058,490	3,192,490	2,550,094	-16.62%
351	W&S Renewal & Replacement	1,781,000	1,781,000	1,890,000	6.12%
352	Electric Renwal & Replace	1,590,884	1,590,884	1,655,000	4.03%
460	Water & Sewer Capital Recovery Fee	0	0	320,000	0.00%
462	Water & Sewer Capital Projects	2,161,900	36,149,297	2,240,800	3.65%
478	Capital Proj.-Electric System	2,000,000	5,425,711	2,000,000	0.00%
479	Stormwtr Capital Projects	640,788	1,675,799	574,761	-10.30%
611	Gen Fund Stimulus Grants	6,647	129,695	6,647	0.00%
621	Comm Dev Block Grant	861,380	1,633,117	689,359	-19.97%
622	108 Loan-Downtown Revitalization	20,140	20,140	28,140	39.72%
624	Home Investment Trust Fund	822,565	1,480,721	832,159	1.17%
628	Occupancy Tax	670,000	670,000	726,700	8.46%
629	Downtown Municipal Svcs District	131,924	179,409	134,975	2.31%
687	Infrastructure	945,106	1,278,282	223,589	-76.34%
775	Police Memorial Trust	2,000	2,000	2,000	0.00%
*	868 Health Self-Insurance	9,004,064	9,008,272	9,590,194	6.51%
*	870 Dental Self-Insurance	340,000	340,000	340,786	0.23%
*	880 Veh/Equip R&R Program	6,173,171	8,632,607	6,291,904	1.92%
*	881 Tech Internal Svcs Fund	6,573,368	8,355,026	6,625,960	0.80%
Grand Total		232,234,272	297,464,433	236,992,490	2.05%

* Internal Service Financial Plans

Summary of Revenues and Expenditures

(Includes Internal Service Financial Plans)

	Capital Project Funds	Enterprise Funds	General Government Funds	Internal Service Funds	Special Revenue Funds	Trust and Agency Funds
Ad Valorem Taxes			33,108,103		132,055	
Appropriated Fund Balance		3,670,213	1,621,000			
Assessments		1,650				
Electric Collections		78,825,150				
Fees	320,000	2,266,433	4,798,181	4,846,249	2,920	2,000
Funding for Roads			2,415,347			
Investment Earnings		206,500	153,100	2,500	8,294	
Non-recurring Grants			69,944		6,647	
Operating Grants		1,671,611	392,627		1,171,177	
Other Revenues	2,027,946	1,155,250	2,368,481	18,000,095	1,320,476	
Sales Tax			17,889,538			
State Transfers			828,000			
Stormwater		2,562,572				
Transfers	5,491,808	5,744,272	3,765,063			
Water & Sewer		37,754,116				
Solid Waste Charges		2,393,172				
Revenues Total	7,839,754	136,250,939	67,409,384	22,848,844	2,641,569	2,000
Contracted Services	1,554,680	4,618,633	1,518,978	1,877,319	971,957	
Debt Service		7,489,108	4,642,666	3,248,175	28,140	
Equip Lease & Utilities		5,269,154	2,836,278	478,266	64,110	
Equipment/Capital Outlay	4,885,525	4,313,913	1,861,500	2,462,754		
Maintenance	145,000	4,352,345	2,582,631	148,648	2,200	
Operational Support	1,254,549	11,188,753	8,524,549	11,122,662	1,340,783	
Personnel Costs		18,232,086	47,240,774	3,453,720	196,243	
Purchases - Resale		63,448,281	86,000			2,000
Reimbursement of Services		7,924,603	(7,916,739)		(7,864)	
Transfers Out		9,250,338	5,710,805		40,000	
Travel/Training		163,725	321,942	57,300	6,000	
Expenditures Total	7,839,754	136,250,939	67,409,384	22,848,844	2,641,569	2,000

Revenues, Expenditures and Other Financing Sources/Uses
110 General Fund

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Ad Valorem Taxes	31,878,261	31,797,466	32,627,648	33,108,103
Appropriated Fund Balance	0	2,568,218	0	1,563,000
Fees	4,776,939	4,755,744	4,901,968	4,763,181
Funding for Roads	2,030,974	2,053,258	2,030,347	0
Investment Earnings	59,691	51,800	238,082	152,500
Non-recurring Grants	79,587	83,574	55,668	69,944
Operating Grants	401,058	422,254	214,073	392,627
Other Revenues	1,816,318	1,479,259	1,199,130	1,456,831
Sales Tax	12,703,073	12,860,496	10,401,130	13,589,538
State Transfers	5,673,378	6,153,000	4,531,342	5,383,000
Transfers	2,023,334	2,007,900	2,007,900	2,000,000
Solid Waste Charges	0	0	0	0
Revenues By Type Total	61,442,614	64,232,969	58,207,289	62,478,724
Benefits	10,362,808	11,381,958	11,222,024	11,650,619
Capital Outlay	507	526	445	500
Debt Service	5,314,344	4,295,115	4,294,349	3,930,431
Equipment & Capital Outlay	77,433	482,905	403,087	288,500
Insurance	1,344,700	1,470,000	1,091,913	1,305,000
Maintenance	2,064,724	2,293,140	1,867,296	2,042,726
Operational Support	4,745,302	5,160,361	4,792,282	4,819,335
Other Expenses	1,020,304	1,469,982	1,109,213	2,015,030
Other Purchases for Resale	77,772	91,660	88,904	86,000
Overtime	679,927	759,563	692,175	582,750
Professional & Contracted Svcs	1,175,743	1,578,695	1,340,804	1,490,228
Reimbursements	(6,525,959)	(6,862,225)	(7,412,935)	(7,703,588)
Salaries & Wages	31,062,828	32,543,481	32,030,921	33,537,641
Transfers	9,107,224	6,621,009	6,621,009	5,652,805
Travel & Training	226,278	326,109	275,893	302,650
Utilities & Leases	2,322,941	2,620,690	2,555,935	2,478,097
Expenditures By Type Total	63,056,875	64,232,969	60,973,314	62,478,724

Revenues, Expenditures and Other Financing Sources/Uses
113 Webb Project

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	230,311	0	0
Fees	0	0	0	0
Investment Earnings	473	0	1,019	200
Other Revenues	67,984	73,731	78,731	63,000
Transfers	0	0	0	0
Revenues By Type Total	68,457	304,042	79,749	63,200
Debt Service	32,302	33,000	31,998	33,000
Equipment & Capital Outlay	0	0	0	0
Maintenance	0	0	0	0
Other Expenses	0	271,042	0	30,200
Professional & Contracted Svcs	0	0	0	0
Utilities & Leases	0	0	0	0
Expenditures By Type Total	32,302	304,042	31,998	63,200

Revenues, Expenditures and Other Financing Sources/Uses
114 Conference Center Operations

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	288,948	0	0
Investment Earnings	6,782	0	18,870	0
Non-recurring Grants	0	0	600	0
Other Revenues	585,187	718,250	698,529	742,150
Transfers	50,000	40,000	40,000	40,000
Revenues By Type Total	641,969	1,047,198	757,999	782,150
Benefits	0	15	10	0
Capital Outlay	0	0	0	0
Debt Service	424,499	686,308	424,499	679,235
Equipment & Capital Outlay	0	0	0	0
Insurance	0	0	0	0
Maintenance	45,664	52,655	9,488	20,000
Operational Support	21,950	25,659	23,479	26,915
Other Expenses	32,843	262,885	30,929	50,000
Overtime	0	0	0	0
Professional & Contracted Svcs	300	6,770	0	6,000
Salaries & Wages	0	100	51	0
Transfers	0	0	0	0
Travel & Training	0	0	0	0
Utilities & Leases	0	12,806	0	0
Expenditures By Type Total	525,256	1,047,198	488,457	782,150

Revenues, Expenditures and Other Financing Sources/Uses
115 Solid Waste Disposal Tax

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	58,000	0	58,000
Fees	19,782	0	830	0
Investment Earnings	674	0	703	0
Operating Grants	0	0	0	0
Other Revenues	49,667	46,000	51,198	46,000
Revenues By Type Total	70,122	104,000	52,731	104,000
Operational Support	0	0	0	0
Other Expenses	32,879	58,000	0	46,000
Transfers	200,000	0	0	58,000
Utilities & Leases	0	46,000	34,751	0
Expenditures By Type Total	232,879	104,000	34,751	104,000

Revenues, Expenditures and Other Financing Sources/Uses
118 Martha Rivers Operation Playground

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	4,995	0	0
Investment Earnings	29	0	46	0
Other Revenues	0	0	0	0
Revenues By Type Total	29	4,995	46	0
Maintenance	0	0	0	0
Transfers	0	4,995	4,995	0
Expenditures By Type Total	0	4,995	4,995	0

Revenues, Expenditures and Other Financing Sources/Uses
119 Technology Support

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	231,145	0	0
Fees	50,238	35,000	47,430	35,000
Investment Earnings	1,236	400	2,316	400
Other Revenues	188	0	104	0
Revenues By Type Total	51,662	266,545	49,851	35,400
Operational Support	16,480	5,150	5,149	10,150
Other Expenses	0	0	0	0
Professional & Contracted Svcs	976	261,395	103,526	22,750
Travel & Training	0	0	0	2,500
Utilities & Leases	0	0	0	0
Expenditures By Type Total	17,456	266,545	108,676	35,400

**Revenues, Expenditures and Other Financing Sources/Uses
170 Powell Bill**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Revenues By Type				
Funding for Roads	0	0	0	2,030,347
Other Revenues	0	0	0	500
State Transfers	0	0	0	130,000
Transfers	0	0	0	1,725,063
Revenues By Type Total	0	0	0	3,885,910
Benefits	0	0	0	435,602
Equipment & Capital Outlay	0	0	0	1,572,500
Maintenance	0	0	0	519,905
Operational Support	0	0	0	166,919
Other Expenses	0	0	0	0
Overtime	0	0	0	25,000
Professional & Contracted Svcs	0	0	0	0
Reimbursements	0	0	0	(213,151)
Salaries & Wages	0	0	0	1,009,162
Travel & Training	0	0	0	11,792
Utilities & Leases	0	0	0	358,181
Expenditures By Type Total	0	0	0	3,885,910

Note: Prior to FY 2019, Powell Bill was included in 110 General Fund.

**Revenues, Expenditures and Other Financing Sources/Uses
173 Federal Asset Forfeiture Trust**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	551,140	0	0
Investment Earnings	3,896	0	6,796	0
Other Revenues	90,017	80,452	299,211	40,000
Revenues By Type Total	93,913	631,592	306,007	40,000
Equipment & Capital Outlay	0	0	0	0
Operational Support	48,241	372,085	0	40,000
Professional & Contracted Svcs	69,374	259,410	6,207	0
Transfers	0	0	0	0
Travel & Training	5,328	97	0	0
Expenditures By Type Total	122,943	631,592	6,207	40,000

**Revenues, Expenditures and Other Financing Sources/Uses
174 State Asset Forfeiture Fund**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	30,000	0	0
Investment Earnings	281	0	591	0
Other Revenues	37,340	20,000	63,992	20,000
Transfers	0	0	0	0
Revenues By Type Total	37,621	50,000	64,583	20,000
Equipment & Capital Outlay	0	0	0	0
Operational Support	137,710	50,000	0	20,000
Professional & Contracted Svcs	0	0	0	0
Transfers	0	0	0	0
Travel & Training	0	0	0	0
Utilities & Leases	0	0	0	0
Expenditures By Type Total	137,710	50,000	0	20,000

Revenues, Expenditures and Other Financing Sources/Uses
176 Local Law Enforcement Block Grant

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	8,703	0	0
Investment Earnings	(122)	0	121	0
Non-recurring Grants	64,495	4,892	0	0
Operating Grants	0	0	0	0
Other Revenues	0	0	458	0
Recurring Grants	107,571	67,229	1,424	0
Transfers	0	0	0	0
Revenues By Type Total	171,944	80,824	2,003	0
Benefits	1,315	19	18	0
Equipment & Capital Outlay	18,073	202	0	0
Maintenance	0	0	0	0
Operational Support	76,087	48,584	1,278	0
Other Expenses	0	0	0	0
Overtime	10,493	1,516	(390)	0
Professional & Contracted Svcs	53,399	30,503	4,303	0
Salaries & Wages	0	0	0	0
Travel & Training	14,552	0	(46)	0
Expenditures By Type Total	173,920	80,824	5,164	0

Revenues, Expenditures and Other Financing Sources/Uses
244 Capital Projects - Airport Projects

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	139,842	0	0
Investment Earnings	639	0	1,375	0
Other Revenues	54,893	150,000	0	1,967,946
State Transfers	0	0	0	0
Transfers	16,667	16,667	16,667	16,667
Revenues By Type Total	72,199	306,509	18,042	1,984,613
Equipment & Capital Outlay	0	27,236	0	1,984,613
Maintenance	0	66,668	9,675	0
Operational Support	0	0	0	0
Professional & Contracted Svcs	4,016	212,605	0	0
Expenditures By Type Total	4,016	306,509	9,675	1,984,613

Revenues, Expenditures and Other Financing Sources/Uses
263 Capital Proj.-Street Improvement

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	3,984,015	0	0
Investment Earnings	(24,876)	0	(18,598)	0
Operating Grants	0	262,400	211,384	0
Other Revenues	144	22,500	23,392	0
State Transfers	(138,864)	4,909,303	13,428	0
Transfers	77,324	80,000	80,000	0
Revenues By Type Total	(86,271)	9,258,218	309,605	0
Benefits	0	0	0	0
Capital Outlay	99	1,411,953	146	0
Debt Service	0	0	0	0
Equipment & Capital Outlay	10,697,200	7,216,141	618,699	0
Maintenance	0	32,404	196,792	0
Operational Support	0	0	0	0
Other Expenses	332	77,397	0	0
Professional & Contracted Svcs	444,006	520,323	146,082	0
Salaries & Wages	0	0	0	0
Transfers	0	0	0	0
Expenditures By Type Total	11,141,636	9,258,218	961,718	0

Revenues, Expenditures and Other Financing Sources/Uses
264 Developer Sidewalks

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	0	0	0
Investment Earnings	132	0	221	0
Other Revenues	0	30,800	30,800	0
Revenues By Type Total	132	30,800	31,021	0
Equipment & Capital Outlay	0	0	0	0
Other Expenses	0	30,800	0	0
Professional & Contracted Svcs	0	0	0	0
Transfers	57,324	0	0	0
Expenditures By Type Total	57,324	30,800	0	0

Revenues, Expenditures and Other Financing Sources/Uses
283 General Fund Capital Projects

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	3,106,277	0	0
Fees	28,953	0	17,240	0
Investment Earnings	15,311	0	16,304	0
Non-recurring Grants	98,340	410,000	218,267	0
Operating Grants	0	0	0	0
Other Revenues	172,770	1,736,188	314,912	60,000
State Transfers	234,783	148,092	44,360	0
Transfers	5,903,298	3,066,614	3,066,614	659,580
Revenues By Type Total	6,453,455	8,467,171	3,677,697	719,580
Capital Outlay	2,072,394	1,448,927	1,260,796	0
Debt Service	0	0	0	0
Equipment & Capital Outlay	2,008,252	4,206,087	2,420,910	0
Maintenance	118,982	70,249	53,440	0
Operational Support	18,147	3,091	1,899	0
Other Expenses	1,307	149,965	466	0
Professional & Contracted Svcs	559,388	2,546,655	1,002,178	719,580
Transfers	0	2,905	2,905	0
Travel & Training	0	0	0	0
Utilities & Leases	7,965	39,292	25,998	0
Expenditures By Type Total	4,786,435	8,467,171	4,768,591	719,580

Revenues, Expenditures and Other Financing Sources/Uses
312 Water/Sewer Stimulus Grant

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	0	0	0
Investment Earnings	27	0	56	0
Non-recurring Grants	0	0	0	0
Operating Grants	0	0	0	0
Other Revenues	0	0	0	0
Transfers	3,977	3,977	3,977	3,977
Revenues By Type Total	4,004	3,977	4,033	3,977
Debt Service	3,977	3,977	3,977	3,977
Equipment & Capital Outlay	0	0	0	0
Expenditures By Type Total	3,977	3,977	3,977	3,977

**Revenues, Expenditures and Other Financing Sources/Uses
330 Water & Sewer Fund**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	946,837	0	0
Assessments	6,029	1,678	6,720	1,650
Fees	796,633	788,069	1,052,527	793,483
Investment Earnings	50,668	26,000	58,362	50,000
Operating Grants	0	0	0	0
Other Revenues	95,438	85,250	109,487	90,800
Transfers	0	0	0	0
Water & Sewer	35,191,826	35,852,711	35,859,475	37,754,116
Revenues By Type Total	36,140,594	37,700,545	37,086,571	38,690,049
Benefits	2,242,710	2,511,723	2,211,428	2,593,289
Capital Outlay	57,875	24,635	24,632	12,100
Debt Service	5,464,180	6,059,592	5,733,622	7,468,262
Equipment & Capital Outlay	170,485	678,606	367,386	284,158
Insurance	197,368	188,000	114,808	170,000
Maintenance	2,467,017	3,359,243	2,913,809	2,619,473
Operational Support	3,057,508	3,268,802	3,133,698	3,155,792
Other Expenses	2,744,121	2,848,606	2,840,144	3,318,871
Overtime	396,615	437,800	432,362	368,700
Professional & Contracted Svcs	1,666,537	2,558,123	2,239,419	1,841,943
Reimbursements	3,103,814	3,222,347	3,457,161	3,738,568
Salaries & Wages	5,342,572	5,770,178	5,543,940	6,478,946
Transfers	5,267,670	2,416,535	2,416,535	2,370,800
Travel & Training	53,057	62,860	53,339	81,200
Utilities & Leases	3,909,066	4,293,495	4,212,392	4,187,947
Expenditures By Type Total	36,140,594	37,700,545	35,694,673	38,690,049

**Revenues, Expenditures and Other Financing Sources/Uses
331 Electric Fund**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	1,100,321	0	0
Electric Collections	77,347,751	80,042,128	77,738,930	78,825,150
Fees	799,199	782,000	823,021	819,000
Investment Earnings	56,865	30,000	99,167	60,000
Non-recurring Grants	0	0	0	0
Other Revenues	920,801	1,006,032	1,138,167	814,500
Transfers	0	226,000	226,000	0
Revenues By Type Total	79,124,616	83,186,481	80,025,286	80,518,650
Benefits	931,029	1,062,790	1,040,869	1,078,159
Capital Outlay	57,875	3,035	3,032	1,000
Debt Service	16,869	16,869	16,869	16,869
Equipment & Capital Outlay	257,607	365,524	125,618	209,155
Insurance	313,672	139,600	125,757	108,500
Maintenance	951,515	1,109,163	1,028,157	1,027,585
Operational Support	1,134,456	1,243,304	1,210,317	1,238,779
Other Expenses	1,444,499	1,665,111	1,430,723	1,595,731
Other Purchases for Resale	62,284,265	66,430,618	61,251,097	63,448,281
Overtime	238,290	358,922	336,663	246,000
Professional & Contracted Svcs	681,577	1,011,220	791,745	1,073,000
Reimbursements	2,233,860	2,385,319	2,626,389	2,861,427
Salaries & Wages	2,490,738	2,726,225	2,717,683	3,003,128
Transfers	3,124,167	4,145,948	4,145,948	4,060,000
Travel & Training	36,809	49,074	45,599	69,200
Utilities & Leases	476,000	473,759	476,959	481,836
Expenditures By Type Total	76,673,228	83,186,481	77,373,427	80,518,650

Revenues, Expenditures and Other Financing Sources/Uses
332 Transit System

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	385,458	0	98,919
Fees	184,110	210,500	156,169	178,500
Investment Earnings	2,386	700	2,670	2,000
Operating Grants	1,159,359	2,678,799	1,228,948	1,671,611
Other Revenues	349,672	235,800	238,805	246,300
Transfers	575,070	576,836	576,836	571,047
Revenues By Type Total	2,270,598	4,088,093	2,203,428	2,768,377
Benefits	358,212	393,647	383,591	413,885
Debt Service	0	0	0	0
Equipment & Capital Outlay	19,249	1,451,058	209,382	262,500
Insurance	13,124	55,800	33,355	23,909
Maintenance	168,228	192,062	182,302	180,000
Operational Support	205,940	338,103	251,310	288,359
Other Expenses	7,378	5,425	8,614	2,000
Overtime	41,135	63,000	54,868	46,500
Professional & Contracted Svcs	91,384	170,315	107,229	129,200
Reimbursements	378,463	393,845	404,836	340,418
Salaries & Wages	933,051	980,350	966,862	1,061,653
Transfers	0	23,697	23,697	0
Travel & Training	2,218	3,733	3,313	4,200
Utilities & Leases	14,528	17,058	14,527	15,753
Expenditures By Type Total	2,232,910	4,088,093	2,643,885	2,768,377

Revenues, Expenditures and Other Financing Sources/Uses
335 Solid Waste Fund

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	527,082	0	0
Fees	242,918	216,250	263,606	462,400
Investment Earnings	0	0	4,057	0
Other Revenues	8,315	3,650	9,168	3,650
Transfers	3,017,189	2,900,939	2,900,939	2,738,448
Solid Waste Charges	1,769,317	1,848,000	1,830,505	2,393,172
Revenues By Type Total	5,037,739	5,495,921	5,008,274	5,597,670
Benefits	603,191	681,362	664,899	726,916
Equipment & Capital Outlay	0	301,306	0	0
Insurance	11,574	35,020	25,786	16,000
Maintenance	400,677	505,139	463,718	391,300
Operational Support	408,677	444,078	417,218	447,270
Other Expenses	10,913	3,123	3,123	244,774
Overtime	107,802	194,200	186,388	133,000
Professional & Contracted Svcs	1,376,408	1,438,948	1,440,734	1,535,550
Reimbursements	(42,283)	(45,147)	(46,646)	0
Salaries & Wages	1,321,376	1,376,854	1,343,494	1,547,258
Transfers	0	49,076	49,076	0
Travel & Training	3,191	4,907	4,906	4,900
Utilities & Leases	562,698	507,055	504,168	550,702
Expenditures By Type Total	4,764,222	5,495,921	5,056,864	5,597,670

**Revenues, Expenditures and Other Financing Sources/Uses
336 Stormwater Utility Fund**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	9,744	0	0
Fees	19,655	13,050	17,985	13,050
Investment Earnings	3,948	1,500	3,872	1,500
Other Revenues	1,084	0	2,080	0
Stormwater	2,550,015	2,533,638	2,574,236	2,562,572
Revenues By Type Total	2,574,702	2,557,932	2,598,173	2,577,122
Benefits	142,412	147,339	136,323	154,912
Capital Outlay	0	0	0	0
Equipment & Capital Outlay	0	5,851	0	0
Insurance	749	8,000	0	8,000
Maintenance	127,058	126,514	97,606	133,987
Operational Support	241,828	268,411	253,246	263,723
Other Expenses	1,618	1,728	1,651	1,728
Overtime	10,701	12,000	11,648	9,000
Professional & Contracted Svcs	32,266	55,508	39,110	38,940
Reimbursements	858,649	914,264	978,006	984,190
Salaries & Wages	310,516	372,341	334,925	370,740
Transfers	886,966	639,082	639,082	574,761
Travel & Training	1,056	2,152	2,183	4,225
Utilities & Leases	3,860	4,742	4,653	32,916
Expenditures By Type Total	2,617,678	2,557,932	2,498,435	2,577,122

Revenues, Expenditures and Other Financing Sources/Uses
342 W&S Capital Expansion/Development

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	2,010,855	0	234,294
Investment Earnings	52,977	25,000	113,138	75,000
Other Revenues	756	0	166	0
Transfers	5,128,689	1,300,000	1,300,000	2,240,800
Revenues By Type Total	5,182,422	3,335,855	1,413,304	2,550,094
Other Expenses	0	1,754,513	0	305,317
Transfers	3,264,977	1,581,342	1,581,342	2,244,777
Expenditures By Type Total	3,264,977	3,335,855	1,581,342	2,550,094

Revenues, Expenditures and Other Financing Sources/Uses
351 W&S Renewal & Replacement

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	1,700,000	0	1,750,000
Investment Earnings	9,672	6,000	16,091	10,000
Transfers	74,814	75,000	75,000	130,000
Revenues By Type Total	84,486	1,781,000	91,091	1,890,000
Equipment & Capital Outlay	0	1,781,000	0	1,890,000
Expenditures By Type Total	0	1,781,000	0	1,890,000

Revenues, Expenditures and Other Financing Sources/Uses
352 Electric Renwal & Replace

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	1,525,384	0	1,587,000
Investment Earnings	8,737	5,500	14,483	8,000
Transfers	60,000	60,000	60,000	60,000
Revenues By Type Total	68,737	1,590,884	74,483	1,655,000
Equipment & Capital Outlay	0	1,590,884	0	1,655,000
Expenditures By Type Total	0	1,590,884	0	1,655,000

Revenues, Expenditures and Other Financing Sources/Uses
460 Water and Sewer System Development Fees

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Fees	151,567	0	382,407	320,000
Investment Earnings	0	0	0	0
Revenues By Type Total	151,567	0	382,407	320,000
Other Expenses	0	0	0	320,000
Expenditures By Type Total	0	0	0	320,000

Revenues, Expenditures and Other Financing Sources/Uses
462 Water & Sewer Capital Projects

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	17,610,479	0	0
Investment Earnings	177,263	0	228,582	0
Non-recurring Grants	0	0	0	0
Operating Grants	0	0	0	0
Other Revenues	13,759,308	16,172,918	8,872,681	0
State Transfers	0	0	0	0
Transfers	3,261,000	2,365,900	2,365,900	2,240,800
Revenues By Type Total	17,197,571	36,149,297	11,467,163	2,240,800
Capital Outlay	10,791	6,383,784	1,348,825	450,000
Debt Service	0	0	0	0
Equipment & Capital Outlay	23,291,006	25,936,799	19,649,086	750,700
Maintenance	608,651	36,132	34,278	0
Operational Support	0	0	0	0
Other Expenses	385	705,485	116	500,000
Professional & Contracted Svcs	1,871,768	3,087,097	2,407,322	540,100
Transfers	0	0	0	0
Utilities & Leases	0	0	0	0
Expenditures By Type Total	25,782,601	36,149,297	23,439,627	2,240,800

Revenues, Expenditures and Other Financing Sources/Uses
478 Capital Projects - Electric System

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	3,284,667	0	0
Electric Collections	0	0	0	0
Investment Earnings	27,344	0	38,155	0
Non-recurring Grants	0	0	0	0
Other Revenues	125	0	117	0
State Transfers	0	141,044	0	0
Transfers	1,000,000	2,000,000	2,000,000	2,000,000
Revenues By Type Total	1,027,469	5,425,711	2,038,272	2,000,000
Capital Outlay	6,000	11,100	10,110	0
Debt Service	0	0	0	0
Equipment & Capital Outlay	2,543,335	3,532,161	1,215,069	1,360,000
Maintenance	0	75,000	15,564	145,000
Operational Support	0	21,695	20,690	0
Other Expenses	0	328,200	0	200,000
Professional & Contracted Svcs	206,714	1,231,555	78,708	295,000
Transfers	0	226,000	226,000	0
Utilities & Leases	0	0	0	0
Expenditures By Type Total	2,756,049	5,425,711	1,566,141	2,000,000

Revenues, Expenditures and Other Financing Sources/Uses
479 Stormwater Capital Projects

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	1,035,011	0	0
Fees	0	0	0	0
Investment Earnings	6,464	0	7,721	0
Non-recurring Grants	0	0	0	0
Other Revenues	153	10,000	6,482	0
State Transfers	0	0	0	0
Transfers	886,966	630,788	630,788	574,761
Revenues By Type Total	893,582	1,675,799	644,992	574,761
Capital Outlay	11,333	744	26	0
Equipment & Capital Outlay	470,632	766,321	581,421	140,212
Maintenance	0	0	0	0
Other Expenses	102,554	736,476	221,923	434,549
Professional & Contracted Svcs	280,295	172,258	46,078	0
Transfers	0	0	0	0
Utilities & Leases	0	0	0	0
Expenditures By Type Total	864,815	1,675,799	849,448	574,761

**Revenues, Expenditures and Other Financing Sources/Uses
611 General Fund Stimulus Grants**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	51,248	0	0
Investment Earnings	511	0	1,094	0
Non-recurring Grants	6,648	6,647	6,648	6,647
Operating Grants	0	0	0	0
Other Revenues	62,211	71,800	618	0
Recurring Grants	0	0	0	0
Transfers	0	0	0	0
Revenues By Type Total	69,371	129,695	8,360	6,647
Benefits	0	0	0	0
Equipment & Capital Outlay	0	0	0	0
Insurance	0	0	0	0
Maintenance	0	0	0	0
Operational Support	0	0	0	0
Other Expenses	0	0	0	0
Overtime	0	0	0	0
Professional & Contracted Svcs	60,980	129,293	600	6,647
Salaries & Wages	0	0	0	0
Transfers	0	0	0	0
Travel & Training	0	0	0	0
Utilities & Leases	284	402	0	0
Expenditures By Type Total	61,264	129,695	600	6,647

Revenues, Expenditures and Other Financing Sources/Uses
621 Community Development Block Grant

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	31,885	0	0
Investment Earnings	(2,833)	0	(3,651)	2,309
Non-recurring Grants	0	0	0	0
Operating Grants	973,458	1,444,400	459,921	676,140
Other Revenues	156,900	88,332	81,320	10,910
Transfers	0	0	0	0
Revenues By Type Total	1,127,525	1,564,617	537,591	689,359
Benefits	22,566	24,432	23,606	25,523
Capital Outlay	0	400	0	0
Debt Service	0	0	0	0
Equipment & Capital Outlay	661,485	400,000	289,672	0
Insurance	0	3,955	0	0
Maintenance	179	700	88	200
Operational Support	21,093	36,056	15,392	20,662
Other Expenses	5,412	205,416	3,876	4,500
Overtime	0	100	0	0
Professional & Contracted Svcs	250,144	794,571	180,364	544,242
Reimbursements	(6,544)	(8,403)	(6,811)	(7,864)
Salaries & Wages	89,389	93,770	88,784	94,996
Transfers	120,000	2,370	2,370	0
Travel & Training	4,290	8,850	6,881	4,000
Utilities & Leases	857	2,400	1,696	3,100
Expenditures By Type Total	1,168,870	1,564,617	605,917	689,359

Revenues, Expenditures and Other Financing Sources/Uses
622 108 Loan-Downtown Revitalization

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	3,460	0	0
Investment Earnings	68	0	39	0
Other Revenues	16,680	16,680	70,712	28,140
Revenues By Type Total	16,748	20,140	70,751	28,140
Debt Service	19,859	20,140	19,525	28,140
Operational Support	0	0	0	0
Other Expenses	0	0	0	0
Professional & Contracted Svcs	0	0	0	0
Reimbursements	0	0	0	0
Expenditures By Type Total	19,859	20,140	19,525	28,140

**Revenues, Expenditures and Other Financing Sources/Uses
624 Home Investment Trust Fund**

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Appropriated Fund Balance	0	30,060	0	0
Fees	0	0	0	0
Investment Earnings	(1,607)	0	(2,597)	1,985
Operating Grants	590,282	1,210,524	762,904	495,037
Other Revenues	247,567	350,037	257,715	335,137
Recurring Grants	0	0	0	0
Transfers	0	0	0	0
Revenues By Type Total	836,242	1,590,621	1,018,022	832,159
Benefits	15,386	24,782	16,114	17,166
Capital Outlay	0	0	0	0
Equipment & Capital Outlay	0	0	0	0
Insurance	0	0	0	0
Maintenance	0	0	0	0
Operational Support	7,013	7,638	5,961	5,816
Other Expenses	405,296	501,679	298,582	327,551
Professional & Contracted Svcs	305,112	962,645	501,005	421,068
Salaries & Wages	54,934	86,092	53,359	58,558
Transfers	0	1,185	1,185	0
Travel & Training	460	2,000	2,011	2,000
Utilities & Leases	634	4,600	1,215	0
Expenditures By Type Total	788,836	1,590,621	879,432	832,159

Revenues, Expenditures and Other Financing Sources/Uses
628 Occupancy Tax

	FY 2017 Actuals	FY 2018 Budget	FY 2018 YTD	FY 2019 Adopted
Investment Earnings	0	0	0	0
Other Revenues	654,002	680,000	550,302	726,700
Revenues By Type Total	654,002	680,000	550,302	726,700
Other Expenses	654,002	680,000	611,210	726,700
Expenditures By Type Total	654,002	680,000	611,210	726,700

**Revenues, Expenditures and Other Financing Sources/Uses
629 Downtown Municipal Svcs District**

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Ad Valorem Taxes	129,881	129,204	132,548	132,055
Appropriated Fund Balance	0	47,485	0	0
Fees	3,275	2,520	2,920	2,920
Investment Earnings	393	200	893	0
Other Revenues	942	0	6,278	0
Transfers	0	50,000	50,000	0
Revenues By Type Total	134,491	229,409	192,640	134,975
Equipment & Capital Outlay	0	0	0	0
Maintenance	701	1,000	0	2,000
Operational Support	1,745	1,775	1,719	5,000
Other Expenses	37,779	165,693	32,036	77,005
Professional & Contracted Svcs	33,522	688	638	0
Transfers	50,000	50,315	50,315	40,000
Utilities & Leases	10,279	9,938	9,715	10,970
Expenditures By Type Total	134,025	229,409	94,422	134,975

Revenues, Expenditures and Other Financing Sources/Uses
687 Infrastructure

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	1,081,082	0	0
Fees	0	0	0	0
Investment Earnings	5,688	200	7,336	4,000
Non-recurring Grants	0	0	0	0
Other Revenues	257,107	247,000	401,265	219,589
Transfers	0	10,315	10,315	0
Revenues By Type Total	262,795	1,338,597	418,916	223,589
Capital Outlay	0	0	0	0
Equipment & Capital Outlay	0	4,831	0	0
Maintenance	2,356	42,515	11,853	0
Operational Support	9,688	3,401	362	406
Other Expenses	192	336,695	0	173,143
Professional & Contracted Svcs	0	102,276	21,400	0
Transfers	0	747,906	747,906	0
Utilities & Leases	37,082	100,973	30,530	50,040
Expenditures By Type Total	49,318	1,338,597	812,051	223,589

Revenues, Expenditures and Other Financing Sources/Uses
775 Police Memorial Trust

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Fees	51	2,000	0	2,000
Investment Earnings	0	0	(28)	0
Other Revenues	40	0	0	0
Revenues By Type Total	91	2,000	(28)	2,000
Other Purchases for Resale	0	2,000	0	2,000
Expenditures By Type Total	0	2,000	0	2,000

Revenues, Expenditures and Other Financing Sources/Uses
868 Health Self-Insurance

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	784,765	0	0
Investment Earnings	1,267	750	3,069	1,000
Other Revenues	8,476,401	9,003,314	9,302,080	9,589,194
Transfers	0	1,000,000	1,000,000	0
Revenues By Type Total	8,477,668	10,788,829	10,305,148	9,590,194
Maintenance	0	0	0	0
Operational Support	7,021,575	9,713,581	8,018,912	8,446,194
Other Expenses	643,716	744,390	744,389	816,000
Professional & Contracted Svcs	208,990	330,858	268,673	328,000
Transfers	0	0	0	0
Expenditures By Type Total	7,874,281	10,788,829	9,031,974	9,590,194

Revenues, Expenditures and Other Financing Sources/Uses
870 Dental Self-Insurance

	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	7,500	0	0
Investment Earnings	230	0	280	0
Other Revenues	318,788	340,000	322,039	340,786
Revenues By Type Total	319,018	347,500	322,319	340,786
Operational Support	337,332	347,500	326,808	340,786
Expenditures By Type Total	337,332	347,500	326,808	340,786

Revenues, Expenditures and Other Financing Sources/Uses
880 Vehicle/Equipment R&R Program

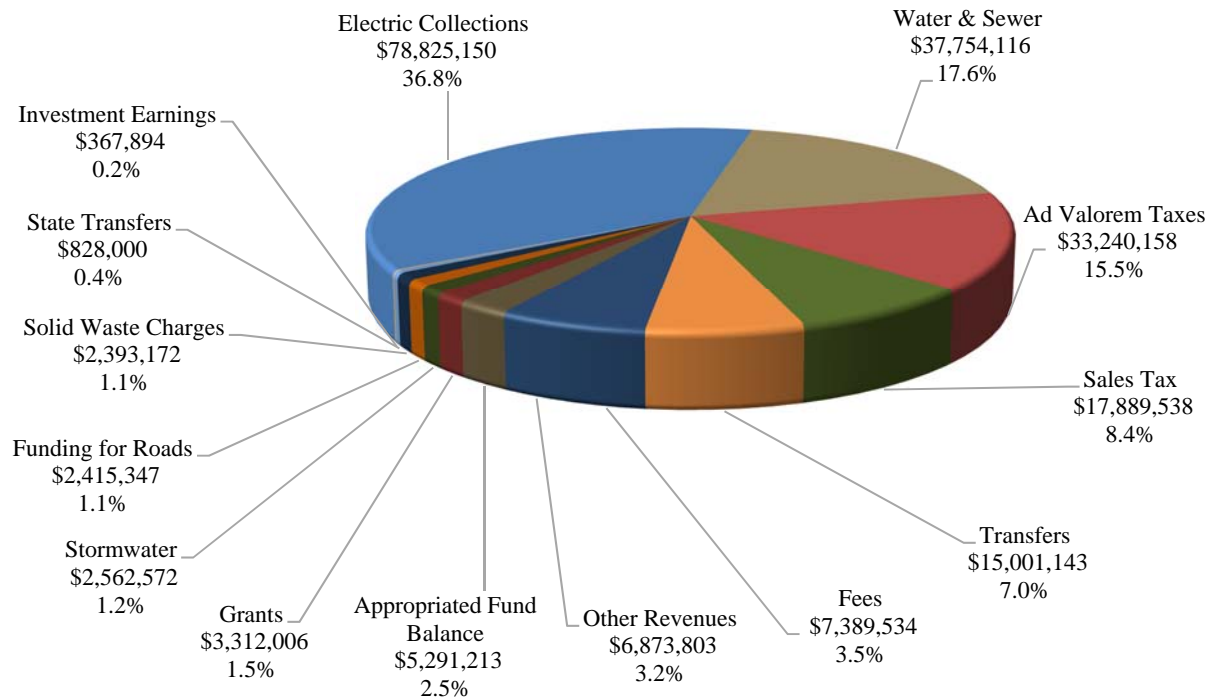
	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	2,062,814	0	0
Investment Earnings	6,352	0	31,454	0
Other Revenues	6,332,361	6,422,291	6,495,315	6,291,904
Transfers	0	147,502	147,502	0
Revenues By Type Total	6,338,713	8,632,607	6,674,271	6,291,904
Debt Service	3,251,502	3,416,493	3,382,785	3,248,175
Equipment & Capital Outlay	3,128,621	4,789,755	2,929,463	2,418,854
Maintenance	13,030	20,510	15,758	4,300
Operational Support	170,803	348,309	132,703	509,472
Other Expenses	0	1,844	0	108,803
Professional & Contracted Svcs	4,228	55,696	54,557	2,300
Transfers	0	0	0	0
Expenditures By Type Total	6,568,183	8,632,607	6,515,267	6,291,904

Revenues, Expenditures and Other Financing Sources/Uses
881 Technology Internal Services Fund

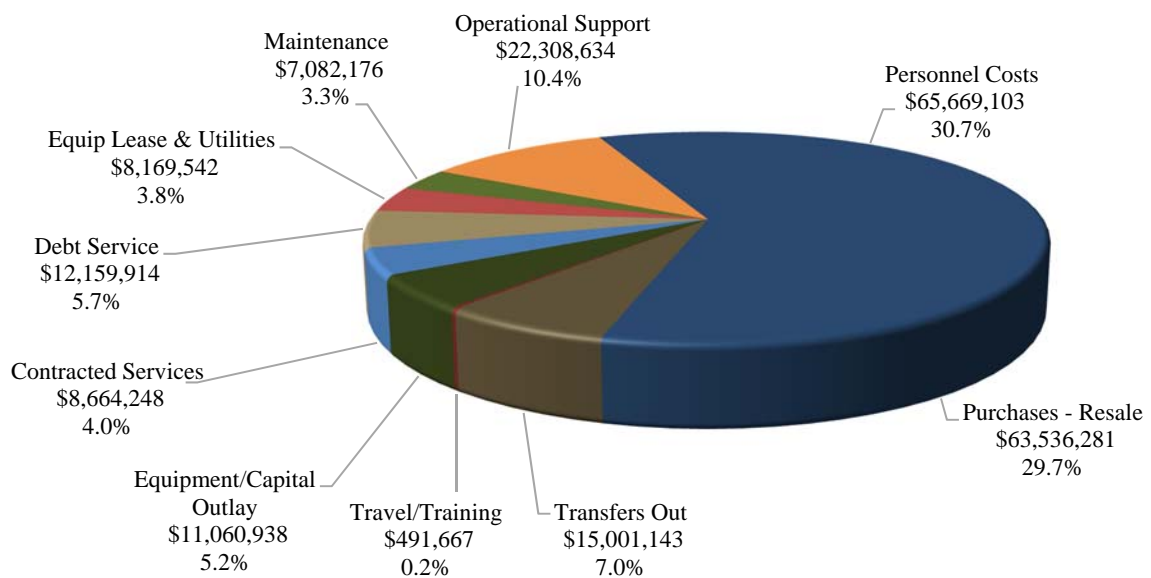
	FY 2017	FY 2018	FY 2018	FY 2019
	Actuals	Budget	YTD	Adopted
Appropriated Fund Balance	0	1,781,658	0	0
Fees	4,594,138	4,905,014	4,902,938	4,846,249
Investment Earnings	6,600	1,500	12,781	1,500
Other Revenues	1,628,004	1,666,854	1,225,715	1,778,211
Revenues By Type Total	6,228,742	8,355,026	6,141,434	6,625,960
Benefits	706,362	798,966	796,541	841,477
Equipment & Capital Outlay	31,905	528,544	542,316	43,900
Maintenance	205,227	132,003	85,271	144,348
Operational Support	630,190	687,088	572,097	636,582
Other Expenses	224,103	1,351,350	196,141	264,825
Overtime	35,595	34,200	32,593	32,000
Professional & Contracted Svcs	1,175,246	1,722,140	1,529,815	1,547,019
Reimbursements	0	0	0	0
Salaries & Wages	2,158,207	2,477,489	2,469,983	2,580,243
Transfers	0	46,073	46,073	0
Travel & Training	34,008	54,911	32,810	57,300
Utilities & Leases	486,142	522,262	517,268	478,266
Expenditures By Type Total	5,686,984	8,355,026	6,820,907	6,625,960



