

CITY OF SALISBURY NORTH CAROLINA

2005-06 BUDGET For the Year Ending June 30, 2006



MAYOR, CITY COUNCIL, AND CITY OFFICIALS

MAYOR AND CITY COUNCIL

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Paul B. Woodson, Jr. - Mayor Pro-tem

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OFFICIALS

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Salisbury
North Carolina**

For the Fiscal Year Beginning

July 1, 2004

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Salisbury for its annual budget for the fiscal year beginning July 1, 2004 (Fiscal year 2004-2005).

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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FY 2005-06 BUDGET
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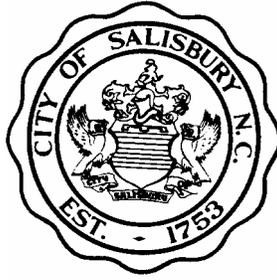
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May 3, 2005

BUDGET MESSAGE FISCAL YEAR 2005-06 **July 1, 2005-June 30, 2006**

MAYOR, CITY COUNCIL MEMBERS, AND CITIZENS OF SALISBURY

It is with pleasure that I present to you the City of Salisbury's FY2005-06 Annual Budget totaling \$52,929,082 for all funds.

The twentieth Annual Future Directions and Goal Setting Conference for the City was held February 3 & 4, 2005 at various locations throughout the City of Salisbury, North Carolina including the Rowan County Library, City Hall, the Gateway Building, F&M Trolley Barn and Horizons Unlimited. The theme for this conference was **"From Good to Great: Balancing Values and Choices"**. During the course of the City's Future Directions and Goal Setting Conference, we spent considerable time talking about things important to our community's quality of life. Dr. Phillip Boyle challenged us to examine four underlying public values which often drive difficult public policy choices being made in communities today. This training was offered to nearly 100 persons representing Salisbury City Council, the City's volunteer boards and commissions, management team, and staff. Dr. Boyle pointed out that beneath the surface of any public issue there are the oftentimes competing public values of Liberty, Equality, Community, and Prosperity which influence the various outcomes we choose. Understanding how these public values influence decision making may not make the decisions any easier, but it allows us to come to terms with why people make the choices they do.

We applied these newfound concepts as a part of the City's **Solve It** process in a recent session with skateboarders, downtown businesses, churches, police, recreation and other stakeholders as we are searching for a solution to the apparent conflicts between skateboarders and others in our downtown. We continue to learn the importance of engaging the public in the decision making process. I am confident that City Council and staff will give our best effort to addressing and solving this real life downtown problem during the coming months. Incorporating this model into the City's **Solve It** problem solving model should enhance our ability to become creative problem solvers.

We were delighted to welcome Winston-Salem's Mayor Allen Joines as he shared about the community teamwork and cooperation necessary to attract companies like Dell Computers to Winston-Salem. He emphasized the importance of having a variety of economic development tools available to your community, including the role of the business incubator in the Salisbury-Rowan Economic Development Strategy. The City's Salisbury-Rowan Business Incubator Task Force is just beginning its work of considering the feasibility of a business incubator to enhance

our ability to identify, attract, and retain entrepreneurs who can help to grow jobs in our community. We also learned firsthand from young professionals working for the City and others in our community the importance of attracting and retaining young people in our community.

Fire Chief Bob Parnell presented the results of the Salisbury Fire Department's Strategic Plan to City Council. Chief Parnell cited the importance of reducing the emergency response time in the US 70 area, maintaining the City's excellent Class Two ISO fire rating, and achieving Fire Department Accreditation through the Commission of Fire Accreditation International (CFAI). While Salisbury City Council has adopted 14 Outcomes and 59 supporting goals, 30 of which are included in the FY2005-06 tactical plan, one of the most important goals affecting the public health, safety and welfare of our community is the implementation of the Salisbury's Fire Department Strategic Plan, especially as it relates to evaluating the cost of staffing, equipping and constructing a Fire Substation on US 70. My recommendations on how this might be accomplished are central to the FY2005-06 Budget. ISO evaluation staff is scheduled to be in Salisbury in July 2006. It is critical that we make a decision on this important issue now.

Catawba College professor Dr. Stephen Hiatt outlined the "Good to Great" Concepts being learned by our City leadership group and Fire Chief Bob Parnell and Assistant City Manager for Utilities Matt Bernhardt shared how the concept is working in their areas of responsibility. Land Management and Development Director Dan Mikkelson and Matt Bernhardt gave City Council an update on our efforts to streamline the development process in our City. Improvements have been made, but there is still much to do if we are to create the positive business climate that City Council desires. Management Services Director John Sofley and Budget and Performance Manager Teresa Harris shared the reality of the fiscal conditions facing our City.

The Future Directions and Goal Setting Conference concluded with City Council adopting 14 Outcomes with 59 supporting goals, 30 of which are included as one year tactical goals in the FY2005-06 Budget. A copy of the City of Salisbury's Strategic Plan follows the City Manager's Budget Message.

CENTRAL BUDGET ISSUES

FIRE PROTECTION: Outcome number one for the City of Salisbury is improving neighborhoods and safety for all areas of the City. One goal adopted by the Salisbury City Council at its twentieth Annual Future Directions and Goal Setting Conference is to "evaluate the cost of adding an additional Fire Substation." The staffing, equipping, and construction of a fire substation on US 70 west of Salisbury, though an expensive undertaking, will benefit the City in several different ways.

- It will improve the emergency response time to residents, businesses, and industries along the newly annexed US 70 growth corridor, thereby reducing the likelihood of loss of life due to a fire incident.
- It will put the City of Salisbury Fire Department in the best possible position to maintain its outstanding Class Two ISO fire rating when ISO evaluators come to Salisbury in July 2006. The class two rating means lower insurance premiums especially to business and industry in our community. There are presently only five North Carolina fire departments that have an ISO rating equal to or better than the Salisbury Fire Department.

- It will provide assistance to the City of Salisbury in achieving national accreditation by the Commission on Fire Accreditation International which represents a significant evaluation instrument for our citizens in confirming the quality of the Salisbury Fire Department services.

After having said all the above, the question remains, “What does the Salisbury City Council need to do to accomplish all of the above?” Though there are no guarantees, it is the firm recommendation of the City Manager and the Salisbury Fire Department that the following things will need to be done this year to achieve Salisbury City Council’s goal of staffing, equipping, and constructing the future Station 50.

- The first thing that must take place on or before April 1, 2006 is the hiring and training of an additional six full-time firefighters to staff the future Station 50, which should be completed in July 2006. In addition to this action, it will be necessary to hire in the same time frame, two full-time equivalents (four part-time firefighters) to support the overall staffing of the department. It will also be necessary to provide an initial \$7,361 of a total \$127,361 in essential equipment for Station 50. This cost represents an immediate need to increase the FY2005-06 city tax rate one-half cent from 61.5 cents to 62.0 cents. This will provide \$112,450 to accomplish these actions. If we manage well this year, the remaining \$120,000 for required equipment could come from a combination of fire department grants, FY2005-06 budgetary savings, and/or the FY2006-07 Budget. Though this is a stretch and there are again no guarantees, I feel confident that this additional \$120,000 can be provided in this manner.
- The second thing that needs to take place in order to construct Station 50 is a firm commitment by Salisbury City Council. Funding this important capital improvement is challenging, but doable. The main question to be answered is, “How do we come up with \$1,130,000 to complete the project?” The first part of the equation has already been completed. The City Manager and City Management Team have managed the FY2004-05 General Fund Budget to deliver an estimated \$720,000 of the estimated \$1,130,000. The remaining funds will come from the appropriation of \$185,000 from the City’s General Fund Balance and a one-cent tax increase to be scheduled either in the FY2005-06 or FY2006-07 General Fund Budgets. Delaying this one-cent tax increase until next year might necessitate the appropriation of an additional \$225,000 from the City’s General Fund Balance until the adoption of the FY2006-07 General Fund budget on July 1, 2006. This action would again increase the City’s tax rate an additional one cent to 63 cents.

Accomplishing this Salisbury City Council goal will not be easy, but nothing worthwhile is ever easy. It will require a focus and purpose on the part of both Salisbury City Council and the City Management Team. Many other important goals may be delayed, but the health, safety and protection of our citizens is after all the foremost purpose of our local government.

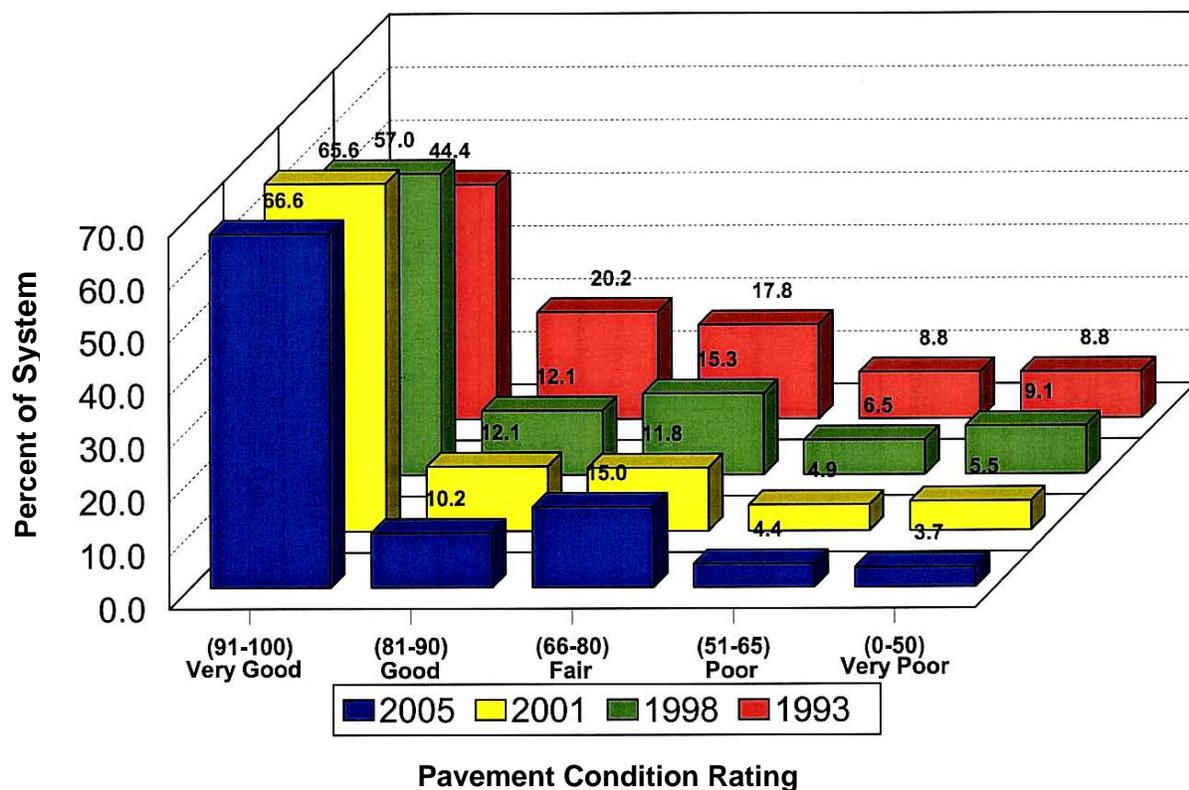
STREETS AND ROADS: In July 2005, fifty-seven percent of a significant random sample of Salisbury’s citizens had a fair to excellent impression of city streets in Salisbury. Forty percent of the same random sample had a poor impression of the condition of Salisbury City streets. The City of Salisbury Street Division maintains an estimated 157.76 miles of streets for resurfacing, repair, cleaning, and snow removal.

The hard reality of this perception is that since FY2000-01, State Powell Bill receipts in real

dollars to the City of Salisbury for the purpose of maintaining streets and sidewalks has decreased \$160,374. The true total is actually higher since this projection includes the additional revenue generated as a result of the City's last two annexations. The primary reason for the decrease is that the State of North Carolina, in an effort to balance its budget, has taken a portion of the funds derived from the fuel tax for its own use. Last year the Salisbury City Council reluctantly adopted a \$10.00 annual vehicle tax to replace reduced Powell Bill Funding. This \$10.00 annual tax will generate nearly \$200,000 for road maintenance.

In an effort to make sure that the Salisbury City Streets are being maintained at a level satisfactory to the great majority of the traveling public, the City Manager and the Public Services Management Team have set out to update the baseline data regarding the condition of our streets in order to determine the maintenance needs of our streets. Making good decisions on road resurfacing and maintenance is essential. To that end, the City of Salisbury had contracted with the Institute for Transportation Research and Education (ITRE) to perform an independent Pavement Condition Survey and Analysis of the maintenance needs for the City of Salisbury. The full results of this objective survey, just in, along with our plans to direct specific resources to improve the condition of our city streets, will be shared in full with Salisbury City Council at the May 17th City Council meeting. A summary of results is shown below. Maintaining and improving the condition of our city streets is a City Council service level goal.

General Condition of Asphalt Street System



ANNEXATION: In order to meet the requirements of the US 29 South annexation, it will be necessary to add the following full-time positions to the City: Police Officer I (2), Solid Waste Equipment Operator (1), Equipment Operator: Street Maintenance (1). Other Personnel recommendations are included in the Human Resources section of the Budget Message primarily as a result of fire department recommendations and recommendations regarding the proposed South Rowan Water and Sewer Consolidations.

MANAGEMENT SERVICES

The Management Services Department provides the majority of internal services to support the operations of the City. These services include fiscal affairs, technology services, and facility management. The Department also provides direct services to citizens through its Business Office Division and management of the City's Web site. Additionally, the Information Technologies Division has taken on the responsibility of running the new Access 16 channel.

Included in Management Services are the Purchasing, Accounting Office, Budget and Performance Management, Business Office, Facilities Management, City Office Buildings, Information Technologies, and Telecommunications Divisions.

Business Office

As mentioned above, the Business Office Division provides direct services to the public. During FY2005-06, I am recommending hiring two additional Customer Service Clerks upon the consolidation of the utility systems of China Grove and Landis with Salisbury-Rowan Utilities. These clerks will assist in providing support for the additional customers from South Rowan.

Technology Services

In FY2003-2004, the city hired an outside consultant to prepare a new Long Range Technology Plan. This plan identified the hardware and software needs of every department and developed a timetable for the implementation of these needs. There were three main projects identified for this year. One, an Enterprise-Wide Work Order System; two, hardware to allow the city's two Storage Area Networks to be linked together so that data could be replicated between the units; and three, a fiber link installed between City Hall and Fire Station 51 to provide a fiber ring downtown. Unfortunately, the only one of these projects to be funded in this budget is the fiber link. The fact that the fiber link was funded will go a long way towards providing the city with a more efficient and redundant network; one that will be able to survive an unforeseen event such as a backhoe cutting one of the legs of the fiber ring.

There has been a lot of interest from area merchants about having a wireless "hotspot" provided downtown. Between money from this year's budget and some additional money in the new budget, we will be able to install a wireless network that should provide coverage for most of downtown. The exact configuration of this network has not been determined, but it should allow visitors downtown to connect to the Internet while they are on the city's streets and sidewalks. A separate wireless network will also be installed in some of the city's main buildings and fire stations to allow employees to connect to the city's network from mobile devices. For example, this will allow the fire department to have laptops in the fire trucks that can upload/download incident information to their records software.

It's becoming increasingly more important for the city to have a fast, reliable connection to the Internet. The City Council meetings are now being shown on the Internet live and a considerable amount of historical video is being provided for citizens to view. It takes significant bandwidth to provide video on a network so the city's Internet connection was upgraded to a fiber connection this year that will provide a ten (10) megabyte connection. But as the city's reliance on the Internet increases, the threat from the Internet is also increasing. There are several levels of protection available to fight this threat. The highest level, which provides a very secure environment, is naturally also very expensive. The city tries to provide a second tier level of protection that we feel provides a very adequate amount of protection and yet is something the

city can afford. Money has been provided in this budget that will allow this level to be maintained, but no additional protection will be possible until more funding is provided.

A final large project that will take a lot of the department's time and resources this year will be the operation and management of the city's new government access channel, Access16. The new channel on Time Warner's system went live in early April and has proved to be very successful. But it is apparent that for this project to remain successful, it is going to require funding beyond what is provided in this budget. The original equipment was purchased with money provided by Time Warner and at their recommendation. The current equipment is fine for what Time Warner uses it for, their Swap and Shop channel, but it will not provide the features that the city needs long-term. We will be looking for grants and outside funding to see if this equipment can be upgraded. Also, it has become quickly apparent that while our department can provide the technical skills and resources to make Access16 successful, additional help will be required in developing programming for the channel. There is a need for someone to work with the various departments to develop content and to make sure the content is delivered in a pleasing and entertaining way. Most other cities that provide this type of programming have staff positions such as a Communication Specialist to perform these duties. Some additional thought needs to be given to how this function can be provided for within the budget we have.

Telecommunications

At the City Council retreat held in 2003, a presentation was given detailing the need to upgrade the city's 800 MHz radio system. This upgrade was proposed to occur over a five year period. During the first year, the main components of the system, the controllers, repeaters, and microwave were replaced along with the portable radios in Police and Fire. While we had hoped to replace the radios and mobiles in Public Services this year, we will only be able to provide new radios for one division within Public Services. Fortunately, the existing radios should still provide adequate service for another year. However, these radios are past their normal life and will have to be replaced soon.

Facilities Management

Facilities Management is responsible for maintaining the City's bricks and mortar assets. Ongoing municipal service contracts, buildings and grounds maintenance and repair projects, and new construction projects are managed by this department. During the FY2005-06, construction of 14,000 square feet of additional space will occur at the Police Department. Upon completion of the addition, the existing facility will be renovated. Construction of Fire Station 50 on Statesville Boulevard will also begin with an expected completion date of June 2006. Finally, Facilities Management will coordinate the construction of a new ADA-compliant passenger platform and trackside canopy adjacent to the Amtrak station to serve departing and arriving passengers.

Facilities Management will add a new position this year. This new position is funded by modifying our existing roofing contract to remove minor roof repairs and gutter cleaning from the contract. The contractor spent an estimated three months on this service during a year. By our assuming these duties, the City will gain the use of an additional person for nine months of the year to perform additional maintenance and repairs and other functions that have been previously contracted out such as painting.

A proactive and planned approach to maintenance enables the City to manage costs associated with maintaining City-owned properties. Our facilities are being evaluated to expedite the

development of comprehensive maintenance schedules for all properties.

To facilitate maintenance repairs and service, a formal work order system has been developed by our Technology Services Division. The program allows Facilities Management to plan for the completion of various projects while addressing repairs and to track resource allocations by division and type.

POLICE DEPARTMENT

The Police Department continually strives to “do more with less” due to the budget issues that the City as a whole faces. Several years ago, the Department experienced a reduction-in-force due to State revenue cutbacks. In addition, over the past five years, the Police Department has seen fluctuations in its operating budget. In response to increasing demands on Police Department personnel as well as the past reduction-in-force, the Police Chief and his management team have pulled together to try and accomplish our same levels of service with fewer personnel.

Having recently transferred the Fiscal Analyst position to the Management Services Department, I am recommending that the City replace the position with a Finance Specialist position to support the Police Chief and the department. The transferred position will help to provide financial management assistance to not only the Police Department, but to several other operations as well. If after further evaluation the Police Chief needs additional clerical support, I am willing to provide that additional support from existing resources.

Given tight budgets, it is essential for the Police Department to continue to seek and acquire grants for funding as well as operate within an approved budget in order to provide the services that the citizens of Salisbury expect and deserve from their Police Department. Presently there are five personnel trained under the North Carolina League of Municipalities Grants software, including the Fiscal Analyst position recently transferred to the Management Services Department. Expanding this number and consolidating this and other management services in the Management Services Department will in my opinion provide greater benefit to the City as a whole.

The department continually examines how calls for service are managed in order to ensure more efficiency without compromising citizen safety. The Department continues efforts with community policing and problem solving. In order to accomplish this, it is essential that officers have uncommitted time during their on-duty hours. They are required to do foot-patrols, attend community meetings and have other involvement within their assigned districts in addition to answering calls for service. The Police Department has implemented an innovative call management system through our software provider, OSSI, and we have enlisted strategies to aid in freeing up officers’ time. OSSI software allows the Department to more accurately track our calls for service and determine placement of resources based on area needs. We have been very fortunate to receive grants to fund many of our software purchases. Indications are that these grants will be drying up and it will become more difficult to acquire additional grants. With less grant monies available, the city has begun setting aside funds in the General Fund Vehicle and Equipment Fund for future mobile data terminal purchases to continue to utilize this software. It is our goal that even with the scarcity of grants, the City Council will continue the efforts of the Police Department by assisting in future software improvements as they become available.

The Police Department continues to face new challenges and old ones as well. Everyone knows that illegal drugs have been a challenge for the majority of law enforcement agencies for many years. There is no indication that this will be any less of a challenge in the coming year. In addition, we are faced with somewhat of a new challenge that has the potential for creating even greater dangers to the safety of our citizens and our police officers. This challenge is the growth in gang activity.

We have identified 13 different gangs operating within our jurisdiction and these gangs pose great challenges. In years past, the typical police response required only one officer. In dealing with gangs, we typically have to dispatch more than one officer to each call for officer safety purposes. We have the determination to meet these challenges head-on but we will need some help. Another new challenge facing the Police Department is a new unfunded mandate by the State of North Carolina requiring every sworn law enforcement officer obtain 24 hours of in-service training during the calendar year of 2005. Failure to meet this mandate will result in the officer's certification being revoked by the Training and Standards Division. It will indeed be a challenge for the Salisbury Police Department to accomplish this standard of more than 2,000 man-hours of new training. We also know that we will be annexing into the city in July 2005 and we will need a minimum of two additional officers to meet the demands of the newly annexed area.

I am proud to say that regardless of the Police Department challenges, they remain a professional, Nationally Accredited Police Department. The Department enjoys a very positive relationship with citizens and is prepared to meet every new challenge.

FIRE DEPARTMENT

The Salisbury Fire Department has been committed to protecting the lives and property of the citizens of Salisbury since December 7, 1817. Through the years, preparedness and prevention has been the department's primary mission. This year's budget continues to represent this commitment; however, our innovative and forward-thinking techniques stand out.

The major points of this budget include the addition of a fire station on the west side of Salisbury. Normally a modern municipal fire station would cost upwards of two (2) million dollars. Through acceptance of non-traditional construction we have reduced the cost to an estimated 1.25 million dollars, resulting in a considerable savings for our citizens. Efficient Fire Department staffing levels have resulted from reassignment and reorganization of the fire inspector position, now assigned to the fire control division. While the department will staff the new station with twelve (12) firefighters, only six (6) new full time personnel will be necessary due to reorganization.

New initiatives in this budget include the development of a multi-year fire apparatus replacement plan which will facilitate maximum life expectancy of these expensive units, rehabilitating fire stations to adequately accommodate female firefighters, and a critically needed firefighter accountability system to provide a higher level of safety for our members.

The Salisbury Fire Department has been fortunate to have gained several important items through financial grants over the past three years. The future of Homeland Security grants and other alternative funding sources from the federal level are presently in jeopardy. The North Carolina Department of Emergency Management's grants are also at risk of being reduced as is

our fee exempt status through the North Carolina Department of Community Colleges; both are important to the Fire Department.

The attached budget represents a modest approach to the growth that is necessary for the fire department to provide life safety services to our citizens and communities. While new, cost saving innovations are included, the one thing that will never change at the Fire Department is: *When you call, we will come.*

PUBLIC SERVICES

The Public Services Department includes the following divisions: Street, Solid Waste Management, Traffic Operations, Transit, Fleet Management, Landscape Operations, Hurley Park, Cemetery Operations, and Code Enforcement.

Public Services Administration

Public Services administrative staff supports all divisions of the Department. There is a need to make office space more efficient by installing workstations for the administrative staff.

Street

The Street Division budget supports City street maintenance/construction, storm water system maintenance, and yard waste collection. All function as individual units, but each area of responsibility is blended together to provide functional and aesthetic improvements to City streets, sidewalks, drainage systems, and rights-of-way through a program of maintenance, construction, cleaning, and general beautification. One position will be added this year as the result of the annexation area along US 29. The Street Division will once again attempt to provide the same level of service as in the past several years despite fiscal restraints and manpower shortages. An aggressive street paving and maintenance program will be undertaken during FY2005-06.

The Institute for Transportation Research and Education (ITRE) completed in April 2005 a visual survey of the 158 miles of public streets that are maintained by the City. This independent survey along with other methodology will be used to determine maintenance needs and help prioritize the city's paving efforts during FY2005-06 with funds generated by the local vehicle tax and Powell Bill allocation will be used directly for street paving, maintenance, and construction. The acquisition this year of an innovative piece of street maintenance equipment will stretch street paving funds even further and save valuable time, materials and manpower.

Solid Waste Management

The Solid Waste Division will continue providing the current level of service for the collection of residential and commercial refuse. Due to annexation, one additional operator will be needed to maintain the current level of service. Though the City's recycling fee to residents has not changed in over 12 years, given an increase in fuel and the consumer price index, our contract with Carolina Container will require the City to increase its recycling fee from \$1.44 to \$1.66 per month in order to cover the total cost of our recycling contract.

Traffic Operations

The Traffic Operations Division will concentrate on primary duties such as renewing pavement markings, preventive maintenance, and emergency repair to traffic control devices. The division

will also continue its internal support to other divisions in the form of Technology Services Division assistance, traffic control in work zones, and sign fabrication.

Fleet Management

The Fleet Management Division will continue to maintain the fleet at a service level that keeps safe and operable equipment on the road. Funds for repairs have been and remain low. The emphasis in Fleet this year will continue to be on emission testing and ASE Certification training. The emission testing will assist mechanics in making the use of alternate fuels as efficient as possible. The ASE Certification program is designed to keep Fleet technicians trained and up to date on current technology.

Landscape

The Landscape Division, with current funding, can maintain mowed areas and plant inventories currently in the ground. Although current budget and manpower numbers are low, Landscape Operations continues to respond to requests and more projects throughout the City. Landscape is over-tasked at this time. Hurley Park operations continue to be jointly funded by the Hurley Foundation and the City of Salisbury. The infrastructure for Hurley Park is deteriorating. Wood decks and park furniture needs to be replaced. The stream bank requires stabilization at this time to stop erosion. These are essential elements that require FY2005-06 funding.

Cemetery

In order for the Cemetery Division to maintain the current level of service, funding must be provided at a level that ensures the purchase of all supplies needed to keep the cemeteries in excellent condition on an ongoing basis.

Code Enforcement

Code Enforcement as it applies to nuisance properties and automobiles must continue to provide the same level of service provided for in past years in order to fully support the City Council's efforts to improve neighborhoods. Funds for contract abatements are essential in order to carry out fully what is expected from the city.

Transit

Transit Division will continue to operate a fixed route transportation system and oversee an "on demand" system for the disabled that cannot use the fixed route system.

LAND MANAGEMENT AND DEVELOPMENT

The Land Management & Development Staff will be involved in 31 Council Goals in the coming year. Most of the goals deal with streamlining development review, improving the business climate and neighborhoods, or coordinating with NCDOT. Present staff levels will be seriously challenged by this high number of goals.

The Council-appointed Land Development Ordinance Committee will be completing the replacement of our development ordinances this year. The revised ordinance will clarify standards of Vision 2020 and authorize staff to approve more construction permits with fewer delays. Additionally, the permit-review responsibilities of the Utilities Fund and General Fund have been combined into a single office to improve permitting efficiencies.

To help improve the business climate, funding has been recommended for the Committee of 100 and the Business Incubator Feasibility Study. It is recommended that the City retain its current level of funding for Innes Street grants, Downtown grants, and Historic Preservation grants, but not for neighborhood improvements. A staff recommendation has been made for a development incentive program, but the program could not be included in the current level of service.

The City has multi-year commitments for projects with NCDOT for sidewalks and noise barriers related to the widening of I-85, sidewalks on US 70, and enhancements to the Innes Street bridge replacement. The design and property acquisition phases of the Ellis Street Bridge replacement project are expected to be completed this year. Greenway projects are almost ready to be bid out, with most of the construction funding coming from NCDOT. An ADA-compliant passenger platform and trackside canopy at the train depot will be designed and constructed with significant assistance from NCDOT. After completion, the platform and canopy will be owned and operated by the City.

