

April 25, 2017

Honorable Mayor Outlaw, Board of Aldermen and Citizens of the City of New Bern:

*I am pleased to present to you the City of New Bern Annual Budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018 (FY18). Consistent with our City brand, "Everything comes together here", this balanced budget represents months of hard work and effort by staff coupled with a shared understanding and vision of where the Board of Aldermen want to continue efforts and make improvements. As you will see outlined in this message, this budget year will focus on continuing the services and initiatives from FY17 to ensure continuity of operations and continued support for our community while maintaining low rates for our citizens.*

*Revenue projections, as provided by the North Carolina League of Municipalities, continue to trend upward and we expect to see a slight increase overall. FY17 proved to be a good year for both residential and commercial growth for the City. Building permit values in the 2016 calendar year as a whole continued the upward trend seen in 2015. FY18 is shaping up to be another year of significant growth and investment in our City with respect to both economic and community development. New commercial and residential projects are underway, many of which are anticipated to be completed during FY18. Residentially, average home values continue to trend upwards, and significant building is anticipated for FY18, providing current and future citizens a good investment and affordable housing. This economic and community investment coupled with job creation, sales tax generation, and ad valorem tax generation will continue a positive trend in the revenues expected for the City in the coming year.*

*After a revenue-neutral tax adjustment in FY17, tax rates are proposed to stay flat in FY18, continuing a neutral tax rate of \$0.46 per one-hundred dollars (\$100) of assessed value. Additionally, the revenue-neutral MSD tax rate is proposed to stay at the previous fiscal year amount of \$0.1375 per one-hundred dollars (\$100) of valuation. Utilizing these static rates, staff was able to draft a balanced budget while also ensuring that the city has the personnel and equipment necessary to provide the excellent customer support that the citizens of New Bern have come to expect.*

*We have identified some efficiencies in operating budgets and have therefore been able to absorb anticipated increases in health care costs as well as employee raises and changes recommended in the recently completed salary study to ensure our positions remain competitive in today's job market and our employees are valued for their continued great service. Staff has*

*also been able to ensure that new projects can begin while other projects will continue moving forward.*

*Work is underway for a large commercial development along the Dr. MLK Jr. Boulevard corridor, with the addition of multiple large-scale retailers. Plans have been approved and work has begun to construct a new subdivision off Old Airport Road, along with expansion of the Carolina Colours development. The UNC DFI team has presented the Craven & Pollock study to the Board of Aldermen and will be presenting to additional stakeholders, with the expectation that the project will be turned over to a developer in FY18. With receipt of the City's GoldenLEAF and Economic Development Authority grants, the City will see planned improvements in the First Street corridor, including implementation of the multi-use City Market project. Upon completion, the City Market will provide many offerings, including but not limited to: support of local business and industry workforce development needs; educating the public about employment opportunities in various trades; a City marketplace for trades, inventors and entrepreneurs; and a partnership with Craven Community College to create a robust, one-stop Workforce Development training center.*

*Craven Terrace improvements are continuing, and Trent Court improvements are gaining momentum for advancement from the planning stage towards potential execution in FY18. With final Board approval, the City will execute a plan to create a new Water Resources facility at the Highway 55 location, allowing the city to relocate the City Garage and vacate the First Street location to enable additional public and private uses of that valuable corridor. The FY17 paving project will continue into FY18, putting almost \$3M into our city's street infrastructure, with additional funding proposed for FY18. In addition, railroad crossing signals for Dunn Street and Guion Street have been approved by the Department of Transportation and the North Carolina Railroad and should be constructed in the upcoming fiscal year.*

*As you can see, an emphasis will continue to be placed on the safety and economic growth of our City during FY18 and the impact that government can have to spur private investment. Also, staff will continue to seek grant programs to assist with funding of projects that otherwise may not be possible without an increase in taxes or fees. In addition to the grants and projects mentioned above, the City is always seeking to team with private partners and developers to ensure planned, sustainable growth within New Bern.*

## **Detailed highlights of the FY18 budget**

- *Personnel – After a significant reduction of positions in FY16, staff has identified two net new positions required to sustain city operations. This year's recommended budget reflects a total of 459 funded positions. To recognize the hard work of our employees, a merit-based salary increase has been incorporated into the budget, with quartiles receiving 2.5%, 2.0%, 1.5%, and 1.0%, respectively. Additionally, a third-party contractor was hired in FY17 to advise the City on local and comparable salary trends and has recommend necessary changes to our pay band structure to ensure our positions remain competitive and our personnel are paid according to their skills and in line with local and comparable cities. However, any time a pay band is shifted, salary compression can occur. When a pay band is shifted, less salaried employees are brought up to the new minimums, but that can often compress them against employees who were already making a similar salary. Therefore, an adjustment is required to ensure equality and a proper salary spread based on years in grade. In this budget submission, pay band issues are addressed directly and salary compression issues have been addressed indirectly while additional analysis is completed.*

*The most important asset of any organization is its human capital. It is imperative that the City continues to focus on retention of its employees by ensuring that salaries remain competitive with similar positions in other organizations and continue to invest in their training and educational opportunities to maintain effective and efficient operations and customer service. At some point in the future, to continue current levels of operation and retain employees, new sources of revenue must be identified to account for inflation, longevity, and cost-of-living increases.*

- *Utility Rates – The City of New Bern has made significant reductions to utility rates in FY16 and FY17. The FY16 budget was proposed with the following reductions: Electric – 3%, Water – 6%, and Sewer – 4.5%. Additional reductions of 12% and 1% were also approved by the Board of Aldermen to electric rates upon finalization of the asset sale and the restructuring of the remaining debt by NCEMPA. This past March, Duke Energy projected stable natural gas pricing over the next several years prompting NCEMPA to reevaluate its wholesale rate charges to member municipalities. Upon completion of the evaluation, NCEMPA was able to offer its member municipalities an overall 4.5% reduction to wholesale power costs. For New Bern, this represented a 4.4% wholesale power cost reduction. Since wholesale power costs only represent a portion of the overall Electric*

*budget, staff worked with a consultant to model potential retail rate reductions for the FY18 budget. An overall 1.5% reduction to electric rates is proposed in the FY18 budget. Rate analyses projects this rate can be sustained for several years until the next electric wholesale rate increase by NCEMPA projected in FY20-21. Since weather plays a significant role in the revenue generated by the electric utility, staff must closely monitor these estimates to ensure that projections are in line with actuals throughout the budget year. If any of these situations change, staff will brief the Board on any rate changes that might be required based on the formal fund balance policies now in place.*

- *Transportation Improvements - \$700,000 has been budgeted for in Public Works to resurface and perform repairs on various streets within the City. This allocation will be spent using various techniques to extend the life expectancy of the street system and increase the overall citywide rating for street infrastructure. In FY18, the City will update the street rating analysis to ensure that the funds being spent on street improvements are based on objective inspection of street conditions. \$100,000 is budgeted for the various sidewalk improvements and maintenance activities as we seek to continue the forward momentum achieved over the past few years to make New Bern a more multi-modal in its transportation offerings. While this will provide for some much needed infrastructure improvements to our streets, long-term sustainability will continue to be an issue until a long-range paving schedule can be created and funded. The City may want to consider a future general obligation bond, implementing the license plate tax increase that was provided for by the General Assembly as a local option for municipalities, or a combination of these. Many municipalities across the state utilize these methods to generate revenue to offset the debt service taken on by large capital projects by normal debt installment financing options.*
- *Public Safety – To ensure continued safety of our citizens and businesses, and to relieve the excessive burden on our 911 center staff, the Police budget allows for one new civilian supervisor in the call center. Currently, three shifts are covered by two supervisors, who are not able to provide appropriate oversight and assistance, putting officers and first responders at risk. Once the City implements Emergency Medical Dispatch, which will greatly help the citizens of New Bern, the demands on the call center will be much more stringent and the supervisor role will become increasingly critical. There is \$355,984 in the Police budget for eight new police cruisers and related equipment for up-fitting the cruisers. These are all replacement vehicles for an aging fleet that is well beyond the*

*recommended replacement schedule of mileage and age for front-line police vehicles. Prior year deferments of the replacement of fleet vehicles have led to a continued need for replacements needed in this budget year. The City is closer to being back on schedule and will replace cruisers at a more consistent rate moving forward.*

- *Development Services – Anticipated large-scale growth and requests for building inspections and development permitting has prompted staff to request an additional position to ensure that our organization remains efficient and responsive to developer needs. Therefore, an additional building inspector position is proposed in the FY18 budget to meet this need. Development Services reduced staffing by three positions over the past several years prompted by market downtrends; however, with the increase in development coupled with anticipated staff retirements in FY18, this position is critical to maintaining high service levels in the department.*
- *Enterprise Funds – The proposed FY18 budget continues the efforts taken by the Board and staff to maintain the rate reductions provided to our citizens. While doing so, the budget will also allow for replacement of aging vehicles and equipment that are at risk of failure or are facing extremely high maintenance costs where it is more economical to replace them. The Water & Sewer funds have both budgeted \$200,000 and \$250,000, respectively, for significant improvements to each system. Additionally, the Sewer Fund will continue its yearly replacement of two sewer pump stations per year to ensure the system is functioning correctly and minimizing risk of non-compliance with statutory system operation requirements.*