Where the Money Comes From

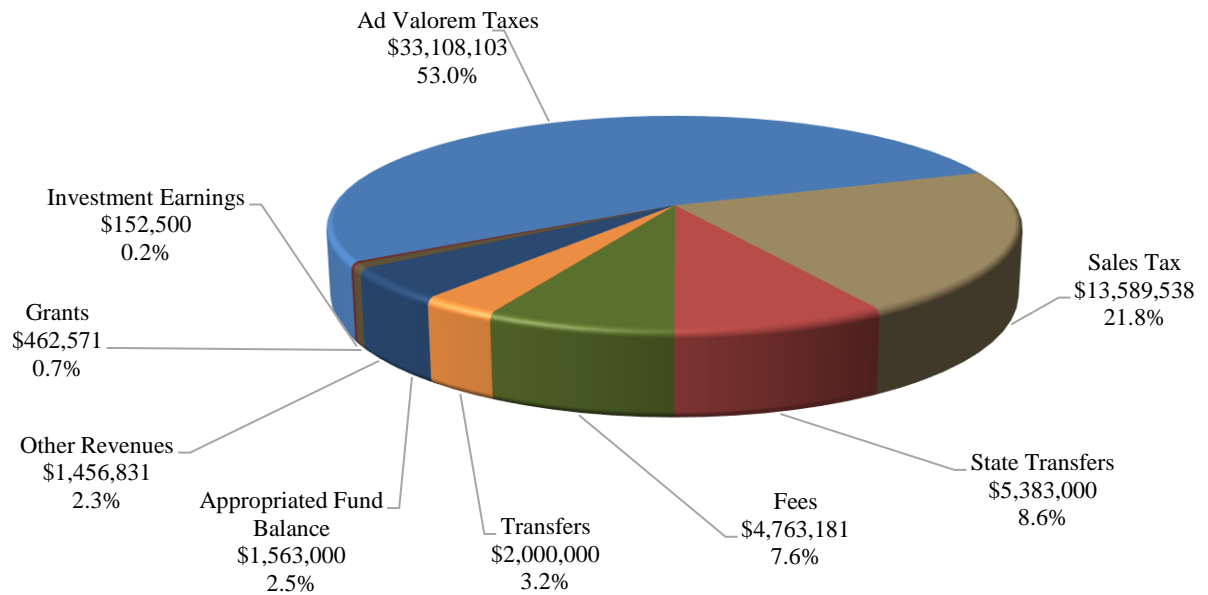


Where the Money Goes

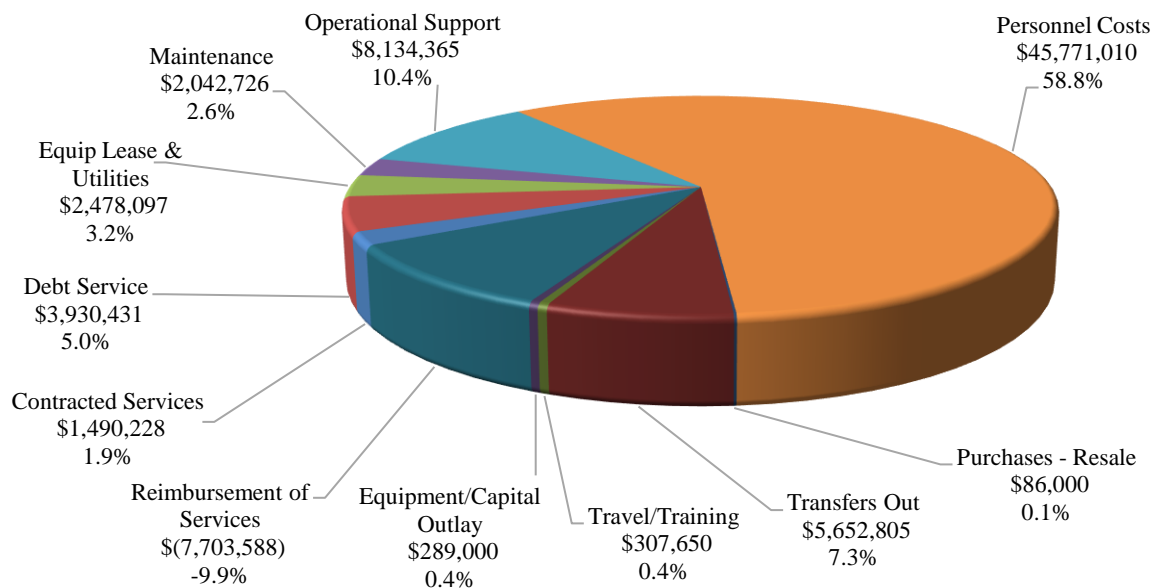


General Fund \$62,478,724

Revenues

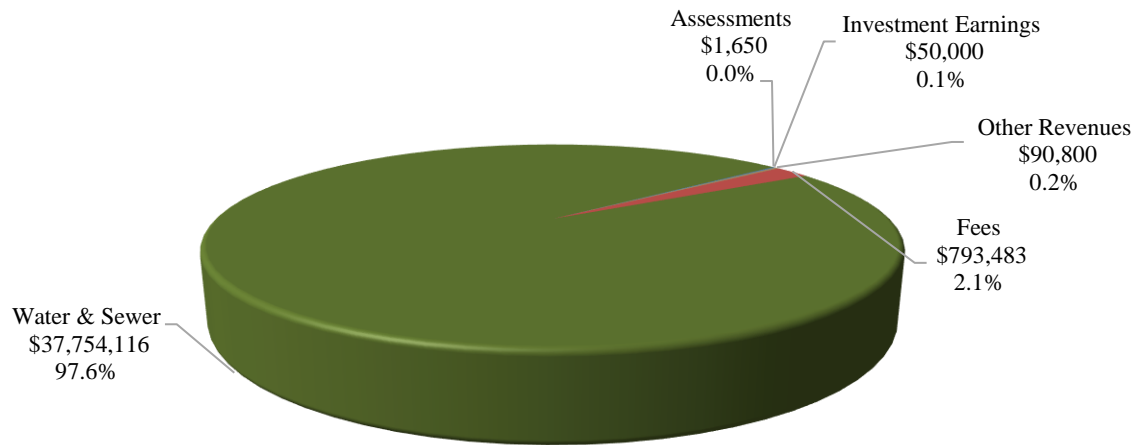


Expenditures

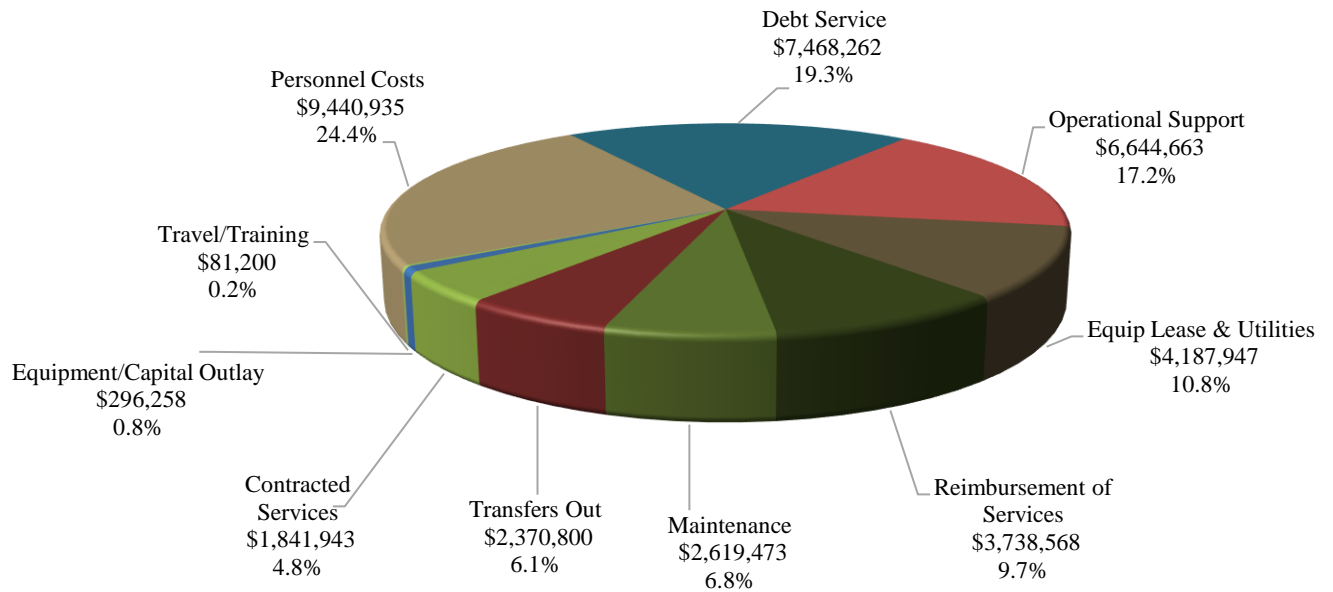


Water & Sewer Fund ***\$38,690,049***

Revenues

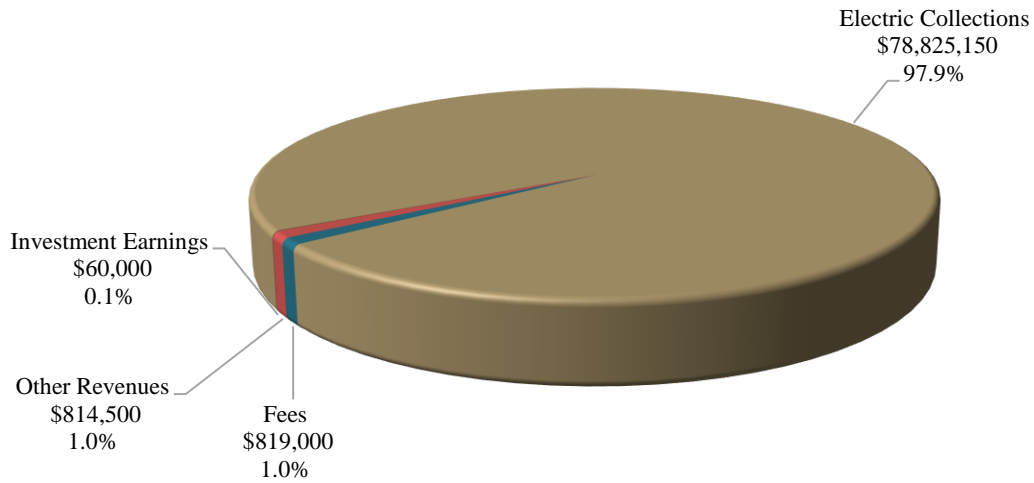


Expenditures

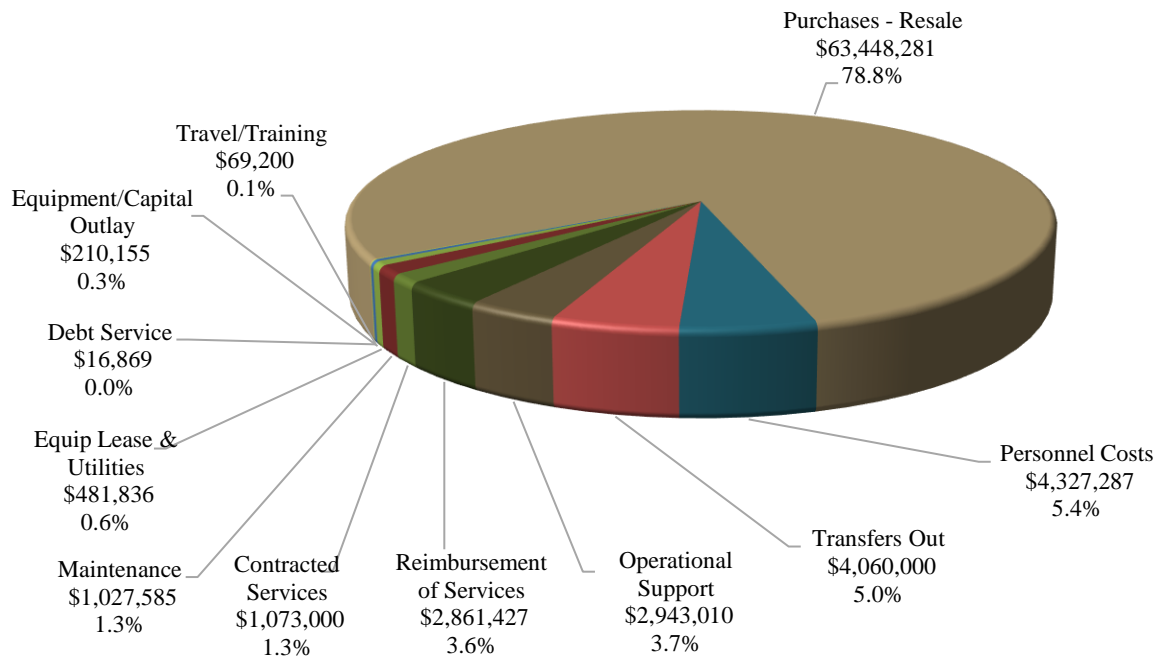


Electric Fund ***\$80,518,650***

Revenues

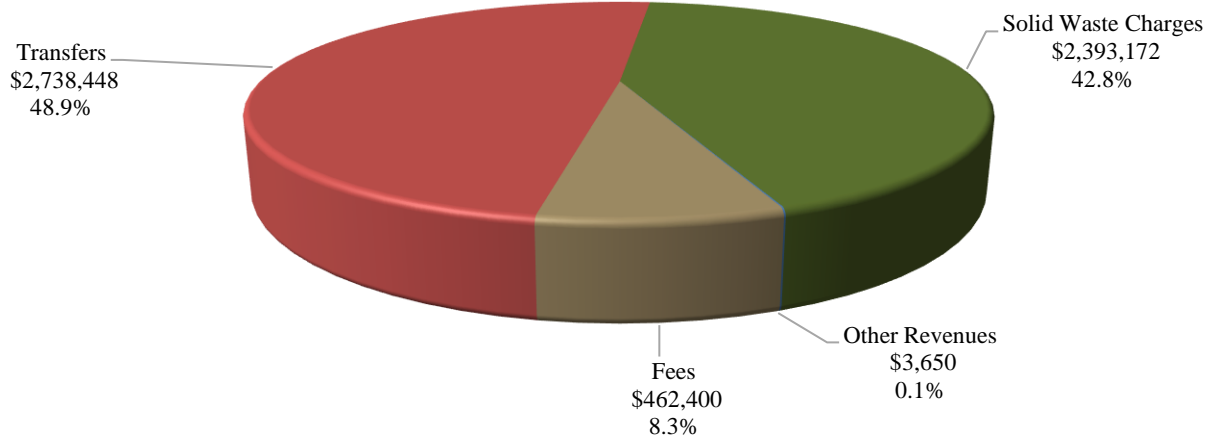


Expenditures

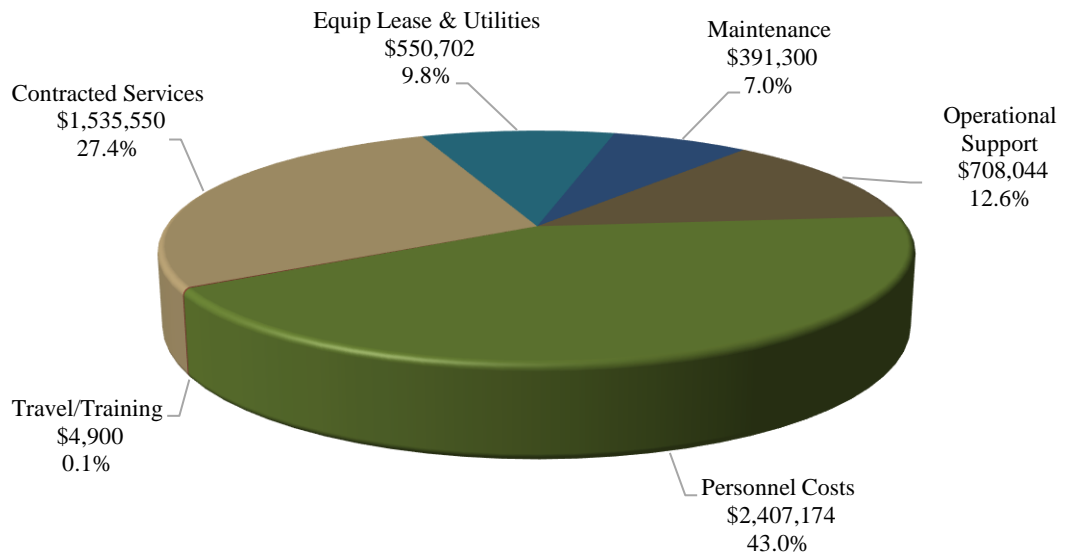


Solid Waste Fund
\$5,597,670

Revenues

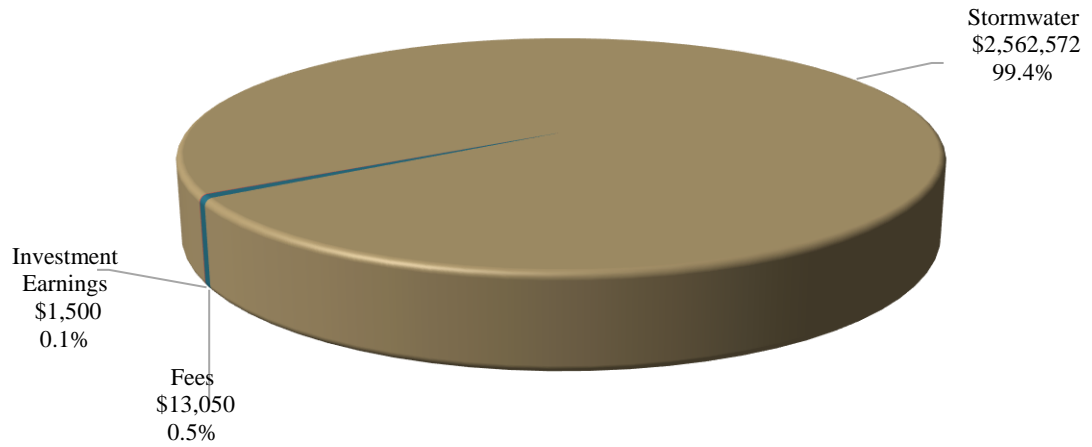


Expenditures

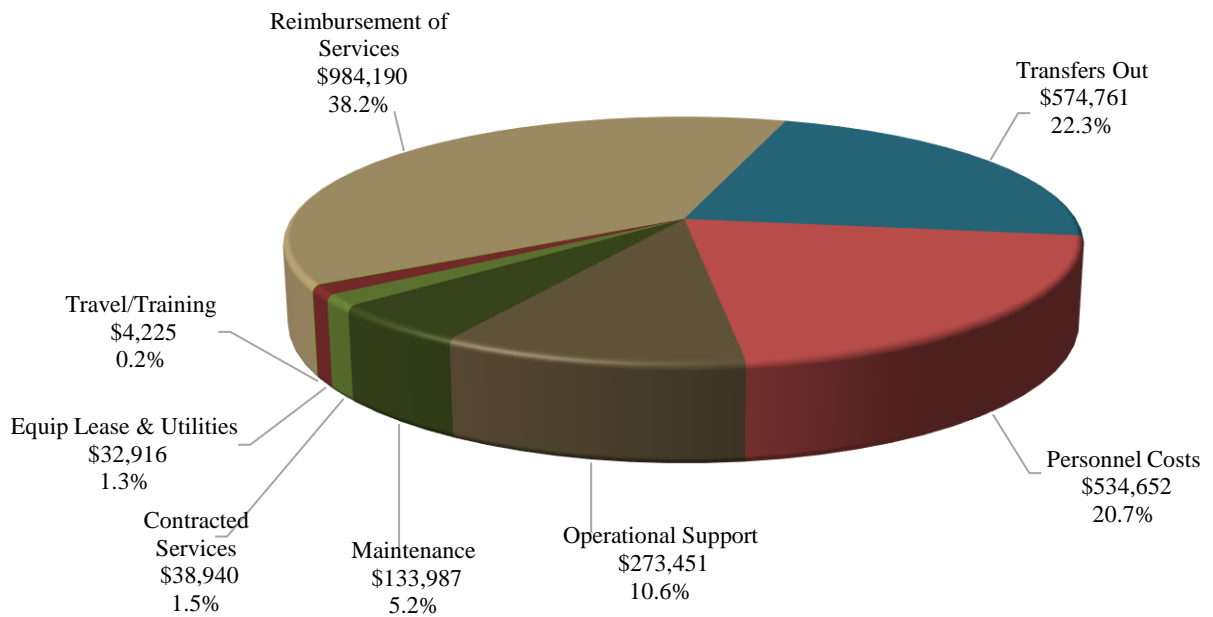


Stormwater Fund
\$2,577,122

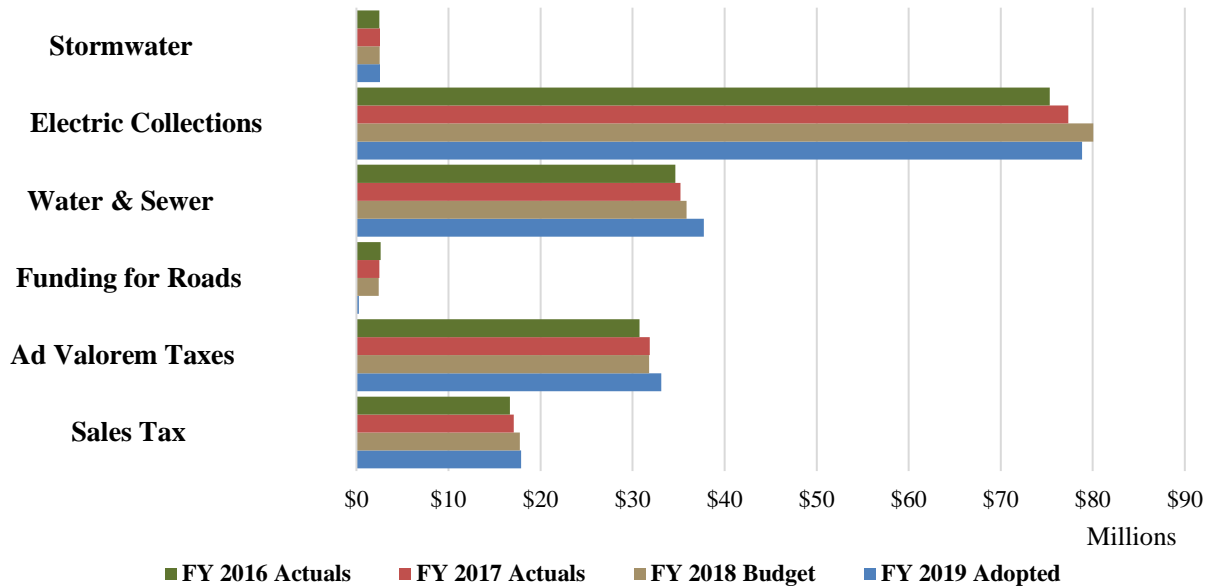
Revenues



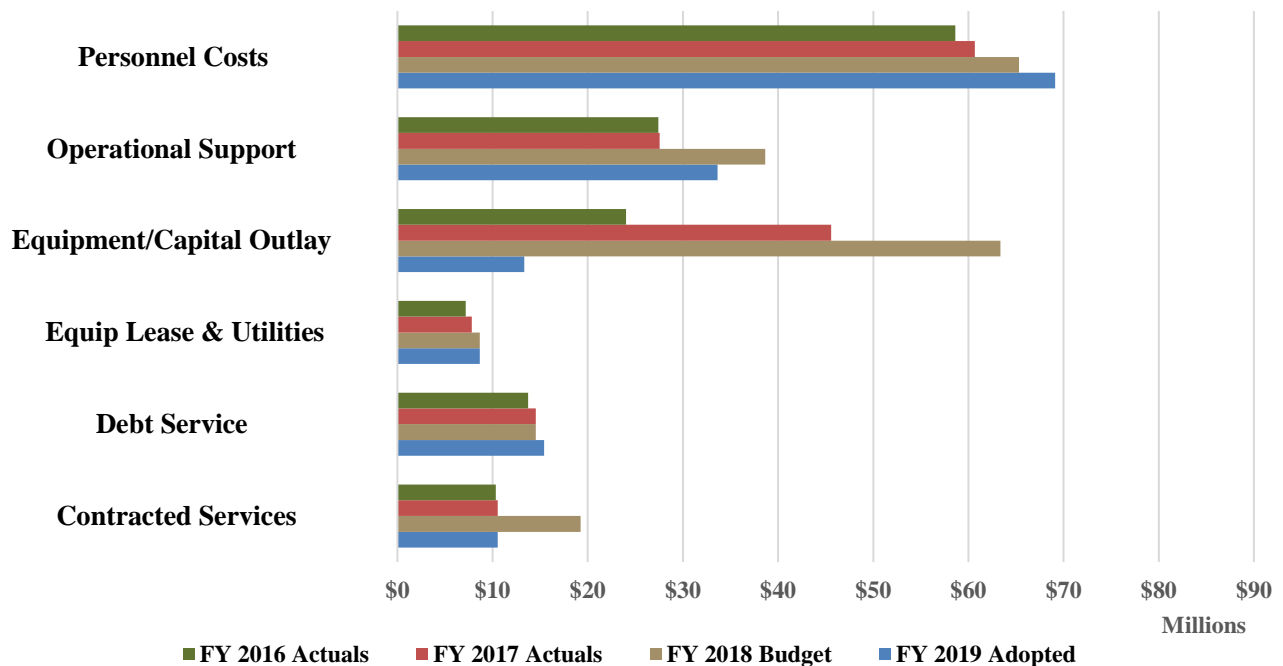
Expenditures



Comparison of Major Revenues



Comparison of Major Expenditures



City of Gastonia

Comparison of Budgeted Tax Levies

Regular Levy	Adopted Budget FY 2018			Adopted Budget FY 2019			Projected FY 2018 % Increase (Decrease)
	Tax Values-TR-2 2016 Receive from County on 1-1-2017 for real, personal, and utilities	Tax Levies	Projected Collections	Tax Values-TR-2 2017 Receive from County on 1-1-2018 for real, personal, and utilities NCVTS tax values historical data	Tax Levies	Proposed collections	
Real Property	4,260,390,395	22,580,069	22,272,980	4,352,395,984	23,067,699	22,779,352	2.27%
Personal Property	660,221,020	3,499,171	3,451,583	736,366,852	3,902,744	3,853,960	11.66%
Utility Certifications	147,673,485	782,669	782,669	145,393,613	770,586	770,586	-1.54%
Motor Vehicles- Legacy System		0	0	12,720	67	67	
Motor Vehicles- NCVTS	422,737,738	2,240,510	2,240,286	443,502,950	2,350,566	2,350,566	4.92%
Grand Total	\$5,491,022,638	\$29,102,420	\$28,747,518	\$5,677,672,119	\$30,091,662	\$29,754,532	

Adopted Budget FY 2019

Tax Values for Real Property, Personal Property, and Utility Certifications are from TR-2-17 dated 1/02/2018

Tax Values for Motor Vehicles-NCVTS for most current historical data collections

Tax levies based on tax rate .53 per \$100 valuation

FY 2019 Proposed collections using audited FY 2017 collection percentage as of 6/30/2017

Property-98.75%, Utility Certif- 100%, and Motor Veh- 100%

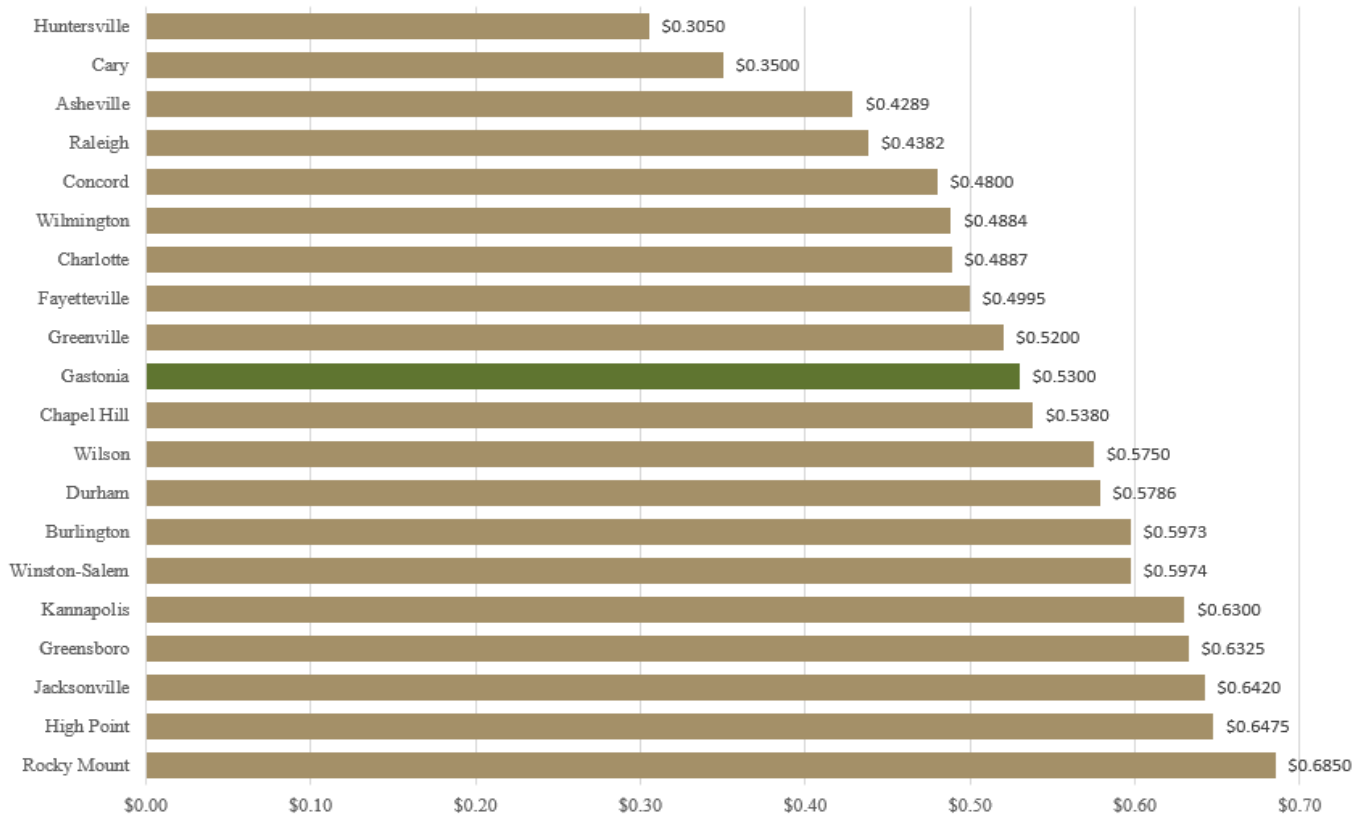
City of Gastonia

Tax Values, Rates, Levies and Collections

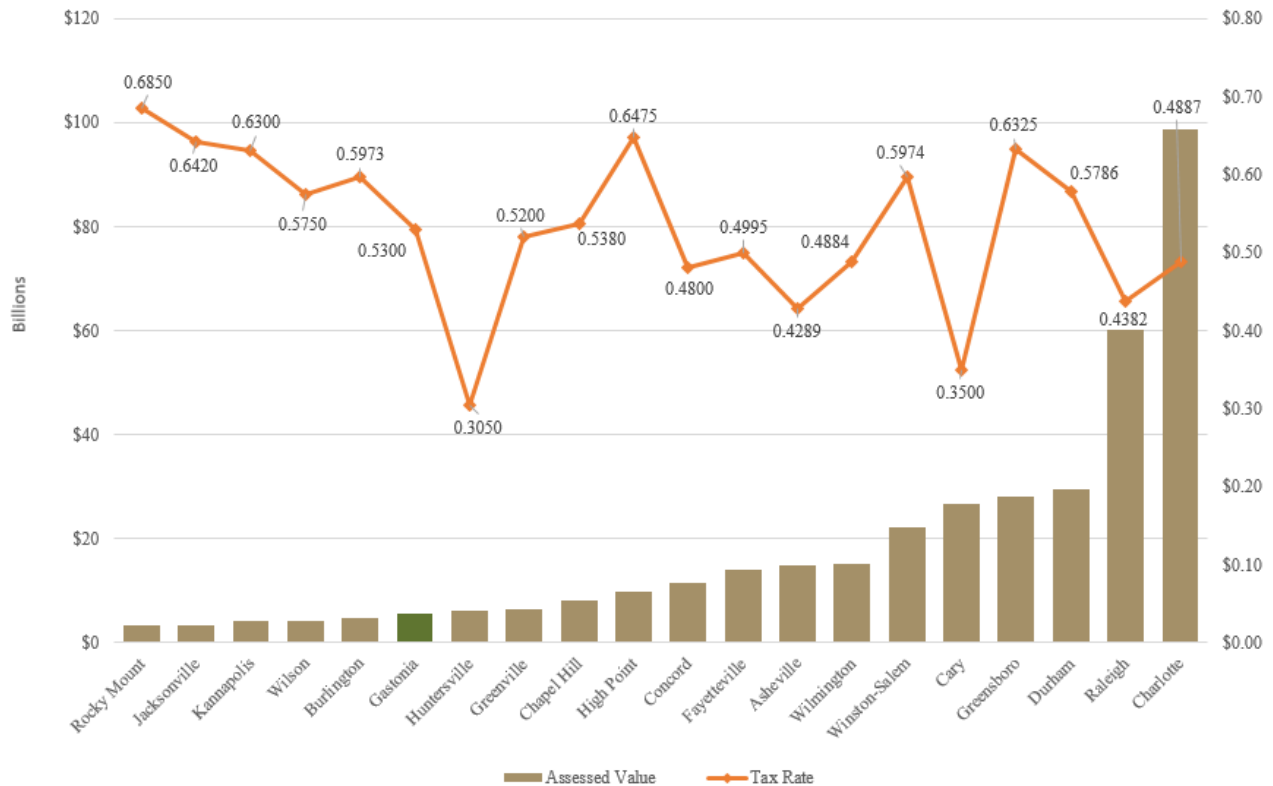
(Dollars in Thousands)

Fiscal Year	Real Property	Personal Property	Public Service Companies	Regular Tax Levy	% Collected Sch A-6	Motor Vehicles	Motor Vehicle Tax Levy	% Collected Sch A-6	Total Tax Valuation	Tax Rate	Total Tax Levy	Total Percent Collected Sch A-6
2009	4,082,384	482,831	116,429	24,813	96.72%	433,571	2,298	84.42%	5,115,215	0.5300	27,111	95.70%
2010	4,135,722	489,271	116,435	25,130	97.02%	402,900	2,135	83.78%	5,144,328	0.5300	27,265	96.01%
2011	4,159,158	470,599	108,636	25,113	97.34%	373,641	1,980	83.43%	5,112,034	0.5300	27,093	96.31%
2012	4,184,015	461,499	120,953	24,786	98.12%	389,889	2,027	82.74%	5,156,356	0.5200	26,813	96.92%
2013	4,213,067	481,162	115,685	25,492	98.10%	419,048	2,220	82.87%	5,228,962	0.5300	27,713	96.87%
2014	4,262,079	495,290	113,014	25,813	98.35%	414,707	2,198	89.02%	5,285,091	0.5300	28,011	97.88%
2015	4,307,805	526,332	116,399	26,237	98.42%	493,274	2,614	99.98%	5,443,810	0.5300	28,851	98.53%
2016	4,200,524	552,606	132,616	25,894	98.64%	523,063	2,772	99.99%	5,408,809	0.5300	28,666	98.74%
2017	4,260,390	660,221	147,673	26,862	98.75%	422,737	2,240	100.00%	5,491,021	0.5300	29,102	98.85%
2018	4,352,396	736,367	145,394	27,741		443,516	2,351		5,677,673	0.5300	30,092	

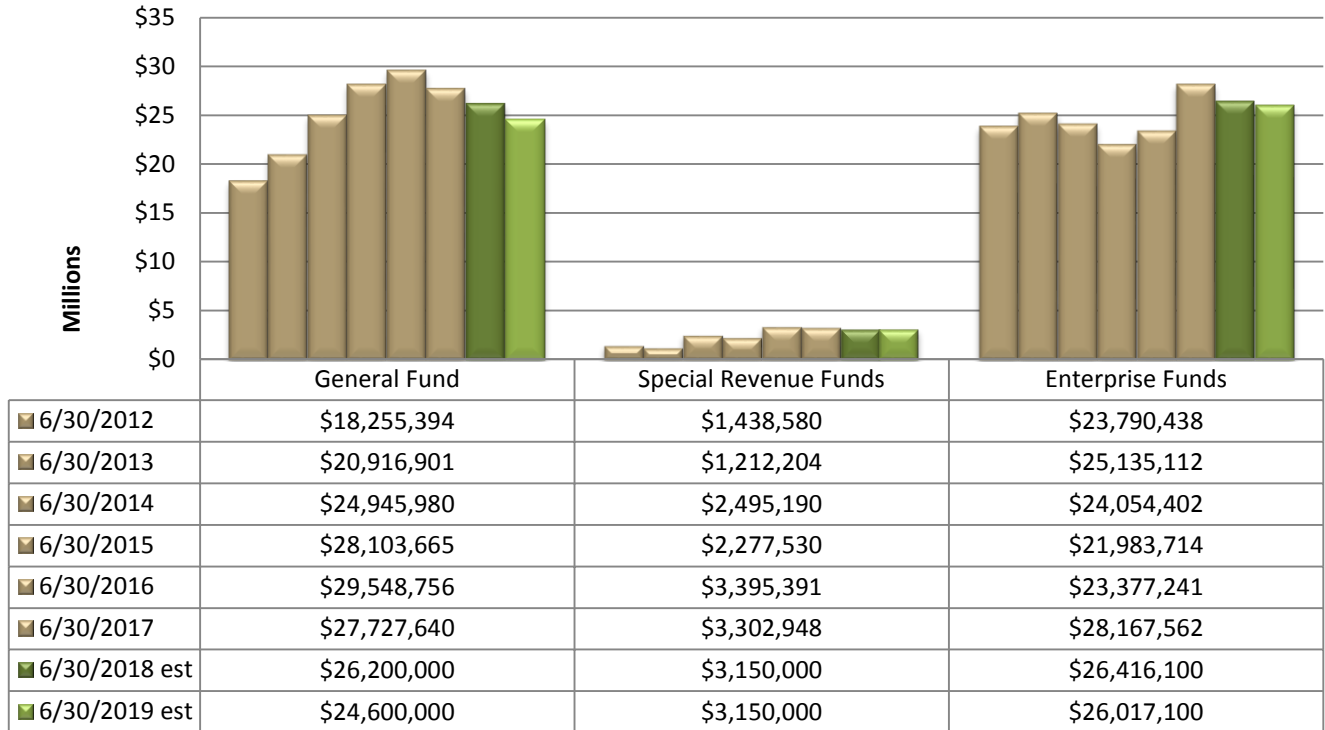
Comparison of Ad Valorem Tax Rates 20 Largest Cities in North Carolina



Comparison of Total Assessed Values & Ad Valorem Tax Rates 20 Largest Cities in North Carolina



Year Over Year Fund Balance Comparison
By Accounting Fund Type
Fiscal Years 2012-2019 (estimate)

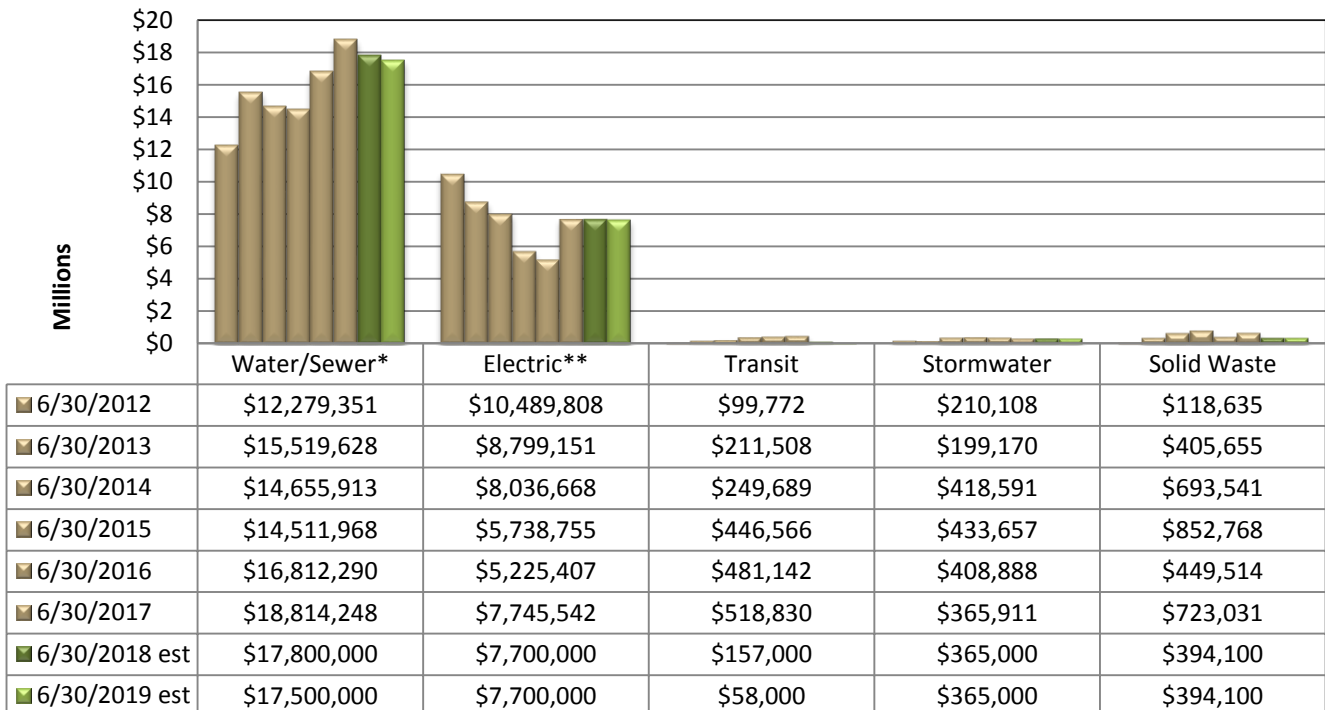


General Funds: 110, 113, 114, 115, 117, 118, 119, 145, 146, 147, 148, 167, 169, 171, 173, 174, 775, 176

Enterprise Funds: 330, 342, 351, 460, 331, 352, 332, 333, 335, 336, 337

Special Revenue Funds: 611, 621, 622, 623, 624, 625, 626, 627, 628, 629, 687

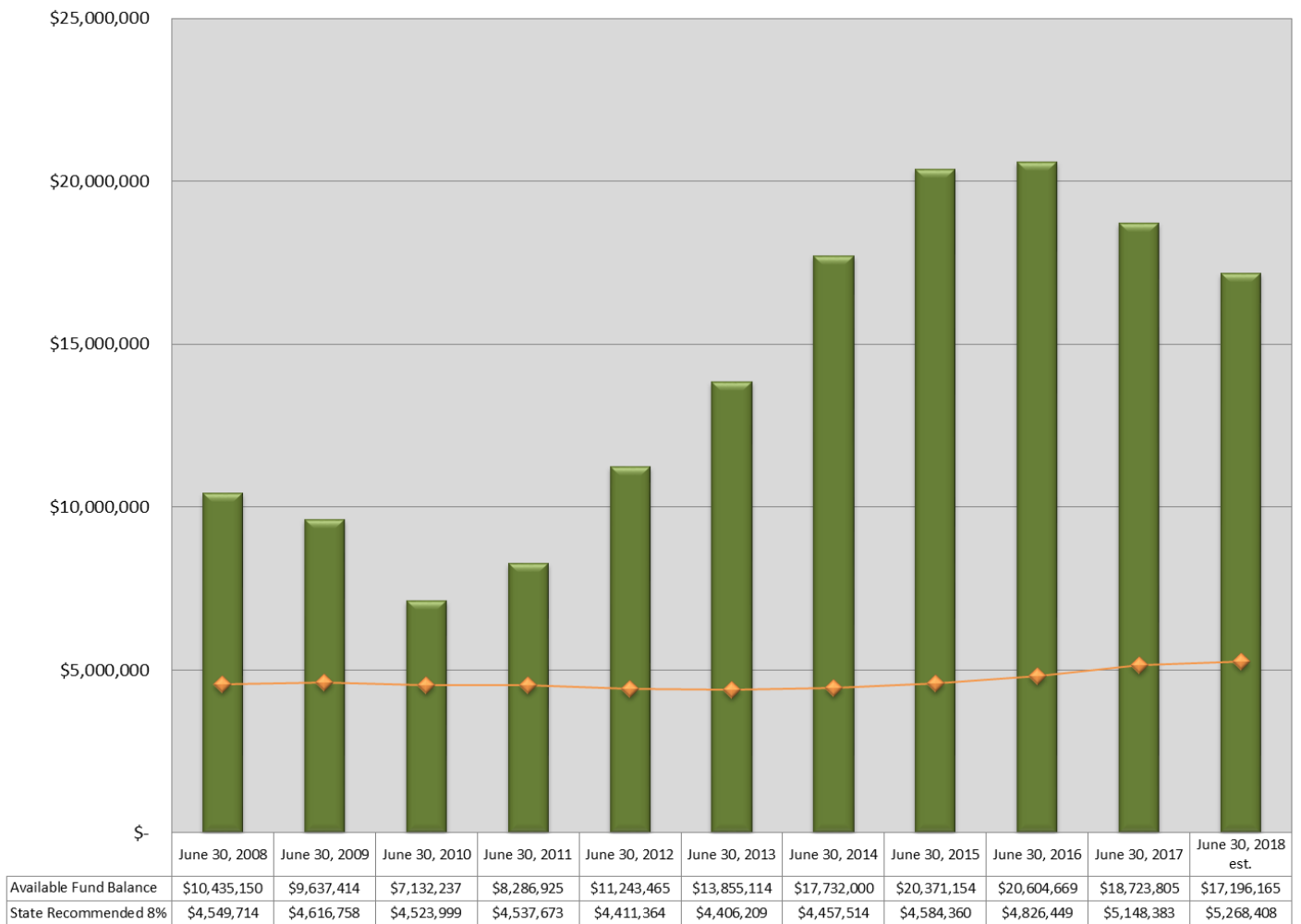
Year Over Year Fund Balance Comparison
Enterprise Funds
Fiscal Years 2012-2019 (estimate)



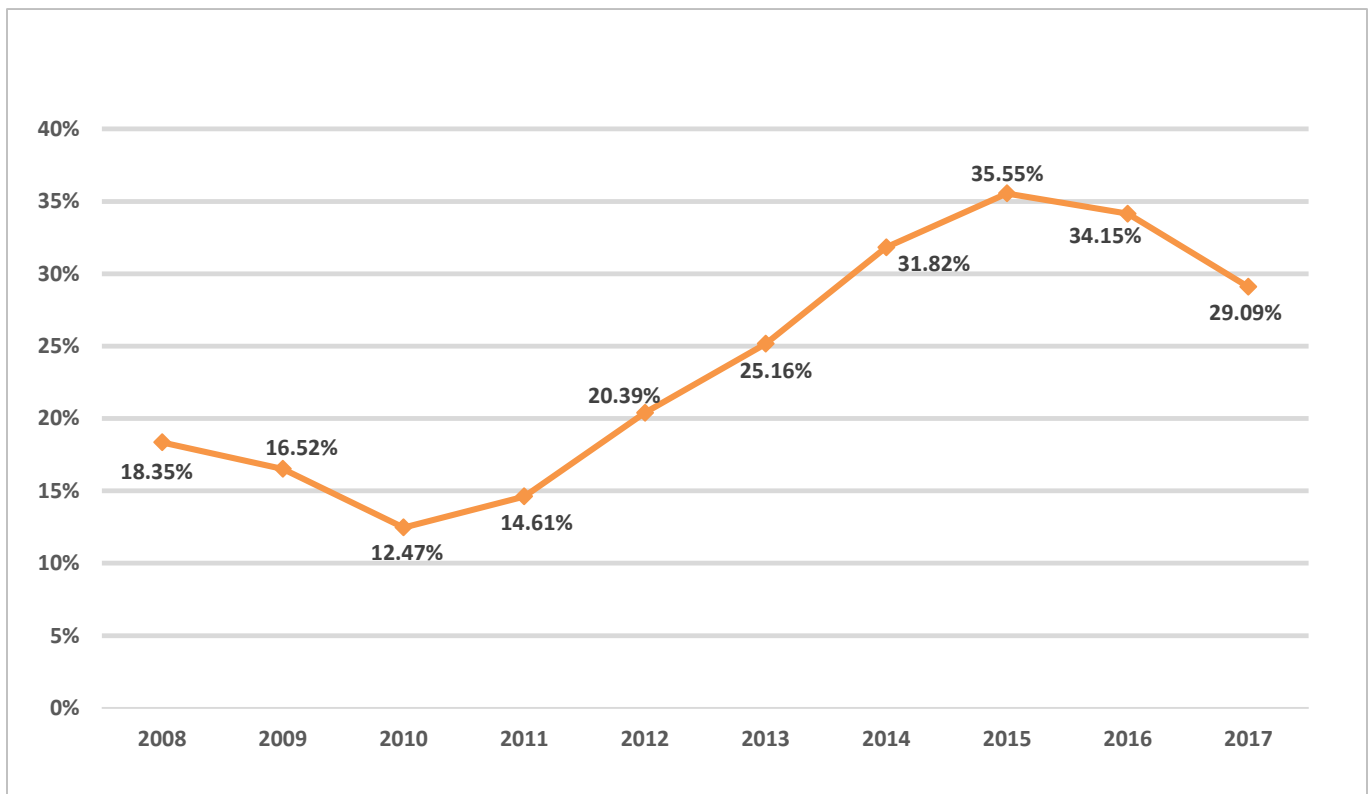
* Includes Funds 351 Water & Sewer Renewal & Replacement Fund, Fund 342 W/S Expansion Fund, and Fund 312 Water & Sewer Stimulus Grant Fund

** Includes Funds 352 Electric Renewal & Replacement Fund and Fund 337 Power Agreement Settlement Fund

Historical Trend of General Fund Available Fund Balance



History of General Fund Balance Percentage





Fund Balances

Fund balance equals the difference between a fund's assets and liabilities, in the same way *owner's equity* equals the difference between assets and liabilities in business accounting. Put simply, fund balance comprises the City's reserves, minus non-spendable items such as inventories. Fund balance mostly includes cash and investments.

Fund balance can increase during a fiscal year if actual expenditures are less than the total budgeted expenditures while revenues are greater than expected. This surplus amount is then available for use in future years.

Local governments need adequate fund balances for several reasons. To give a few examples:

- Adequate fund balance helps ensure that money is available to meet emergency or unforeseen needs.
- Most property taxes aren't received until the middle of the fiscal year, which means the government must have funds available in the meantime to pay for operating expenses.
- Bond rating agencies tend to give better ratings to governments with substantial fund balances. In turn, better ratings result in lower interest rates and savings to taxpayers. If a county or city with a low fund balance tries to issue bonds, its rating will suffer and it will have to pay more interest over the life of the bond.

North Carolina law limits the amount of fund balance available for appropriation (G.S. 159-8(a)). According to the law, "Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year."

Restricted fund balance includes amounts restricted by law for specific purposes or controlled by outside parties. The most common example of restricted fund balance would be grants.

Committed fund balance is the amount that elected officials have dedicated for a particular purpose through an official action. Unlike restrictions, commitments are not legally binding and, thus, they can be changed but only through an official action.

Assigned fund balance is the portion of fund balance that either the elected official or the appointed manager intends to use for a specific purpose. However, no formal action has taken place, or more importantly, no formal action is necessary to change the purpose.

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned for specific purposes or other funds.

The City of Gastonia has a minimum fund balance policy for the General Fund and Enterprise Funds which instructs management to conduct the business of the City in such a manner that available fund balance equals 25% of budgeted expenditures for the General Fund and 30-days of operating expenses for the Enterprise Funds. The Local Government Commission—a division of the North Carolina Department of State Treasurer—recommends that cities and counties maintain a fund balance of at least 8% of the government's expenditures.

Fund Structure Matrix

Fund Title		General Government Funds	Enterprise Funds	Capital Project Funds	Internal Service Funds	Special Revenue Funds	Trust & Agency Funds
110	General Fund	√					
113	Webb Project	√					
114	Conference Center Operations	√					
115	Solid Waste Disposal Tax	√					
118	Martha Rivers Operation Playground	√					
119	Technology Support	√					
169	Capital Reserve - Insurance	√					
173	Federal Asset Forfeiture	√					
174	State Asset Forfeiture	√					
176	Local Law Enforcement Block Grant	√					
244	Airport Capital Projects			√			
263	Street Capital Projects			√			
283	General Fund Capital Projects			√			
330	Water & Sewer		√				
312	Water & Sewer Stimulus Project		√				
342	Water & Sewer Capital Exp & Dev		√				
351	Water & Sewer Renewal & Replacement		√				
331	Electric		√				
337	Power Agency Settlement		√				
352	Electric Renewal & Replacement		√				
332	Transit		√				
335	Solid Waste		√				
336	Stormwater		√				
462	Water & Sewer Capital Projects			√			
460	Water & Sewer Expansion Fee			√			
478	Electric Capital Projects			√			
479	Stormwater Capital Projects			√			
611	General Fund Stimulus Grants					√	
621	Community Development Grants					√	
622	CD/108-Downtown Revitalization					√	
624	CD/Home Investment					√	
628	Occupancy Tax					√	
629	Downtown Municipal Services District					√	
687	Infrastructure					√	
775	Police Memorial Trust						√
868	Health Self-Insurance				√		
870	Dental Self-Insurance				√		
880	Veh/Equip Replacement				√		
881	Technology Services Internal Services				√		

Fund Structure

All City funds are accounted for on the modified accrual basis in accordance with North Carolina General Statutes. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which a liability is incurred, if measurable, except for unmatured principal and interest on long-term debt which is recognized when due.

The proprietary funds (enterprise) are converted to the full accrual basis for presentation in the financial statements. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period when incurred.

The accounts of the City are organized on the basis of funds and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City operates its various funds under three broad categories and six generic fund types. The two account groups are not funds but are used to establish accountability over the City's general fixed assets and general long-term debt.

The City of Gastonia uses the following fund types:

Governmental Funds

This group of funds are accounting segregations of financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities (the fund equity) is referred to as "Fund Balance". The primary measurement focus is "flow of current financial resources". Put in other words, are there more or less resources that can be spent in the near future as a result of transactions of the period. Increases in spendable resources are reported in the operating statement as revenues or other financing sources, and decreases are reported as expenditures or other financing uses.

General Fund is the general operating fund for the City. It is used to account for all financial resources except for those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state-shared revenues and transfers from the Enterprise Funds. The primary expenditures are for public safety, streets and highways, parks and recreation, museum and general government services.

Webb Theatre Project Fund is used to account for debt service for Webb Theatre Project. In 2010, the City received funding from a \$500,000 U.S. Housing and Urban Development loan which helped to renovate the old Webb Theatre in downtown Gastonia and is estimated to be paid off in 2031. The theatre was a long running movie house which opened in 1927 and was designed by architect Hugh White. The building



Fund Structure

contains some 8,000 square feet and can seat approximately 175 people on two levels. The building is currently used as a restaurant.

Conference Center Operations Fund is used to account for financial costs related to the Gastonia Conference Center. The Gastonia Conference Center is a state-of-the-art facility which is owned by the City and managed by a hospitality management firm. The conference center is a two-story facility that will accommodate over 450 meeting attendees and 350 for a seated banquet function and features 10 separate, purpose-built and distraction-free meeting rooms, event spaces and 5,100 square-foot ballroom. The Conference Center is a keystone for the revitalization Gastonia's historic downtown area.



Solid Waste Disposal Tax Fund is the fund in which the receipts from the Solid Waste Disposal Tax is collected and expended when necessary. A Solid Waste Disposal Tax is imposed on the disposal of municipal solid waste and construction and demolition debris in a landfill permitted under Article 9 of Chapter 130A and on the transfer of such waste and debris to a transfer station permitted under the same Article for disposal outside this State. Effective July 1, 2008, tax at the rate of \$2.00 per ton of waste is imposed on waste and debris received from third parties and on waste and debris disposed of by the owners or operators of qualifying landfills or transfer stations.

Technology Support Fund is used to account for the technology fee that is charged based upon all building and zoning permits. The 5% fee is used to enhance technology for Building Services.

Powell Bill Fund is used to account for funding from state-shared gasoline tax which is restricted for use on maintenance, repairing and constructing local streets/roads or thoroughfares, including bridges, drainage, sidewalks, curbs and gutters. Street



maintenance includes street cleaning and snow removal. Permitted



construction expenditures include all phases of construction: right-of-way acquisitions; legal and engineering expenses; salaries, wages, and fringe benefits; materials for construction; payments to contractors, and so forth. Cities may also use the funds for traffic control devices and signs, debt service on street bonds, and the City's share of special assessments for street improvements.

Federal Asset Forfeiture Fund is the fund in which the receipts from the sale of confiscated assets are received from the federal government. The funds are part of equitable sharing which refers to a United States program in which the proceeds of liquidated seized assets are shared between state and federal law enforcement authorities. A 1984 law set up the arrangement in which state and local police can share the seizures with federal agents.

Fund Structure

State Asset Forfeiture Fund is the fund in which the receipts from the sale of confiscated assets are received from State of North Carolina. The funds are part of equitable sharing which refers to a United States program in which the proceeds of liquidated seized assets are shared between state and federal law enforcement authorities. A 1984 law set up the arrangement in which state and local police can share the seizures with federal agents.

Local Law Enforcement Block Grant Fund is used to account for the grant funds that we receive from the US Department of Justice for block grant funds and other Police grant funds.

Special Revenue Funds

This group of funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The following are Special Revenue Funds:

General Fund Stimulus Grants Fund is used to account for grant revenues and related expenditures of various federal economic stimulus grants.

Community Development Fund is used to account for grant revenues and related expenditures under various federal and state grants. The funds are used to help provide low income housing and other programs to citizens.

CD/108 – Downtown Revitalization Fund is used to account for funds from the Section 108 Loan Guarantee Program which provides a source of financing for economic development, housing rehabilitation, public facilities, and other physical development projects. The program offers local governments the ability to transform a small portion of their Community Development Block Grant (CDBG) funds into federally guaranteed loans.

CD/Home Investment Fund is used to account for funds from the HOME Investment Partnerships Program (HOME) which provide formula grants to local governments that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income citizens. The picture to the right is a home that was built using HOME funds.



Occupancy Tax Fund is used to account for Gastonia's Room Occupancy Tax assessed to promote tourism and provide support for tourist-related expenditures. The taxes are levied at a rate of three (3%) of the gross receipts derived for the rental of any room, lodging, or accommodations furnished by a hotel, motel, inn, tourist camp or similar place within the City. The tax does not apply to accommodations furnished by non-profit charitable, educational, or religious organizations.

Fund Structure

Downtown Municipal Services Fund is to account for special property taxes assessed that will be used for downtown improvements. The Downtown Municipal Services District was established in 1997 and currently the tax rate is set at \$.20.

Infrastructure Rehabilitation Fund is used to account for the accumulation of resources for infrastructure rehabilitation, construction and improvements.

Capital Project Funds

This group of funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The following are Capital Project Funds:

Airport Projects Fund is used to account for the acquisition or construction of major capital facilities, equipment and improvements to the City of Gastonia Municipal Airport.

Water & Sewer Projects Fund is used to account for the acquisition or construction of major capital facilities, equipment and improvements to the City of Gastonia water and sewer facilities and assets. The fund is primarily financed with the proceeds of bond sales, interfund transfers and reimbursements from the North Carolina Department of Transportation.

Water & Sewer System Development Fee Fund is a one-time charge implemented to recover (in whole or part) the costs associated with capital investments made by a utility system to make service available to future users of the system.

Electric Projects Fund is used to account for the acquisition or construction of major capital improvements to the City of Gastonia electric system. The fund is primarily financed with interfund transfers.

Stormwater Projects Fund is used to account for the cost related to improvements for the City's stormwater system. The priority for stormwater projects is concentrated on projects within the public right-of-way that the City has a obligation to maintain and repair. Improvement proposed for stormwater problems (outside of the right-of-way) are given priorities by the Stormwater Citizen's Advisory Committee. Projects are rated according to a three-tier priority system. The fund is primarily financed with interfund transfers.

Street Improvement Projects Fund is used to account for major improvements to City streets and is primarily financed with the proceeds of bond sales, interfund transfers and reimbursements from the North Carolina Department of Transportation.

General Fund Projects Fund is used to account for the acquisition, construction or general improvements financed primarily by interfund transfers and bond proceeds.

Fund Structure

Enterprise Funds

This group of funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following are Enterprise Funds:

Water & Sewer Fund is used to account for the operation of water and sewer services to the residents of the City and some municipalities. This fund includes all operating and debt service associated with providing water and sewer services and is funded mainly by rates set by City Council.



Water & Sewer Stimulus Project Fund is used to account for the payment of debt service on a North Carolina Department of Environment and Natural Resources State Revolving loan for \$159,077. In June, 2009 the City received the loan and the funds were used for the main inflow pipe and vault rehabilitation at Catawba Creek Pump Station.

Water & Sewer Capital Expansion & Development Fund is the excess from the Water & Sewer Fund after paying current operating, debt service and capital projects. These cumulative funds will help offset the cost of future system needs and the cost of future expansion to the base structure needed in the instance of annexation.

Water & Sewer Renewal & Replacement Fund is funding that is to be used as a reserve for unbudgeted and unexpected capital expenditures. Prior to 1994, the City used unappropriated fund balance during the fiscal year to handle unexpected and unbudgeted capital expenditures. In February, 1994 a resolution was approved that established a formal reserve to cover the costs of these expenditures for the Water & Sewer Fund.



Electric Fund is used to account for the operation of electric service to the residents of the City. This fund includes all operating costs to provide this service and is funded mainly by rates set by City Council.

Power Agency Settlement Fund is used to account for settlement funds received from Electricities for phase out of electric Tier 1 & 2 discounts.

Electric Renewal & Replacement Fund is funding that is to be used as a reserve for unbudgeted and unexpected capital expenditures. Prior to 1994, the City used unappropriated fund balance during the fiscal year to handle unexpected and unbudgeted

Fund Structure

capital expenditures. In February, 1994 a resolution was approved that established a formal reserve to cover the costs of these expenditures for the Electric Fund.

Transit Fund is used to account for the operation of transit services to the residents of the City. This fund includes all operating costs and capital costs needed to provide this service and is funded by Federal, State and local revenues.



Solid Waste Fund is used to account for the operation of solid waste services to the residents of the City. This fund includes all operating costs to provide this service and is funded by a monthly user fee and transfer from the General Fund.

Stormwater Fund is used to account for the operation and maintenance of the stormwater program to the residents of the City. Stormwater services include runoff, bank stabilization and maintenance of detention lakes and ponds. This fund includes all operating costs to provide this service and is funded by a monthly user fee.



Internal Service Funds

This group of funds is an accounting device used to accumulate and allocate costs internally among the functions of the City of Gastonia and are shown as charges in each operating fund. These funds are not approved as part of the Budget Ordinance but must have a balanced Financial Plan approved at the same time that the Budget Ordinance is approved by City Council. The City has four internal service funds:

Health Self-Insurance Fund is used to accumulate and allocate the costs of providing self-insured medical coverage to the City employees.

Dental Self-Insurance Fund is used to accumulate and allocate the costs of providing self-insured medical coverage to the City employees.

Vehicle/Equipment Replacement Fund is used to accumulate and allocate the costs associated with the City's vehicle and equipment replacement.

Technology Services Fund is used to accumulate and allocate the costs of computer support and other technology services throughout the City.

Fund Structure

Trust and Agency Funds

This group of funds are used to account for resources held for the benefit of parties outside the government. The City has one trust and agency fund:

Police Memorial Trust Fund

This group of funds are used to account for funds held on behalf of the Gastonia Police Foundation. The Gastonia Police Foundation is a nonprofit 501(c)(3) organization that assists the Gastonia Police Department by providing support and funds for equipment, programs and events which are not included in the Police Department's budget.

Account Groups

These represent another accounting entity used to establish accounting control and accountability for the City's general fixed assets and the outstanding principal of its general long-term debt (General Fixed Assets and General Long-Term Debt Account Groups). These records are accounted for in a self-balancing group of accounts because the City's general fixed assets -- all fixed assets except those accounted for in Proprietary Funds or Trust Funds -- are not financial resources available for expenditures, and because the outstanding principal of the general long term debt-long term liabilities not accounted for in the Proprietary Funds or Trust Fund does not require an appropriation or expenditure during the account year.

General Fixed Assets Account Group

This group of accounts is established to account for all fixed assets for the City. General fixed assets acquired are recorded as expenditures in the various funds at the time of purchase. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings; such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems, are excluded. No depreciation has been provided on general fixed assets.

General Long-Term Debt Account Group

This group of accounts is established to account for all long-term obligations of the City except those which are accounted for in the proprietary funds.

Fund to Department Relationship

	Mayor/Council	City Management	Legal	Development Services	Communications & Marketing	Economic Development	Police	Fire
General Fund	√	√	√	√	√	√	√	√
Webb Project Fund						√		
Conference Center Fund						√		
Solid Waste Disposal Tax Fund								
Technology Support Fund								
Powell Bill Fund								
Federal/State Asset Forfeiture Funds							√	
Local Law Enforcement Block Grants Fund							√	
Airport Capital Projects Fund								
Street Improvement Capital Projects Fund				√				
General Fund Capital Projects Fund		√						
Water & Sewer Stimulus Grant Fund								
Water & Sewer Utility Fund								
Electric Utility Fund								
Transit System Fund								
Solid Waste Utility Fund								
Stormwater Utility Fund								
Water & Sewer Capital Expansion/Development Fund								
Water & Sewer Renewal & Replacement Fund								
Electric Renewal & Replacement Fund								
Water & Sewer Capital System Development Fee Fund								
Water & Sewer Capital Projects								
Electric Capital Projects								
Stormwater Capital Projects Fund								
General Fund Stimulus Grant Fund								
Community Development Block Grant Funds								
Occupancy Tax Fund								
Downtown Municipal Services District Fund						√		
Infrastructure Fund		√						
Police Memorial Trust Fund							√	
Health Self-Insurance Fund								
Dental Self-Insurance Fund								
Vehicle/Equipment Renewal & Replacement Fund								
Technology Internal Service Fund								

Fund to Department Relationship

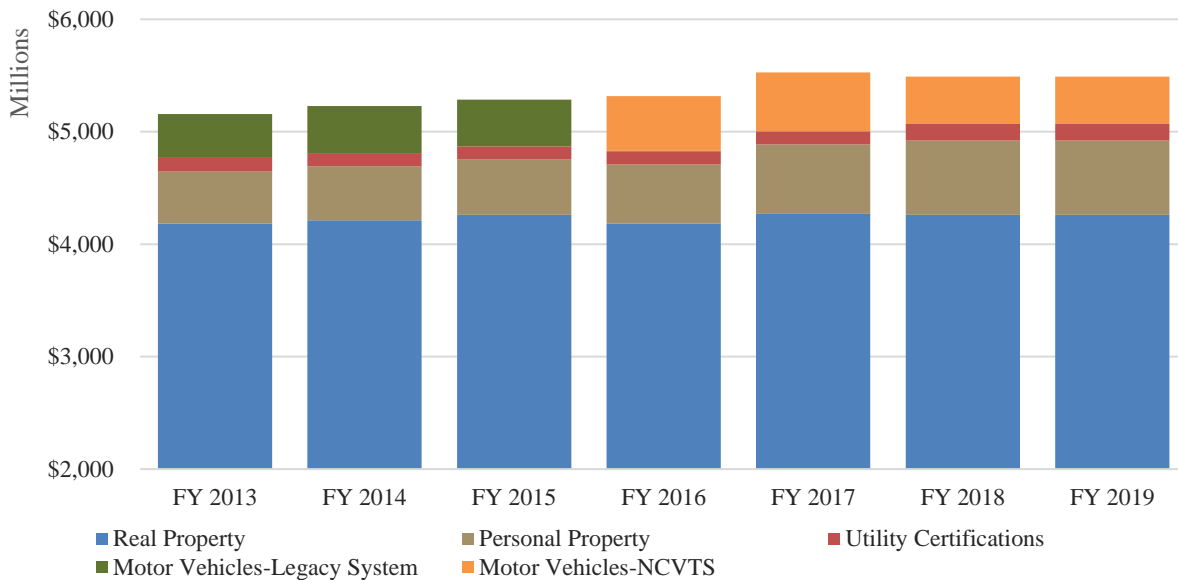
	Human Resources	Technology Services	Financial Services	Community Services	Parks & Recreation	Schiele Museum	Public Works	Public Utilities
General Fund	√		√	√	√	√	√	
Webb Project Fund								
Conference Center Fund								
Solid Waste Disposal Tax Fund							√	
Technology Support Fund		√						
Powell Bill Fund							√	
Federal/State Asset Forfeiture Funds								
Local Law Enforcement Block Grants Fund								
Airport Capital Projects Fund				√				
Street Improvement Capital Projects Fund							√	
General Fund Capital Projects Fund								
Water & Sewer Stimulus Grant Fund								√
Water & Sewer Utility Fund								√
Electric Utility Fund								√
Transit System Fund				√			√	
Solid Waste Utility Fund							√	
Stormwater Utility Fund							√	
Water & Sewer Capital Expansion/Development Fund								√
Water & Sewer Renewal & Replacement Fund								√
Electric Renewal & Replacement Fund								√
Water & Sewer Capital System Development Fee Fund								√
Water & Sewer Capital Projects								√
Electric Capital Projects								√
Stormwater Capital Projects Fund							√	
General Fund Stimulus Grant Fund				√				
Community Development Block Grant Funds				√				
Occupancy Tax Fund			√					
Downtown Municipal Services District Fund								
Infrastructure Fund								
Police Memorial Trust Fund								
Health Self-Insurance Fund	√							
Dental Self-Insurance Fund	√							
Vehicle/Equipment Renewal & Replacement Fund		√					√	
Technology Internal Service Fund		√						

Revenues

GENERAL FUND

Tax Base

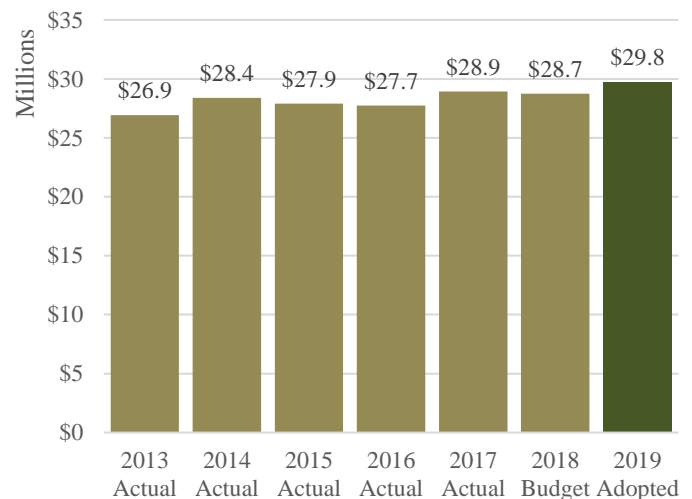
The tax base is what ad valorem, otherwise known as property taxes are levied against and includes real property (land, buildings, and other improvements to land), personal property (business equipment, vehicles, etc.) and public service (utility) company properties.