PARKS AND RECREATION

A lack of capital funding for renovation and repair of current facilities and not funding a grounds maintenance worker to maintain the new greenway scheduled to be completed this year will result in a partial decline in the level of service to the citizens of Salisbury in our parks. Given the addition of one and three quarters (1 $\frac{3}{4}$) miles of Greenway scheduled to be completed during FY2005-06, citizens will experience a decrease in the level of Greenway and park maintenance upon the completion of this project. For the period of time from the completion of the Greenway project until next fiscal year, the mowing schedule for the Greenway will change from the current seven to ten day frequency to a 14 to 17 day frequency, resulting in much longer grass and a less manicured look. Trash collections will also become less frequent as one staff member tries to maintain three times the current length. At some points during the peak growing season, additional maintenance staff will have to be shifted from park maintenance to assist with the Greenway, resulting in delayed schedules in the other parks. It is my recommendation that City Council reconsider the addition of a Grounds Maintenance Worker for the Parks and Recreation budget for next fiscal year.

Capital funding for renovation and repair of our current facilities is less than half of the estimated amount needed each year to keep the facilities in top working order. This reduction will result in the delay of many necessary repairs that will cost more in the future. Major capital renovations such as replacement of the tennis courts at City Park have not been funded for a number of years, resulting in the continued deterioration of the court.

The current level of service will continue in the Recreation/Programs Division provided to the community. Sponsorships will continue to provide our program brochure and support our promotion efforts.

HUMAN RESOURCES

The Human Resources Department continues to work toward achieving the City Council level goal of initiating programs to attract, retain and develop high quality City employees. To this end the following recommendations are made.

Merit Increases and Compensation

Based on this year's budget projections, an average four percent merit pay increase is recommended. This recommendation is made in order to continue efforts to retain employees. The recommended merit increase adjustment will also further limit the impact of our inability to make overall salary adjustments.

Health Insurance

A 2.8% increase in the costs is recommended this year based on the City's current carrier proposal. This increase in the cost of the plan will be offset by reserves that have been generated over the last couple of years to cover incurred but not reported claims (IBNR). The amount that has been added to the rates to cover IBNR can be eliminated this year. This will result in the health insurance rates being the same as last year for budgetary usage. The plan design will not change as a result of this increase. However, after reviewing survey results of benefits of elected officials, coverage of City Council members is also recommended. The coverage is recommended at the same level as City employees. Strategies for future consideration of other cost containment/conscience options will also be evaluated in the coming year.

Training and Development

The FY2005-06 budget includes the cost of the continuation of implementing the City's Customer Service Initiative. This recommendation is consistent with City Council goals and objectives. Additional funds are requested to continue to provide management and employee training regarding the "Good to Great" principles and concepts and their applicability to the organization.

Personnel Recommendations

For the FY2005-06 Budget, eighteen new positions are recommended in the General Fund. The following positions are required for annexation: two Police Officers, one Solid Waste Equipment Operator, and one Equipment Operator for Street Maintenance. Two Customer Service Clerk I positions are recommended to respond to the south Rowan utilities consolidation if it occurs. One Senior Building and Grounds Worker is recommended to provide services that are currently contracted out. One Financial Specialist is recommended to provide financially related clerical support in the Police Department. Three Fire Control Specialists and three Fire Captains positions are recommended as a part of the new Fire Station services. These positions are also needed in order to place the City in the best position to continue the current ISO rating and in preparation for accreditation. Moreover, funds are requested for four temporary part-time Fire Control Specialists salaries. The Water and Sewer Fund includes six additional positions as follows: one Assistant Systems Manager position; five positions that will support the south Rowan consolidation if it occurs - one Utilities Maintenance Supervisor; two Utilities Maintenance Technicians, and two Plant Maintenance Technicians.

TRANSIT FUND

The recommended Transit Fund Budget for FY2005-06 is increased by \$94,942 excluding capital outlay. This does not represent an increase of the current level of service offered by the City. Over the last several years, the NCDOT has provided increasing amounts of State Maintenance Assistance Program (SMAP) funding. These funds are currently matched dollar for dollar that Salisbury provides in local funding. In order to qualify for additional funding, one position that was being funded half in the General Fund and half in the Transit Fund will be fully

funded in the Transit Fund. In addition to transferring half of this position to the Transit Fund, an additional \$20,000 is being added to the transfer to Transit Fund to assist in funding the increasing cost of providing ADA transportation. By making these two changes, the SMAP funding will increase this year by \$52,836 over last year.

The recommended budget for Administration, Operations, and Capital are as follows:

Personnel	\$547,286
Operations	180,221
Capital	<u>44,800</u>
Total	<u>\$772,307</u>

SPECIAL REVENUE FUNDS

The City of Salisbury will receive approximately \$375,798 in Community Development Block Grant (CDBG) funds, \$153,351 in HOME funds, and \$75,000 in Program Income for a total budget of \$604,149. The following budget represents the requests from citizens of the FY2005-06 CDBG and HOME funds.

<u>Activities</u>	<u>Funding</u>
Acquisition/Rehabilitation/Resale (CDBG)	\$125,000
Emergency Rehabilitation (CDBG)	50,000
Fairview Heights – Neighborhood Improvements (CDBG)	25,000
Sidewalk Improvements	39,935
Program Administration (CDBG)	90,160
Acquisition/Rehabilitation/Resale (HOME)	100,050
Homeownership Assistance (HOME)	40,000
Program Administration (HOME)	13,301
Debt Service Section 108 Loan	56,833
<u>Public Services</u>	
Rowan Helping Ministries (CDBG)	25,750
Family Crisis Council (CDBG)	16,100
Rowan Community Care Clinic (CDBG)	11,520
Salisbury Youth Employment	7,500
Community Youth Garden	<u>3,000</u>
TOTAL BUDGET	\$604,149

VEHICLE AND EQUIPMENT REPLACEMENT FUNDS

It is recommended that \$1,460,303 included in the FY2005-06 General Fund Budget be transferred to the General Fund Capital Reserve Fund. These funds, plus \$30,000 from interest earnings, will be programmed this year for replacement of the General Fund fleet, computer and camera equipment in accordance with replacement schedules.

It is recommended that \$422,868 be transferred from the Water and Sewer Fund to the Water and Sewer Capital Reserve Fund. These funds, plus \$6,000 from interest earnings and a fund balance appropriation of \$76,796, will be programmed to purchase the necessary Water and Sewer Fund vehicles and computer equipment in accordance with replacement schedules.

WATER AND SEWER FUND

Our water and sewer utility continues its remarkable transformation from a small municipal utility system (City of Salisbury Utilities Department) to a diversified, broad-based county-wide service provider, Salisbury-Rowan Utilities (SRU).

SRU has experienced another fast-paced year, as our partnerships with other communities and units of government continue to grow. For example, Rowan County has transferred their utility systems to SRU, which not only simplifies the overall system operations but also extends SRU's service area to the County line along US 70. During this coming year it is also anticipated that SRU and Rowan County will again join in partnership to extend sewer service along Interstate 85 from Salisbury to South Rowan through a jointly-funded \$5.1 million project to stimulate growth and economic development in Rowan County's primary growth corridor. In addition, the Town of Faith is currently negotiating with Salisbury-Rowan Utilities to contract-operate their water system for a period of at least one year, during which time they will consider a permanent transfer. The transfer of Faith's sewer system is already in process. The Towns of China Grove and Landis have approached SRU to consider utility system consolidations. While these discussions are ongoing and the outcomes are pending, there is one certainty – *that consolidation of these systems will not adversely impact the rates of current SRU customers.*

Our successful partnerships with our current client communities (Granite Quarry, Rockwell, Spencer), Rowan County, Progress Energy have led to the expansion of our Water Treatment Plant, and the extension of water service and increased capacity along the US 70, US 29, and US 52 growth corridors. All of these changes have led to the reorganization and expansion of SRU to better meet the tremendous challenges and opportunities facing Salisbury and Rowan County now and in the future.

Our directive to stabilize water and sewer rates will continue to be a challenge, however, as we are still fighting to regain our “economy of scale” that was lost when much of our water-using manufacturing base departed. We are literally learning that it takes a vast number of small meters (users) to replace a few very large ones. However, the increased diversification of our customer base gives us greater security and stability with regard to any such future occurrence, while our water system expansions will hopefully place us in a position to see increased growth in our number of customers and revenues that will help meet needs and moderate future water rate increases. Additionally, some of the key trends and drivers that we see impacting SRU are analogous to ones that are occurring nationally within the utility industry:

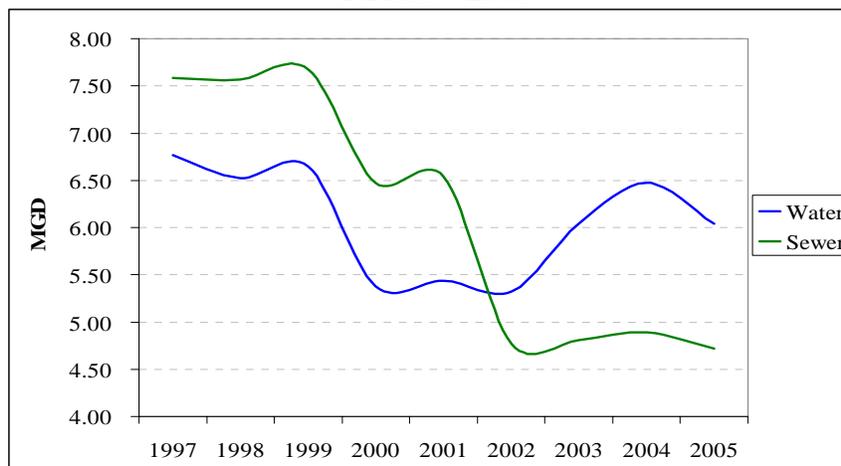
1. **Water quality and quantity problems are growing.** We are blessed to have the Yadkin River as our water supply, and our local situation belies this trend.
2. **Public awareness and concerns about water issues are growing.** Look at the explosive growth of the bottled water industry over the past few years to see how significantly customer perceptions – right or wrong – can create and drive new markets.
3. **Regulatory controls and enforcement are expanding.** New Federal EPA and State regulations impose higher standards on water and wastewater treatment without providing any funding to meet them.
4. **Consumers are practicing more efficient water use.** The drought made our citizens more aware of their environment, and that impact coupled with the

volatility of the local economy have led our customers to find ways to reduce their water consumption.

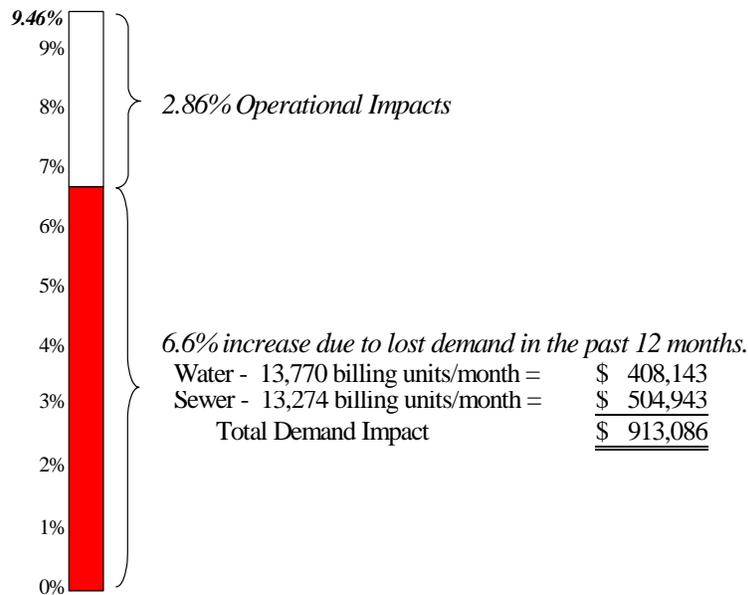
5. **Consolidation.** Increasing regulatory requirements and capital/operating costs are driving communities to seek to minimize rate impacts by increasing their customer bases by either joining larger systems or by assuming smaller systems.
6. **Water is becoming more expensive.** Treatment and transmission costs, maintenance and repair expenses are all drivers of water and wastewater rates.

Although the future continues to look positive for SRU, it has become clear that our recent successes in expanding our system and adding additional use in an effort to regain our economy of scale have been partially offset by a recurring trend – the decrease in water use by our existing customers. SRU’s average daily water sales decreased from 6.5 MGD (Million Gallons per Day) in FY 2004 to 6.0 MGD in FY 2005. In addition, average wastewater sales decreased from 4.85 MGD to 4.75 MGD (see graph below).

Average Daily Water Sales
FY1997 – 2005



While these decreases are undoubtedly attributable to the impacts of the drought in 2002, two consecutive years of excessive rainfall, and previously discussed consumer trends, the result is that our additions to our daily water use from the South Rowan and Rowan Power projects as well as our system assumptions thus far have been more than offset by other factors. Therefore, while we’ve had some success in our plan for achieving the necessary economy-of-scale to stabilize rates, our recommended Water and Sewer Fund Budget of \$19.5 million for FY2005-06 **represents a 9.46% average residential water and sewer rate increase.** Average monthly residential water and sewer utility bills will increase from \$52.77 to \$57.86. The proposed rate increase will be effective July 1, 2005. To minimize the rate increase, SRU and City Staff worked diligently to reduce the proposed Utilities budget by over \$700,000 and to reduce the number of additional positions to one (excluding the additional positions funded by the South Rowan System assumptions). To help offset the loss of revenues over the past few years; SRU staff will work during the coming year on identifying new business opportunities and developing new revenue sources and cost-saving measures. As shown below, the majority of the rate increase (6.6%) is derived primarily from consumer conservation, while the remainder (2.86%) is due to process changes and unavoidable cost increases in operational areas such as chemicals and fuel:



While the proposed rate increase seems high, the new rate would still have Salisbury-Rowan Utilities' customers paying at or below the regional average as shown below:

Summary Comparison of Estimated Monthly Bills
Based on 8 billing units (equivalent to 6,000 gallons)

Organization	Water			Sewer			Total Bill
	Minimum Charge	Volume Charge	Total Water	Minimum Charge	Volume Charge	Total Sewer	
City of Statesville - Outside City Limits	13.85	28.70	42.55	20.48	47.08	67.55	110.10
Town of Landis	7.39	38.56	45.95	-	50.88	50.88	96.83
Town of China Grove	13.00	25.90	38.90	14.40	28.68	43.08	81.98
City of Lexington - Outside City Limits	12.57	21.84	34.41	9.94	34.16	44.10	78.51
East Spencer	2.00	33.84	35.84	2.00	40.64	42.64	78.48
City of Concord - Outside City Limits	3.94	31.92	35.86	2.69	25.12	27.81	63.67
City of Albemarle - Outside City Limits	15.52	16.32	31.84	13.53	16.32	29.85	61.69
City of Kannapolis - Outside City Limits	3.00	29.84	32.84	3.50	24.32	27.82	60.66
City of Concord - Inside City Limits	3.51	26.64	30.15	2.69	25.12	27.81	57.96
Salisbury-Rowan Utilities (July 1st)	3.89	21.68	25.57	4.29	28.00	32.29	57.86
City of Kannapolis - Inside City Limits	3.00	24.80	27.80	3.50	24.32	27.82	55.62
Salisbury-Rowan Utilities (Current)	3.65	19.76	23.41	4.00	25.36	29.36	52.77
City of Statesville - Inside City Limits	5.54	11.48	17.02	8.19	18.83	27.02	44.04
City of Lexington - Inside City Limits	6.28	10.80	17.08	5.72	20.56	26.28	43.36
Town of Cleveland	8.00	8.00	16.00	7.00	13.80	20.80	36.80
CMUD	1.65	9.36	11.01	1.65	20.24	21.89	32.90
City of Albemarle - Inside City Limits	7.76	8.16	15.92	6.76	9.24	16.00	31.92

All other communities are shown at current rates; their expected rate increases are not known.

It is important to note that this chart shows the rates for our regional neighbors **as they are currently**, while showing SRU's proposed rates. Most of these other communities are also facing significant rate hikes, such that SRU's position within the region will actually be better than this chart shows. Furthermore, this chart also shows clearly that SRU is undergoing the same struggles as many of our neighboring communities to regain economy-of-scale, maintain infrastructure and capacity, and handle the continuing "growing pains" within our county and our region.

Our aging sewer infrastructure, coupled with potential federal/state regulations and possible nutrient limits on High Rock Lake may adversely affect our sewer rates over the next several years. During this fiscal year, our long-range planning efforts will continue to focus on developing a plan for funding the expansion and renovation of our existing wastewater treatment facilities, thereby maximizing our existing capital investments in these plants and forestalling the time when the massive capital costs of a new treatment plant will have to be borne by our ratepayers. Sewer collection system capacity maintenance will be saved through the continued efforts of SRU staff and contracted support to identify and eliminate points of storm water inflow and groundwater infiltration (I&I) that cause sewer system overflows and use up system capacity.

All water and sewer-related fees and policies will continue to be reviewed during FY2005-06 as a part of the City Council's commitment to ensuring a positive business climate. Strong consideration has been given to recovering actual average costs of service as well as to examining their relative fairness and equity, and many of the fees and policies for SRU have changed dramatically within the last several years. However, these fees will still be competitive within the region, and some fees that have indirectly served to be a "disincentive" to development within the City and County have been eliminated. SRU's proposed budget also includes limited extension funding to provide an incentive to developers for future water and/or sewer line projects. In addition, the consolidation of SRU's development processes with Development Services/City Engineering into a true "One-Stop Shop" has been a significant improvement for our customers. Changes such as these are planned to be part of the City's ongoing effort to streamline its development processes and make its regulatory functions as "business friendly" as possible.

SRU has reviewed the protection of its utility systems by conducting an EPA-mandated Vulnerability Assessment, which was required of all public water systems in the wake of the terrorist actions of September 11, 2001. This Study resulted in a plan for improving the Utility's overall security while also providing a prioritization of the Utility's security needs for incorporation into its Capital Improvements Program (CIP). We will also continue the City's protection of its water rights with regard to the Yadkin River as well as our participation in the re-licensing process begun by ALCOA for their hydropower operation on High Rock Lake.

In order to address critical space needs for our utility operations, SRU Administration has undertaken the reoccupation and staged renovation of One Water Street (the former Waterworks Art Gallery) that is still owned by the City. The main floor of the building has been fully renovated, and although the basement floor renovation has been delayed, we anticipate its completion during FY2006-07.

Our ultimate goal from the Salisbury Vision 2020 Comprehensive Plan gives consideration to the growth and expansion of the City's water and sewer utilities, and lays out suggested policies reflecting that change. The plan suggests focusing on targeted growth areas, financial incentives, and partnerships to achieve growth that is consistent with the City's policies. Our partnerships with our client communities, Rowan County, the Rowan-Salisbury Schools, and Rowan County Power, LLC meet these criteria and are fully consistent with the Vision 2020 Plan. SRU is therefore in line with the City's desire to maintain financial viability for its water and wastewater utilities while neither exhausting its finite water supply nor contributing to "sprawl".

Perhaps the best summary of our plan, and the goal sought by SRU of becoming “the finest utility operation in the state and region”, is from the “Community Vision” section of the Salisbury Vision 2020 Plan regarding water and sewer services, which states:

“We see a high quality water supply system, sufficient for growth, well maintained, and financially self-supporting.”

While we have made remarkable progress in a short amount of time towards that objective, recent trends are clearly showing that, while our consolidated “SRU model” is working, it will take time to achieve the economy-of-scale that is our goal. This next fiscal year will continue to be another year of change and challenge for our Salisbury – Rowan Utilities.

IN CONCLUSION

I want to especially thank John Sofley, Management Services Director, Teresa Harris, Budget and Performance Manager, Wade Furches, Accounting Manager, Melissa Drye, Finance Specialist, Evans Ballard, Budget and Benchmarking Analyst, Barbara Fuller and Mark Drye, Management Analysts, Myra Heard, City Clerk and the entire Management Services Department staff for another excellent effort on yet another extremely difficult budget. Thanks are also in order for the City Management Team and all Department and Division Managers who have worked so hard to prepare this financial plan.

In addition, I would like to thank the City Council, the volunteer Boards and Commissions for their vision and commitment during the Future Directions and Goal Setting Process. I also appreciate the time that each member of City Council will spend in evaluating and finalizing the recommendations contained in this year’s Budget. I look forward to working with each of you in adopting the FY2005-06 Budget and appreciate your continued support in implementing the Outcomes, Strategies, Goals and Service Levels contained in this Budget. Please note that the results of the Salisbury City Council’s strategic planning efforts follow this Budget Message as Exhibit 1.

In these times of uncertainty, the only thing constant is change itself. I am sure that Salisbury will continue to concentrate on our core values, mission, and vision. It is our goal to provide the quality of services that our citizens' desire at a cost they are willing to pay. We, in the City government, will strive to provide much needed value to our customers – the citizens of Salisbury and the ratepayers served by the Salisbury-Rowan Utilities Department.

David W. Treme
City Manager

ADDENDUM

On May 3, 2005, the City Manager presented a balanced FY2005-06 Budget proposal that totaled \$52,929,082 for all funds. The public hearing was set for Tuesday, May 17, 2005. No citizens spoke at the public hearing.

The budget work session was set for Tuesday, May 24, 2005. During the work session and after much deliberation, City Council agreed to a no tax increase budget for the General Fund and use fund balance to pay for the construction of the new fire station. The water and sewer average residential rate increase was set at less than seven percent.

The City Manager presented revised budgets with the aforementioned scenarios at the June 7th Council meeting, which were subsequently adopted. The final water and sewer average residential rate increase was 6.9%. For the adopted budgets of the General Fund and the Water and Sewer Fund, all expenses related to the utility system consolidations with the Towns of China Grove and Landis were removed since no agreement was attained. The final adopted FY2005-06 Budget for all funds was \$50,899,464

The full transcript of the budget discussions and public hearings can be read at the City's website http://www.salisburync.gov/council/agenda_minutes.html.

The following table details the changes that were approved by City Council for the General Fund:

Project	Amount	Department
ADD/INCREASE		
United Way	\$ 5,000	City Council
History & Art Walk-increase to \$20,000	10,000	LMD-Planning
Downtown Salisbury, Inc.-increase to \$90,000	14,420	LMD-Development Svcs
HR Web-based Applications-increase to \$24,750	14,750	Human Resources
Hurley Park - Picnic Tables & Trash Cans	9,000	P/S-Hurley Park
Reinstate Street Lighting Petitions	7,500	LMD-Street Lighting
Total	<u>\$ 60,670</u>	
DELETE/DECREASE		
One Half Cent Tax Increase	\$ 112,450	Revenue
Transfer from W/S Fund for South Rowan	75,116	Revenue
Two Customer Service Clerks for South Rowan	(75,116)	Management Svcs
Payment for Highway 70 Sidewalks	(40,000)	LMD-Engineering
Radio Maintenance Contract	(29,435)	Telecommunications
Fund Part-time Firefighters for 3 months only	(31,430)	Fire
Equipment for Station 50	(20,544)	Fire
Salary Savings from Retirement	(51,711)	Fire
Total	<u>\$ (60,670)</u>	
OTHER		
Delete One Cent Tax Increase	\$ 224,900	Revenue
Use Fund Balance for Station 50 Construction	\$ (224,900)	Revenue

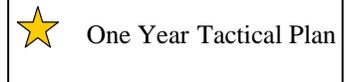
EXHIBITS

Following are four exhibits of significance to City Council in their budget discussions:

- Exhibit 1** **Council Goals:** These goals were adopted at the Goal Setting Retreat on February 4, 2005. The budgets as submitted by the departments are based on assigned City Council Goals.
- Exhibit 2** **Special Projects:** This information presents budgetary requests that are outside of the normal sphere of departmental operations. Many of these projects relate to City Council Goals. Council considers these requests separately from the normal line items.
- Exhibit 3** **Special Community Efforts Groups Appropriations:** Each year, groups representing different facets of community service request funding for their efforts during the City's budget process. These presentations are made during regularly scheduled City Council meetings. During the budget work sessions, Council determines the funding level for each group.
- Exhibit 4** **Position Listing and Salary Ranges:** After deliberation during the budget work sessions, City Council adopts the pay plan for the employees based on available funds.

Exhibit 1
CITY OF SALISBURY
City Council

Outcomes & Goals – FY 2005-06
Revised at Goal Setting Retreat February 4, 2005



Outcome 1: Improve neighborhoods and safety for all areas of the City

- ★ 1. Prepare a second five-year Police Department Strategic Plan – Police
- 2. Implement Crime Control Plan – Police
- ★ 3. Evaluate an alarm ordinance – Police, Fire
- ★ 4. Broker projects to improve housing in selected neighborhoods – LM&D
- 5. Implement the Jersey City neighborhood plan – LM&D
- ★ 6. Conduct needs assessment to identify additional selected neighborhood(s) – LM&D
- 7. Evaluate Public announcement methods concerning emergency preparedness – Fire, Police, Utilities
- 8. Evaluate cost of adding an additional Fire substation – City Manager, Management Services, Fire

Outcome 2: Expand the tax base and revenue sources

- ★ 1. Identify and promote properties within the City for future in-fill development – LM&D

Outcome 3: Provide quality Parks and Recreation services

- 1. Continue development of Salisbury Community Park and Athletic Complex – Parks & Rec
- 2. Complete master plans for individual parks – Parks & Rec
- ★ 3. Implement Greenway Construction – LM&D, Parks & Rec
- ★ 4. Implement Open Space Standards through Vision 2020 – LM&D, Parks & Rec
- ★ 5. Address the questions raised in the “Next Steps” section of the Conference and Convention Center Market Study – City Manager, LM&D, Parks & Rec, Management Services

Outcome 4: Improve appearance and function of the Innes Street Corridor

- ★ 1. Prepare East Innes Street streetscape plan – LM&D

Outcome 5: Implement Salisbury Vision 2020 Plan

- ★ 1. Adopt standards and ordinances that support implementation of Vision 2020 – LM&D, Management Team
- 2. Identify opportunities to support Vision 2020 through City operations – LM&D, Management Team
- ★ 3. Consider smart growth standards and incentives – LM&D, Utilities

Outcome 6: Foster a climate of City-County cooperation

- ★ 1. Support Rowan County’s development of a land-use plan with growth corridors – LM&D, Utilities
- ★ 2. Host a fellowship luncheon for the Rowan County Commissioners – City Council, City Clerk
- ★ 3. Conduct a feasibility study for extending sewer along the I-85/US29 Growth Corridor– City Manager, Utilities

Outcome 7: Attract, retain and develop high quality City employees

- 1. Implement employee training and development plan – Human Resources
- ★ 2. Implement strategies to recruit employees from diverse populations – Human Resources
- 3. Develop strategies to attract and retain quality employees – Human Resources

Outcome 8: Partner with Rowan-Salisbury Schools

- ★ 1. Meet with School officials to determine needs with which the City can assist – City Council, Management Team
- ★ 2. Communicate City perspectives on issues being addressed by the Rowan-Salisbury School Board – City Council

Outcome 9: Improve overall management of City and departments

- 1. Participate in statewide programs to establish performance standards – Management Services, Management Team
- 2. Develop system of standards to measure performance and accomplishments for all City departments – Management Services, Management Team
- 3. Monitor accomplishments in achieving stated standards – Management Services, Management Team
- 4. Create, monitor, and evaluate departmental strategic plans – City Manager, Management Team
- 5. Periodically evaluate the status of the City’s Outcomes and Goals – City Council, City Manager, Management Team
- 6. Continue the City’s Goal Setting and Future Directions process – City Council, City Manager, Management Team
- ★ 7. Council to review election methods– City Council
- ★ 8. Incorporate the “Good to Great” concepts into the City’s culture as a foundation for Salisbury becoming a High Performance Organization – City Manager, Management Team, City Employees
- 9. Incorporate “American Public Values” philosophy in our local government’s decision making and problem solving processes – City Council, City Manager, Management Team

Outcome 10: Implement special initiatives to improve the quality of life for Salisbury citizens

- 1. Participate in the Regional Environmental Sustainability Project – City Council, LM&D, Management Team

2. Provide appropriate training for all boards and commissions – LM&D, Human Resources, Parks & Rec
- ★ 3. Develop policies and procedures for operating a governmental television access channel – City Council, City Manager, Information Technology
- ★ 4. Evaluate the need for a policy for the development of affordable housing in Salisbury – LM&D, Utilities
- ★ 5. Serve as a catalyst to create a cultural, historic, environmental and arts identity for our community – City Council, City Manager, Management Team, Downtown Salisbury, Inc., Community Stakeholders

Outcome 11: Improve and enhance Downtown Salisbury

1. Partner with DSI to implement the Downtown Salisbury Master Plan – LM&D
- ★ 2. Conduct a downtown ADA compliance audit – LM&D, Human Resources, Public Services
3. Downtown Salisbury to take inventory of types of businesses that are of interest to young people and make recommendation – Downtown Salisbury