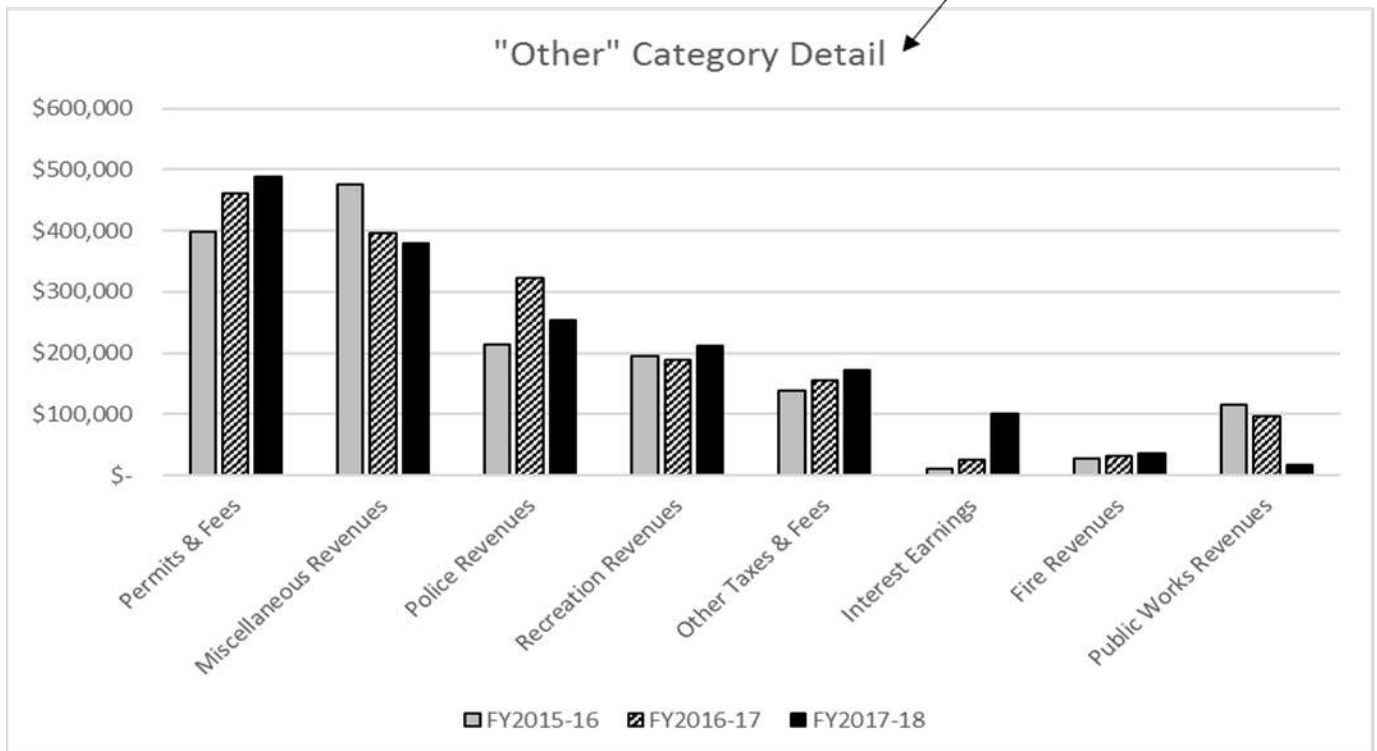
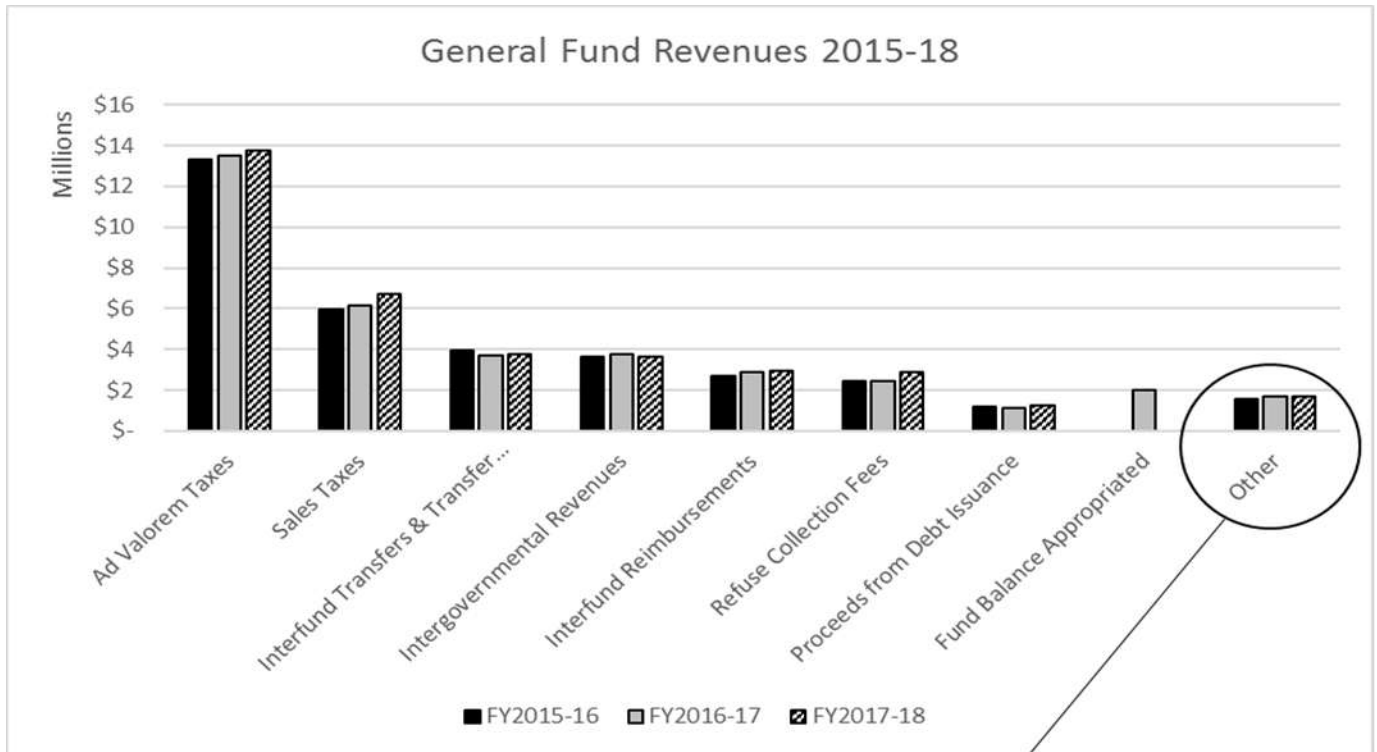
*In the following pages, summaries of the funds and other pertinent information have been provided to allow for better understanding of the budget being presented herein.*

# City Manager's Budget Message | FY 2017-18

## *Summary – General Fund Revenues*

<b><u>General Fund Revenues</u></b>	<b><u>Adopted Budget FY2015-16</u></b>	<b><u>Adopted Budget FY2016-17</u></b>	<b><u>Budget FY2017-18</u></b>	<b><u>% Change FY2015-16 FY2016-17</u></b>
Ad Valorem Taxes	\$13,291,982	\$13,474,500	\$13,752,200	2.06%
Sales Taxes	\$5,971,406	\$6,172,000	\$6,718,000	8.85%
Intergovernmental Revenues	\$3,625,748	\$3,738,000	\$3,627,000	-2.97%
Other Taxes & Fees	\$138,600	\$154,500	\$171,100	10.74%
Interest Earnings	\$10,000	\$26,000	\$101,000	288.46%
Miscellaneous Revenues	\$476,044	\$395,400	\$379,900	-3.92%
Interfund Reimbursements	\$2,691,486	\$2,885,029	\$2,930,284	1.57%
Interfund Transfers & Transfer Supports	\$3,943,541	\$3,714,954	\$3,747,885	0.89%
Police Revenues	\$212,900	\$322,900	\$253,100	-21.62%
Fire Revenues	\$27,680	\$30,900	\$36,030	16.60%
Recreation Revenues	\$195,100	\$189,400	\$212,350	12.12%
Permits & Fees	\$398,358	\$460,250	\$487,460	5.91%
Public Works Revenues	\$115,000	\$96,000	\$17,000	-82.29%
Refuse Collection Fees	\$2,462,000	\$2,462,000	\$2,900,000	17.79%
Proceeds from Debt Issuance	\$1,214,409	\$1,132,120	\$1,246,184	10.08%
Fund Balance Appropriated	\$-	\$2,000,000	\$-	-100.00%
<b>TOTAL REVENUES</b>	<b>\$34,774,254</b>	<b>\$37,253,953</b>	<b>\$36,579,493</b>	<b>-1.81%</b>

The chart below provides year-over-year comparison of General Fund revenues.