Ad Valorem Tax

Several factors influence the City's property tax revenues. First is the total value of real, personal, and public service company properties. The tax base valuation is determined by the County using various system reports.

For real property valuation, a system report indicates the value of the taxable real property as of the annual listing date, which is January 1 before the fiscal year begins. This number is the most dependable component of the estimate because most appraisal work has been completed at that time and the only significant variable is pending real property appeals. By identifying the total value of property under appeal, it is possible to account for the worst case scenario. In most years, even the total value under appeal is insignificant, but this number tends to increase in reappraisal or "reval" years. North Carolina requires reappraisals to be done at least every eight years, but a county has the authority to choose a different cycle, as long as it is no more than eight



Revenues

years. Gaston County is on a four-year cycle and set for reappraisals in 2019. For the Fiscal Year 2019 budget, real property values for the City are estimated at \$4.35 billion.

The January 1 listing date is also used to determine personal property valuations. The system valuation report identifies the value of the tax listings that have been keyed by the County at the time the report is generated. The listing deadline for personal property may be extended to April 15, but the County's tax office makes a firm effort to key the majority of listings by May 1, especially as it relates to the largest accounts. However, there are some listings that are filed late, which increases the total personal property valuation. The value of personal property is estimated at \$736 million.

The public service company valuations are provided by the North Carolina Department of Revenue. Unfortunately, the actual numbers for each year are not provided until September, which is after the budget has been adopted. Therefore, prior year numbers are used for this valuation in the tax base. These numbers tend to stay relatively static each year, but significant changes are always a possibility. Public service company property values are estimated at \$145 million.

The anticipated tax collection rate is another element in defining the City's property tax revenues. This collection percentage is restricted by G.S. 159-13(b) (6). The estimated collection rate for budget purposes is not allowed to exceed the prior year's actual rate, with some adjustments allowed for motor vehicle property tax collection. The anticipated tax collection rates for Fiscal Year 2019 are 98.75% for both real and personal property, while the public service company property has a 100% estimated collection rate.

The tax rate is the final factor in determining budgeted property tax revenues. The tax rate for Fiscal Year 2019 remains at 53 cents per \$100 of valuation. There has been no city tax increase since Fiscal Year 2013.

Budgeted net property tax collections are estimated at \$29,745,532 for Fiscal Year 2019. This is based on an estimated valuation of \$5.67 billion, 53 cents per \$100 valuation tax rate, and a 98.75% collection rate.



Utility Sales Taxes

Utility Sales Taxes are comprised of four separate taxes: Electricity Sales Tax, Piped Natural Gas Sales Tax, Telecommunications Sales Tax and Local Video Programming Tax. These taxes are imposed by the NC Department of Revenue, which then distributes the revenues to the individual municipalities quarterly.

A tax rate of 7% is imposed on electric utility sales. The Department then distributes 44% of the net proceeds to the municipalities. Piped Natural Gas Sales

Revenues

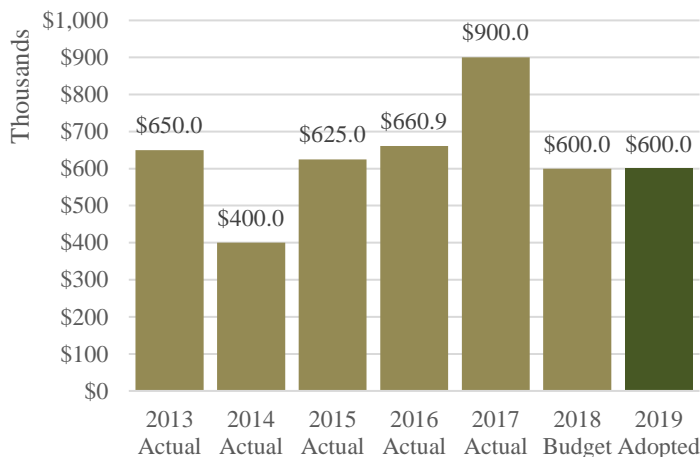
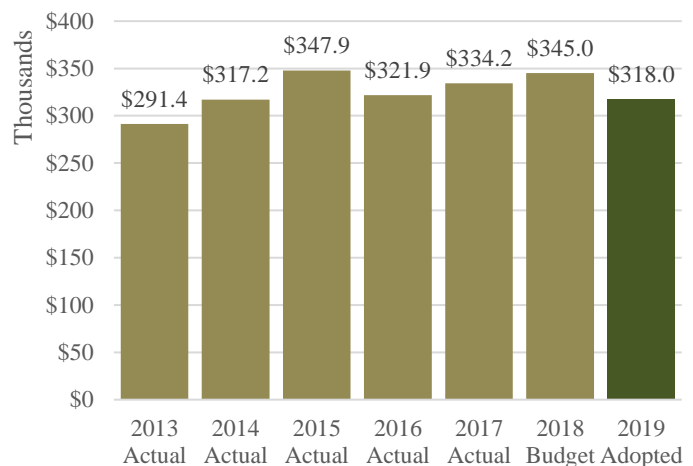
Tax is a 7% rate as well. However, only 20% of the net proceeds are remitted to the municipalities. Both percentages were chosen to offset the loss of revenues from the repeal of the Utility Franchise Tax that was enacted by the General Assembly, effective as of July 1, 2014 (FY 2015).

The sales tax rate on gross receipts of telecommunications services is the total of the State's sales tax rate plus the rates of local sales taxes levied in all 100 counties. The State then distributes 18.7% minus \$2,620,948 to the municipalities. For Fiscal Year 2019, Gastonia anticipates to receive \$4,300,000 in total for Electric, Piped Natural Gas, and Telecommunications Taxes.

The final category of Utility Sales Tax is Video Programming Taxes. As with the other utility sales taxes, this replaced a prior revenue stream, Cable Franchise Tax, in 2007. All counties and municipalities now receive 7.7% of the net proceeds of tax revenue on telecommunications services, 23.6% of the net proceeds of taxes collected on video programming services, and 37.1% of the net proceeds of tax revenue on direct-to-home satellite services. The City projects to receive \$510,000 in Video Programming Tax for Fiscal Year 2019.

Beer & Wine Tax

The State levies an excise tax on alcohol produced in North Carolina. A city or county is eligible to share in this tax revenue if alcohol may be legally sold within its boundaries. Distribution of this tax revenue is based on the population of eligible cities and counties. Growth has been slow and, as in all state allocated revenues, the distribution of these funds is subject to the State's discretion. In addition, it is estimated that alcohol beverage tax distributions will be approximately 5% lower for our current Fiscal Year 2018 than in Fiscal Year 2017, most likely resulting from a decrease in production due to the 2016 closure of the MillerCoors plant in Eden. Therefore, the City of Gastonia expects to receive \$318,000 in Beer and Wine Tax during Fiscal Year 2019.



ABC Net Revenues

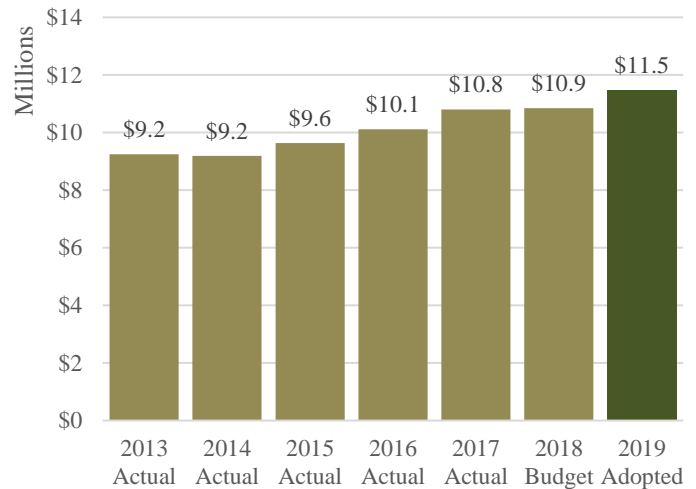
North Carolina General Statutes require certain distributions be made by the Gastonia ABC Board, including a 3.5% quarterly distribution to the City. In addition, any remaining gross revenue after all required distributions are to be submitted to the City quarterly. For Fiscal Year 2019, the City of Gastonia estimates ABC revenues to be \$600,000.

Revenues

Sales Tax

The sales tax rate in the City of Gastonia is 6.75%, which includes the State's sales and use tax rate of 4.75%. Each county levies an additional 2% local sales tax, made up of the Article 39 one cent tax, originally levied in 1971, the Article 40 half-cent tax, originally levied in 1983, and the Article 42 half-cent tax, originally levied in 1986. These taxes are collected by the State and then distributed to the counties and municipalities. Prior to Fiscal Year 2005, Gaston County's revenue was distributed between the county and municipalities based on population. After this point in time, Gaston County opted to distribute sales tax revenues using the ad valorem method,

in which the proceeds are distributed based on relative property tax levies. Unfortunately, for the City, this meant that all growth in sales tax revenue would go directly to the County. Therefore, the County and City renegotiated their agreement and beginning Fiscal Year 2011, the County increased the City's share 20%. For Fiscal Year 2019, the City approximates Sales Tax revenues to be \$11,462,670.



Powell Bill

Prior to 2013 Powell Bill distributions were based on the State's Motor Fuels Tax. However, in 2013, Powell Bill funding changed to a direct appropriation from the State. Seventy-five percent of the distribution is based on population, while the remaining 25% is based on mileage of city-maintained streets. Powell Bill funds must be spent "primarily for the resurfacing of streets". The City's estimate for Fiscal Year 2019 is \$2,030,347.

Transfer from Electric Fund

With the implementation of the City Manager's Transfer Policy in February of 1994, we established a set policy on the allowable transfer from the Electric Fund to supplement the General Fund. In prior years, all profits remaining after operating costs were transferred to the General Fund at year end. The rationale behind this was that this enabled the City to keep the tax rate as low as possible. However, due to a request by the bond rating agencies, and the Local Government Commission, beginning in Fiscal Year 1995, the City began to reduce its reliance on electric transfers. The transfer from the

Revenues

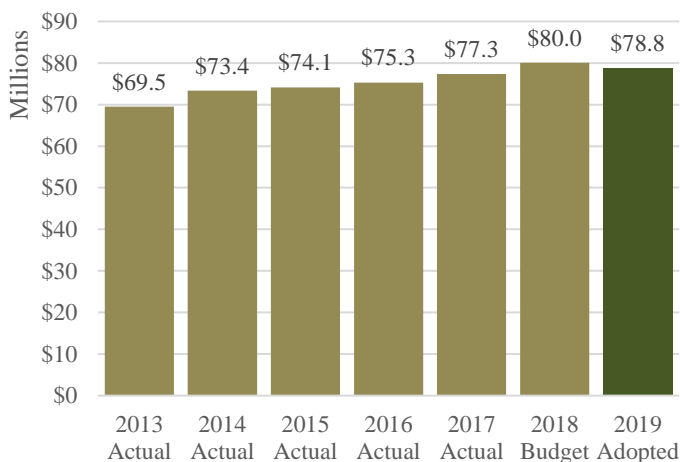
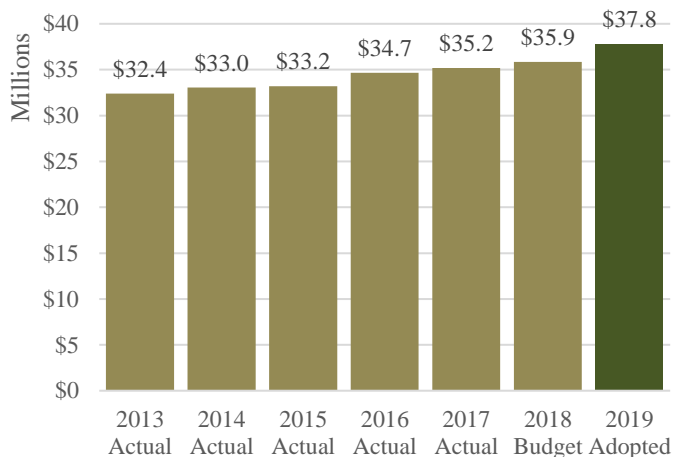


Electric Fund to the General Fund should be reduced each Fiscal Year until a level equating to 3% of gross fixed assets is attained. This mark is reflective of Council's April 1997 change to the Electric Transfer Policy from a target of 8% to a maximum of 3%. The total transfer budgeted for Fiscal Year 2019 is \$2,000,000, this should again meet the 3% goal.

ENTERPRISE FUNDS

Water and Sewer Fund

The Water and Sewer Fund is operated as a self-sustaining enterprise fund. After all miscellaneous revenue is recognized, the water and sewer rates are set to balance the revenues to expenses. Growth in this fund is affected by the economy and, of course, the number of customers coming on the system as a result of economic development. The water and sewer sales estimate for Fiscal Year 2019 is \$37,754,116.



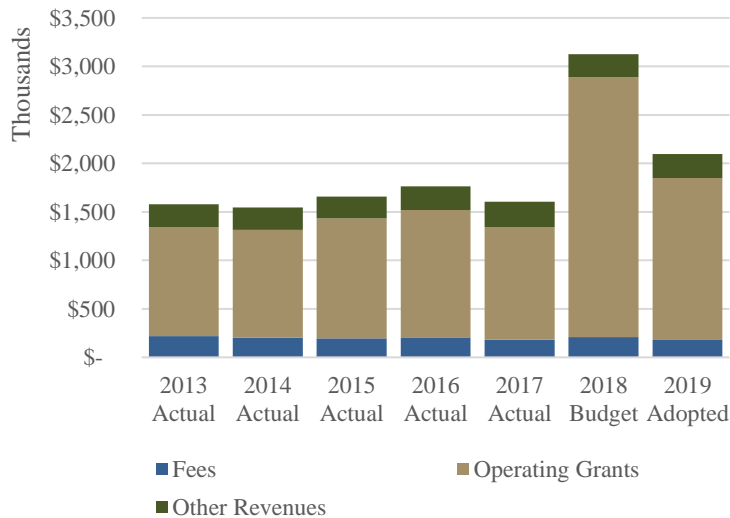
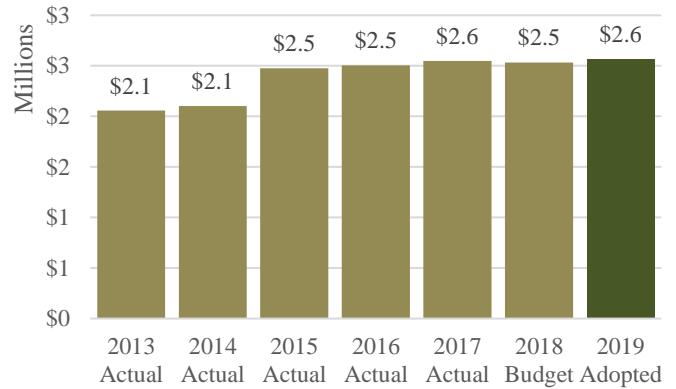
Electric Fund

The Electric Fund is operated as an enterprise fund with a portion of its profits passed to the General Fund each year. Our sales forecast takes into consideration: customer growth, business activity and peak requirements due to weather conditions. The rates are set by the City Council taking into account the total expenditures necessary to operate, pay debt service, make capital improvements and cover the cost of wholesale power purchases and are not projected to increase through Fiscal Year 2020. The sales estimate for Fiscal Year 2019 is \$78,825,150.

Revenues

Stormwater Fund

The Stormwater Fund is operated as an enterprise fund. The City's Stormwater Utility maintains the network of public stormwater drains and also offers two different programs to help residents dealing with the effects of increased runoff. These programs vary greatly on solution options, cost and time frame for completion. Funding for the Stormwater Fund is provided by a Stormwater Fee of \$0.25 per Equivalent Residential Unit or ERU (2,650 square feet). Residential customers are charged 1 ERU per month. Non-residential customers are charged per amount of impervious service per month. The sales estimate for Fiscal Year 2019 is \$2,562,572.



Transit System Fund

User Fees, Federal and State Grants

The City operates a mass transit system. While this fund does raise revenues through user fees and advertising, most of the revenue is received through Federal and State Grants and from Transfers from the General Fund. The Transit System operates at a loss to the City, but continues to provide a vital service to the citizens of Gastonia. Our estimate for Fiscal Year 2019 for user fees is \$178,500 and for grant funds is \$1,671,611.

Debt Summary

Debt Management

The City of Gastonia's primary focus in debt management is to keep the amount of indebtedness at a level whereby available resources can carry the debt and to keep the debt within the legal debt limitations established by the State of North Carolina Department of State Treasurer while maintaining a minimum cost to the taxpayer.

The City's sound financial condition is evidenced by the current credit ratings for both General Obligation debt and Revenue Bond debt which are the following: Standard and Poor's Corporation **AA-**, Moody's Investor Service **Aa2** and Fitch **AA**.

Legal Debt Margin

By State law, local governments may issue debt totaling 8% of the total assessed value of real and personal property. The 8% limit applies to all debt not applicable to Enterprise Funds. Outstanding debt in most governmental units falls well below the 8% of the total assessed value limit, and typically ranges from 1% to 4% for most governments, depending on the utility enterprise operated by the unit. The legal debt margin as of June 30, 2018 is computed as follows:

Assessed Value of Property at 6/30/2018	\$	5,677,672,119
Statutory Debt Limit: 8% of Assessed Value	\$	454,213,769
Gross Debt		
Authorized & Outstanding bonded debt	\$	64,066,000
Outstanding debt not evidenced by bonds	\$	<u>47,254,895</u>
	\$	111,320,895
Statutory Deductions		
Bonds and other debt not evidenced by bonds applicable to Enterprise Funds	\$	66,570,185
Amount designated for payment of gross debt other than Enterprise Fund debt	\$	<u>30,644</u>
	\$	66,600,829
Net Debt	\$	<u>44,720,066</u>
Legal Debt Margin	\$	<u>409,493,703</u>

Debt Summary

Long-Term Obligations

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, the City had the statutory capacity to incur additional net debt, excluding debt for water and electric purposes, in the approximate amount of \$409,493,703 as of June 30, 2018. For purposes of continued review, the distinction should be made about the three types of bonded debt the City carries.

General Obligation Bonds

First, we have General Obligation (GO) Bonds which are backed by the “full faith and credit” of the City. The General Assembly has pledged the power and obligation of the City to levy taxes and raise other revenues for the prompt payment of installments of principal and interest or for the maintenance of sinking funds. This authority is unrestricted as to rate and/or amount. In North Carolina, no bonds may be issued without the approval of the Department of State Treasurer, Local Government Commission. A sworn statement of debt must also be filed attesting that net debt will not exceed 8% of the appraised value of the property subject to taxation by the governing unit. The exceptions to this limitation are the refunding of existing bonds, the continued funding of existing authorized debt, bonds issued for water, gas or electric power purposes, or two or more of such purposes, certain sanitary sewer, sewage disposal or sewage purification plant bonds, or bonds issued for erosion control purposes or bonds issued for the purposes of erecting jetties or other protective works to prevent encroachment by certain bodies of water. The following charts will summarize the City’s outstanding General Obligation debt as well as the outstanding debt ratios

Outstanding General Obligation Debt

G.O. Bonds	June 30, 2016	June 30, 2017	June 30, 2018
Street Bonds	26,065,000	24,680,000	23,040,000
Other Bonds	1,965,000	1,795,000	1,625,000
Refunding	1,410,000	196,000	-

Debt Ratios

June 30	Total GO Debt	Assessed Valuation	Debt to Assessed Value	Population	Debt Per Capita
2014	\$ 34,612,000	\$5,285,091,435	0.65%	72,507	\$ 477.36
2015	\$ 32,100,000	\$5,317,314,009	0.60%	72,947	\$ 440.05
2016	\$ 29,440,000	\$5,526,746,003	0.53%	73,698	\$ 399.47
2017	\$ 26,671,000	\$5,491,022,638	0.49%	74,413	\$ 358.42
2018	\$ 24,665,000	\$5,677,672,119	0.43%	75,536	\$ 326.53

Debt Summary

General Obligation Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2019	\$1,855,000	\$1,052,156	\$2,907,156
2020	\$1,905,000	\$991,856	\$2,896,856
2021	\$1,975,000	\$913,906	\$2,888,906
2022	\$2,045,000	\$825,763	\$2,870,763
2023	\$2,085,000	\$743,782	\$2,828,782
2024	\$1,910,000	\$660,894	\$2,570,894
2025	\$1,910,000	\$578,059	\$2,488,059
2026	\$1,910,000	\$492,956	\$2,402,956
2027	\$1,910,000	\$403,399	\$2,313,399
2028	\$1,910,000	\$310,261	\$2,220,261
2029	\$1,750,000	\$217,044	\$1,967,044
2030	\$1,750,000	\$130,226	\$1,880,226
2031	<u>\$1,750,000</u>	<u>\$43,409</u>	<u>\$1,793,409</u>
	<u>\$24,665,000</u>	<u>\$7,363,711</u>	<u>\$32,028,711</u>

Revenue Bonds

The second type of bonded debt carried by the City are Revenue Bond Issues. These are Combined Utility Water and Sewer Revenue Issues in the original issue amounts of 2009 refunded \$19,605,000, 2011 refunded \$4,318,000, 2013 refunded \$5,895,000 and 2015 revenue bonds \$20,130,000 with projected June 30, 2018 outstanding balances of \$3,025,000, \$3,051,000, \$4,155,000 and \$18,785,000. The major difference between the Revenue issues and General Obligation issues is that the “full faith and credit” of the City is not pledged for the repayment of the bonds. This debt is payable solely through revenues raised by the City’s water and sewer utility systems. The revenues of the enterprise are required by statute to be applied with the following priority: (1) to pay the operating, maintenance and capital expenses of the utility, (2) to pay when due the interest on and principal of outstanding bonds issued for capital projects that are or were part of the utility, and (3) for any other lawful purpose. As with General Obligation bonds, the issue of revenue bonds requires the approval of the North Carolina Department of State Treasurer, Local Government Commission.

On the City’s existing revenue issue, a minimum parity debt coverage ratio of 1.2 must be maintained. This means the net utility operating revenues must exceed 120 percent of the maximum annual parity debt service cost. Each year, any excess after paying current operating,

Debt Summary

debt service and capital projects is placed in a Capital Expansion and System Development Fund for future use. These cumulative funds will help offset the cost of future system needs and the cost of future expansion to the base structure needed in the instance of annexation.

Water and Sewer Revenue Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2019	\$3,892,000	\$1,088,655	\$4,980,655
2020	\$1,737,000	\$943,466	\$2,680,466
2021	\$1,923,000	\$884,662	\$2,807,662
2022	\$1,987,000	\$817,017	\$2,804,017
2023	\$2,049,000	\$754,851	\$2,803,851
2024	\$2,116,000	\$690,666	\$2,806,666
2025	\$2,192,000	\$615,515	\$2,807,515
2026	\$955,000	\$546,488	\$1,501,488
2027	\$995,000	\$508,288	\$1,503,288
2028	\$1,040,000	\$458,538	\$1,498,538
2029	\$1,095,000	\$406,538	\$1,501,538
2030	\$1,150,000	\$351,788	\$1,501,788
2031	\$1,205,000	\$294,288	\$1,499,288
2032	\$1,240,000	\$258,138	\$1,498,138
2033	\$1,280,000	\$220,938	\$1,500,938
2034	\$1,320,000	\$182,538	\$1,502,538
2035	\$1,385,000	\$116,538	\$1,501,538
2036	<u>\$1,455,000</u>	<u>\$47,288</u>	<u>\$1,502,288</u>
	<u>\$29,016,000</u>	<u>\$9,186,200</u>	<u>\$38,202,200</u>

Limited Obligation Bonds

Limited Obligation Bonds, formerly referred to as Certificates of Participation (COPs), is an alternative financing method requiring no voter approval. The major distinction which needs to be made is that this type of debt does not pledge the “full faith and credit” of the City either, but rather offers the investors the property as security for the certificates and the repayment is subject to annual appropriation. These issues operate similar to a conventional home mortgage whereby the property collateralizes the loan. In fiscal year 2010 the City issued Limited Obligation Bonds to be used for the cost of acquisition, improvement and equipping of a conference center, parking deck, an environmental studies center to the Schiele Museum and related park improvements.

Debt Summary

Limited Obligation Bonds

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2019	\$915,000	\$542,977	\$1,457,977
2020	\$925,000	\$506,377	\$1,431,377
2021	\$935,000	\$467,873	\$1,402,873
2022	\$930,000	\$427,404	\$1,357,404
2023	\$520,000	\$386,315	\$906,315
2024	\$535,000	\$360,471	\$895,471
2025	\$550,000	\$333,079	\$883,079
2026	\$565,000	\$304,094	\$869,094
2027	\$585,000	\$270,239	\$855,239
2028	\$600,000	\$235,186	\$835,186
2029	\$620,000	\$199,234	\$819,234
2030	\$645,000	\$162,084	\$807,084
2031	\$665,000	\$123,435	\$788,435
2032	\$685,000	\$83,588	\$768,588
2033	<u>\$710,000</u>	<u>\$42,543</u>	<u>\$752,543</u>
	<u>\$10,385,000</u>	<u>\$4,444,899</u>	<u>\$14,829,899</u>

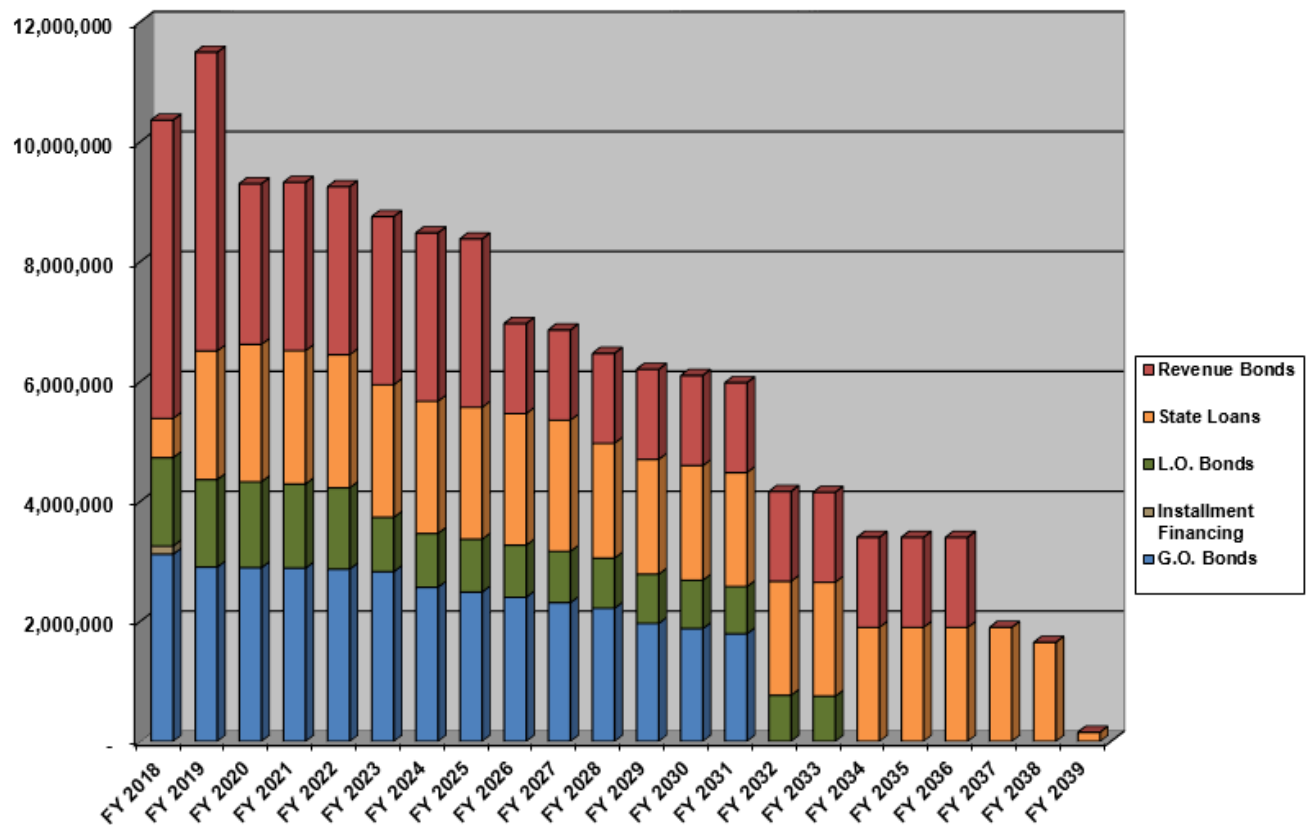
Debt Summary

Debt Service Payments budgeted

The FY 2019 Budget provides \$15,016,255 for debt service as follows:

Water and Sewer Fund	\$ 7,358,762
Water and Sewer Stimulus Fund	\$ 3,977
Electric Fund	\$ 16,869 (2008 2/3rds GOBs)
General Fund	\$ 2,690,571 (Streets)
General Fund	\$ 313,657 (Recreation)
General Fund	\$ 62,871 (Museum)
General Fund	\$ 658,115 (Fire)
General Fund	\$ 199,717 (2008 2/3rds GOBs)
Webb Theater Project	\$ 33,000 (108 and EDI Loan)
Conference Ctr Operations Fund	\$ 422,401 (2010 LOBs)
Community Development Funds	\$ 28,140 (108 Loans)
Vehicle/Equipment Replacement Fund	\$ 3,228,175 (short-term installment financing)

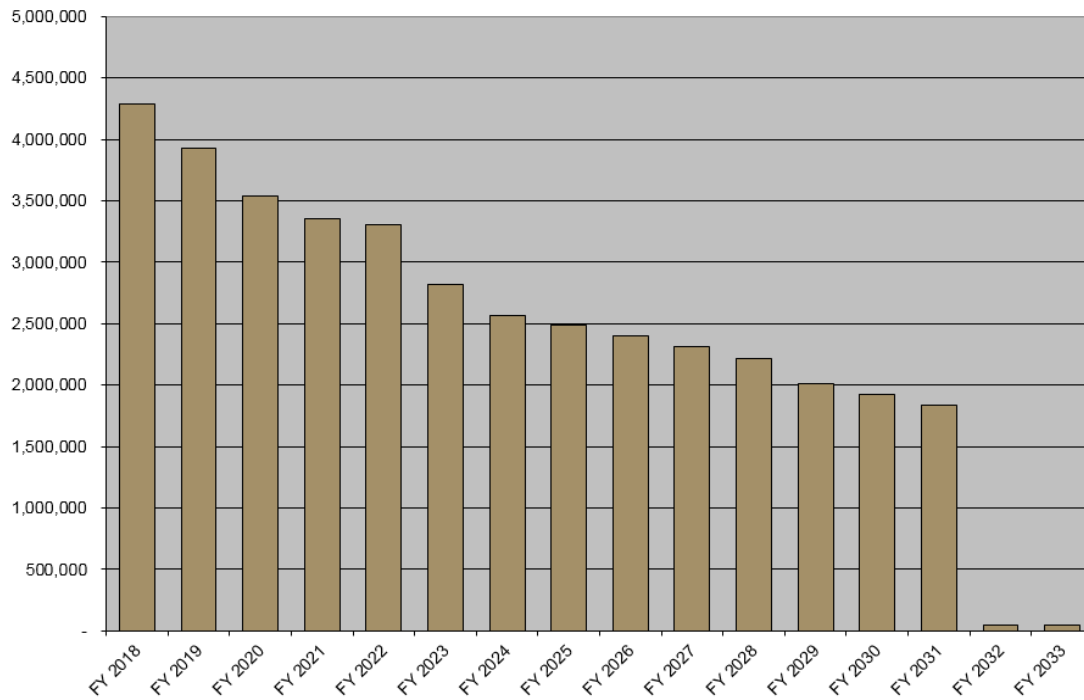
All Annual Debt



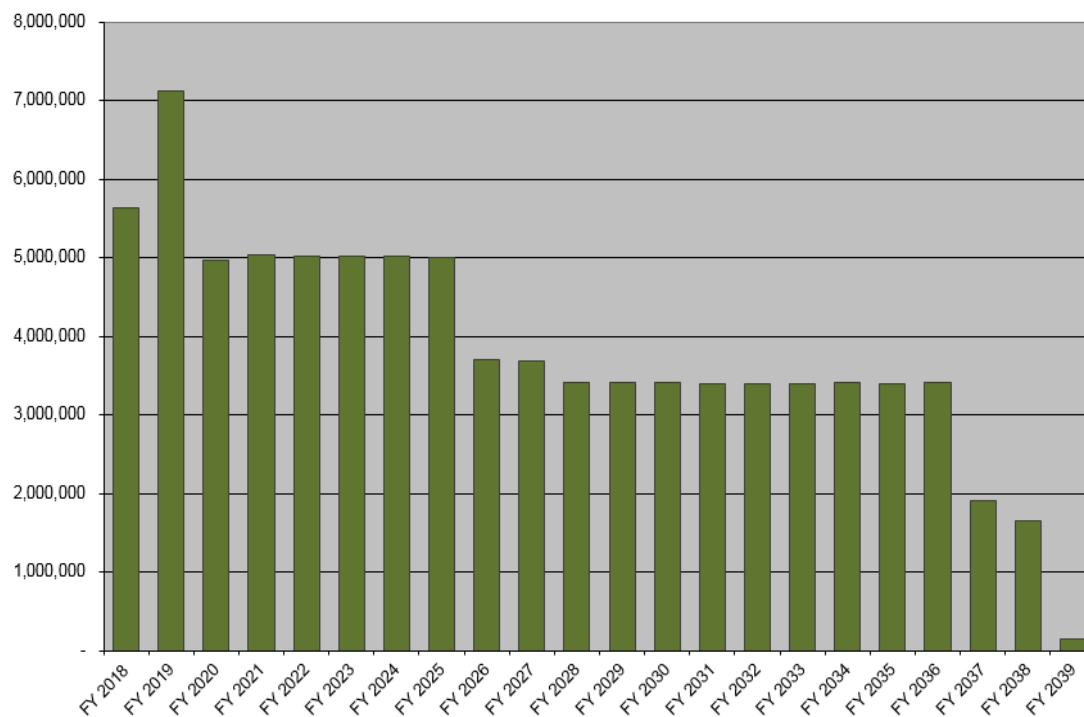
Debt Summary

Debt Summary by Fund

General Fund Debt



Water & Sewer Fund Debt



Budget Preparation & Amendment

Preparing the FY 2019 Budget

The budget presented herein is for the FY 2019, which will begin on July 1, 2018 and will conclude on June 30, 2019. Preparations for this budget began in January 2018.

In January, Fleet Services and Technology Services turned in their recommendations for vehicles, equipment, computers, servers, etc. and the City Council held its annual Strategic Planning meeting to provide direction on the budget process.

By January 31st, the Departments had their budget request entered into the City's Financial System (Eden) and Budget staff prepared estimates for personnel costs, utilities, and existing commitments such as lease-purchased vehicles and debt service. Budget staff periodically reassessed these estimates leading up to the April 2018 Proposed Budget presentation.

In February, Technology Services prepared departmental summary spreadsheets for the departments to review and update with notes. Next, the Assistant City Managers met with departments to review their budget requests. Also during this month departments turned in any new position requests, changes to programs or new program suggestions, and facility change requests to be considered for FY 2019.

In March, the City Manager, Assistant City Managers, Director of Financial Services and Budget staff met with department directors to review their budget requests.

The Manager's proposed budget was presented to City Council on April 23, 2018 and was adopted by City Council on June 5, 2018. The calendar on the following page outlines the major steps the City of Gastonia took in preparing the FY 2019 Adopted Budget.



Budget Preparation & Amendment

Budget Schedule

January 12, 2018	Initial equipment requests due to the Budget Office.
January 15, 2018	Preliminary revenue and expenditure budget worksheets and information distributed to Departments.
January 23, 2018	Strategic Planning Meeting.
January 27, 2018	Council Budget Objectives Meeting.
January 31, 2018	Expenditure and revenue worksheets must be completed and entered into the Eden Financial System.
February 1-7, 2018	Technology Services will prepare summary spreadsheets.
February 7-12, 2018	Departments will review summary spreadsheets and update notes section.
February 9, 2018	New Initiatives / Personnel requests / Facility changes are due to the Budget Office, this includes any Fee Schedule amendments / requests.
February 12-16, 2018	Assistant City Managers to meet with respective Departments.
February 21, 2018	The Departments can make no further changes unless approved by the Budget Office.
February 23, 2018	Department Summary / Budget Highlights / Goals & Objectives are due. Analysis & reports prepared by the Budget Office.
March 5-9, 2018	Review of departmental requests by City Manager, Assistant City Managers, Department Heads and Budget Office staff. Reviews will be scheduled daily. Departments should try to leave their schedules open.
March 27, 2018	City Council work session: Budget Outlook
April 6, 2018	Budget should be finalized and balanced based on recommendation of the City Manager.
April 20, 2018	Proposed Budget should be printed and notice of Public Hearing completed
April 23, 2018	Proposed Budget presented to City Council and press
April 24, 2018	Public Hearing on the Budget and Budget discussion at the City Council Meeting.
May 17 & 29, 2018	Budget Work Session. - <i>(Note: these work sessions were originally scheduled but during the Public Hearing at the April 24, 2018 Council meeting the City Council decided that they were satisfied with the budget as presented and they voted to cancel both work sessions).</i>
June 5, 2018	Adoption of the FY 2019 Budget.

Budget Preparation & Amendment

Balanced Budget Requirement

North Carolina law requires cities and counties to adopt a balanced budget at the start of each fiscal year. According to G.S. 159-8, “A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.” The City of Gastonia’s Fiscal Year 2018-2019 budget is balanced in accordance with the law.

Amending the Budget

The budget ordinance as adopted by the City Council may be amended in several ways: (1) line item transfers within a budget appropriation, or transfers between appropriations, (2) transfers between funds and (3) increases or decreases in revenues and/or expenditures. Procedure (1) can be approved by the Budget Administrator if it does not involve salary or travel and is less than \$10,000. The City Manager or his designee will approve transfers more than \$10,000 and using salary or travel accounts. Procedures (2 & 3) can be approved only through City Council action.

Transfers Between Budget Appropriations (Procedure 1) To transfer funds within an appropriation, the requesting department requests a budget transfer number from the Budget Office, then enters a Budget Adjustment in the Eden Financial system, showing the account description, account number to be transferred to and from, the amount to be transferred and a reason for the transfer. Once the department head or their designee approves, the transfer is sent electronically to the Budget Office. The transfer is then reviewed by the Budget Office for compliance with the current policies. The Budget Administrator approves and if required, the transfer is electronically sent to the City Manager for approval. If the transfer is more than \$10,000 and/or utilizes salary or travel line items, it will be forwarded to the City Manager or his designee for approval. After approval, the request is posted into the general ledger system and the requesting department is emailed a notification that the transfer has been processed.

Transfers Between Funds and Fund Appropriation Increases and/or Decreases (Procedures 2 & 3) A budget ordinance amendment which results in either an increase or decrease in a fund's total budget or to transfer monies between funds require City Council approval. For example, if revenue is received during the fiscal year that was not included in the original adopted budget, the City Council may appropriate this revenue and budget a corresponding expenditure for a stated purpose. Additionally, the City Council may elect to transfer, contribute to or reimburse one fund from another fund for a stated purpose. In any of these instances an increase in the fund's budget is the result. To process these amendments, the department completes a budget amendment form and forwards this form to the Budget Office along with a memo. Once received, the Budget Office will have the City Manager sign and we will enter the item in the Granicus system (agenda software) for presentation to the City Council. After Council deliberation, if approved, the Budget Amendment is filed with the City Clerk and returned to the Budget Office to complete the process of updating the general ledger.



Financial Policies

In recent years, changing conditions along with the demand for increased services, have forced a reevaluation of the role of local governments. As public officials, we are charged with the responsibility of ensuring that all local governmental services are provided in the most efficient and effective manner possible in order to maximize available resources. The budgetary process allows for the accumulation of financial and performance information relative to these services and provides the tools necessary to analyze the merits and cost implications of each.

The City of Gastonia's financial policies set forth basic guidelines for the overall fiscal managements of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist in the decision-making process of the City Council and City Administration and guidelines for evaluating both current activities and proposed future programs.

- City Council provides general guidance through the adoption of the annual budget while the City Manager is given the maximum flexibility to implement the budget throughout the fiscal year. To this end, City Council has adopted a series of policies designed to give the Manager authority to, among other things, transfer of funds within appropriations to meet changing operational needs and to move personnel positions during the year throughout the budget so long as total authorized headcount is not exceeded.
- The budget process places emphasis on those personnel and management issues of critical importance to the City's fiscal health: Employee relations, office automation, implementation of new technologies, long-term work force planning and management incentives. In doing so, it provides for adequate levels of funding for all retirement systems and maintains the principle of avoiding layoffs to balance the budget by planning personnel reductions to come from attrition whenever possible.
- Generally, expansion of existing service and programs, or the addition of a new service or program is considered in the proposed budget only when a new revenue source can support the ongoing costs or when the requesting department can identify an existing service or program which can be reduced or eliminated.
- The City shall monitor departmental expenditures on a monthly basis to ensure conformity to adopted budgets and prepare monthly financial reports on all major funds comparing actual revenues and expenditures to budgeted amounts. This report shall be presented to City Council at public session.
- Where possible, the City shall combine performance measurement and productivity indicators with the budget to enable the ongoing analysis of operating effectiveness and efficiency.
- The City shall avoid budgeting practices or procedures that balance current period expenditures at the expense of future years' revenues or that utilize one-time revenues for on-going expenditures and it shall be general policy not to use prior year Fund Balance for operating and other on-going expenditures.
- The budget shall provide for the satisfactory maintenance of capital facilities and equipment, and for their orderly replacement.
- The Operating and Capital Budgets shall fully describe the major goals to be achieved by department and the services and programs to be delivered based upon the levels of funding anticipated or provided. They shall also provide brief descriptions

Financial Policies

Revenue Policies

- The City shall make every attempt to maintain a diverse and stable revenue base to shelter it from short and long-term fluctuations in any one-revenue source.
- The City shall project its annual revenues through an analytical process using historical data and conservative approaches for estimating future revenues.
- The City shall establish user charges and set fees for services for its enterprise funds at a level that fully supports the total direct and indirect costs of the activities. The City shall review these, and all other fees/charges annually and modify them as necessary. Special care should be taken to include those costs associated with capital outlay and bond retirement and allow user charges to grow at a rate that keeps pace with the cost of providing the service.
- The City shall follow aggressive policies to ensure the highest collection percentage for delinquent City revenues.

Reserve Policies

- The City minimum unassigned Fund Balance Policy for the General Fund and Enterprise Funds instructs management to conduct the business of the City in such a manner that unassigned available fund balance equals 25% of budgeted expenditures for the General Fund and 30-days of operating expenses for the Enterprise Funds.
- The City shall respect the integrity of fund balances and allow each enterprise fund to retain all excess earnings as fund balance.

Accounting, Auditing and Financial Reporting Policies

- An independent audit shall be performed annually.
- The City shall produce a comprehensive annual financial report in accordance with Generally Accepted Accounting Practices (GAAP) as outlined by Governmental Auditing, Accounting and Financial Reporting (GAAFR).
- The City shall maintain accounting control systems to ensure the safety of all assets held in the public trust and staff shall perform periodic unscheduled audits of all City departments that handle cash and negotiable instruments in the course of daily activities.

Investment Policies

- The City shall make a cash flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled such that investment capabilities are maximized and guidelines set forth under North Carolina General Statutes.
- The City shall invest funds by using specific, but flexible, investment strategy to secure high returns of income on cash flows that are in excess of current needs and, when permitted by law, will pool cash from several funds to maximize its potential earnings. Investments will be structured according to the City's overall financial condition in anticipation of financial opportunities and obligations.

Financial Policies

- The City's accounting system will provide regular information concerning cash position and investment performance and will allow earnings to be reflected monthly on financial reports.

Debt Policies

- The City shall confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues and where the issuance of long-term debt is required, it will repay the bonds within a period not to exceed the expected useful life of the project.
- The City shall attempt to keep average maturity of general obligation bonds at or below 20 years.
- When possible, the City shall use special assessment, revenue, or other self-supporting bonds.
- When approving bonds for capital projects, Council shall increase the needed revenue for debt service at the time the project is approved.
- The City shall not incur long-term debt to support current operations.
- General obligation debt shall not be used for enterprise activities.
- The City shall maintain a sound relationship with all bond-rating agencies and will keep them informed about current capital projects and other important fiscal events. Appropriate City staff shall endeavor to visit each agency and/or arrange for a local visit by agency officials once per year.

Capital Improvement Budget Policies

- The City shall maintain the fiscal integrity of the City's operating, debt service and capital improvement budgets in order to provide services, construct and maintain public facilities, street and utilities.
- The City shall make all capital improvements in accordance with an adopted capital acquisition program.
- The City shall develop a five-year plan for capital improvements, with proposed funding sources identified for each project. The plan should be updated and extended annually.
- The City shall coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities as well as planning for future needs.
- The City shall use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.
- The City shall attempt to maintain all its assets at a level adequate to protect the City's capital investment, to minimize future maintenance and replacement costs, and to maximize operating efficiency.
- The City shall maintain a responsible and prudent fiscal condition to minimize long-term interest expense when financing capital improvements with an ongoing systematic bonding program, which spreads the costs of the improvements to benefiting citizens, present and future.

Financial Policies

Intergovernmental Policies

- The City shall continuously review its programs and procedures in light of savings or other efficiencies to be gained through cooperation and consolidation opportunities with the County and the surrounding municipalities.
- The City shall take advantage of public private grant opportunities that support approved programs and projects.
- The City shall maintain and enhance, where appropriate, incentives for surrounding municipalities to abandon their water/sewer systems and become long-term utility customers of the City.

Deposits

All deposits of the City are made in board designated official depositories and collateralized as required by General Statute 159-31. The City may designate as an official depository any bank or savings and loan association whose principal office is located in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All of the City's deposits are either insured or collateralized by using one of two options. Under Option 1, all deposits over the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's name. Under Option 2, a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name to the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using Option 2 report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City under Option 2, the potential exists for undercollateralization, and the risk may increase in periods of high cash flow. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each Option 2 depository. The City utilizes one official depository which collateralizes public deposits in excess of the allowable federal insurance coverage by the Option 2 method.

Investments

G.S. 159-30 (c) authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Cash Management Trust, an SEC registered mutual fund. [Investments are stated at market value.] The City pools monies from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all enterprise fund cash and investments are essentially demand deposits and are considered cash and equivalents.

Financial Policies

Budgetary Control

The City's Financial Management System provides for excellent fiscal management. Through utilization of budgetary accounting methods, effective budgetary control and accountability can be maintained. The annual budget is adopted as required by state statute. An annual budget ordinance, which is adopted at the function level, authorizes and provides the basis for the City's financial management plan. The adopted appropriations constitute the maximum expenditure authorization during the fiscal year and can only be amended by action of the City Council. Project ordinances are adopted for capital project funds and are appropriated for the life of the project as well as Community Grant funding which is a multi-year funding. The basis for budgeting is a cash basis.

Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the capital project funds. However, accounting control is exercised at the line item level by encumbering purchase amounts prior to the release of purchase orders to vendors. Purchase orders which would result in an overrun of line item balances are not released until additional appropriations are made available. Open encumbrances are reviewed at year-end, and, if deemed appropriate to carry forward, are treated as commitments, rather than expenditures, and such encumbered funds are appropriated for expenditure in the subsequent fiscal year.

Basis of Budgeting and Budget Structure

The City of Gastonia does not distinguish between the Basis of Budgeting and the Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process. A fund's Basis of Budgeting and Basis of Accounting determines when a transaction or event is recognized within a fund's operating statement. All funds are maintained on a Modified Accrual Basis in accordance with the North Carolina General Statutes.

Long-Range Planning

Gastonia has become a model for long-range and strategic planning in all areas of city government. The City's long-range planning process is citizen driven. The City has a long tradition of acknowledging the importance of citizen participation which can be a key to enriching the quality of life within the City. The City has a variety of boards and commissions and residents are encouraged to serve to provide insight on the policies that help guide and support their government and their city. Currently the Community Development Citizens Advisory Board, Gastonia Planning Commission, Recreation Advisory Commission, Stormwater Advisory Commission, Tourism Development Authority and Zoning Board of Adjustment are some of the Boards and Commissions that help shape the future for Gastonia.

2025 Comprehensive Plan

In the year 2025, Gastonia will be a great place, with great people, and great promise. We already have a strong and



diverse economy, an efficient and fiscally responsible government, a vibrant central city, a high quality environmentally sustainable transportation system, and diverse neighborhoods. Our area has a high quality of life, characterized by the efficient delivery of public services, combined with land use planning that promotes sustainable development principles. There is a strong sense of community and we are knowledgeable about our cultural and historic resources, and scenic assets, which we strive to preserve and enhance. We have outstanding recreational amenities with linkages to a comprehensive system of greenways and trails, bike paths and walkways, and livable streets.

The Gastonia of 2025 confidently navigates regional and global challenges pertaining to the national economy, housing, energy, and sustainability. We are working hard to implement our comprehensive plan, understanding that implementation is a collaborative effort requiring innovative public and private partnerships. To manage Gastonia's future wisely, we need a shared vision of what we want to attain for ourselves, our children and our future generations – and then direct our actions toward achieving that vision. This vision must seek to balance a wide array of community needs, objectives, and realities. It must be both idealistic and practical – reflecting our highest ambitions, while taking into account the social, economic, political, geographic, and environmental realities we are likely to face in the future.

The comprehensive plan is a tool to achieve these goals. It serves as a long-range vision of what we want our city to become, as a tool for making decisions to achieve that vision, and as a specific program of action for reaching the stated objectives. The *Gastonia 2025 Comprehensive Plan: Our Place in the Future*, has two phases. The first phase was made up of the formulation of 11 “key guiding principles” that became the plan's foundation as it was being written. The second stage involved writing the actual plan, which includes goals and objectives to achieve the key guiding principles and land use analysis by sector.

Long-Range Planning

A steering committee of 25 people from throughout the community led the process, receiving technical support from the Planning Department. The final topic was reviewed during summer 2005 with sector analysis starting immediately thereafter. On May 17, 2011, City Council adopted the 2025 Comprehensive Plan. The plan is an evolving document that compiles information, community dialogue, and preferred public policy choices for the City through the year 2025. The Plan establishes a vision for the City (as established by the citizens), and will guide policymakers as they make decisions about the physical, social, and economic development of the community.

Sidewalks, Bikeways and Greenways Plan

The City has taken a proactive measure to sidewalk construction over the last few years by passing General Obligation (GO) bonds for street and sidewalk construction. The City of Gastonia currently has about 132 miles of existing sidewalk, and approximately 4.6 miles of greenway trails. Our Greenways are the Avon and Catawba Creeks Greenway, which is approximately 3 miles long and connects Lineberger Park to Ferguson Park, and the Highland Rail Trail, which starts near the Gastonia Police Department on Long Avenue and continues past Sims Park with future plans to connect to Rankin Lake Park.



Parks and Recreation Facility Master Plan

In 2016, the City Parks and Recreation Department completed several park renovations and sidewalk projects utilizing funds from the Gaston County Township Grant and Community Development Block Grant (CDBG) Program. These projects enhanced community connections to local community centers.

In May 2017 both the Smyre and IC Falls Parks underwent significant changes and celebrated grand re-openings and dedications. Smyre Park has 2 new playgrounds at Smyre Park, one for 2-5 year olds and another one for 5-12 year olds. The park also received new park benches, picnic tables and trash receptacles. Landscaping and stream restoration was also completed at the park. IC Falls also has 2 new playgrounds, one for 2-5 year olds and another one for 5-12 year olds. Also new paved track, renovated ball field, basketball court, new parking area, shelter renovations, new picnic tables, park benches and trash receptacles. Both of these parks are considered to be two of the finest neighborhood parks in the County. Local businesses, churches and residents are excited about the new opportunities that these renovations have brought to the community.



Long-Range Planning

Erwin Community Center also benefited from the Gaston County Township Grant and CDBG along with City funds to construct a splash pad, picnic shelter, renovations to outdoor basketball court, renovations to pool house, landscaping and new park amenities. Funding for sidewalk enhancements, outdoor restrooms and the paving of the walking track came from CDGB funds. The replacement of the 30+ year old gymnasium floor was paid with City funds. Other sidewalk enhancement projects funded by the CDBG Program are the Bradley Community Center and T. Jeffers Community Center sidewalk extensions and the Ferguson Park/Marietta extensions.



as well.

The Avon Creek Greenway parking area was completed with the \$300,000 donation from Gene Matthews. Outdoor fit equipment was installed at the trail head as well as the Gastonia Rotary donated a pedestrian and dog water fountain for the area



Tennis court renovations at Phillips Community Center, Ferguson Park and Ashbrook High School were completed in 2015 and the tennis courts at Bradley Community Center were completed in 2017.

In April 2018, the City's Parks & Recreation Department, in conjunction with the Recreation Advisory Board and the Citizen's Advisory Committee, has begun planning for a new 10-15 year Comprehensive Master Plan. This plan will be a comprehensive analysis of current Parks and Recreation facilities and programs, current trends and issues in recreation demand. It will also include goals and objectives for future recreational decision making.

The FUSE (Franklin Urban Sports Entertainment) Project, Comprehensive Master Plan and Park Planning will be considered a priority in the long range planning of recreational opportunities.

Economic Development

Gastonia has taken a new step in economic development in 2017 with creation of its first Economic Development Department. Led by an Economic Development Director, this department will develop and execute a plan to transform Gastonia into the western gateway into Charlotte and a destination to "live, work, play." A main focus during this initial year has been on promoting and advocating for greater transportation connectivity to Charlotte and the Charlotte International Airport. Gastonia has partnered with Gaston County, the Greater Gaston Development Corporation and other municipal and private partners to conduct an economic development study of Gaston County in relationship to the Charlotte International Airport and how to capitalize on its expansion.