Outcome 12: Streamline development review process and ordinances

- ★ 1. Continue development of project tracking software – Utilities, LM&D, Information Technology
- ★ 2. Establish “one stop permitting” – LM&D, Utilities
- ★ 3. Review construction standards – LM&D, Utilities
- ★ 4. Seek local permitting authority for utility extensions – Utilities, LM&D
5. Salisbury-Rowan Utilities to update and enforce existing State-mandated plans and programs (necessary to achieve local permit authority) – Utilities, LM&D
6. Develop a communication plan for sharing development processes and ordinances with stakeholders – City Council, City Manager, Utilities

Outcome 13: Provide quality water and wastewater services to Rowan County that protect the environment, promote public health, improve the quality of life, support planned growth, and maintain public trust

1. Operations – Utilize resources to effectively and efficiently maintain and operate existing and future equipment, infrastructure, and processes, while providing superior quality water and wastewater services and protecting public health and the environment – Utilities, Management Services
- ★ 2. Rates/Revenue – Manage the utilities in a manner that optimizes the utilization of resources and enables Salisbury-Rowan Utilities to charge competitive and affordable rates, while providing for capital and operational needs – Utilities, Management Services (Capital Needs)
3. Customer Service - Provide accessible and responsive services and address customer needs efficiently and accurately – Utilities, Management Services
4. Human Resources – Attract, retain, and reward a team of qualified employees committed to the Salisbury-Rowan Utilities’ mission – Utilities, Human Resources

5. Stakeholder Communications – Be proactive in providing information, education, and public communication services – Utilities
6. Planning and Community-Wide Development – Operate Salisbury-Rowan Utilities according to well-defined plans supportive of the strategic plans of client communities – Utilities

Outcome 14: Create a positive business climate in Salisbury and Rowan County

- ★ 1. Explore the feasibility of creating a business incubator for Salisbury – LM&D, Management Team, selected Development Organizations
2. Evaluate the need and options for business incentives – Utilities, LM&D, Management Team, selected Development Organizations
3. Investigate entrepreneurial loan pool and funding options – City Manager, LM&D, selected Development Organizations, Financial Institutions
- ★ 4. Foster a customer service attitude among all City workers – City Manager, Management Services, Management Team

**EXHIBIT 2
CITY OF SALISBURY
SPECIAL PROJECTS FOR FY2005-06**

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>	<u>OFFSETTING REVENUE</u>
CITY COUNCIL				
Chamber of Commerce Focused Forward-Year 2	\$ 12,500	\$ 12,500	\$ 12,500	\$ -
Total Special Projects	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ -</u>
MANAGEMENT & ADMINISTRATION				
Executive Development	\$ 15,000	\$ -	\$ -	\$ -
Total Special Projects	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
HUMAN RESOURCES				
Employee Wellness Plan	\$ 7,500	\$ -	\$ -	\$ -
Customer Service Program	7,500	7,500	7,500	-
Management Training/Executive Development	18,000	15,000	15,000	-
Recruitment Incentives	12,000	-	-	-
Education/Volunteer -Leave Program	4,100	-	-	-
Succession Planning Evaluation	7,500	-	-	-
Standard Salary Adjustments	100,000	-	-	-
Market Data Software	35,000	-	-	-
Public Safety Special Advertising	5,000	-	-	-
Public Safety Entry Level IPMA Exams	9,000	-	-	-
401k Additional Contribution	125,000	-	-	-
HRIS Self Service Software and Training	25,000	-	-	-
Conversion to Web-based HRIS	-	10,000	24,750	-
Total Special Projects	<u>\$ 355,600</u>	<u>\$ 32,500</u>	<u>\$ 47,250</u>	<u>\$ -</u>
MANAGEMENT SERVICES				
Web applications	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Performance Reporting Demonstration Grant	15,000	15,000	15,000	15,000
Total Special Projects	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ 15,000</u>
INFORMATION TECHNOLOGIES				
Sygate Implementation	\$ 15,000	\$ 15,000	\$ 15,000	\$ -
Fiber to the Home Study	80,000	20,000	20,000	-
Total Special Projects	<u>\$ 95,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ -</u>
POLICE				
Gang Diversity Awareness Education	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Five Year Strategic Plan	30,000	20,000	20,000	-
Total Special Projects	<u>\$ 33,000</u>	<u>\$ 23,000</u>	<u>\$ 23,000</u>	<u>\$ -</u>
FIRE				
Reserve Firefighter Program	\$ 12,838	\$ -	\$ -	\$ -
	<u>\$ 12,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LAND MANAGEMENT & DEVELOPMENT-GIS				
Online application for State Development Zone	\$ 3,500	\$ -	\$ -	\$ -
Online application for NPDES Phase II Compliance	3,500	-	-	-
Online application for Parks & Amenities Locator	3,500	-	-	-
Total Special Projects	<u>\$ 10,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>	<u>OFFSETTING REVENUE</u>
LAND MANAGEMENT & DEVELOPMENT-PLANNING & COMMUNITY DEVELOPMENT				
SAFETEA Matching Funds	\$ 100,000	\$ -	\$ -	\$ -
Vision 2020 implementation	25,000	25,000	25,000	-
Historic Preservation Grants	30,000	30,000	30,000	-
Innes Street Incentive Grant Program	25,000	25,000	25,000	-
Neighborhood Improvements	100,000	-	-	-
History & Art Walk	20,000	10,000	20,000	-
Innes Street Bridge landscaping	10,000	-	-	-
Freedman's Cemetery wall	15,000	-	-	-
Historic District Expansions	20,000	-	-	-
Neighborhood Tree Planting	10,000	-	-	-
Sidewalk Amenities	15,000	-	-	-
Host Preservation Training Session	8,000	8,000	8,000	8,000
Systematic Annexation	10,000	10,000	10,000	-
Reprint HPC Design Guidelines	8,000	-	-	-
North Main Street Area Plan	10,000	-	-	-
Boxwood Park Development	5,000	-	-	-
ETJ Signage	5,000	-	-	-
Total Special Projects	<u>\$ 416,000</u>	<u>\$ 108,000</u>	<u>\$ 118,000</u>	<u>\$ 8,000</u>
LAND MANAGEMENT & DEVELOPMENT-ENGINEERING				
I-85 Noise Barrier & Sidewalks, Project I-2511 CA	\$ 122,500	\$ 122,500	\$ 122,500	\$ -
Innes Street Bridge, Project B-3236	30,000	30,000	30,000	-
Greenway, Projects E-3308 & E4403	783,000	783,000	783,000	700,000
Depot Improvements, Project 04-ST-005	500,000	500,000	500,000	450,000
East Innes Street Sidewalks, Project 38225	154,000	154,000	154,000	125,000
East Innes Street Improvements	285,000	-	-	-
NPDES Compliance	35,000	25,000	25,000	-
Salisbury Incentive Fund	100,000	-	-	-
Drainage Grants	25,000	-	-	-
Downtown pole painting	5,000	5,000	5,000	-
900 Block East Liberty Street Improvements	60,000	-	-	-
Salisbury High School Track & Field	67,100	-	-	-
Fulton Heights Traffic Calming Study	10,000	-	-	-
Highway 70 Sidewalks, Project R-2911 E	40,000	40,000	-	-
Total Special Projects	<u>\$ 2,216,600</u>	<u>\$ 1,659,500</u>	<u>\$ 1,619,500</u>	<u>\$ 1,275,000</u>
LAND MANAGEMENT & DEVELOPMENT-STREET LIGHTING				
Thoroughfare Expansions	\$ 7,500	\$ -	\$ -	\$ -
Neighborhood Petitions	7,500	-	7,500	-
	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 7,500</u>	<u>\$ -</u>
PARKS AND RECREATION				
NRPA Accreditation	\$ 4,000	\$ 4,000	\$ 4,000	\$ -
Kelsey Scott Plan	15,000	-	-	-
Conference/Convention Center Study	20,000	5,000	5,000	-
Recreation Software	50,000	-	-	-
Total Special Projects	<u>\$ 89,000</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ -</u>

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>	<u>OFFSETTING REVENUE</u>
PUBLIC SERVICES-STREET				
Storm Water & Drainage Improvements	\$ 50,000	\$ -	\$ -	\$ -
SAFETEA Matching Funds	-	96,896	96,896	-
Target Neighborhood Improvements	10,000	-	-	-
Downtown Sidewalks & Handicapped Access	20,000	-	-	-
Total Special Projects	<u>\$ 80,000</u>	<u>\$ 96,896</u>	<u>\$ 96,896</u>	<u>\$ -</u>
PUBLIC SERVICES-CEMETERY				
Improvements to Dixonville Cemetery	\$ 5,000	\$ -	\$ -	\$ -
Total Special Projects	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
PUBLIC SERVICES-FLEET				
Car Chip Program	\$ 30,184	\$ -	\$ -	\$ -
Total Special Projects	<u>\$ 30,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
PUBLIC SERVICES-LANDSCAPE OPERATIONS				
Bell Tower Fountain Replacement	\$ 6,000	\$ 6,000	\$ 6,000	\$ -
Tree Top Advertising	1,200	-	-	-
Neighborhood Tree Planting	5,000	5,000	5,000	-
Brown-Wiseman Boxwood Property Development	5,000	-	-	-
Tree Planting - Downtown Master Plan	10,000	-	-	-
Total Special Projects	<u>\$ 27,200</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ -</u>
PUBLIC SERVICES-LANDSCAPE OPERATIONS-HURLEY PARK				
Creek Bank Stabilization Project	\$ 8,000	\$ -	\$ -	\$ -
Spring Celebration	1,600	1,600	1,600	-
Total Special Projects	<u>\$ 9,600</u>	<u>\$ 1,600</u>	<u>\$ 1,600</u>	<u>\$ -</u>
GRAND TOTAL-SPECIAL PROJECTS	<u>\$ 3,441,022</u>	<u>\$ 2,006,996</u>	<u>\$ 1,999,246</u>	<u>\$ 1,298,000</u>
TOTAL OFFSETTING REVENUE	<u>\$ 1,583,000</u>	<u>\$ 1,298,000</u>	<u>\$ 1,298,000</u>	
TOTAL CITY SHARE	<u>\$ 1,858,022</u>	<u>\$ 708,996</u>	<u>\$ 701,246</u>	<u>\$</u>

EXHIBIT 3
SPECIAL COMMUNITY EFFORTS GROUPS APPROPRIATIONS FOR FY 2005-06

	FY2004-05			MANAGER	
	ADOPTED	REQUESTED		RECOMMENDS	ADOPTED
Human Relations Council	\$ 3,500	\$ 3,500		\$ 3,500	\$ 3,500
Action Grants	22,000	25,000		22,000	22,000
Rowan Information & Referral	4,500	4,500		4,500	4,500
Salisbury-Rowan EDC	53,670	69,498	1	53,670	53,670
Downtown Salisbury, Inc.	75,580	90,000	2,3 4	75,580	90,000
Rowan County Committee of 100	-	30,000	5	30,000	30,000
Waterworks Gallery	-	18,615		-	-
Rowan Museum	6,000	10,000		6,000	6,000
Rowan Arts Council	45,000	50,000		45,000	45,000
Rufty Holmes Senior Center	50,000	50,000		50,000	50,000
Horizons Unlimited	42,342	42,342		42,342	42,342
United Way	-	5,000		-	5,000
Rowan County AIDS Task Force	-	7,500		-	-
Rowan Business Alliance Foundation	-	5,000		-	-
Communities in Schools	-	1,872		-	-
Big Ma Ma's Community Outreach	-	50,000		-	-
Partners In Learning Child Deveopment	-	7,000		-	-
NC Transportation Museum	-	10,000		-	-
Prevent Child Abuse Rowan	-	10,000		-	-
Alpha and Omega Ministries	-	20,000		-	-
Love Center for Community Enhancement	-	20,000		-	-
	<u>\$ 302,592</u>	<u>\$ 529,827</u>		<u>\$ 332,592</u>	<u>\$ 352,012</u>

¹ Increase to implement marketing strategy plan

² Includes \$6,000 for Christmas Lights

³ Increased to return DSI to FY02 funding level

⁴ Increase due to additional promotions plans and salary upgrades

⁵ Year 2 of 5-year commitment

⁶ Funded at the end of FY2005 for \$5,000

Exhibit 4
Position Listing and Salary Ranges

Position	Grade	Minimum	Maximum
Account Clerk I	118	\$21,394	\$35,301
Account Clerk II	122	\$23,606	\$38,950
Accountant I	126	\$26,047	\$42,977
Accountant II	131	\$29,455	\$48,601
Animal Control Specialist	120	\$22,473	\$37,081
Assistant City Manager for Utilities	532E	\$75,848	\$113,773
Assistant Fire Chief	445	\$54,067	\$72,455
Assistant Plants Manager	525D	\$44,900	\$79,799
Assistant Systems Manager-Admin	521C	\$29,474	\$58,948
Assistant Systems Manager-Operations	522C	\$34,667	\$69,335
Automotive Service Technician	701	\$21,981	\$36,269
Battalion Chief	439	\$42,363	\$59,609
Budget & Benchmarking Analyst	143	\$39,568	\$65,286
Budget & Performance Management Manager	150	\$47,001	\$77,552
Building & Grounds Maintenance Worker I	110	\$17,573	\$28,996
Building Maintenance Worker	110	\$17,573	\$28,996
Buyer	122	\$23,606	\$38,950
Cemetery Operations Manager	136	\$33,310	\$54,961
Chemist	520C	\$36,915	\$73,830
City Clerk	234	\$34,779	\$62,602
City Code Inspector	121	\$23,033	\$38,004
City Engineer	153	\$50,600	\$83,491
City Manager	---		
Civil Engineer I	140	\$36,753	\$60,643
Civil Engineer II	143	\$39,568	\$65,286
Civil Engineer III	147	\$43,658	\$72,036
Community Resource Specialist	143	\$39,568	\$65,286
Crime Analyst - Civilian	143	\$39,568	\$65,286
Customer Service Clerk I	114	\$19,390	\$31,993
Customer Service Clerk II	118	\$21,394	\$35,301
Customer Service Supervisor	131	\$29,455	\$48,601
Department Secretary	126	\$26,047	\$42,977
Deputy Clerk	126	\$26,047	\$42,977
Deputy Police Chief	349	\$45,632	\$73,012
Deputy Utilities Director	531E	\$68,953	\$103,430
Development Services Manager	147	\$43,658	\$72,036
Development Services Specialist	127	\$26,695	\$44,047
Engineering Technician - Ut	518C	\$32,618	\$65,236
Equipment Operator I	115	\$19,873	\$32,790
Equipment Operator II	120	\$22,473	\$37,081
Facilities Maintenance Supervisor	128	\$27,360	\$45,144
Facilities Management Director	145	\$41,563	\$68,578
Facilities Manager	147	\$43,658	\$72,036
Finance & Administration Manager	528D	\$58,059	\$87,088
Finance Director	255	\$58,414	\$105,146
Finance Manager	155	\$53,152	\$95,673
Finance Specialist	126	\$26,047	\$42,977
Fire Captain	431	\$34,110	\$47,996
Fire Chief	255	\$58,414	\$105,146
Fire Control Specialist I	420	\$24,031	\$32,204

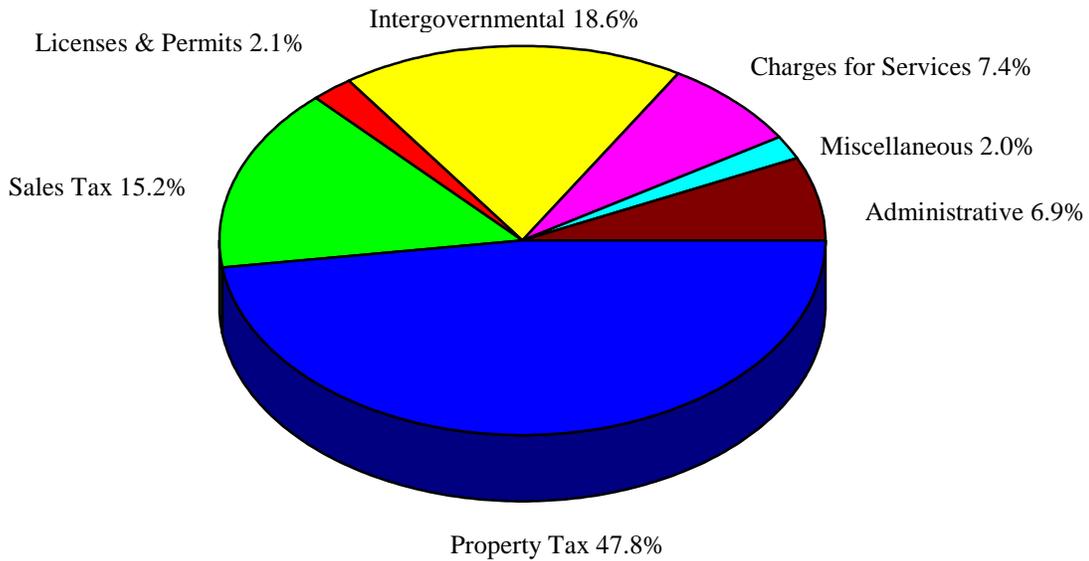
Position	Grade	Minimum	Maximum
Fire Control Specialist II	424	\$26,494	\$37,280
Fire Engineer	427	\$28,062	\$39,486
Fire Investig/Inspec Officer	439	\$42,363	\$59,609
Fire Investig/Inspection Specialist	431	\$34,110	\$47,996
Fire Logistics Officer	431	\$34,110	\$47,996
Fire Projects Analyst	431	\$34,110	\$47,996
Fiscal Analyst	143	\$39,568	\$65,286
Fleet Services Manager	145	\$41,563	\$68,578
Fleet Services Shift Supervisor	134	\$31,711	\$52,323
Fleet Services Supervisor	136	\$33,310	\$54,961
GIS Mapping Technician	517C	\$28,367	\$56,735
Grounds Maintenance Worker I	109	\$17,146	\$28,291
Grounds Maintenance Worker II	114	\$19,390	\$31,993
Human Resources Analyst I	134	\$31,711	\$52,323
Human Resources Analyst II	139	\$35,860	\$59,169
Human Resources Director	255	\$58,414	\$105,146
Human Resources Technician I	126	\$26,047	\$42,977
Human Resources Technician II	130	\$28,740	\$47,420
Identification Specialist	120	\$22,473	\$37,081
Information Technologies Manager	600	\$55,761	\$97,125
Laboratory Analyst	513C	\$25,123	\$50,246
Laboratory Supervisor	523C	\$36,953	\$73,906
Land Mgmt & Dev Director	260	\$66,090	\$118,963
Landscape Division Manager	139	\$35,860	\$59,169
Landscape Maintenance Supervisor	128	\$27,360	\$45,144
Mail Coordinator	115	\$19,873	\$32,790
Management Analyst	143	\$39,568	\$65,286
Marketing & Community Relations Mgr	136	\$33,310	\$54,961
Master Police Officer	327	\$34,284	\$53,140
Mechanic	700	\$26,377	\$49,296
Meter Services Supervisor	515C	\$30,707	\$61,415
Meter Services Technician	502A	\$17,544	\$35,088
Office Assistant	114	\$19,390	\$31,993
Park Curator	128	\$27,360	\$45,144
Parking Control Specialist	120	\$22,473	\$37,081
Parks & Recreation Maintenance Manager	139	\$35,860	\$59,169
Parks & Recreation Director	251	\$52,920	\$95,257
Parks Maintenance Supervisor	128	\$27,360	\$45,144
Parts Clerk	115	\$19,873	\$32,790
Parts Manager	128	\$27,360	\$45,144
Permit Service Coordinator	121	\$23,033	\$38,004
Planner I	140	\$36,753	\$60,643
Planner II	143	\$39,568	\$65,286
Planning & Community Development Manager	151	\$48,172	\$79,483
Plants Maintenance Supervisor	523C	\$36,953	\$73,906
Plants Maintenance Technician	505B	\$25,885	\$51,770
Police Chief	255	\$58,414	\$105,146
Police Information Clerk	115	\$19,873	\$32,790
Police Lieutenant	339	\$41,484	\$64,300
Police Officer I	322	\$28,334	\$43,918
Police Officer II	324	\$31,167	\$48,309
Police Planner	143	\$39,568	\$65,286

Position	Grade	Minimum	Maximum
Police Records Clerk	115	\$19,873	\$32,790
Police Records Coordinator	123	\$24,194	\$39,920
Police Sergeant	333	\$37,713	\$58,454
Police Services Supervisor	130	\$28,740	\$47,420
Police Telecommunicator	124	\$24,797	\$40,914
Productivity Analyst	143	\$39,568	\$65,286
Public Services Director	251	\$52,920	\$95,257
Purchasing Manager	143	\$39,568	\$65,286
Recreation Aide	105	\$15,540	\$25,640
Recreation Coordinator	134	\$31,711	\$52,323
Recreation Program Manager	147	\$43,658	\$72,036
Recreation Program Supervisor	136	\$33,310	\$54,961
Recreation Programmer	131	\$29,455	\$48,601
Regulatory Compliance Technician	506B	\$30,611	\$61,223
Residuals Operator	509C	\$25,895	\$51,789
Residuals Supervisor	524C	\$37,685	\$75,371
Risk Management Assistant	127	\$26,695	\$44,047
Risk Manager	150	\$47,001	\$77,552
Seasonal Worker	105	\$15,540	\$25,640
Senior Bldg Maint Worker	119	\$21,927	\$36,180
Senior Building & Grounds Maintenance	119	\$21,927	\$36,180
Senior Customer Service Clerk	122	\$23,606	\$38,950
Senior Grounds Maint Worker	119	\$21,927	\$36,180
Senior Meter Mechanic	511C	\$27,916	\$55,832
Senior Meter Reader	510C	\$24,762	\$49,523
Senior Office Assistant	119	\$21,927	\$36,180
Senior Office Assistant	500A	\$21,068	\$42,136
Senior Planner	147	\$43,658	\$72,036
Senior Wastewater Treatment Plant Operat	512C	\$37,685	\$75,371
Senior Water Treatment Plant Operator	512C	\$37,685	\$75,371
Signs & Marking Crew Leader	121	\$23,033	\$38,004
Signs & Marking Technician I	112	\$18,459	\$30,458
Signs & Marking Technician II	116	\$20,368	\$33,606
Solid Waste Equipment Operator	119	\$21,927	\$36,180
Solid Waste Mgmt Div Manager	136	\$33,310	\$54,961
Solid Waste Operations Supervisor	128	\$27,360	\$45,144
Street Maintenance Manager	143	\$39,568	\$65,286
Street Maintenance Supervisor	128	\$27,360	\$45,144
Street Maintenance Worker I	109	\$17,146	\$28,291
Street Maintenance Worker II	114	\$19,390	\$31,993
Support Services Manager	527D	\$54,824	\$85,236
Systems Analyst	601	\$43,906	\$76,475
Technical Services Supervisor	143	\$39,568	\$65,286
Technologies Services Technical Assist	132	\$30,189	\$49,811
Telecommunications Assistant	122	\$23,606	\$38,950
Telecommunications Manager	151	\$48,172	\$79,483
Temporary Worker	105	\$15,540	\$25,640
Traffic Operations Manager	139	\$35,860	\$59,169
Traffic Signal Technician I	118	\$21,394	\$35,301
Traffic Signal Technician II	122	\$23,606	\$38,950
Transit Dispatcher	118	\$21,394	\$35,301
Transit Manager	136	\$33,310	\$54,961

Position	Grade	Minimum	Maximum
Transit Operator	118	\$21,394	\$35,301
Urban Design Planner	147	\$43,658	\$72,036
Utilities Construction Inspector	519C	\$35,735	\$71,470
Utilities Engineer	526D	\$51,770	\$82,539
Utilities Engineering Manager	530E	\$65,112	\$97,667
Utilities Maintenance Supervisor	514C	\$26,974	\$53,947
Utilities Maintenance Technician	501A	\$19,813	\$39,626
Utilities Planning Manager	527D	\$54,824	\$85,236
Utilities Systems Manager	529D	\$61,484	\$92,226
Utility Plants Manager	529D	\$61,484	\$92,226
Utility Systems Supervisor	516C	\$31,418	\$62,836
Victim's Advocate	327	\$34,284	\$53,140
Wastewater Treatment Plant Operator	508C	\$25,334	\$50,667
Water Treatment Plant Operator	507C	\$23,764	\$47,528
Water Treatment Supervisor	524C	\$37,685	\$75,371
Zoning & Code Enforcement Spec	121	\$23,033	\$38,004

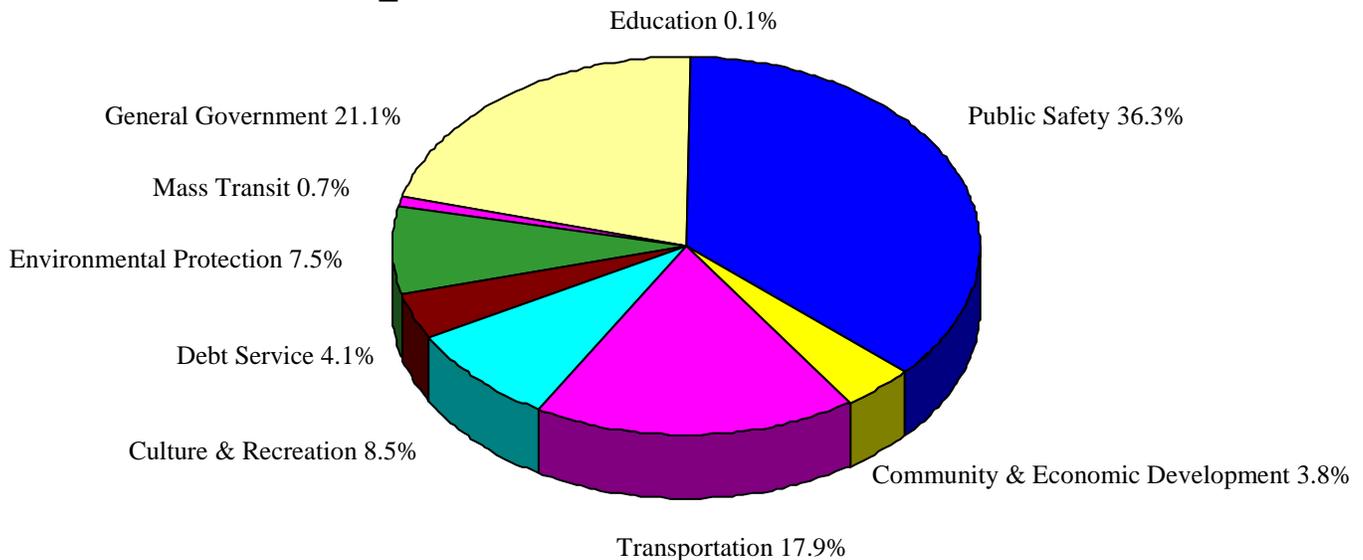
FY 2005-06 GENERAL FUND

Revenues - \$29,868,180



Where the Money Comes From

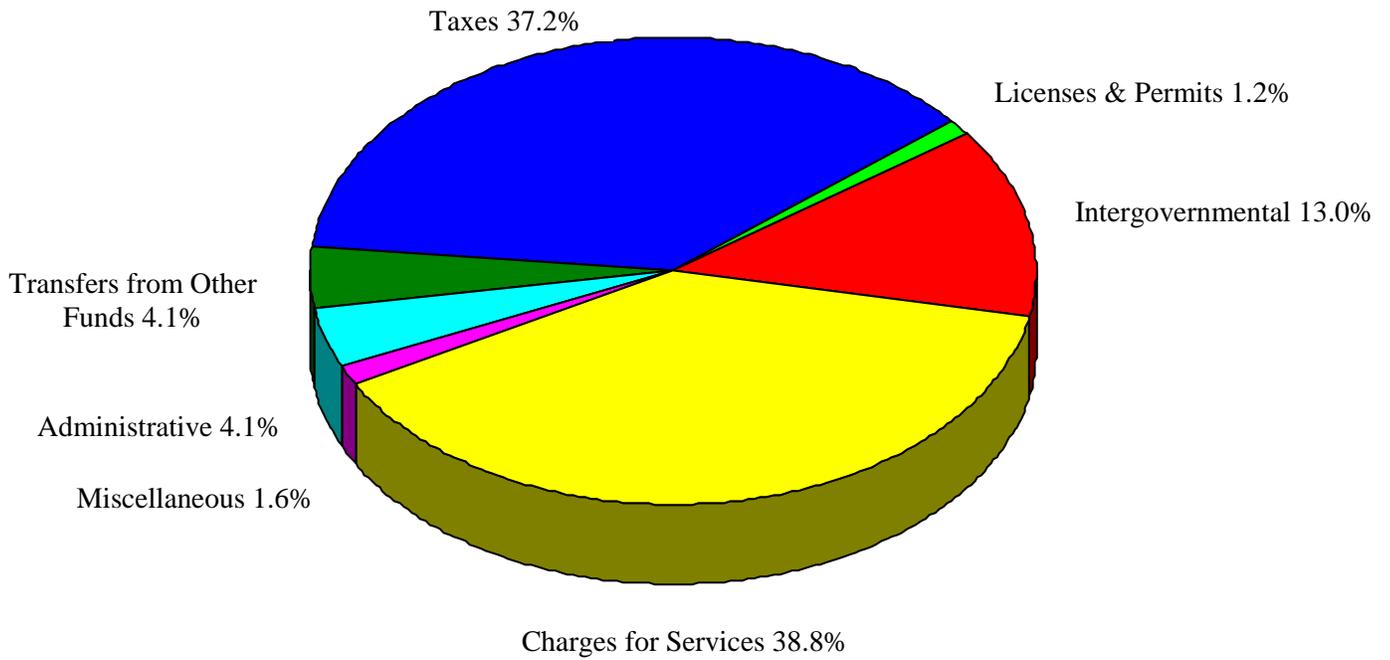
Expenditures - \$29,868,180



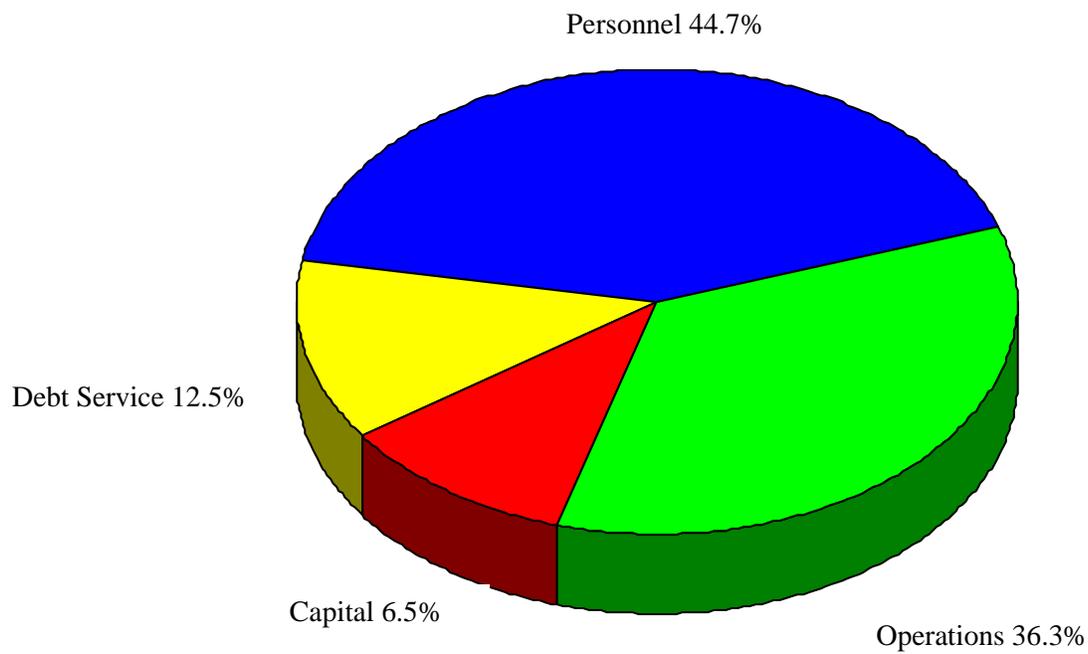
Where the Money Goes To

Includes General Fund and General Fund Capital Reserve Fund Less Interfund Transfers