**Proposed Ad Valorem Tax Rate**

*The FY18 budget proposes no increase to our ad valorem tax rate that is currently forty-six cents (\$0.46) per one-hundred dollars of value. For the benefit of comparison analysis, the chart below reflects the FY16-17 tax rates for benchmark cities in our area at the beginning of FY16-17. The tax rate adjustments for the cities that were revaluated in 2016, including New Bern, are not shown, as the change in rates would not have taken affect until the middle of the budget year. In addition, at the time of this document's printing, the benchmark cities tax rates have not been set for FY17-18. However, you will notice in the table below that New Bern's tax rate remains the lowest as compared to our benchmark cities.*

<b><u>Property Tax Comparison</u></b>					
<b><u>City</u></b>	<b><u>2016/17 Tax Rate</u></b>	<b><u>Total Valuation Fiscal Year End June 30, 2016</u></b>	<b><u>Estimated Collection %</u></b>	<b><u>Estimated Annual Ad-Valorem</u></b>	<b><u>Latest Valuation</u></b>
Greenville	0.520	\$6,374,477,022	99.40%	\$3,294,839,683	2016
Goldsboro	0.650	\$2,226,524,766	97.97%	\$1,417,862,104	2012
Kinston	0.660	\$1,537,420,152	96.76%	\$981,821,108	2009
Washington	0.520	\$858,577,800	97.57%	\$435,611,467	2010
Havelock	0.510	\$950,475,098	99.57%	\$482,657,908	2016
Wilmington	0.485	\$13,438,904,299	98.88%	\$6,444,868,457	2013
Wilson	0.515	\$4,287,376,918	98.46%	\$2,173,995,926	2015
New Bern	0.410	\$3,044,885,229	99.27%	\$1,239,289,602	2016

**Personnel**

*Personnel-related costs are the largest portion of most of our departmental operating expenses. Therefore, we continue to closely scrutinize all funding requests for new positions and limit additions to our staffing to those that are justified based on need. Below is a table highlighting all requested positions by fund and organization in the FY18 budget. Organizational employee increases proposed for FY18 are a result of positions needed to ensure staff can improve or maintain current service levels in the respective departments. The budget for FY18 proposes a minimal increase in funded positions from 457 full-time employees to 459.*



# City Manager's Budget Message | FY 2017-18

<b><u>General Fund</u></b>	<b><u>FY14-15</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY15-16</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY16-17</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY17-18</u> <u>Funded</u> <u>Positions</u></b>
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Governing Board	1	1	0	0
Administration	4	4	5	5
Information Technology	8	7	7	7
Accounting	10	9	9	9
Warehouse	4	3	3	3
Human Resources	6	5	5	5
Police	116	109.5	112	113
E911 Support	0	0	2	2
Fire	67	67	66	66
Recreation Administration	5	6	5	5
Recreation Facilities	9	8	10	10
Parks & Grounds	14	13	13	13
Development Services	17	15	15	16
PW Administration	3	3	3	3
Garage	4	4	4	4
Public Buildings	6	6	6	6
Streets	25	21	21	21
Leaf & Limb	7	7	7	7
<b>General Fund Total Positions:</b>	<b>306</b>	<b>288.5</b>	<b>293</b>	<b>295</b>

<b><u>Enterprise Funds</u></b>	<b><u>FY14-15</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY15-16</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY16-17</u> <u>Funded</u> <u>Positions</u></b>	<b><u>FY17-18</u> <u>Funded</u> <u>Positions</u></b>
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Water Resources Admin	7	7	6	6
Water Treatment	11	11	12	12
Water System Maintenance	30	27	25	25
<b>Water Fund Total Positions:</b>	<b>48</b>	<b>45</b>	<b>43</b>	<b>43</b>

Sewer Treatment	20	19	19	19
Sewer System Maintenance	14	12	16	16
<b>Sewer Fund Total Positions:</b>	<b>34</b>	<b>31</b>	<b>35</b>	<b>35</b>

Electric Administration	7	6	6	6
Electric Distribution	36	34	34	34
Power Supply	4	3	4	4
Utility Control	7	7	7	7
Utility Business Office	30	29	27	27
<b>Electric Fund Total Positions:</b>	<b>84</b>	<b>79</b>	<b>78</b>	<b>78</b>

Stormwater	5	6	6	6
<b>Stormwater Fund Total Positions:</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>

<u>Other Funds</u>	<u>FY14-15 Funded Positions</u>	<u>FY15-16 Funded Positions</u>	<u>FY16-17 Funded Positions</u>	<u>FY17-18 Funded Positions</u>
E911 Fund Positions	2	1.5	0	0
MPO Positions	0	2	2	2
<b>Other Funds Total Positions:</b>	<b>2</b>	<b>3.5</b>	<b>2</b>	<b>2</b>

<u>Summary Of All Funds</u>	<u>FY14-15 Funded Positions</u>	<u>FY15-16 Funded Positions</u>	<u>FY16-17 Funded Positions</u>	<u>FY17-18 Funded Positions</u>
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General Fund Total Positions	306	288.5	293	295
Water Fund Total Positions	48	45	43	43
Sewer Fund Total Positions	34	31	35	35
Electric Fund Total Positions	84	79	78	78
Stormwater Fund Total Positions	5	6	6	6
Other Funds Total Positions	2	3.5	2	2
<b>Total All Funds</b>	<b>479</b>	<b>453</b>	<b>457</b>	<b>459</b>

**Overall Budget Summary - Highlights of our major funds**

*On the following pages, you will see the overall budget summary for each of our major funds including: General Fund, Water, Sewer, Electric, and Stormwater Funds. This snapshot will give you an overall view of the funding amount and the highlights for each of the funds.*

<b><u>FUND</u></b>	<b><u>Adopted FY2016-17</u></b>	<b><u>Recommended FY2017-18</u></b>	<b><u>% Change</u></b>
General	\$ 37,253,953	\$ 36,579,493	-1.81%
Water	\$ 9,975,621	\$ 10,509,263	5.35%
Sewer	\$ 11,424,332	\$ 12,491,862	9.34%
Electric	\$ 54,087,024	\$ 53,584,131	-0.93%
Stormwater	\$ 670,000	\$ 2,177,000	224.93%
Community Development	\$ 12,000	\$ 7,500	-37.50%
Emergency Telephone (E911)	\$ 352,060	\$ 384,345	9.17%
Employees' Benefit Insurance	\$ 6,565,040	\$ 6,808,000	3.70%
Grants	\$ 218,300	\$ 50,000	-77.10%
Municipal Service District	\$ 277,655	\$ 277,410	-0.09%
Police Special Revenue	\$ 29,893	\$ 11,015	-63.15%
Public-Private Partnerships	\$ 10,000	\$ 7,500	-25.00%
Sewer Capital Reserve	\$ 375,775	\$ 326,830	-13.03%
Water Capital Reserve	\$ 250,775	\$ 251,425	0.26%
Rate Stabilization Fund	\$ 663,000	\$ 176,429	-73.39%
Sewer Debt Service Reserve Fund	\$ 261,765	\$ 242,897	-7.21%
MPO Plan Grant Fund	\$ 223,000	\$ 223,000	0.00%
Equitable Sharing - US Dept of Justice	\$ 51,103	\$ 55,265	8.14%
Equitable Sharing - US Dept of Treasury	\$ -	\$ -	0.00%
<b>TOTAL ALL FUNDS</b>	<b>\$ 122,701,296</b>	<b>\$ 124,163,365</b>	<b>1.19%</b>

# City Manager's Budget Message | FY 2017-18

## General Fund

Revenues:	Adopted Budget FY2014- 15	Adopted Budget FY2015-16	Adopted Budget FY2016-17	Budget FY2017-18
Ad Valorem Taxes	12,945,500	13,291,982	13,474,500	13,752,200
Sales Taxes	5,025,000	5,971,406	6,172,000	6,718,000
Intergovernmental Revenues	3,156,600	3,625,748	3,738,000	3,627,000
Other Taxes & Fees	397,100	138,600	154,500	171,100
Investment Earnings	14,500	10,000	26,000	101,000
Miscellaneous Revenue	463,778	476,044	395,400	379,900
Interfund Reimbursements	4,426,515	2,691,486	3,714,954	2,930,284
Interfund Transfers & Transfer Supports	4,206,945	3,943,541	2,885,029	3,747,885
Proceeds from Debt Issuance	1,601,201	1,214,409	1,132,120	1,246,184
Police Revenues	199,538	212,900	322,900	253,100
Fire Revenues	27,341	27,680	30,900	36,030
Recreation Revenues	201,107	195,100	189,400	212,350
Permits and Fees	384,753	398,358	460,250	487,460
Refuse Collection Fees	2,725,000	2,462,000	2,462,000	2,900,000
Public Works Revenues	141,000	115,000	96,000	17,000
Fund Balance	0	0	2,000,000	0
<b>Subtotal General Fund Revenues</b>	<b>\$35,915,878</b>	<b>\$34,774,254</b>	<b>\$37,253,953</b>	<b>\$36,579,493</b>
Grants and Gifts	0	0	0	0
<b>Total General Fund Revenues</b>	<b>\$35,915,878</b>	<b>\$34,774,254</b>	<b>\$37,253,953</b>	<b>\$36,579,493</b>
<b>Expenses:</b>				
General Government	1,454,814	2,997,171	2,874,716	3,117,432
Finance	2,980,396	1,168,858	1,312,980	1,318,148
Human Resources	568,565	522,021	562,194	560,896
Police	10,731,276	10,556,213	10,666,767	10,821,645
Fire and Fire Volunteers	5,875,475	6,074,902	6,228,432	6,469,620
Parks & Grounds	3,322,388	3,185,499	3,292,219	3,485,180
Development Services	1,643,991	1,631,399	1,631,330	1,688,370
Public Works	9,065,051	8,400,422	10,474,830	8,692,582
Charges for Shared Services	113,922	123,375	0	0
Interfund Transfers & Transfer Supports	0	0	118,358	80,857
Contingency	160,000	100,000	92,127	344,763
<b>Subtotal General Fund Expenses</b>	<b>\$35,915,878</b>	<b>\$34,759,860</b>	<b>\$37,253,953</b>	<b>\$36,579,493</b>
Grant Programs	0	0	0	0
<b>Total General Fund Expenses</b>	<b>\$35,915,878</b>	<b>\$34,759,860</b>	<b>\$37,253,953</b>	<b>\$36,579,493</b>