The most notable project is Gastonia's new Franklin Urban Sports & Entertainment (FUSE) district. This visionary project is located in the former Trenton Mill neighborhood and will serve as a catalyst for redevelopment. The FUSE district will be anchored by a new multi-sport and entertainment venue that will be home to the Gastonia Grizzlies baseball team. Property

Long-Range Planning

acquisition has been completed and the project is in the design phase. Gastonia is plans on actively promoting redevelopment along the Main Avenue corridor west to reach the FUSE District.



Webb Custom Kitchen has grown in their first two years open into a regional destination with its up-scale menu and movie-themed decor. This success has led the investors of Webb Custom Kitchen to acquire additional Downtown property for a new high-end art gallery and cooking school. The \$1.5 million renovation to another historic building to house the business district's third large antique mall became the catalyst for highlighting downtown as an emerging arts & antiques district.

Gastonia has aggressively worked with property owners of fading retail areas to look at ways for promoting growth and redevelopment. This includes both Eastridge Mall and Akers Center shopping center. A thorough economic development study was done for Highway 7 that runs east/west through Gastonia. This corridor serves as an entrance into our Downtown and connection to the FUSE district. This study will allow better positioning moving forward to develop this area.



In 1997, The Partnership for Economic Growth, a council citizens committee, proposed that the City purchase and develop a new 300+ acre industrial park to ensure sufficient industrial growth for the City into the 21st century. The



Council secured three-year options on almost 400 acres of land surrounding Gaston College for the site. Early in 1998, the City transferred their options to Gaston County for development of the park through their Economic Development Office. The Gastonia Technology Park (GTP), the area's premier international business park is now at almost full build-out but several of the existing industries have already begun expansions. Lanxess has expanded with additional warehouse space and a new production line. Dixon Quick Coupling has also expanded from their original operation and although, Owens Corning is newly open, it is planning for additional investment and expansion.



Utility Strategies

In addition to the traditional budgetary planning tools used by the City's Water/Sewer and Electric utilities, both systems have implemented forward looking programs to address long-term issues.



Water and Sewer Combined Utilities

The City currently provides water service to the Town of Ranlo, the City of Lowell, the Town of McAdenville, the Town of Clover, and the Spencer Mountain Village in the Town of Dallas. The City has emergency water connections with the Town of Dallas, The City

Long-Range Planning

of Bessemer City and the City of Belmont. The City also provides sewer service to Bessemer City, the Town of Ranlo, the City of High Shoals, the Town of Clover, The Town of Stanley, portions of the Town of Lowell, the Spencer Mountain Village portion of the Town of Dallas, and portions of the City of Kings Mountain. The water and sewer services are provided through municipal agreements. With the loss of many textile customers in the early 1990's, the City has excess capacity at the Water Treatment Plant and at three Wastewater Treatment Plants. In an effort to increase the economy of scale for the water and sewer utility operations for the City of Gastonia, discussions concerning regionalization of utility systems continue with some of the municipalities in the County.

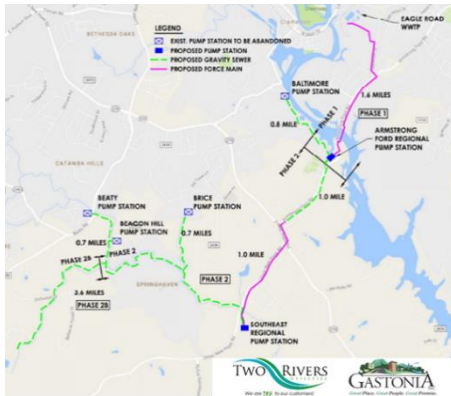
The City consolidated systems with the Town of Cramerton, creating Two Rivers Utility (TRU). Utility consolidation studies with the Town of Dallas and the Town of Ranlo have been completed. TRU has entered into an agreement with the Town of McAdenville to operate their water system, sewer system, and Wastewater Treatment Plant. The South Fork Phase II Regional Sewer Project is a regional sewer system project with the Town of McAdenville and Pharr Yarns, LLC to connect their sewer systems to the Duhart Creek Pump Station. This will allow the Town of McAdenville and Pharr Yarns, LLC to decommission their wastewater treatment plants and remove two wastewater discharges from the South Fork River. This project is currently under construction. TRU partnered with the Town of Stanley on a wastewater project that connected the Town of Stanley to the High Shoals sewer line and allowed Stanley to decommission their wastewater plant. Phase 2 of the Stanley Sewer Project was recently completed which sends the remainder of Stanley's wastewater flows to the TRU System for treatment.

TRU is currently undertaking the first phase of the Water Treatment Renovation Project which will restore the plant capacity to 27.3 MGD. The improvements are being constructed in a multi-phase project to allow the water plant to remain in operation while the upgrades are completed. The renovation project includes membrane filtration which will improve the water quality and allow the City to meet future regulatory requirements. The improvements will allow a future re-rating of the filters to provide additional treatment capacity with little additional cost to take the City of Gastonia into the future.



Long-Range Planning

Much of the development in Gaston County is in the southeastern part of the county. This area is currently outside the sewer service area. The South East Sewer Update Study was completed to look at options to serve the southeastern portion of the county. A multi-phased approach was selected and the first phase of the South East Sewer Project is currently under design. The design includes pump stations that can be expanded and parallel lines that can be installed at a later date as growth happens to reduce the initial capital cost. The construction of the project may include developer participation. A special fee is being developed for the area served by the South East Sewer Project so that the development in the area will pay fees to help cover the debt service for the project.



Electric Utility

The City of Gastonia Electric Department operates and maintains its electrical system in a manner to provide satisfactory service for all citizens at a fair and equitable cost. In addition, the department will implement all major goals and objectives to provide for electric system reliability and infrastructure improvements.

The City of Gastonia owns the municipal electric system and is a member of ElectriCities of North Carolina and a member of Municipal Power Agency # 1. The City Electric Department currently serves approximately 27,500 customers through 485 miles of 15 KV distribution lines and 11 power substations. The City of Gastonia Electric also maintains 75 miles of fiber optic lines throughout the service territory. The City buys power wholesale and distributes it to customers within the City and supplies an average of 56,281,500 KWH per month with a peak KW of 175 MW.



The City's newest substation is located in the Gastonia Technology Park and is dedicated solely to the new industrial load inside the park boundaries. This substation came on-line in the 4th Quarter of 2017. This substation will also serve as a backup power supply for the Rankin Lake Substation. Rankin Lake substation serves residential and industrial load surrounding the 321 corridor and northwestern portion. The expected growth in the southeast portion of the service territory will determine where the next new substation will be constructed.

There are three types of major providers of electricity at the retail level in North Carolina. (i) municipalities, (ii) power companies (Duke), and (iii) electric membership corporations (REA). Legislation entitled, the 1965 Electric Act, dictates how municipalities, power

Long-Range Planning

companies, and electric memberships compete for new electric load within cities or newly annexed areas. The North Carolina law grants a supplier of electricity exclusive rights to sell to customers wholly within 300 feet of an existing electric line. Because Gastonia is surrounded by other suppliers, Gastonia's Electric Division is frequently engaged in competing for new loads along the outskirts of our grid.

The costs of energy and fuel have stabilized in recent years. As a result, the City of Gastonia has been able to avoid rate increases since 2014. The Electric Department is well equipped to manage growth in the city as well as future expansion of services to high growth and newly annexed areas in order to keep down costs passed on to ratepayers.

While the pressure to increase electric rates has subsided, the trend is to simplify rates to make it easier for customers to understand the power bill. Furthermore, with the growth in the renewable energy market, the Electric Department is reviewing and revising the rate structure to ensure the costs of owning and operating the grid are properly allocated.

The Electric Department plans to conduct cost-of-service studies every the 3-5 years, depending on market conditions. Such studies will ensure that electric rates stay on-target to cover operating costs and allow for adequate capital reserves to finance growth and technology upgrades.

As the economy improves it is becoming more difficult to attract and keep line-workers. Therefore, Electric has implemented a Line Worker Career Development Program. New hires are enrolled immediately and current employees are enrolled in classes based on their tenure and expertise.

Electric also has plans to develop and implement a succession plan to fill key administrative positions as they open up.

Line-workers and other electric employees meet monthly to review OSHA regulations and promote safety. Electric employees are also kept current on CPR, basic first aid, work zone safety, flagging, working in confined spaces, pole-top rescue and other safety-related topics.



Electric plans to continue reviewing advanced metering infrastructure (AMI) platforms as the technology improves and the cost come down. Plans are also in place to implement a restorative feeder automation / self-healing system to improve reliability by shortening outage durations.



Organizational Design







City of Gastonia

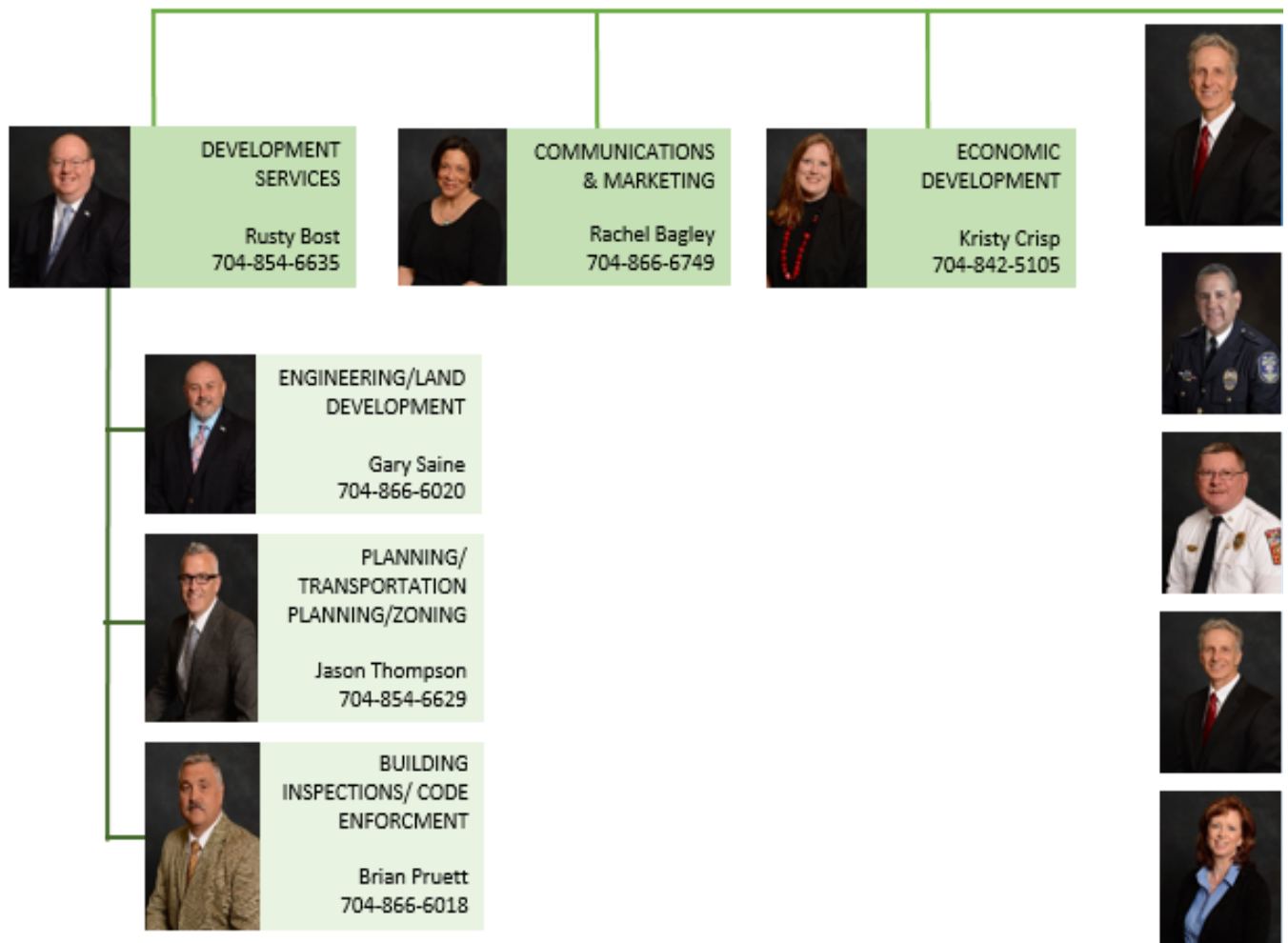
CITIZENS

CITY CLERK

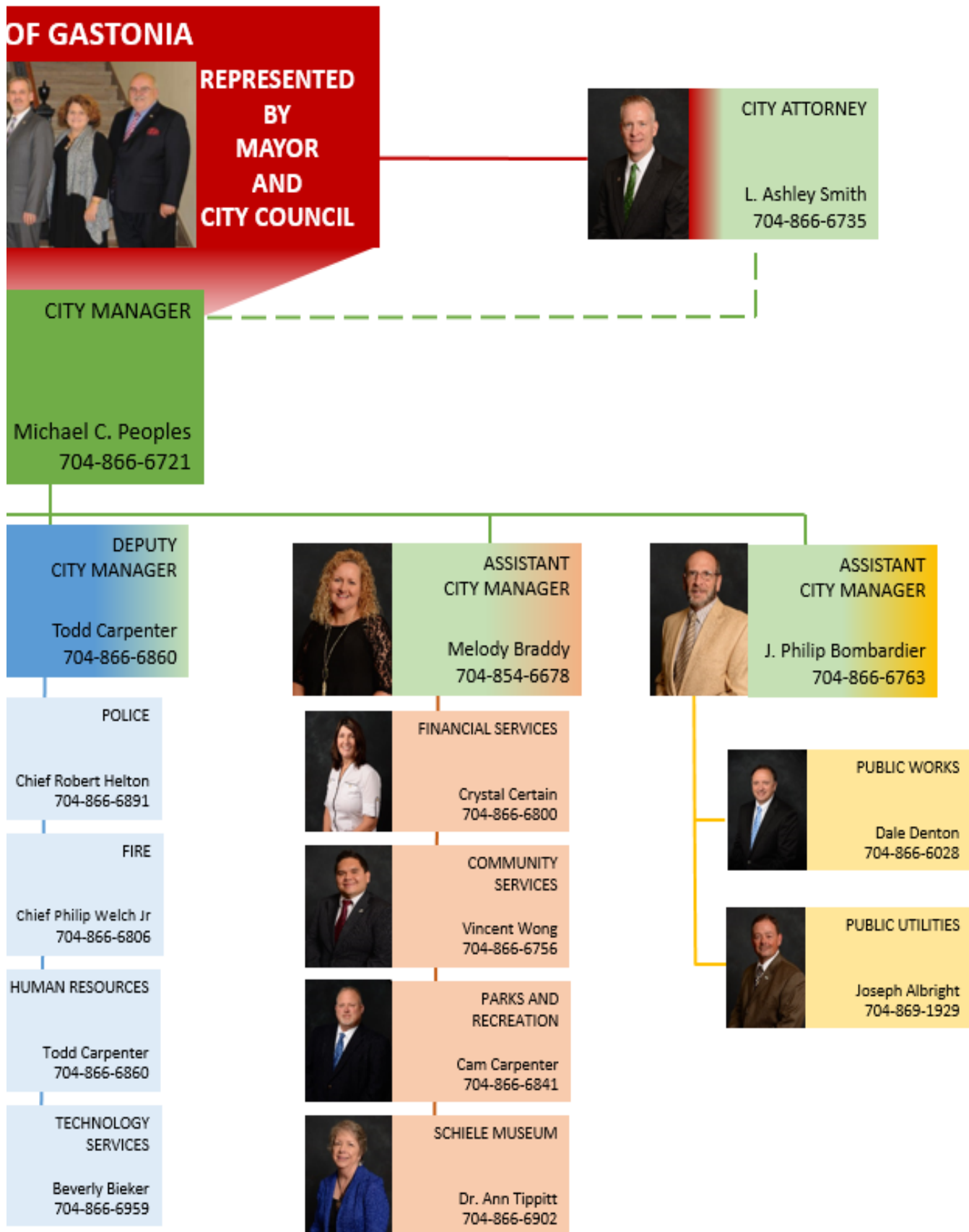
Sherry Dunaway
704-866-6719



The City of Gastonia operates according to the Council-Manager form of government, where a professional City Manager serves at the pleasure of the City Council as chief executive of the organization. The City Manager is responsible for all City personnel, with the exception of the City Attorney and the City Clerk, who are also appointed by the City Council. The City Manager provides functional supervision for the City Clerk.



North Carolina



Human Resources



The FY 2019 Budget contains funding for an organization whose workforce size has increased over the past decade.

The chart at the bottom of this page depicts changes in budgeted positions and human resources costs. The net change in the number of budgeted positions reflects an increase of 17 positions since FY 2012. During this same period, the City has continued to grow geographically and in population. This clearly demonstrates a rather remarkable effort at controlling the increase of staff resources.

In the budget, the average cost of salary and fringe benefits for each full time employee is approximately \$69,298 per year. Consistent management of the size of the City's work force is a critically important factor in controlling not only the cost of human resources but the entire City budget.

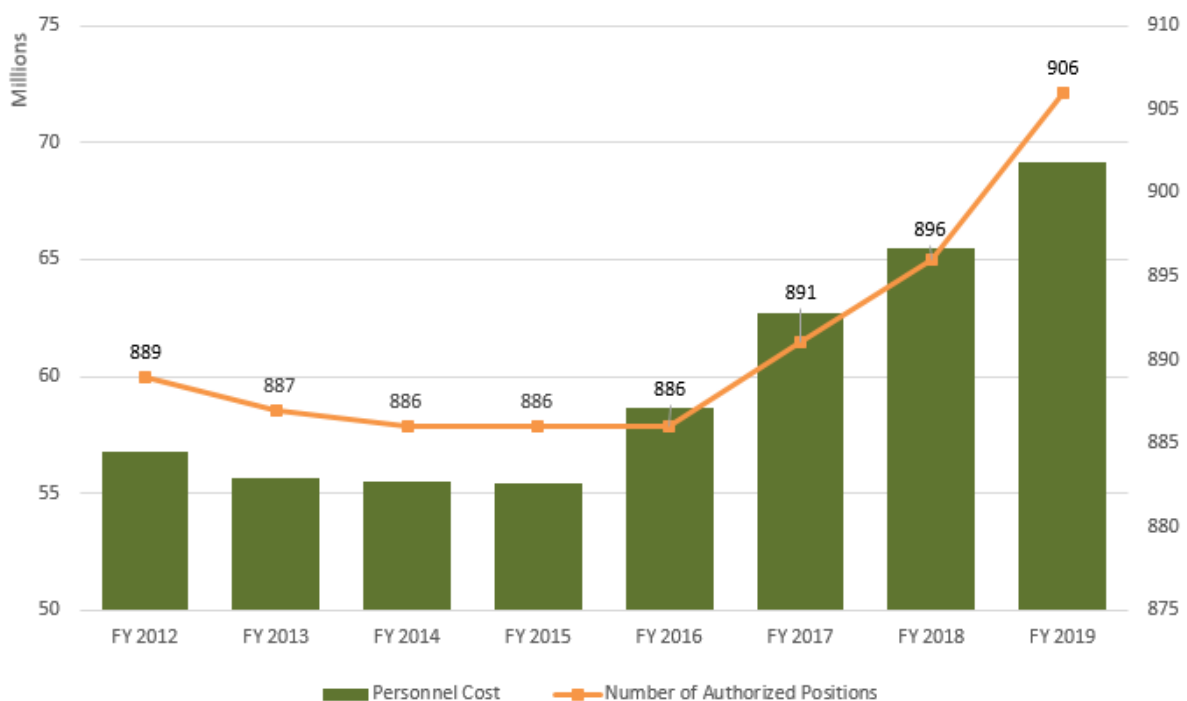
The FY 2019 human resources budget is comprised of the following components:

*All employee medical, life and dental insurance coverage's are included as well as funding for retirement, F.I.C.A. and all budgeted overtime.

*A Christmas Bonus of 3.50% of salary with a \$350.00 maximum.

*Funding for an increase for all employees based on years of service: 2.5% with 2 years or less; 2.75% with between 2-5 years; 3.25% with between 5-10 years; 3.75% with between 10-15 years and 4% for employees with over 15 years of service.

Cost of Human Resources for Recent Fiscal Years in Millions of Dollars



Authorized Positions

Department		FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
City Management				
110-420	City Manager	3	3	3
110-471	City Attorney	3	3	3
110-469	Assistant City Manager	1	1	1
110-432	Deputy City Manager	1	1	1
Communications & Marketing				
110-411	Communications & Marketing	1	1	3
Financial Services				
110-415	Budget	2	2	2
110-440	Accounting	7	7	7
110-441	Accounts Receivable	6	6	7
110-442	Meter Services	12	13	13
110-443	Purchasing	3	3	3
110-445	Warehouse	2	2	2
110-449	Administration	2	2	2
110-451	Parts Inventory	2	2	2
110-452	Revenue Administration	2	2	2
110-460	Customer Service	9	10	10
Human Resources				
110-421	Human Resources	8	8	8
Economic Development				
110-492	Economic Development	0	1	3
Technology Services				
881-423	Administration	1	1	1
881-424	Data Processing	2	2	2
881-426	Telephone Communications	1	1	1
881-427	Computer Support	6	5	5
881-428	Database Administration	2	2	2
881-429	GIS Administration	2	2	3
881-438	CIS Applications	4	4	3
881-439	Support Administration	2	2	3
881-444	Radio Communications	11	11	10
881-453	Core Server/Domain Support	1	2	2
881-516	M.I.S.	5	4	4

Authorized Positions

Department		FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
Fire				
110-530	Administration	4	4	4
110-531	Fire Prevention	6	7	7
110-532	Operations	130	130	132
110-533	Training	1	1	1
Police				
110-509	Investigations	41	42	39
110-510	Administration	6	6	5
110-514	Field Services	129	128	132
110-515	Problem Analysis Research Center (PARC)	4	4	4
110-518	Support Services	6	6	7
110-520	ABC Enforcement	1	1	1
110-525	Police Records Bureau	13	13	13
Community Services				
110-493	Housing & Neighborhoods	2	2	2
110-590	Keep Gastonia Beautiful	2	2	2
110-595	Sister Cities	0	0	1
332-494	Transit Administration	2	2	3
332-495	Transit Operation	11	11	11
332-498	ADA Paratransit	4	4	4
621-720	Community Development Administration	1	1	2
621-721	Community Development Housing Rehab	1	1	0
624-719	Community Development Home Program	1	1	0
Development Services				
110-490	Planning	7	7	7
110-491	Transportation Planning	5	5	5
110-540	Building Support	11	12	12
110-551	Land Development	9	9	0
110-552	Engineering	15	17	26
Parks & Recreation				
110-572	Landscape Maintenance	6	6	0
110-596	Downtown Cleaning	2	2	2
110-620	Administration	4	4	4
110-621	Athletics	7	7	7
110-622	Roland Bradley Community Center	3	3	3
110-624	Erwin Community Center	3	3	3

Authorized Positions

Department		FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
Parks & Recreation - continued				
110-625	Phillips Community Center	3	3	3
110-626	Landscape/Maint. & Development	6	6	13
110-628	Adult Recreation Center	2	2	2
110-630	T. Jeffers Community Center	3	3	3
110-633	Martha Rivers Park	4	4	4
110-636	Rankin Lake	1	1	1
110-640	Cemeteries	4	4	5
330-572	Water & Sewer Landscape	3	3	3
Schiele Museum				
110-707	Collect/Research	2	2	2
110-708	Education	6	6	6
110-709	Exhibits	2	2	2
110-712	Administration	3	3	3
110-713	Operations	3	3	3
110-715	Programs	1	1	1
Public Works				
110-502	Building & Grounds	14	14	13
110-553	Equipment Services	16	16	16
110-559	Traffic Services	8	8	8
110-560	Street Supervision	3	3	3
170-570	Powell Bill	29	29	29
332-496	Transit Maintenance	4	4	4
335-580	Administration	2	2	3
335-581	Refuse Collection	30	30	29
335-585	Refuse Yard Waste	15	15	17
335-587	Refuse Recycle	1	1	0
336-578	Stormwater Utilities - Operations	5	5	5
336-720	Stormwater Utilities - Admin	3	2	2
Public Utilities				
330-720	Water & Sewer Administration	5	5	3
330-811	Water Supply & Treatment	21	20	21
330-812	Water & Sewer Customer Service	7	7	6
330-814	Water & Sewer Facility Maintenance	13	13	13
330-815	Water & Sewer Street Maintenance	5	5	5
330-818	Water Line Maintenance	20	22	22

Authorized Positions

Department		FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
Public Utilities - continued				
330-822	Sewage Treatment	43	42	43
330-828	Sewer Line Maintenance	21	21	21
331-720	Administration	9	9	9
331-820	Utility Locator	2	2	2
331-832	Electric Service	10	10	10
331-833	Electric Substations	4	4	4
331-834	Electric Street Lights	3	3	3
331-837	Electric Underground Construction	4	4	4
331-838	Electric Line Maintenance	5	5	5
331-839	Electric Line Construction	8	8	8
TOTAL		891	896	906

Appropriations by Areas



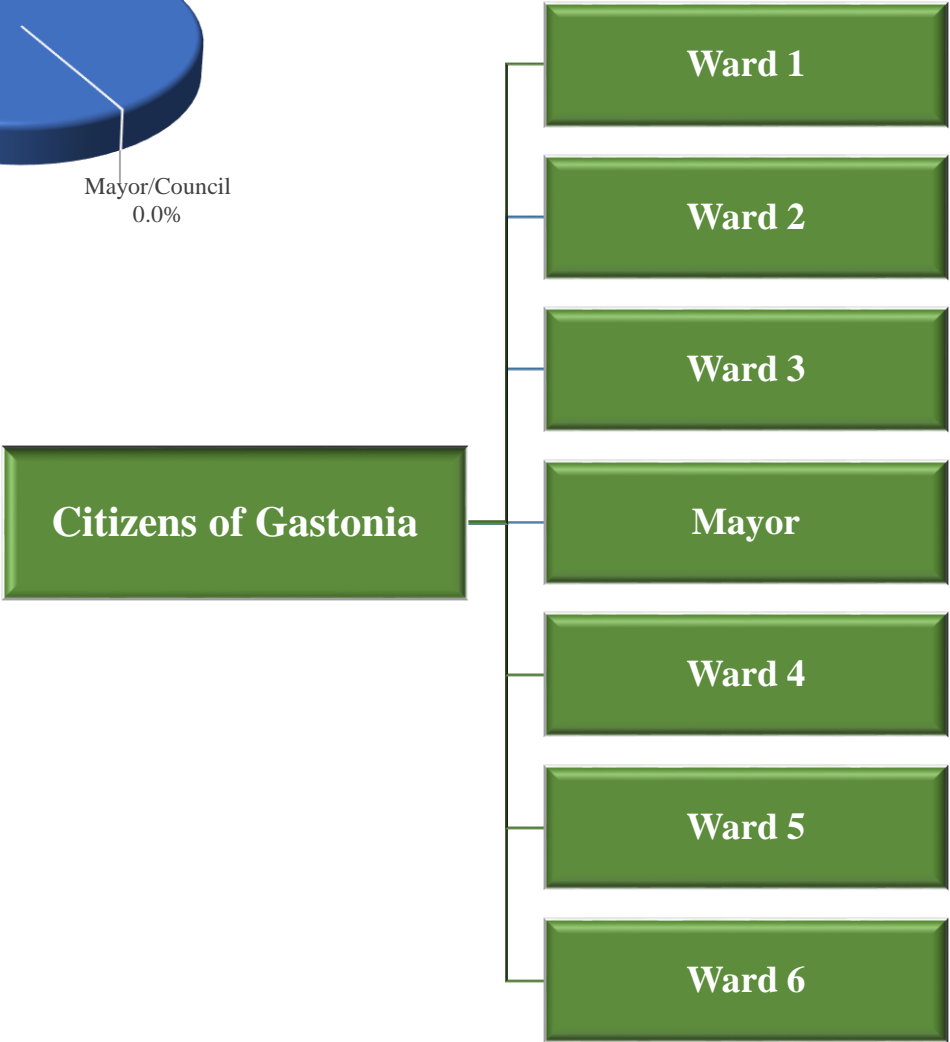
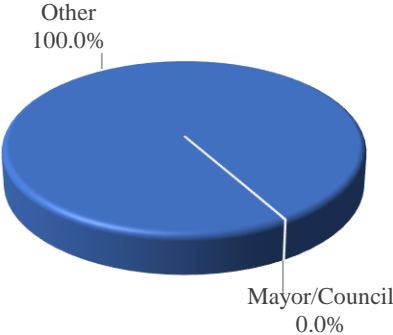




Mayor & Council



Human Resources Allocation





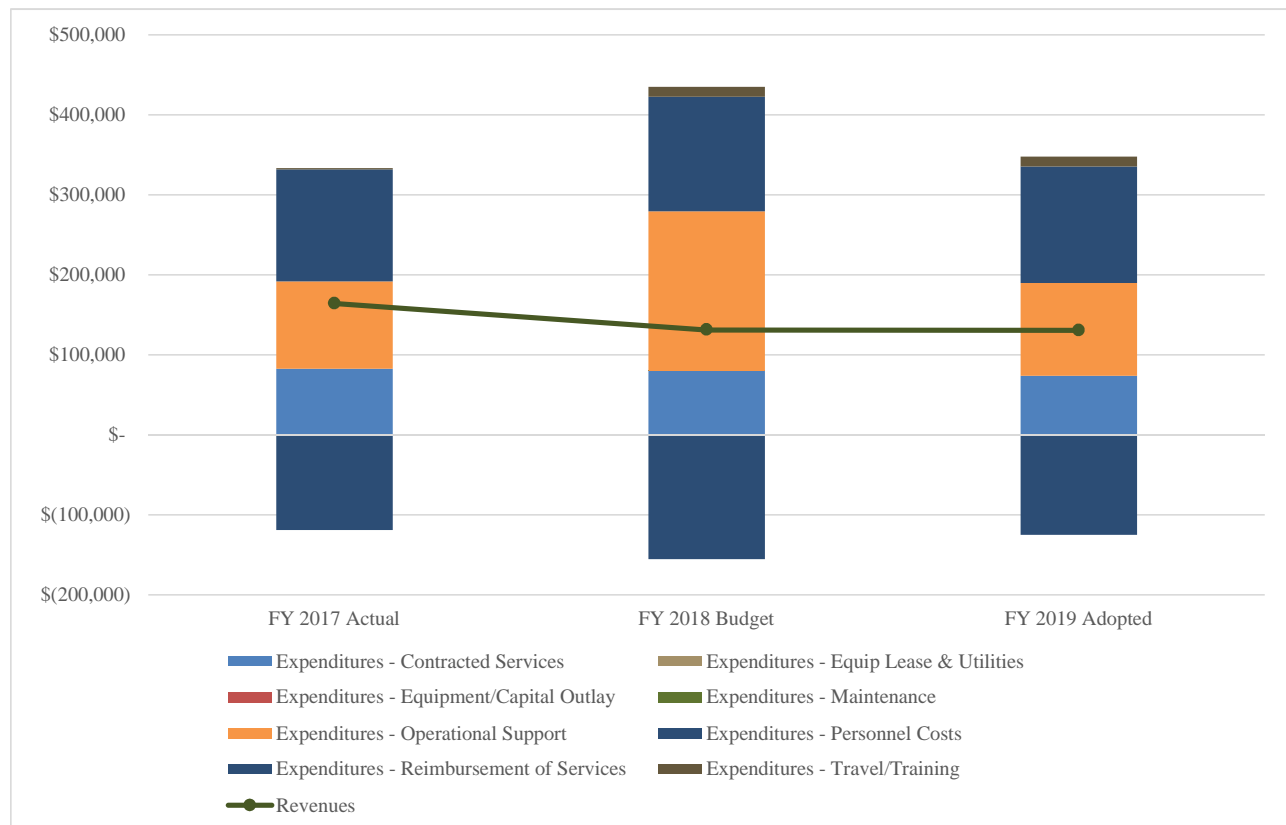
Mayor/Council

Walker E. Reid, III - Mayor

Department Mission

The City of Gastonia serves as a model for civic leadership as we engage our community of dedicated neighbors (Great People). We share a collective passion for personal safety, economic vitality, cultural richness, and overall sustainability (Great Place). Our distinct character is built upon rich and unique heritage and fueled by enthusiasm for the promise of a bright tomorrow (Great Promise). To provide fair, competent, responsive, cost-effective services at the highest level.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	82,899	79,890	73,900	(5,990)	-7.50%
Maintenance	0	215	0	(215)	-100.00%
Operational Support	109,161	199,597	116,225	(83,372)	-41.77%
Personnel Costs	139,739	142,917	145,326	2,409	1.69%
Travel/Training	1,573	12,500	12,500	0	0.00%
Total Expenditures	333,371	435,119	347,951	(87,168)	-20.03%
Enterprise Reimbursement	(118,814)	(155,315)	(124,707)	30,608	-19.71%
Total Revenues	164,029	131,324	130,760	(564)	-0.43%
Funding (+ or -)	50,529	148,480	92,484	(55,996)	-37.71%



Department Summary

The City of Gastonia serves as a model for civic leadership as we engage our community of dedicated neighbors (Great People). We share a collective passion for personal safety, economic vitality, cultural richness, and overall sustainability (Great Place). Our distinct character is built upon a rich and unique heritage and fueled by enthusiasm for the promise of a bright tomorrow (Great Promise). To provide fair, competent, responsive, cost-effective services at the highest level.

Budget Highlights

- Implementation of the second round of increases in the compensation plan for all employees based on an across the board increase to current salaries based on years of service which will increase market competitiveness and address salary compaction.
- An additional \$508,480 is appropriated for the Employee Health Insurance Plan and \$148,000 is budgeted for the City Employee Wellness plan.
- No increase of the Property Tax Rate.
- Provide funding for All-America City campaign, the Young Adults of Gastonia program, Diversity, Equity, and Inclusion Program, and comprehensive minute indexing system.
- No City Program Eliminated.

Goals

- Provide municipal government leadership which is open, responsive, and inclusive for all citizens.
- Promoting public trust, transparency, and confidence in the future of the City.
- Deliver excellent customer service in all City programs and services.
- Ensure that the City is financially responsible by maintaining adequate fund balances.
- Expand economic development in the City to grow the tax base and grow employment.
- Increase the proactive marketing and communications of the City to all citizens and employees.
- Work cooperatively with the private sector and other local governments.
- Provide the most effective and efficient municipal services possible.

Objectives

- Provide adequate funding for the basic operations of the City.
- Provide adequate funding for City facilities and equipment.
- Provide excellent customer service through effective and efficient programs and projects.
- Maintain adequate fund balances.
- Provide competitive compensation for employees.

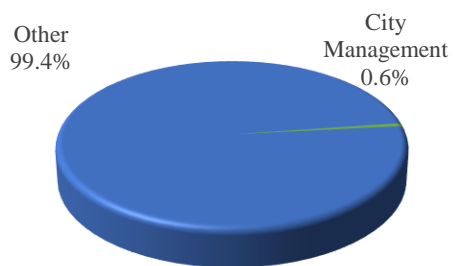
Objectives (continued)

- Maintain the City's existing infrastructure.
- Expand the City's infrastructure to promote economic development.
- Fund capital projects that enhance the City.
- Make improvement to neighborhoods and commercial areas throughout the City as funds are available.
- Look for opportunities to reduce the cost of municipal operations.
- Avoid a property tax increase.
- Limit fee increases to amounts necessary to provide acceptable City services.
- Look for opportunities to grow our local economy.

City Management



Human Resources
Allocation





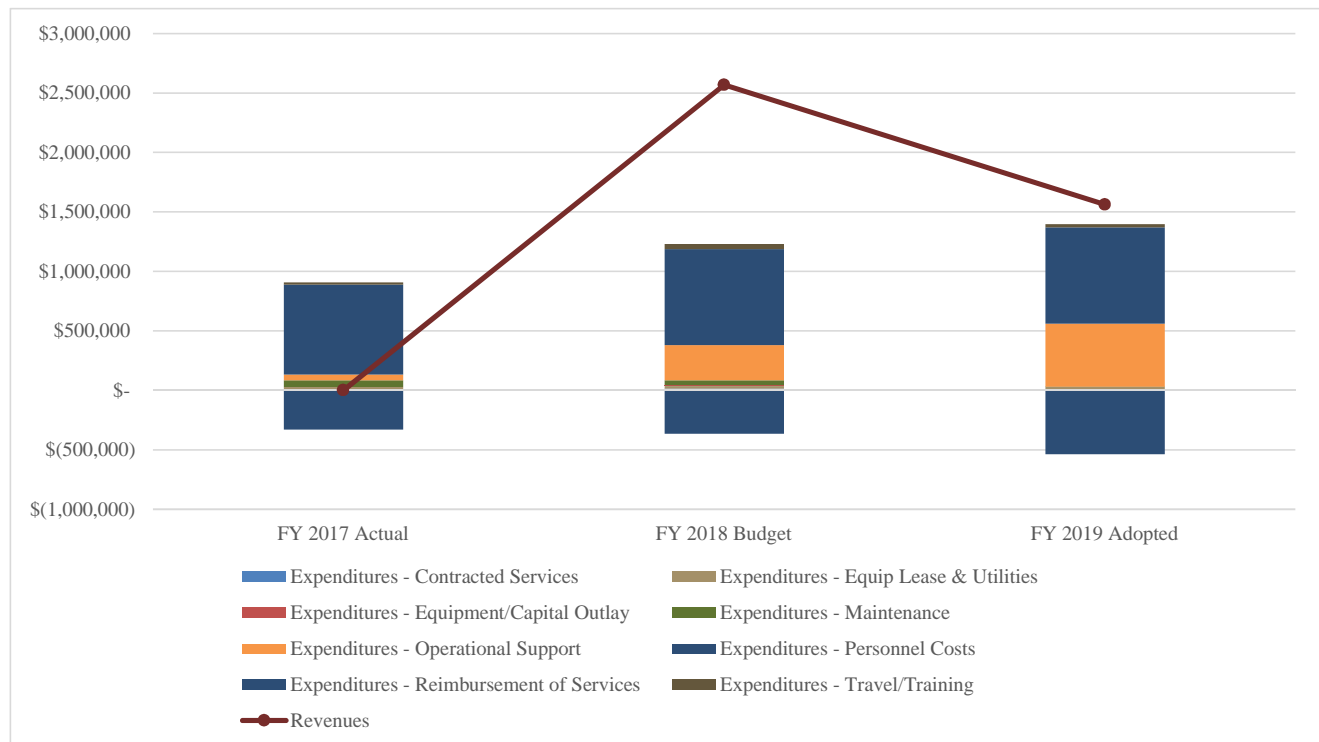
City Management

Michael C. Peoples - City Manager

Department Mission

The mission of the City Manager is to provide leadership and supervision to the City staff necessary for the cost-effective delivery of public services. The City Manager must consistently monitor and evaluate the City's overall progress in meeting the City's stated goals and objectives and, in turn, offer recommendations for improvement whenever necessary to achieve maximum results on behalf of City residents and taxpayers. The City Manager's commitment is to bring credibility, innovation, and professionalism to the ongoing management of the vast array of local government functions in order to best serve the needs of the community; to fully uphold the laws and regulations of the City; and to protect and preserve the rights and property of all citizens.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	10,142	15,747	11,100	(4,647)	-29.51%
Equip Lease & Utilities	18,935	22,381	20,500	(1,881)	-8.40%
Equipment/Capital Outlay	0	7,293	0	(7,293)	-100.00%
Maintenance	56,631	40,238	1,000	(39,238)	-97.51%
Operational Support	49,191	294,591	528,641	234,050	79.45%
Personnel Costs	754,227	807,969	810,427	2,458	0.30%
Travel/Training	20,161	44,356	26,038	(18,318)	-41.30%
Total Expenditures	909,286	1,232,575	1,397,706	165,131	13.40%
Enterprise Reimbursements	(329,430)	(362,521)	(537,145)	(174,624)	48.17%
Total Revenues	0	2,568,218	1,563,000	(1,005,218)	-39.14%
Funding (+ or -)	579,856	(1,698,164)	(702,439)	995,725	-58.64%





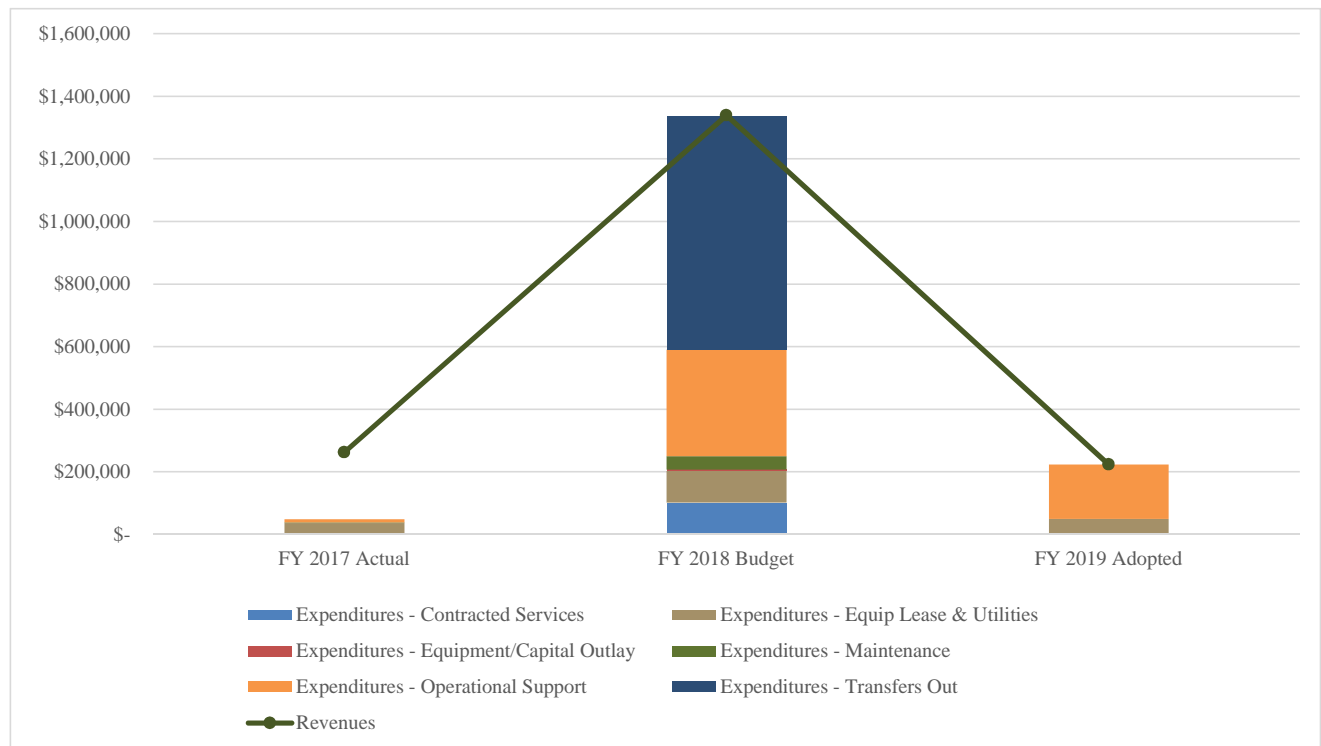
Infrastructure

Michael C. Peoples - City Manager

Division Mission

The Infrastructure Fund is a special revenue fund that is used to account for the accumulation of resources for infrastructure rehabilitation, construction and improvements.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	0	102,276	0	(102,276)	-100.00%
Equip Lease & Utilities	37,082	100,973	50,040	(50,933)	-50.44%
Equipment/Capital Outlay	0	4,831	0	(4,831)	-100.00%
Maintenance	2,356	42,515	0	(42,515)	-100.00%
Operational Support	9,880	340,096	173,549	(166,547)	-48.97%
Transfers Out	0	747,906	0	(747,906)	-100.00%
Total Expenditures	49,318	1,338,597	223,589	(1,115,008)	-83.30%
Total Revenues	262,795	1,338,597	223,589	(1,115,008)	-83.30%
Funding (+ or -)	(213,477)	0	0	0	0.00%



Department Summary

Provide leadership and supervision to City staff necessary for the cost-effective delivery of public services. The City Manager must consistently monitor and evaluate the City's overall progress in meeting the City's stated goals and objectives and, in turn, offer recommendations for improvement whenever and wherever necessary to achieve maximum results on behalf of City residents and taxpayers. The City Manager's commitment is to bring credibility, innovation, and professionalism to the ongoing management of the vast array of local government functions in order to best serve the needs of the community; to fully uphold the laws and regulations of the City; and to protect and preserve the rights and property of all citizens.

The role of the Deputy City Manager is to assist the City Manager in various assignments related to City operations and to facilitate the efficiency and effectiveness of assigned City departments through management support and oversight.

The role of the Assistant City Managers is to provide professional, technical and administrative assistance in a variety of assignments relating to the management, planning, direction, evaluation and programming for the operation of the City.

Budget Highlights

- Provide a high level of service in a cost effective manner.
- Create City Manager's office internship position.
- Assist in managing overall City financial challenges; oversight of applicable budgets - this remains a critical component of upcoming budgets.
- Worked with the City Manager and other senior staff toward resolving major concerns related to legislative issues, policy and legal issues, employment and insurance issues, strategic planning, and City Council concerns.
- Continue the multi-year plan for City street resurfacing efforts.
- Coordination of applicable capital project initiatives.
- Evaluate business models (ROIs) for the City in possible pursuit of (special) capital project initiatives, including, but not limited to the FUSE (Franklin Urban Sports & Entertainment).
- Work with all parties to further implement the FUSE initiative.
- Further evaluate and implement a water and sewer system development fee structure in accordance with legislative requirements, with particular regard to the SE system expansion initiative.

Goals

- Provide adequate funding for the City facilities and equipment.
- Provide excellent customer service through effective and efficient programs and projects.
- Maintain adequate fund balances.
- Provide competitive compensation for employees.
- Maximize the potential of every employee that works for City of Gastonia.
- Maintain the City's existing infrastructure.
- Expand the City's infrastructure to promote economic development.
- Fund capital projects that enhance the City.

Goals (continued)

- Make improvements to neighborhoods and commercial areas throughout the City as funds are available.
- Look for opportunities to reduce the cost of municipal operations and work with City Staff to identify increased efficiencies in operations.
- Avoid a Property Tax increase.
- Limit Fee increases to amounts necessary to provide acceptable services.
- Ensure that the City of Gastonia is a safe place to live and work by reducing crime and the fear of crime, and protecting lives and property for all citizens.
- Use technology and automation to provide value, efficiency, and information to the employees and citizens of the City of Gastonia.
- Continue close communications with all department heads and staff; regularly attend applicable meetings to solicit input on management issues, provide feedback to improving operational effectiveness and efficiencies.
- Stay informed in County, State and Federal regulation changes and funding opportunities that could affect and/or benefit Gastonia.
- Maintain an open line of communication with all City staff, elected officials, and citizens to provide the highest level of service at the most reasonable cost possible.
- Continue to represent the City on the NCLM Regulatory Action Committee, APWA-NC, and participate in other beneficial professional development opportunities.
- Review, provide recommendations, and implement an updated strategic plan.

Objectives

- Administer any fiscal measures instituted in response to economic conditions and changes instituted by the State and Federal governments
- Simplify regulations and municipal processes to ease the burden for our customers and to achieve internal efficiencies.
- Focus on revitalizing our Center City through strategic investments through major investments, new business recruitment and redevelopment opportunities.
- Complete budgeted improvements to municipal buildings and infrastructure.
- Focus Public Safety efforts to effectively target and reduce street crime, with an ongoing and focused attack on violent crime, gangs, speeding and illegal drugs.
- Identify new recreational opportunities and extend Greenway connectivity to additional destination points Citywide.
- To assist with the implementation of the next phases of the Loray Mill neighborhood redevelopment.
- To develop effective funding strategies for infrastructure maintenance, replacement, and expansion that can prove equitable to tax and fee payers.
- Economic Development Initiative that identifies key commercial, industrial, and office properties that are available for development Citywide.

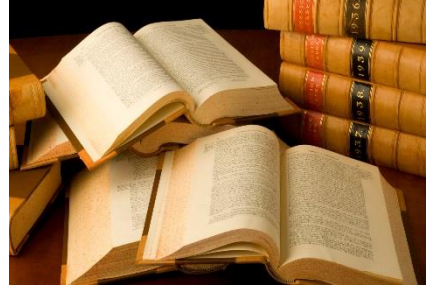
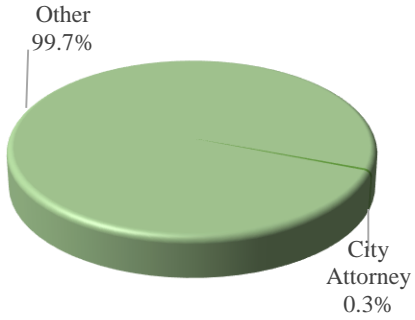
Objectives (continued)

- To refine plans for neighborhood improvements and effectively utilize Community Development and other funding sources.
- Expand the Water and Sewer capital projects to address the projected growth and development.
- Continue to implement the NC Highway 7 corridor study to improve economic development opportunities while improving the quality of design function and appearance.
- Participate with Gaston County and the Gaston County Economic Development Commission in the development of the Apple Creek Industrial Park (Technology Park II).
- Implement and support programs and processes that add value to our employees and enable each to contribute at optimum levels, leading to improved employee relations, empowerment, equity, wellness, safety, and retention.
- Provide support, guidance, and direction to department managers so as to help them accomplish the objectives set forth for their respective areas.
- Seek and participate in educational opportunities to further develop knowledge and certification in assigned areas of responsibilities.
- Focus on Customer Service initiatives and efforts; assist Customers in being successful in quality business endeavors.
- Evaluate the Museum administrative structure and analyze the best options going forward.
- Coordination of various special project initiatives:
 - Commercial, office, industrial, and small business initiatives in the area of economic development to create jobs and encourage private sector investment.
 - Evaluation of employee compensation issues as related to job performance / merit based systems.
 - Continued major project(s) implementation and five year capital planning initiatives.
- Advance the overall economic development and implementation of the Franklin Urban Sports and Entertainment (FUSE) District, including private sector participation and investment.
- Achieve substantial completion of the water treatment plant upgrade project, partner with other governmental entities and development groups to design and fund the construction of water and wastewater service in the southeast portion of Gaston County; partner with ElectricCities to provide the most affordable and reliable electric service to customers.

City Attorney



Human Resources
Allocation





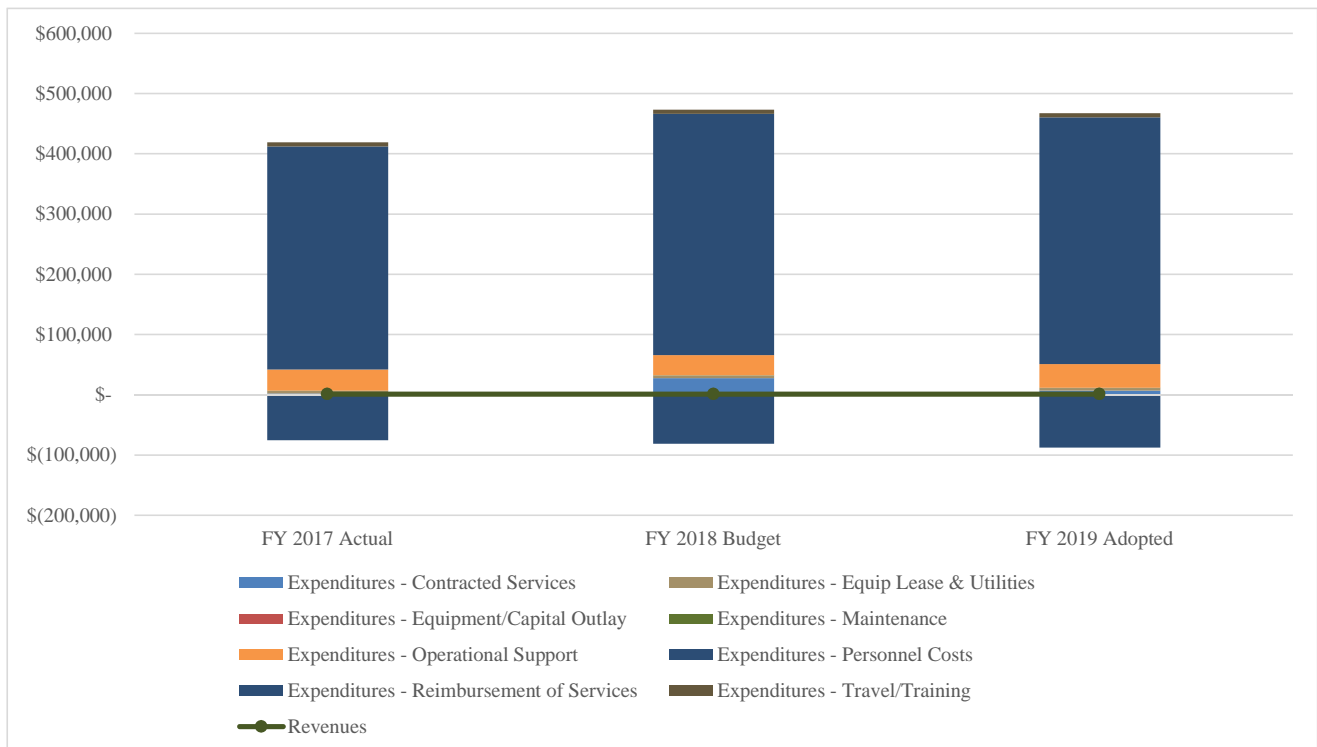
City Attorney

L. Ashley Smith - City Attorney

Department Mission

The mission of the City Attorney's Department is to provide legal counsel and representation to the City Council, City Manager, departments of the City government, and City-appointed boards and commissions, and to carry out the constitutional and statutory responsibilities of City government. Minimizing risks and liabilities to the City in an ethical and cost conscious manner is our primary objective as we seek to do what is in the best interest of our client.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	2,475	27,670	7,000	(20,670)	-74.70%
Equip Lease & Utilities	4,169	4,300	4,300	0	0.00%
Equipment/Capital Outlay	0	0	0	0	0.00%
Maintenance	254	700	700	0	0.00%
Operational Support	35,247	33,148	39,094	5,946	17.94%
Personnel Costs	370,392	400,834	409,715	8,881	2.22%
Travel/Training	7,025	7,000	7,000	0	0.00%
Total Expenditures	419,562	473,652	467,809	(5,843)	-1.23%
Enterprise Reimbursement	(75,480)	(81,299)	(87,668)	(6,369)	7.83%
Total Revenues	1,027	1,300	1,250	(50)	-3.85%
Funding (+ or -)	343,055	391,053	378,891	(12,162)	-3.11%



Department Summary

The City Attorney provides legal counsel and representation to the City Council, City Manager, departments of the City government and City-appointed boards and commissions. The City Attorney's Office provides legal advice at Council meetings, Planning Commission and the Board of Adjustment. We perform legal research and offer advisory opinions and respond to requests from Council and City staff to draft or review contracts, ordinances and other legal documents. The office represents the City in litigation and provides assistance in the selection of outside legal counsel when necessary. Minimizing risks and liabilities to the City in an ethical and cost conscious manner is our primary objective as we seek to do what is in the best interest of our client.