CITY REVENUES BY TYPE (All Funds)



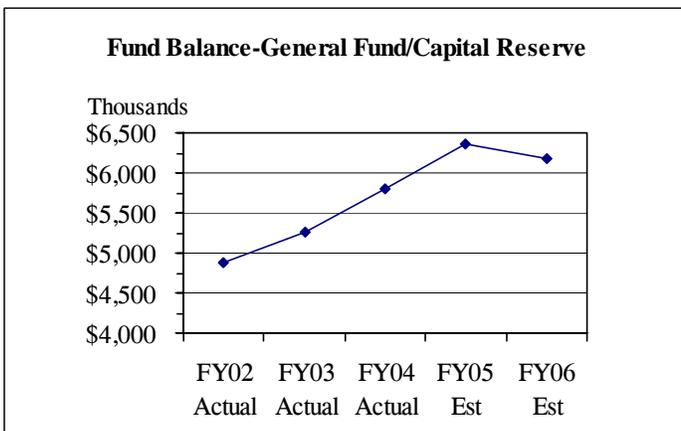
CITY EXPENDITURES BY CATEGORY (All Funds)



**CITY OF SALISBURY, NORTH CAROLINA
BUDGET SUMMARY
For the Year Ending June 30, 2006**

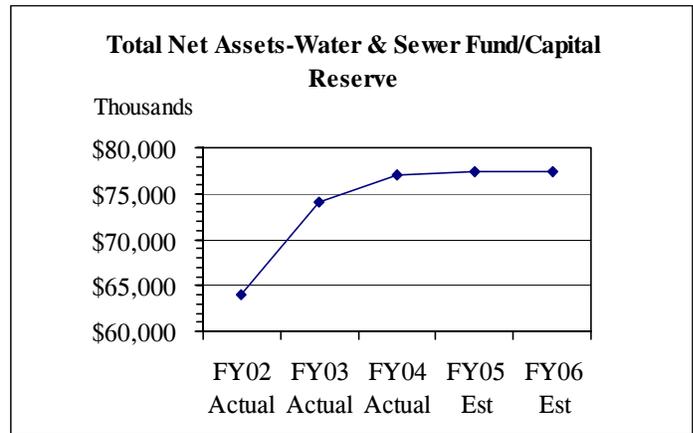
	General/Special Revenue Funds			Enterprise Funds			Total
	General Fund	General Fund Capital Reserve	Entitlement Fund	Water/Sewer	Water/Sewer Capital Reserve	Transit	
Estimated Fund Balance/ Net Assets 6/30/05	\$ 4,744,358	\$ 1,623,630	\$ 100,000	\$ 71,030,034	\$ 382,255	\$ -	\$ 77,880,277
Budgeted Revenues & Other Financing Sources:							
Taxes	\$ 18,823,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,823,382
Licenses and Permits	614,488	-	-	-	-	-	614,488
Intergovernmental	5,543,917	-	529,149	-	-	495,235	6,568,301
Charges for Services	2,211,798	-	-	17,339,990	-	63,254	19,615,042
Miscellaneous	349,067	30,000	75,000	355,849	6,000	700	816,616
Administrative	2,070,628	-	-	-	-	-	2,070,628
Transfers From Other Funds	-	1,460,303	-	-	422,868	213,118	2,096,289
Total Available Resources	\$ 29,613,280	\$ 1,490,303	\$ 604,149	\$ 17,695,839	\$ 428,868	\$ 772,307	\$ 50,604,746
Expenditures:							
General Government	\$ 6,073,235	\$ 194,711	\$ -	\$ -	\$ -	\$ -	\$ 6,267,946
Public Safety	10,094,179	733,862	-	-	-	-	10,828,041
Transportation	5,157,390	202,340	-	-	-	-	5,359,730
Environmental Protection	2,087,979	149,600	-	-	-	-	2,237,579
Culture and Recreation	2,425,987	94,000	-	-	-	-	2,519,987
Community & Economic Development	1,137,607	4,842	604,149	-	-	-	1,746,598
Education	42,342	-	-	-	-	-	42,342
Water & Sewer	-	-	-	12,227,013	393,664	-	12,620,677
Mass Transit	-	-	-	-	-	772,307	772,307
Debt Service:							
Principal	739,517	66,166	-	3,222,938	-	-	4,028,621
Interest	406,523	15,025	-	1,893,020	-	-	2,314,568
Transfers to other funds	1,673,421	-	-	422,868	-	-	2,096,289
Total Expenditures	\$ 29,838,180	\$ 1,460,546	\$ 604,149	\$ 17,765,839	\$ 393,664	\$ 772,307	\$ 50,834,685
Budgeted Increase (Decrease) in Fund Balance	\$ (224,900)	\$ 29,757	\$ -	\$ (70,000)	\$ 35,204	\$ -	\$ (229,939)
Full Accrual Adjustments: ¹							
Budgeted Capital Outlay	-	-	-	527,000	393,664	44,800	965,464
Budgeted Debt Principal	-	-	-	3,222,938	-	-	3,222,938
Estimated Depreciation	-	-	-	(3,946,701)	-	(140,000)	(4,086,701)
Estimated Fund Balance/ Net Assets 6/30/06	\$ 4,519,458	\$ 1,653,387	\$ 100,000	\$ 70,763,271	\$ 811,123	\$ (95,200)	\$ 77,752,039

¹ The City's budget is developed on the modified accrual basis. Budgets for the General Fund and special revenue funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgets for the enterprise funds are adopted on a basis consistent with GAAP except that bond principal payments and additions to fixed assets are treated as expenditures, and depreciation expense is not budgeted.



As of June 30, 2005, the City estimates a General Fund balance of almost \$6,400,000. This is higher than stated in the City's Reserve Policy, as explained on page 2-4. The City anticipates having a surplus of over \$560,000 in FY05 due to improving revenue growth and limiting spending. The graph beside this clearly depicts how the City has improved its financial position since weathering the storm of withheld revenues by the State of North Carolina since FY02.

Through conservative fiscal management, the City has been able to increase and then maintain total net assets in the Water and Sewer Fund for the past five years. However, due to the decreasing volume of water and sewer sold, the Fund expects only minor increases over the next couple years including FY05.



**SUMMARY OF INTERFUND TRANSFERS
For the Year Ending June 30, 2006**

	FUND	TO			
		General Fund Capital Reserve	Water & Sewer Capital Reserve	Transit	TOTAL OUT
F R O M	General	\$ 1,460,303	\$ -	\$ 213,118	\$ 1,673,421
	Water & Sewer	-	422,868	-	422,868
	TOTAL IN	\$ 1,460,303	\$ 422,868	\$ 213,118	\$ 2,096,289

GENERAL FUND REVENUE STRUCTURE

The City's General Fund has five major sources of revenue: taxes, licenses and permits, intergovernmental revenue, charges for services, administrative revenue, and miscellaneous revenue. Taxes are composed of property, sales, vehicle, and dog taxes. Licenses and permits are composed of privilege licenses and cable television franchise fees. Intergovernmental revenues are composed of grants, state-shared revenues, and reimbursements. Charges for services are composed of user fees and reimbursed charges. Administrative revenue represents the Water and Sewer Fund contribution to the operations of the General Fund. Miscellaneous revenues are composed of interest revenue, sales, and revenues not allocated elsewhere.

It would appear that with these various revenue sources, the generation of revenue to meet service level expenditure requirements would be a simple task. This, however, is not the case.

Revenues available to finance our local government can be characterized as either "elastic" or "inelastic." Elastic revenues are highly responsive to changes in the economic base and inflation. As the economic base expands or inflation goes up, elastic revenues rise in roughly proportional or greater amounts. Likewise, they go down during times of deflation and recession. For example, sales tax revenue, though the tax rate remains the same, increases during better economic periods due to the increase in retail business and declines during poor times. Yields from inelastic revenue sources, such as user fees and charges, are somewhat unresponsive to changes in economic conditions and require that government officials change fees and charges to obtain a change in revenue.

Most City revenue sources are inelastic. Two of the few remaining elastic revenues the City has are sales tax revenue and privilege licenses.

Several revenue types such as Powell Bill and sales taxes, are distributed within Rowan County based on population. As the population in Rowan County and other County municipalities has increased in proportion to Salisbury's, the City's share of these revenues has decreased. Without the annexations or other major growth within the City limits, the City will continue to receive a smaller share of the total revenue pool each year.

City revenues have in prior years also face another limitation; the State tampering with state-shared revenues and reimbursements. In the past, the State has eliminated property tax on retail, wholesale, and manufacturers' inventories. They then placed a cap on income to municipalities from intangibles taxes, utility franchise taxes, and inventory reimbursements. This cap on utility franchise taxes expired in FY1994-95. However, growth had been minimal without annexation. Intangibles taxes have been repealed by the General Assembly and replaced with an annual appropriation. Both the intangibles tax and inventory reimbursements were subject annually to the whims of the General Assembly for funding. In FY2002-03, the General Assembly terminated all reimbursements to local governments in North Carolina. They did approve a sales tax of one-half cent to replace them. For Salisbury, the additional one-half cent would only make about half of what the City was losing. Since Salisbury was not the only local government in North Carolina with this problem, the General Assembly did provide a hold-harmless clause which will reimburse some local units like Salisbury for the difference in what the new one-half cent sales tax generates and what was lost in reimbursements. For FY2005-06, the projected amount of the hold-harmless amount is \$707,780.

The City directly controls only property taxes, user fees and charges, privilege licenses, and the Water and Sewer Fund contribution. These four revenue sources are the only ones that City Council can increase or decrease at will. During FY2004-05, these four sources in the General Fund accounted for 68.6% of total revenue. The City lacks control over all other revenues.

Property taxes may be adjusted in two ways. The tax rate can be either changed, and/or the assessed value of the property can be raised or lowered. Each year, City Council sets the property tax rate as part of adopting the annual budget ordinance.

User fees and charges for some services have been established to reimburse the City for all or part of the cost for that service. City Council has absolute control over the services for which a fee is levied and the amount of the fee.

Privilege licenses are controlled both by the State and City Council. A city may levy a privilege license on certain types of businesses and professions as established by State Statutes. The State also sets a maximum rate for some businesses and professions. Most businesses, however, do not have a maximum license rate or amount. City Council has the authority to set a license rate and/or amount for these businesses.

Administrative revenue is the Water and Sewer Fund's contribution to the operations of the General Fund. It represents the Water and Sewer Fund's share of expenses incurred in the General Fund for such things as water and sewer billing, financial administration, fleet management, purchasing, personnel administration, legal, and general management services. The funding of the contribution is a component of the water and sewer rates set by City Council and should not exceed the actual costs incurred in the General Fund for the Water and Sewer Fund's operations.

In summary, most City revenues can be characterized as inelastic with no City control. The City controls only property taxes, user fees and charges, privilege licenses, and administrative revenue.

REVENUE ASSUMPTIONS FOR FY2005-06

General Fund Revenue

Taxes:

Property Taxes - Real property were estimated to increase by 1%, personal property by 2% and public service property 1% over the 2004 assessed values. This estimated growth for real and personal property and public service property is based on historical trend analysis. In addition to this growth, an annexation will also be effective July 1, 2005 which will add approximately \$50,000,000 to the tax base. A 3.0% uncollectible rate was used.

Prior Year Property Taxes - Based on historical trends adjusted by the size of the 2004 property tax receivable balance projected as of June 30, 2005.

Interest on Delinquent Taxes - Based on historical trends.

Local Option Sales Tax - Based on estimates provided by the North Carolina League of Municipalities and last year's sales data (see graph on page 1-8).

Vehicle Tax - Based on number of vehicles inside City Limits.

Other Taxes - Based on historical trends.

Licenses and Permits:

Privilege Licenses - Based on a projection of all currently licensed business in Salisbury at the current license rates.

Franchises - Based on historical trends for receipts from the cable television company plus additions from annexations (see graph on page 1-8).

Intergovernmental:

Federal - Based on anticipated and existing grants. The City will receive a grant to help design a replacement bridge and acquire the necessary right-of-way.

State - Based on FY2004-05 state shared receipts plus anticipated state grants. As mentioned in the previous section, the City receives funding from the State for the difference in the one-half cent sales tax and the lost reimbursements. The City also receives funding for street maintenance through the Powell Bill Fund, which is allocated based on population and city-maintained street mileage. The City anticipates receiving a grant for greenway construction (see graph on page 1-8).

Local - Based on payment in lieu of taxes from the Housing Authority (see graph on page 1-9).

Charges for Services:

Supportive Court Services - Based on historical trends.

Community Services - Based on historical trends for fees relating to development and zoning.

Environmental Protection - Based primarily on existing user charges for recycling and landfill tipping fees and the fee for all waste collection costs.

Culture and Recreation - Based on projected activities, participation, and fee levels.

Public Safety - Based on historical trends for the revenues derived from police and fire protection and charges for radios and pagers to public agencies within the area (see graph on page 1-9).

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2005-06 and estimated interest rates.

Insurance Proceeds - Based on historical trends.

Rentals and Sale of Property - Based on historical trends (see graph on page 1-9).

Other - Based on historical trends and anticipated donations (see graph on page 1-9).

Administrative:

Interfund Revenues - Based on estimated expenditures for services provided by General Fund departments that are reimbursed by the Water and Sewer Fund. These expenditures are the sum of the estimated percentage of time each General Fund department expends on behalf of the Water and Sewer Utility multiplied by the departmental budget. This transfer amount is calculated annually.

General Fund Capital Reserve Fund Revenue

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2005-06 and estimated interest rates.

Other - Based on historical trends.

Other Financing Sources:

Operating Transfer from General Fund - Funding based on vehicle and computer replacement schedules that the General Fund will place in reserve for future vehicle and computer purchases.

Water and Sewer Fund Revenue

Operating Revenues:

Charges for Services - Based on estimates using historical volumes, trends, projections, and revised rates based on a comprehensive rate review completed in April 2005.

Nonoperating Revenues:

Interest Earned on Investments - Based on estimated cash balances during FY2005-06 and estimated interest rates.

Miscellaneous Revenues - Based on historical trends.

Water and Sewer Capital Reserve Fund Revenue

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2005-06 and estimated interest rates.

Other Financing Sources:

Operating Transfer from Water and Sewer Fund - Funding based on vehicle and computer replacement schedules that the Water and Sewer Fund will place in reserve for future vehicle and computer purchases.

Transit Fund Revenue

Operating Revenues:

Charges for Services - Based on estimates using historical ridership and trends.

Nonoperating Revenues:

Intergovernmental - Based on estimates provided by the State of North Carolina.

Miscellaneous Revenues - Based on historical trends.

Other Financing Sources:

Contributed Capital - The amount of funds provided for purchase of capital items.

Operating Transfer from General Fund - The amount of subsidy that the General Fund will provide the Transit Fund during FY2005-06.

Special Revenue Funds Revenue

Intergovernmental:

Federal - Based on an estimate provided by the U.S. Department of Housing and Urban Development.

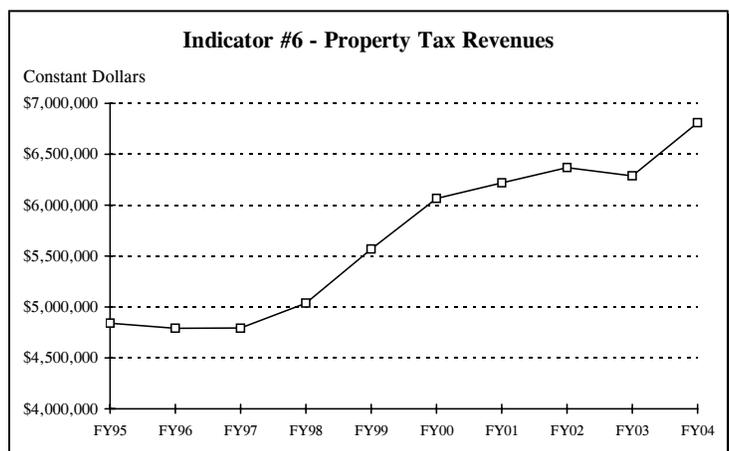
Miscellaneous:

Other - Based on anticipated program income.

TREND MONITORING

As noted previously, many revenues are budgeted based on historical trends. Trend monitoring is an essential element in the budgeting process for the City of Salisbury. Revenue information by line item is available for the current fiscal year, along with actual revenues for the past two fiscal years. The information is then evaluated based on past trends in conjunction with current estimates.

At the end of each fiscal year, trend information is gathered using the Financial Trend Monitoring System, which allows the City to monitor its financial condition. The Financial Trend Monitoring System is based on financial, organizational, and environmental factors that influence financial condition. The factors are translated into indicators, which are then converted into graphs. Each graph has a warning sign that can necessitate appropriate action from the City. On the right is an example of a trend the City monitors. As shown in the graph, the City has experienced growth in property tax revenues in the past few years.

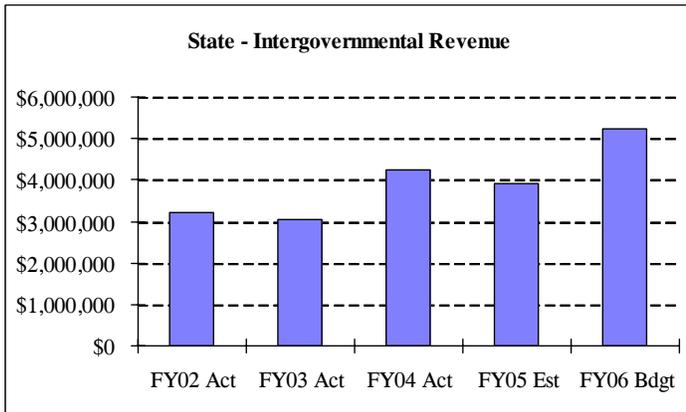


WARNING TREND:

Decline in property tax revenues (constant dollars)

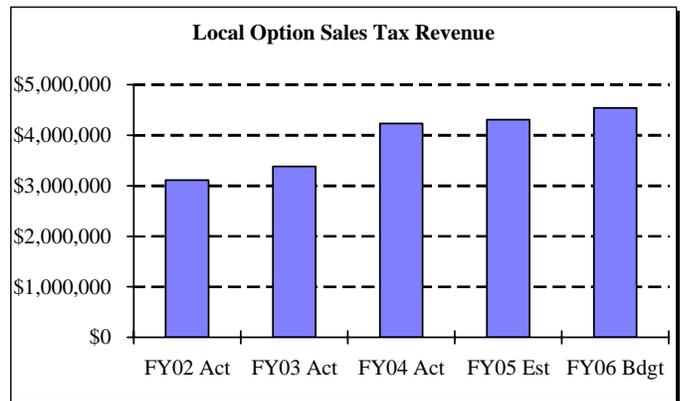
OTHER REVENUE TRENDS

The following graphs are two of the other major revenue sources for the General Fund.

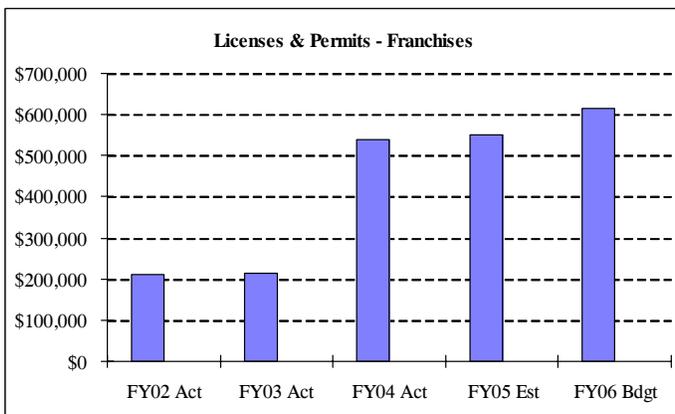


As stated in the assumptions, this revenue source is comprised of state-shared receipts and state grants. Due to the North Carolina State budget crisis, the Governor had withheld inventory reimbursements and utilities franchise tax from local governments in FY02. Subsequently in FY03, the General Assembly terminated all reimbursements to local governments in North Carolina. But since FY04, the State has reimbursed the City for the difference between the reimbursements and the estimated receipts from the new one-half cent sales tax. In FY06, the City anticipates receiving a grant for greenway construction

This revenue is based on the 1% and ½% local option sales tax. As discussed under General Fund Revenue Structure, this revenue source is elastic. Due to the slow retail climate and retail construction in the past year, the City is projecting slight growth from the sales tax. But since FY04, the City received the effect of a full year of the one-half cent sales tax, as approved by Rowan County in December 2003.

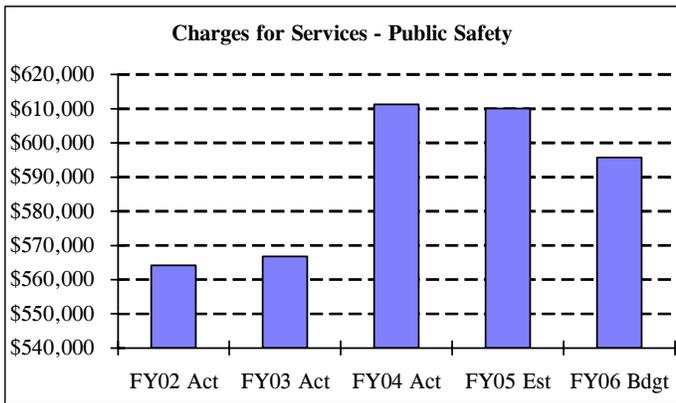
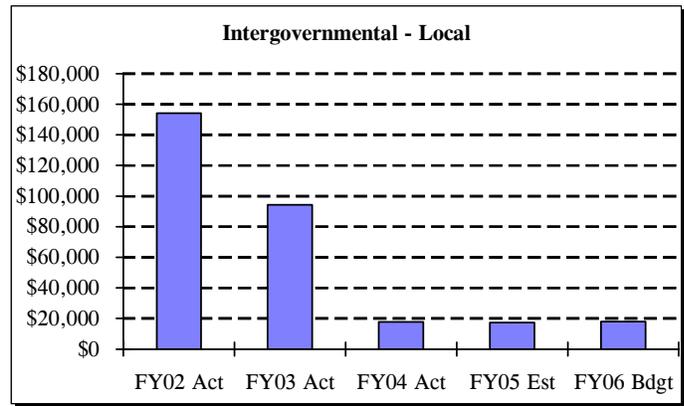


The following graphs depict major revenue sources that are based on historical trends. Each graph has a brief description of that particular revenue source along with an analysis of the trends.



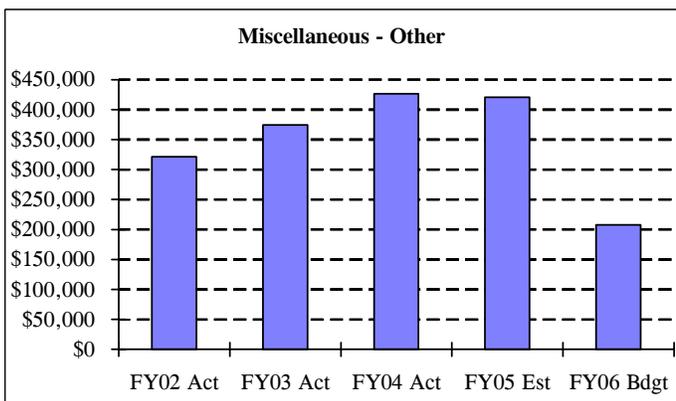
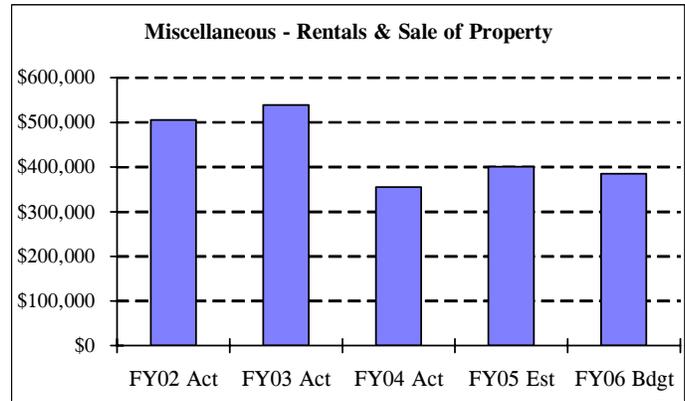
These revenues are based on gross revenues within the City limits of the cable television company. As revenue base for the cable company increases, so does the revenue received by the City.

These revenues are from the Salisbury Housing Authority. This revenue is payment in lieu of taxes as partial compensation for the property tax for which the agency is exempt. In the past, the Housing Authority also reimbursed the City for the personnel costs for police officers working within the Housing Authority. In FY02, the Housing Authority received a grant to enhance police patrol. But in FY03, funding was discontinued for the reimbursement of one officer and funding for the remaining officer was discontinued in FY04.