# of Positions Funded	306	288.5	293	295
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## **FY 17-18 Recommended Budget Highlights General Fund**

### **General Administration**

- \$2,000 - funded for travel and training of each Board member
- \$56,425 - dues and subscriptions for various organizations important to City business
- \$30,000 - Professional services used at the discretion of the City Manager
- \$15,000 – Code Red
- \$33,000 - Postage for all outgoing mail for City, excluding tax and utility bills
- No increase in legal fees for FY18
- \$17,500 - funding for Craven 100 Alliance
- \$75,000 - funding for contractual agreement for Public Library
- Funding for ward appropriations remain at \$1,000 each
- \$15,000 - special projects that may arise during budget year as authorized by City Manager

### **PEG**

- \$25,000 - Remote broadcast & recording with Swagit

### **Information Technology**

- No changes in the IT Division's table of organization are being requested this fiscal year
- Operating expenditures are projected to be higher than the previous fiscal year. Although there are a number of factors driving the increase, the two primary ones are increased maintenance contract costs and the increased use of cloud based services. Moving to cloud based services typically entails increased annual operating costs, but eliminates the need for periodic capital projects to replace obsolete infrastructure for systems hosted in the cloud. Maintenance contract costs typically increase as systems age, and a number of our systems are now in the latter half of their projected service life.
- Two capital projects are proposed. The first is to replace our existing firewalls, a critical component of our IT security infrastructure, with newer technology that will be more effective at countering sophisticated external threats to our systems. The second project is to implement network management software, which will give us the capability to more effectively and efficiently manage the configuration of our network switch infrastructure.

### **Development Services**

- The FY2017-18 Budget includes the request for an additional Building Inspector 1 position, as well as, a reclassification of the Planner position to a Planner 2 position
- FY2017-18 operating expenses remain relatively flat (FY2016-17 operating expenses included a one time \$400,000 transfer of funds from the general fund to cover the cost of demolition of the old Days Hotel): \$40,000 is budgeted to continue the City's imminent threat and public nuisance program, \$25,000 is allocated to continue the implementation of the City's GIS Strategic plan, and an additional \$25,000 is budgeted to assist in the implementation of

various Board and City directives over the course of the fiscal year.

- \$25,000 - replace one vehicle in the inspections department.
- \$34,000 – Generator replacement

## **Finance**

- \$140,000 - contract with Craven County for tax collections Purchasing/Warehouse Operating cost is lower due to share utility expense at Kale Rd.

## **Fire**

- Title change: Fire Inspector II to Deputy Fire Marshal
- \$47,502 - Fire Department's portion of radio purchase
- \$39,000 - Personal Protective Equipment (PPE) for career firefighters in accordance with NFPA.
- \$10,000 - Personal Protective Equipment (PPE) for volunteer firefighters in accordance with NFPA
- \$13,000 - Repairs and maintenance to all aging fire apparatus including fire pumps, valves, gauges, etc.
- \$6,000 - Repairs and maintenance to emergency apparatus lighting (from an outside vendor source)
- \$8,800 - Three (3) Viper capable portables for assisting command staff with mutual aid communications
- \$6,000 - Fire protection contracts with Tri-Community Volunteer Fire Department for Sandy Point/Bridgeton Food Lion areas, and No. 7 Township Fire & Rescue for Brices Creek/Arthur Farm areas located outside of the 5 mile radius of a fire station as required by Department of Insurance
- \$6,000 - Stipends for volunteer firefighters
- \$5,500 - Preventive maintenance service contracts on Sutphen Engines and Ladder apparatus
- \$5,400 - 1,000 Feet of 5" large diameter hose (10 - 100' sections)
- \$5,000 - Professional/development classes to provide 360 feedback, competence, and improve department's leadership capabilities; a key element to ensure we are maximizing potential and raising future leaders
- \$4,000 - Linen supplies/maintenance for all fire stations
- \$3,000 - Emergency lighting parts for aging apparatus (work performed in house)
- \$3,500 - Miscellaneous Urban Search and Rescue (USAR) equipment
- \$4,400 - 2 - Automatic External Defibrillators (AED's) to replace older non-compliant units.
- \$2,960 - 1,000 Feet of 1.75" and 2.5" fire attack hose (20 - 50' sections).
- \$3,900 - 2 - Piston intake valves to replace units that are over 15 years old.
- \$2,700 - Smoke detectors for continuation of Home Safety Visit Program.
- \$3,500 - Miscellaneous confined space rescue equipment.
- \$8,000 - Professional/development classes to provide 360 feedback, competence, and improve department's leadership capabilities; a key element to ensure we are maximizing potential and raising future leaders.

## **Human Resources**

- \$14,324 -Service and Maintenance Contracts - Increase in this line is due to the purchase of an annual license for an Applicant Tracking Software (\$9,324) and one time set up/implementation fee (\$5,000). The functionality of this software will create operational efficiencies and enhance recruitment and selection through the use of a customized online job application process which will allow for applicant tracking, data collection, reporting and analysis.
- \$7,500 - Employee Awards - Increase in this line is due to the addition of funds for departmental retirement functions.

## **Parks & Recreation**

- Creation of comprehensive volunteer program
- Continued use of inmate labor
- Improve efficiencies in the Athletic Section
- Continued growth, attendance, and diversity in special activities and events
- Replacement of 2004 Ford Explorer
- Continued development of the temporary services program
- Utility costs continue to decrease with routine building service and efficient best practices
- Gym Restoration
- West New Bern Rec Generator Replacement
- Continuation of temporary services program in mowing and cemeteries
- Continuation of urban forestry program
- Improvements of ballfields
- Continued improvements of cemetery structures
- 2 Replacement vehicles
- Trailer
- 5 new mowers
- Aerator

## **Police**

- Requesting one additional Telecommunicator Civilian Unit Supervisor for a total of 5 Civilian Unit Supervisors. The additional CUS will increase the potential of a supervisor on duty 24/7.
- \$355,984 - Police Vehicles
- E911 Support – plotter paper, ink cartridges, and other miscellaneous office supplies

## **Public Works**

- \$23,820 - Yearly renewal fee for Public Works work order system
- \$5,000 - Professional Services
- \$2,000 - New laptop and docking station for Director of Public Works
- Insurance Renewal – Minimal increases, if any.
- \$30,000 - Misc. Other Services for Heavy Equipment Towing
- \$145,000 - Vehicle liability insurance



- \$170,000 - Parts and Inventory for City Garage
- \$312,500 - Repairs and Maintenance by Contracted Services
- \$34,000 – City Hall generator replacement
- \$70,000 – (2) F-250 replacement vehicles
- \$700,000 - Implement Street resurfacing project
- \$26,622 - Radio Communication yearly fee for all of Public Works
- \$410,000 - Estimated electrical charge for street lights
- \$120,000 - Repair and Maintenance of Sidewalks
- \$275,000 -New Street Sweeper to replace two existing sweepers
- \$35,000 - Replacement of Service Truck
- \$12,000 - Mech. Road Sweeper
- \$40,000 - Milling Attachment
- \$100,000 - Backhoe
- \$30,000 - Street Light Control Boxes (3)
- \$50,000 – Dunn Street & Guion Street RR Improvements
- \$725,000 - Commercial Waste Collection
- \$1,200,000 - Residential Waste Collection
- Combined Leaf & Limb and Sanitation organizations together to make a new organization 'Solid Waste'

**Water Fund**

	Adopted Budget FY2014-15	Adopted Budget FY2015-16	Adopted Budget FY2016-17	Budget FY2017-18
<b>Revenues:</b>				
Charges for Sales & Service	10,250,500	9,625,500	9,712,000	9,797,000
Capital Recovery Fee	0	0	0	250,000
Connection Fees	30,000	30,000	35,000	35,000
Investment Earnings	1,700	1,700	1,675	15,175
Miscellaneous Revenue	2,500	2,500	100	0
Interfund Reimbursements	147,339	151,236	143,846	289,586
Proceeds from Debt Issuance	225,570	0	83,000	0
Fund Balance	0	198,031	0	122,502
<b>Total Water Fund Revenues</b>	<b>\$ 10,657,609</b>	<b>\$ 10,008,967</b>	<b>\$ 9,975,621</b>	<b>\$ 10,509,263</b>
<b>Expenses:</b>				
Water Resources Administration	592,011	604,943	575,382	579,171
Water Treatment	2,117,433	2,097,417	2,208,295	2,352,939
Water Distribution Maintenance	2,922,785	2,788,651	2,544,944	2,542,853
Debt Service	2,869,593	2,919,728	3,143,381	3,002,092
Charges for Shared Services	1,572,827	1,349,029	1,192,702	1,484,864
Interfund Transfer - General	317,695	249,199	310,917	297,344
Interfund Transfer - Capital Reserve	0	0	0	250,000
Transfer to - Fund Balance	265,265	0	0	0
Contingency	0	0	0	0
<b>Total Water Fund Expenses</b>	<b>\$ 10,657,609</b>	<b>\$ 10,008,967</b>	<b>\$ 9,975,621</b>	<b>\$ 10,509,263</b>
 # of Positions Funded	 48	 45	 43	 43