Budget Highlights

- Negotiations, contract preparation, and economic redevelopment work for the FUSE project & related matters including Brownfields issues, tenant transitions at Trenton Mill, and final closing on the Fab-Tec property
- Negotiations, contract preparation, and economic redevelopment work for the sale of 212 West Main Avenue
- Contract documents with regard to the Southfork Sewer Project between the City, Gaston County, McAdenville & Pharr Yarns
- City-wide employee and supervisor training on anti-harassment personnel policies

Goals

- Provide legal guidance to city policymakers on all levels as to economic development, contracts, purchasing, zoning, collections, code enforcement, public safety, and human resource issues
- Begin comprehensive review of city code of ordinances as part of a continuous update process to have a modern, correct, clear and legally defensible City code
- Keep City Council advised as to the status of pending legal claims and liability exposures facing the City
- Advice, research & drafting ordinance amendment to conform city ordinance to state statutes with regard to utility system development fees

Objectives

- Work with all city departments to minimize risks and costs to the taxpayers stemming from negligence or breach of duty
- Efficient review & drafting of a large volume of contracts in a timely manner to ensure that the City's interests are properly addressed and that goods & services are procured in a cost-effective way.
- Keep elected officials, appointed board members and city staff informed & trained on legal procedures and changing laws
- To provide sound legal representation to the Mayor, City Council, and City Staff in order to resolve all legal issues and obtain outcomes favorable to the City



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Communications & Marketing

Rachel Bagley - Director of Communications & Marketing

Department Mission

The mission of the Communications & Marketing Department is to increase awareness of the City's services and programs among the citizens and to increase awareness of the City's strengths and assets regionally and nationally. The department is responsible for promoting interest and investment in the City through directing and/or coordinating an array of responsibilities and projects related to public relations, marketing, communications, and revitalization initiatives designed to inform citizens as well as build local support and pride and attract and retain businesses, residents and visitors.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	4,546	13,203	23,300	10,097	76.48%
Operational Support	19,185	14,574	24,849	10,275	70.50%
Personnel Costs	99,624	197,210	279,791	82,581	41.87%
Purchases - Resale	(170)	4,010	0	(4,010)	-100.00%
Travel/Training	485	600	5,650	5,050	841.67%
Total Expenditures	123,670	229,597	333,590	103,993	45.29%
Enterprise Reimbursement	(45,624)	(50,823)	(126,764)	(75,941)	149.42%
Total Revenues	0	0	0	0	0.00%
Funding (+ or -)	78,046	178,774	206,826	28,052	15.69%



Department Summary

The role of the Communications and Marketing Department is three-fold: (1) increase awareness of the City's services and programs among its citizens and other constituents; (2) increase awareness of the City's strengths and assets regionally and nationally to promote interest and investment in the City; and (3) keep employees informed of issues that affect them. To that end, Communications and Marketing directs and/or coordinates an array of responsibilities and projects related to public relations, marketing, advertising, and communications designed to inform citizens, build local support and pride, attract and retain businesses, residents, and visitors; and foster employee morale.

Budget Highlights

- Determine cost-effective means for developing communication channels that reach citizens, other constituents, and employees on a regular basis.
- Review and revise advertising expenditures to meet changing priorities.

Goals

- Organize the expanded Communications & Marketing Department to meet the evolving communications needs of the City's constituents: citizens, business community, employees, visitors, prospective newcomers, etc. Continue to seek out and use effective forms of communication and best practices to improve the reach and influence of the City's messages to its audiences.
- Develop mutually beneficial relationships with media organizations that result in fair and accurate coverage of news stories about City government, programs, services, employees, etc., and increased positive coverage of efforts to improve quality of life for citizens.
- Counsel and assist other City departments in their efforts to market City projects and services to target audiences. Build public awareness of City programs, especially those designed to improve City services and quality of life for citizens.

Objectives

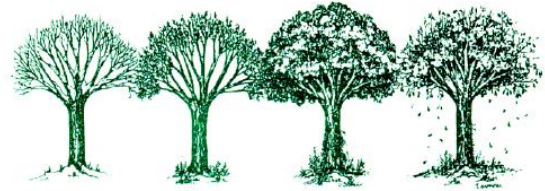
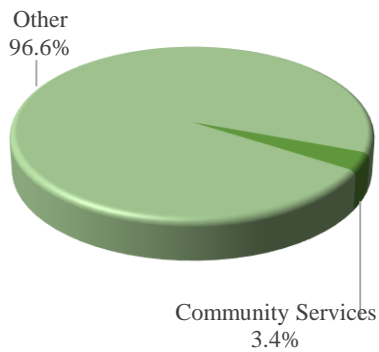
- Assign specific communications duties to new Department members in order to more adequately cover the Department's expanded communications responsibilities.
- Establish routine distribution of employee newsletter and citizen news hub coverage which keep employees and citizens informed of City news affecting them.
- Increase proactive media contacts to better promote City's programs, initiatives, and accomplishments.
- Expand the use of social media channels to reach more of the City's constituents.
- Assist the Economic Development department in promoting Downtown businesses and events, as well as other economic development assets.
- Use advertising budget to expand promotional opportunities available to the City.



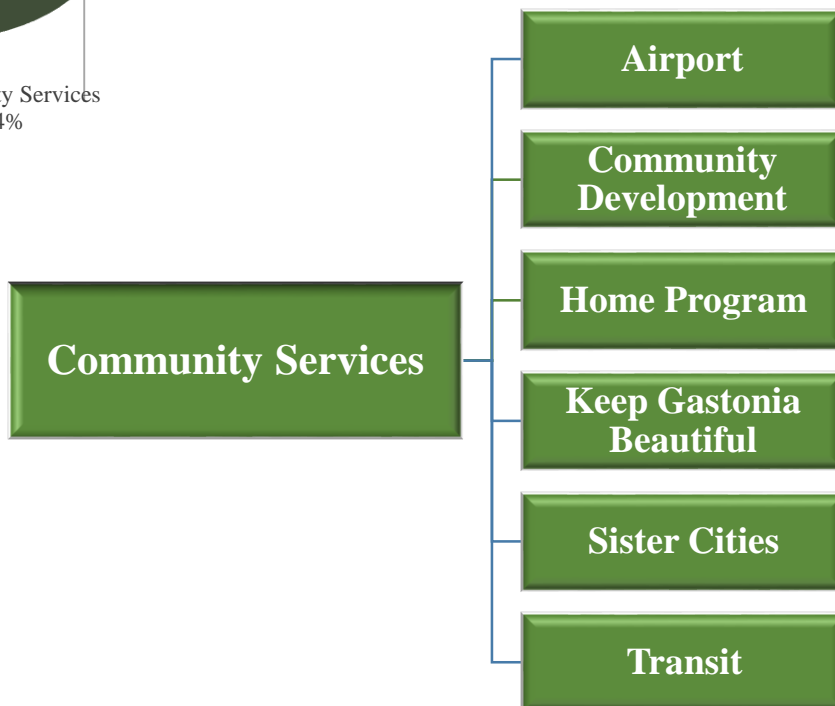
Community Services



Human Resources
Allocation



Volunteers - Our Seeds Of Success





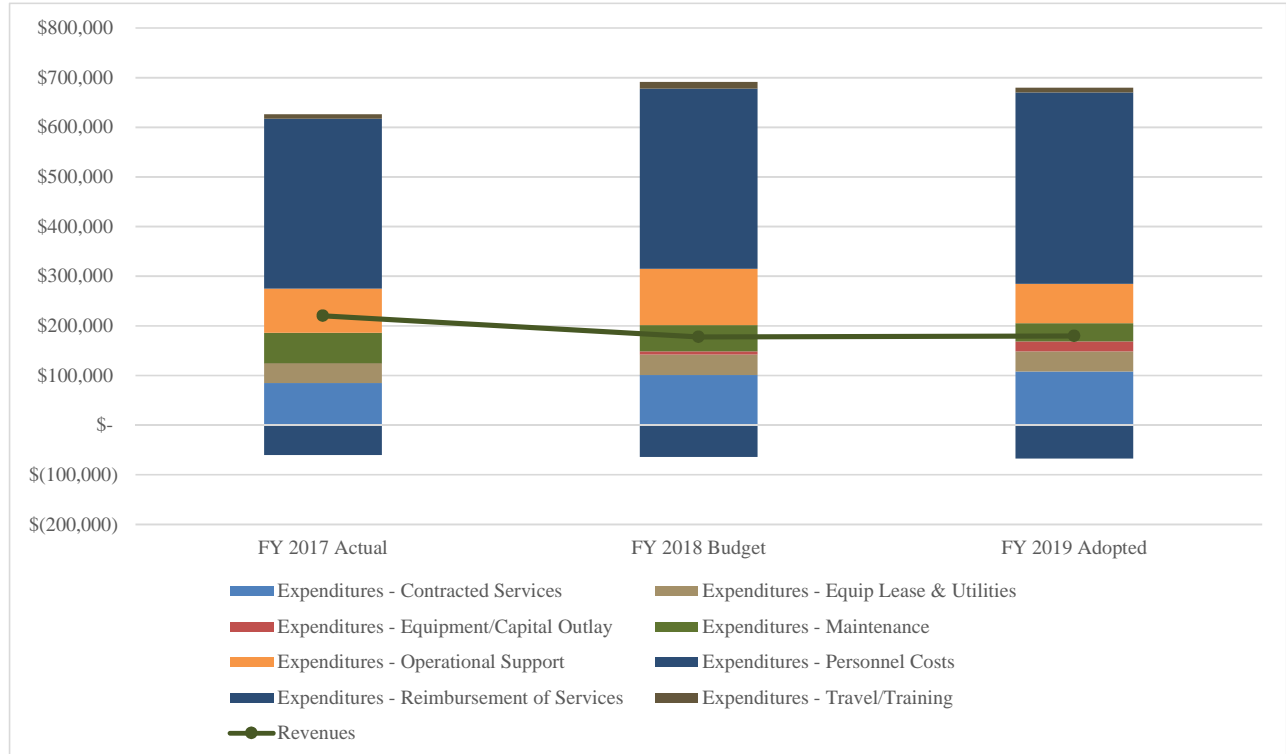
Community Services

Vincent Wong - Director of Community Services

Department Mission

The Keep Gastonia Beautiful mission is to inspire and educate people to take action every day to improve and beautify the community's environment. Gastonia Sister Cities' mission is to foster and promote friendships and mutual understanding between the people of the Gastonia area and foreign countries. The Airport's mission is to provide a reliable airport for citizens and visitors.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	85,275	101,176	108,450	7,274	7.19%
Equip Lease & Utilities	38,773	41,386	40,584	(802)	-1.94%
Equipment/Capital Outlay	123	6,500	20,000	13,500	207.69%
Maintenance	62,022	52,700	36,400	(16,300)	-30.93%
Operational Support	89,200	113,166	79,598	(33,568)	-29.66%
Personnel Costs	341,644	362,788	385,235	22,447	6.19%
Travel/Training	9,391	13,958	9,400	(4,558)	-32.66%
Total Expenditures	626,429	691,674	679,667	(12,007)	-1.74%
Enterprise Reimbursement	(59,881)	(63,851)	(67,184)	(3,333)	5.22%
Total Revenues	220,058	177,600	179,600	2,000	1.13%
Funding (+ or -)	346,490	450,223	432,883	(17,340)	-3.85%





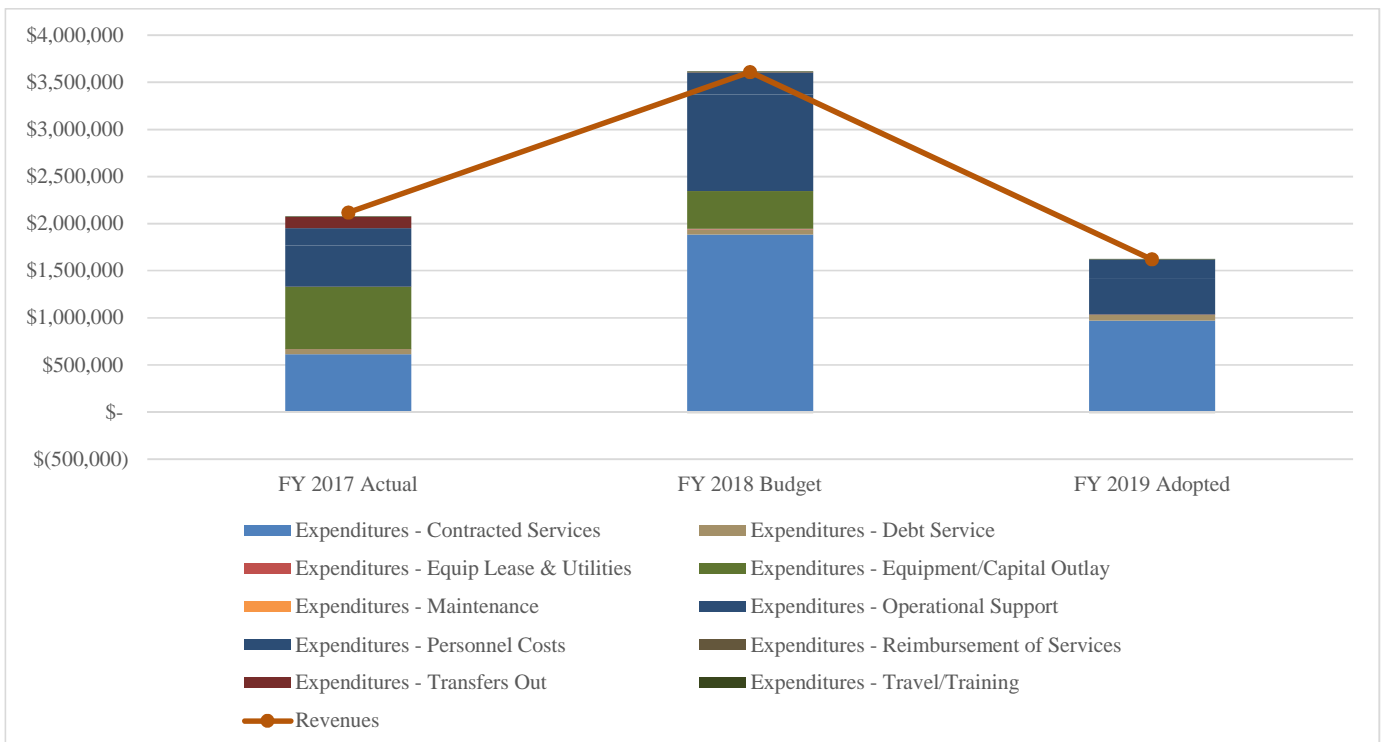
Community Development

Vincent Wong - Director of Community Services

Division Mission

The mission of the Community Development division is to develop, promote, and implement innovative housing and community development policies, practices, and partnerships to create and preserve affordable and safe housing opportunities for low and moderate income residents of the City of Gastonia.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	616,236	1,886,509	971,957	(914,552)	-48.48%
Debt Service	52,161	53,140	61,140	8,000	15.05%
Equip Lease & Utilities	1,775	7,402	3,100	(4,302)	-58.12%
Equipment/Capital Outlay	661,485	400,400	0	(400,400)	-100.00%
Maintenance	179	700	200	(500)	-71.43%
Operational Support	438,813	1,025,786	388,729	(637,057)	-62.10%
Personnel Costs	182,276	229,176	196,243	(32,933)	-14.37%
Transfers Out	120,000	3,555	0	(3,555)	-100.00%
Travel/Training	4,750	10,850	6,000	(4,850)	-44.70%
Total Expenditures	2,077,674	3,617,518	1,627,369	(1,990,149)	-55.01%
Reimbursement of Services	(6,544)	(8,403)	(7,864)	539	-6.41%
Total Revenues	2,118,573	3,609,115	1,619,505	(1,989,610)	-55.13%
Funding (+ or -)	(47,442)	0	0	0	0.00%





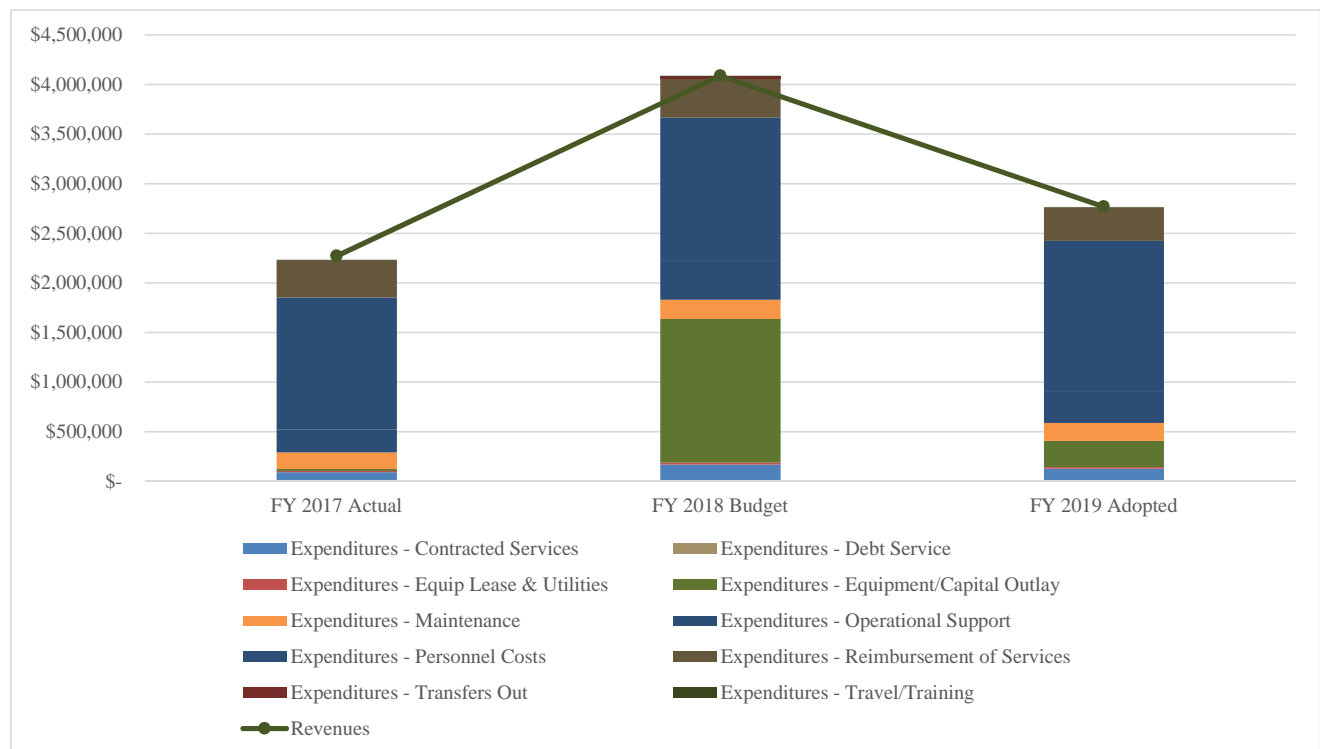
Transit

Vincent Wong - Director of Community Services

Division Mission

The Transit system's mission is to provide safe, reliable, and affordable public transportation services to residents and visitors of the City of Gastonia.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	91,384	170,315	129,200	(41,115)	-24.14%
Equip Lease & Utilities	14,528	17,058	15,753	(1,305)	-7.65%
Equipment/Capital Outlay	19,249	1,451,058	262,500	(1,188,558)	-81.91%
Maintenance	168,228	192,062	180,000	(12,062)	-6.28%
Operational Support	226,442	399,328	314,268	(85,060)	-21.30%
Personnel Costs	1,332,397	1,436,997	1,522,038	85,041	5.92%
Transfers Out	0	23,697	0	(23,697)	-100.00%
Travel/Training	2,218	3,733	4,200	467	12.51%
Reimbursement of Services	378,463	393,845	340,418	(53,427)	-13.57%
Total Expenditures	2,232,910	4,088,093	2,768,377	(1,319,716)	-32.28%
Total Revenues	2,270,598	4,088,093	2,768,377	(1,319,716)	-32.28%
Funding (+ or -)	(37,687)	0	0	0	0.00%



Department Summary

The mission of the Community Services Department is to encourage sustainable neighborhoods by improving the availability, affordability, and quality of housing in the community. Keep Gastonia Beautiful mission is to inspire and educate people to take action every day to improve and beautify their community's environment. Gastonia Sister Cities fosters and promotes friendships and mutual understanding between the people of the Gastonia area and foreign countries, through partnerships in education, culture, economic development and dialogue. The mission of the City of Gastonia Transit system is to provide safe, reliable, and affordable public transportation services to residents and visitors of the City of Gastonia. The mission of the City of Gastonia Airport is to provide a reliable airport for citizens and visitors.

Budget Highlights

- Completed construction on three new homes and provided Homebuyer assistance to over 60 families in the community.
- Every \$1 of funding received \$17.18 worth of benefits were returned to the community.
- 23,674 volunteers participated and over 59,122 volunteer hours were logged in various Keep Gastonia Beautiful projects and events.
- Hosted 25 students/chaperone guests from both Germany and Peru during the same time period.

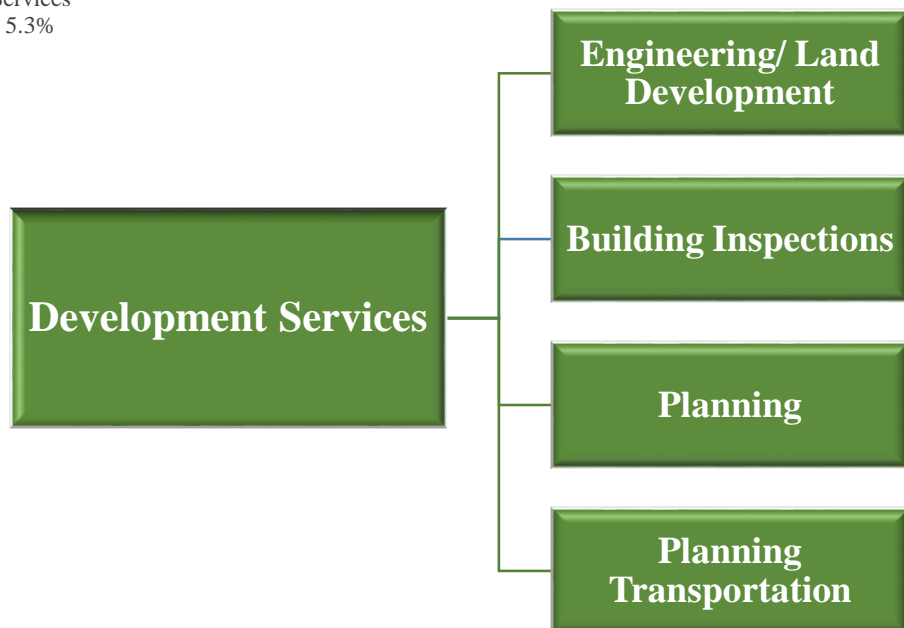
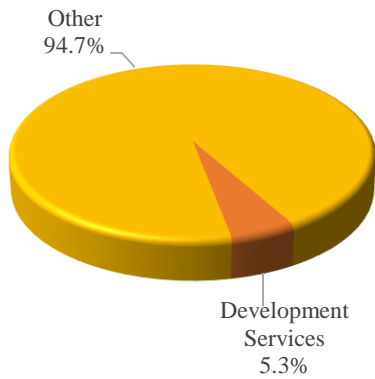
Goals

- Strive to educate more citizen/customers about availability and affordability of housing in the community
- Continue to expand beautification efforts including public art.
- Promote environmental education including litter abatement and recycling.
- Continue fostering friendships with Gotha, Germany and Surco, Peru through yearly student exchanges with both countries.
- Maintain maximum safety for all aircraft operators, their passengers and the surrounding Airport neighbors.
- Improve overall airport operations by maximizing existing infrastructure, continue to partner with the FBO (Fixed Base Operator) for operations, and take full advantage of additional funding opportunities to improve appearance, safety and usability.
- Continue to make improvements on Transit system-wide routes to improve safety and efficiencies. Update route/schedule brochures as needed to keep passengers informed.

Objectives

- Provide community resources to address the wide range of community needs to enhance and improve quality of life including transit and airport operations.
- Make the community at large, knowledgeable and responsible in natural resource conservation, solid waste handling, recycling, litter abatement and beautification.
- Continued promotion of our Sister Cities within the community and throughout the schools to allow more local students the opportunity to participate by increasing fundraising/local partnerships.

Development Services





Development Services

Rusty Bost - Director of Development Services

Department Mission

The Development Services Department is responsible for administering development related reviews and permits for compliance with City standards, provide building inspections, and enforce City codes concerning minimum housing, illegal dumping, nuisance or overgrown lots and junk cars. It is also responsible for both current and long-range planning functions, zoning permitting and enforcement as well as working with the Gaston-Cleveland-Lincoln Metropolitan Planning Organization to coordinate planning studies and transportation projects.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	255,469	302,476	291,100	(11,376)	-3.76%
Equip Lease & Utilities	44,957	49,986	56,331	6,345	12.69%
Equipment/Capital Outlay	7,977	13,500	500	(13,000)	-96.30%
Maintenance	10,325	16,931	13,775	(3,156)	-18.64%
Operational Support	320,510	350,961	364,414	13,453	3.83%
Personnel Costs	3,544,412	3,755,800	3,998,676	242,876	6.47%
Travel/Training	34,565	38,050	39,750	1,700	4.47%
Total Expenditures	4,218,215	4,527,704	4,764,546	236,842	5.23%
Enterprise Reimbursement	(1,134,165)	(1,108,112)	(1,136,871)	(28,759)	2.60%
Total Revenues	1,693,139	1,693,747	1,545,092	(148,655)	-8.78%
Funding (+ or -)	1,390,912	1,725,845	2,082,583	356,738	20.67%



Department Summary

The City of Gastonia's Development Services Department is comprised of three (3) Divisions: Engineering/Land Development, Planning/Transportation Planning and Building Inspections/Code Enforcement.

The Engineering/Land Development and Building Services Division's primary responsibilities are to administer development related reviews, permits and construction for compliance with City standards, provide project management and design for Capital Projects, provide building inspections, and enforce City codes concerning minimum housing, illegal dumping, nuisance or overgrown lots, and junk cars. This is accomplished by being the single point of contact for projects (private developers or City sponsored), coordinating with all City Departments throughout project scoping, design, permitting and construction phases of projects, and placing an emphasis on timely, fair, and equitable customer service.

The Planning/Transportation Planning Division is responsible for both the current and long-range planning functions of the City of Gastonia. These responsibilities encompass zoning permitting and enforcement, comprehensive and small area planning and design, rezoning and other public hearing processes, as well as coordination of local historic districts and other design and development review processes. The Gaston-Cleveland-Lincoln Metropolitan Planning Organization (GCLMPO) is a multi-jurisdictional entity comprised of 34 local governments, NCDOT, USDOT, and other providers of transportation services to jointly plan for transportation improvements to the three-county region. The City of Gastonia is the largest municipality of the 17 voting local government members and serves as the Lead Planning Agency (LPA) providing Transportation Planning staff for the GCLMPO. Staff cooperatively works with the member local governments to coordinate planning studies, transportation projects, and project solicitation (amongst many other responsibilities), and secure funding from the pertinent Federal, State, and Regional agencies for local transportation projects

Budget Highlights

- Maintain expenditure levels and continue to look for opportunities to create more efficiencies through technologies.
- Undertake a City wide bicycle plan
- Building Code revisions are expected in the upcoming Fiscal Year, new manuals and training will be needed
- Upgrade the Planning Conference room with a computer and projector
- The City has acquired a survey drone, new software will be needed to convert the data collected for use in design software
- As part of last year's reorganization, budget code 110-551 will be combined with 110-552

Goals

- Provide quality customer service to residents, customers, and project stakeholders.
- Work with departments to maintain or improve city owned infrastructure.
- Enhance the usability of the Planning Department website.
- Evaluate the Unified Development Ordinance standards and recommend amendments as needed.
- Improve GCLMPO webpage presence with data and products for internal staff, stakeholders, and the public.
- Support funding and administration of locally-administered transportation project and studies.
- Support economic development efforts.
- Continue to build positive relationships with our development partners (NCDOT, Gaston County, local municipalities, Gaston County Schools, private utilities, NCDEQ, etc.)
- Complete a Land Use Study for the recently widened Myrtle School Road corridor.
- Improve Urban Forestry Program within the City of Gastonia developing policies and guidelines for management of the urban forest within the city.

Objectives

- Complete construction on CIP Projects; South Fork Sewer Ph II, Ferguson Park Greenway Extension, Downtown/Lineberger Connector, Erwin Center sidewalk, Daffodil and Hoffman Rd. Stormwater, FUSE Utilities Relocations.
- Begin construction of CIP projects; Modena Street sidewalk extension (RXR to Harrison), Highland Branch Greenway, Dixie Village Pedestrian Improvements, Southeast Sewer Phase I, Firestone Parallel Line Sanitary Sewer Improvements, Highland Outfall Sanitary Sewer Improvements, Court and Wellman Stormwater Improvements, Off right of way storm drainage projects at 2039 Linda St., 1619 Ridgewood Dr., 1578 Pine Creek Rd., 338 Rosemary Ln., 309 Hillcrest Ave., 5042 Kentwood Dr., 397 Pamela St., 812 Brookside Dr.,
- Coordinate with NCDOT on projects; I-85/US-321 reconfiguration, widening of I-85, implementation of projects from Cox/Franklin Traffic Study, new right turn lane from New Hope Road onto Franklin Blvd , begin working on City wide Signal System upgrade, widening of S. New Hope Rd.
- Begin use of unmanned aerial vehicles (drones) for City survey services, and possible other uses in the City (tree inventory, pre/post project documentation, safe inspection of City property, etc.)
- Adopt a bicycle-specific master plan to guide future on-street and off-street capital projects aimed at improving the bikeability of the community.
- Continue design – Lyon St. storm drainage improvements (Construct FY19/20).
- Continue design – FUSE Utilities Upgrades. (Construct FY18/19).
- Begin design - City Facilities Fleet Services detention pond (Design FY19/20).



Development Services Building Support Services

Service Area Objective

The division goal of the Building Support Services Division is to ensure compliance with building codes, local flood ordinance, zoning ordinance, minimum housing and nuisance ordinances through plan review, inspection and enforcement.

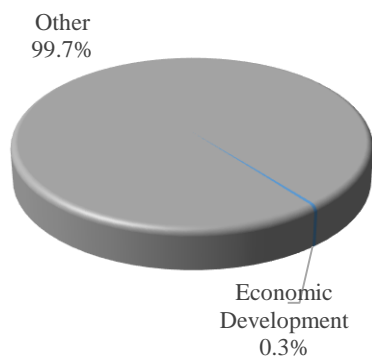
Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of building inspections performed	Workload Measure	23,009	22,000	22,000
# of housing inspections performed	Workload Measure	250	250	250
# of nuisance inspections performed	Workload Measure	6,805	6,800	6,800
# of warning citations issued	Workload Measure	2,301	2,300	2,300
# of civil citations issued	Workload Measure	177	180	180
% of code cases resolved within 30 days after hearing	Efficiency Measure	10	10	10
Cost per inspection - all types	Efficiency Measure	\$47.75	\$47.50	\$47.50
% of ordinance violations resolved without court action	Efficiency Measure	90	90	90
Commercial plan reviews	Efficiency Measure	178	170	170
Inspections performed (hours spent per item)	Effectiveness Measure	1	1	1
% of notification of violations to property owners sent within 2 days of investigation	Effectiveness Measure	97	97	97
% inspection responses within one working day of request	Effectiveness Measure	90	90	90



Economic Development



Human Resources
Allocation



**Economic
Development**



Economic Development

Kristy Crisp - Director of Economic Development

Department Mission

The mission of the Economic Development is to promote the economy of Gastonia by fostering the creation and attraction of new businesses and the retention and expansion of existing businesses to stimulate job opportunities that improve the quality of life in our City.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	36,542	110,688	106,334	(4,354)	-3.93%
Equip Lease & Utilities	118,225	109,938	110,970	1,032	0.94%
Equipment/Capital Outlay	0	16,500	0	(16,500)	-100.00%
Maintenance	701	1,000	2,000	1,000	100.00%
Operational Support	462,502	724,233	1,179,573	455,340	62.87%
Personnel Costs	0	122,819	242,559	119,740	97.49%
Transfers Out	50,000	50,315	40,000	(10,315)	-20.50%
Travel/Training	3,267	9,010	6,500	(2,510)	-27.86%
Total Expenditures	671,237	1,144,503	1,687,936	543,433	47.48%
Reimbursement of Services	(222,131)	(107,844)	(843,454)	(735,610)	682.11%
Total Revenues	134,491	229,409	134,975	(94,434)	-41.16%
Funding (+ or -)	314,615	807,250	709,507	(97,743)	-12.11%





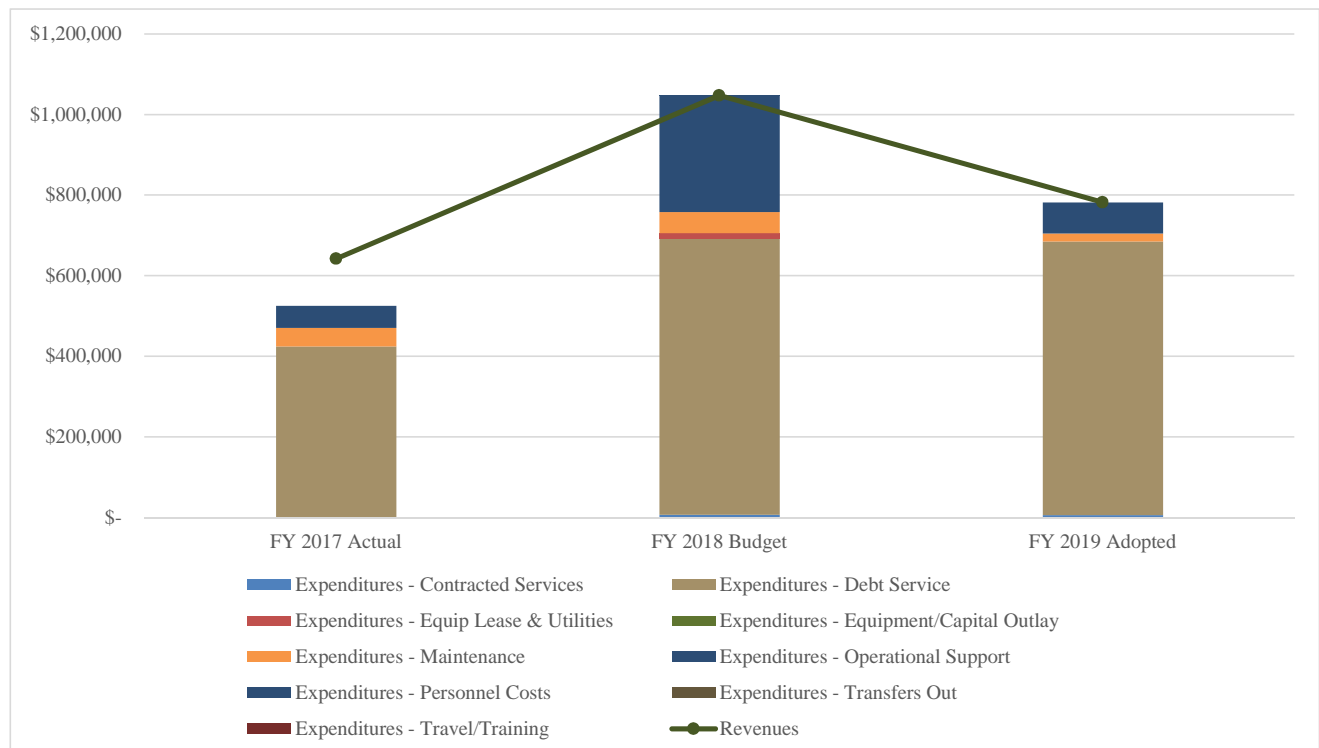
Gastonia Conference Center

Kristy Crisp - Director of Economic Development

Description

The Gastonia Conference Center is a 30,000 square-foot technologically advanced and sustainably built conference center that is designed to generate business and support the local Gastonia community. The Conference Center accommodates over 450 meeting attendees and 300 for a seated banquet function and features ten separate purpose-built and distraction-free meeting rooms, event spaces and 5,100 square-foot ballroom. It has already gained recognition as the greater Charlotte region's foremost destination for events of all kinds.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	300	6,770	6,000	(770)	-11.37%
Debt Service	424,499	686,308	679,235	(7,073)	-1.03%
Equip Lease & Utilities	0	12,806	0	(12,806)	-100.00%
Equipment/Capital Outlay	0	0	0	0	0.00%
Maintenance	45,664	52,655	20,000	(32,655)	-62.02%
Operational Support	54,793	288,544	76,915	(211,629)	-73.34%
Personnel Costs	0	115	0	(115)	-100.00%
Total Expenditures	525,256	1,047,198	782,150	(265,048)	-25.31%
Total Revenues	641,969	1,047,198	782,150	(265,048)	-25.31%
Funding (+ or -)	(116,712)	0	0	0	0.00%



Department Summary

The mission of the Economic Development Department is to promote the economy of Gastonia by fostering the creation and attraction of new businesses and the retention and expansion of existing businesses to stimulate job opportunities that improve quality of life in our City.

Budget Highlights

- Establishment of a new cost centers to manage economic development incentives and grants more effectively.
- Inclusion of funds to increase economic development and site marketing.
- Maintain existing programs but develop new opportunities to support development in Gastonia.

Goals

- Increase visibility and promotion of development opportunities in Gastonia.
- Develop partnerships that will provide a strong network of opportunities for existing business.
- Develop and promote large-scale catalyst projects to serve as economic development triggers.
- Increase building occupancy in Downtown.

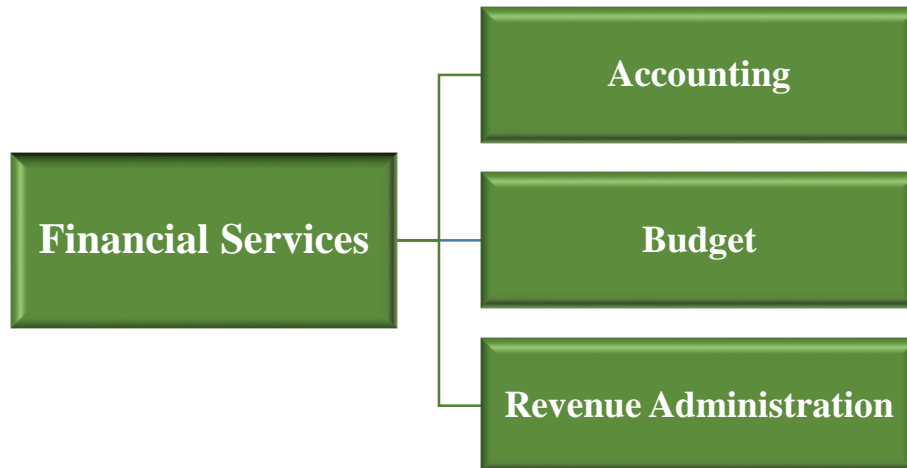
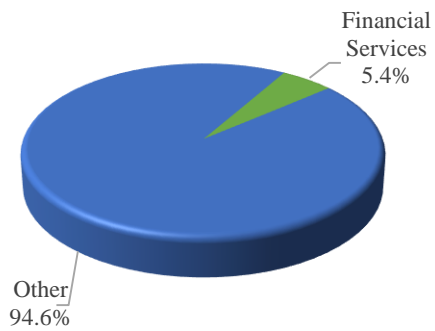
Objectives

- Update the Economic Development page on the City website to be a better tool for business recruitment.
- Strategically work with UNC DFI to identify and recruit quality developers for private FUSE development.
- Increase Gastonia's visibility in the Charlotte region by taking part in regional forums and events geared to economic development.
- Create a building inventory of available buildings in Downtown Gastonia.
- Work with Downtown property owners to maximize the highest and best use for Downtown property as a strategy to increase building occupancy.

Financial Services



Human Resources
Allocation





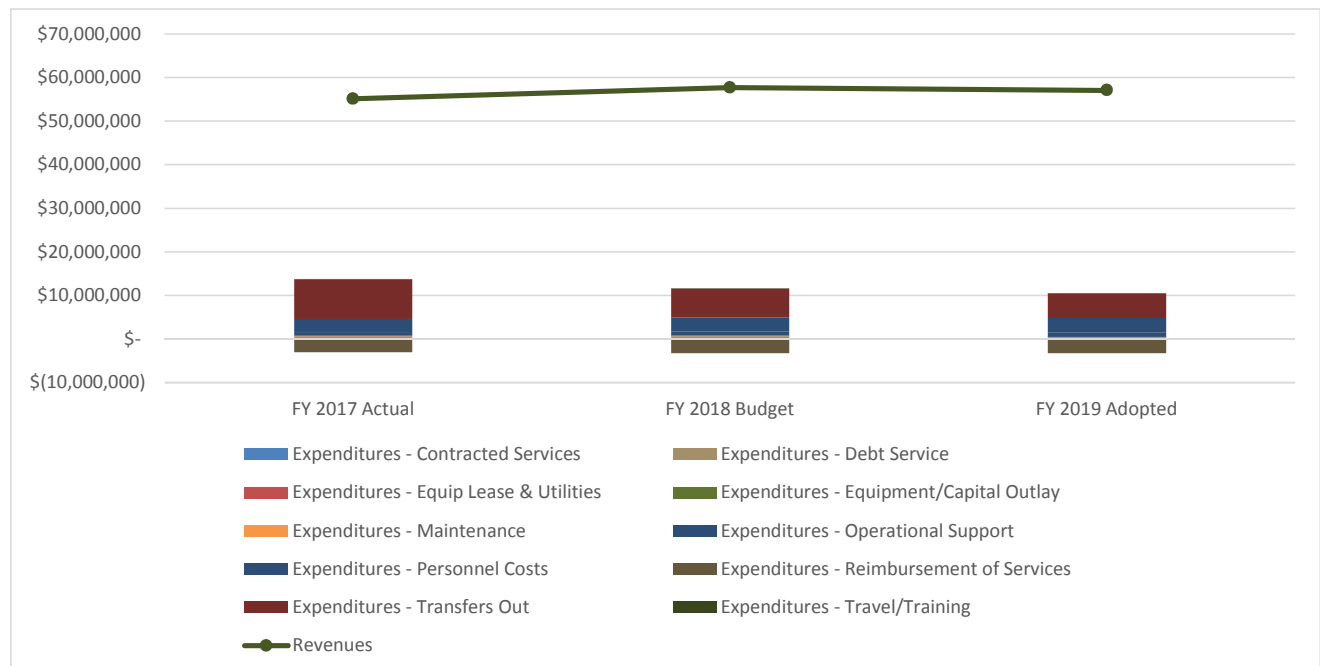
Financial Services

Crystal Certain - Director of Financial Services

Department Mission

The mission of the City of Gastonia's Financial Services Department is to guide and support the City through financial accountability and provide exceptional customer service to all customers.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	182,583	272,544	211,800	(60,744)	-22.29%
Debt Service	496,196	344,259	199,717	(144,542)	-41.99%
Equip Lease & Utilities	84,612	86,475	87,095	620	0.72%
Equipment/Capital Outlay	14,755	166,100	18,500	(147,600)	-88.86%
Maintenance	43,764	42,285	43,000	715	1.69%
Operational Support	789,323	862,001	917,557	55,556	6.45%
Personnel Costs	3,012,546	3,212,806	3,408,438	195,632	6.09%
Transfers Out	9,107,224	6,621,009	5,652,805	(968,204)	-14.62%
Travel/Training	11,301	21,830	24,100	2,270	10.40%
Total Expenditures	13,742,304	11,629,309	10,563,012	(1,066,297)	-9.17%
Reimbursement of Services	(2,983,720)	(3,242,897)	(3,242,447)	450	-0.01%
Total Revenues	55,094,245	57,720,000	57,073,141	(646,859)	-1.12%
Funding (+ or -)	(44,335,662)	(49,333,588)	(49,752,576)	(418,988)	0.85%





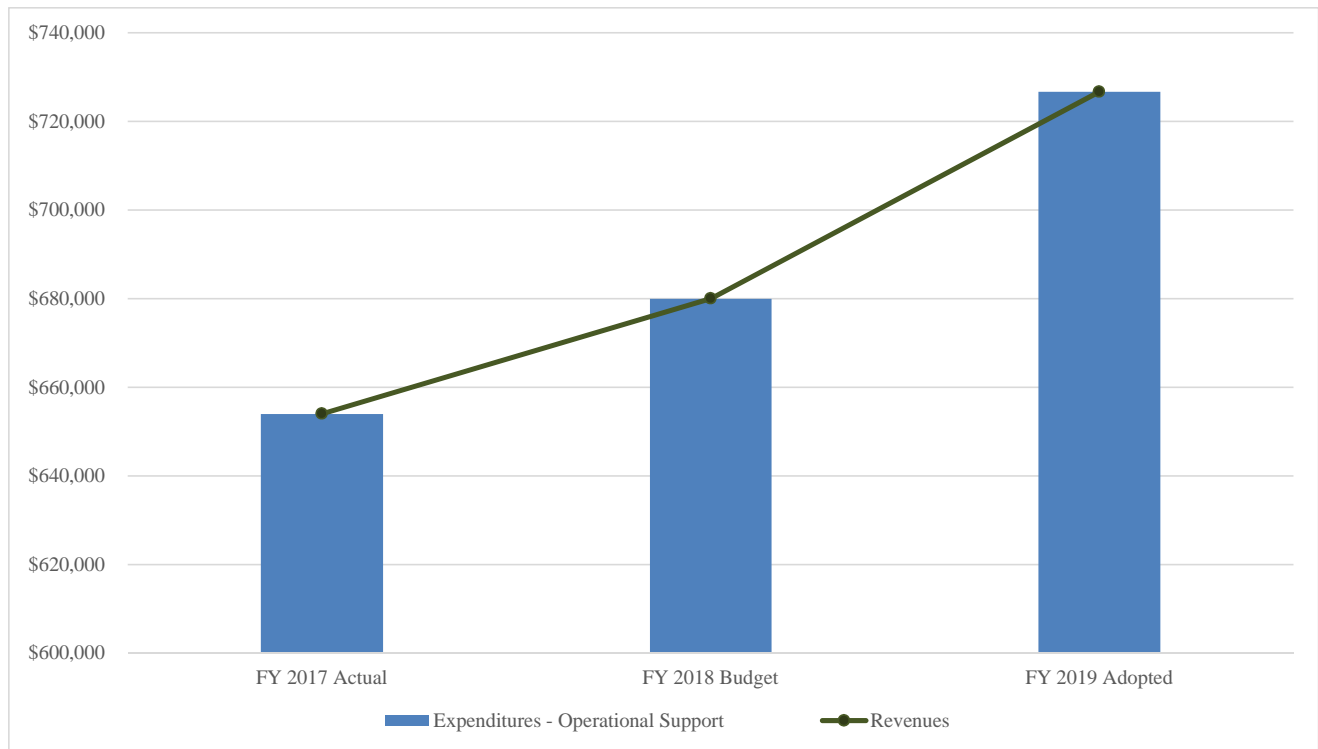
Occupancy Tax

Crystal Certain - Director of Financial Services

Description

An Occupancy Tax is imposed and levied on the gross receipts derived from the rental of an accommodation. An accommodation is defined as a hotel room, motel room, residence, cottage, or similar lodging facility for occupancy by an individual. The tax applies to accommodations rented to the same person for a period of less than 90 continuous days. Occupancy taxes received must be used to promote travel and tourism in the City or attract tourists or business travelers to the City.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Operational Support	654,002	680,000	726,700	46,700	6.87%
Total Expenditures	654,002	680,000	726,700	46,700	6.87%
Total Revenues	654,002	680,000	726,700	46,700	6.87%
Funding (+ or -)	0	0	0	0	0.00%



Department Summary

The primary mission of the City of Gastonia's Financial Services Department is in a spirit of excellence, integrity and dedication, to be committed to providing timely, accurate, clear and complete financial information and support to elected officials, other city departments, citizens and the community at large, while maintaining a high level of compliance with all pertinent Federal, State, and local regulations and rules.

Budget Highlights

- Implemented enhanced customer portal for electronic payment processing that includes scheduled payments and the ability to store bank or credit card information for future transactions.
- Explore other communication options for payment reminders and late/disconnect notices.
- Contract for the GASB required semi-annual actuarial valuation of the City's health care plan. This is due to the change in valuation date from December 31st to June 30th.
- Contract for the Internal Revenue Service required arbitrage rebate calculations for the City's tax exempt debt issues.

Goals

- Provide prompt, professional and accurate service to all customers, both internal and external.
- Continue to bill and collect revenues for utility services at an accuracy rate of 99% or above.
- Cross train new employees in Billing and Customer Service on other functions to ensure coverage as needed.
- Create route time standards for completion of monthly meter reading routes.
- Monitor cash balances and investments to maximize interest earnings on the investment of idle funds and minimize bank service charges.
- Maintain fiscal integrity and control over the City's financial record keeping and reporting responsibilities.
- Update Itron meter reading software to ensure ongoing compatibility with handheld devices and future integration with AMI System.
- Comply with all financial and payroll reporting regulatory requirements.
- Ensure goods and services are procured at the most cost effective price possible and that all qualified vendors have the opportunity to do business with the City.
- Provide the citizens of Gastonia with a budget document that is informative and transparent.

Objectives

- Continue to look for ways to make utility account information, programs and processes more easily accessible and automated for customers and analyze kiosk payment activity to determine whether existing locations are providing enough coverage.

Objectives (continued)

- Continue to work with Electric Department and Public Works in identifying areas to further utilize AMR technology for monthly reading of water and electric meters.
- Timely completion and publication of the annual financial audit.
- Qualify for the Government Finance Officers' Association Certificate of Achievement for Excellence in Financial Reporting Award and Distinguished Budget Preparation Award for each fiscal year.
- Ensure timely completion of annual required arbitrage rebate calculations.
- Comply with the City's and State's procurement policies.
- Maintain efficient levels of warehouse and parts room inventories.
- Work with Technology Services to automate budget process wherever possible.
- Work with the City's financial institution to implement an electronic payment process for vendor payments with a goal of reducing the number of checks processed and mailed.
- Evaluate and research potential implementation of additional security measures within the Warehouse for improved control and monitoring of high cost inventory located in the yard.
- Identify obsolete and slow moving inventory in the parts room and warehouse. Determine the best means of disposing of inventory deemed of no value to the City.



Financial Services Accounting Division

Service Area Objective

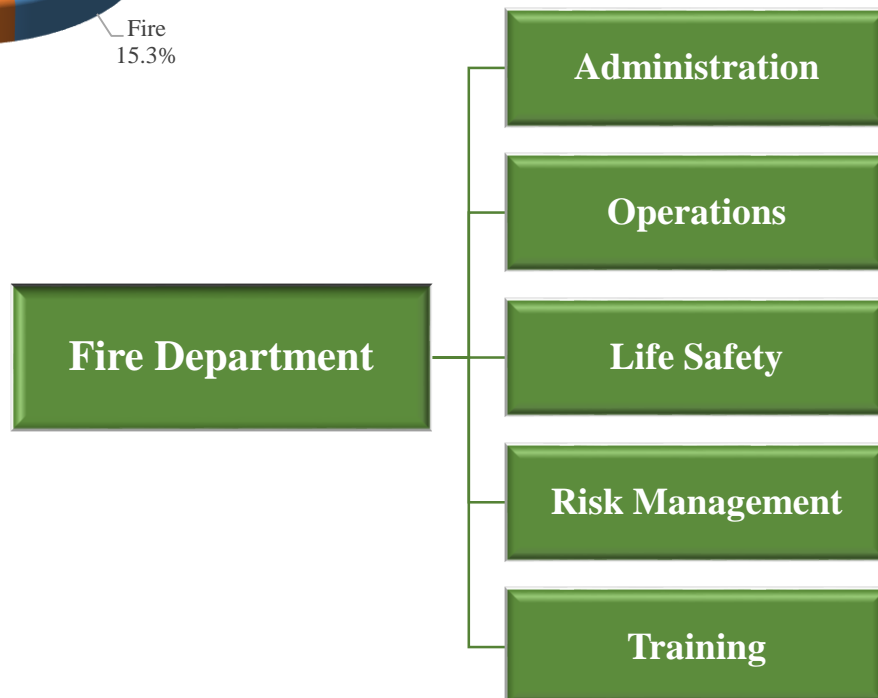
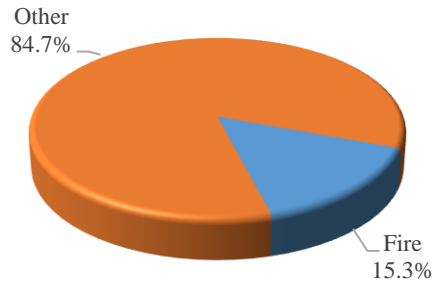
The division goal of the City of Gastonia Finance Department Accounting Division is to maintain the fiscal integrity of the City's finances in accounting, purchasing, payroll, cash management, grant administration, asset management, and internal audit in accordance with Federal, State and City policies.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of accounts payable transactions processed	Workload Measure	11,183	11,500	12,000
# of accounts payable checks written	Workload Measure	7,983	8,200	8,300
# of journal entries process	Workload Measure	38,488	40,000	40,000
# of direct deposits processed	Workload Measure	27,678	28,000	28,000
# of health, dental, life and supplemental insurance premiums reconciled to insurance invoices and paid	Workload Measure	46,588	48,000	48,000
# of capital asset additions and disposals	Workload Measure	191	130	150
# of construction in progress capital projects maintained/# of transactions	Workload Measure	100	71	70
Cost per accounts payable transaction processed	Efficiency Measure	\$14.15	\$14.72	\$15.30
Cost per payroll check/direct deposit processed	Efficiency Measure	\$3.21	\$3.34	\$3.47
% of invoices paid by due date	Efficiency Measure	85%	85%	87%

Fire



Human Resources Allocation





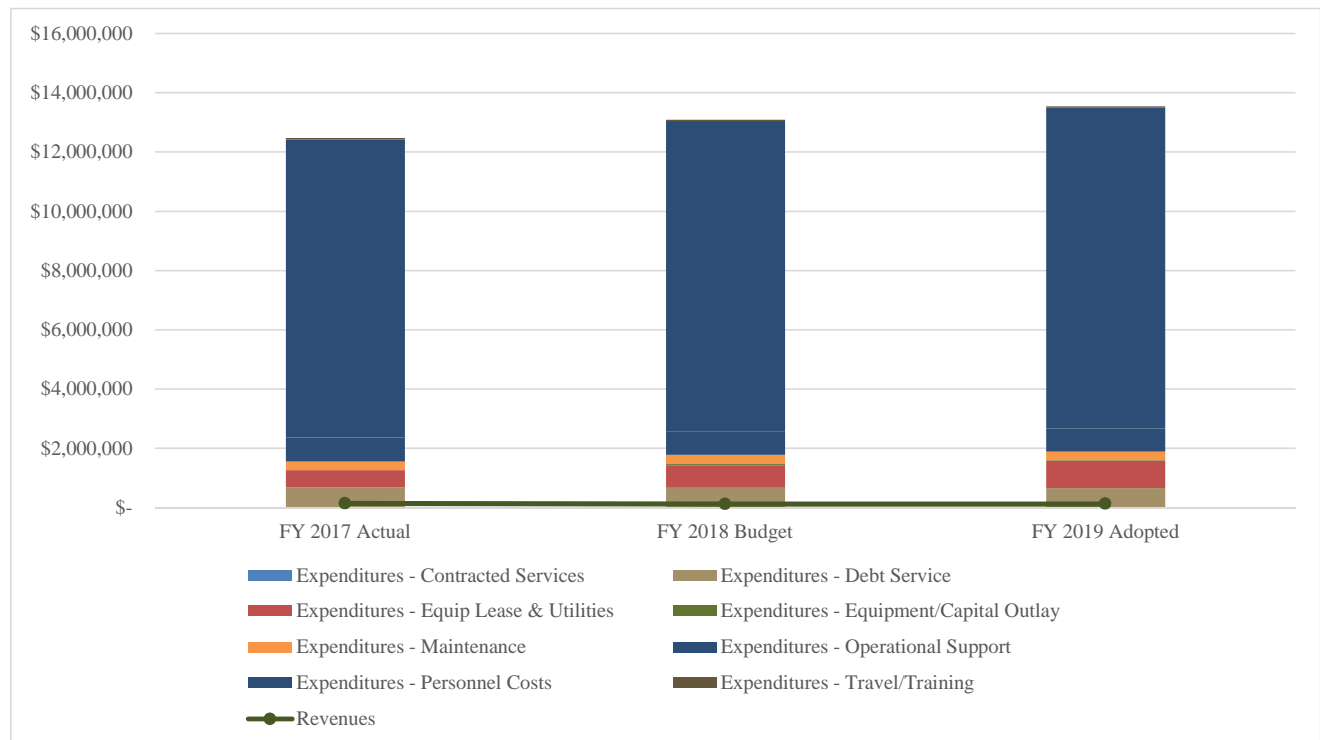
Fire

Phillip B Welch, Jr. - Fire Chief

Department Mission

The mission of the Gastonia Fire Department is to save lives and property and to proudly serve the citizens and visitors of the City of Gastonia.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	3,350	3,950	4,000	50	1.27%
Debt Service	685,033	671,262	660,115	(11,147)	-1.66%
Equip Lease & Utilities	585,143	760,735	920,639	159,904	21.02%
Equipment/Capital Outlay	0	34,750	25,000	(9,750)	-28.06%
Maintenance	288,827	318,540	291,900	(26,640)	-8.36%
Operational Support	805,966	775,683	774,196	(1,487)	-0.19%
Personnel Costs	10,058,841	10,485,595	10,825,660	340,065	3.24%
Travel/Training	47,320	44,521	43,100	(1,421)	-3.19%
Total Expenditures	12,474,479	13,095,036	13,544,610	449,574	3.43%
Total Revenues	140,370	123,260	130,260	7,000	5.68%
Funding (+ or -)	12,334,108	12,971,776	13,414,350	442,574	3.41%



Department Summary

The primary mission of the City of Gastonia's Fire Department is to protect lives and property and proudly service the citizens and visitors to the City of Gastonia. This mission is accomplished through Fire Administration, Fire Operations, Life Safety/Public Fire Education, Fire Training, and Emergency Management. These divisions functioning together allow the city to accomplish one of the two keystones in the City of Gastonia's Core Service Mission, to protect lives and property.