These revenues are derived from police and fire protection, and charges for radios and pagers to public agencies within the area. In FY96, the City implemented a fee for permits and inspections by the Fire Department. Beginning in FY97, the Rowan-Salisbury School System started paying for one-half the cost of a third School Resource Officer as they have for the previous officers hired.

For FY06, fifty percent of this revenue category is comprised of rentals. Rental revenue, both residential and commercial, from the Plaza continues to increase along with rental of the Salisbury West Community Center and revenue from a parking lot. Other revenue sources for this category include sale of assets, sale of materials, cemetery sales, and rental of Hurley Park.



This revenue is subject to significant fluctuation due to General Fund donations and miscellaneous revenue.



FINANCIAL MANAGEMENT AND BUDGET PROCESS

FINANCIAL MANAGEMENT PROGRAM

The City's financial management program continues to provide the citizens of the City with an approach which has served to enhance the City's excellent financial position by:

1. Investing all available funds not needed on a daily basis in order to maximize interest earnings
2. Allocating City resources only to program areas that meet community needs
3. Monitoring these program areas to ensure they are carried out within authorized levels

This financial management program allows the City to achieve its goal of expanded and improved services to the citizens of Salisbury. The City issued \$20.4 million Combined Enterprise System revenue bonds in April 2002 and Fitch Ratings assigned an A+ rating to this issue along with rating the system's \$1.8 million in outstanding parity revenue bonds A+. Additionally, the City's bond rating of "A1" by Moody's Investors Service and "A+" by Standard and Poor's were reaffirmed in July 2003. This is a reflection of the City's continued sound financial condition.

FINANCIAL MANAGEMENT SYSTEMS

FUND ACCOUNTING

The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The budgeted funds are as follows:

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. A separate equipment replacement subfund is maintained for accounting and budgeting purposes. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, transportation, environmental protection, culture and recreation, community and economic development, and general government services.

Special Revenue Fund - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The City budgets one special revenue fund – a Community Development Fund.

Proprietary Fund Types

Enterprise funds - Enterprise 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 enterprise funds include the Water and Sewer Fund and Mass Transit Fund. An equipment replacement subfund for Water and Sewer is maintained for accounting and budgeting purposes. For financial reporting purposes, this subfund has been consolidated into the Water and Sewer Fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are reported using the current financial resources measurement focus. The governmental funds measurement focus is based upon determination of financial position and changes in financial position (sources, usage, and balances of financial resources), rather than upon net income determination.

The Proprietary Funds are accounted for using the economic resources measurement focus. The generally accepted accounting principles used in these funds are similar to those applicable to private sector businesses where the focus is upon determination of net income, financial position, and cash flows.

The basis of accounting determines when the revenues and expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

In accordance with North Carolina General Statutes, all funds of the City are maintained during the year using the modified accrual basis of accounting. The governmental fund types are presented in the financial statements on the same basis. Under the modified accrual basis, revenues are recognized in the accounting period when they become susceptible to accrual (i.e., when they are “measurable” and “available”) to pay the liabilities of the current period. In addition, expenditures are recorded when the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues are recognized on the modified accrual basis of accounting when they are measurable and available. The City considers all revenues available if they are collected within 90 days after year end, except for property taxes. Ad valorem taxes receivable are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Rowan County is responsible for billing and collecting the property taxes on registered vehicles on behalf of all municipalities and special tax districts in the county, including the City of Salisbury. For motor vehicles registered under the staggered system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due.

Sales taxes collected and held by the State at year-end on behalf of the City are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as deferred revenues.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources; and (2) principal and interest on general long-term debt which is recognized when due.

The Water and Sewer Fund reimburses the General Fund for expenditures made on its behalf in the finance department and certain other central services. The General Fund pays the Water and Sewer Fund for its normal billable charges. Both of these types of transactions are considered to be quasi-external transactions and are recorded as revenues and expenses in the appropriate funds.

BASIS OF BUDGETING

The City’s budget is developed on the modified accrual basis as explained in the previous section. Budgets for the General Fund and special revenue funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgets for the enterprise funds are adopted on a basis consistent with GAAP except that bond proceeds and contributed capital are treated as other financing sources, bond principal payments and additions to fixed assets are treated as expenditures, depreciation expense is not budgeted, and no accruals are made for interest expense and vacation pay.

FINANCIAL MANAGEMENT POLICIES

INVESTMENT POLICY

The City’s investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. Salisbury City Council has approved this policy.

Policies

- Always consider the risk factor of an investment.
- Maintain liquidity in the investment portfolio at all times.
- Consider yield only after risk and liquidity are assured.

- Only purchase investments that can be perfected.
- No purchase of derivatives.
- Use only brokerages with offices in Salisbury.
- Maintain a mix of investments with no over-reliance on a single type of investment.
- Avoid long term investments.
- Always purchase investments with the intent to hold to maturity.
- Investments are made with cash not required to meet current disbursement needs after projecting cash requirements.
- Investments are competitively bid.
- All investments require the approval of two authorized employees to complete the transaction.

Investments Used By City

- US fully guaranteed investments.
- NC State Banks' and Savings and Loan Associations' CDs, NOWS, SuperNow, Shares, and Deposits in Savings.
- Obligations of the Federal Farm Credit Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association.
- Prime quality commercial paper and bankers acceptance.
- North Carolina Capital Management Trust.

Custodial Risk Assumed By City

- GAAP requires that governments classify their investment's custodial risks into categories with least risk being Category 1 and highest risk being Category 3.
- Category 1 includes investments that are insured or registered, or for which the securities are held by the City or its agent in the City's name.
- All City investments are purchased and held as Category 1 investments.

FISCAL POLICIES

Revenue Policy

1. The cumulative increase of revenue from the levy of property tax will not exceed five (5%) from the preceding year. The increase excludes: taxable value gained through annexation; the taxable value gained through new construction; tax increases mandated by the voters, courts, State, or federal governments.
2. The City will project revenues for five years and will update the projections annually prior to the beginning of the preparation of the annual budget.
3. The City will utilize user charges in lieu of ad valorem taxes for services that can be individually identified and where the costs are directly related to the level of service:
 - a) Recreational programs will be funded from user charges for all programs in which it is practical to charge. User charges should represent at least 15% of the total recreational budget.
 - b) Cemetery activities should be partially funded from user charges. User charges should represent at least 50% of the total Cemetery budget.
 - c) Waste Management Division's cost to use the County's landfill will be recovered completely from users.
 - d) User charges will pay for the cost of operating a recycling program.
 - e) The user charge fees for water and sewer will be sufficient to finance all operating, capital, and debt service costs for the Water and Sewer Fund.
4. All City charges and fees will be reviewed and updated annually.

Operating Budget Policy

1. Current operating revenues will be sufficient to support current operating expenditures.
2. Debt or bond financing will not be used to finance current expenditures.
3. Annually recurring revenues will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay).
4. The City will prepare a five-year operating budget which will include projections of annual growth plus allowances for operating costs of new facilities.
5. The City will develop a program to replace all information systems hardware at least once every three years.

6. The City will establish an Equipment Replacement Fund for the replacement of vehicles. The Fund will purchase each vehicle and lease it back to the appropriate department over its useful life. These lease payments will create a sinking fund to be utilized to purchase a new vehicle to replace the existing one.
7. The City will establish a Risk Management Program to provide for protection against loss and a reduction in exposure to liability. The City will establish a safety program to minimize the City's exposure to liability and thereby reduce the number of claims against the City.
8. The City will avoid budgetary practices that balance current expenditures at the expense of meeting future year's expenses.
9. The City will only use one-time revenues for the funding of capital improvements or other non-recurring expenditures.

Capital Improvement Policy

1. The City will prepare and adopt a five-year Capital Improvement Program which will detail each capital project, estimated cost, description, and funding source.
2. Operating expenditures will be programmed to include the cost of implementing the Capital Improvement Program and providing all manpower, operating costs, and capital outlay required.
3. The City will prepare and update annually a resurfacing and replacement policy for street and sidewalk improvements.

Accounting Policy

1. The City will establish and maintain the accounting systems according to the generally accepted principles and standards of the Government Accounting Standards Board (GASB) and the National Committee on Governmental Accounting.
2. An annual audit will be performed by an independent public accounting firm which will issue an official opinion on the annual financial statements, with a management letter detailing areas that need improvement if required.
3. Full disclosure will be provided in the financial statements and bond representation.
4. Financial systems will be maintained to monitor expenditures and revenue on a monthly basis with a thorough analysis and adjustment (if required).
5. All revenue collections will be consolidated under the City's Finance Department.
6. The City will continue to obtain the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award from the GFOA.

Debt Policy

1. Capital projects, financed through the issuance of bonds, shall be financed for a period not to exceed the expected useful life of the project.
2. The general obligation debt of the City will not exceed 8 percent of the assessed valuation of the taxable property of the City.
3. Interest, operating and/or maintenance expenses will be capitalized only for facilities or enterprise activities and will be strictly limited to those expenses incurred prior to actual operating of the facilities.

Reserve Policy

1. The City will maintain an unreserved fund balance of 10% of the General Fund Operating Budget. These funds will be used to avoid cash flow interruptions, generate interest income, reduce need for short-term borrowing and assist in maintaining an investment grade bond rating.
2. The City will maintain a two-to-one ratio of total current assets over total current liabilities in the Water and Sewer Utility Fund.

BUDGETS AND BUDGETARY ACCOUNTING

Budgetary control is an essential element of governmental accounting and reporting. The City Council is required by State law to adopt an annual balanced budget for all funds except for the fiduciary funds and to utilize "encumbrance accounting" as defined in the statutes. Budgetary control is maintained at the departmental level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of departmental balances are not released until additional appropriations are made available. Open encumbrances lapse at year end and are reinstated against the subsequent year's appropriation. They are shown as a reservation of fund balance in the Comprehensive Annual Financial Report.

Appropriations are made at the departmental level and amended as necessary. A portion of fund balance may be appropriated to balance a fund's budget. All annual appropriations lapse at year end.

The City follows these procedures in establishing the budgetary data:

1. Prior to June 1, the City Manager submits to the City Council a proposed operating and capital budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The City Manager is authorized to transfer budgeted amounts between departments; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, special revenue funds, and enterprise funds. Budgetary performance can be quantitatively measured and accounted for throughout the year.

GOAL SETTING AND BUDGETARY PROCESS

The City Council and Management Team meet at an annual Goal Setting Retreat held for the purpose of establishing goals and priorities for the City.

In preparation for this Retreat, the City's Management Team meets with the City's Boards and Commissions for goal setting sessions and with their own departments to clarify and establish goals. Goals from the Boards and Commissions are presented to City Council prior to their Retreat.

At the Retreat, City Council adopts goals in strategic areas, either multi-year or on an annual basis. Goals guide the development of the budget for the upcoming year with the resources of the entire City organization being focused on achieving the goals. These goals are outlined in the Budget Message.

During the Retreat, the report *Balancing Costs and Services: A Five Year Service Level and Revenue Projection with Analysis* is presented to the City Council. This report describes three service levels and the related costs for each budgetary unit within the General Fund. *Balancing Costs and Services* serves as a tool for City Council to determine the financial impact of selecting various levels of municipal services for the citizens of Salisbury. This report is considered an integral part of the budgetary process and is included in its entirety in Section XII of this budget document.

The City Manager and staff assign Retreat Goals to the staff for inclusion in the upcoming budget after the Retreat. Each department manager begins considering the personnel needed, operational costs and capital outlay associated with performing the goals as set forth by City Council.

The Finance Director and staff prepare and have available on the City's server the following budgetary request forms in accordance with the Budget Calendar:

- Personnel request forms along with current staffing patterns and request information
- Operations and Maintenance request sheets along with last year's actual expense, this year's budgeted appropriation, and actual expense through seven months
- Five-Year Capital Improvement Program request forms

Upon return of the completed forms, the City Manager and Budget Team meet with each member of the City's Management Team to review his respective budget requests and justifications. The City Manager and Budget Team then evaluate each department's request for personnel, operational items, and capital outlay. The evaluation process is detailed and time-consuming. For each department, every line item justification is reviewed in light of the departmental goals and needs. Any additional personnel must be justified by the department and then assessed by Human Resources and Finance for need and appropriate staffing. Operational items are usually held to an increase no greater than that of the inflation rate.

A large impact on budgetary dollars is the amount spent on capital outlay. All departments submit a five-year capital improvement program with each item justified and ranked as to priority. Every capital outlay item is reviewed regarding need and whether the capital acquisition assists in accomplishing the stated goals. The budget document is then assembled using a file downloaded from the financial system and combined with personal computer spreadsheets and word processing files.

The Budget Message is prepared by first outlining the issues facing the City and the results of the Goal Setting Retreat. The City Manager highlights the major budgetary discussions with supporting analyses for his recommendations. Any change in a service level is analyzed and its subsequent effects discussed.

The availability of the budget document, before and after adoption, is made known through published newspaper notices and announcements at regularly scheduled Council meetings. Additionally, the recommended and adopted budget document is accessible for downloading through the City’s web site at www.salisburync.gov.

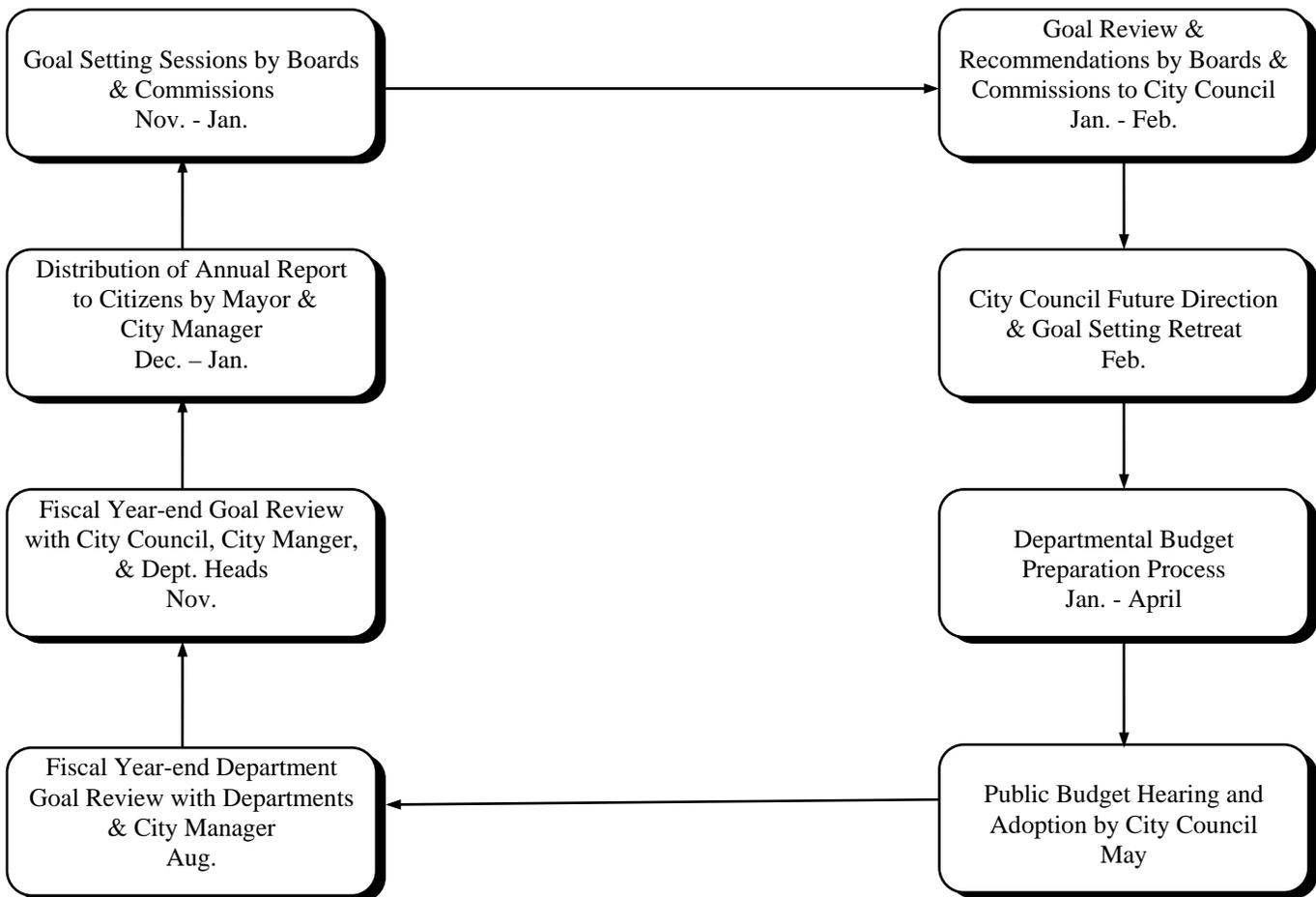
The City Manager submits the budget to City Council and after proper public notice, the City Council conducts public hearings and a budget work session. The City Council then adopts the budget through the passage of an ordinance before June 30.

Even after the budget is adopted, the goal setting process continues. After the fiscal year is ended, each department meets with the City Manager to review its previously established goals. Afterward, the City Manager and Management Team meets with City Council in a goals review session. The status of each goal is identified, i.e. on-target, behind schedule, delayed, needs clarification, rescheduled, or completed.

Based on available funding, in December/January of each year, the City publishes an annual report and mails a copy to each address within Salisbury. This report highlights information about the various services, departments, and projects of the City.

At this point, the cycle begins again for the goal setting and budgetary process. The various Boards and Commissions meet for their goal setting sessions while the City is gathering input from its citizens via surveys and group meetings. The cycle is shown below.

GOAL SETTING/BUDGET CYCLE





CITY OF SALISBURY FY2005-06 BUDGET CALENDAR

12/7/04	Distribute 5-Year Service Level Report to be completed by Department Managers.	City Manager and Finance Director
1/3/05	Complete 5-Year Service Level Report and return to City Manager.	Management Team and Division Managers
1/3/05 - 1/31/05	Prepare Personnel Request forms; present staffing patterns and Personnel request information. Prepare Operations and Maintenance request sheets. Finance Dept. distributes end of year Budget estimates. The Management Team and/or the appropriate Division Manager will determine departmental line item budget requests.	Finance Director
Distribute to Mgmt Team on or before 2/5/05	Prepare FY2005-06 -- 2009-10 Capital Improvement Program request forms.	
TBD	Vehicle Review Committee meeting for evaluation of vehicles	Vehicle Review Committee
1/4/05 1/18/05 2/1/05	Chairmen of Boards and Commissions to present goals to City Council.	Chairmen of City Boards and Commissions and appropriate City Staff
1/19/05 1/26/05	Hold CDBG Public Hearing on citizen's needs and concerns.	Land Management Staff and CDBG Consultant
2/3/05 – 2/4/05	Hold Goal Setting Retreat to establish goals.	Mayor, City Council, City Manager and Staff
2/21/05 - 3/24/05	Prepare FY2004-2005 year-end revenue estimates and FY2005-06 revenue estimates on all funds.	Finance Director, Utilities Director and Transit Manager
2/11/05	Assign Retreat Goals to Staff for inclusion in Budget.	City Manager and Staff
3/1/05	Hold CDBG Public Hearing to receive citizens' comments and receive proposals.	City Council
3/7/05	Complete all budget request forms no later than March 7, 2005.	Management Team and Division Managers
3/7/05	Evaluate all Personnel Requests for any changes from current staffing patterns.	Human Resources, Department Heads and Finance
3/15/05 4/5/05 4/19/05	Presentation of oral and written Budget requests to Mayor and Council.	Special Community Efforts Groups
As Returned	Review of Specific Budget Proposals.	Budget Team, Department Head and Division Manager



CITY OF SALISBURY FY2005-06 BUDGET CALENDAR

3/15/05	Present draft of 2005-06 CDBG Budget and Home Budget to City Council for review and consideration.	CDBG Consultant
4/5/05	City Council to approve 2005-06 Action Plan for CDBG and HOME application after second reading.	City Council
4/11/05 - 4/15/05	Review recommended Budget with Departments.	Finance Director, City Manager and Staff
4/29/05	Distribution of City Manager's recommended Budget.	City Manager and City Management Team
5/3/05	City Manager to preview recommended Budget for City Council.	City Manager
5/4/05	Place ad in THE SALISBURY POST to advertise one time for public hearing on May 17, 2005.	City Clerk
5/17/05	Hold a public hearing on the adoption of the Budget at 4:00 pm in Council Chambers at City Hall.	City Council
Based on Scheduling	Place ad in THE SALISBURY POST to give Notice of Budget Work Session.	City Clerk
Based on Scheduling	City Council Budget shirt sleeve work session on proposed Budget.	City Manager, City Management Team, and City Council
6/7/05	City Council to adopt Budget.	City Council
7/11/05	Report tax rate to Rowan County Tax Supervisor.	City Clerk
Summer 2005	Brief Boards and Commissions Chairmen on Adopted Budget.	Chairmen of City Boards and Commissions and appropriate City Staff

FACTS AND INFORMATION ABOUT THE CITY OF SALISBURY, NORTH CAROLINA

LOCATION

Salisbury, the county seat of Rowan County, is located in the heart of the beautiful Piedmont area, the industrial heart of the State. Salisbury is located midway between Charlotte and Winston-Salem, 280 miles from Atlanta, Georgia and 360 miles from Washington, D.C.

CLIMATE

The climate of the Salisbury area is moderate, a definite advantage to those who live and work here. The massive mountains of Western North Carolina form a natural barrier against the cold east-west winds. While definitely southern in climate, Salisbury is far enough north, and has sufficient altitude to escape the humid summers of many other southern regions. Extremes in climate are very rare and short-lived. In winter the high temperature is about 50 degrees, with a low around 32 degrees. The total snowfall is normally about 6 inches each year. In the summer, the high averages about 87 degrees, with a low of 66 degrees.

POPULATION

The City of Salisbury has been slowly increasing its population over the past few years. This is due to both annexations and internal growth stimulated by the local economy. Population currently is estimated to be 28,249 based upon the NC Office of State Planning.

HISTORY

Scotch-Irish, who originally settled in Lancaster County, Pennsylvania, moved down the "Great Wagon Road" 435 miles to Trading Ford on the Yadkin River to become the first settlers in Rowan County.

The County of Rowan was established in 1753. At this time, Rowan included all territory north to Virginia and east to what we know now as Guilford County and west to the mountains. Eventually, 26 counties were formed from Rowan. Rowan County was named for Matthew Rowan, acting governor for the colony in 1753.

The deed for Salisbury is dated February 11, 1755. The court center, called prior to this time Rowan Court House, was a bustling little village of seven or

eight log cabins, a courthouse, jail and pillory, according to Governor Arthur Dobbs who visited here in late 1755.

The Court House dates to 1753 and consists of deeds, marriages, and miscellaneous records of value. Papers formerly in the Clerk's Office such as the early court minutes are stored at the State Department of Archives in Raleigh. Familiar names in American history adorn these records.

Andrew Jackson, Archibald Henderson, William R. Davis, Daniel Boone, Lord Cornwallis, Richard Caswell and many other prominent local families as the Barkleys, Hoovers, and Polks, all ancestors of presidents or vice-presidents, appear time and again in the deeds and court minutes of the county.

Henderson Law Office



Two years before the national Declaration of Independence and one year before the Mecklenburg Declaration of Independence, a group of patriotic citizens of Rowan County, serving as a Committee of Safety, on August 8, 1774, adopted the Rowan Resolves containing the pioneer element toward liberty and independence from Britain. These resolves reached the highest note of any passed in the colony in calling for the abolishment of the African Slave trade and urging the colonies to "unite in an indissoluble union and association". These resolves are located in the State Archives and are the only ones of the many passed in this period that are preserved.

So many legends and lifestyles have been passed down over the passage of time. Daniel Boone began his exploration of the Blue Ridge Mountains from here in Salisbury. Near the present-day library is the

small office where Andrew Jackson studied law and was admitted to the bar before he moved westward.

For all the struggles and hardships our ancestors endured, they have provided Salisbury with character and a rich heritage.

GOVERNMENT

The City of Salisbury's government is organized according to the Council-Manager form of government. The City Council, which formulates policy for the Administration of the City, together with the Mayor, constitutes the governing body of the City. The five members are elected to serve two year terms of office. The Mayor is elected from the five Council members. The Mayor presides at City Council meetings. Also, a Mayor Pro Tem is elected by City Council members from the five to serve as Mayor during her absence or disability.

The City Council appoints the City Manager to serve as the City's Chief Executive Officer. The City Manager is responsible for implementing the policies of the City Council, directing business and administrative procedures, and appointing departmental officers. At the present time, the City Manager is assisted by the City Clerk and eight staff departments: Finance, Human Resources, Fire, Police, Land Management and Development, Public Services, Parks and Recreation, and Utilities. The City provides a full range of municipal services allowable under State law including law enforcement, fire protection, zoning and code enforcement, recreation centers and parks, cemeteries, street maintenance, sanitation, and water and sewer systems.

The City of Salisbury is a separate legal entity from Rowan County as permitted by the State of North Carolina. The City is independent of county government, but does provide some overlapping services such as police protection and recreational facilities. The county, not the city, is held responsible by State Statutes to provide health and social services and court services.

UTILITIES

Salisbury operates its own water and sewer system named Salisbury-Rowan Utilities (SRU). The Yadkin River, which forms the northeast boundary of Rowan County, provides Salisbury with an abundant supply of good water. The average daily flow is nearly 2 billion gallons per day, and the minimum, recorded one-day flow is 150 million gallons. SRU water system, conventional in design and closely controlled, has a current treatment

capacity of 12 million gallons per day (MGD). Average daily usage during 2003 was 6.04 MGD. The City completely renovated the filtration system in 1999 to increase the capacity of the filtration system to 18 MGD and is currently finishing a high-rate sedimentation pre-treatment process that will have an ultimate capacity of 24 MGD. An arterial system of distribution mains has been constructed to provide maximum fire protection to all parts of the city.

Additionally, SRU water system supplies the following towns in Rowan County: Spencer, East Spencer, Granite Quarry, China Grove, Landis and portions of Kannapolis. Salisbury's water is fluoridated on a continuing basis and meets all Federal and State quality requirements.

Salisbury's four wastewater treatment facilities serve as the area's regional wastewater utility with service expansion to the towns of Landis, China Grove, Spencer, East Spencer, Granite Quarry and Rockwell, as well as providing service along a section of US Highway 70. The Town of Faith is in the final stages of completing a sanitary sewer project, with Salisbury-Rowan Utilities scheduled to eventually treat its wastewater discharge. Total current treatment capacity is 12.5 MGD. Average daily wastewater flow during calendar year 2003 was 4.81 MGD.

Duke Energy, Piedmont Natural Gas, Bellsouth, CTC, and Time Warner Cable, are providers of other utilities.

TRANSPORTATION

Salisbury, near the geographic and population center of North Carolina, is located on Interstate 85, 42 miles from Charlotte, 52 miles from Greensboro and 39 miles from Winston-Salem. It is the crossroads of I-85, U.S. 29, 52, 70, 601 and N.C. 150. Over 3.5 million people live within 90 miles of Salisbury, 1.75 million within 55 miles and 60% of the population of the United States within an overnight truck haul. The seaports of Wilmington, Morehead City, Charleston, and Norfolk are less than a one-day truck haul away.

Rowan County Airport, three (3) miles from downtown Salisbury, has a 5,500 ft. x 100 ft. paved and lighted runway. Hangar space and private plane servicing are available.

Two major commercial airports are within a one-hour drive of Salisbury, Charlotte-Douglas International in Charlotte and Piedmont Triad International (PTI) in Greensboro. With the planned

construction of the new FedEx package-sorting facility at PTI, Salisbury is well positioned for providing local businesses a critical link in their logistics chain. Additionally, these airports provide regular air passenger service to all parts of the United States via AirTran, American, Continental, Delta, United and US-Airways. There are also non-stop, international flight options available from these airports to Frankfurt, London and San Juan, among other global destinations.

Greyhound provides bus service to Salisbury with daily arrivals and departures. Local bus service is provided by the City's Transit System.

The Depot



Amtrak provides rail transportation with service on the Piedmont and Carolinian from New York City to Charlotte, North Carolina. Arrivals and departures are from The Depot, a renovated station of the Salisbury Railroad Station Depot, originally built in 1907.

HOTELS

An ideal area for meetings and conventions, Salisbury has fourteen hotels, with almost 1,100 rooms, and two bed and breakfast establishments in our historic district.

EDUCATION

Salisbury is home to two colleges and one technical school. Catawba College was founded in Newton, North Carolina in 1851, and opened in Salisbury in 1925. Catawba College has thirty (30) buildings comprising a physical plant unsurpassed in the East for a college of this size and style. It has a total enrollment of approximately 1,500 Liberal Arts students and is affiliated with the United Church of Christ.