**FY 17-18 Recommended Budget Highlights  
Water Fund**

- \$430,000 - Utilities for the operation of the WTP and (20) production wells
- \$265,000 - Chemicals for water treatment and lab testing to meet State and Federal regulations
- \$138,700 - Service and maintenance of (6) elevated and (3) ground storage tanks
- \$80,000 - Conversion from anhydrous ammonia

# City Manager's Budget Message | FY 2017-18

- \$135,000 - Utilities required for system components and operations facility
- \$33,000 - Repair and maintenance of operational equipment; backhoes, excavators, pumps, etc.
- \$115,000 - Pipe, fittings, couplings used in the repair of existing water mains
- \$12,000 - NC One Call
- \$200,000 - Various water system improvements
- \$17,500 - Hydraulic Power Unit
- \$13,000 – GPR Locator replacement

<b>Sewer Fund</b>
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	Adopted Budget FY2014-15	Adopted Budget FY2015-16	Adopted Budget FY2016-17	Budget FY2017-18
<b>Revenues:</b>				
Charges for Sales & Service	10,986,000	10,468,000	10,834,000	11,053,000
Capital Recovery Fee	0	0	0	325,000
Connection Fees	46,550	46,550	45,000	50,000
Investment Earnings	1,000	1,000	1,700	10,200
Miscellaneous Revenue	3,000	2,000	250	750
Trent Woods	581,118	562,250	543,382	524,514
Proceeds from Debt Issuance	159,800	525,000	0	397,000
Fund Balance	0	96,735	0	131,398
<b>Total Sewer Fund Revenues</b>	<b>\$ 11,777,468</b>	<b>\$ 11,701,535</b>	<b>\$ 11,424,332</b>	<b>\$ 12,491,862</b>

<b>Expenses:</b>				
Sewer Treatment	2,378,598	2,706,911	2,814,594	3,055,342
Sewer Collection System Maint	3,219,954	3,724,477	3,610,478	3,925,581
Debt Service	3,136,445	3,108,776	2,966,454	2,696,177
Charges for Shared Services	1,693,627	1,495,194	1,337,405	1,808,218
Interfund Transfer - General	382,413	385,543	433,636	438,647
Interfund Transfer - Capital Reserve	0	0	0	325,000
Interfund Transfer - Other	299,502	280,634	261,765	242,897
Transfer to - Fund Balance	334,463	0	0	0
Contingency	0	0	0	0
<b>Total Sewer Fund Expenses</b>	<b>\$ 11,777,468</b>	<b>\$ 11,701,535</b>	<b>\$ 11,424,332</b>	<b>\$ 12,491,862</b>

# of Positions Funded	35	34	35	35
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**FY 17-18 Recommended Budget Highlights  
Sewer Fund**

- \$590,000 - Utilities required for operating pumps, blowers, heaters and other equipment
- \$494,000 - Chemicals required for treatment process to meet State and Federal regulations
- \$135,300 - Replacement parts for WWTP equipment
- \$60,000 – Repair services for WWTP components
- \$11,000 – Commercial mower replacement
- \$7,500 – Analytical balance replacement
- \$330,000 - Utilities required to operate 111 sanitary sewer lift stations and operations facilities
- \$52,000 - Repair and maintenance of operational equipment; backhoes, excavators, pumps, etc.
- \$110,000 - Repair and maintenance of sanitary sewer lift stations
- \$200,000 - Rehabilitation/repair of sanitary sewer mains
- \$45,000 - Control panels for Township No. 7 STEP System
- \$85,000 - Pipe and fittings for Township No. 7 STEP System
- \$250,000 - Various Sewer Improvements Projects
- \$250,000 - Rehabilitation of (2) sanitary sewer lift stations
- \$397,000 - Replacement of Vac-Truck
- \$32,000 - Replacement of pickup truck

**Electric Fund**

	Adopted Budget FY2014-15	Adopted Budget FY2015-16	Adopted Budget FY2016-17	Budget FY2017-18
<b>Revenues:</b>				
Charges for Sales & Service	61,976,081	60,305,444	52,471,875	52,045,000
Investment Earnings	2,000	2,000	2,000	25,365
Miscellaneous Revenue	73,869	82,565	132,645	133,575
Interfund Reimbursements	625,453	609,042	632,504	1,380,191
Proceeds from Debt Issuance	394,722	408,000	185,000	0
Transfer from Rate Stabilization	0	0	663,000	0
<b>Total Electric Fund Revenues</b>	<b>\$ 63,072,125</b>	<b>\$ 61,407,051</b>	<b>\$ 54,087,024</b>	<b>\$ 53,584,131</b>

<b>Expenses:</b>				
Electric Administration	782,519	711,587	740,256	760,753
Distribution O & M	4,967,415	5,117,819	5,354,266	5,514,201
Power Supply	47,558,637	46,950,211	39,170,162	37,960,580
Communications Control	472,634	467,982	453,489	550,082
Utility Business Office	2,386,618	2,412,306	2,563,391	2,504,579
Debt Service	1,031,088	1,205,206	1,761,551	1,856,398
Charges for Shared Services	2,392,434	1,094,251	1,073,508	1,249,215
Interfund Transfer - General	3,407,951	3,308,799	2,970,401	3,188,323
Contingency	72,829	138,889	0	0
<b>Total Electric Fund Expenses</b>	<b>\$ 63,072,125</b>	<b>\$ 61,407,050</b>	<b>\$ 54,087,024</b>	<b>\$ 53,584,131</b>

# of Positions Funded	84	79	78	78
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**FY 17-18 Recommended Budget Highlights  
Electric Fund**

- No significant changes in operating expense this fiscal year – Administration & Distribution
- \$440,000 - Underground transformers & switch devices
- \$450,000 - Cables & devices
- \$200,000 - Replacement of bucket truck
- \$140,000 - Conductors & devices
- \$140,000 - Overhead transformers & devices

- \$120,000 - Poles & fixtures
- \$110,000 - Pole line hardware
- \$86,000 - Street light fixtures
- \$20,000 - Fiber
- \$140,000 - Replacement of substation voltage regulators
- \$75,000 - Replacement of SCADA Equipment
- \$45,000 - Replacement of substation technician vehicle
- \$35,000 - Replacement of generator automatic transfer switch
- \$72,000 - Pickup w/ bucket for Fiber Systems Technician
- \$42,000 overtime above typical requirements is projected for equipment installation in support of the Board of Aldermen's 3rd phase approval of the Advanced Meter Infrastructure (AMI) initiative.
- \$4,000 of seasonal part-time salaries for summer intern will assist on special projects in support of the Utility Strategic Planning initiative in conjunction with the Public Utilities Department.
- \$102,000 -Temporary Help Services for contract work to help during staff vacancies and transition from field meter reading to (AMI) remote meter reading/remote service order business process technology.
- \$153,100 – Miscellaneous Other Services for lockbox, online banking payment processing, bill and customer insert printing, electronic bill payment and presentment, equipment and services that significantly reduce payment processing labor to facilitate expeditious, efficient service. Community involvement and outreach communications programs also funded from this line item.
- \$53,574 Pre Pay No Deposit Utility Services, utilizing a 2.5% adoption rate. Customers will have automated options to pay 24/7 via web, mobile & phone similar to other NC municipalities to significantly reduce payment processing labor.
- \$31,200 - Merchant's Credit Card Fees will be absorbed for those enrolled in Pre Pay utilizing 2.5% adoption rate.

**Stormwater Fund**

	Adopted Budget FY2014-15	Adopted Budget FY2015-16	Adopted Budget FY2016-17	Budget FY2017-18
<b>Revenues:</b>				
Charges for Sales & Service	690,000	690,000	670,000	677,000
Proceeds from Debt Issuance	40,000	40,000	0	1,500,000
<b>Total Stormwater Fund Revenues</b>	<b>\$ 73,000</b>	<b>\$ 730,000</b>	<b>\$ 670,000</b>	<b>\$ 2,177,000</b>
<b>Expenses:</b>				
Stormwater	642,033	591,436	520,050	2,028,815
Debt Service	73,176	79,035	92,186	90,421
Charges for Shared Services	0	59,529	57,764	57,764
Contingency	14,791	0	0	0
<b>Total Stormwater Fund Expenses</b>	<b>\$ 730,000</b>	<b>\$ 730,000</b>	<b>\$ 670,000</b>	<b>\$ 2,177,000</b>
 # of Positions Funded	 5	 6	 6	 6

**FY 17-18 Recommended Budget Highlights  
Stormwater**

- The proposed revenue for FY18 includes no increase in the Stormwater Utility fee that is currently set at \$2.10 per ERU.
- \$22,500 - Construction and Repair Supplies
- \$20,000 - Repair and Maintenance to Stormwater infrastructure
- 1,500,000 - Stormwater Improvement Projects