Budget Highlights

- Placed in service a 2nd 75ft Smeal Quint Fire Apparatus.
- Completed our Insurance Service Office (ISO) inspection conducted by the North Carolina Office of State Fire Marshal.
- Members completed over 40,430 hours of Training.
- Completed over 1,200 Building Plans Reviews and conducted over 4,660 Fire Inspections.
- Completed our promotional process for Fire Engineer

Goals

- To continue to provide the best possible services to the citizens and visitors to the City of Gastonia.
- To maintain adequate responses times for an effective firefighting force set by the National Fire Protection Association (NFPA) and The Commission on Fire Accreditation International (CFAI)
- To ensure that all businesses are inspected on schedule according to the North Carolina Fire Prevention Code.

Objectives

- To complete our annual compliance report for the Commission on Fire Accreditation International (CFAI).
- To ensure all fire department members receive the required training recommended by the Insurance Service Office (ISO)
- To complete the purchase of a Fire Engine to be assigned to the Carson Rd Fire Station to coincide with our Fire Apparatus Replacement Schedule.
- To maintain the Fire Inspection Schedule set forth by the North Carolina Fire Prevention Code.



Fire Department Life Safety Division

Service Area Objective

The division goal of the Gastonia Fire Department Life Safety Division is to maintain responsibility for fire inspection, plan review and fire cause determination through fire code enforcement and public education.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of inspections	Workload Measure	4,293	5,200	5,700
# of violation notices issued	Workload Measure	4,202	4,452	3,500
# of education programs conducted	Workload Measure	75	100	135
Annual cost per inspection	Efficiency Measure	\$100.25	\$102.25	\$105.27
# of inspections per inspector	Efficiency Measure	1,175	1,225	1,200
# of complaints per inspector	Efficiency Measure	6	7	3
% of violations arising from an inspection	Effectiveness Measure	58%	64%	50%
% of re-inspections arising from an inspection	Effectiveness Measure	28%	26%	18%
Number of residents receiving public education & training	Effectiveness Measure	5,756	6,300	8,000
Public education program hours of training provided	Effectiveness Measure	117	175	275
Fire cause & origin investigations	Effectiveness Measure	326	356	298

Fire Department Training Division

Service Area Objective

The division goal of the Gastonia Fire Department Training Division is to provide training to 134 certified firefighters and 5 life safety inspectors. In addition, the Training Division maintains oversight for the required annual maintenance of SCBA's, pumps, ladder inspections and SCBA fit testing for all personnel.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of training hours per firefighter	Workload Measure	276	300	325
Cost of training per firefighter	Efficiency Measure	\$238.27	\$309.35	\$323.74
Total number of required certifications held by firefighters	Efficiency Measure	563	563	563
Average budgeted cost per training per firefighter	Efficiency Measure	0.83	1.03	1.00
% of employees meeting NC mandate of 36 hours of training per firefighter to maintain eligibility for pension fund	Effectiveness Measure	99% of employees meeting mandate	100% of employees meeting mandate	100% of employees meeting mandate
Total training hours logged per year	Effectiveness Measure	38,388	42,000	44,000
% of employees meeting ISO recommendation of 228 hours of training per employee	Effectiveness Measure	79% of employees meeting mandate recommendation	85% of employees meeting mandate recommendation	95% of employees meeting mandate recommendation



Fire Department Operations Division

Service Area Objective

The division goal of the Operations Division of the Gastonia Fire Department is to help safeguard the lives and property of the citizens of Gastonia from the adverse effects of fires, medical emergencies, chemical exposure emergencies or any other dangerous occurrences. In addition, the Operations Division performs considerable non-emergency duties including training, preplanning, hydrant inspections, public education, apparatus maintenance and station maintenance.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of dispatched calls	Workload Measure	11,152	11,500	12,000
# of HazMat incidents	Workload Measure	113	120	120
Total property loss from fires	Efficiency Measure	\$1,210,452	\$1,400,000	N/A
Total dollar savings from fires	Efficiency Measure	\$6,444,068	\$7,000,000	N/A
Company turn-out time for emergencies	Effectiveness Measure	91.3% of the time	< 90-92% of the time	< 90-93% of the time
% of time 1st Company on scene in under 5 minutes on structure fires	Effectiveness Measure	91%	94%	95%
*Effective Response force time	Effectiveness Measure	95% of the time	< 10:20 96% of the time	< 10:20 96% of the time

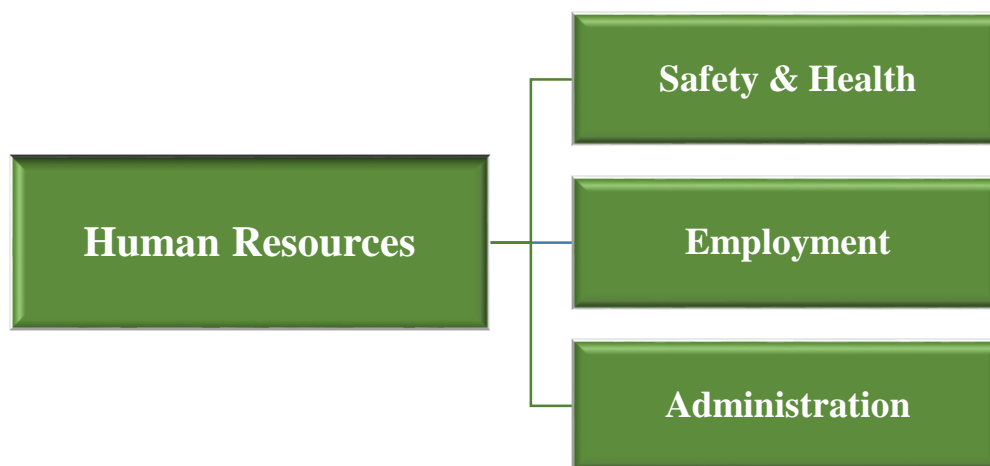
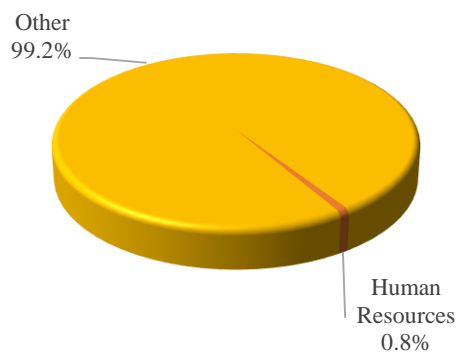
* *Effective Response force is the number of personnel (15 firefighters) needed on scene to effectively mitigate fire scenes. < 10:20, 90% of the time is our benchmark.*



Human Resources



Human Resources
Allocation





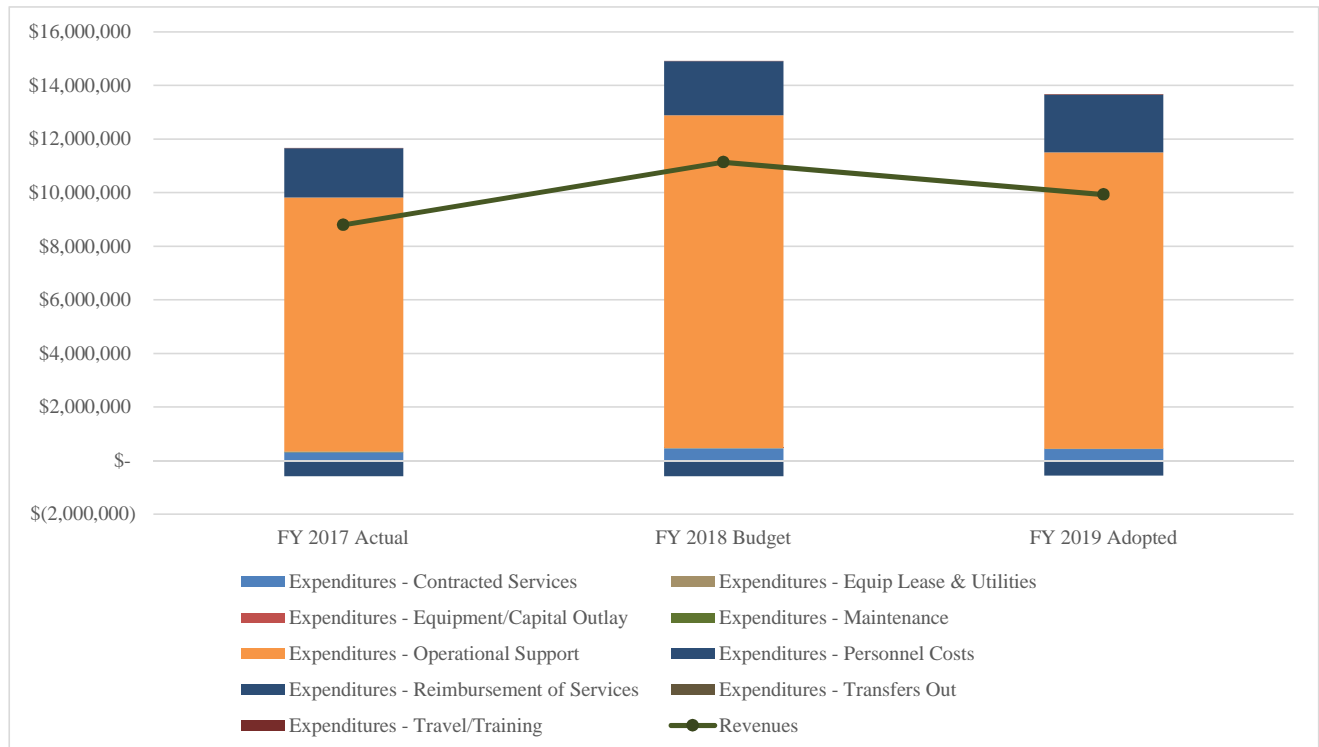
Human Resources

Todd Carpenter - Deputy City Manager

Department Mission

The mission of the City of Gastonia's Human Resources Department is to maximize the potential of every single employee by promoting an atmosphere of teamwork and positive customer service.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	313,308	459,693	441,250	(18,443)	-4.01%
Equip Lease & Utilities	7,591	7,890	7,690	(200)	-2.53%
Equipment/Capital Outlay	0	6,000	0	(6,000)	-100.00%
Maintenance	21,694	1,700	1,500	(200)	-11.76%
Operational Support	9,486,037	12,422,348	11,057,421	(1,364,927)	-10.99%
Personnel Costs	1,837,600	2,015,818	2,154,346	138,528	6.87%
Travel/Training	736	10,400	17,900	7,500	72.12%
Total Expenditures	11,666,965	14,923,849	13,680,107	(1,243,742)	-8.33%
Reimbursement of Services	(582,915)	(583,898)	(553,391)	30,507	-5.22%
Total Revenues	8,796,685	11,136,329	9,930,980	(1,205,349)	-10.82%
Funding (+ or -)	2,287,365	3,203,622	3,195,736	(7,886)	-0.25%



Department Summary

The primary role of the City of Gastonia's Human Resources Department is to maximize the potential of every single employee. We accomplish this by recruiting a diversified and qualified workforce, offering competitive compensation, outstanding benefits, and employee relations. This department ensures compliance in all employment and employee matters. Additionally we are responsible for the City's risk management, health and wellness, and safety programs. This is accomplished in an atmosphere of teamwork and positive customer service.

Budget Highlights

- Coordinate two assessment centers in the public safety area at a cost of \$18,000.
- Purchase property and liability coverages for all City properties at a cost of \$600,500. File all claims through the claims administrator at a cost of \$134,500 in the general fund.
- Purchase workers compensation coverage and process claims at a cost of \$600,000 in the general fund.

Goals

- Provide guidance to all departments on employee issues and personnel policies, ensuring compliance with all federal, state, and local regulations.
- Strive to improve customer service so as to improve recruitment, retention, wellness, employee relations, and employee safety.

Objectives

- Ensure market competitive classification and compensation.
- Coordinate and conduct biennial compensation study.
- Review and update all career paths.
- Implement formalized supervisor training program
- Implement employee engagement and development program including leadership academy.
- Implement diversity, equity, and inclusion program.
- Ensure continuous improvement of and expansion of wellness program and overall culture of workplace wellness.



Human Resources Administration & Employment Division

Service Area Objective

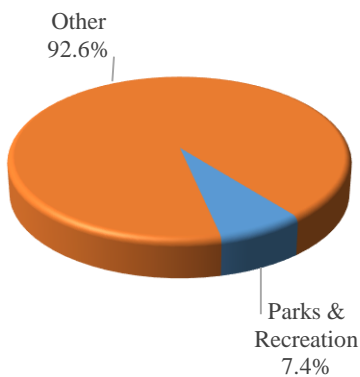
The division goal of the City of Gastonia Human Resources Administration & Employment Division is to provide for the administration of the City's risk management, insurance, benefits, employee health and safety, employment, and other personnel related programs for the City and its workforce. In addition, the division is responsible for maintaining employee records and regulatory compliance, as well as for providing policy guidance and assistance to the City's managers, supervisors and employees.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of property/casualty insurance claims processed	Workload Measure	125	87	110
# of employment applications taken	Workload Measure	14,036	9,972	11,000
Avg cost of property/casualty claims	Effectiveness Measure	\$740.88	\$1,315.14	\$1,000.00
# of individuals promoted/hired	Effectiveness Measure	158	1,747	150
# of physician required medicals	Effectiveness Measure	19	39	25

Parks & Recreation



Human Resources
Allocation





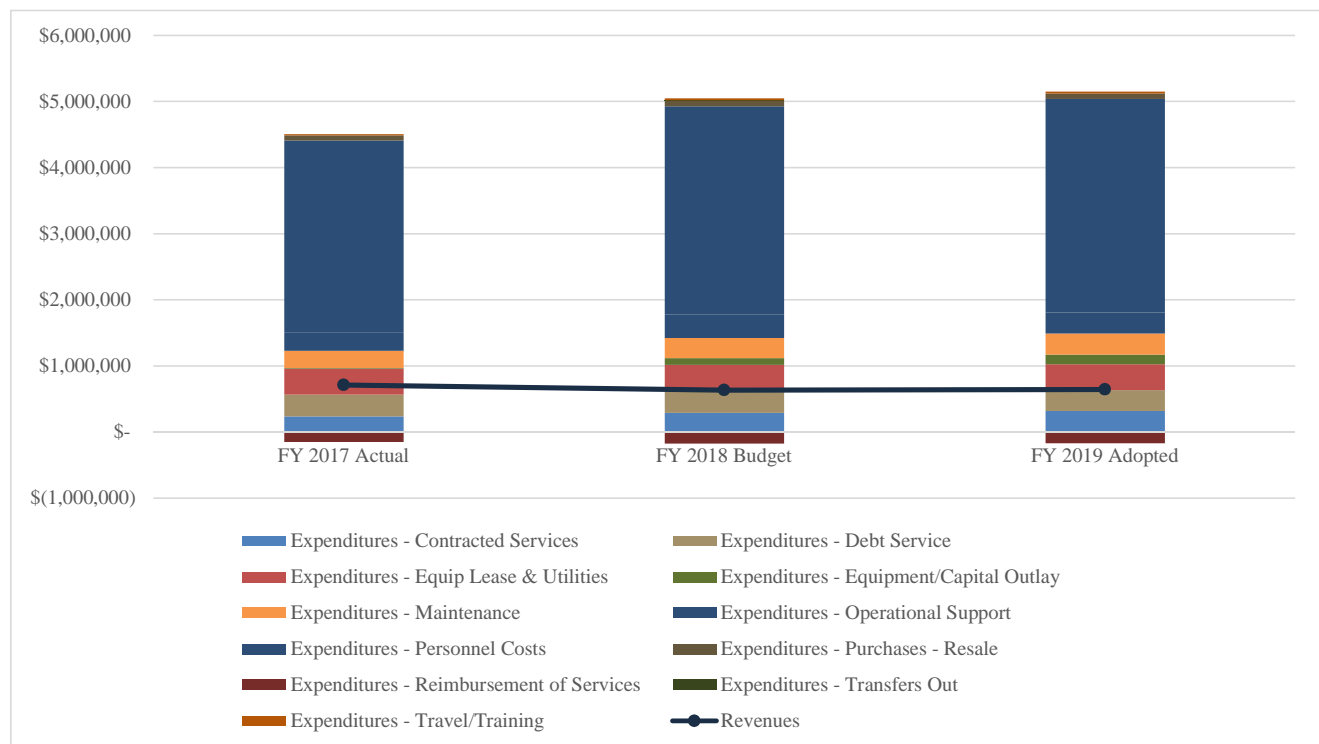
Parks & Recreation

Cam Carpenter - Director of Parks & Recreation

Department Mission

The mission of the Gastonia Parks and Recreation Department is to foster a healthy community by providing a variety of quality facilities, parks and programs for leisure pursuits, and to preserve valuable open space.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	239,449	289,599	321,419	31,820	10.99%
Debt Service	327,458	320,631	314,357	(6,274)	-1.96%
Equip Lease & Utilities	394,916	406,763	391,082	(15,681)	-3.86%
Equipment/Capital Outlay	7,395	101,858	145,000	43,142	42.36%
Maintenance	262,382	307,272	319,901	12,629	4.11%
Operational Support	277,924	355,914	319,662	(36,252)	-10.19%
Personnel Costs	2,902,625	3,147,236	3,227,637	80,401	2.55%
Purchases - Resale	77,466	87,150	85,500	(1,650)	-1.89%
Transfers Out	0	4,995	0	(4,995)	-100.00%
Travel/Training	19,736	26,738	28,755	2,017	7.54%
Total Expenditures	4,509,352	5,048,156	5,153,313	105,157	2.08%
Reimbursement of Services	(148,158)	(173,186)	(166,172)	7,014	-4.05%
Total Revenues	711,755	634,576	642,850	8,274	1.30%
Funding (+ or -)	3,649,438	4,240,394	4,344,291	103,897	2.45%



Department Summary

The mission of the Gastonia Parks and Recreation Department is to foster a healthy community by providing a variety of quality facilities, parks and programs for leisure pursuits, and to preserve valuable open space.

Budget Highlights

- Completion of Sims Park improvements (new netting, press box, dugouts, and beer garden).
- Completion of new Rotary water fountain (Trail head of the Avon/Catawba Greenway).
- Installation of new scoreboard at Bradley Community Center.
- Purchase of 8 AED's (Lake Front, Erwin Pool, Lineberger Pool, Ferguson Park, Martha Rivers Park, T Jeffers, Bradley and Phillips Community Centers).
- Develop a 10-15 year Comprehensive Master Plan that will include an analysis of current parks and recreation facilities and programs, current trends and issues in recreation demand, as well as include goals and objectives for future recreational decision making.

Goals

- Partner with Hasan Whiteside Foundation and complete Phillips Community Center. Gymnasium Renovations.
- Complete Lighting upgrades at all Community Centers.
- Complete Renovations to Martha Rivers Score/concession tower.
- Complete gym floor replacement at Bradley Community Center.
- Complete greenway segment from Rankin Lake Park to Bulb Ave.
- Complete installation of new playground at Rankin Lake Park.

Objectives

- Expand community partnerships among private and civic organizations, schools, and local organizations.
- Increase marketing, implementation of new programs, and increase participation in youth and adult activities.
- Expand partnerships with Senior Games and Special Olympics of Gaston County.
- Develop and implement best practices for maximizing facility utilization for weekend athletic tournaments which impact the community's travel and tourism.
- Streamline Parks and Recreation operations to better utilize current resources and maximize revenue potential.



Recreation Department Athletics Division

Service Area Objective

The division goal of the City of Gastonia Recreation Department Athletics Division is to provide programs for Gastonia residents and visitors in the form of leagues, tournaments, clinics and other special events which are designed to enhance the lives of our citizens by providing wholesome leisure time activities.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of youth athletic teams	Workload Measure	212	235	240
# of adult athletic teams	Workload Measure	52	43	45
# of swimmers at City pool facilities	Workload Measure	31,000	29,383	31,000
Monthly cost per athletic team participant (youth)	Efficiency Measure	\$8.13	\$8.37	\$8.37
Monthly cost per athletic team participant (adult)	Efficiency Measure	\$7.02	\$9.54	\$9.54
Total cost for operation of City pool facilities (10 & 12 weeks)*	Efficiency Measure	\$92,000	\$93,500	\$93,500
% of cost of pool operation vs. revenues received	Effectiveness Measure	93.00%	93.00%	93.00%

Recreation Department Organized Programs Division

Service Area Objective

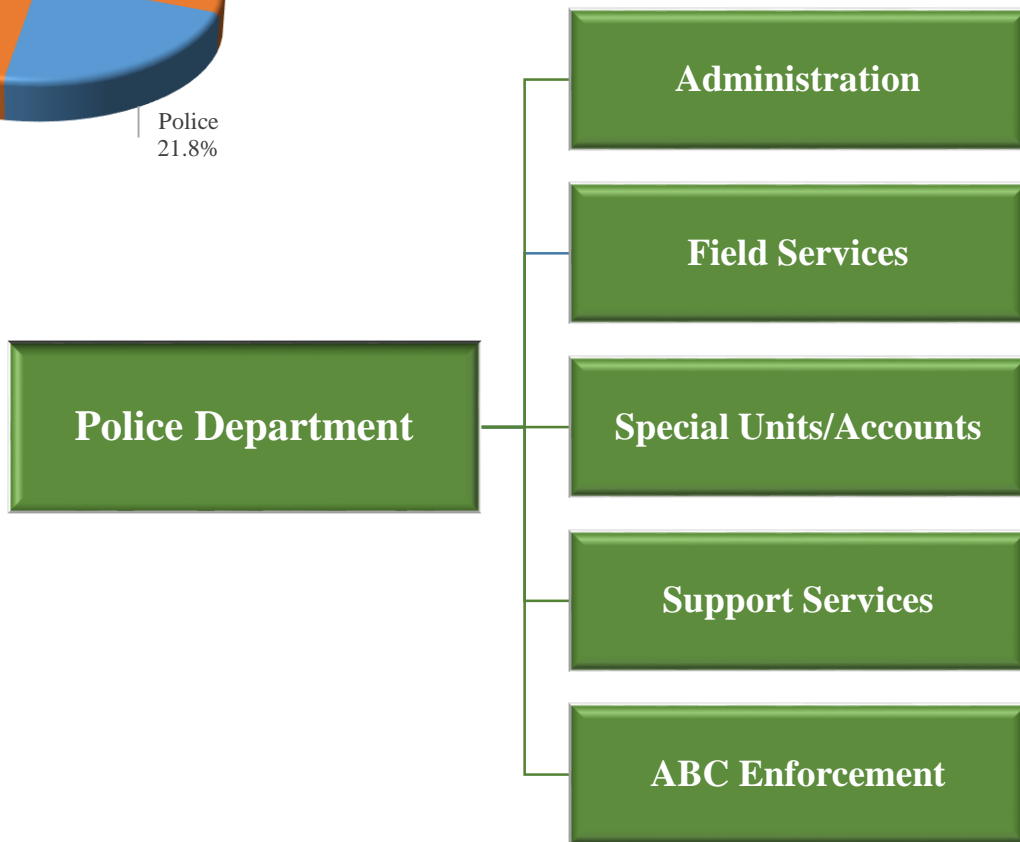
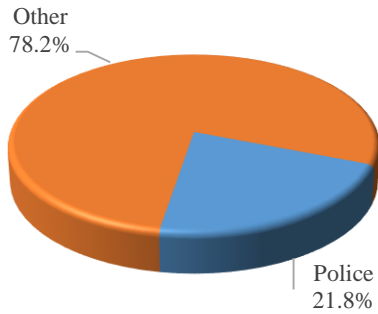
The division goal of the City of Gastonia Recreation Department Organized Programs Division is to provide for the day-to-day needs of the community by offering year round instructional classes for persons of all ages at a nominal fee.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of participants in special population activities	Workload Measure	16	27	27
# of adults participating in programs	Workload Measure	64	306	306
# of children attending live theatrical performances	Workload Measure	30	18	18
Monthly cost per special population participant	Efficiency Measure	\$1.01	\$1.01	\$1.01
Monthly cost per adult program participant	Efficiency Measure	\$0.86	\$0.83	\$0.83
Monthly cost per theatrical performance attendee	Efficiency Measure	\$0.91	\$0.92	\$0.92
% of cost of program operation vs. revenue received	Effectiveness Measure	7.01%	5.31%	5.31%
% of cost of special population programs vs. revenue received	Effectiveness Measure	4.10%	7.87%	7.97%
% of cost of theatrical performances vs. revenue received	Effectiveness Measure	3.73%	3.77%	3.77%
% of cost of adult program vs. revenue received	Effectiveness Measure	4.41%	5.36%	5.36%

Police



Human Resources
Allocation





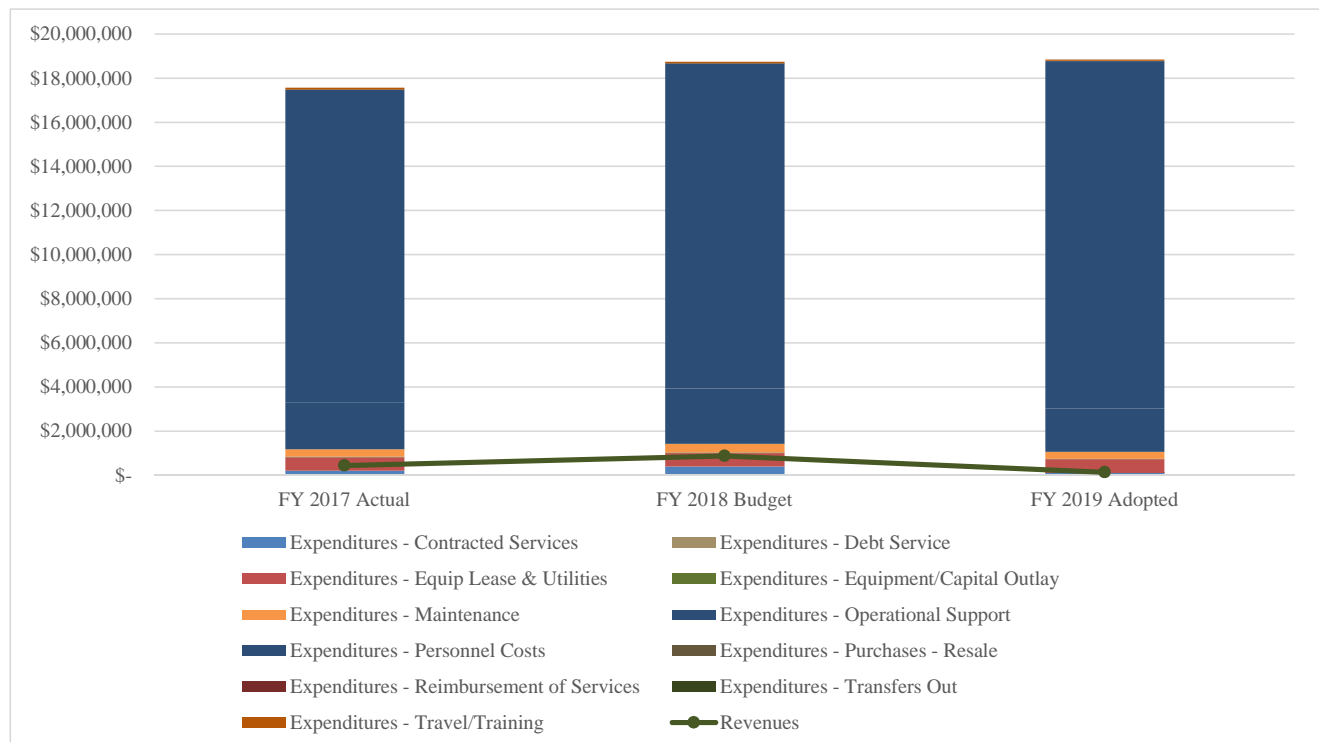
Police

Robert C. Helton, Jr - Police Chief

Department Mission

The City of Gastonia Police Department is dedicated to improving the quality of life by creating a safe environment in partnership with the people we serve. We act with integrity to reduce fear and crime while treating all with respect, compassion, and fairness.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	207,622	395,788	102,675	(293,113)	-74.06%
Debt Service	0	0	1,000	1,000	0.00%
Equip Lease & Utilities	607,184	608,447	631,186	22,739	3.74%
Equipment/Capital Outlay	30,079	39,002	10,000	(29,002)	-74.36%
Maintenance	333,532	384,087	320,139	(63,948)	-16.65%
Operational Support	2,132,942	2,509,217	1,965,470	(543,747)	-21.67%
Personnel Costs	14,179,294	14,738,324	15,755,037	1,016,713	6.90%
Purchases - Resale	476	2,500	2,500	0	0.00%
Travel/Training	77,844	75,869	67,800	(8,069)	-10.64%
Total Expenditures	17,568,972	18,753,234	18,855,807	102,573	0.55%
Total Revenues	442,249	873,067	137,739	(735,328)	-84.22%
Funding (+ or -)	17,126,723	17,880,167	18,718,068	837,901	4.69%



Department Summary

The Gastonia Police Department is a professional police services organization that is committed to enhancing the quality of life for all citizens by utilizing the philosophy of Intelligence-Led Problem Oriented Policing to prevent crime and reduce the fear of crime. We do this by partnering with our community to promote a responsible approach to quality of life issues. The Gastonia Police Department promotes effective coordination and cooperation with other city agencies and community organizations in order to prevent crime and solve neighborhood issues, allowing the City of Gastonia to be safe and inviting for all who live, work and recreate in our city.

Budget Highlights

- Patrol uniform cost increase \$9,000
- Annual CALEA maintenance increase \$300
- Increase Records Bureau overtime \$2,500
- Increase Records Bureau travel and training \$1000

Goals

- Utilize Intelligence-Led Problem Oriented Policing to identify and manage public safety issues.
- Improve the efficiency and effectiveness of our delivery of police services by adopting relevant available technological solutions.
- Expand our emphasis on recruitment, retention efforts and training in order to maintain full staffing levels, maximize officer safety and promote professional standards.
- Continue maintenance of the CALEA accreditation program and maintain standards to achieve annual audits.
- Develop, promote, and maintain community partnerships.
- Communicate effectively throughout the organization with external partners.
- Advance a culture of health and wellness for all employees at the GPD.
- Provide employees with opportunities for meaningful work, challenging goals, and career development.
- Continue involvement and support of the Drug Diversion and Treatment program to include the continued partnership with The Gaston Controlled Substances Coalition in addressing the opioid epidemic.

Objectives

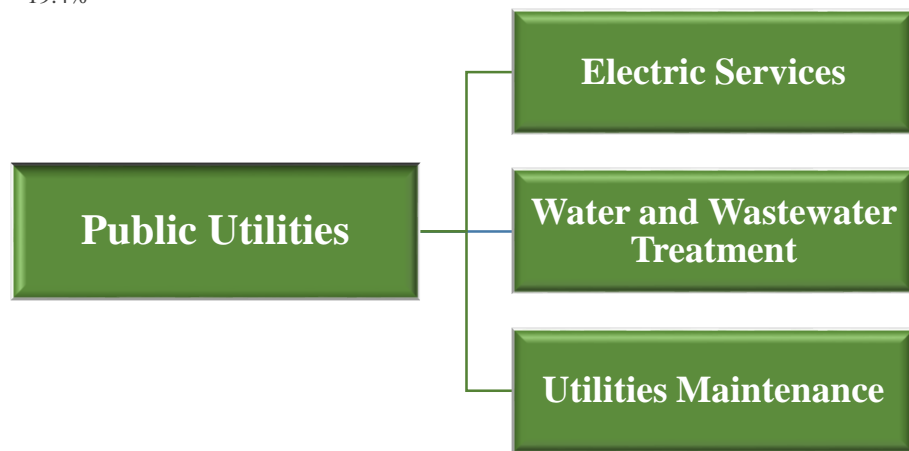
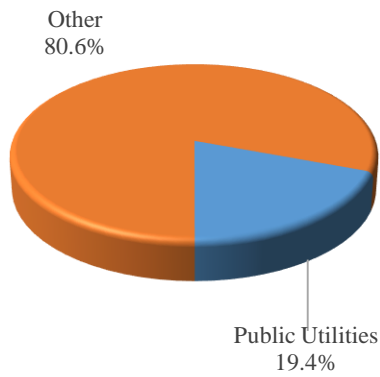
- Create a Career Development Program within the department to help promote career path opportunities and to improve employee retention.
- Identify social diversion opportunities within the community and create an evidence-based program to address the issue.
- Develop and distribute mainstream GPD recruiting media to address current deficiencies in staffing.
- Pursue intelligence led problem oriented policing training for all employees.
- Provide all patrol vehicles with dash cameras that coordinate with the current body cameras to increase officer safety and continue to enhance transparency.



Public Utilities



Human Resources
Allocation





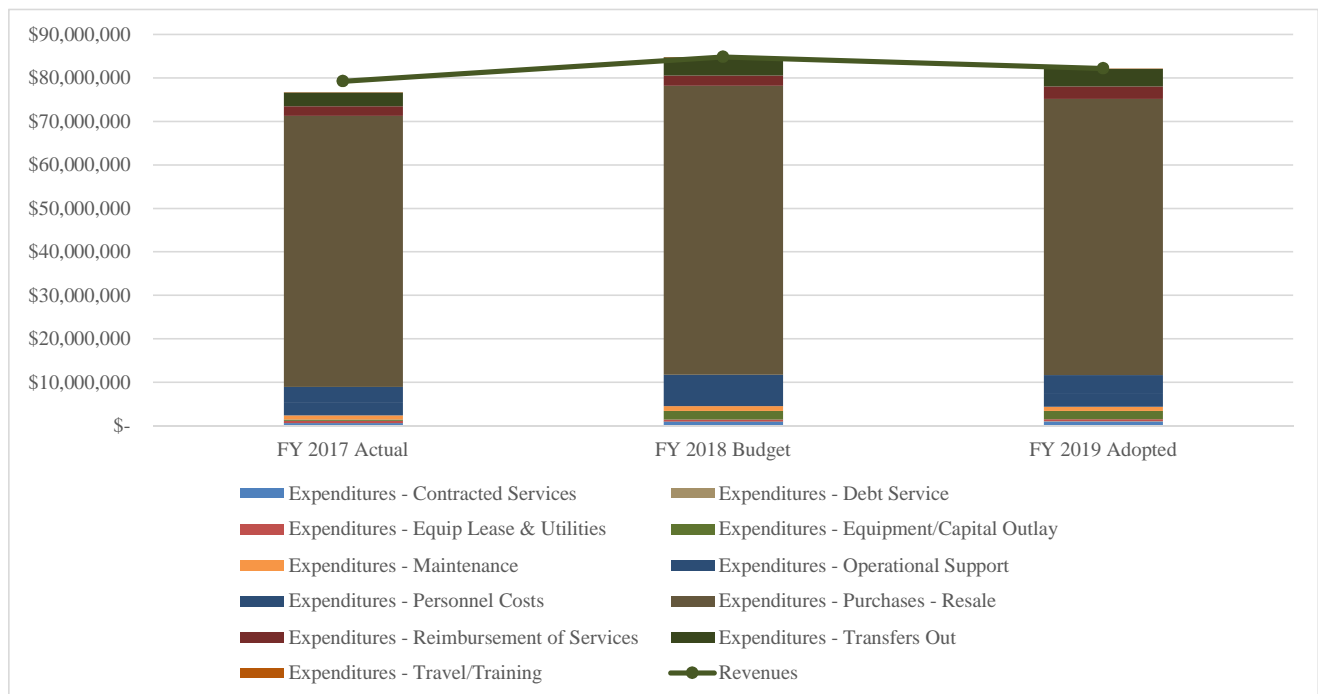
Electric

Joe Albright - Director of Public Utilities

Division Mission

The mission of the City of Gastonia Electric is to operate and maintain its electrical system in a manner to provide the most reliable and satisfactory electric service for all citizens at a fair and equitable cost.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	681,577	1,011,220	1,073,000	61,780	6.11%
Debt Service	16,869	16,869	16,869	0	0.00%
Equip Lease & Utilities	476,000	473,759	481,836	8,077	1.70%
Equipment/Capital Outlay	315,482	1,959,443	1,865,155	(94,288)	-4.81%
Maintenance	951,515	1,109,163	1,027,585	(81,578)	-7.35%
Operational Support	2,892,627	3,048,015	2,943,010	(105,005)	-3.45%
Personnel Costs	3,660,057	4,147,937	4,327,287	179,350	4.32%
Purchases - Resale	62,284,265	66,430,618	63,448,281	(2,982,337)	-4.49%
Transfers Out	3,124,167	4,145,948	4,060,000	(85,948)	-2.07%
Travel/Training	36,809	49,074	69,200	20,126	41.01%
Reimbursement of Services	2,233,860	2,385,319	2,861,427	476,108	19.96%
Total Expenditures	76,673,228	84,777,365	82,173,650	(2,603,715)	-3.07%
Total Revenues	79,193,364	84,777,365	82,173,650	(2,603,715)	-3.07%
Funding (+ or -)	(2,520,136)	0	0	0	0.00%





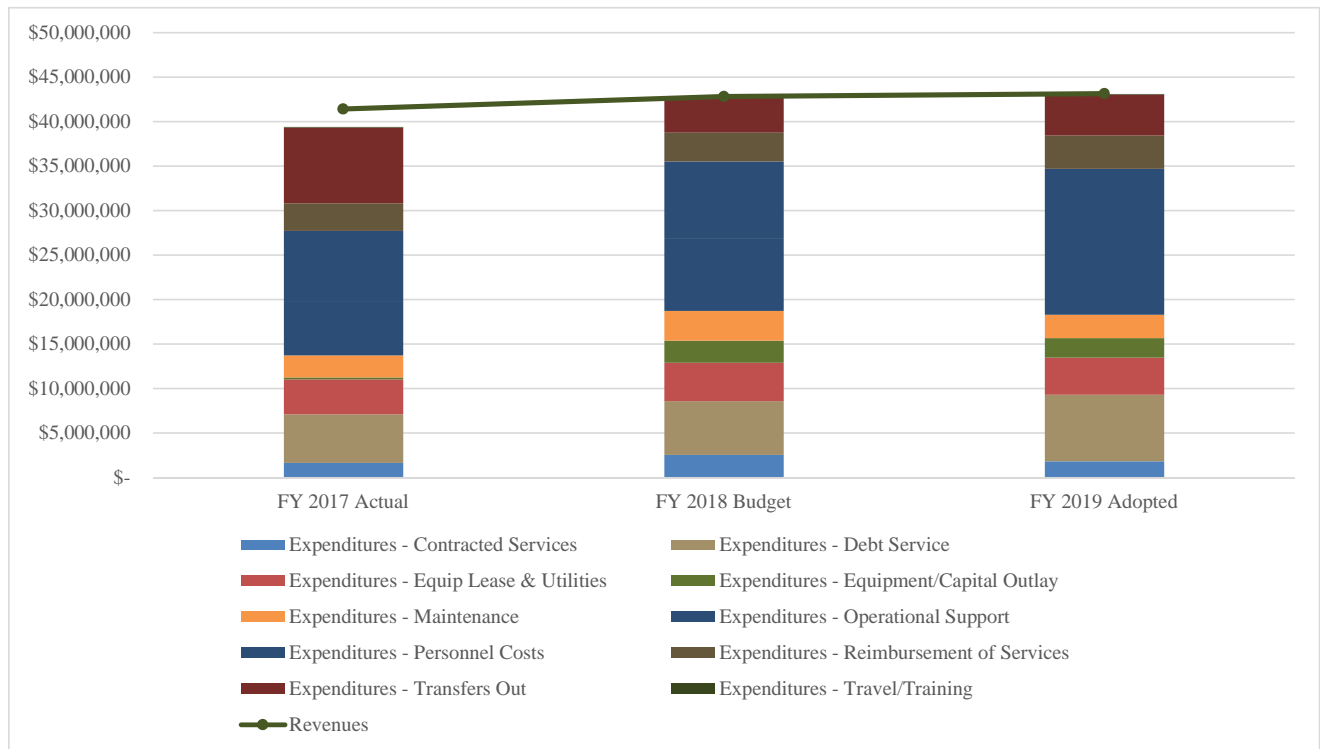
Water/Sewer

Joe Albright - Director of Public Utilities

Department Mission

The Water/Sewer division is committed to serving the needs of City of Gastonia residents, businesses, and visitors by providing high-quality drinking water and wastewater disposal services while providing for future economic growth via progressive planning; implementing water conservation measures; safeguarding public health and the environment; and providing for continuous process improvements and cost efficiencies.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	1,666,537	2,558,123	1,841,943	(716,180)	-28.00%
Debt Service	5,468,157	6,063,569	7,472,239	1,408,670	23.23%
Equip Lease & Utilities	3,909,066	4,293,495	4,187,947	(105,548)	-2.46%
Equipment/Capital Outlay	228,360	2,484,241	2,186,258	(297,983)	-11.99%
Maintenance	2,467,017	3,359,243	2,619,473	(739,770)	-22.02%
Operational Support	5,998,996	8,059,921	6,949,980	(1,109,941)	-13.77%
Personnel Costs	7,981,897	8,719,701	9,440,935	721,234	8.27%
Transfers Out	8,532,647	3,997,877	4,615,577	617,700	15.45%
Travel/Training	53,057	62,860	81,200	18,340	29.18%
Reimbursement of Services	3,103,814	3,222,347	3,738,568	516,221	16.02%
Total Expenditures	39,409,548	42,821,377	43,134,120	312,743	0.73%
Total Revenues	41,411,505	42,821,377	43,134,120	312,743	0.73%
Funding (+ or -)	(2,001,957)	0	0	0	0.00%



Department Summary

The City of Gastonia's Public Utilities Department wants to be a recognized and valued leader in the delivery of electric, water and sewer services and continually strive toward excellence. The Electric division's mission is to operate its electrical system providing the most reliable electric service for all citizens at an equitable cost. The Water and Sewer division is committed to providing high-quality drinking water and wastewater collection and treatment services while providing for future economic growth via progressive planning; implementing water conservation measures; safeguarding public health and the environment; and delivering continuous process improvements and cost efficiencies.

Budget Highlights

- Continue to prioritize tree trimming to maintain electrical system reliability while preserving a balanced approach, respectful of the Tree City USA status.
- Complete the electric utility relocation for the Franklin Urban Sports & Entertainment District.
- Initiation of new membrane filtration and other new technologies and processes at the Water Treatment Plant following completion of the renovation project.
- Continued 15-year replacement cycle for water meters.
- Continue phase clearing of the Cramer Mountain sewer right of ways.
- Purchase of additional flow meter kits for the study/reduction of sanitary sewer system I & I.

Goals

- Improve operational efficiency and promote accuracy, consistency, and excellence in customer service communications as well as administrative tasks for the department.
- Improve the electric system reliability.
- Lower overall electric system losses.
- Conduct an employee growth and development program within the electric division.
- Implement a vegetation management solution to increase reliability of the City's electric grid.
- Promote TRU by forming new partnerships and continuing existing partnerships.
- Serve growth areas with water and sewer service as part of the regional system.
- Improve condition and knowledge of water distribution and sanitary sewer collection systems.
- Ensure wastewater treatment plants can meet NPDES permit limits through 2030.
- Ensure the operability of the water and sewer SCADA control system.
- Improve the overall conservation of water.

Objectives

- Respond to customer inquiries promptly and strive for first call resolution for external and internal customers.
- Provide regular training opportunities to develop knowledge, consistency, and accuracy among staff.
- Continue electrical pole inspections, perform substation and electric system maintenance, and perform system sectionalizing study all to improve the electric system reliability.
- Increase electric conductor size, evaluate transformer loading, replace HPS with LED lighting, and implement system voltage optimization to lower system losses.
- Continue providing lineman career development through ElectriCities of North Carolina.
- Maintain job safety training, first aid training, and create software training programs for electric employees.
- Complete construction of Phase II South Fork Regional sewer project.
- Work with municipal wholesale and other bulk water and sewer customers to renew utility agreements as they reach the renewal period.
- Continue valve inspection program with a goal to exercise, inspect, and GPS at least 10% of distribution valves a year.
- Continue TRU leak detection program and sewer acoustic inspection program to evaluate 10% of the distribution and collection system this year.
- Undertake and complete computer modeling of the Crowders Creek Wastewater Treatment Plant processes.
- Complete SCADA projects to ensure the reliability of the Crowders Creek WWTP control system, determine the optimal communication routes between remote sites, conduct monitoring the raw water system, and install controls at the Berry Mountain water booster pump station.
- Study implementation of a multi-gradient distribution system to conserve energy, conserve water, extend the useful life of distribution system piping, reduce leakage and save customer's plumbing costs.



Public Utilities Department Electric Division

Service Area Objective

The division goal of the Electric Services Division is to maintain and operate a safe and reliable system in an economic and environmentally friendly manner for its customer owners, which includes residential, commercial and industrial customers.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# of service calls	Workload Measure	2,734	2,651	2,800
# of meters repaired	Workload Measure	515	290	250
Annual cost per service call	Efficiency Measure	\$396.96	\$433.83	\$430.00
# of service calls assigned per technician	Efficiency Measure	273	265	250
# of meters repaired by technician	Efficiency Measure	52	45	40
Annual average response time for service calls (emergencies only)	Effectiveness Measure	35.14 minutes	20.00 minutes	20.00 minutes



Public Utilities Department Water Treatment Division

Service Area Objective

The division goal of the City of Gastonia Water Treatment Division is to provide water to all household, municipal,

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
Aveg daily treatment per each water customer (gallons)	Workload Measure	482.16	464.61	485.86
Average annual operating cost per thousand gallon of water treated	Efficiency Measure	\$0.7086	\$0.8070	\$0.8059
Annual operating costs per water customer	Efficiency Measure	\$124.71	\$145.51	\$142.91
Annual operating cost per customer by population served	Efficiency Measure	\$44.61	\$51.99	\$50.99
Water complaints responded to within 24 hours	Effectiveness Measure	93%	87%	100%



Public Utilities Department Wastewater Treatment Division

Service Area Objective

The division goal of the City of Gastonia Wastewater Treatment Division as part of Two Rivers Utilities is to provide wastewater treatment services to individual consumers, as well as industrial and commercial customers of the greater Gastonia area in a prompt, courteous and reliable manner.