Livingstone College was founded in 1879, and has approximately 1,000 Liberal Arts students. It is supported by the African Methodist Episcopal Zion

Church; Hood Theological Seminary is located at Livingstone.

Rowan-Cabarrus Community College offers two-year educational programs leading to the associated degree in applied science. In addition, one-year diploma programs are offered in five fields. There is a total enrollment of approximately 4,700 full-time students.

There is also one Beauty College in Salisbury. In addition to the public school facilities, there are several private schools.

ARTS AND ENTERTAINMENT

The outstanding programs of Catawba and Livingstone Colleges and the other colleges in the area significantly enrich the cultural atmosphere of the Salisbury area. Each year the Catawba College Shuford School of Performing Art brings a minimum of four musical events to Salisbury. Catawba's fine Drama department offers several professional type drama productions each year. Livingstone College also has a cultural series that brings artists to the community as well as an excellent drama group, The Julia B. Duncan Players.

The Piedmont Players, a community theater organization, provides excellent entertainment as well as a chance to participate in both its acting and technical activities. They have completely restored the historic Meroney Theater, built in 1905, for their home. They present five shows each season. In addition to these five shows, all fourth and fifth graders in the Rowan-Salisbury School System attend the theater for an annual production that the Piedmont Players have cast entirely with children.

The Salisbury-Rowan Symphony, consisting of musicians from the area, presents four concerts each season. In addition to participation in the regular concert series, the string quartet of the Salisbury Symphony visits the elementary schools to present programs. The object of this mini-concert series is to give the students some knowledge of music and historical composers.

Rowan-Cabarrus Community College participates in the North Carolina Visiting Artist Program. Each year a professional artist is employed and in residence at the college. Concerts and musical programs are provided regularly by many artists throughout the state as well as the Visiting Artist. In addition, Rowan-Cabarrus Community College sponsors a Folk Heritage Center. This center serves as a network for professional and local folk artists

and presents classes, concerts, and other folk artist activities for the general public.

COMMUNITY FACILITIES

The Salisbury Post serves Salisbury daily. Four radio stations provide for local programming. WBTV has a satellite newsroom located in Salisbury. Local reception provides coverage of all major networks in addition to cable television facilities.

PARKS AND RECREATION

A full-time year-round recreation staff offers activities for both young and old. In addition to organized activities, the City provides fifteen parks and four recreation facilities for general use by the public. City Park has a large playground, six tennis courts, a two-acre lake for fishing, two picnic shelters and a Recreation Center that offers programs/classes throughout the year. Salisbury has a Civic Center with four indoor racquetball courts, large multi-purpose room, four clay tennis courts, picnic shelter and a paved walking trail.

City Park



Kelsey-Scott Park, located on Old Wilkesboro Road is a twenty-two-acre park, which includes a nine-hole disc golf course, a baseball/softball field, outdoor basketball courts, and two picnic shelters and a play structure. The Jaycee Sports Complex is a multi-use area with three ball fields. The Miller Recreation Center located on West Bank Street has a playstructure and offers programs throughout the year.

The Salisbury Community Park and Athletic Complex on Hurley School Road opened in April 2001 and the current amenities include four soccer fields, five baseball/softball fields, three picnic shelters, two playstructures, two picnic decks and a nine-acre lake suitable for fishing and equipped with a handicap accessible pier.



Ball field at the Community Park

SPECIAL EVENTS

Each year, the Salisbury-Rowan Chamber of Commerce presents the National Sportscasters and Sportswriters Awards Program with outstanding guests from across America in attendance.

Parks & Recreation Summer Camp



MISCELLANEOUS STATISTICS

Public Safety:		Area - Square Miles	19.9
Number of Fire Stations	3	Miles of Streets	214
Number of Police Stations	1	Regional Utilities Department:	
Recreation Facilities:		Number of Customers	15,700
Number of Parks	14	Miles of Water Line	465
Number of Recreation Centers	4	Miles of Sewer Line	480
Number of Tennis Facilities	2	Number of Cemeteries	7
Number of Acres	505	Business Licenses Issued Last Year	1,693
Greenway Miles	1.5		

**TAX BASE FOR THE CITY OF SALISBURY
ASSESSED VALUE OF TAXABLE PROPERTY FOR THE LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Real Property	Personal Property	Public Service Property	Total
2006	¹ \$1,800,964,572	\$455,564,032	\$62,075,904	\$2,318,604,508
2005	¹ 1,736,220,169	420,799,528	61,461,291	2,218,480,988
2004	1,686,507,911	419,625,418	65,288,150	2,171,421,479
2003	1,399,477,044	398,430,259	64,817,634	1,862,724,937
2002	1,381,515,869	405,754,659	67,540,438	1,854,810,966
2001	1,337,944,798	417,818,187	64,805,231	1,820,568,216
2000	1,287,042,497	409,874,134	67,811,314	1,764,727,945
1999	1,042,366,457	382,196,263	57,889,345	1,482,452,065
1998	967,242,955	357,072,088	57,825,316	1,382,140,359
1997	933,861,596	328,554,542	56,458,430	1,318,874,568

¹Estimated

Note: The levy of property taxes each year is based on the assessed value of taxable property as of January 1 preceding the beginning of the fiscal year on July 1. All taxable property is assessed at one hundred percent (100%) of its estimated value at time of revaluation. Revaluation of real property, required at least every eight years, was completed for the levy of taxes in the year ended June 30, 2004 and will be revalued again for the FY2008 assessment. The assessment of taxable property being assessed after revaluation is accomplished in accordance with North Carolina G.S. 105.287.

SCHEDULE OF PRINCIPAL TAXPAYERS FOR THE CITY OF SALISBURY
For the Year Ended June 30, 2004

<u>Business</u>	<u>Type of Enterprise</u>	<u>2003 Assessed Valuation</u>	<u>Percentage Value of Total</u>
Food Lion, Inc.	Commercial	\$ 96,857,552	5.22%
Belle Realty Co.	Real Estate	27,876,801	1.50%
Heritage Realty Limited Partnership	Real Estate	27,314,405	1.47%
ICI Americas	Industrial	26,871,138	1.45%
Norandal USA	Industrial	26,068,831	1.41%
Duke Energy Corp.	Utility	24,028,775	1.30%
Bellsouth Telephone	Communication	19,018,181	1.03%
Salisbury Mall Ltd.	Commercial	15,043,674	0.81%
Rowan Regional Medical Center	Hospital	12,877,293	0.69%
FHD 4, LLC	Real Estate	<u>11,547,489</u>	<u>0.62%</u>
Totals		<u>\$ 287,504,139</u>	<u>15.50%</u>

Source: Comprehensive Annual Financial Report, Fiscal Year ending June 30, 2004

DEMOGRAPHIC STATISTICS CITY OF SALISBURY
For the Year Ended June 30, 2004

<u>Fiscal Year</u>	<u>Population Estimate</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
2004	28,199	\$19,626	37.5	10.2%
2003	28,199	19,433	37.3	5.7%
2002	26,559	19,241	37.3	5.7%
2001	26,462	18,864	37.1	6.5%
2000	27,500	23,634	38.8	3.8%
1999	26,792	22,509	38.7	3.4%
1998	26,884	21,631	38.5	3.0%
1997	26,177	20,787	38.3	2.9%
1996	24,543	19,976	38.1	3.6%
1995	25,444	19,165	37.9	3.8%

Source: Comprehensive Annual Financial Report, Fiscal Year ending June 30, 2004

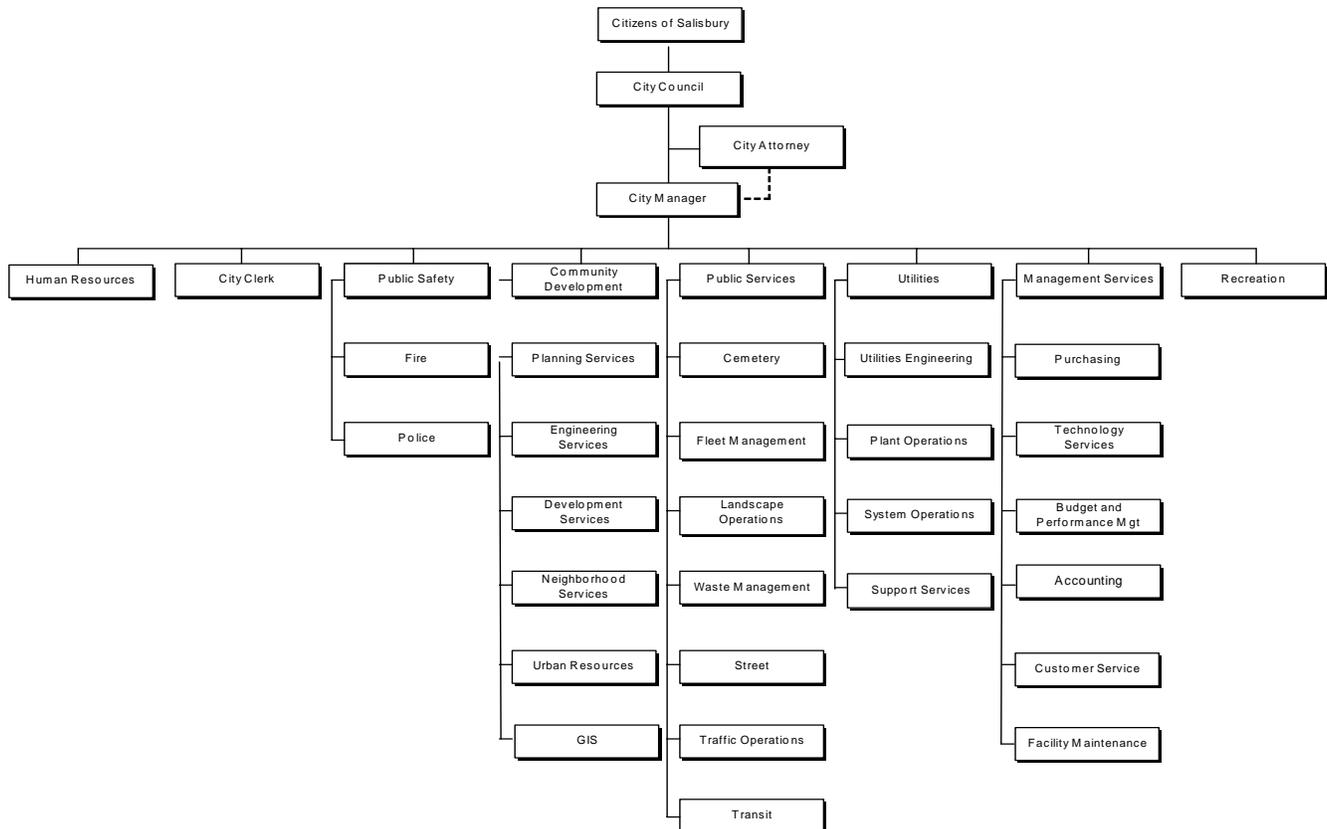
CITY OF SALISBURY
LIST OF PRINCIPAL OFFICIALS

May 1, 2005

Mayor
 Mayor Pro Tem
 Council Member
 Council Member
 Council Member
 City Manager
 Assistant City Manager for Utilities
 Fire Chief
 Land Management & Development Director
 Information Technologies Manager
 Police Chief
 Purchasing Manager
 City Clerk
 Public Services Director
 Finance Director
 Human Resources Director
 Deputy Utilities Director
 Parks and Recreation Director

Susan W. Kluttz
 Paul B. Woodson, Jr.
 William R. Burgin
 William R. Kennedy
 Mark N. Lewis
 David W. Treme
 H. Matthias Bernhardt
 Robert A. Parnell
 Dan Mikkelson
 C. Michael Crowell
 L. Mark Wilhelm
 Dewey D. Peck
 Myra B. Heard
 Vernon E. Sherrill
 John A. Sofley, Jr.
 Melissa H. Taylor
 John C. Vest
 Gail Elder-White

ORGANIZATIONAL CHART



CITY OF SALISBURY
SUMMARY OF POSITIONS BASED ON HEADCOUNT FOR FY 2004 - 2006

	APPROVED FY 2003-04	APPROVED FY 2004-05	REQUESTED FY 2005-06	RECOMMENDED FY 2005-06	APPROVED FY 2005-06
GENERAL FUND					
City Council	5.0	5.0	5.0	5.0	5.0
Management & Administration	7.0	7.0	7.0	7.0	7.0
Human Resources	6.0	6.0	8.0	6.0	6.0
Management Services	16.0	17.5	20.5	20.5	18.5
Information Technologies	8.0	8.0	9.0	8.0	8.0
Purchasing	2.0	2.0	2.0	2.0	2.0
Facilities Management	-	5.0	7.0	6.0	6.0
Planning & Community Development	7.0	5.0	6.0	5.0	5.0
GIS	-	1.0	2.0	1.0	1.0
Development Services	5.0	5.0	6.0	5.0	5.0
Engineering	4.0	6.0	7.0	7.0	7.0
Police	107.0	106.0	108.0	108.0	108.0
Fire	68.0	68.0	81.0	78.0	78.0
Public Svcs-Administration	4.0	4.0	4.0	4.0	4.0
Public Svcs-Traffic Operations	8.0	8.0	8.0	8.0	8.0
Public Svcs-Streets	31.0	23.0	24.0	24.0	24.0
Public Svcs-Cemetery	6.0	6.0	6.0	6.0	6.0
Public Svcs- Solid Waste Management	10.0	10.0	11.0	11.0	11.0
Public Svcs-Waste Management-Other	-	8.0	8.0	8.0	8.0
Public Svcs-Landscape Operations	12.0	12.0	13.0	12.0	12.0
Public Svcs-Landscape-Hurley Park	3.0	3.0	3.0	2.0	2.0
Public Svcs-Fleet Management	11.5	11.5	11.5	11.0	11.0
Parks and Recreation	56.0	56.0	58.0	56.0	56.0
TOTAL	381.5	383.0	415.0	400.5	398.5
WATER AND SEWER FUND					
Utility Management	14.0	13.5	13.5	13.5	13.5
Water Treatment	7.0	8.0	7.0	7.0	7.0
Systems Maintenance	31.0	29.0	32.0	32.0	28.0
Enviromental Services	9.0	9.0	9.0	9.0	9.0
Wastewater Treatment Plants	17.0	17.0	16.0	16.0	16.0
Meter Services	11.0	11.0	11.0	11.0	11.0
Plants Maintenance	10.0	10.0	12.0	12.0	10.0
TOTAL	99.0	97.5	100.5	100.5	94.5
TRANSIT FUND					
Transit-Operations	11.5	11.5	11.5	12.0	12.0
Transit-Administration	2.0	2.0	2.0	2.0	2.0
TOTAL	13.5	13.5	13.5	14.0	14.0
TOTAL ALL FUNDS	494.0	494.0	529.0	515.0	507.0
<i>Permanent Full-time</i>	<i>440.0</i>	<i>443.0</i>	<i>475.0</i>	<i>463.0</i>	<i>455.0</i>
<i>Permanent Part-time</i>	<i>8.0</i>	<i>7.0</i>	<i>5.0</i>	<i>5.0</i>	<i>5.0</i>
<i>Temporary Full-time</i>	<i>26.0</i>	<i>24.0</i>	<i>26.0</i>	<i>24.0</i>	<i>24.0</i>
<i>Temporary Part-time</i>	<i>20.0</i>	<i>20.0</i>	<i>23.0</i>	<i>23.0</i>	<i>23.0</i>
TOTAL ALL FUNDS	494.0	494.0	529.0	515.0	507.0

For the FY2005-06 Recommended Budget, the total number of positions for the City has increased by 21 over the previous fiscal year. The following table shows the changes.

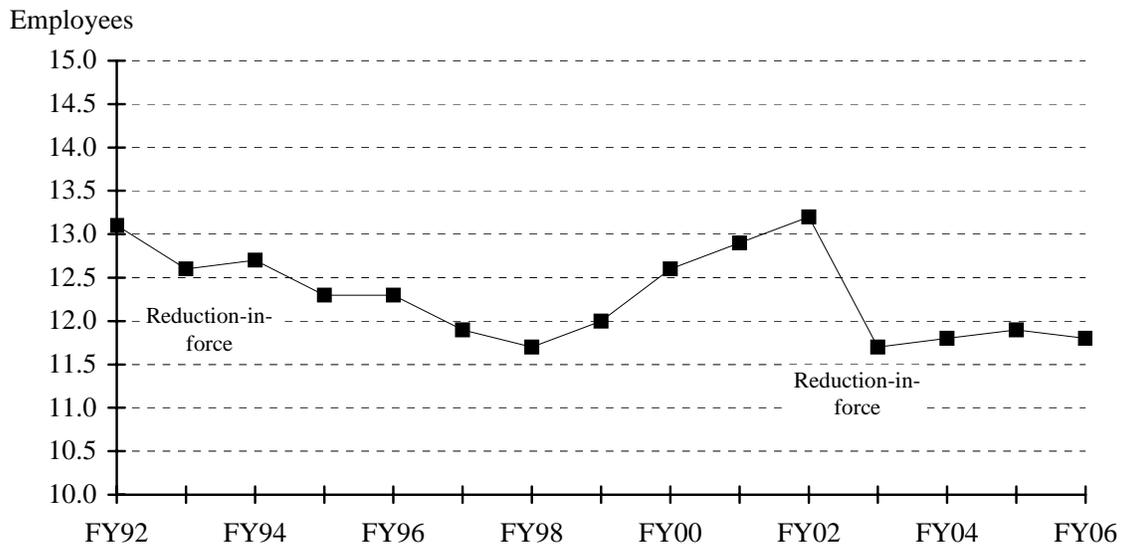
GENERAL FUND:	
Add two Customer Service Clerks	Management Services; for Utilities consolidation with China Grove & Landis
Transfer Management Analyst	Management Services; transferred from Police Department
Add B&G Maintenance Worker	Facilities Management; funded through elimination of a contract
Transfer Civil Engineer I/II/III	Engineering; transferred from Water & Sewer Fund for one-stop shop
Add two Police Officers	Police; added for 6/30/05 annexation
Add Finance Specialist	Police; to provide financial/clerical support to Police Administration
Add six Fire personnel at 4/1/06	Fire; to staff new Station 50
Add four part-time firefighters	Fire; to staff new Station 50
Add Equipment Operator	PS-Streets; added for 6/30/05 annexation
Add Solid Waste Equipment Operator	PS-Solid Waste Management; added for 6/30/05 annexation
Eliminate one permanent part-time Grounds Maint Worker	PS-Landscape Hurley Park; combine two part-time positions into one full-time position-Park Curator
Transfer balance (1/2) of Fleet Service Shift Supervisor funding	PS-Fleet Management; transfer all funding to Transit Operations; to leverage additional State Maintenance Assistance funding
WATER & SEWER FUND:	
Transfer Office Assistant	To Utility Management from Water Treatment
Transfer Utility Plants Manager	To Utility Management from Plants Maintenance
Transfer Civil Engineer I/II/III	From Utility Management; transferred to General Fund-Engineering for one-stop shop
Eliminate Engineering Intern	Utility Management
Add Assistant Systems Manager	Systems Maintenance
Add 3 positions-one supervisor and two technicians	Systems Maintenance; for Utilities consolidation with China Grove & Landis
Eliminate one part-time WWTP Operator	Wastewater Treatment Plant
Add two Plant Maint Technicians	Plants Maintenance; for Utilities consolidation with China Grove & Landis
TRANSIT FUND:	
Fund balance of Fleet Service Shift Supervisor funding	From General Fund-PS Fleet Management; to leverage additional State Maintenance Assistance funding

The General Fund has three positions frozen: one Police Telecommunications Supervisor and two Police Officers. The Water and Sewer Fund also has three frozen positions: one Utilities Maintenance Supervisor and two Utilities Maintenance Technicians. These positions are in the employee count, but are not funded.

Below are the positions not funded in the FY2005-06 Budget.

GENERAL FUND:	
<i>Two Customer Service Clerks</i>	<i>Management Services; for Utilities consolidation with China Grove & Landis</i>
WATER & SEWER FUND:	
<i>Assistant Systems Manager</i>	<i>Systems Maintenance</i>
<i>Three positions-one supervisor and two technicians</i>	<i>Systems Maintenance; for Utilities consolidation with China Grove & Landis</i>
<i>Two Plant Maint Technicians</i>	<i>Plants Maintenance; for Utilities consolidation with China Grove & Landis</i>

General and HUD Funds Full-Time Employees per 1000 Population



As mentioned in Section 1 under Trend Monitoring, the City monitors various trends. The above graph represents the number of full-time General and HUD Funds employees per 1,000 population. In FY1992-93 (FY93), City Council opted for a 20 position reduction-in-force as an element to balance the budget. Again, in FY2003 (FY03), City Council used a 33 position reduction-in-force/hiring freeze to counteract the effects of the Governor's actions and the stagnant economy.

RELATIONSHIP BETWEEN FUNCTIONAL AREAS AND FUNDS

	General/Special Revenue Funds			Enterprise Funds		
	General Fund	General Fund Capital Reserve	Entitlement (HUD)	Water & Sewer	Water & Sewer Capital Reserve	Transit
General Government	X	X				
Public Safety	X	X				
Transportation	X	X				X
Environmental Protection	X	X				
Culture & Recreation	X	X				
Community & Economic Development	X		X			
Education	X					
Utility				X	X	

PROGRAM MATRIX OF FY2005-06 BUDGET

Below is a matrix showing the relationship between the funds/departments and the program classifications. Although some departments may perform activities outside the program classifications as shown, the classifications show the predominant areas in which a department is involved.

	PROGRAMS							
	General Government	Public Safety	Transportation	Environmental Protection	Culture & Recreation	Community & Economic Development	Education	Utility
GENERAL FUND:								
City Council	X	X	X	X	X	X	X	X
Management & Administration	X	X	X	X	X	X	X	X
Human Resources	X	X	X	X	X	X		X
Management Services	X	X	X	X	X	X		X
Information Technologies	X	X	X		X	X		X
Purchasing	X							
Facilities Management	X	X	X	X	X	X		X
City Office Buildings	X							
Plaza						X		
Telecommunications	X	X	X	X	X	X		X
Planning/Community Development						X		
GIS		X	X			X		X
Development Services						X		
Engineering			X		X			
Street Lighting			X					
Police		X					X	
Fire		X					X	
Public Services Administration	X		X	X	X			
Traffic Operations			X					
Street			X					
Cemetery				X				
Solid Waste Management				X				
Waste Management-Other				X				
Landscape Operations					X			
Hurley Park					X			
Fleet Management	X							
Transportation			X					
Parks & Recreation					X			
Education							X	
ENTERPRISE FUNDS:								
Water & Sewer								X
Mass Transit			X					
SPECIAL REVENUE:								
Entitlement (HUD)						X		

SELECTED TELEPHONE NUMBERS

City Department Information	(704) 638-5270	<i>Recreation Programs/Info :</i>	
City Manager/Administration	(704) 638-5227	City Park Center	(704) 638-5295
City Clerk	(704) 638-5224	Civic Center	(704) 638-5275
Emergency	911	Hall Gym	(704) 638-5289
Management Services Department	(704) 638-5303	Lincoln Pool	(704) 638-5287
Fire Department-Business	(704) 638-5351	Miller Center	(704) 638-5297
Human Resources	(704) 638-5217	<i>Other :</i>	
Human Resources-Job Hot Line	(704) 638-5355	Animal Control	(704) 638-5333
Land Management/Development	(704) 638-5242	Business Licenses	(704) 638-5300
Police Department-Business	(704) 638-5333	City Bus Schedules	(704) 638-5252
Public Services Administration	(704) 638-5260	Garbage/Recycling	(704) 638-5256
Recreation-Administration	(704) 638-5291	Permits/Zoning	(704) 638-5210
Utilities Administration/Engineering	(704) 638-5205	Utility Account Services & Billing	(704) 638-5300



CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2006
With Estimated Actual for Year Ending June 30, 2005 and
Actual for Year Ended June 30, 2004

	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Budget</u>
REVENUES:			
Taxes:			
General property - current	\$ 12,146,131	\$ 13,205,677	\$ 13,631,635
General property - prior	302,066	405,935	373,000
Interest on delinquent tax	69,005	78,204	70,000
Local option sales tax	4,232,239	4,309,101	4,541,847
Other taxes	508	106,595	206,900
	<u>\$ 16,749,949</u>	<u>\$ 18,105,512</u>	<u>\$ 18,823,382</u>
Licenses and permits:			
Privilege licenses	\$ 317,740	\$ 305,293	\$ 354,650
Franchises	220,820	244,551	259,838
	<u>\$ 538,560</u>	<u>\$ 549,844</u>	<u>\$ 614,488</u>
Intergovernmental:			
Federal	\$ 332,416	\$ 298,944	\$ 280,000
State	4,404,018	3,844,208	5,245,917
Local	17,852	17,399	18,000
	<u>\$ 4,754,286</u>	<u>\$ 4,160,551</u>	<u>\$ 5,543,917</u>
Charges for services:			
Environmental protection	\$ 837,307	\$ 847,257	\$ 899,955
Culture and recreation	153,836	171,635	180,000
Public safety	414,782	404,366	422,766
Cemetery	117,200	139,685	140,000
Radio antenna and paging rentals	196,479	205,633	172,960
Rentals and sale of property	238,265	260,774	245,116
Community services	122,619	113,090	151,001
	<u>\$ 2,080,488</u>	<u>\$ 2,142,440</u>	<u>\$ 2,211,798</u>
Miscellaneous:			
Interest earned on investments	\$ 60,477	\$ 132,837	\$ 120,000
Donations	318,323	518,999	98,502
Other	165,979	145,662	130,565
	<u>\$ 544,779</u>	<u>\$ 797,498</u>	<u>\$ 349,067</u>
Administrative charges:			
Interfund revenues	\$ 1,743,053	\$ 1,901,732	\$ 2,070,628
Total revenues	<u>\$ 26,411,115</u>	<u>\$ 27,657,577</u>	<u>\$ 29,613,280</u>
OTHER FINANCING SOURCES:			
Proceeds from capital leases	\$ 1,395,000	\$ 191,000	\$ -
Fund balance appropriated	-	-	224,900
Total other financing sources	<u>\$ 1,395,000</u>	<u>\$ 191,000</u>	<u>\$ 224,900</u>
Total revenues and other financing sources	<u>\$ 27,806,115</u>	<u>\$ 27,848,577</u>	<u>\$ 29,838,180</u>

CITY OF SALISBURY
FY 2005-2006 BUDGET SUMMARY
GENERAL FUND

	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 03-04	FY 04-05	FY 05-06	FY 05-06	FY 05-06
REVENUE	\$ 27,806,115	\$ 29,126,735	\$ 29,467,262	\$ 30,025,746	\$ 29,838,180
EXPENSES	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 03-04	FY 04-05	FY 05-06	FY 05-06	FY 05-06
CITY COUNCIL					
Personnel	\$ 42,935	\$ 43,968	\$ 73,383	\$ 69,021	\$ 69,021
Operations	54,212	77,652	105,542	85,651	90,651
Capital	-	-	-	-	-
TOTAL	\$ 97,147	\$ 121,620	\$ 178,925	\$ 154,672	\$ 159,672
MANAGEMENT & ADMINISTRATION					
Personnel	\$ 443,751	\$ 458,123	\$ 487,641	\$ 479,603	\$ 479,603
Operations	231,454	251,007	287,687	262,928	262,928
Capital	-	-	-	-	-
TOTAL	\$ 675,205	\$ 709,130	\$ 775,328	\$ 742,531	\$ 742,531
HUMAN RESOURCES					
Personnel	\$ 354,309	\$ 380,459	\$ 475,150	\$ 391,107	\$ 391,107
Operations	175,203	190,812	595,448	226,888	241,638
Capital	-	-	6,200	800	800
TOTAL	\$ 529,512	\$ 571,271	\$ 1,076,798	\$ 618,795	\$ 633,545
MANAGEMENT SERVICES - ADMINISTRATION					
Personnel	\$ 806,991	\$ 871,331	\$ 1,054,747	\$ 1,034,105	\$ 960,389
Operations	227,228	268,304	275,318	273,781	272,381
Capital	1,432	16,500	5,500	1,500	1,500
TOTAL	\$ 1,035,651	\$ 1,156,135	\$ 1,335,565	\$ 1,309,386	\$ 1,234,270
MANAGEMENT SERVICES - INFORMATION TECHNOLOGIES					
Personnel	\$ 554,476	\$ 579,059	\$ 646,446	\$ 576,838	\$ 576,838
Operations	468,751	599,343	789,671	626,746	626,746
Capital	242,831	97,100	480,075	96,575	96,575
TOTAL	\$ 1,266,058	\$ 1,275,502	\$ 1,916,192	\$ 1,300,159	\$ 1,300,159
MANAGEMENT SERVICES - PURCHASING					
Personnel	\$ 119,669	\$ 122,559	\$ 131,759	\$ 129,423	\$ 129,423
Operations	11,258	10,934	10,100	10,676	10,676
Capital	-	-	-	-	-
TOTAL	\$ 130,927	\$ 133,493	\$ 141,859	\$ 140,099	\$ 140,099
MANAGEMENT SERVICES - TELECOMMUNICATIONS					
Personnel	\$ 174	\$ -	\$ -	\$ -	\$ -
Operations	248,954	333,283	349,781	313,859	284,424
Capital	1,787,481	279,886	610,000	79,500	79,500
TOTAL	\$ 2,036,609	\$ 613,169	\$ 959,781	\$ 393,359	\$ 363,924