**Conclusion**

*Staff have developed the FY17-18 City Budget with several goals in mind. First, it is imperative that staff meet the expectations of our citizenry while taking the necessary steps to maintain low utility rates, taxes, and fees. With this in mind, the proposed budget is financially sound and utilizes the public's money to its fullest potential. Secondly, this budget continues to achieve the goals set forth by the Board of Aldermen maintaining the financial health of the City, continuing to create a smart, customer-focused organization, and lead the redevelopment of distressed areas and corridors of our City. Each department evaluated their budgets in detail to identify efficiencies and maximize staff utilization to produce a budget that is balanced and supports the aforementioned goals of the Board. Thirdly, the proposed budget aims to protect the City's most valuable asset: its human capital. The budget includes merit raises for staff based on performance, adjustments to the pay scales to keep competitive in the market and when recruiting new talent, and addresses compression to salaries when adjusting pay scales to maintain value for years of service to the City.*

*The Board and staff of the City have worked diligently to maintain a healthy fund balance in all funds consistent with the City's goals and objectives. Additionally, the City has used funds above the informal general fund balance policy of 25% to avoid high-interest loans and pay cash for projects that in the past would have been financed or impossible to consider. Currently, the City is projected to have days of cash on hand in each of our major Enterprise Funds (Electric, Water, and Sewer) in excess of their formally adopted reserve policies and over 35% reserves in the General Fund for the current fiscal year. This positive cash position continues to be a testament to this City's resolve to make financial accountability and prudent decision-making a focal point of the past few years' budgets.*

*This budget is a reflection of hard work and efforts by staff and a continued drive to meet the expectations of the citizens of New Bern and the Board of Aldermen. We look forward to working with the Board and citizens in this upcoming fiscal year to make New Bern a model of success across the State of North Carolina and proving that "Everything comes together here".*

Respectfully submitted,



Mark A. Stephens, PE  
City Manager



**City of New Bern Budget  
Fiscal Year 2017-18**

**Summary of Funds**

Fund	Fund #	Actual Last Year FY 2015-16	Adjusted Budget FY 2016-17	Manager's Recommended FY 2017-18	Approved Budget FY 2017-18
<b>Section 1 - General Fund</b>					
General Fund Revenues	1111	38,390,820	38,757,223	36,579,493	36,578,671
General Fund Expenses	1111	38,092,463	38,757,223	36,579,493	36,578,671
		298,357	0	0	0
<b>Section 2 - Water Fund</b>					
Water Fund Revenues	5111	10,046,730	10,003,376	10,509,263	10,508,989
Water Fund Expenses	5111	9,729,352	10,003,376	10,509,263	10,508,989
		317,378	0	0	0
<b>Section 3 - Sewer Fund</b>					
Sewer Fund Revenues	5211	11,434,240	12,122,158	12,491,862	12,491,588
Sewer Fund Expenses	5211	11,094,258	12,122,158	12,491,862	12,491,588
		339,982	0	0	0
<b>Section 4 - Electric Fund</b>					
Electric Fund Revenues	5311	53,785,273	54,915,577	53,584,131	53,584,131
Electric Fund Expenses	5311	51,866,722	54,915,577	53,584,131	53,584,131
		1,918,551	0	0	0
<b>Section 5 - Stormwater Fund</b>					
Stormwater Fund Revenues	5411	764,552	672,918	2,177,000	677,000
Stormwater Fund Expenses	5411	706,391	672,918	2,177,000	677,000
		58,161	0	0	0
<b>Section 6 - Other Funds</b>					
Community Development Fund Revenues	2114	21	12,000	7,500	7,500
Community Development Fund Expenses	2114	1,500	12,000	7,500	7,500
		(1,479)	0	0	0
Emergency Telephone System Revenues	2911	315,269	352,060	384,345	384,345
Emergency Telephone System Expenses	2911	299,462	352,060	384,345	384,345
		15,807	0	0	0
Employees' Benefit Insurance Revenues	6111	6,388,817	6,565,040	6,808,000	6,808,000
Employees' Benefit Insurance Expenses	6111	6,897,081	6,565,040	6,808,000	6,808,000
		(508,264)	0	0	0
Grants Fund Revenues	2320	98,481	243,351	50,000	50,000
Grants Fund Expenses	2320	88,666	243,351	50,000	50,000
		9,815	0	0	0

**City of New Bern Budget  
Fiscal Year 2017-18**

**Summary of Funds**

Fund	Fund #	Actual Last Year FY 2015-16	Adjusted Budget FY 2016-17	Manager's Recommended FY 2017-18	Approved Budget FY 2017-18
<b>Section 6 - Other Funds (cont.)</b>					
MSD Fund Revenues	1611	291,430	277,655	277,410	277,410
MSD Fund Expenses	1611	188,452	277,655	277,410	277,410
		102,978	0	0	0
Police Special Revenue Fund Revenues	2921	13,063	29,893	11,015	11,015
Police Special Revenue Fund Expenses	2921	130,495	29,893	11,015	11,015
		(117,432)	0	0	0
Equ Sharing - US Dept of Justice Revenues	2923	100,474	51,103	55,265	55,265
Equ Sharing - US Dept of Justice Expenses	2923	16,187	51,103	55,265	55,265
		84,287	0	0	0
Equ Sharing - US Dept of Treasury Revenues	2924	0	0	0	0
Equ Sharing - US Dept of Treasury Expenses	2924	0	0	0	0
		0	0	0	0
Public-Private Partnerships Revenues	2925	10,000	10,000	7,500	7,500
Public-Private Partnerships Expenses	2925	10,000	10,000	7,500	7,500
		0	0	0	0
Sewer Capital Reserve Fund Revenues	4515	524,829	375,775	326,830	326,830
Sewer Capital Reserve Fund Expenses	4515	0	375,775	326,830	326,830
		524,829	0	0	0
Water Capital Reserve Fund Revenues	4311	273,541	250,775	251,425	251,425
Water Capital Reserve Fund Expenses	4311	0	250,775	251,425	251,425
		273,541	0	0	0
Rate Stabilization Fund Revenues	5321	1,376,979	663,000	176,429	176,429
Rate Stabilization Fund Expenses	5321	0	663,000	176,429	176,429
		1,376,979	0	0	0
Sewer Debt Service Reserve Fund Revenues	5221	281,524	261,765	242,897	242,897
Sewer Debt Service Reserve Fund Expenses	5221	0	261,765	242,897	242,897
		281,524	0	0	0
MPO Plan Grant Fund Revenues	2124	210,443	223,000	223,000	223,000
MPO Plan Grant Fund Expenses	2124	210,442	223,000	223,000	223,000
		1	0	0	0

**BUDGET ORDINANCE 2017-2018  
CITY OF NEW BERN, NORTH CAROLINA**

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN, NORTH CAROLINA:

SECTION 1. The following amounts are hereby appropriated for the operation of the City of New Bern beginning July 1, 2017 and ending June 30, 2018 according to the following schedules:

SCHEDULE A - GENERAL FUND

Governing Board	259,669
Administration	721,723
Legal	220,749
Elections	75,000
Special Appropriations	128,500
PEG	41,350
Information Technology	1,668,783
Finance:	
Accounting	978,418
Warehouse	339,730
Human Resources	560,896
Police	10,689,661
Emergency 911 Support	131,984
Fire	6,469,620
Recreation:	
Administration	643,760
Facilities	1,460,230
Parks & Grounds	1,381,190
Development Services	1,688,370
Public Works	
Administration	335,332
Insurance	665,000
Garage	0
Public Buildings	1,004,375
Streets	3,635,871
Solid Waste	3,052,004
Shared Services Charges	0
Interfund Transfers	80,857
Contingency	<u>345,599</u>
<b>TOTAL GENERAL FUND</b>	<b>36,578,671</b>

SCHEDULE B - MUNICIPAL SERVICE DISTRICT FUND

Municipal Service District	<u>277,410</u>
<b>TOTAL MUNICIPAL SERVICE DISTRICT FUND</b>	<b>277,410</b>

SCHEDULE C - WATER FUND

Water Resources Administration	579,171
Water Treatment	2,352,939
Water Distribution Maintenance	2,542,853
Water Debt Service	3,002,092
Shared Services Charges	1,484,590
Interfund Transfers & Transfer Supports	547,344
Contingency	<u>0</u>
<b>TOTAL WATER FUND</b>	<b>10,508,989</b>

SCHEDULE D - SEWER FUND

Sewer Treatment	3,055,342
Sewer Collection System Maint.	3,925,581
Sewer Debt Service	2,696,177
Shared Services Charges	1,807,944
Interfund Transfers & Transfer Supports	1,006,544
Contingency	<u>0</u>
<b>TOTAL SEWER FUND</b>	<b>12,491,588</b>

SCHEDULE E - ELECTRIC FUND

Electric Administration	760,753
Distribution O&M	5,514,475
Power Supply	37,960,580
Communications Control	550,082
Utility Business Office	2,504,579
Electric Debt Service	1,856,398
Shared Services Charges	1,248,941
Interfund Transfers & Transfer Supports	3,188,323
Contingency	<u>0</u>
<b>TOTAL ELECTRIC FUND</b>	<b>53,584,131</b>

SCHEDULE F - STORMWATER FUND

Stormwater Maintenance	528,815
Stormwater Debt Service	90,421
Shared Services Charges	<u>57,764</u>
<b>TOTAL STORMWATER FUND</b>	<b>677,000</b>