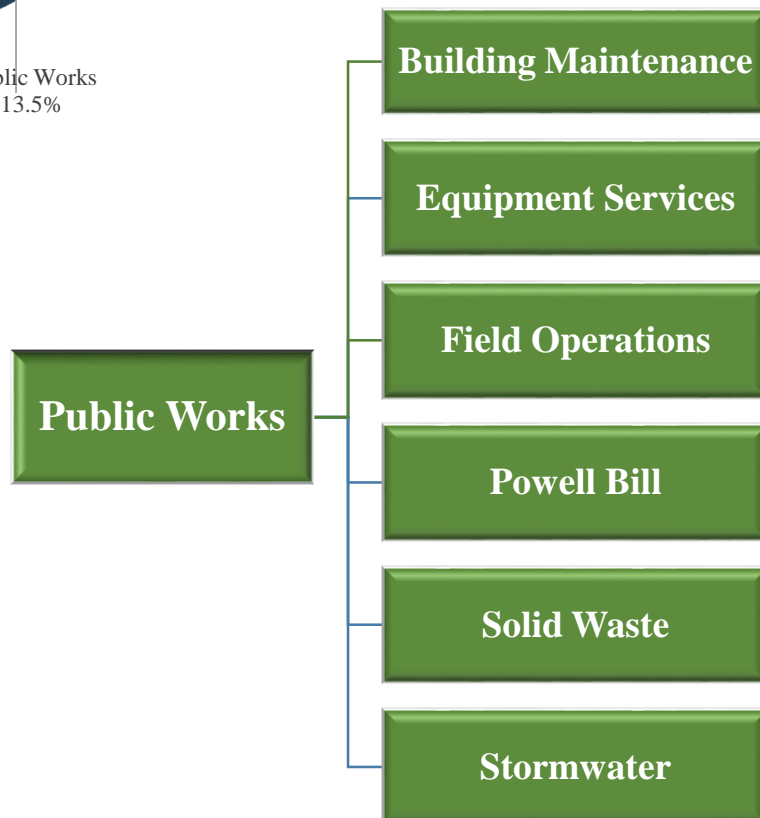
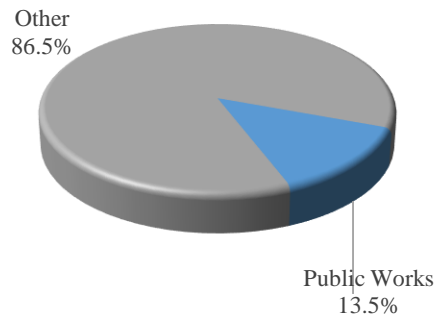
Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
Average daily treatment per each sewer customer (gallons)	Workload Measure	352	393	387
Average annual operating cost per thousand gallon of sewer treated	Efficiency Measure	\$2.20	\$2.17	\$2.14
Annual operating costs per sewer customer	Efficiency Measure	\$285.59	\$311.47	\$301.53
Annual operating cost per customer by population served	Efficiency Measure	\$96.32	\$106.66	\$102.12
Number of validated complaints per customers regarding odors	Effectiveness Measure	0.12	0.09	0.10
# of sewer overflows	Effectiveness Measure	18	15	15



Public Works



Human Resources
Allocation





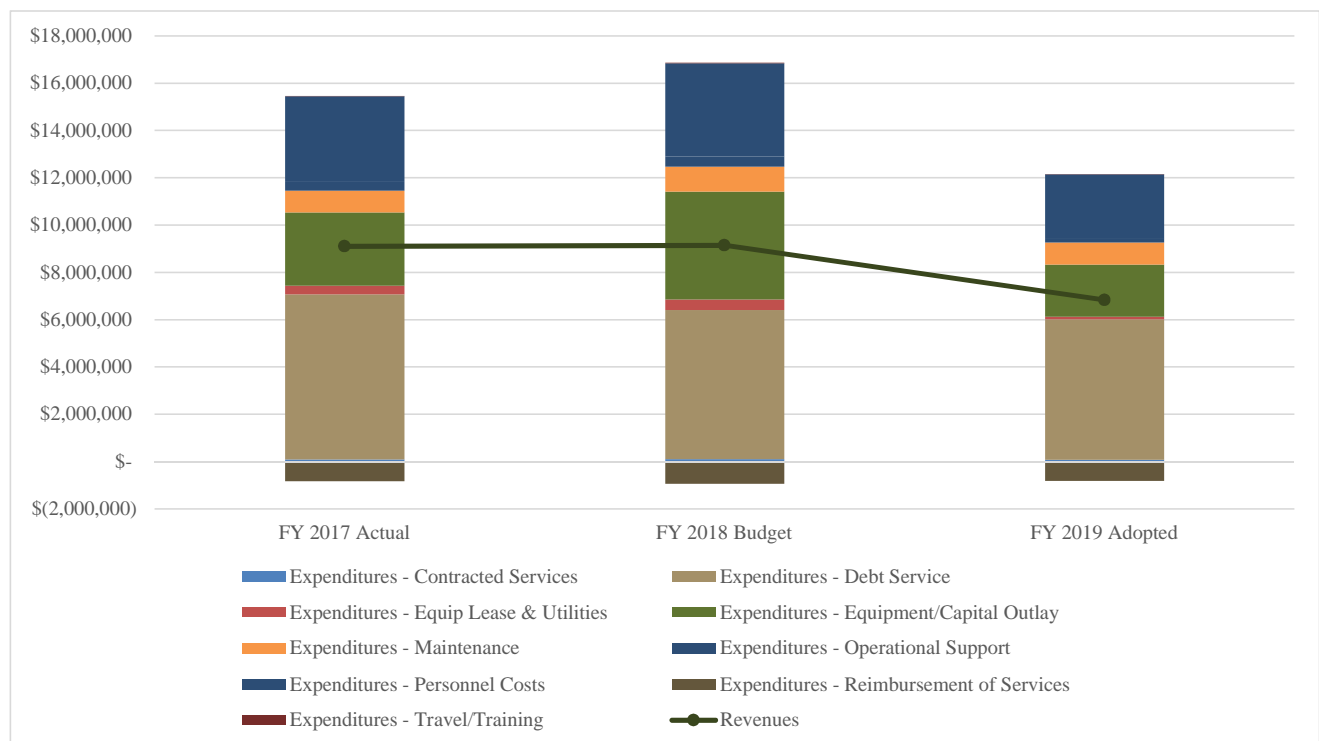
Public Works

Dale Denton- Director of Public Works

Department Mission

The mission of the City of Gastonia Public Works Department is to provide essential services to the community in a prompt, courteous, safe, efficient, and cost-effective manner.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	89,295	108,615	75,100	(33,515)	-30.86%
Debt Service	6,992,622	6,311,644	5,940,246	(371,398)	-5.88%
Equip Lease & Utilities	357,095	436,227	114,807	(321,420)	-73.68%
Equipment/Capital Outlay	3,104,225	4,563,916	2,199,354	(2,364,562)	-51.81%
Maintenance	919,945	1,060,060	937,211	(122,849)	-11.59%
Operational Support	406,639	424,385	193,852	(230,533)	-54.32%
Personnel Costs	3,579,612	3,946,877	2,696,506	(1,250,371)	-31.68%
Travel/Training	10,888	16,424	8,907	(7,517)	-45.77%
Total Expenditures	15,460,321	16,868,148	12,165,983	(4,702,165)	-27.88%
Reimbursement of Services	(825,641)	(932,479)	(817,785)	114,694	-12.30%
Total Revenues	9,104,696	9,147,149	6,833,004	(2,314,145)	-25.30%
Funding (+ or -)	5,529,983	6,788,520	4,515,194	(2,273,326)	-33.49%





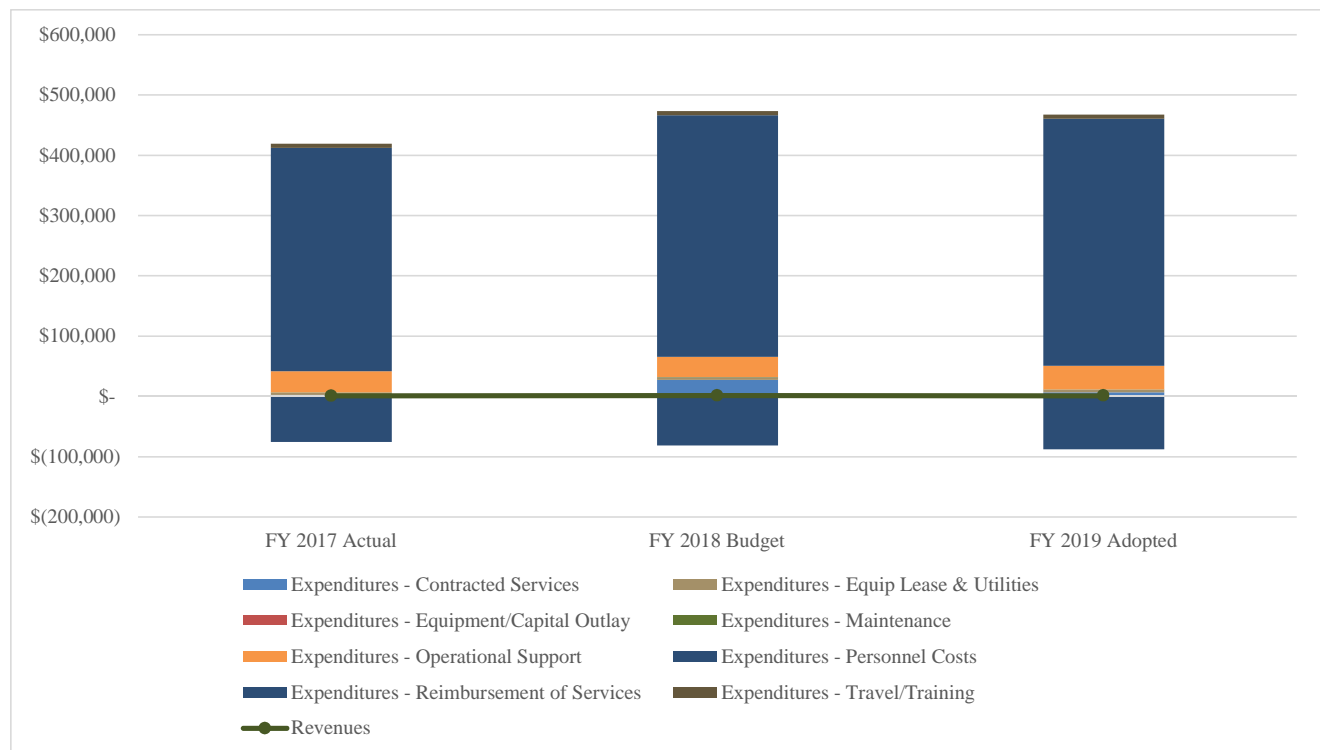
Powell Bill

Dale Denton - Director of Public Works

Description

Powell Bill funds are state appropriated revenues that are used primarily for the resurfacing of streets within the limits of the City of Gastonia, as mandated by North Carolina General Statute 136-41.3. Additional allowable uses include maintaining, repairing, and constructing streets or thoroughfares, including bridges, drainage, curbs, gutters, and sidewalks.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	16,110	3,000	0	(3,000)	-100.00%
Equip Lease & Utilities	265,785	325,772	358,181	32,409	9.95%
Equipment/Capital Outlay	420	29,769	1,572,500	1,542,731	5182.34%
Maintenance	424,879	486,651	519,905	33,254	6.83%
Operational Support	164,786	195,659	166,919	(28,740)	-14.69%
Personnel Costs	1,133,915	1,356,233	1,469,764	113,531	8.37%
Travel/Training	5,519	5,792	11,792	6,000	103.59%
Total Expenditures	2,011,413	2,402,876	4,099,061	1,696,185	70.59%
Enterprise Reimbursement	(102,788)	(127,583)	(213,151)	(85,568)	67.07%
Total Revenues	2,205,028	2,183,758	3,885,910	1,702,152	77.95%
Funding (+ or -)	(296,403)	91,535	0	(91,535)	-100.00%





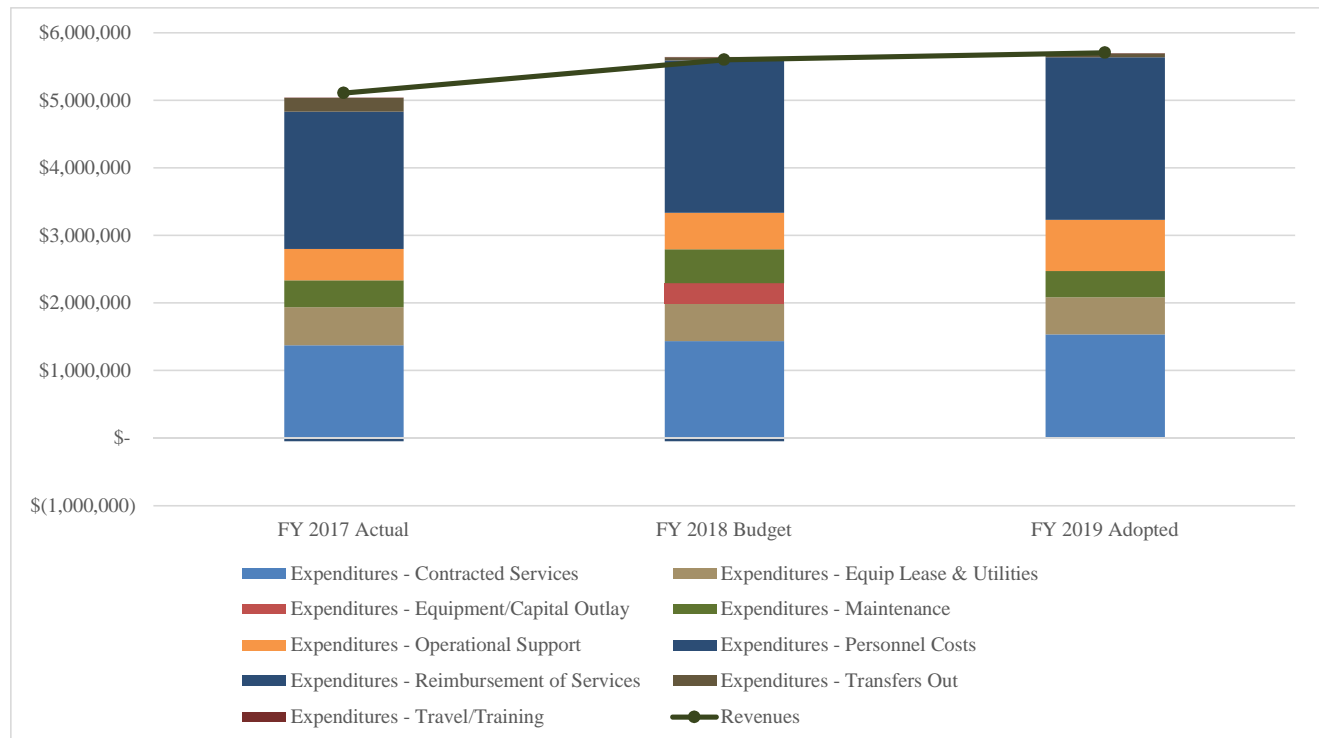
Solid Waste

Dale Denton - Director of Public Works

Division Mission

The mission of the Solid Waste Division is to plan, develop, and operate a sustainable system of solid waste collection and disposal which reduces the impact on our natural resources by promoting residential recycling and ensures an ongoing dedication to customer satisfaction.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	1,376,408	1,438,948	1,535,550	96,602	6.71%
Equip Lease & Utilities	562,698	553,055	550,702	(2,353)	-0.43%
Equipment/Capital Outlay	0	301,306	0	(301,306)	-100.00%
Maintenance	400,677	505,139	391,300	(113,839)	-22.54%
Operational Support	464,042	540,221	754,044	213,823	39.58%
Personnel Costs	2,032,369	2,252,416	2,407,174	154,758	6.87%
Transfers Out	200,000	49,076	58,000	8,924	18.18%
Travel/Training	3,191	4,907	4,900	(7)	-0.14%
Total Expenditures	5,039,384	5,645,068	5,701,670	56,602	1.00%
Reimbursement of Services	(42,283)	(45,147)	0	45,147	-100.00%
Total Revenues	5,107,861	5,599,921	5,701,670	101,749	1.82%
Funding (+ or -)	(110,760)	0	0	0	0.00%





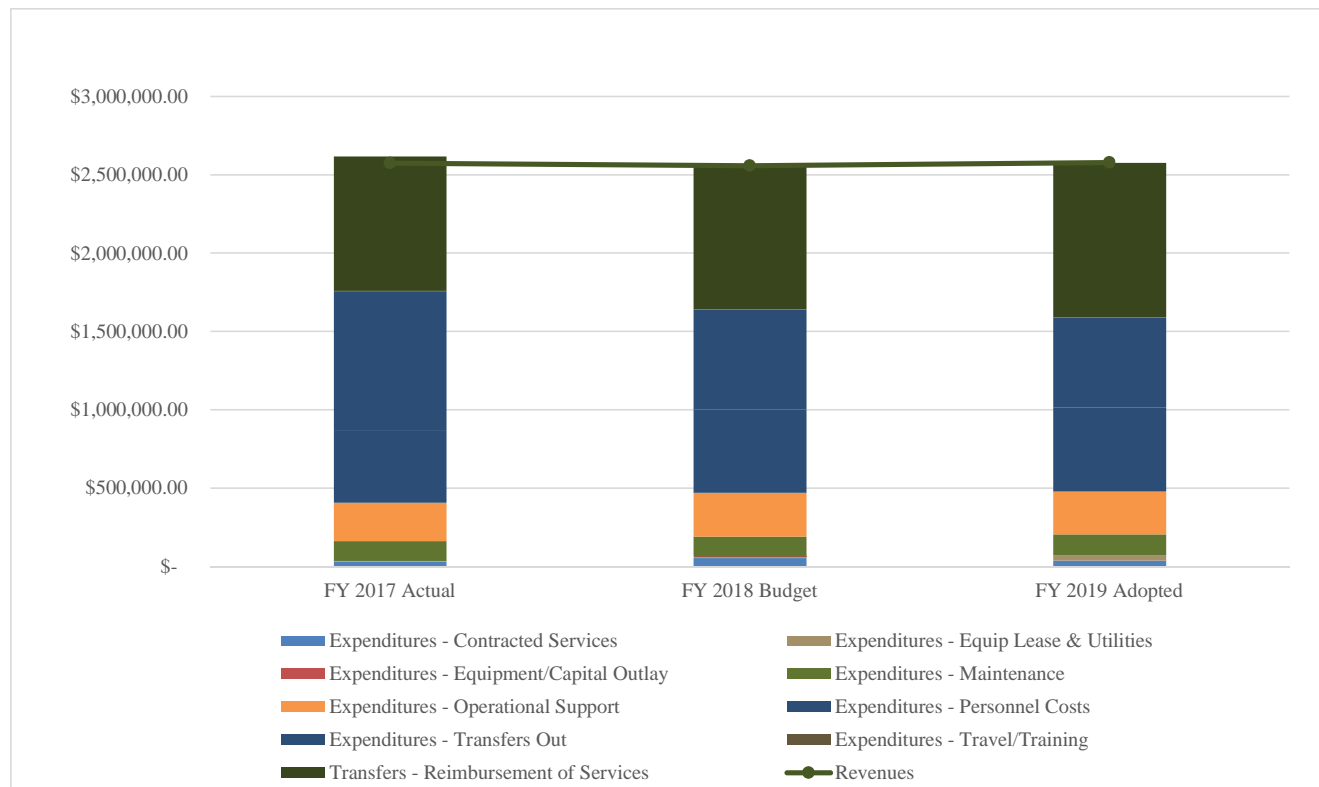
Stormwater Utilities

Dale Denton - Director of Public Works

Department Mission

The mission of the Stormwater Division is dedicated to the management, construction, maintenance, protection, control, regulation, use, and enhancement of stormwater systems and programs in the City of Gastonia in concert with other water resource management programs.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	32,266	55,508	38,940	(16,568)	-29.85%
Equip Lease & Utilities	3,860	4,742	32,916	28,174	594.14%
Equipment/Capital Outlay	0	5,851	0	(5,851)	-100.00%
Maintenance	127,058	126,514	133,987	7,473	5.91%
Operational Support	244,195	278,139	273,451	(4,688)	-1.69%
Personnel Costs	463,629	531,680	534,652	2,972	0.56%
Transfers Out	886,966	639,082	574,761	(64,321)	-10.06%
Travel/Training	1,056	2,152	4,225	2,073	96.33%
Reimbursement of Services	858,649	914,264	984,190	69,926	7.65%
Total Expenditures	2,617,678	2,557,932	2,577,122	19,190	0.75%
Total Revenues	2,574,702	2,557,932	2,577,122	19,190	0.75%
Funding (+ or -)	42,977	0	0	0	0.00%



Department Summary

The mission of the Public Works Department is to provide citizens administrative, solid waste, streets, traffic and stormwater services in a responsive and efficient manner. The department also procures and manages dependable and cost-effective vehicles and equipment for City departments and maintains all City buildings.

Budget Highlights

- Continue to market and expand the use of yard waste carts.
- Market and advertise the mobile solid waste customer application to improve customer education and satisfaction.
- Implement a knuckleboom yard waste fee program utilizing the air-weight system.
- Replace HVAC condenser piping in City Hall.

Goals

- Improve operational efficiency and promote accuracy, consistency, and excellence in customer service communications as well as administrative tasks for the department.
- Provide quality fleet management services through the proper maintenance and repairs to all City vehicles in a cost effective and efficient manner.
- Improve operational efficiencies within the Solid Waste Division.
- Increase and improve Solid Waste customer communication.
- Improve building illumination and energy efficiency.
- Investigate alternatives to effectively manage and measure the City's street system.
- Develop and implement a stormwater management program.

Objectives

- Maintain Blue Seal of Excellence Recognition through ASE which identifies highly qualified fleet repair facilities and their commitment to excellence.
- Encourage and promote all automotive fleet mechanics to pursue ASE Master Certification.
- Improve solid waste marketing efforts by expanded use of social media footprint and regular newsletters to citizens.
- Re-lamp City Hall and the Garland building with high efficiency LED lighting.
- Investigate available sign-making software programs and the production of braille signage for new and existing signs.
- Develop an improved street sweeping program to include zone maps and time elements.
- Participate in statewide NCDEQ MS6 program that will allow the City to self-audit annually.



Public Works Department Street Maintenance Division

Service Area Objective

The division goal of the City of Gastonia Street Maintenance Division is to perform routine street maintenance activities including patching and street paving, as well as being responsible for right-of-way mowing and maintenance, storm drain and culvert maintenance, landscaping of planted areas and grounds maintenance of City-owned facilities along with I-85 interchange landscaping and maintenance.

Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
# miles of streets City is responsible for maintaining	Workload Measure	442.95	445.14	446.00
Annual # tons of material put into place per mile maintained	Workload Measure	10.80	11.43	11.00
Avg. annual cost per ton put into place by contractors for repaving	Efficiency Measure	\$152.40	\$128.00	\$135.00
Avg. annual cost per mile repaved during the year for repaving	Efficiency Measure	\$206,500	\$213,450	\$215,000
Rating on most recent pavement condition assessment, e.g. ITRE	Effectiveness Measure	68.3	68.3	68.3
% of asphalt failures presening road hazards that are abated within 24 hours of being identified	Effectiveness Measure	100%	100%	100%
Average length of time taken to repair routine pavement failures, such as potholes, etc	Effectiveness Measure	1.2 days	1.4 days	1.2 days

**Includes 100 miles of State roads*

Public Works Department Solid Waste Division

Service Area Objective

The division goal of the City of Gastonia Solid Waste Division is devoted to planning, developing and operating a sustainable system of solid waste disposal which reduces the impact on our natural resources and promotes an ongoing dedication to customer satisfaction.

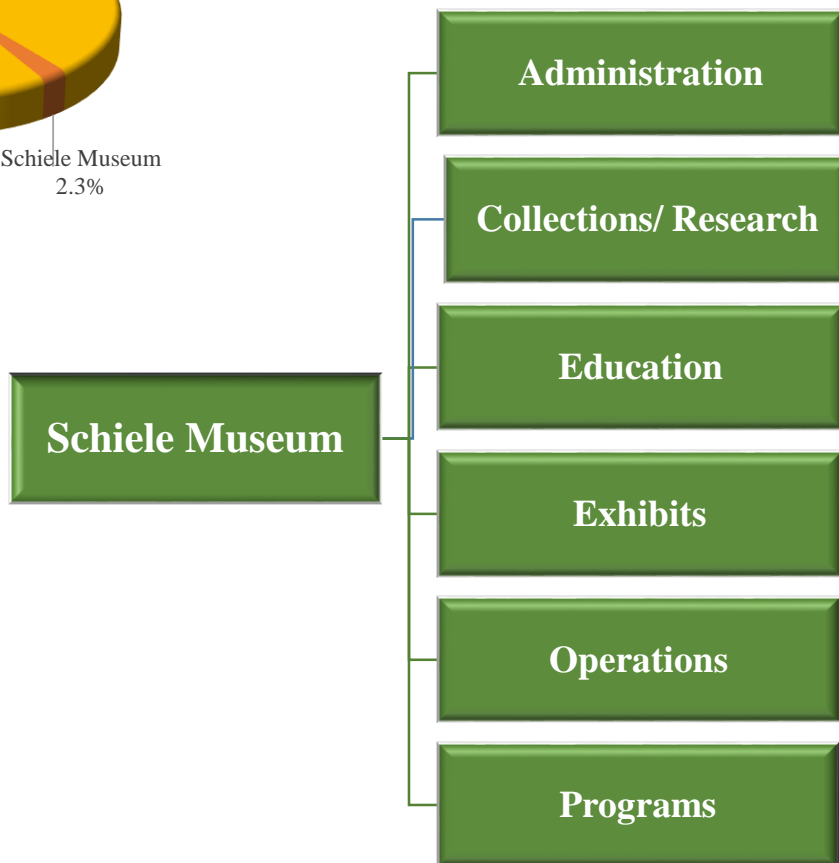
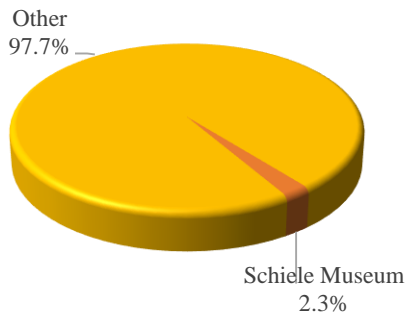
Performance Indicator	Measure Type	2016/2017 Actual	2017/2018 Estimate	2018/2019 Goal
Total tons collected	Workload Measure	20,783	21,696	22,300
Tons per 1,000 collection points	Workload Measure	911	941	950
Cost per ton collected	Efficiency Measure	\$122.86	\$121.38	\$130.00
Annual cost per residential collection	Efficiency Measure	\$206.36	\$217.06	\$220.00
Monthly cost per residential collection	Efficiency Measure	\$17.20	\$18.08	\$18.33



Schiele Museum



Human Resources
Allocation





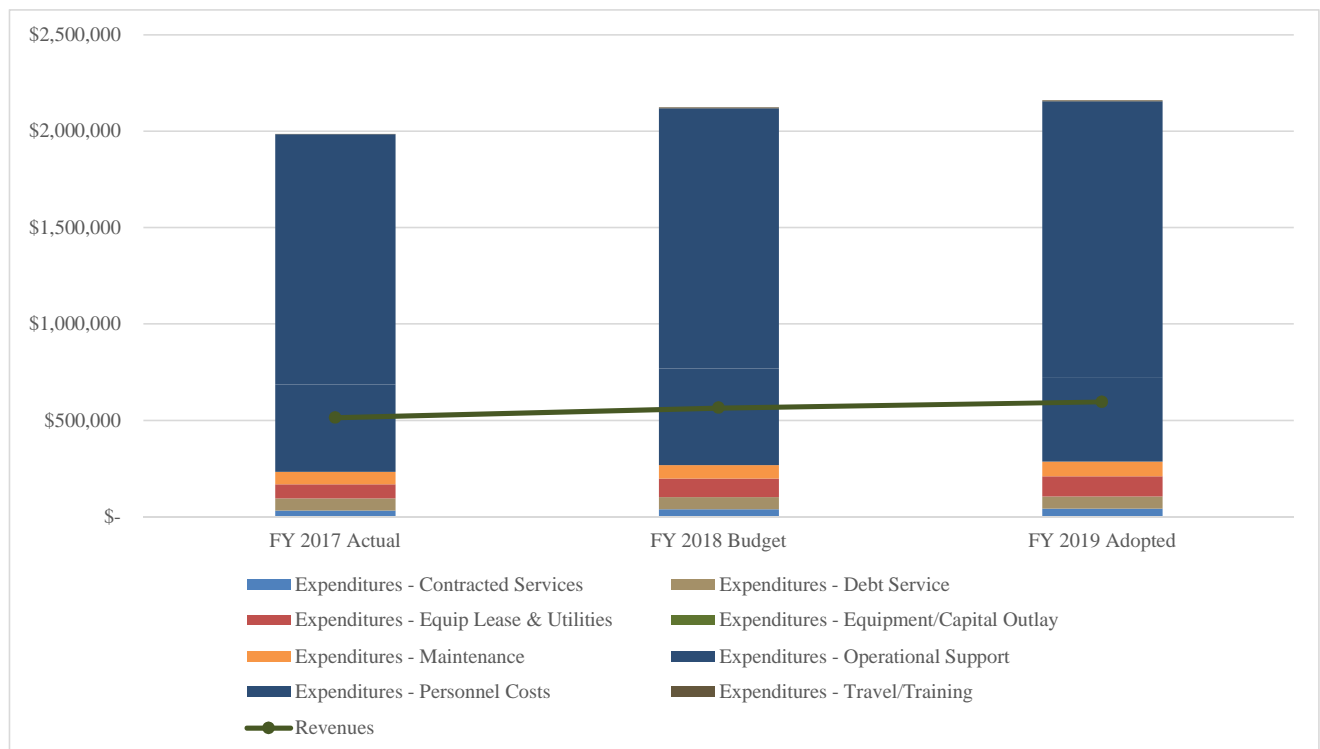
Museum

Dr. Ann Tippitt - President Schiele Museum

Department Mission

The mission of the Schiele Museum of Natural History is to inspire wonder and appreciation for science and the natural world through programs, exhibits, and research.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	32,302	39,811	43,100	3,289	8.26%
Debt Service	64,538	63,812	63,171	(641)	-1.00%
Equip Lease & Utilities	71,620	96,100	103,883	7,783	8.10%
Maintenance	65,170	68,412	77,200	8,788	12.85%
Operational Support	454,075	501,703	437,601	(64,102)	-12.78%
Personnel Costs	1,296,815	1,349,544	1,431,657	82,113	6.08%
Travel/Training	1,810	4,950	5,250	300	6.06%
Total Expenditures	1,986,330	2,124,332	2,161,862	37,530	1.77%
Total Revenues	513,575	564,746	595,932	31,186	5.52%
Funding (+ or -)	1,472,754	1,559,586	1,565,930	6,344	0.41%



Department Summary

The mission of the Schiele Museum of Natural History is to inspire wonder and appreciation for science and the natural world through programs, exhibits, and research. The Schiele Museum accomplishes this mission by collecting, studying and preserving natural specimens and cultural artifacts. This research forms the basis for the education programs and exhibits prepared for students, educators, and families.

Budget Highlights

- Prepare HEM with fit and finish for exhibit use.
- Install *Creepy Nature*.
- Develop a new featured exhibit for 2019.
- Continue research and design of a permanent exhibit hall design on paleontology, earth science, and geology.
- Complete and submit Accreditation Self Study and Review to the American Alliance of Museums.
- Open two temporary exhibits: *Gems and Minerals of the World* and *The Wildlife Art of Guy Coheleach*.
- Host four major public events designed to reach larger audiences.

Goals

- Provide exciting educational experiences for a diverse audience of students and families.
- Develop new exhibits and programs to increase attendance and bring more visitors to Gastonia.
- Expand the effective use of technology to enhance the visitor experience.
- Expand marketing efforts to reach new and diverse audience segments.

Objectives

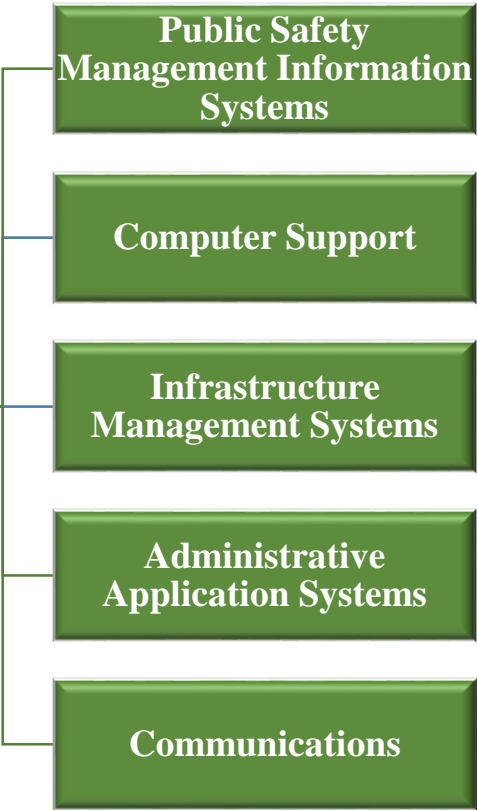
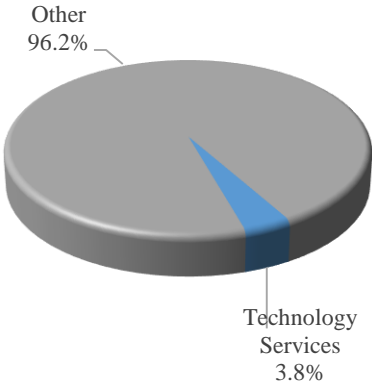
- Open *Creepy Nature* as a featured exhibit.
- Concept development, design and installation of a permanent exhibit gallery on paleontology, earth, science, and geology.
- Design, fabrication, and installation of a new featured exhibit for 2019.
- Expand diverse programming for the James H. Lynn Planetarium.
- Develop new community and regional partnerships, sponsorships, and grant opportunities.
- Expand marketing and promotion of the museum in the southeast region.
- Host American Alliance of Museums Accreditation Review Panel.



Technology Services



Human Resources
Allocation





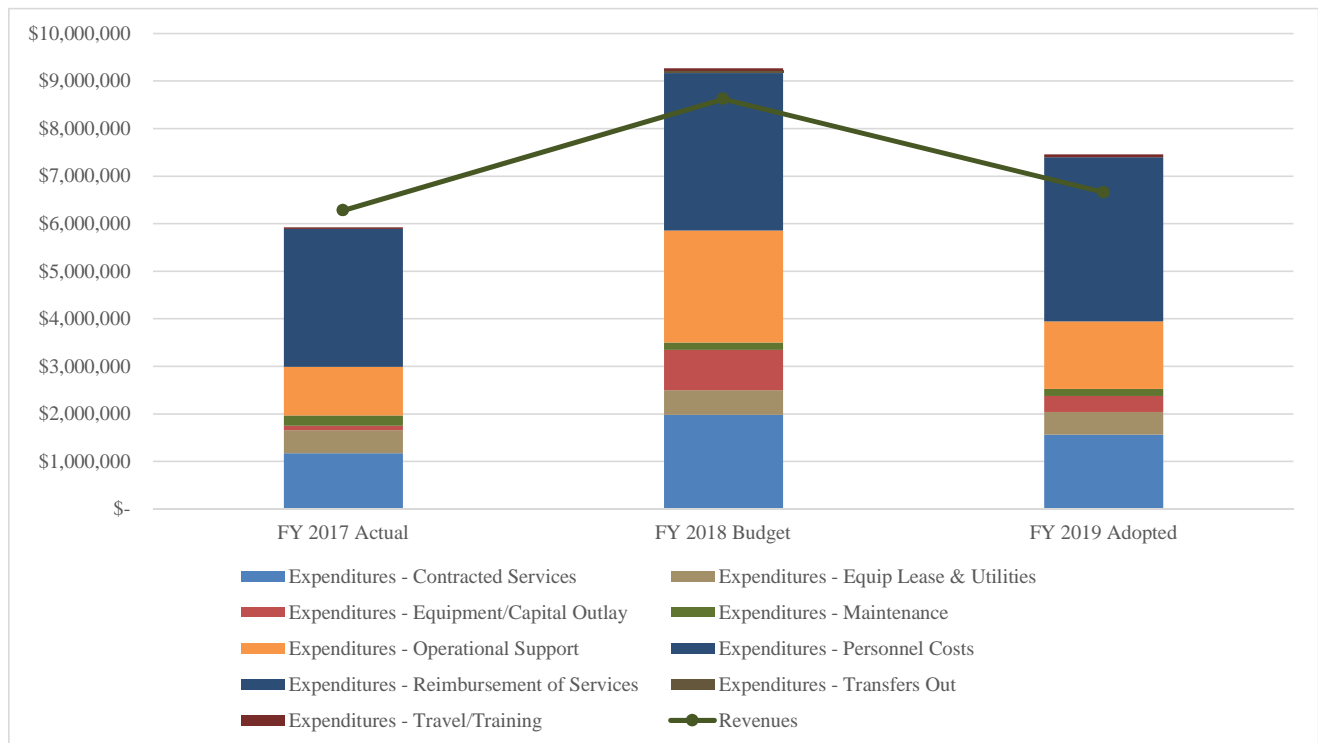
Technology Services

Beverly Bieker - Chief Information Officer

Department Mission

The mission of the Technology Services Department is to guide and manage the use of existing and emerging communication systems and technology throughout the City, so as to serve the citizens of Gastonia in a more efficient, cost effective, and transparent manner.

	FY 2017 Actual	FY 2018 Budget	FY 2019 Adopted	Amount Change	% Change
Expenditures					
Contracted Services	1,176,222	1,983,535	1,569,769	(413,766)	-20.86%
Equip Lease & Utilities	486,142	522,262	478,266	(43,996)	-8.42%
Equipment/Capital Outlay	91,984	846,513	333,400	(513,113)	-60.61%
Maintenance	218,436	152,513	148,648	(3,865)	-2.53%
Operational Support	1,018,164	2,356,171	1,416,029	(940,142)	-39.90%
Personnel Costs	2,900,163	3,310,655	3,453,720	143,065	4.32%
Transfers Out	0	46,073	0	(46,073)	-100.00%
Travel/Training	34,064	54,911	59,800	4,889	8.90%
Total Expenditures	5,925,175	9,272,633	7,459,632	(1,813,001)	-19.55%
Total Revenues	6,280,404	8,621,571	6,661,360	(1,960,211)	-22.74%
Funding (+ or -)	(355,229)	651,062	798,272	147,210	22.61%



Department Summary

The primary role of the City of Gastonia's Information Technology Department is to guide and manage the use of existing and emerging technology throughout the City so as to service the citizens of Gastonia in a more efficient and cost effective manner. We do this by partnering with all City Departments to understand their business requirements and then act as technology consultants, project managers, systems implementers, developers, change managers, and technical support to ensure the delivery of technology solutions that provide value through automation.

Budget Highlights

- Continue the equipment refresh for the Police and Fire radios that will reach end of support by Dec 2019.
- Continue to replace aging networking infrastructure components, as well as other computer desktop/server equipment that is at end of life.

Goals

- Strive to provide more citizen/customer web applications that enhance the City's business practices.
- Work with City departments to enhance the applications that serve their business units.
- Enhance and harden the infrastructure components.
- Provide an environment that ensures business continuity.

Objectives

- Update the City website forms, such that the citizen/customer receives notifications as forms are approved and processed.
- Research viable software applications to replace aging software systems and begin the implementation/migration process.
- Develop best practices for business continuity and disaster recovery; as well as review and enhance the network security.

Capital Improvements



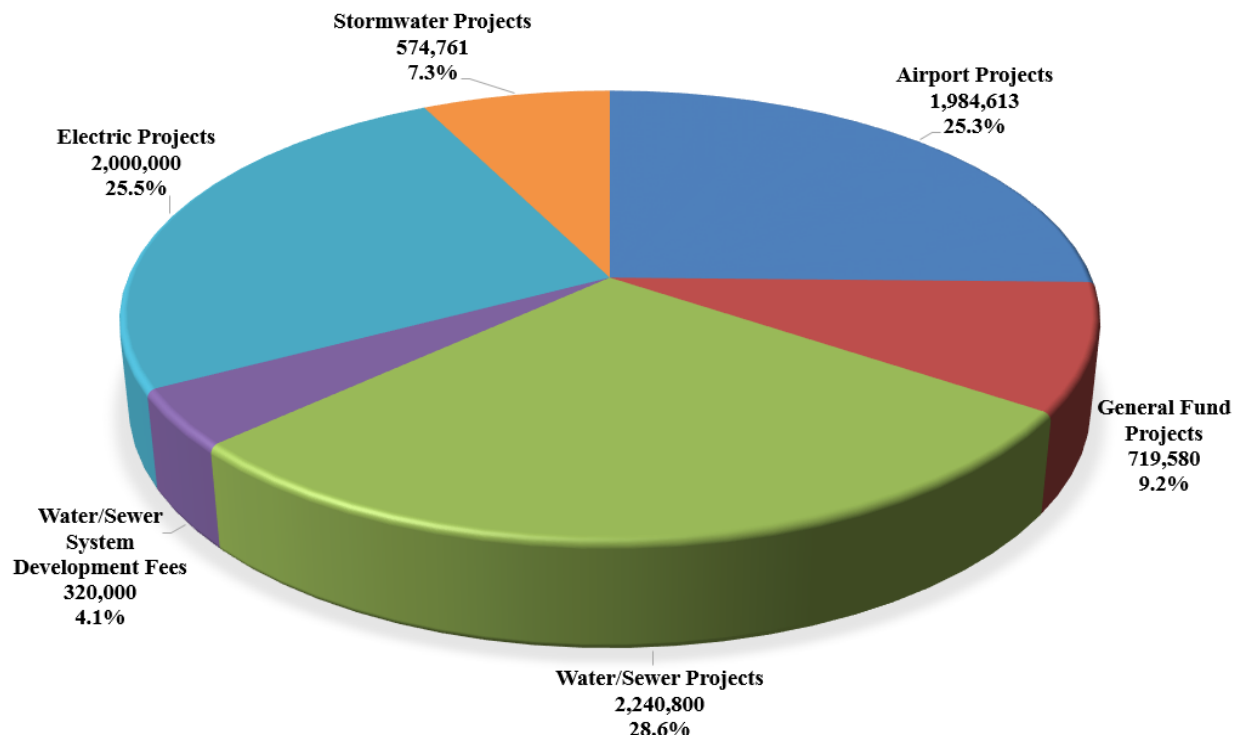


Capital Projects

When developing a capital improvement plan an important criterion is to consider the operating impact that a completed capital project will have on the annual operating budget. Operating impacts are defined as any staffing, operating or maintenance needs associated with a completed capital project that must be met on an annual basis in order to run or maintain the item, facility or asset. While some completed projects may have little to no staffing or operating/maintenance costs associated with them (i.e. the replacement of a water/sewer line), others may have considerable annual costs (i.e. the opening of a newly constructed fire station) that will have to be funded by the City's operating budget in future years. Some projects may impact the operating budget by generating additional revenue as well as additional costs. Other projects may create cost savings by reducing annual operating expenses. Advance knowledge of these costs and/or additional funding sources will aid in the budgeting process.

Each year as part of the budget preparation process, the City Manager's office, along with the Budget Office and affected departments, propose a capital improvement plan for each major capital fund. The plan is basically a planning tool for management and the City Council. The first year of the plan is the only year considered for budget adoption purposes since needs and priorities change from year to year and is adopted in the form of a Capital Projects Ordinance. The projects listed in following years give an idea of future needs and to help facilitate future budget planning. By planning ahead, the funding for staffing needs and other day-to-day operating costs can be projected in subsequent operating budgets to begin addressing potential long-term operating expenses.

The Total FY 2019 adopted budget for the City of Gastonia is \$214,143,646. This incorporates both operating costs as well as funding for capital needs. The operating budget is \$206,303,892 which cover departmental operating expenses and human resources costs throughout the City. The capital budget amounts to \$7,839,754 for FY 2019 new funding.



For the upcoming year, the City of Gastonia will mainly focus on continuing and/or completing those projects previously funded (and currently underway), as well as, propose the planning and begin the process of implementing those additional ones shown herein.

Gastonia Municipal Airport / 244-501

Description:	These projects consists of hangar improvements, runway realignment study, taxi lane lighting & signage, rehabilitate fuel farm, rehabilitate corporate hangar taxiway and miscellaneous Airport improvement projects.
Location:	Gastonia Municipal Airport
Estimated Completion Date:	FY 2019
Estimated Project Cost:	\$1,984,613 (\$1,817,946 is 100% funded by North Carolina Division of Aviation).



Water & Sewer System Development Capital Projects

Water & Sewer System Development / 460-Variou

Description:

A system development fee is a one-time charge implemented to recover (in whole or part) the costs associated with capital investments made by a utility system to make service available to future users of the system. Such capital costs generally include the construction of facilities as well as engineering, surveys, land, financing, legal and administrative costs. It has become common practice for water and wastewater utility systems to implement system development fees in order to establish a supplemental source of funding for future capital projects. This practice helps to mitigate the need for existing customers to pay for system expansions entirely through increased user rates.

Location:

Throughout the City

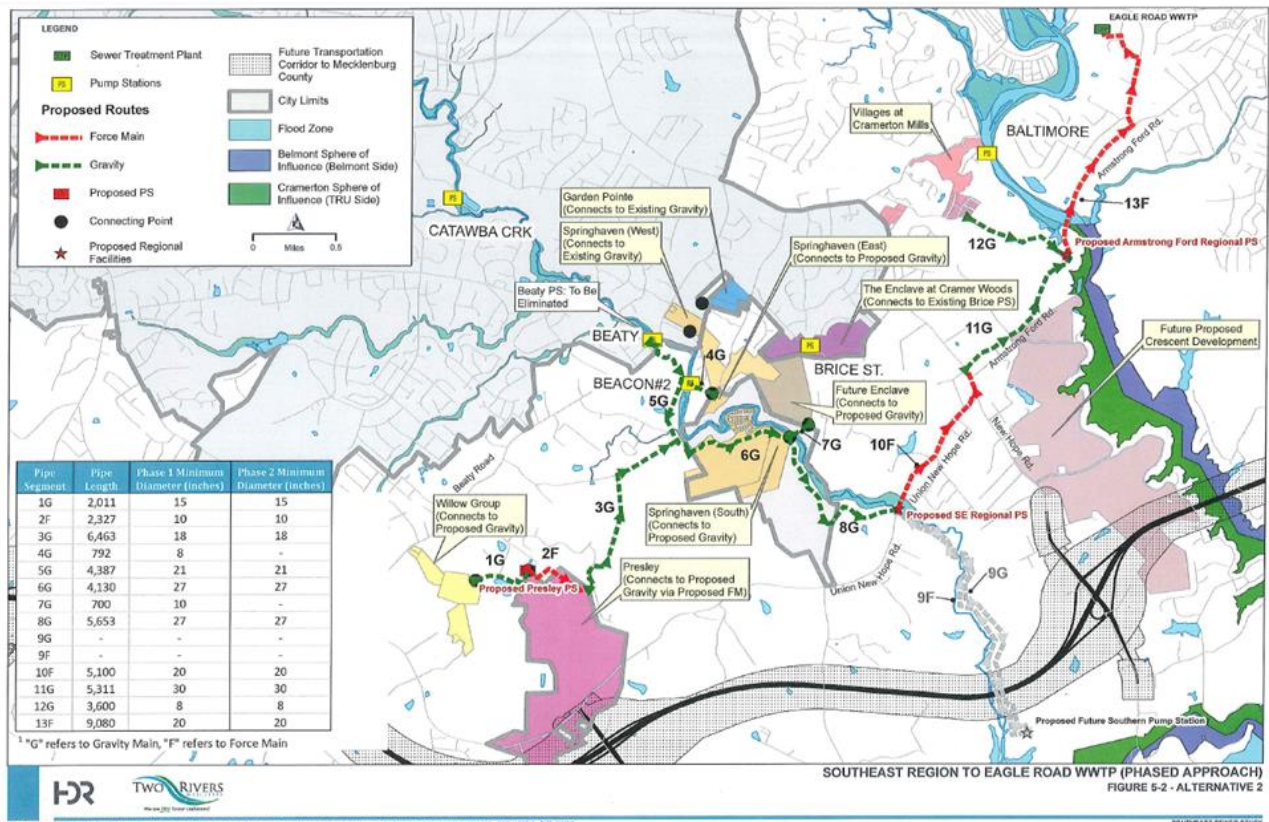
Estimated Completion

Date:

On-going project

Estimated Project Cost:

\$320,000 (budgeted for FY 2019)



City of Gastonia
Street Improvement Capital Projects
Fund 263

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Revenues						
Balance Forward	\$ 25,788,021	\$ 24,607,939	\$ 22,933,916	\$ 20,300,720	\$ 15,211,925	\$ 3,984,017
Interest Income	21,850	20,444	19,363	13,621	(24,876)	-
Transfer from Fund 110	-	-	30,000	20,000	20,000	30,000
Transfer from Fund 462	-	-	-	59,155	-	-
Transfer from Fund 264	-	-	-	-	57,324	-
Transfer from Fund 687	-	-	-	-	-	50,000
Federal Grant - FTA Capital	-	-	-	-	-	262,400
NCDOT	31,452	259,020	361,224	779,324	(138,864)	4,909,303
Reimbursement	-	23,630	61,370	-	-	-
Miscellaneous	4,000	6	205	196	144	22,500
Total Revenues	\$ 25,845,324	\$ 24,911,039	\$ 23,406,078	\$ 21,173,016	\$ 15,125,653	\$ 9,258,220
Expenditures						
263-619 Joint Venture-Streets	\$ -	\$ -	\$ -	\$ 64,762	\$ 25,820	\$ 50,000
263-670 Cox Rd NCDOT	-	-	-	-	157,828	-
263-720 720 Admin., Design & Inspect.	-	-	13,777	-	-	-
263-862 Traffic Calming Construction	-	-	24,198	-	-	75,802
263-866 W. Davidson Bridge	-	-	-	-	-	6,200
263-871 Miscellaneous Sidewalks	-	-	-	-	308,561	11,163
263-971 2010 GOB - Road Widening	1,069,030	1,664,941	2,217,703	4,491,815	10,596,087	7,474,397
263-972 2010 GOB - Sidewalks	164,354	166,700	70,119	5,817	30,142	1,283,964
263-973 2010 GOB - Resurfacing	-	121,760	1,365	968	-	-
263-975 Lineberger/Downtown Ped Connector	-	-	-	-	-	350,000
263-978 2010 GOB - Premium Links & Sidewalks	-	-	130,110	-	23,198	6,692
263-979 2010 GOB - Premium Resurfacing	4,000	91	388,180	97,728	-	-
263-917 Traffic Signal System	-	23,630	259,906	-	-	-
263-990 Transfer to General Fund	-	-	-	1,300,000	-	-
Total Expenditures	\$ 1,237,384	\$ 1,977,123	\$ 3,105,358	\$ 5,961,091	\$ 11,141,636	\$ 9,258,218
Fund Balance Forward	\$ 24,607,939	\$ 22,933,916	\$ 20,300,720	\$ 15,211,925	\$ 3,984,017	\$ 2

City of Gastonia
Street Improvement Capital Projects
Fund 263

	FY 2019 Adopted Budget	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues						
Balance Forward	\$ 2	\$ 2	\$ 57	\$ 112	\$ 167	\$ 222
Interest Income	-	55	55	55	55	55
Transfer from Fund 110	-	30,000	30,000	30,000	20,000	20,000
Transfer from Fund 462	-	-	-	-	-	-
Transfer from Fund 264	-	-	-	-	-	-
Transfer from Fund 687	-	-	-	-	-	-
Federal Grant - FTA Capital	-	-	-	-	-	-
NCDOT	-	-	-	-	-	-
Reimbursement	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	\$ 2	\$ 30,057	\$ 30,112	\$ 30,167	\$ 20,222	\$ 20,277
Expenditures						
263-619 Joint Venture-Streets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
263-670 Cox Rd NCDOT	-	-	-	-	-	-
263-720 720 Admin., Design & Inspect.	-	-	-	-	-	-
263-862 Traffic Calming Construction	-	30,000	30,000	30,000	20,000	20,000
263-866 W. Davidson Bridge	-	-	-	-	-	-
263-871 Miscellaneous Sidewalks	-	-	-	-	-	-
263-971 2010 GOB - Road Widening	-	-	-	-	-	-
263-972 2010 GOB - Sidewalks	-	-	-	-	-	-
263-973 2010 GOB - Resurfacing	-	-	-	-	-	-
263-975 Lineberger/Downtown Ped Connector	-	-	-	-	-	-
263-978 2010 GOB - Premium Links & Sidewalks	-	-	-	-	-	-
263-979 2010 GOB - Premium Resurfacing	-	-	-	-	-	-
263-917 Traffic Signal System	-	-	-	-	-	-
263-990 Transfer to General Fund	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 20,000	\$ 20,000
Fund Balance Forward	\$ 2	\$ 57	\$ 112	\$ 167	\$ 222	\$ 277

Street Improvement Capital Projects

May Street Crossing / 263-971

Description: Design and construction of highway-rail, grade crossing safety improvements consisting of active traffic control warning devices. NCDOT will coordinate with the railroad for the warning device work

Location: May Street at Norfolk Southern Railway's tracks milepost MN 401.100, crossing number (716 230G)

Estimated Completion Date:

FY 2019



Estimated Project Cost: \$460,000 (NCDOT 90% / City 10%)
\$46,000 from City to be paid over 3 years.
City portion to be funded from GO Bonds

Traffic Calming / 263-971

Description: Speed Humps are installed by petition as per City Policy.

Location: Various Locations within the City limits.

Estimated Completion Date:

FY 2019

Estimated Project Cost: \$30,000 (Carryover funding from prior years)





CITY OF GASTONIA

General Fund Capital Projects Fund 283

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Revenues						
Balance Forward	\$ 3,594,751	\$ 2,603,637	\$ 2,123,490	\$ 2,621,927	\$ 1,440,333	\$ 3,107,353
Interest Earnings	3,693	2,530	2,392	-	15,311	-
Transfer In	348,700	302,231	923,427	798,000	5,903,298	3,066,614
Gaston County Board of Education	-	-	-	90,000	-	-
Gaston County	-	-	-	-	150,500	207,500
D.O.T. Revenues	-	-	-	352	234,783	558,092
Other Municipal Grant Match	-	-	-	5,000	-	-
Congestion Mitigation and Air Quality	-	-	-	4,180	-	1,491,488
State Grants	(490)	-	-	-	-	-
FUSE Lease Revenue	-	-	-	-	28,953	-
Reimb _Farmers Mkt Shed	-	-	-	-	21,800	37,200
Reimbursement - Tourism Authority	-	-	-	-	-	-
Museum Board	158,364	-	-	-	-	-
Misc. Grants/Misc. Revenues	40,261	171,248	425,902	771	98,810	-
Bond Proceeds	-	-	-	-	-	-
Total Revenues	\$ 4,145,279	\$ 3,079,645	\$ 3,475,211	\$ 3,520,229	\$ 7,893,788	\$ 8,468,247
Expenditures						
283-412 Mayor's Youth Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300
283-410 Mayor & Council	-	-	35,104	-	-	-
283-440 Financial Services / Accounting	2,212	2,932	804	3,750	7,600	111,938
283-491 Planning / Transportation	-	-	62,500	41,250	7,063	1,771,873
283-492 Economic Development	-	-	-	6,666	25,000	85,000
283-553 F.S. / Equipment	-	-	-	5,261	49,187	185,554
283-570 P.W / Field Operations / Powell Bill	-	(147)	13,016	1,514,465	1,483,215	1,750,261
283-590 Keep Gastonia Beautiful	-	-	-	-	-	2,819
283-620 Recreation / Adminstration	-	-	-	-	-	148,500
283-633 Martha Rivers Park	2,647	-	-	4,114	-	3,114
283-636 Rankin Lake	1,761	-	-	-	-	-
283-637 2010 LOBs - Recreation	81,919	1,125	1,215	2,460	-	11,987
283-642 Gastonia Optimist Club Park	6,610	132,013	88,765	33,893	-	33,719
283-643 Skeet / Trap Improvements	-	-	1,500	-	-	-
283-644 Greenway Parking	-	-	7,440	290,726	-	-
283-645 Downtown Sports & Entertainment Complex (*)	-	-	-	25,644	2,532,529	3,358,105
283-710 Schiele Museum Building Settlement Issue	-	-	-	32,572	275,318	-
283-848 Farmers' Market	-	40,402	-	-	83,134	8,866
283-863 Greenways	-	15,865	13,911	35,144	84,521	732,613
283-876 Schiele Environmental Studies	1,378,057	37,512	219,874	-	-	-
283-883 Recreation Const. & Renov. Projects	-	8,969	101,897	30,776	147,325	256,873
283-884 2010 2/3s GOB	18,784	100	-	52,225	-	-
283-885 Annexation - Street Paving	24,130	20,581	48,276	-	-	-
283-887 2010 GOB - Net Premium Recreation	6,383	-	-	-	-	-
283-892 Capital Reserve	-	-	-	-	-	-
283-960 2/3s GOB	19,139	12,365	13,983	-	-	-
283-962 Downtown Revitalization	-	-	-	950	-	-
283-968 Downtown Revitalization Grant	-	-	-	-	91,542	2,743
283-990 Transfers Out/Misc. Expend.	-	684,440	245,000	-	-	2,905
Total Expenditures	\$ 1,541,642	\$ 956,155	\$ 853,284	\$ 2,079,896	\$ 4,786,435	\$ 8,467,170
Fund Balance Forward	\$ 2,603,637	\$ 2,123,490	\$ 2,621,927	\$ 1,440,333	\$ 3,107,353	\$ 1,077

(*) Note: Additional utility relocation funding for FY 17/18 is proposed in the City's respective utility Enterprise accounts.

CITY OF GASTONIA

General Fund Capital Projects Fund 283

	FY 2019 Adopted Budget	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues						
Balance Forward	\$ 1,077	\$ 1,077	\$ 21,077	\$ 21,177	\$ 21,277	\$ 21,377
Interest Earnings	-	20,000	100	100	100	100
Transfer In	659,580					
Gaston County Board of Education	-	-	-	-	-	-
Gaston County	-	-	-	-	-	-
D.O.T. Revenues	-	-	-	-	-	-
Other Municipal Grant Match	-	-	-	-	-	-
Congestion Mitigation and Air Quality	-	-	-	-	-	-
State Grants	-	-	-	-	-	-
FUSE Lease Revenue	-	-	-	-	-	-
Reimb _Farmers Mkt Shed	-	-	-	-	-	-
Reimbursement - Tourism Authority	60,000					
Museum Board	-	-	-	-	-	-
Misc. Grants/Misc. Revenues	-	-	-	-	-	-
Bond Proceeds	-	10,000,000	-	-	-	-
Total Revenues	\$ 720,657	\$ 10,021,077	\$ 21,177	\$ 21,277	\$ 21,377	\$ 21,477
Expenditures						
283-412 Mayor's Youth Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
283-410 Mayor & Council	-	-	-	-	-	-
283-440 Financial Services / Accounting	-	-	-	-	-	-
283-491 Planning / Transportation	-	-	-	-	-	-
283-492 Economic Development	-	-	-	-	-	-
283-553 F.S. / Equipment	-	-	-	-	-	-
283-570 P.W / Field Operations / Powell Bill	-	-	-	-	-	-
283-590 Keep Gastonia Beautiful	-	-	-	-	-	-
283-620 Recreation / Adminstration	-	-	-	-	-	-
283-633 Martha Rivers Park	-	-	-	-	-	-
283-636 Rankin Lake	-	-	-	-	-	-
283-637 2010 LOBs - Recreation	-	-	-	-	-	-
283-642 Gastonia Optimist Club Park	-	-	-	-	-	-
283-643 Skeet / Trap Improvements	-	-	-	-	-	-
283-644 Greenway Parking	-	-	-	-	-	-
283-645 Downtown Sports & Entertainment Complex (*)	719,580	10,000,000	-	-	-	-
283-710 Schiele Museum Building Settlement Issue	-	-	-	-	-	-
283-848 Farmers' Market	-	-	-	-	-	-
283-863 Greenways	-	-	-	-	-	-
283-876 Schiele Environmental Studies	-	-	-	-	-	-
283-883 Recreation Const. & Renov. Projects	-	-	-	-	-	-
283-884 2010 2/3s GOB	-	-	-	-	-	-
283-885 Annexation - Street Paving	-	-	-	-	-	-
283-887 2010 GOB - Net Premium Recreation	-	-	-	-	-	-
283-892 Capital Reserve	-	-	-	-	-	-
283-960 2/3s GOB	-	-	-	-	-	-
283-962 Downtown Revitalization	-	-	-	-	-	-
283-968 Downtown Revitalization Grant	-	-	-	-	-	-
283-990 Transfers Out/Misc. Expend.	-	-	-	-	-	-
Total Expenditures	\$ 719,580	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -
Fund Balance Forward	\$ 1,077	\$ 21,077	\$ 21,177	\$ 21,277	\$ 21,377	\$ 21,477

(*) Note: Additional utility relocation funding for FY 17/18 is proposed in the City's respective utility Enterprise accounts.