	Actual FY 03-04		Budgeted FY 04-05		Requested FY 05-06		Mgr Recommends FY 05-06		Adopted FY 05-06	
MANAGEMENT SERVICES - FACILITIES MANAGEMENT										
Personnel	\$	-	\$	249,427	\$	334,999	\$	301,109	\$	301,109
Operations		-		39,185		61,940		46,507		46,507
Capital		-		2,000		3,000		-		-
TOTAL	\$	-	\$	290,612	\$	399,939	\$	347,616	\$	347,616
MANAGEMENT SERVICES - CITY OFFICE BUILDINGS										
Personnel	\$	153,976	\$	-	\$	-	\$	-	\$	-
Operations		224,361		221,707		245,798		222,127		222,127
Capital		-		11,700		47,800		11,600		11,600
TOTAL	\$	378,337	\$	233,407	\$	293,598	\$	233,727	\$	233,727
PLAZA										
Personnel	\$	70,471	\$	-	\$	-	\$	-	\$	-
Operations		118,690		117,141		186,334		173,977		173,977
Capital		86,331		24,500		53,000		6,000		6,000
TOTAL	\$	275,492	\$	141,641	\$	239,334	\$	179,977	\$	179,977
LAND MANAGEMENT & DEVELOPMENT - PLANNING & COMMUNITY DEVELOPMENT										
Personnel	\$	344,515	\$	311,899	\$	393,355	\$	322,367	\$	322,367
Operations		405,769		514,482		547,495		229,213		239,213
Capital		-		-		6,200		-		-
TOTAL	\$	750,284	\$	826,381	\$	947,050	\$	551,580	\$	561,580
LAND MANAGEMENT & DEVELOPMENT - GIS										
Personnel	\$	-	\$	60,253	\$	110,879	\$	61,964	\$	61,964
Operations		-		55,016		99,407		85,657		85,657
Capital		-		-		2,200		-		-
TOTAL	\$	-	\$	115,269	\$	212,486	\$	147,621	\$	147,621
LAND MANAGEMENT & DEVELOPMENT - DEVELOPMENT SERVICES										
Personnel	\$	180,572	\$	215,217	\$	264,042	\$	217,337	\$	217,337
Operations		178,951		148,473		185,525		182,352		196,772
Capital		-		-		1,350		-		-
TOTAL	\$	359,523	\$	363,690	\$	450,917	\$	399,689	\$	414,109
LAND MANAGEMENT & DEVELOPMENT - ENGINEERING										
Personnel	\$	304,480	\$	427,768	\$	491,393	\$	482,931	\$	482,931
Operations		389,582		1,400,766		2,338,143		1,746,193		1,706,193
Capital		19,018		305,400		350,450		350,450		350,450
TOTAL	\$	713,080	\$	2,133,934	\$	3,179,986	\$	2,579,574	\$	2,539,574
LAND MANAGEMENT & DEVELOPMENT - STREET LIGHTING										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		306,408		307,000		360,824		345,824		353,324
Capital		-		-		-		-		-
TOTAL	\$	306,408	\$	307,000	\$	360,824	\$	345,824	\$	353,324
POLICE - SERVICES										
Personnel	\$	1,143,470	\$	1,037,480	\$	1,132,261	\$	1,107,823	\$	1,107,823
Operations		275,261		229,935		225,904		218,712		218,712
Capital		39,110		49,200		28,500		-		-
TOTAL	\$	1,457,841	\$	1,316,615	\$	1,386,665	\$	1,326,535	\$	1,326,535

	Actual FY 03-04	Budgeted FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
POLICE - ADMINISTRATION					
Personnel	\$ 296,586	\$ 317,941	\$ 326,191	\$ 319,217	\$ 319,217
Operations	152,388	138,855	198,869	182,451	182,451
Capital	1,772	-	-	-	-
TOTAL	\$ 450,746	\$ 456,796	\$ 525,060	\$ 501,668	\$ 501,668
POLICE - OPERATIONS					
Personnel	\$ 3,366,858	\$ 3,809,875	\$ 4,125,242	\$ 3,949,991	\$ 3,949,991
Operations	575,184	698,815	794,203	743,960	743,960
Capital	102,502	182,212	35,050	10,050	10,050
TOTAL	\$ 4,044,544	\$ 4,690,902	\$ 4,954,495	\$ 4,704,001	\$ 4,704,001
FIRE					
Personnel	\$ 2,958,749	\$ 3,124,610	\$ 3,710,408	\$ 3,287,310	\$ 3,204,169
Operations	650,515	710,442	1,047,999	739,499	739,499
Capital	223,115	509,981	1,662,092	278,556	258,012
TOTAL	\$ 3,832,379	\$ 4,345,033	\$ 6,420,499	\$ 4,305,365	\$ 4,201,680
PUBLIC SERVICES - ADMINISTRATION					
Personnel	\$ 212,150	\$ 218,375	\$ 230,039	\$ 226,215	\$ 226,215
Operations	21,458	29,754	23,093	18,363	18,363
Capital	-	-	5,400	3,600	3,600
TOTAL	\$ 233,608	\$ 248,129	\$ 258,532	\$ 248,178	\$ 248,178
PUBLIC SERVICES - TRAFFIC OPERATIONS					
Personnel	\$ 345,431	\$ 366,426	\$ 400,373	\$ 390,881	\$ 390,881
Operations	112,806	107,737	123,817	123,652	123,652
Capital	2,440	6,000	6,000	6,000	6,000
TOTAL	\$ 460,677	\$ 480,163	\$ 530,190	\$ 520,533	\$ 520,533
PUBLIC SERVICES - STREETS					
Personnel	\$ 1,181,805	\$ 980,313	\$ 1,051,721	\$ 1,023,669	\$ 1,023,669
Operations	1,152,527	914,223	1,034,312	911,277	911,277
Capital	11,884	6,500	124,000	11,500	11,500
TOTAL	\$ 2,346,216	\$ 1,901,036	\$ 2,210,033	\$ 1,946,446	\$ 1,946,446
PUBLIC SERVICES - CEMETERY					
Personnel	\$ 159,041	\$ 181,298	\$ 187,979	\$ 182,587	\$ 182,587
Operations	54,322	58,412	65,265	52,166	52,166
Capital	2,184	3,000	21,550	9,700	9,700
TOTAL	\$ 215,547	\$ 242,710	\$ 274,794	\$ 244,453	\$ 244,453
PUBLIC SERVICES - SOLID WASTE MANAGEMENT					
Personnel	\$ 456,191	\$ 462,857	\$ 531,919	\$ 509,508	\$ 509,508
Operations	1,001,334	952,566	1,147,447	1,132,049	1,132,049
Capital	-	-	-	-	-
TOTAL	\$ 1,457,525	\$ 1,415,423	\$ 1,679,366	\$ 1,641,557	\$ 1,641,557
PUBLIC SERVICES - WASTE MANAGEMENT OTHER					
Personnel	\$ -	\$ 282,418	\$ 323,173	\$ 313,829	\$ 313,829
Operations	-	91,484	118,493	114,493	114,493
Capital	-	-	-	-	-
TOTAL	\$ -	\$ 373,902	\$ 441,666	\$ 428,322	\$ 428,322

	Actual FY 03-04	Budgeted FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
PUBLIC SERVICES - LANDSCAPE OPERATIONS					
Personnel	\$ 378,546	\$ 391,934	\$ 457,538	\$ 415,379	\$ 415,379
Operations	161,237	140,725	163,483	142,103	142,103
Capital	-	3,090	2,750	6,550	6,550
TOTAL	\$ 539,783	\$ 535,749	\$ 623,771	\$ 564,032	\$ 564,032
PUBLIC SERVICES - LANDSCAPE - HURLEY PARK					
Personnel	\$ 82,217	\$ 92,130	\$ 87,769	\$ 81,503	\$ 81,503
Operations	21,875	22,529	44,786	25,964	34,964
Capital	160	-	10,000	10,000	10,000
TOTAL	\$ 104,252	\$ 114,659	\$ 142,555	\$ 117,467	\$ 126,467
PUBLIC SERVICES - FLEET MANAGEMENT					
Personnel	\$ 614,975	\$ 661,918	\$ 689,943	\$ 644,096	\$ 644,096
Operations	107,020	88,047	118,443	79,798	79,798
Capital	20,498	18,650	31,600	16,900	16,900
TOTAL	\$ 742,493	\$ 768,615	\$ 839,986	\$ 740,794	\$ 740,794
PUBLIC SERVICES - TRANSPORTATION					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	160,282	173,570	180,282	213,118	213,118
Capital	-	-	-	-	-
TOTAL	\$ 160,282	\$ 173,570	\$ 180,282	\$ 213,118	\$ 213,118
PARKS & RECREATION					
Personnel	\$ 1,122,220	\$ 1,191,977	\$ 1,317,358	\$ 1,223,881	\$ 1,223,881
Operations	612,592	626,326	662,729	562,830	562,830
Capital	334,593	95,184	758,500	103,575	103,575
TOTAL	\$ 2,069,405	\$ 1,913,486	\$ 2,738,587	\$ 1,890,286	\$ 1,890,286
EDUCATION					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	42,342	42,342	42,342	42,342	42,342
Capital	-	-	-	-	-
TOTAL	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342
DEBT SERVICE					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	730,012	1,115,351	1,146,040	1,146,040	1,146,040
Capital	-	-	-	-	-
TOTAL	\$ 730,012	\$ 1,115,351	\$ 1,146,040	\$ 1,146,040	\$ 1,146,040
GRAND TOTAL					
Personnel	\$ 15,694,558	\$ 16,839,615	\$ 19,035,708	\$ 17,741,694	\$ 17,584,837
Operations	8,871,976	10,676,218	13,576,520	11,281,196	11,271,031
Capital	2,875,351	1,610,903	4,251,217	1,002,856	982,312
TOTALS	\$ 27,441,885	\$ 29,126,735	\$ 36,863,445	\$ 30,025,746	\$ 29,838,180

STATEMENT OF PURPOSE

To function as the duly elected representatives of the citizens of Salisbury in creating and maintaining a safe, livable environment in accordance with North Carolina State Statutes and Federal law. To promote positive intergovernmental relationships with federal, state and other local governments. To create and maintain up-to-date municipal codes, establish public policies, and adopt budgets designed to provide effective, efficient municipal services. To provide safety and security for all citizens, to protect the environment, and to improve the overall quality of life in our community. To provide leadership and support for the continued economic development and planned growth of the community.

COUNCIL PERFORMANCE GOALS

1. Host a fellowship luncheon for Rowan County Commissioners.
2. Meet with school officials to determine needs with which the City can assist.
3. Communicate City perspectives on issues being addressed by the Rowan-Salisbury School Board.
4. Periodically evaluate the status of the City’s Outcomes and Goals.
5. Continue the City’s Goal Setting and Future Directions process.
6. Review election methods with the Institute of Government.
7. Participate in the Regional Environmental Sustainability Project.
8. Serve as a catalyst to create a cultural, historic, environmental, and arts identity for our community.
9. Develop a communication plan for sharing development processes and ordinances with stakeholders.
10. Explore the feasibility of creating a business incubator for Salisbury.
11. Incorporate “American Public Values” philosophy in our local government’s decision making and problem solving process.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 42,935	\$ 43,968	\$ 73,383	\$ 69,021	\$ 69,021
Operating	54,212	77,652	105,542	85,651	90,651
Capital	-	-	-	-	-
TOTAL	\$ 97,147	\$ 121,620	\$ 178,925	\$ 154,672	\$ 159,672

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Mayor	1	1	1	1	1
Mayor Pro Tem	1	1	1	1	1
Council Member	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	5	5	5	5	5

STATEMENT OF PURPOSE

To serve as a central source of information, advice and support services for the City Council and Management Team. To manage and coordinate preparation and presentation of the annual municipal budget for consideration and adoption by the City Council, with subsequent responsibility for its implementation, control, and general management. To assist the City Council in the formulation of municipal public policy. To manage and coordinate development and implementation of the City’s Strategic Planning and Goal Setting process, publish an Annual Report to citizens, and provide a central location for the collection, storage and dissemination of official municipal records and documents. To provide professional leadership and counsel to the City staff in carrying out the work of the municipality in an effective, efficient manner. To provide Risk Management services for the municipality that includes safety, liability insurance management, worker’s compensation, OSHA compliance and third party claims against the City. To implement goals and special projects as may be assigned by the City Council.

COUNCIL PERFORMANCE GOALS

1. Conduct a feasibility study for extending sewer along the I-85/US29 Growth Corridor.
2. Create, monitor and evaluate departmental strategic plans.
3. Periodically evaluate the status of the City’s Outcomes and Goals
4. Continue the City’s Goal Setting and Future Directions process.
5. Incorporate the “Good to Great” concepts into the City’s culture as a foundation for Salisbury becoming a High Performance Organization.
6. Incorporate “American Public Values” philosophy in our local government’s decision making and problem solving process.
7. Serve as a catalyst to create a cultural, historic, environmental, and arts identity for our community.
8. Evaluate the need and options for business incentives.
9. Foster a customer service attitude among all City workers.

DEPARTMENTAL PERFORMANCE GOALS

1. Conduct a goals setting process with Boards and Commissions prior to the City’s Future Directions and Goals Setting Conference.
2. Prepare, publish and distribute second annual Performance Report.
3. Conduct Goal Review sessions with each department during August.
4. Respond to special projects and initiatives of the City Council, Boards and Commissions, and partnerships with other organizations.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
<u>Program Performance Measures</u>			
Workload			
Number of Workers Compensation Claims Filed	16	14	15
Number of Third-Party Insurance Claims Filed	52	55	55
Number of Self-Initiated OSHA Inspections (Preventive)	110	110	110
Efficiency			
Cost Per Negotiated Workers Compensation Claim	\$ 5,166	\$ 3,000	\$ 3,000
Cost Per Negotiated Insurance Claim	\$ 1,830	\$ 800	\$ 800
Cost of all OSHA Imposed Fines & Penalties	\$ -	\$ -	\$ -
Effectiveness			
Workers Compensation Cases Negotiated Per Case Filed*	1%	0%	0%
Third Party Insurance Claims Negotiated Per Claim Filed	29%	20%	20%
OSHA Fine Totals Per Self-Initiated OSHA Inspection	\$ -	\$ -	\$ -

* Non-negotiable and did not require settlement.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 443,751	\$ 458,123	\$ 487,641	\$ 479,603	\$ 479,603
Operating	231,454	251,007	287,687	262,928	262,928
Capital	-	-	-	-	-
TOTAL	\$ 675,205	\$ 709,130	\$ 775,328	\$ 742,531	\$ 742,531

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
City Manager	1	1	1	1	1
City Clerk	1	1	1	1	1
Deputy City Clerk	1	1	1	1	1
Senior Office Assistant	2	2	2	2	2
Risk Management (201)					
Risk Management Officer	1	1	1	1	1
Risk Management Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	7	7	7	7	7

STATEMENT OF PURPOSE

To provide a centralized source of support and assistance to the City related to its need for the management of Human Resources. Specific functions include: providing general personnel administration, recruitment and selection, training and development, health and wellness, compensation and benefits administration and a city-wide multicultural program.

COUNCIL PERFORMANCE GOALS

1. Continue implementation of Multiculturalism Training for all City employees and interested citizens.
2. Continue to implement an employee training and development plan.
3. Continue to evaluate applying the broad banding compensation program to other departments, in addition to the Utilities Department.
4. Develop and implement recruitment strategies to recruit employees from diverse populations within the community.
5. Develop strategies to attract quality employees.

DEPARTMENTAL PERFORMANCE GOALS

1. Initiate programs to attract, retain, and develop high quality City employees.
2. Continue to conduct multiculturalism training for all employees.
3. Develop and implement a strategic plan.
4. Identify, develop and evaluate performance measures related to the Human Resources function.
5. Review and evaluate all internal operating procedures to ensure efficiency and effectiveness.
6. Continue to provide human resource management through a variety of department functions.
7. Evaluate and recommend changes to the City’s compensation plan.
8. Make recommendations and implement changes and enhancements to the employee health insurance program.
9. Facilitate, coordinate, and conduct training and development sessions on a variety of subject matter related to issues of compliance, technical, management, skill enhancement and personal growth on a monthly basis.
10. Continue to establish resources to increase Latino community involvement in Human Resource programs.
11. Assess the broad banding approach in all departments and determine necessary changes.
12. Complete the implementation of the Public Safety Pay Plan through the development and implementation of the Law Enforcement Pay Plan.
13. Continue to assist the City departments and non-profit agencies as a resource in resolving matters related to multiculturalism.
14. Continue to research, identify and implement alternative funding sources for multiculturalism training.
15. Explore the feasibility of increasing the number of community trainers in the train-the-trainer program.
16. Continue to provide staff with resource material and opportunities for career development.
17. Identify and develop performance measures for Human Resource Management.
18. Continue to provide staff assistance to the Human Relations Council.
19. Participate in the NC Local Government Performance Measurement Project.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 354,309	\$ 380,459	\$ 475,150	\$ 391,107	\$ 391,107
Operating	175,203	190,812	595,448	226,888	241,638
Capital	-	-	6,200	800	800
TOTAL	\$ 529,512	\$ 571,271	\$ 1,076,798	\$ 618,795	\$ 633,545

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Human Resources Director	1	1	1	1	1
Personnel Analyst I/II	4	4	4	4	4
Personnel Technician I/II	1	1	1	1	1
Personnel Analyst II-Compensation- NEW	0	0	1	0	0
Personnel Analyst I-Intern (TFT)-NEW	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
TOTAL	6	6	8	6	6

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Desks - 2 @ \$1400 each	\$ 2,800	\$ -	\$ -
Chairs - 2 @ \$400 each	800	-	-
Projection screen	800	800	800
Training room white board	1,800	-	-
Total Capital Outlay	<u>\$ 6,200</u>	<u>\$ 800</u>	<u>\$ 800</u>

DEPARTMENT – Management Services – Summary

STATEMENT OF PURPOSE

The Management Services Department provides the majority of internal services to support the operations of the City. These services include fiscal affairs, technology services, and facilities management. The Department also provides some direct services to citizens through its Business Office Division and management of City’s web site. Included in Management Services are the Purchasing, Accounting Office, Budget and Performance Management, Business Office, Facilities Management, City Office Buildings, Information Technologies and Telecommunications Divisions.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 1,635,286	\$ 1,822,376	\$ 2,167,951	\$ 2,041,475	\$ 1,967,759
Operating	1,180,552	1,472,756	1,732,608	1,493,696	1,462,861
Capital	<u>2,031,744</u>	<u>407,186</u>	<u>1,146,375</u>	<u>189,175</u>	<u>189,175</u>
TOTAL	\$ 4,847,582	\$ 3,702,318	\$ 5,046,934	\$ 3,724,346	\$ 3,619,795

PERSONNEL DETAIL

	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Permanent Full-Time (PFT)	25	31.5 ¹	37.5	35.5	33.5
Permanent Part-Time (PPT)	1	0	0	0	0
Temporary Part-Time (TPT)	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	26	32.5	38.5	36.5	34.5

¹ Facilities Management Division moved to Management Services

STATEMENT OF PURPOSE

To provide a centralized source for handling the financial affairs of the City including: maintaining a financial record-keeping system, protect municipal assets as required by the Local Government Budget and Fiscal Control Act, manage the City’s debt service program, prepare and monitor the annual and five-year budgets, prepare standards for performance and benchmarking, utilize an investment program for the City's idle cash, provide payroll and disbursement services, collect utility and other revenues, provide a source of information and support related to the purchase/lease of supplies, equipment, and contractual services, manage a fixed asset system, and maintain a technology system that provides state-of-the-art data processing, computer, telephone, and telecommunications capability.

COUNCIL PERFORMANCE GOALS

1. Assist in development of annexation plans.
2. Identify new revenue sources to match specific needs.
3. Participate in statewide programs with other cities to establish performance standards.
4. Begin development of system of standards to measure performance and accomplishments for all City departments.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue departmental education and training on use of the City’s financial systems.
2. Continue participation in the Performance Measurement/Benchmarking Project.
3. Update trend monitoring and costs of service studies annually.
4. Participate in the GFOA’s Certificate of Achievement for Financial Reporting Excellence program.
5. Participate in the GFOA’s Distinguished Budget Presentation Award.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Accounting (101)			
Workload			
Number of Checks Issued	6,557	6,600	6,700
Number of ACH Transactions (Payroll)	12,016	12,270	12,300
Number of Journal Entries	922	950	950
Efficiency			
Cost Per Check Issued	\$ 7.72	\$ 7.91	\$ 7.96
Cost Per ACH Transaction	\$ 1.67	\$ 1.72	\$ 1.75
Effectiveness			
Percent of Checks Processed Without Error	99.3%	99.5%	99.7%
Percent of ACH Transactions Processed Without Error	99.9%	99.9%	99.9%
Percent of Journal Entries Reclassified	25%	25%	25%
Customer Service (102)			
Workload			
Number of Utility Bills Generated	190,443	191,516	230,065
Number of Teller Transactions	117,825	125,605	148,070
Number of Non-Teller Transactions	60,427	52,531	62,695
Number of Telephone Transactions	66,400	71,600	92,160
Number of New Businesses Issued Privilege Licenses	328	336	352
Efficiency			
Cost Per Utility Bill Issued	\$ 0.45	\$ 0.45	\$ 0.45
Cost Per Teller Transaction	\$ 0.56	\$ 0.71	\$ 0.85
Cost Per Telephone Transaction	\$ 1.65	\$ 1.88	\$ 1.81

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Effectiveness			
Percent of Utility Bills Mailed Without Error	99.8%	99.9%	99.9%
Total Dollar Value of Tellers' Over & Short Account	\$13.62	\$9.93	\$7.25
Service-Related Complaints Per Telephone Transaction	0.02%	0.01%	0.01%

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 806,991	\$ 871,331	\$ 1,054,747	\$ 1,034,105	\$ 960,389
Operating	227,228	268,304	275,318	273,781	272,381
Capital	1,432	16,500	5,500	1,500	1,500
TOTAL	\$ 1,035,651	\$ 1,156,135	\$ 1,335,565	\$ 1,309,386	\$ 1,234,270

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
Management Services Director	1	1	1	1	1
Budget and Performance Manager	1	1	1	1	1
Budget & Benchmarking Analyst	1	1	1	1	1
Management Analyst	0	0	1 ⁴	1	1
Finance Specialist	1	1	1	1	1
Accounting (101)					
Finance Manager	1	1	1	1	1
Accountant I/II	1	1	1	1	1
Management Analyst	0	.5 ¹	.5	.5	.5
Account Clerk	2	2	2	2	2
Customer Service (102)					
Customer Service Supervisor	1	1	1	1	1
Customer Service Clerk Sr./I/II	5	6 ²	6	6	6
Customer Service Clerk Sr./I/II- NEW-South Rowan	0	0	2 ⁵	2 ⁵	0
Sr. Cust. Service Clerk (PPT)	1	0 ²	0 ²	0	0
Customer Service Clerk (TPT)	0	1 ³	1	1	1
Mail Coordinator	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	16	17.5	20.5	20.5	18.5

¹ Previously fully funded through Water & Sewer Fund

² Position reclassified from Perm/Part-Time to Perm/Full-Time

³ New position from Vocational Rehab

⁴ Position transferred from Police-Administration

⁵ Additional positions for South Rowan consolidation

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)			
Desk	\$ 2,000	\$ -	\$ -
Accounting (101)			
Desk	2,000	-	-
Customer Service (102)			
Desk	1,500	1,500	1,500
Total Capital Outlay	<u>\$ 5,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>

STATEMENT OF PURPOSE

To provide a centralized source of procedures, information and support related to the storage and electronic processing of data, business transactions, information and other computer-related capability.

COUNCIL GOALS

1. Meet with School officials to determine needs with which the City can assist.
2. Develop policies and procedures for operating a governmental television access channel.

DEPARTMENTAL GOALS

1. Complete a feasibility study of “Fiber to the Home”.
2. Continue implementation and programming of Access 16.
3. Begin implementation of wireless network which will provide City-wide coverage of “hot spots”.
4. Increase security capability of the City’s network, both wired and wireless.
5. Implement next phase of City-wide security system.
6. Install and implement mobile data units in emergency fire vehicles.
7. Improve City’s communications with the implementation of instant messaging and video conferencing.

PERFORMANCE MEASURES

	FY-2004	FY-2005	FY-2006
	<u>Actual</u>	<u>Estimate</u>	<u>Projected</u>
Workload			
Number of Computers Directly Supported ^	276	346	352
Average Number of Service Requests Per Computer	6.0	8.1	8.5
Number of Servers Directly Supported	34	45	45
Average Number of Service Requests Per Server	1.2	1.1	1.1
Number of Applications Directly Supported	120	130	130
Total Number of Helpdesk Requests Received	2,000	2,800	3,000
Efficiency			
Number of Computers Supported Per Analyst	46	58	59
Number of Servers Supported Per Analyst	34	45	45
Number of Applications Supported Per Analyst	20	22	22
Number of Helpdesk Requests Processed Per Analyst	333	467	500
Effectiveness			
Average Repair Time Per Computer Service Request (in hours)	1.50	1.50	1.50
Average Repair Time Per Server Service Request (in hours)	2.40	2.50	2.50
Average Annual Network Availability *	99.9%	99.9%	99.9%
Percent of Helpdesk Requests Closed < One Day	45.0%	46.0%	47.0%

* Estimate designed to demonstrate network reliability

^ "Computers" include PCs, laptops & MDTs

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 554,476	\$ 579,059	\$ 646,446	\$ 576,838	\$ 576,838
Operating	468,751	599,343	789,671	626,746	626,746
Capital	242,831	97,100	480,075	96,575	96,575
TOTAL	\$ 1,266,058	\$ 1,275,502	\$ 1,916,192	\$ 1,300,159	\$ 1,300,159

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
Information Technologies Manager	1	1	1	1	1
Technologies Services Technical Assistant	1	1	1	1	1
Operations (151)					
Web Designer	1	1	1	1	1
Systems Analyst	5	5	5	5	5
Systems Analyst/Business-NEW	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
TOTAL	8	8	9	8	8

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Operations (151)			
Storage Area Network Upgrade	\$ 50,000	\$ -	\$ -
UPS Upgrade	7,500	7,500	7,500
Fiber Plant Expansion	20,000	20,000	20,000
Office furniture	1,500	1,500	1,500
Upgrade Network Monitoring	5,000	5,000	5,000
Video Streaming	17,000	-	-
Upgrade Network Security	10,000	10,000	10,000
Upgrade Network Test Equipment	25,000	25,000	25,000
Electric Vehicle	5,000	-	-
SAN Switch	17,000	-	-
Non-Departmental (155)			
City-wide Work Order System	250,000	-	-
Wireless Networking	25,000	20,000	20,000
Government Access Channel Program	5,000	-	-
SCADA Equipment	29,100	-	-
Log-In Recorder	5,000	5,000	5,000
Panasonic Camcorder	2,575	2,575	2,575
Back-Up Tape for police	5,400	-	-
Total Capital Outlay	\$ 480,075	\$ 96,575	\$ 96,575

¹ Purchase from Fund 11

² Purchase from Fund 31

STATEMENT OF PURPOSE

To provide a centralized source of procedures, information, and support related to the purchase and/or lease of supplies, materials, equipment and contractual services for the City and to manage and maintain a system of fixed asset identification, reporting and accountability.