SCHEDULE G - EMPLOYEES' BENEFIT INSURANCE FUND

Employee Benefits 6,808,000

**TOTAL EMPLOYEES' BENEFIT INSURANCE FUND** 6,808,000

SCHEDULE H - EMERGENCY TELEPHONE SYSTEM FUND

E-911 384,345

**TOTAL EMERGENCY TELEPHONE SYSTEM FUND** 384,345

SCHEDULE I - POLICE SPECIAL REVENUE FUND

Police Special Revenue 11,015

**TOTAL POLICE SPECIAL REVENUE FUND** 11,015

SCHEDULE J - COMMUNITY DEVELOPMENT FUND

Community Development 7,500

**TOTAL COMMUNITY DEVELOPMENT FUND** 7,500

SCHEDULE K - GRANTS FUND

Contingency 50,000

**TOTAL GRANTS FUND** 50,000

SCHEDULE L - PUBLIC-PRIVATE PARTNERSHIPS FUND

Partnerships Programs 7,500

**TOTAL PUBLIC-PRIVATE PARTNERSHIPS FUND** 7,500

SCHEDULE M - WATER CAPITAL RESERVE FUND

Water Capital Reserve 251,425

**TOTAL WATER CAPITAL RESERVE** 251,425

SCHEDULE N - SEWER CAPITAL RESERVE FUND

Sewer Capital Reserve 326,830

**TOTAL SEWER CAPITAL RESERVE FUND** 326,830

SCHEDULE O - RATE STABILIZATION FUND

Rate Stabilization	<u>176,429</u>
<b>TOTAL RATE STABILIZATION FUND</b>	176,429

SCHEDULE P - SEWER DEBT SERVICE RESERVE FUND

Sewer Debt Service Reserve	<u>242,897</u>
<b>TOTAL SEWER DEBT SERVICE RESERVE FUND</b>	242,897

SCHEDULE Q - MPO PLAN GRANT

MPO PLAN GRANT	198,000
MPO PLAN GRANT (5303)	<u>25,000</u>
<b>TOTAL MPO PLAN GRANT FUND</b>	223,000

SCHEDULE R - EQUITABLE SHARING - US DEPARTMENT OF JUSTICE

EQUITABLE SHARING	<u>55,265</u>
<b>TOTAL EQUITABLE SHARING US DEPT OF JUSTICE</b>	55,265

SCHEDULE S- Equitable Sharing US Dept of Treasury

EQUITABLE SHARING	<u>0</u>
<b>TOTAL EQUITABLE SHARING US DEPT OF TREASURY</b>	0

SECTION 2. It is estimated that revenues from the following major sources will be available for the fiscal year beginning July 1, 2017 and ending June 30, 2018 to meet the foregoing schedules:

SCHEDULE A - GENERAL FUND

Taxes & Licenses	20,641,300
Intergovernmental Revenue	3,627,000
Investment Earnings	101,000
Miscellaneous Revenue	379,900
Interfund Reimbursement	2,929,462
Transfer Support from Electric Fund	2,662,500
Transfer from Electric PILOT	349,394
Transfer from Water PILOT	297,344
Transfer from Sewer PILOT	438,647
Proceeds from Borrowing	1,246,184
Police Revenues	253,100
Fire Revenues	36,030

Recreation Revenues	212,350
Permits and Fees	487,460
Public Works Revenues	17,000
Charges for Sales & Service	2,900,000
Fund Balance Appropriated	<u>0</u>

**TOTAL GENERAL FUND** 36,578,671

SCHEDULE B - MUNICIPAL SERVICE DISTRICT FUND

Taxes	267,500
Investment Earnings	310
Parking Fees	<u>9,600</u>

**TOTAL MUNICIPAL SERVICE DISTRICT FUND** 277,410

SCHEDULE C - WATER FUND

Charges for Sales & Service	10,082,000
Investment Earnings	15,175
Miscellaneous Revenue	0
Interfund Reimbursements	289,586
Proceeds from Borrowing	0
Fund Balance Appropriated	<u>122,228</u>

**TOTAL WATER FUND** 10,508,989

SCHEDULE D - SEWER FUND

Charges for Sales & Service	11,428,000
Investment Earnings	10,200
Miscellaneous Revenue	525,264
Proceeds from Borrowing	397,000
Transfer from Other Funds	0
Fund Balance Appropriated	<u>131,124</u>

**TOTAL SEWER FUND** 12,491,588

SCHEDULE E - ELECTRIC FUND

Charges for Sales & Service	52,045,000
Investment Earnings	25,365
Miscellaneous Revenue	133,575
Interfund Reimbursements	1,380,191
Transfer from Rate Stabilization Fund	0
Proceeds from Borrowing	<u>0</u>

**TOTAL ELECTRIC FUND** 53,584,131

SCHEDULE F - STORMWATER FUND

Charges for Sales & Service	677,000
Proceeds from Borrowing	<u>0</u>
<b>TOTAL STORMWATER FUND</b>	677,000

SCHEDULE G - EMPLOYEES' BENEFIT INSURANCE FUND

Investment Earnings	6,100
Interfund Reimbursements	6,598,368
Miscellaneous Revenue	0
Fund Balance Appropriated	<u>203,532</u>
<b>TOTAL EMPLOYEES' BENEFIT INSURANCE FUND</b>	6,808,000

SCHEDULE H - EMERGENCY TELEPHONE SYSTEM FUND

State 911 Distributions	321,127
Investment Earnings	100
Fund Balance Appropriated	<u>63,118</u>
<b>TOTAL EMERGENCY TELEPHONE SYSTEM FUND</b>	384,345

SCHEDULE I - POLICE SPECIAL REVENUE FUND

Investment Earnings	15
Restricted Police Revenue	11,000
Fund Balance Appropriated	<u>0</u>
<b>TOTAL POLICE SPECIAL REVENUE FUND</b>	11,015

SCHEDULE J - COMMUNITY DEVELOPMENT FUND

Fund Balance Appropriated	<u>7,500</u>
<b>TOTAL COMMUNITY DEVELOPMENT FUND</b>	7,500

SCHEDULE K - GRANTS FUND

Grant Programs	0
Transfer from General Fund	<u>50,000</u>
<b>TOTAL GRANTS FUND</b>	50,000

SCHEDULE L - PUBLIC-PRIVATE PARTNERSHIPS FUND

Transfer from General Fund	<u>7,500</u>
<b>TOTAL PUBLIC-PRIVATE PARTNERSHIPS FUND</b>	7,500



SCHEDULE M - WATER CAPITAL RESERVE FUND

Transfer from Water Fund	250,000
Investment Earnings	<u>1,425</u>
<b>TOTAL WATER CAPITAL RESERVE</b>	251,425

SCHEDULE N - SEWER CAPITAL RESERVE FUND

Transfer from Sewer Fund	325,000
Investment Earnings	<u>1,830</u>
<b>TOTAL SEWER CAPITAL RESERVE FUND</b>	326,830

SCHEDULE O - RATE STABILIZATION FUND

Transfer from Electric Fund	<u>176,429</u>
<b>TOTAL RATE STABILIZATION FUND</b>	176,429

SCHEDULE P - SEWER DEBT SERVICE RESERVE FUND

Transfer from Sewer Fund	<u>242,897</u>
<b>TOTAL SEWER DEBT SERVICE RESERVE FUND</b>	242,897

SCHEDULE Q - MPO PLAN GRANT FUND

Grant Revenue	176,030
Grant Revenue (5303)	23,613
Transfer from General Fund	<u>23,357</u>
<b>TOTAL MPO PLAN GRAND FUND</b>	223,000

SCHEDULE R - EQUITABLE SHARING US DEPARTMENT OF JUSTICE

Investment Earnings	76
Restricted Police Revenue	12,072
Fund Balance Appropriated	<u>43,117</u>
<b>TOTAL EQUITABLE SHARING US DEPT OF JUSTICE</b>	55,265

SCHEDULE S - EQUITABLE SHARING US DEPARTMENT OF TREASURY

Investment Earnings	0
Restricted Police Revenue	<u>0</u>
<b>TOTAL EQUITABLE SHARING US DEPT OF TREASURY</b>	0

SECTION 3.

- (a) There is hereby levied a tax at the rate of forty-six (\$0.46) per one hundred dollars (\$100.00) valuation of property as listed for taxes as of January 1, 2017, for the purpose of raising the revenue listed in "Taxes & Licenses" in Schedule A - General Fund in Section 2 of this ordinance. This rate is based on an estimated total valuation of Property for the purpose of taxation of \$3,025,500,000 and an estimated
- (b) There is hereby levied an additional tax at the rate of thirteen and seventy-five hundredths cents (\$0.1375) per hundred dollars (\$100.00) valuation of property as listed for taxes as of January 1, 2017, on all property located in Municipal Service District, as defined and established by resolution adopted by the Board of Aldermen of the City of New Bern on June 27, 1978, expanded on June 26, 1986, and amended on January 8, 2008, for the purpose of raising revenue listed in Schedule B - Municipal Service District Fund in Section 2 of this Ordinance.

SECTION 4.

The attached Classification Plan (Appendix A) effective July 1, 2017 is hereby adopted and incorporated into this Ordinance herein by reference.

SECTION 5. Special Authorization - Budget Officer

- (a) The Budget Officer and Director of Finance shall be authorized to reallocate appropriations within departments and among the various line accounts not organized by departments as he or she deems necessary.
- (b) Interfund transfers and transfer supports, established in the Budget Ordinance, may be accomplished without additional approval from the Board.