General Fund Capital Projects

Franklin Urban Sports & Entertainment District “FUSE” / 283-645 and 478-645

Description:	Multi-purpose sports and entertainment center and adjoining parking area to serve as a catalyst for other economic development, including a stadium to serve as home to the Gastonia Grizzlies.
Location:	West of main Downtown area, bounded by Franklin Blvd (South), Clay St (East). Highland St (West), and Norfolk Southern Railway (North)
Estimated Completion Date:	FY 2020
Estimated New Operating Personnel:	No additional personnel planned at this time
Estimated Project Cost:	\$10-\$15 Million (FY 2019 \$719,580 for Debt Service; \$1,000,000 for additional electric utility relocations)
Estimated Future (Cost)/Savings:	To be determined at a later date





City of Gastonia
Water and Sewer Capital Projects
Fund 462

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Revenues						
Balance Forward	\$ 4,199,946	\$ 4,247,947	\$ 5,335,675	\$ 3,416,027	\$ 27,059,820	\$ 18,474,790
Rates - Budget Transferred From 342	1,200,000	1,200,000	1,200,000	1,200,000	1,300,000	1,434,000
Revenue Over Expenditures Transfer From 342	-	4,455,000	1,242,679	3,008,600	1,961,000	-
Budgeted Transfer From 330	-	-	-	-	-	896,900
Budgeted Transfer From 331	-	-	-	-	-	35,000
Interest	7,084	6,938	7,189	49,560	177,263	-
Revenue Bond	-	-	-	20,130,000	-	-
Revenue Bond - Premium	-	-	-	2,368,171	-	-
Loan Proceeds - NCSRLF	-	-	-	11,390,347	13,698,392	9,911,260
NCDOT	24,520	-	-	-	-	-
State Clean Water Trust	-	-	-	300,000	-	600,000
McAdenville - NC Commerce Grant	-	-	-	-	-	750,000
McAdenville - NCDEQ - SRI	-	-	-	-	-	320,494
McAdenville - Gaston County	-	-	-	-	-	500,000
Loan Proceeds - NCDEQ	-	-	-	-	-	2,999,839
Golden Leaf Grant	-	-	-	-	-	858,000
Reimbursement - Other Municipalities	-	-	-	-	27,356	-
Gaston County	-	-	-	-	-	227,000
Liquidated Damages	-	99,500	-	-	-	-
Miscellaneous, Donations	(4,858)	25,300	1,329	16,953	33,560	6,325
Total Revenues	\$ 5,426,692	\$ 10,034,685	\$ 7,786,873	\$ 41,879,657	\$ 44,257,391	\$ 37,013,608
Expenditures						
462-475 Municipal Operations Center	\$ -	\$ 103,320	\$ 51,795	\$ -	\$ -	\$ 70,000
462-644 Greenway Parking	-	-	-	71,843	-	-
462-645 Downtown Sports & Entertainment Complex	-	-	-	-	-	500,000
462-492 Economic Development	-	-	-	16,667	-	-
462-636 Rankin Lake	-	-	-	-	-	-
462-800 Regionalization	66,667	88,061	128,871	62,153	86,863	6,862,722
462-801 WWTP Improvements	5,415	14,023	-	-	-	-
462-802 Southeast Sewer Expansion	-	-	-	-	585,610	1,632,718
462-803 Sewer Improvements - NCDOT Conflicts	-	231,204	383,441	8,288	-	-
462-810 Facility Upgrades-Sewer	18,295	-	-	-	-	-
462-821 Wastwater Improvements - Revenue Bonds	-	-	-	-	-	-
462-824 Collection System Improvements	186,816	172,333	799,266	658,425	1,358,227	744,745
462-825 Special Assessments	145,765	6,129	113,514	654	101,502	141,722
462-854 SCADA Replacement	-	-	-	-	-	-
462-860 Pump Station/Force Main Improvements	-	61,006	110,467	29,912	119,749	389,150
462-882 Long Creek WWTP Improvements	18,890	205,007	684	-	262,447	263,774
462-892 Capital Reserve	-	-	-	-	-	-
462-903 Water Improvements - NCDOT Conflicts	-	598,211	610,515	178,910	91,330	-
462-908 Water Distribution Improvements	-	54,368	-	12,795	52,400	143,070
462-911 Water Supply/Treatment Improvements	522,044	333,885	14,600	180,721	-	-
462-930 Water Treatment Plant Rehabilitation	-	2,757,840	2,079,894	954,213	1,373,983	1,189,427
462-913 Special Assessments - Water	-	1,636	1,976	-	-	-
462-921 Water Imp - Revenue Bond	-	-	-	3,580	-	-
462-931 Planning Loan - WTP Renovation	-	-	-	230,054	37,834	45,151
462-932 \$5M State Revolving Loan - Clearwell Project	-	-	-	4,760,488	239,512	-
462-933 WTP Project - \$30M SRL and 2015 Rev Bonds	-	-	-	7,567,979	21,440,008	23,464,493
462-660 Working Reserve	-	-	-	-	-	702,325
462-971 Utility System Improvement	-	-	-	-	33,135	-
462-990 Transfers to	-	-	-	83,155	-	-
462-921 Water Improvements - Revenue Bonds	214,853	71,987	75,824	-	-	-
Total Expenditures	\$ 1,178,745	\$ 4,699,010	\$ 4,370,846	\$ 14,819,837	\$ 25,782,601	\$ 36,149,297
Fund Balance Forward	\$ 4,247,947	\$ 5,335,675	\$ 3,416,027	\$ 27,059,820	\$ 18,474,790	\$ 864,311

City of Gastonia
Water and Sewer Capital Projects
Fund 462

	FY 2019 Adopted Budget	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues						
Balance Forward	\$ 864,311	\$ 864,311	\$ 869,911	\$ 875,511	\$ 881,111	\$ 886,711
Rates - Budget Transferred From 342	2,240,800	1,400,000	1,500,000	1,500,000	1,500,000	1,500,000
Revenue Over Expenditures Transfer From 342	-	-	-	-	-	-
Budgeted Transfer From 330	-	-	-	-	-	-
Budgeted Transfer From 331	-	-	-	-	-	-
Interest	-	5,600	5,600	5,600	5,600	5,600
Revenue Bond	-	27,330,000	-	-	-	-
Revenue Bond - Premium	-	-	-	-	-	-
Loan Proceeds - NCSRLF	-	-	-	-	-	-
NCDOT	-	-	-	-	-	-
State Clean Water Trust	-	-	-	-	-	-
McAdenville - NC Commerce Grant	-	-	-	-	-	-
McAdenville - NCDEQ - SRI	-	-	-	-	-	-
McAdenville - Gaston County	-	-	-	-	-	-
Loan Proceeds - NCDEQ	-	-	-	-	-	-
Golden Leaf Grant	-	-	-	-	-	-
Reimbursement - Other Municipalities	-	-	-	-	-	-
Gaston County	-	-	-	-	-	-
Liquidated Damages	-	-	-	-	-	-
Miscellaneous, Donations	-	-	-	-	-	-
Total Revenues	\$ 3,105,111	\$ 29,599,911	\$ 2,375,511	\$ 2,381,111	\$ 2,386,711	\$ 2,392,311
Expenditures						
462-475 Municipal Operations Center	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
462-644 Greenway Parking	-	-	-	-	-	-
462-645 Downtown Sports & Entertainment Complex	-	-	-	-	-	-
462-492 Economic Development	-	-	-	-	-	-
462-636 Rankin Lake	-	-	-	-	-	-
462-800 Regionalization	-	-	-	-	-	-
462-801 WWTP Improvements	250,600	-	373,900	-	-	-
462-802 Southeast Sewer Expansion	450,000	27,330,000	-	-	-	-
462-803 Sewer Improvements - NCDOT Conflicts	-	-	-	150,000	-	-
462-810 Facility Upgrades-Sewer	-	-	-	-	-	-
462-821 Wastewater Improvements - Revenue Bonds	-	-	-	-	-	-
462-824 Collection System Improvements	310,000	785,000	436,200	315,425	665,575	1,100,000
462-825 Special Assessments	-	-	-	-	-	4,000
462-854 SCADA Replacement	363,200	-	-	-	-	-
462-860 Pump Station/Force Main Improvements	-	57,500	158,000	485,200	236,300	-
462-882 Long Creek WWTP Improvements	-	-	281,900	199,375	598,125	-
462-892 Capital Reserve	500,000	-	-	-	-	-
462-903 Water Improvements - NCDOT Conflicts	-	-	-	-	-	-
462-908 Water Distribution Improvements	-	95,700	250,000	350,000	-	151,000
462-911 Water Supply/Treatment Improvements	117,000	461,800	-	-	-	225,000
462-930 Water Treatment Plant Rehabilitation	-	-	-	-	-	-
462-913 Special Assessments - Water	-	-	-	-	-	20,000
462-921 Water Imp - Revenue Bond	-	-	-	-	-	-
462-931 Planning Loan - WTP Renovation	-	-	-	-	-	-
462-932 \$5M State Revolving Loan - Clearwell Project	-	-	-	-	-	-
462-933 WTP Project - \$30M SRL and 2015 Rev Bonds	-	-	-	-	-	-
462-660 Working Reserve	-	-	-	-	-	-
462-971 Utility System Improvement	-	-	-	-	-	-
462-990 Transfers to	-	-	-	-	-	-
462-921 Water Improvements - Revenue Bonds	-	-	-	-	-	-
Total Expenditures	\$ 2,240,800	\$ 28,730,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Fund Balance Forward	\$ 864,311	\$ 869,911	\$ 875,511	\$ 881,111	\$ 886,711	\$ 892,311

Water & Sewer Capital Projects

Dry Materials Storage Shed / 462-475

Description: Replacement of the Dry Materials Storage Shed at the Municipal Operations Center. Current shed is structurally deficient.

Location: 1300 N. Broad Street

Estimated Completion

Date: FY 2019

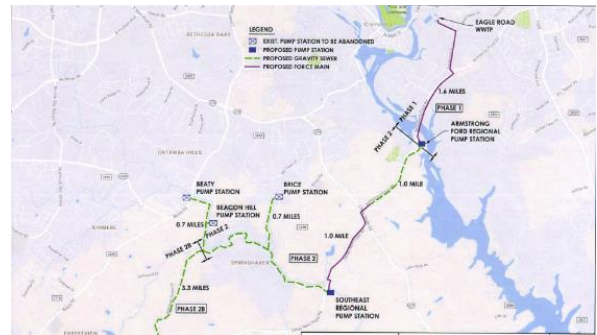
Estimated Project Cost: \$250,000



Southeast Sewer Expansion / 462-802

Description: Six (6) miles of gravity sewer main, two (2) miles of force mains and regional pump stations serving an area of over 5.5 square miles.

Location: Southeastern Gaston County east of Beaty Road and following Union New Hope and Armstrong Ford Roads from Union - New Hope Road to the Eagle Road WWTP in Cramerton.



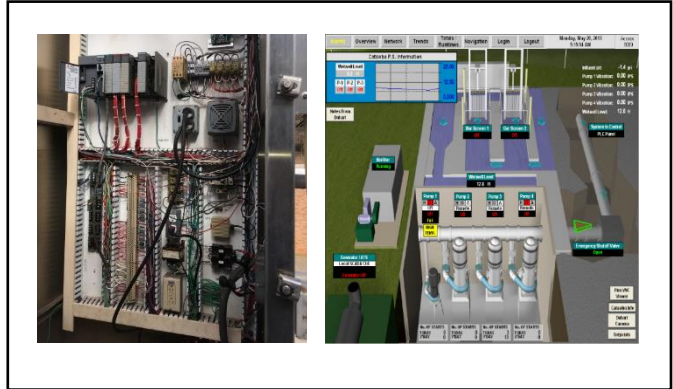
Estimate Completion

Date: To be determined

Estimated Project Cost: \$30,000,000 (FY 2019 \$450,000 for acquiring Rights-of-Way, Easements and State Permitting requirements)

SCADA Master Plan for Water and Wastewater Systems / 462-801, 462-854, 462-908, 462-911

Description: This project is the next phase of replacing obsolete critical control equipment in the SCADA (Supervisory Control and Data Acquisition) System for the wastewater pumps stations and wastewater treatment plants. The projects for this phase are: HMI Replacement at Crowders Creek WWTP; Telemetry System Study; Raw Water System Monitoring; SCADA HMI Design



Location: Various

Estimated Completion Date: FY 2021

Estimated Project Cost: \$730,800 (FY 2019)

Sewer Pier Failures / 462-824

Description: Sewer Pier Failures

Location: Various

Estimated Completion Date: FY 2019

Estimated Project Cost: \$200,000



Hill Street Line Modifications / 462-824

Description:	Sewer Line Modifications
Location:	Hill Street
Estimated Completion Date:	FY 2019
Estimated Project Cost:	\$110,000





City of Gastonia
Electric Capital Projects
Fund 478

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Revenues						
Balance Forward	\$ 2,646,760	\$ 2,304,803	\$ 1,893,812	\$ 1,637,880	\$ 5,014,291	\$ 3,285,711
Interest Earnings	4,843	3,502	2,430	11,470	27,344	-
ElectriCities Credit	-	3,035	-	-	-	-
ElectriCities Grant	-	-	-	5,000	-	-
Reimbursement for Services	-	-	158,579	-	-	-
North Carolina Dept of Transportation	76,853	-	-	-	-	141,044
Miscellaneous	505	531	191	249	-	-
Proceeds From Sale Of Bond	-	-	-	-	125	-
Transfer- In - Electric Operating	1,000,000	1,000,000	900,000	1,000,000	1,000,000	2,000,000
Transfer-In - NCMPA Settlement Fund	-	-	-	3,035,391	-	-
Transfer-In - General Fund	-	-	-	-	-	-
Total Revenues	\$ 3,728,961	\$ 3,311,870	\$ 2,955,012	\$ 5,689,990	\$ 6,041,760	\$ 5,426,755
Expenditures						
478-492 Economic Development	\$ 85,000	\$ 200,000	\$ -	\$ 121,693	\$ -	\$ 184,507
478-645 Downtown Sports & Entertainment Complex	-	-	-	-	-	1,000,000
478-835 Outside Storage	-	-	-	-	-	191,380
478-844 New Tech Park - Substation	-	-	11,170	42,125	2,175,834	1,162,733
478-854 SCADA Replacement	47,127	6,220	-	-	-	178,100
478-892 Working Capital Reserve	-	-	-	-	-	172,000
478-900 Long Creek Generation	-	371,627	-	-	-	78,373
478-901 City Electric Tie Lines	724,561	237,872	355,575	199,228	96,444	865,290
478-902 Kendrick Extension/ Catawba Hill	-	-	48,999	-	-	65,001
478-905 Underground System Replacement	352,285	353,960	70,604	106,224	181,663	564,682
478-909 Electric Development	138,656	43,078	216,539	80,020	138,834	249,363
478-915 Residential Dev-System Expansion	5,345	15,586	125,203	85,006	130,470	304,542
478-916 Loray Mill	13,775	189,717	409,286	-	-	15,801
478-918 NCDOT City Fiber Optic	57,409	-	-	-	3,064	66,080
478-940 CityWide Streetlight Replacement to LED	-	-	-	-	-	75,000
478-960 2/3s GOB	-	-	-	17,082	29,740	26,859
478-976 Main Avenue Properties	-	-	79,755	320	-	-
478-990 Transfers to Electric Operating	-	-	-	-	-	226,000
478-990 Transfers to CP - Mayor / Council	-	-	-	24,000	-	-
Total Expenditures	\$ 1,424,158	\$ 1,418,059	\$ 1,317,132	\$ 675,699	\$ 2,756,049	\$ 5,425,711
Fund Balance Forward	\$ 2,304,803	\$ 1,893,812	\$ 1,637,880	\$ 5,014,291	\$ 3,285,711	\$ 1,044

City of Gastonia
Electric Capital Projects
Fund 478

		FY 2019 Adopted Budget	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues							
Balance Forward		\$ 1,044	\$ 1,044	\$ 1,044	\$ 1,844	\$ 3,444	\$ 5,844
Interest Earnings		-	-	800	1,600	2,400	3,200
ElectriCities Credit		-	-	-	-	-	-
ElectriCities Grant		-	-	-	-	-	-
Reimbursement for Services		-	-	-	-	-	-
North Carolina Dept of Transportation		-	-	-	-	-	-
Miscellaneous		-	-	-	-	-	-
Proceeds From Sale Of Bond		-	-	-	-	-	-
Transfer- In - Electric Operating		2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfer-In - NCMPA Settlement Fund		-	-	-	-	-	-
Transfer-In - General Fund		-	-	-	-	-	-
Total Revenues		\$ 2,001,044	\$ 1,001,044	\$ 1,001,844	\$ 1,003,444	\$ 1,005,844	\$ 1,009,044
Expenditures							
478-492 Economic Development		\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
478-645 Downtown Sports & Entertainment Complex		1,000,000	-	-	-	-	-
478-835 Outside Storage		-	-	-	-	-	-
478-844 New Tech Park - Substation		-	100,000	-	-	-	-
478-854 SCADA Replacement		150,000	100,000	100,000	100,000	100,000	100,000
478-892 Working Capital Reserve		200,000	-	-	-	-	-
478-900 Long Creek Generation		-	-	-	-	-	-
478-901 City Electric Tie Lines		100,000	200,000	300,000	300,000	300,000	300,000
478-902 Kendrick Extension/ Catawba Hill		-	-	-	-	-	-
478-905 Underground System Replacement		75,000	200,000	200,000	200,000	200,000	200,000
478-909 Electric Development		175,000	150,000	150,000	150,000	150,000	150,000
478-915 Residential Dev-System Expansion		200,000	150,000	150,000	150,000	150,000	150,000
478-916 Loray Mill		-	-	-	-	-	-
478-918 NCDOT City Fiber Optic		-	-	-	-	-	-
478-940 CityWide Streetlight Replacement to LED		100,000	-	-	-	-	-
478-960 2/3s GOB		-	-	-	-	-	-
478-976 Main Avenue Properties		-	-	-	-	-	-
478-990 Transfers to Electric Operating		-	-	-	-	-	-
478-990 Transfers to CP - Mayor / Council		-	-	-	-	-	-
Total Expenditures		\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Fund Balance Forward		\$ 1,044	\$ 1,044	\$ 1,844	\$ 3,444	\$ 5,844	\$ 9,044

Electric Capital Projects

SCADA Upgrade for Electrical Systems / 478-854

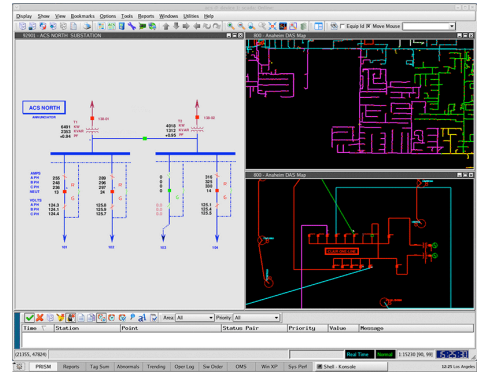
Description: Upgrade to an existing Advanced Control Systems SCADA for Electric

Location: 1300 N. Broad Street

Estimated Completion

Date: FY 2019

Estimated Project Cost: \$150,000



City Electrical Tie Lines / 478-901

Description: Overhead Electric Line Construction/Reconstruction at Various Locations

Location: Various

Estimated Completion

Date: FY 2019

Estimated Project Cost: \$100,000



Underground System Replacement / 478-905

Description: Underground System Replacement of cable and transformers for electric service reliability

Location: Various

Estimated Completion Date: FY 2019

Estimated Project Cost: \$75,000



Economic Development / 478-909

Description: Service to new Commercial Developments

Location: Various

Estimated Completion Date: FY 2019

Estimated Project Cost: \$175,000



Residential Development/System Expansion / 478-915

Description: Service to new residential developments

Location: Various

Estimated Completion Date: FY 2019

Estimated Project Cost: \$200,000



Citywide Streetlight Replacement to LED / 478-940

Description: Replacement of Downtown Streetlights with LED

Location: Downtown Gastonia

Estimated Completion Date: FY 2019

Estimated Project Cost: \$100,000





City of Gastonia
Stormwater Capital Projects
Fund 479

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget
Revenues						
Balance Forward	\$ 405,078	\$ 597,984	\$ 668,717	\$ 947,807	\$ 1,006,243	\$ 1,035,011
Transfer-In Stormwater Operating	452,475	379,737	773,800	942,413	886,966	630,788
Interest	1,583	1,300	1,245	2,654	6,464	-
Property Owner Assistance	-	8,000	2,009	-	-	10,000
Reimbursements / Miscellaneous	<u>731</u>	<u>605</u>	<u>5,021</u>	<u>117</u>	<u>153</u>	<u>-</u>
Total Revenues	\$ 859,867	\$ 987,626	\$ 1,450,792	\$ 1,892,991	\$ 1,899,825	\$ 1,675,799
Expenditures						
479-674 Stormwater System	\$ 246,445	\$ 304,362	\$ 328,527	\$ 662,429	\$ 483,733	\$ 793,687
479-675 Stormwater Noncapital	<u>15,437</u>	<u>14,548</u>	<u>174,458</u>	<u>224,319</u>	<u>381,082</u>	<u>882,112</u>
Total Expenditures	\$ 261,882	\$ 318,909	\$ 502,985	\$ 886,748	\$ 864,815	\$ 1,675,799
Fund Balance Forward	\$ 597,984	\$ 668,717	\$ 947,807	\$ 1,006,243	\$ 1,035,011	\$ -

City of Gastonia
Stormwater Capital Projects
Fund 479

	FY 2019 Adopted Budget	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Revenues						
Balance Forward	\$ -	\$ -	\$ 2,500	\$ 5,000	\$ 7,500	\$ 10,000
Transfer-In Stormwater Operating	574,761	645,000	645,000	645,000	645,000	645,000
Interest	-	2,500	2,500	2,500	2,500	2,500
Property Owner Assistance	-	-	-	-	-	-
Reimbursements / Miscellaneous	-	-	-	-	-	-
Total Revenues	\$ 574,761	\$ 647,500	\$ 650,000	\$ 652,500	\$ 655,000	\$ 657,500
Expenditures						
479-674 Stormwater System	\$ 140,212	\$ 182,000	\$ 182,000	\$ 182,000	\$ 182,000	\$ 182,000
479-675 Stormwater Noncapital	434,549	463,000	463,000	463,000	463,000	463,000
Total Expenditures	\$ 574,761	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000	\$ 645,000
Fund Balance Forward	\$ -	\$ 2,500	\$ 5,000	\$ 7,500	\$ 10,000	\$ 12,500

Stormwater Capital Projects

Stormwater System Improvements / Stormwater Assistance 479-674 / 479-675

Description: Stormwater System Improvements for existing street Right of Way and Property Assistance Program projects

Location: Court & Wellman (Replacement of 2 culverts & adjoining Off R/W Assistance)
942 Green Circle Drive (Off R/W Assistance)
2419 Sandhurst Ct. (Off R/W Assistance)
522 Deerwood Dr. (Off R/W Assistance)
604 Park Terrace (Off R/W Assistance)

Estimated Completion Date:

FY 2019

Estimated Project Cost: \$700,000 (FY 2019 \$574,761, plus carryover funds from prior years)



Court Drive and Wellman



942 Green Circle Drive



2419 Sandhurst Ct.



522 Deerwood Drive



604 Park Terrace

Major Capital Projects Currently Underway
(Funded from prior fiscal years)

- **General Obligation Bond Projects**
 - *S. New Hope Road widening: \$1,573,119 – City Share (total estimate: \$6,381,250)*
 - *Union Road widening: \$5,023,059 – City Share (partner with North Carolina Department of Transportation)*
- **General Fund**
 - *Gastonia Sports and Entertainment District: \$2,857,486 (Architectural and Engineering Design, Demolition, Water/Sewer Utility Relocation, and Electrical lines)*
 - *Lineberger Park/Downtown Connector: Construction \$417,498 (local share - \$87,500)*
 - *Greenway Extension (Ferguson Park and Marietta Street): Construction \$461,780 (local share - \$51,780)*
 - *Franklin Blvd. conversion to 5 lanes (North Carolina Department of Transportation project) City Share - \$83,000*
 - *GPS / AVL System: \$240,000 (local share - \$48,000)*
 - *Greenway Project (Rankin Lake Park to Bulb Avenue): \$525,000 (local share - \$105,000)*
- **Water & Sewer**
 - *Renovations and upgrades to the Water Treatment Plant: \$51,400,000*
 - *Firestone area sewer rehabilitation (find and fix): \$350,000*
 - *Southfork Regional Sewer Project – Phase II: \$3,400,000*
 - *Ranlo/Smyre Water System Improvements: \$497,500*
- **Electric**
 - *Continue LED Street Light replacements/upgrades*
 - *Additional exit circuits for future load for the Substation at Tech Park*
- **Stormwater**
 - *System Improvements: Hoffman Road at Daffodil Court*
 - *Stormwater Assistance Projects*

Other Major Capital Projects Being Considered
(Funding to be identified)

- *Franklin Urban Sports and Entertainment (FUSE) District Project Construction*
- *Construction of Southeast Water and Sewer Expansion*
- *Franklin Blvd. Corridor Improvements*
- *Gastonia Technology Park II Expansion / Development*
- *Dixie Village Area Pedestrian Enhancements*
- *Hangars, Fencing and Other Improvements at the Gastonia Airport*
- *Martha Rivers Park Expansion (Adjoining Property Acquisition)*
- *AMI / AMR Improvements (Electric, Water / Sewer, Finance, Technology Services)*
- *NCDOT Bike / Ped Improvements (DOT projects with local share required: Franklin Blvd from Cox Road going east)*
- *Miscellaneous Major Capital (City) Building Maintenance & Repair Projects (HVAC systems, roofs, security upgrades, etc.): funded through Departmental Operating Accounts)*

The following fund is not considered a capital project fund but includes funding for street resurfacing which is a major investment in the City's road infrastructure therefore we are noting it in the capital project summary.

Powell Bill Fund

Resurfacing / 170-570

Description:	Resurfacing of most critical City streets based on pavement management survey.
Location:	Various streets in the City limits
Estimated Completion Date:	On-going project
Estimated Project Cost:	\$1,715,862 (FY 2019 - \$1,550,000 from transfers in from the General Fund and \$165,862 from Powell Bill allocation)





Appendices





City of Gastonia, North Carolina

BUDGET ORDINANCE

BE IT ORDAINED BY THE CITY OF GASTONIA, NORTH CAROLINA:

SECTION I. The following amounts are hereby appropriated for the operation and maintenance of the City's various governmental departments, City-owned public utilities, for the payment of debt service and for capital outlay and projects for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

GENERAL FUND

General Government	\$	11,170,413
Public Safety		31,677,302
Cultural/Recreation		6,771,475
Public Works		3,276,298
Debt Service		3,930,431
Transfers Out		5,652,805

TOTAL GENERAL FUND	\$	62,478,724
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WATER AND SEWER FUND	\$	38,690,049
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WATER & SEWER STIMULUS GRANT FUND	\$	3,977
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WATER & SEWER CAPITAL EXPANSION & DEVELOPMENT FUND	\$	2,550,094
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WATER & SEWER RENEWAL & REPLACEMENT FUND	\$	1,890,000
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ELECTRIC FUND	\$	80,518,650
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ELECTRIC RENEWAL & REPLACEMENT FUND	\$	1,655,000
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TRANSIT SYSTEM FUND	\$	2,768,377
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SOLID WASTE FUND	\$	5,597,670
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SOLID WASTE DISPOSAL TAX FUND	\$	104,000
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STORMWATER UTILITY FUND	\$	2,577,122
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WEBB PROJECT FUND	\$	63,200
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CONFERENCE CENTER OPERATIONS FUND	\$	782,150
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TECHNOLOGY SUPPORT FUND	\$	35,400
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POWELL BILL FUND	\$	3,885,910
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City of Gastonia, North Carolina

<i>FEDERAL ASSET FORFEITURE FUND</i>	\$	40,000
<i>STATE ASSET FORFEITURE FUND</i>	\$	20,000
<i>GENERAL FUND STIMULUS GRANTS FUND</i>	\$	6,647
<i>OCCUPANCY TAX FUND</i>	\$	726,700
<i>DOWNTOWN MUNICIPAL SERVICES DISTRICT FUND</i>	\$	134,975
<i>INFRASTRUCTURE FUND</i>	\$	223,589
<i>POLICE MEMORIAL TRUST FUND</i>	\$	2,000
TOTAL OPERATING APPROPRIATIONS	\$	204,754,234

SECTION II....and that the following revenues will be available during the fiscal year beginning July 1, 2018 and ending June 30, 2019 to meet the foregoing appropriations:

GENERAL FUND

Ad Valorem Property Taxes	\$	30,954,532
Payments in Lieu of Taxes		2,053,571
Other Taxes and Licenses		103,600
Interest		150,000
Auto Tag Fee		1,600,000
Utilities Franchise Tax		510,000
Beer and Wine Tax		318,000
Sales Tax		17,889,538
ABC Revenue		600,000
Reimbursement for Services		193,950
Federal, State and Local Grants and Reimbursements		1,026,971
Fees and Permits		2,871,181
Sale of Real and Personal Property		15,000
Miscellaneous Revenue		629,381
Fund Balance Appropriated		1,563,000
Transfer from Electric Fund		2,000,000

TOTAL GENERAL FUND **\$** **62,478,724**

WATER AND SEWER FUND

Water and Sewer Sales	\$	36,554,116
Other Charges		2,135,933

TOTAL WATER AND SEWER FUND **\$** **38,690,049**

City of Gastonia, North Carolina

WATER & SEWER STIMULUS GRANT FUND

Transfer from Water & Sewer Capital Expansion & Development Fund	\$	3,977
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<i>TOTAL WATER AND SEWER STIMULUS GRANT FUND</i>	\$	3,977
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WATER & SEWER CAPITAL EXPANSION & DEVELOPMENT FUND

Interest	\$	75,000
Fund Balance Appropriated		234,294
Transfer from Water and Sewer Fund		2,240,800

<i>TOTAL W/S CAPITAL EXPANSION & DEVELOPMENT FUND</i>	\$	2,550,094
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WATER & SEWER RENEWAL & REPLACEMENT FUND

Fund Balance Appropriated	\$	1,750,000
Interest		10,000
Transfer from Water and Sewer Fund		130,000

<i>TOTAL W/S RENEWAL & REPLACEMENT FUND</i>	\$	1,890,000
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ELECTRIC FUND

Electric Sales	\$	78,680,150
Other Charges		1,838,500

<i>TOTAL ELECTRIC FUND</i>	\$	80,518,650
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ELECTRIC RENEWAL & REPLACEMENT FUND

Transfer from Electric Fund	\$	60,000
Interest		8,000
Fund Balance Appropriated		1,587,000

<i>TOTAL ELECTRIC RENEWAL & REPLACEMENT FUND</i>	\$	1,655,000
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TRANSIT SYSTEM FUND

User Charges	\$	175,000
Federal and State Grants		1,911,611
Other Fees		11,800
Transfer from General Fund		571,047
Fund Balance Appropriated		98,919

<i>TOTAL TRANSIT SYSTEM FUND</i>	\$	2,768,377
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City of Gastonia, North Carolina

SOLID WASTE FUND

Commercial Collection/Disposal/Recycling Fees	\$	2,854,822
Miscellaneous Revenue		4,400
Transfer from General Fund		2,680,448
Transfer from Solid Waste Disposal Tax Fund		58,000

TOTAL SOLID WASTE FUND **\$ 5,597,670**

SOLID WASTE DISPOSAL TAX FUND

Solid Waste Disposal Tax	\$	46,000
Fund Balance Appropriated		58,000

TOTAL SOLID WASTE DISPOSAL TAX FUND **\$ 104,000**

STORMWATER UTILITY FUND

Stormwater Sales	\$	2,562,572
Interest		1,500
Storm Drain Improvement		1,000
Other Fees		12,050

TOTAL STORMWATER UTILITY FUND **\$ 2,577,122**

WEBB PROJECT FUND

Other Fees	\$	63,200
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TOTAL WEBB PROJECT **\$ 63,200**

CONFERENCE CENTER OPERATIONS FUND

Other Fees	\$	742,150
Transfer from Municipal Service District		40,000

TOTAL CONFERENCE CENTER OPERATIONS FUND **\$ 782,150**

TECHNOLOGY SUPPORT FUND

Other Fees	\$	35,000
Interest		400

TOTAL TECHNOLOGY SUPPORT FUND **\$ 35,400**

City of Gastonia, North Carolina

POWELL BILL FUND

Funding for Roads	\$	2,160,347
Reimbursement for Services		500
Transfer from General Fund		1,725,063

<i>TOTAL POWELL BILL FUND</i>	\$	3,885,910
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FEDERAL ASSET FORFEITURE FUND

Federal Asset Forfeiture	\$	40,000
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<i>TOTAL FEDERAL ASSET FORFEITURE FUND</i>	\$	40,000
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STATE ASSET FORFEITURE FUND

State Asset Forfeiture	\$	20,000
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<i>TOTAL STATE ASSET FORFEITURE FUND</i>	\$	20,000
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GENERAL FUND STIMULUS GRANTS FUND

Other Revenue	\$	6,647
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<i>TOTAL GENERAL FUND STIMULUS GRANTS</i>	\$	6,647
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OCCUPANCY TAX FUND

Occupancy Tax	\$	726,700
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<i>TOTAL OCCUPANCY TAX FUND</i>	\$	726,700
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DOWNTOWN MUNICIPAL SERVICES DISTRICT FUND

Ad Valorem Taxes	\$	132,055
Other Revenues		2,920

<i>TOTAL DOWNTOWN MUNICIPAL SERVICES DISTRICT FUND</i>	\$	134,975
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INFRASTRUCTURE FUND

Interest	\$	4,000
Cellular Tower Rental		184,600
Other Revenue		34,989

<i>TOTAL INFRASTRUCTURE FUND</i>	\$	223,589
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City of Gastonia, North Carolina

POLICE MEMORIAL TRUST FUND

Sale of Promotional Items	\$ 2,000
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<i>TOTAL POLICE MEMORIAL TRUST FUND</i>	\$ 2,000
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<i>TOTAL OPERATING REVENUES</i>	\$ 204,754,234
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SECTION III. That pursuant to Section 13.1 of Chapter 159, of the General Statutes of North Carolina, the following Internal Service Financial Plans are hereby established:

HEALTH SELF INSURANCE FUND

Total Estimated Revenues	\$ 9,590,194
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Total Estimated Expenditures	\$ 9,590,194
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DENTAL SELF INSURANCE FUND

Total Estimated Revenues	\$ 340,786
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Total Estimated Expenditures	\$ 340,786
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VEHICLE/EQUIPMENT RENEWAL & REPLACEMENT FUND

Total Estimated Revenues	\$ 6,291,904
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Total Estimated Expenditures	\$ 6,291,904
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TECHNOLOGY SERVICES FUND

Total Estimated Revenues	\$ 6,625,960
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Total Estimated Expenditures	\$ 6,625,960
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City of Gastonia, North Carolina

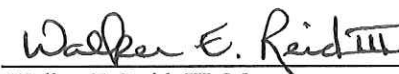
SECTION IV. And there is hereby levied an Ad Valorem Property Tax of \$0.53 on each one-hundred dollars (\$100.00) of valuation on taxable property as listed for taxes as of January 1, 2018, for the purpose of raising revenue from Ad Valorem taxes as set forth in the foregoing estimate of revenues. Additionally, there is levied an Ad Valorem Tax of \$0.20 on each one-hundred dollars (\$100.00) of valuation on taxable property in the Downtown Municipal Services District for taxes as of January 1, 2018, for the purpose of raising revenue for the said District.


SECTION V. Council subsidy will be \$1,432.50/month for the Mayor and \$1,232.50/month for the regular members. Additionally, a \$350/month expense allowance is continued. Any Council member may elect to accept or reject any portion of said subsidy at their discretion.

SECTION VI. Any funds requiring prior year fund balances to cover continued expenditures for Fiscal Year 2018-2019 will be subject to review and will be adjusted with the City Manager's approval. This will ensure that the carry forward funding matches the audited year ending 6/30/2018 balances and will eliminate over appropriation of funds. Also, any funds not utilized in the Fiscal Year 2018-2019 Budget may be collapsed with the City Manager's approval. This will ensure an accurate chart of accounts as necessary. Any adjustment between appropriations within a single fund can be approved by the City Manager. Prior year encumbrances that are inadvertently closed may be reappropriated with the City Manager's approval. Electric Rate Stabilization funding not depleted during the prior fiscal year may be carried over with the City Manager's approval.

SECTION VII. Grant funding not depleted during the prior fiscal year may be carried over with the City Manager's approval. Internal Service funding not depleted during the prior fiscal year may be carried over with the City Manager's approval. Trust and Agency funding not depleted during the prior fiscal year may be carried over with the City Manager's approval. Special Revenue funding not depleted during the prior fiscal year may be carried over with the City Manager's approval.

ADOPTED this 5th day of June, 2018.


Walker E. Reid, III, Mayor


City Clerk



City of Gastonia, North Carolina

CAPITAL PROJECTS ORDINANCE

BE IT ORDAINED BY THE CITY OF GASTONIA, NORTH CAROLINA :

SECTION I. The following amounts are hereby appropriated for the construction of the City's various capital projects/capital reserves for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

<i>AIRPORT IMPROVEMENTS</i>	\$ 1,984,613
<i>WATER AND SEWER IMPROVEMENTS</i>	\$ 2,240,800
<i>WATER AND SEWER SYSTEM DEVELOPMENT FEES</i>	\$ 320,000
<i>ELECTRIC SYSTEM IMPROVEMENTS</i>	\$ 2,000,000
<i>STORMWATER IMPROVEMENTS</i>	\$ 574,761
<i>GENERAL FUND CAPITAL PROJECTS</i>	\$ 719,580
 <i>TOTAL CAPITAL PROJECTS</i>	 \$ 7,839,754

SECTION II....and that the following revenues will be available during fiscal year beginning July 1, 2018 and ending June 30, 2019 to meet the foregoing appropriations:

<i>AIRPORT IMPROVEMENTS</i>	
NCDOT Aviation Division	\$ 1,967,946
Transfer from General Fund	16,667
 <i>TOTAL AIRPORT IMPROVEMENTS</i>	 \$ 1,984,613
 <i>WATER AND SEWER IMPROVEMENTS</i>	
Transfer from Water and Sewer Capital Expansion Fund	\$ 2,240,800
 <i>TOTAL WATER AND SEWER IMPROVEMENTS</i>	 \$ 2,240,800
 <i>WATER AND SEWER SYSTEM DEVELOPMENT FEES</i>	
Sewer System Development Fee	\$ 120,000
Water System Development Fee	200,000
 <i>TOTAL WATER AND SEWER IMPROVEMENTS</i>	 \$ 320,000

City of Gastonia, North Carolina

ELECTRIC SYSTEM IMPROVEMENTS

Transfer from Electric Fund	\$ 2,000,000
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<i>TOTAL ELECTRIC SYSTEM IMPROVEMENTS</i>	\$ 2,000,000
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STORMWATER IMPROVEMENTS

Transfer from Stormwater Utilities Fund	\$ 574,761
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<i>TOTAL STORMWATER IMPROVEMENTS</i>	\$ 574,761
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GENERAL FUND CAPITAL PROJECTS

Reimbursement - Tourism Authority	\$ 60,000
Transfer from General Fund	659,580

<i>TOTAL GENERAL FUND CAPITAL PROJECTS</i>	\$ 719,580
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<i>TOTAL CAPITAL PROJECTS</i>	\$ 7,839,754
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SECTION III. Any capital project funds requiring prior year fund balances to cover continued expenditures for Fiscal Year 2018-2019 will be subject to review and will be adjusted with the City Manager's approval. This will ensure that the carry forward funding matches the audited year ending 06/30/18 balances and will eliminate over appropriation of funds. Any Capital Projects completed with funds remaining can be reverted back to the originating fund at the City Manager's approval.

ADOPTED this 5th day of June, 2018.

Walker E. Reid III

Walker E. Reid, III, Mayor

Sherry W. Dunaway

City Clerk



City of Gastonia, North Carolina

COMMUNITY DEVELOPMENT GRANT PROJECTS ORDINANCE

BE IT ORDAINED BY THE CITY OF GASTONIA, NORTH CAROLINA :

SECTION I. The following amounts are hereby appropriated to conduct activities in relation to Community Development Block Grants for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

<i>COMMUNITY DEVELOPMENT FUND</i>	\$	689,359
<i>108 LOAN-DOWNTOWN REVITALIZATION FUND</i>	\$	28,140
<i>HOME INVESTMENT TRUST FUND</i>	\$	832,159
<i>TOTAL GRANT PROJECT APPROPRIATES</i>	\$	1,549,658

SECTION II....and that the following revenues will be available during fiscal year beginning July 1, 2018 and ending June 30, 2019 to meet the foregoing appropriations:

<i>COMMUNITY DEVELOPMENT FUND</i>		
Community Development Grant	\$	676,140
Repayment/Loan - Homeowner		10,910
Interest		2,309
<i>TOTAL COMMUNITY DEVELOPMENT FUND</i>	\$	689,359
<i>108 LOAN-DOWNTOWN REVITALIZATION FUND</i>		
Repayment/Loan - Investor	\$	28,140
<i>TOTAL 108 LOAN-DOWNTOWN REVITALIZATION FUND</i>	\$	28,140
<i>HOME INVESTMENT TRUST FUND</i>		
Federal Home Program	\$	495,037
Repayment/Loan - Homeowner		20,137
Interest		1,985
Sale of Real Property		315,000
<i>TOTAL HOME INVESTMENT TRUST FUND</i>	\$	832,159
<i>TOTAL GRANT PROJECT REVENUES</i>	\$	1,549,658

City of Gastonia, North Carolina

SECTION III. Any grant funds requiring prior year fund balances to cover continued expenditures for Fiscal Year 2018-2019 will be subject to review and will be adjusted with the City Manager's approval. This will ensure that the carry forward funding matches the audited year ending 06/30/18 balances and will eliminate over appropriation of funds. Any adjustment between appropriation within a single fund can be approved by the City Manager. Also, any funds not utilized in the Fiscal Year 2018-2019 Budget may be collapsed at the City Manager's approval. This will ensure an accurate chart of accounts as necessary.

ADOPTED this 5th day of June, 2018.

Walker E. Reid III

Walker E. Reid, III, Mayor

Sherry H. Dunaway
City Clerk



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AACE - the acronym used for American Association of Code Enforcement.

ARRA - the acronym used for American Recovery and Reinvestment Act of 2009.

Accomplishment - the act of accomplishing or completing a goal set by a department.

Account Number - the accounting designation for revenue and expenditure line items. The account number consists of a two digit fund number, a three digit division and a four digit sub-account number.

Accounting System - the total set of records and procedures that are used to record, classify and report information on the financial status of an entity or fund during a specific time period.

Accrual - describes the concept (known as accrual accounting) where a revenue or expense is not recorded (recognized) at the same moment in time as the related cash inflow / outflow.

Accrual Basis of Accounting - revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable.

ADA - a commonly used acronym for the Americans with Disabilities Act.

Ad Valorem - a charge on property (real and personal) based on the assessed value of the property.

Adopted Budget - the official expenditure plan of the City as authorized by City Council for a specified fiscal year.

Amended or Revised Budget - a budget that includes authorized changes to the original adopted budget.

Appropriation - an authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Arbitrage - the Internal Revenue Code provides that a state or local government investing tax-exempt debt issue proceeds (interest exempt from federal income taxes) at rates higher than that being paid on the debt may have to rebate the excess interest earned to the U.S. Treasury.

ATB - the acronym used for Across The Board salary increase, which is an increase given to all the employees at the same level.

Assessed Value - the value established for real or personal property and used as the basis for levying property taxes.

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Assessment - the process for determining values of real and personal property for taxation purposes.

Asset - resources owned or held by a government which have monetary value.

Asset forfeiture (asset seizure) – a form of confiscation of assets by the State or Federal government. It typically applies to the alleged proceeds of crime. It applies, but is not limited, to terrorist activities, drug related, and other criminal and even civil offenses. The purpose of asset forfeiture is to disrupt criminal activity by confiscating assets that potentially could have been beneficial to the individual or organization.

Authorized Positions - employee positions, which are authorized in the adopted budget, to be filled during the year.

Available (Undesignated) Fund Balance - this refers to the funds, remaining from the prior year which are available for appropriation and expenditure in the current year.

Balanced Budget - a budget in which the estimated revenues equal the estimated expenditures.

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 uses the 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 - a term used to refer to the recognition of costs and revenues in budget development and in establishing and reporting appropriations, that are the legal authority to spend or collect revenues. The City uses the the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Benchmark - A target or a goal for performance of a service, against which actual performance is compared.

Benefits - Federal and State mandated employee benefits and other council approved programs such as health insurance.

Bond - a long-term I.O.U. or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

Budget - (a comprehensive financial plan of operation for which attempts to rationalize the allocation of limited revenues among competing expenditure requirements for a given time period. Most local governments have two types of budgets - the "operating" budget and the

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"capital improvement" budget.) In the State of North Carolina, it is mandated a balanced budget be produced.

Budget Amendment - A legal procedure utilized by the City staff and the City Council to revise a budget appropriation.

Budget Calendar - the schedule of key dates which a government follows in the preparation and adoption of the budget.

Budget Message - (Executive Summary) a letter of transmittal for the proposed budget prepared by the City Manager and addressed to the governing board which contains the Manager's views and recommendations on the City's operations for the coming fiscal year.

Budget Ordinance - the official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Budget System - the total set of records and procedures that are used to record, classify, and report information on the financial plan for an entity of fund covering a specific time period.

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 Asset - assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Budget - the appropriation of bonds or operating revenue for improvements to facilities, and other infrastructure.

Capital Improvements - expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant, sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - a 5- to 10-year forecast of needs, costs, sources of financing and impact on Annual Budget.

Capital Outlay - an expenditure expected to have a useful life of greater than one year or an estimated total of \$5,000 or more. Capital Outlay include such purchases as heavy duty equipment, vehicles, computers, or construction materials for small projects.

Capital Reserve Fund - a fund established for the purpose of receiving transfers of monies for other funds in order to build fund balance for a future capital outlay or to set aside funds for future debt service payments.

Cash Basis - revenues are not recorded until cash is received and expenditures are not recognized until cash is disbursed.

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Cash Management - The management of cash necessary to pay for governmental 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.

CDBG - a commonly used acronym for Community Development Block Grant.

Certificates of Participation (COPs) – an installment purchase agreement that can either be "placed" to one or a few buyers, or can be publicly sold. If they are publicly sold, the investor buys an undivided share in contract payments, evidenced by a certificate of participation.

Classification - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

Community Development Block Grant (CDBG) - a federal domestic assistance grant administered by the U.S. Department of Housing and Community Development to develop viable urban communities by providing decent housing and a suitable living environment for persons of low and moderate income.

Community Development Fund - used to account for revenues and expenses derived from the Community Development Block Grant entitlements to the City.

Contingency - an appropriation used at the City Council discretion to provide funds for unforeseen or unanticipated expenditures.

Debt Service - payment of interest and repayment of principal to holders of a government's debt instruments (bonds and loans).

Department - a basic organizational unit of the City which is functionally unique in its delivery of services with possibly one or more divisions.

Depreciation - expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Disbursement - the expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - a voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Donations - revenue received from private contributions for public service expenditures.

EEOC (Equal Employment Opportunity Commission) - a government agency which is responsible for the enforcement of equal pay provisions and for the investigation and, if necessary, the prosecution of discriminatory hiring practices.

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Effectiveness Measures - These can assess any of the following: The quality level at which a service is provided, the extent to which the service meets the demand for the service or resolves the problem giving rise to the service, the extent to which the service meets the objectives, and/or resources expended on the service in relation to need met or demand fulfilled.

Efficiency Measures - These are usually a ratio between the resources expended to provide a service and the level (quantity) of service provided, assuming a certain level of quality. These measures may also compare resources expended with improvements or changes in service quality, while holding quantity constant.

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.

Encumbrances - obligations in the form of purchase orders or contracts which are chargeable to an appropriation and for which a part of the appropriation is reserved (they become expenditures when paid).

Enterprise Fund - a fund established to account for operations financed in a manner similar to a private business enterprise where the costs of providing goods and services to the public are financed or recovered through user charges. The City's Enterprise Funds are Fund 30 Water and Sewer, Fund 31 Electric, Fund 32 Transit, Fund 33 Golf Course and Fund 36 Stormwater Utilities.

Equitable sharing – a Federal program in which the proceeds of liquidated seized assets from asset forfeiture are shared between state and federal law enforcement authorities. A 1984 law set up the arrangement in which state and local police can share the seizures with the federal agents.

ETJ - the acronym used for Extra Territorial Jurisdiction.

Expenditure - the payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Fiduciary Funds - used to account for assets held by a government in a trustee or agency capacity, whether for individuals, private organizations, other governmental units, or other funds of the government.

Fiscal Year (FY) - the designated for the beginning and ending of transactions. The City of Gastonia's fiscal year begins July 1 and ends June 30 of the following calendar year as required by state law.

Fiscal Policy - a government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal

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policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fixed Asset - see “Capital Asset”.

FLSA (Fair Labor Standards Act) - a Federal payroll and employment law that sets the minimum wage and overtime rates employees must receive for their work; requires recordkeeping by employers; places restrictions on the types of work children can do.

Forecast - an estimation of revenues and expenses for the current fiscal year to be used to determine the expected balances at the end of the year.

Fringe Benefits - funds budgeted for the City’s contribution for employee benefits including retirement, health insurance, social security, and life insurance.

Full-time Equivalent Position (FTE) - a part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time employee working for 20 hours per week would be the equivalent to .5 of a full-time position.

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts within which revenues must equal expenditures, segregated for the purpose of carrying on specific activities of attaining certain objectives.

Fund Balance - the excess of current assets over the current liabilities for each fund at the end of each fiscal year. A negative fund balance is called a deficit. For governmental funds, the fund balance is equal to the excess revenues over expenses for a given fiscal year.

Fund Balance Appropriated - A budgetary amount representing the fund’s equity to be used to offset expenditures that exceed current revenues. Fund Balance appropriated cannot exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year preceding the budget year.

FUSE - the acronym used for the Franklin Urban Sports & Entertainment project.

GA - the acronym used for the North Carolina General Assembly.

GASB 34 - the acronym used for Governmental Accounting Standards Board Statement #34, “Basic Financial Statements – Management’s Discussion and Analysis – For State and Local Governments”.

Gaston-Cleveland-Lincoln Metropolitan Planning Organization (GCLMPO) - a multi-jurisdictional entity comprised of 34 local governments, North Carolina Department of Transportation, United States Department of Transportation, and other providers of transportation services to jointly plan for transportation improvements to the three-county

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region. The City of Gastonia is the largest municipality of the 17 voting local government members and serves as the Lead Planning Agency (LPA) providing Transportation Planning staff for the GCLMPO.

General Fund - used to account for the ordinary operations of the City which are financed from taxes, other general revenues, contributions, grants, transfers from other funds and reimbursements.

General Ledger - a file that contains a listing of the various accounts necessary to reflect the financial position of the government.

General Obligation Bonds (GO Bonds) - a written promise to pay a specified sum of money at a specified date in the future together with periodic interest at a specific rate. It is an obligation of the local government entity guaranteed by the taxing ability of that government unit.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Geographic Information System (GIS) - a collection of computer hardware, software, and geographic data for capturing, managing, analyzing, and displaying all forms of geographically referenced information.

GFOA - the acronym used for Government Finance Officers Association of the United States and Canada.

Goal - a statement of broad direction, purpose or intent based on the needs of the community.

Governmental Funds - used to account for the sources, uses, and balances of government's expendable "general government" financial resources.

Grant - a contribution of assets (usually cash) by a governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. They are usually designated for specific purposes.

HMIS - the acronym used for Homeless Management Information System.

IACO - the acronym used for International Association of Code Enforcement Officials.

Infrastructure - the physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfer - amount transferred from one fund to another whereby a budget transfer represents an appropriation in one fund and a revenue in the other.

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Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other departments on a reimbursement basis.

Investment Earnings - revenue earned on investments with a third party. The City pools monies from several funds to facilitate disbursement and investment and maximize investment income.

Lease/Purchase Agreement - a contract granting use of property during a specified period of time in exchange for a specified amount with an option at the end of that period of time to buy the property.

Levy - to impose taxes for the support of government activities.

Licenses/Permits - type of revenue that includes funds generated from fees established by state or local statutes. Examples include business privilege licenses, motor vehicle licenses, and building permits.

Limited Obligation Bonds (LOBs) - debt issued by the City and the repayment is backed by the asset being financed as a guarantee to investors who purchase the debt on the bond market.

Line Items - units of budgeted expense set up within each division used to classify expenditures by item or category and establish the permissible level of expenditure for that item.

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.

Maturity - the date on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

Merit Program - an established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

Mission Statement - fundamental purpose; a statement of what a department really wants to accomplish.

Modified Accrual - the accounting basis used by the City. Under this basis, expenditures are recognized when encumbered and revenues are recognized when they are collected.

NCAHCO - the acronym used for North Carolina Association of Housing Code Officials.

NCDENR - the acronym used for North Carolina Department of Environment and Natural Resources.

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NCDOI - the acronym used for North Carolina Department of Insurance.

NCDOT - the acronym used for North Carolina Department of Transportation.

NCDPPEA - the acronym used for North Carolina Department of Pollution Prevention Environmental Assistance.

Need or Demand Indicators - these refer to conditions or problems underlying the need for a service. They have a relationship to the amount of service provided. These are often used to formulate objectives and outcome-oriented measures for a service and to evaluate efficiency and effectiveness.

Non-Departmental – expenditures and/or revenues for purposes that are not related to a specific department.

Objective - a specific target for achievement which represents an interim step or progress toward a goal within a specified time span.

Obligations - amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - a plan of financial operation which encompasses an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenues).

Operating Expenses - the cost for personnel, materials and equipment required for a department to function.

Operating Revenue - funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Transfers - routine and/or recurring transfers of assets between funds.

Ordinance - a legislative enactment by the governing body of the City. It has the full force of law within the City if it is not in conflict with any higher form of law.

Part 1 Offenses - a law enforcement classification for major crimes, including murder, robbery, aggravated assault, etc.

Performance Indicators - specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measurement - the process of assessing the results produced or achieved by public services. For a particular service, performance measurement might start with the formulation of a mission statement and measurable objectives that reflect or address the need

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for service. The process also involves identifying measures to assess the extent to which the objectives are met and measuring the costs or the efforts expended to provide the service.

Powell Bill - funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Productivity - maximizing the use of resources (personnel and dollars) to achieve an effective result at the least possible cost.

Property Tax - a tax levied on the value of real property set annually by City Council to fund general governmental expenditures. Property tax is expressed as a dollar value per \$100 of assessed valuation.

Property Tax Rate - the value expressed in the form of a dollar value per \$100 of assessed valuation that is used to generate the revenues necessary to fund governmental operations that are included in the adopted budget.

Proprietary Funds - funds operated like a business and charging user fees. Enterprise and Internal Service Funds fall within this classification.

Reclassification - change in a position title and/or the associated pay range based on changes in the job skills required for a given position.

Referendum - presenting an issue to the voters of the City where a majority of voters decide on the issue.

Reserve - an account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resources - total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Restricted Intergovernmental Revenues - Grants, entitlements, and shared revenues that are recorded in the appropriate fund and classified both by source and function for which the revenues are to be spent.

Revaluation - assignment of value to properties, buildings, vehicles, and equipment used for business and residential purposes by the Gaston County Tax Assessor's Office. Under State law, all property must be revalued no less frequently than once every eight years.

Revenue - income received by the City from various sources used to finance its operations.

Revenue Bonds - when a government issues bonds which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to

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dedicate one specific revenue source to repay these bonds. Revenue bonds do not require voter approval under state law.

Revenue Estimates - a formal estimate of how much revenue will be earned from a specific revenue source from some future period.

Right-of-Way Acquisition - purchase of property by the City to perform road improvement projects and/or protection of right-of-way for future highway projects.

Sales Tax - a tax levied on the taxable sales of all final goods. The State of North Carolina levies a 4.5% sales tax and allows counties to levy an additional sales tax amount. Gaston County levies a 2.5% sales tax and distributes the proceeds on an ad valorem basis with jurisdictions within the County.

Service Charges - a revenue to the General Fund paid by the other City funds for administrative services provided such as payroll and data processing.

Service Description - a description of the service/program that the department is responsible for providing to the citizens.

Service Profile - provides data related to the service/program and identifies important dimensions of service delivery.

SBCCI - the acronym used for Southern Building Code Congress International.

Source of Revenue - revenues are classified according to their source or point of origin.

Special Revenue Funds - to account for specific sources of revenue such as gas taxes or building permit fees that are legally restricted for expenditures of specific purposes.

Sub-Account - a level of budgeting which identifies a specific line of work performed in carrying out a budgeted activity.

System Development Fees (SDF) - a one-time charge implemented to recover (in whole or part) the costs associated with capital investments made by a utility system to make service available to future users of the system.

TASH - the acronym used for The Association for the Severely Handicapped.

Tax Base - the total assessed valuation of real property within the City limits.

Tax Levy - the total amount of revenue to be raised from the property tax levied in the budget ordinance.

Tax Rate - the amount of tax levied per \$100 assessed valuation.

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Taxes - compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Technology Services - a department within the City that supports other departments in areas of information processing; telephone, pager and two-way radio communications; conditioned uninterruptible power systems and in-house consulting.

Tentative Budget - the preliminary budget approved by the City Council for the purpose of establishing a millage rate to be mailed to property owners prior to final adoption of a millage rate and budget.

Transfers In/Out - amounts transferred from one fund to another to assist in financing the services for the recipient fund. Also, referred to as Interfund Transfers.

TRU - the acronym used for Two Rivers Utilities.

Trust Funds - to account for cash set aside in a trustee capacity such as donations for certain programs.

Unencumbered Balance - the amount of an appropriation that is neither expended or encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - the portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges/Fees - the payment of a fee for direct receipt of a public service by the person benefiting from the service such as utility charges and emergency medical fees. Also known as user fees.

USERRA - the acronym used for The Uniformed Services Employment and Reemployment Rights Act.

Workload Measure - A performance measure identifying how much or how many products or services were produced.

YTD – the acronym used for Year to Date.