SECTION 6. Restrictions - Budget Officer

- (a) Interfund transfers and transfer supports of monies, except as noted in Section 5(b), shall be accomplished by Board of Aldermen authorizations only.
- (b) Utilization of appropriations contained in Contingencies and Appropriations to Fund Balance may be accomplished only with specific approval of the Board of Aldermen.

SECTION 7.

The Director of Finance is authorized to write off accounts receivable 120 or more days delinquent and to place said accounts in a collection status.

SECTION 8.

The use of facsimile signatures for checks and other documents is re-authorized as established by a resolution adopted by the Board of Aldermen of the City of New Bern on the 9th day of December, 1986.

SECTION 9.

Copies of this Budget Ordinance shall be filed with the Budget Officer, Director of Finance and City Clerk.

SECTION 10.

This Ordinance shall take effect on July 1, 2017.

ADOPTED THIS 23rd DAY OF MAY, 2017.

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

**City of New Bern  
Fiscal Year 2017-18  
Appendix A  
Classification Pay Plan FY 2017-18**

<b>Grade</b>	<b>Title</b>	<b>Minimum</b>	<b>-</b>	<b>Midpoint</b>	<b>-</b>	<b>Maximum</b>
1		19,610	-	25,763	-	31,915
2		20,591	-	27,051	-	33,511
3		21,620	-	28,403	-	35,187
4	Custodian	22,701	-	29,823	-	36,946
5	Lead Custodian	23,836	-	31,315	-	38,793
6	Hydrant/Meter Maintenance Worker I Parks Worker Senior Maintenance Worker Tree Trim Groundworker Utility Maintenance Worker I	25,028	-	32,880	-	40,733
7	Accounting Clerk Inventory Control Clerk Office Assistant II Recreation Program / Athletic Assistant Tree Trimmer Trainee Utility Service Specialist	26,279	-	34,524	-	42,770
8	Billing Services Representative Biosolids Operator Enrichment Program Assistant Equipment Operator I Hydrant/Meter Maintenance Worker II Irrigation Operator Lead Maintenance Worker Maintenance Construction Worker Payment Services Representative Police Service Technician Utility Control System Operator Utility Maintenance Worker II Utility Service Technician	27,593	-	36,251	-	44,908
9	Customer Service Representative Electric Groundworker Electric Meter Technician Lead Equipment Operator I Maintenance Technician Office Assistant III Parks Maintenance Specialist Police Service Technician (Animal Control)	28,973	-	38,063	-	47,153

**City of New Bern  
Fiscal Year 2017-18  
Appendix A  
Classification Pay Plan FY 2017-18**

	Police Service Technician (Property & Evidence)				
	Senior Billing Services Representative				
	Tree Trimmer				
	Warehouse Assistant				
	Wastewater Treatment Plant Operator I				
	Water Treatment Plant Operator I				
10	Accounting Technician I	<b>30,422</b>	-	<b>39,966</b>	<b>49,511</b>
	Auto Mechanic				
	Engineering Assistant				
	Equipment Operator II				
	Human Resources Assistant				
	Hydrant/Meter Maintenance Lead Worker				
	Police Officer Trainee				
	Police Service Technician/Telecommunicator				
	Pump Station Mechanic				
	Senior Customer Service Representative				
	Utility Maintenance Lead Worker				
11	Administrative Assistant	<b>31,943</b>	-	<b>41,965</b>	<b>51,987</b>
	Fire Specialist				
	Laboratory Technician				
	Wastewater Treatment Plant Operator II				
	Water Treatment Plant Operator II				
12	Electric Line Worker 3rd Class	<b>33,540</b>	-	<b>44,063</b>	<b>54,586</b>
	Fire Specialist I				
	Inflow and Infiltration Technician				
	Lead Auto Mechanic				
	Lead Equipment Operator II				
	Load Management Systems Technician				
	Nuisance Abatement Officer				
	Parks Crew Leader				
	Police Officer				
13	Accounting Technician II	<b>35,217</b>	-	<b>46,266</b>	<b>57,315</b>
	Building Inspector I				
	Customer Relations Assistant				
	Electric Svc. Representative				
	Fire Specialist II				
	Payment Services Supervisor				
	Tree Trim Crew Leader				
	Wastewater Treatment Plant Operator III				
	Water Treatment Plant Oper. III				
14	Biosolids Supervisor	<b>36,978</b>	-	<b>48,579</b>	<b>60,181</b>

**City of New Bern  
Fiscal Year 2017-18  
Appendix A  
Classification Pay Plan FY 2017-18**

	Electrical Engineer Technician					
	Fire Specialist III					
	GIS Technician					
	Human Resources Technician					
	Hydrant/Meter Crew Supervisor					
	Master Police Officer I					
	MPO Planner					
	Planner I					
	Pretreatment Coordinator					
	Substation Technician I					
	Water/Sewer Crew Supervisor					
15	Athletic Coordinator	<b>38,826</b>	-	<b>51,008</b>	-	<b>63,190</b>
	Building Inspector II					
	Electrician					
	Heavy Equipment Manager					
	Master Police Officer II					
	Planner II					
	Recreation Program Coordinator					
	Special Program & Events Coordinator					
	Supervisor of Parks & Grounds Services					
	Treatment Plants Maint. Supervisor					
	Wastewater Treatment Plant Oper. IV					
	Water Treatment Plant Operator IV					
16	Account Services Supervisor	<b>40,768</b>	-	<b>53,559</b>	-	<b>66,349</b>
	Billing Services Supervisor					
	Chief Treatment Plant Operator					
	Civilian Unit Supervisor					
	Electric Line Worker 1st Class					
	Field Services and Metering Supervisor					
	Fire Prevention Inspector					
	IT Technician					
	Master Police Officer III					
	Planner III					
	Substation Technician II					
17	Accountant	<b>42,806</b>	-	<b>56,236</b>	-	<b>69,667</b>
	Building Inspector III					
	City Clerk					
	Facilities Maintenance Superintendent					
	Fire Engineer					
	Purchasing and Warehouse Manager					
	Senior IT Technician					
	Supervisor of Administrative Support Services					
	Telemetry and Control Technician					
	Water Facilities Maintenance Superintendent					

**City of New Bern  
Fiscal Year 2017-18  
Appendix A  
Classification Pay Plan FY 2017-18**

18	Building and Grounds Maintenance Superintendent Community Development Coordinator Deputy Fire Marshal Energy Management Specialist Facility Manager Fiber Systems Technician Financial and Budget Analyst Fire Captain Fleet Maintenance Superintendent IT Infrastructure Analyst IT Systems Analyst Laboratory Supervisor Planner IV Police Sergeant Stormwater Superintendent Supervisor of Athletic Services Waste Collection Superintendent Water Resources Project Coordinator Water/Sewer Construction Superintendent	<b>44,946</b> - <b>59,048</b> - <b>73,150</b>
19	Electric Line Crew Leader Metropolitan Planning Organization Administrator Public Information Officer Safety Officer Senior IT Analyst Supervisor of Recreation Services	<b>47,194</b> - <b>62,001</b> - <b>76,808</b>
20	Chief Building Inspector GIS Coordinator Land & Community Development Administrator Senior Accountant	<b>49,553</b> - <b>65,101</b> - <b>80,648</b>
21	Streets Superintendent Utility Maintenance Superintendent Water Treatment Plant Manager Wastewater Treatment Plant Manager	<b>52,031</b> - <b>68,356</b> - <b>84,681</b>
22	Asst. Director of Human Resources City Planner Electric Substation Superintendent Fire Battalion Chief Fire Division Chief of Training Fire Marshal/Division Chief of Fire Prevention Police Lieutenant SCADA Control System Supervisor Senior Financial and Budget Analyst	<b>54,633</b> - <b>71,774</b> - <b>88,915</b>

**City of New Bern  
Fiscal Year 2017-18  
Appendix A  
Classification Pay Plan FY 2017-18**

	Staff Engineer			
23	Assistant Director of Public Works Community & Economic Development Manager Information Technology Manager	<b>57,364</b>	- <b>75,362</b>	- <b>93,360</b>
24	Accounting Manager Deputy Fire Chief/Operations Commander Electric Engineering Manager Police Captain Utility Business Office Manager	<b>60,232</b>	- <b>79,130</b>	- <b>98,028</b>
25		<b>63,244</b>	- <b>83,089</b>	- <b>102,930</b>
26	Electric Distribution Superintendent	<b>66,406</b>	- <b>87,241</b>	- <b>108,076</b>
27		<b>69,757</b>	- <b>91,603</b>	- <b>113,480</b>
28		<b>73,213</b>	- <b>96,183</b>	- <b>119,154</b>
29		<b>76,874</b>	- <b>100,993</b>	- <b>125,112</b>
30	Director of Human Resources Director of Parks & Recreation	<b>80,717</b>	- <b>106,042</b>	- <b>131,367</b>
31	Fire Chief City Engineer	<b>84,753</b>	- <b>111,344</b>	- <b>137,935</b>
32	Chief of Police Director of Development Services Director of Finance Director of Public Works Director of Utilities	<b>88,991</b>	- <b>116,911</b>	- <b>144,832</b>
33	Assistant City Manager	<b>93,441</b>	- <b>122,757</b>	- <b>152,074</b>

Effective Date 7/1/2017