DIVISIONAL PERFORMANCE GOALS

1. Continue to evaluate existing purchasing policies and procedures with emphasis on reducing acquisition time and paperwork.
2. Continue to seek methods of improved fixed asset accountability.
3. Continue to offer training in purchasing policies and procedures as requested by user departments.
4. Continue to monitor and implement improvements to the Procurement Card System by implementing a new software program.
5. Develop and expand Purchasing Agent’s role in construction contract administration.
6. Develop E-Procurement System in association with state system.
7. Improve fuel use availability and reporting by changing providing vendor.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 119,669	\$ 122,559	\$ 131,759	\$ 129,423	\$ 129,423
Operating	11,258	10,934	10,100	10,676	10,676
Capital	-	-	-	-	-
TOTAL	\$ 130,927	\$ 133,493	\$ 141,859	\$ 140,099	\$ 140,099

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Purchasing Manager	1	1	1	1	1
Buyer	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	2	2	2	2	2

STATEMENT OF PURPOSE

To manage, coordinate and monitor the City's telecommunications system in the areas of telephone, radio, 9-1-1, cable, emergency services communications, and to specify, recommend and implement solutions to the City's communications needs.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 174	\$ -	\$ -	\$ -	\$ -
Operating	248,954	333,283	349,781	313,859	284,424
Capital	<u>1,787,481</u>	<u>279,886</u>	<u>610,000</u>	<u>79,500</u>	<u>79,500</u>
TOTAL	\$ 2,036,609	\$ 613,169	\$ 959,781	\$ 393,359	\$ 363,924

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Blackberry Server upgrade	\$ 2,500	\$ 2,500	\$ 2,500
Phone System upgrades	10,000	10,000	10,000
Phone Sets	5,000	5,000	5,000
Fencing for tower site	32,500	-	-
Video Security	15,000	-	-
Security System upgrade	75,000	12,000	12,000
Wireless phone sets	20,000	-	-
Radios for Public Services	<u>450,000</u>	<u>50,000</u>	<u>50,000</u>
Total Capital Outlay	\$ 610,000	\$ 79,500	\$ 79,500

STATEMENT OF PURPOSE

To provide responsibility for buildings and facilities maintenance and repair as well as managing and coordinating new buildings and grounds construction projects. The division also is responsible for the management of ongoing municipal service contracts related to buildings and facilities.

COUNCIL PERFORMANCE GOALS

1. Evaluate cost of adding a Fire substation.
2. Participate in the Regional Environmental Sustainability.
3. Assist Downtown Salisbury with inventory of business types for attracting young people.

DEPARTMENTAL PERFORMANCE GOALS

1. Implement work order software to improve customer support.
2. Continue development of a comprehensive priority listing for General Fund building and grounds improvement projects.
3. Manage Buildings and Grounds and Buildings and Grounds contracted services line items.
4. Work with internal personnel to ensure the Police and Fire Department design satisfies operational requirements.
5. Perform Owner Representative Responsibilities associated with the Police and Fire Department construction projects.
6. Increase knowledge of purchasing policies.
7. Facilitate and manage completion of special projects across departments as needed.
8. Coordinate work with the Police Department and Fire Department contractors.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ 249,427	\$ 334,999	\$ 301,109	\$ 301,109
Operating	-	39,185	61,940	46,507	46,507
Capital	-	2,000	3,000	-	-
TOTAL	\$ -	\$ 290,612	\$ 399,939	\$ 347,616	\$ 347,616

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Facilities Manager	0	1	1	1	1
Senior Office Assistant	0	1	1	1	1
Facilities Maintenance Supervisor	0	1	1	1	1
Building Maintenance Worker Sr/I/II	0	2	2	2	2
Bld & Gnds Maint Worker-NEW	0	0	1	0	0
Sr Blg & Grnds Maint Worker-NEW	<u>0</u>	<u>0</u>	<u>1¹</u>	<u>1¹</u>	<u>1¹</u>
TOTAL	0	5	7	6	6

Positions transferred from City Office Buildings and Plaza in FY2004-05

¹ Position funded through elimination of contract

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Buffer/Scrub machine	\$ 3,000	\$ -	\$ -
Total Capital Outlay	\$ 3,000	\$ -	\$ -

STATEMENT OF PURPOSE

To provide centrally located facilities for holding meetings of the City Council, its boards and commissions and other groups who may from time-to-time need public meeting space. Additionally, to provide office and conference space for the Mayor, City Manager, Management Services, Human Resources, Recreation Administration, Land Management and Development and other support staff engaged in the operation of municipal government in Salisbury.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 153,976	\$ -	\$ -	\$ -	\$ -
Operating	224,361	221,707	245,798	222,127	222,127
Capital	-	11,700	47,800	11,600	11,600
TOTAL	\$ 378,337	\$ 233,407	\$ 293,598	\$ 233,727	\$ 233,727

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Facilities Maintenance Manager	1	0	0	0	0
Facilities Maintenance Supervisor	.75	0	0	0	0
Building Maintenance Worker Sr/I/II	<u>1.75</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	3.5	0	0	0	0

Positions transferred to Management Services - Facilities Management

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
City Office Building (000)			
First floor window tinting	\$ 3,500	\$ -	\$ -
Third floor bathroom renovations	1,500	-	-
Fifth floor kitchen renovations	1,500	1,500	1,500
Third floor kitchen renovations	3,000	-	-
Zimmerman Building (250)			
Paint entrance area	1,200	1,200	1,200
Basement floor replacement	4,000	-	-
Modular furniture	5,000	-	-
City Hall (251)			
New door brass	1,500	1,500	1,500
Paint exterior	5,000	5,000	5,000
New City Seal	5,000	-	-
First floor kitchen floor replacement	1,200	1,200	1,200
Flagpole	4,000	-	-
Land Management storage cabinets	6,200	-	-
Salisbury West Community Center (252)			
Courtyard renovations	4,000	-	-
Pull down screen	1,200	1,200	1,200
Total Capital Outlay	\$ 47,800	\$ 11,600	\$ 11,600

STATEMENT OF PURPOSE

To continue ownership and management of the Plaza, originally structured as a public/private partnership to increase economic vitality in the central business district, establish new housing units in the downtown area and provide additional office facilities and meeting space for the City. The building is now fully owned by the City.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue to explore effective methods to abate moisture intrusion.
2. Revise tenant guidelines.
3. Maintain the Plaza in a manner that complements Downtown Salisbury’s Master Plan and in accordance with Historical District guidelines.
4. Maintain 90% occupancy in retail, office, commercial and residential space.
5. Continue providing quality services to Plaza tenants.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 70,471	\$ -	\$ -	\$ -	\$ -
Operating	118,690	117,141	186,334	173,977	173,977
Capital	86,331	24,500	53,000	6,000	6,000
TOTAL	\$ 275,492	\$ 141,641	\$ 239,334	\$ 179,977	\$ 179,977

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Senior Office Assistant	1	0	0	0	0
Facilities Maintenance Supervisor	.25	0	0	0	0
Senior Building Maintenance Worker	.25	0	0	0	0
TOTAL	1.50	0	0	0	0

Positions transferred to Management Services - Facilities Management

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Restain doors	\$ 2,500	\$ -	\$ -
Transon	10,000	-	-
Paint Trellis	8,000	-	-
Update building security	21,000	-	-
Appliance replacements	3,000	3,000	3,000
Washer & dryer replacements	2,500	-	-
Refurbish vacant apartments	6,000	3,000	3,000
Total Capital Outlay	\$ 53,000	\$ 6,000	\$ 6,000

DEPARTMENT – Land Management and Development – Summary

SUMMARY STATEMENT OF PURPOSE

The Land Management and Development Department serves the citizens of Salisbury with community development, planning, zoning, code enforcement, engineering, and mapping. The Department also provides support for Boards and Commissions.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 829,567	\$ 1,015,137	\$ 1,259,669	\$ 1,084,599	\$ 1,084,599
Operating	1,280,710	2,425,737	3,531,394	2,589,239	2,581,159
Capital	19,018	305,400	360,200	350,450	350,450
TOTAL	\$ 2,129,295	\$ 3,746,274	\$ 5,151,263	\$ 4,024,288	\$ 4,016,208

PERSONNEL DETAIL

	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Permanent Full-Time (PFT)	16	17	21	18	18

STATEMENT OF PURPOSE

To provide for a coordinated planning program to ensure orderly growth within the City to include population, land use, thoroughfares, public facilities, neighborhoods, zoning, subdivision regulations, and other specialized planning projects. To formulate, develop and recommend policies, plans and local ordinances intended to improve the overall appearance, livability and economic climate within the City and its resourceful community development activities.

COUNCIL PERFORMANCE GOALS

1. Broker projects to improve housing in selected neighborhoods.
2. Provide leadership training in selected neighborhoods.
3. Conduct needs assessment to identify additional selected neighborhood(s).
4. Complete Oakdale-Union Hill Cemetery improvements.
5. Prepare systematic annexation plan.
6. Identify properties within the City for future infill development.
7. Assist with the Civic/Convention Center Feasibility Study.
8. Prepare East Innes Street streetscape plan.
9. Adopt standards and ordinances that support implementation of Vision 2020.
10. Identify opportunities to support Vision 2020 through city operations.
11. Consider managed growth standards and incentives.
12. Support Rowan County’s development of a land use plan with growth corridors.
13. Participate in the Regional Environmental Sustainability Project.
14. Streamline development review process and ordinances.
15. Provide appropriate training for all board and commissions.
16. Evaluate the need for a policy for the development of affordable housing in Salisbury.
17. Partner with Downtown Salisbury, Inc. (DSI) to implement the Downtown Salisbury Master Plan.
18. Explore the feasibility of creating a business incubator for Salisbury.
19. Assist DSI with inventory of business types for attracting young people.

DIVISIONAL PERFORMANCE GOALS

Provide staff support to the Planning Board, Community Appearance Commission, Historic Preservation Commission, Tree Board.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Workload			
Rezoning Requests Processed	18	20	22
Certificates of Appropriateness COA Requested	64	75	90
Certificates of Minor Works CMW (by Committee) Requested	26	45	50
Certificates of Minor Works CMW (by Staff) Requested	56	75	80
Efficiency			
Average Number of Processing Days Per Rezoning Request	40	40	40
Average Number of Days for Issuance a COA	16	16	16
Average Number of Days for Issuance of a CMW (by Committee)	4	4	4
Average Number of Days for Issuance of a CMW (by Staff)	1.5	1.5	1.5
Effectiveness			
Percent of Rezoning Requests Approved as Presented	78%	80%	80%
Percent of COA Requests Approved	95%	94%	94%
Percent of CMW (by Committee) Requests Approved	100%	98%	98%
Percent of CMW (by Staff) Requests Approved	100%	100%	100%

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 344,515	\$ 311,899	\$ 393,355	\$ 322,367	\$ 322,367
Operating	405,769	514,482	547,495	229,213	239,213
Capital	-	-	6,200	-	-
TOTAL	\$ 750,284	\$ 826,381	\$ 947,050	\$ 551,580	\$ 561,580

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Planning & Community Development Manager	1	1	1	1	1
Planner Sr/I/II/Urban Design/Project Advocate	4 ¹	3 ¹	3	3	3
Department Secretary/Office Assistant	1	1	1	1	1
Planner II-NEW	0	0	1	0	0
GIS (701)					
Systems Analyst I	<u>1</u>	<u>0²</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	7	5	6	5	5

¹ One position is Project Advocate which was reclassified and transferred to LMD-Engineering for Project Advocate

² Position transferred to LMD-GIS

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Planning Division storage	\$ 6,200	\$ -	\$ -
Total Capital Outlay	\$ 6,200	\$ -	\$ -

STATEMENT OF PURPOSE

To serve as the centralized source of procedures, information, and support related to GIS data development and mapping for the City including data development, project coordination, and application development and support. The division coordinates efforts to improve data availability and data quality for City staff.

COUNCIL PERFORMANCE GOALS

1. Assist in implementation of Project Safe.
2. Assist with needs assessment to identify additional selected neighborhoods.
3. Assist with identification of properties within the City for future infill development.
4. Assist Downtown Salisbury, Inc. (DSI) with implementation of the Downtown Salisbury Master Plan.
5. Provide input for integration of GIS with project tracking software.

DIVISIONAL PERFORMANCE GOALS

1. Implement ArcSDE enterprise GIS data storage solution.
2. Complete priority GIS data layers.
3. Coordinate with other City staff to implement electronic project tracking.
4. Provide GIS training for City staff.
5. Update GIS strategic plan.
6. Assist Utilities GIS with inventory of water and sewer infrastructure.
7. Assist Fire Department with creation of data layers for improved pre-planning and fire response.
8. Assist Police Department with maintenance of data layers for computer aided dispatch.
9. Develop metadata for all City data layers.
10. Maintain international GIS certification through the Geographic Information Systems Certification Institute.
11. Implement online GIS applications.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Workload			
Number of Parcel Notifications Processed - Group Developments	1,254	1,300	775
Number of Parcel Notifications Processed - Special Use Permits	90	136	200
Efficiency			
Average Processing Time Per Parcel Notification (minutes)	26	12	9
Effectiveness			
Total Hours Saved by Automating Parcel Notification Process (GIS)	45	140	160

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ 60,253	\$ 110,879	\$ 61,964	\$ 61,964
Operating	-	55,016	99,407	85,657	85,657
Capital	-	-	2,200	-	-
TOTAL	\$ -	\$ 115,269	\$ 212,486	\$ 147,621	\$ 147,621

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Systems Analyst I	0	1 ¹	1	1	1
GIS Mapping Technician-NEW	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
TOTAL	0	1	2	1	1

¹ Position transferred from LMD-Planning & Community Development

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
GIS Computer for new position	\$ 2,200	\$ -	\$ -
Total Capital Outlay	<u>\$ 2,200</u>	<u>\$ -</u>	<u>\$ -</u>

STATEMENT OF PURPOSE

To provide citizens, builders and developers a centralized source of information, permit services, code enforcement, zoning and special district boards support through a Development Services Center.

COUNCIL PERFORMANCE GOALS

1. Establish “one stop permitting”.
2. Evaluate City – County consolidations of the development review process.

DIVISIONAL PERFORMANCE GOALS

1. Continue zoning, group development administration, review and enforcement.
2. Continue staffing the Historic Preservation Commission, Planning Board and the Zoning Board of Adjustment.
3. Continue to assist in the development of the Geographic Information System (GIS) capability within the Division.
4. Continue to monitor and improve plan review.
5. Continue to monitor, improve, and upgrade files.
6. Continue to assist with ordinance changes.
7. Continue to update and administer water/sewer permits for Rockwell, Granite Quarry, Spencer, and East Spencer.
8. Continue to administer and update the City’s street address system.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Workload			
Group Development Plans GDP Submitted	40	47	20
Special Use Permits Processed	5	6	10
Efficiency			
Average Days Elapsed Between GDP Submittal & Approval	24	24	24
Effectiveness			
Percent of GDP Approved as Presented	2%	2%	2%
Percent of GDP Approved with Modifications	98%	98%	98%
Percent of GDP Denied	0%	0%	0%

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 180,572	\$ 215,217	\$ 264,042	\$ 217,337	\$ 217,337
Operating	178,951	148,473	185,525	182,352	196,772
Capital	-	-	1,350	-	-
TOTAL	\$ 359,523	\$ 363,690	\$ 450,917	\$ 399,689	\$ 414,109

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Development Services Manager	1	1	1	1	1
Development Services Specialist	1	1	1	1	1
Permit Services Coordinator	1	1	1	1	1
Zoning & Code Enforcement Specialist	1	1	1	1	1
Senior Office Assistant	1	1	1	1	1
Zoning & Code Enforcement Officer- NEW	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
TOTAL	5	5	6	5	5

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Office workstation for new position	\$ 1,350	\$ -	\$ -
Total Capital Outlay	<u>\$ 1,350</u>	<u>\$ -</u>	<u>\$ -</u>

STATEMENT OF PURPOSE

To provide a centralized source of general engineering services for the City including traffic engineering, review and approval of plans submitted by outside consultants, coordination of project activities initiated between the City and other agencies, and investigation of citizen requests.

COUNCIL PERFORMANCE GOALS

1. Implement Greenway construction.
2. Implement open space standards through Vision 2020.
3. Prepare East Innes Street streetscape plan.
4. Adopt standards and ordinances that support implementation of Vision 2020.
5. Identify opportunities to support Vision 2020 through City operations.
6. Consider smart growth standards and incentives.
7. Implement recommendations for DSI Parking Committee.
8. Conduct a downtown ADA compliance audit.
9. Continue development of project tracking software.
10. Establish “one stop permitting”.
11. Review construction standards.
12. Seek local permitting authority for utility extensions.
13. Evaluate the need and options for business incentives.
14. Evaluate City – County consolidation of the development review process.
15. Foster a customer service attitude among all City workers.

DIVISIONAL PERFORMANCE GOALS

1. Install and manage the new traffic signal system.
2. Coordinate projects with NCDOT (I-85 widening, US 70 widening, Innes Street bridge replacement, Ellis Street bridge replacement).
3. Prepare NPDES Phase 2 permit application.
4. Administer Storm Drainage Incentive Grants.
5. Implement a comprehensive sidewalk program.
6. Implement approved Special Projects.

PERFORMANCE MEASURES

	FY-2004	FY-2005	FY-2006
	<u>Actual</u>	<u>Estimate</u>	<u>Projected</u>
Workload			
Subdivision Construction Documents CD Submitted	3	3	5
Efficiency			
Average Days Elapsed Between CD Submittal & Approval	147	476	250

BUDGET REQUEST SUMMARY

	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY03-04	FY04-05	FY05-06	FY05-06	FY05-06
Personnel	\$ 304,480	\$ 427,768	\$ 491,393	\$ 482,931	\$ 482,931
Operating	389,582	1,400,766	2,338,143	1,746,193	1,706,193
Capital	<u>19,018</u>	<u>305,400</u>	<u>350,450</u>	<u>350,450</u>	<u>350,450</u>
TOTAL	\$ 713,080	\$ 2,133,934	\$ 3,179,986	\$ 2,579,574	\$ 2,539,574

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Land Management & Dev Director	1	1	1	1	1
Civil Engineer I/II/III	2	2	2	2	2
Civil Engineer I/II/III (Project Advocate)	0	2 ^{1,2}	3 ³	3 ³	3 ³
Senior Office Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	4	6	7	7	7

¹ One position reclassified and transferred from LMD-Planning & Community Development

² One position transferred from Water & Sewer Fund

³ Second position transferred from Water & Sewer Fund

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Replace survey data collector	\$ 950	\$ 950	\$ 950
Traffic counters & software	4,500	4,500	4,500
Ellis Street bridge design	255,000	255,000	255,000
Ellis Street bridge right-of-way	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
Total Capital Outlay	\$ 350,450	\$ 350,450	\$ 350,450

STATEMENT OF PURPOSE

To provide for the lighting of the City's streets.

COUNCIL PERFORMANCE GOALS

1. Adopt standards and ordinances that support implementation of Vision 2020.
2. Identify opportunities to support Vision 2020 through City operations.
3. Consider smart growth standards and incentives.
4. Review construction standards.

DIVISIONAL PERFORMANCE GOALS

1. Forward citizen notifications of street light outages to Duke Power.
2. Administer citizen requests for improved street lighting in accordance with the City's neighborhood street lighting petition policy.
3. Improve street lighting along thoroughfares in accordance with approved funding.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	306,408	307,000	360,824	345,824	353,324
Capital	-	-	-	-	-
TOTAL	\$ 306,408	\$ 307,000	\$ 360,824	\$ 345,824	\$ 353,324

DEPARTMENT - Police - Summary

SUMMARY STATEMENT OF PURPOSE

The Police Department protects the citizens of Salisbury with 24-hour law enforcement service. Specific areas of emphasis include preventive patrol, investigations of criminal activity, crime prevention, traffic control, animal control, and internal support services to the operational units.

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Workload			
Number of Sworn Police Officers (Authorized Positions) ^	80	80	82
Total Incoming Calls (911, Direct-Dial, Information-Seeking, etc.)	136,222	135,000	134,000
Number of Dispatches Coded As 'False Alarm'	2,843	2,500	2,400
Number of Neighborhood Meetings Attended By Officers	150	155	160
Criminal Investigations Division (CID) Cases Investigated (Part I)	325	275	300
Departmental Internal Affairs (IA) Investigated Complaints	50	37	N/A
Efficiency			
Number of Sworn Police Officer Vacancies (all causes)	7	6	5
Calls Resulting In An Officer Being Dispatched	36,287	35,185	33,778
Cost Per False Alarm Dispatch ^^	\$ 50	\$ 51	\$ 52
Cost per Neighborhood Meeting Attended	N/A	N/A	N/A
Average Part I Cases Cleared Per CID Investigator	19.0	16.5	18.5
Average Number of Days Per Reviewed IA Complaint	8.1	8.3	8.0
Effectiveness			
Departmental Turn-Over Rate (Sworn Police Officers)	8.8%	7.5%	6.1%
Percent of Incoming Calls That Result in an Officer Dispatch **	27%	26%	25%
Dispatches Coded As 'False Alarm' As a % of Total Dispatches	8%	7%	7%
Neighborhood Meeting Time Attendance As a % of On-Duty Time	3.5%	3.5%	3.5%
CID Part I Case Clearance Rate	35%	36%	37%
IA Complaints Sustained as a Percent of Total IA Complaints Filed	12%	14%	N/A

^ Associated Training

^^ Estimate Only

** Addresses Effectiveness of Public Information Campaign Related to PD Function

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 4,806,914	\$ 5,165,296	\$ 5,583,694	\$ 5,377,031	\$ 5,377,031
Operating	1,002,833	1,067,605	1,218,976	1,145,123	1,145,123
Capital	143,384	231,412	63,550	10,050	10,050
TOTAL	\$ 5,953,131	\$ 6,464,313	\$ 6,866,220	\$ 6,532,204	\$ 6,532,204

PERSONNEL DETAIL

	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Permanent Full-Time (PFT)	103	103	105	105	105
Temporary Part-Time (TPT)	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	107	106	108	108	108

STATEMENT OF PURPOSE

The Services Division of the Police Department serves as the support unit of the department providing telecommunications, clerical and secretarial services, evidence storage and tracking of the property inventory, animal control, D.A.R.E., crime prevention officers, a record-keeping system and building maintenance.

DIVISIONAL PERFORMANCE GOALS

1. Reduce the number of complaints from downtown areas regarding skateboarders on the sidewalks.
2. Expand the D.A.R.E. Program over to Knox Middle School.
3. Assist district patrol operations with the implementation of the TraC (crash reports), E-citation and the arrest modules to be used in the mobile data terminals (MDTs).
4. Implement a partnership with students at area high schools, colleges and universities to lay groundwork towards efforts for future recruitment and selection with Salisbury Police Department (SPD).
5. Market City of Salisbury Police at colleges and universities by providing information on campus and nationally through the SPD website.
6. To increase officers' exposure to firearms training by 100%.
7. Develop a system to audit and monitor the State-mandated training.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 1,143,470	\$ 1,037,480	\$ 1,132,261	\$ 1,107,823	\$ 1,107,823
Operating	275,261	229,935	225,904	218,712	218,712
Capital	39,110	49,200	28,500	-	-
TOTAL	\$ 1,457,841	\$ 1,316,615	\$ 1,386,665	\$ 1,326,535	\$ 1,326,535

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Services Administration (000)					
Deputy Police Chief	1	1	1	1	1
Police Lieutenant- Professional Standards	1	0 ¹	0	0	0
Police Lieutenant-Support Services	1	1	1	1	1
Animal Control (300)					
Animal Control Specialist	1	1	1	1	1
Animal Control Specialist (TPT)	0	1 ⁴	1	1	1
Communications (302)					
Police Telecommunications Supervisor- <i>FROZEN</i>	1 ²	1 ²	1 ²	1 ²	1 ²
Police Telecommunicator	10	10	10	10	10
Police Telecommunicator (TPT)	1	1	1	1	1
Community Service (303)					
Community Services Officer	1	1	1	1	1
Master Police Officer (Victim's Advocate)	1	1	1	1	1
Crossing Guard (TPT)	3	0 ⁴	0	0	0

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Evidence & Identification (304)					
Police Evidence & Property Custodian (MPO)	1	1	1	1	1
Information Management (305)					
Police Records Clerk	1	1	1	1	1
Police Records Coordinator	1	1	1	1	1
Police Information Clerk (Expediter)	1	1	1	1	1
Parking Control Specialist	1	1	1	1	1
Police Officer I/II/MPO (Downtown)	1	1	1	1	1
Recruitment/Training (306)					
Police Sergeant	1	1	1	1	1
Senior Office Assistant	<u>0</u>	<u>0</u>	<u>1³</u>	<u>1³</u>	<u>1³</u>
TOTAL	28	25	26	26	26

¹ Transferred to Police-Administration

² Position frozen in FY04, FY05 and FY06

³ Moved from Police-Field Operations-CID

⁴ Crossing Guard positions reallocated to Animal Control

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Communications (302)			
Cry Wolf Alarm Module	\$ 25,000	\$ -	\$ -
Communication Center chairs	2,000	-	-
Information Management (305)			
Three (3) replacement desk chairs	1,500	-	-
Total Capital Outlay	\$ 28,500	\$ -	\$ -

STATEMENT OF PURPOSE

To serve as the central management and administrative unit for the activities and operations associated with the Police Department.

COUNCIL PERFORMANCE GOALS

1. Develop a second five-year Police Department Strategic Plan.
2. Continue Crime Control Plan based on new goals set in FY 2004-2005.
3. Implement Alarm Ordinance.
4. Evaluate public announcement methods concerning emergency preparedness.

DIVISIONAL PERFORMANCE GOALS

1. Continue evaluation of the allocation of department resources as they are distributed in the districting concept of the department.
2. Continuation of the Crime Control goals to include youth, gangs and Project Safe.
3. Continue the efforts to decrease the amount of citizen complaints relative to discourtesy and misconduct.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 296,586	\$ 317,941	\$ 326,191	\$ 319,217	\$ 319,217
Operating	152,388	138,855	198,869	182,451	182,451
Capital	1,772	-	-	-	-
TOTAL	\$ 450,746	\$ 456,796	\$ 525,060	\$ 501,668	\$ 501,668

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
Police Chief	1	1	1	1	1
Police Planner	1	1	1	1	1
Fiscal Analyst	1	1	1	0 ⁴	0 ⁴
Finance Specialist-NEW	0	0	0	1	1
Crime Analyst	1	0 ¹	0	0	0
Police Lieutenant-Professional Stds	0	1 ²	1	1	1
Project Safe Grant (315)					
Project SAFE Coordinator (TPT)	<u>0</u>	<u>1</u> ³	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	4	5	5	5	5

¹ Transferred to Police-Field Operations

² Transferred from Police-Support Services

³ Position funded by grant

⁴ Transferred to Management Services-Administration

STATEMENT OF PURPOSE

To provide 24-hour law enforcement service for the citizens of Salisbury including: protection of life and property, traffic enforcement, investigation of traffic accidents, investigation of criminal activities, crime lab, school resource officers, crime analysis, and department armory.

DIVISIONAL PERFORMANCE GOALS

1. Implement a criminal gang intelligence investigator component as part of our criminal investigations and drug enforcement efforts.
2. Expand the K9 Corps to include a dedicated narcotic drug detection dog to be assigned to the street-highway drug interdiction team.
3. Conduct bi-annual WMD and disaster preparedness exercises with City Fire, City Public Works and Rowan County public safety providers to test, evaluate and maintain our local emergency preparedness readiness.
4. Establish a rotational “night-shift” for Criminal Investigations to address the continuing problems associated with the commercial burglaries.
5. Conduct weekly specialized traffic enforcement operations to address speeding, hazardous-reckless vehicle operation and high collision intersections at specific locations within the City.
6. Identify, train and certify additional firearms training instructors and departmental weapons armorer.
7. Identify, train and certify additional vehicle accident reconstructionist.
8. Identify, train and certify additional polygraph examiner.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 3,366,858	\$ 3,809,875	\$ 4,125,242	\$ 3,949,991	\$ 3,949,991
Operating	575,184	698,815	794,203	743,960	743,960
Capital	<u>102,502</u>	<u>182,212</u>	<u>35,050</u>	<u>10,050</u>	<u>10,050</u>
TOTAL	\$ 4,044,544	\$ 4,690,902	\$ 4,954,495	\$ 4,704,001	\$ 4,704,001

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Operations Administration (320)					
Deputy Police Chief	1	1	1	1	1
Police Officer I-NEW-ANNEXATION	0	0	2 ⁵	2 ⁵	2 ⁵
District I (321)					
Police Lieutenant	1	1	1	1	1
Police Sergeant	3	3	3	3	3
Police Officer I/II/MPO	25	24 ²	24	24	24
Police Officer I/II/MPO-FROZEN	1 ¹	0 ²	0	0	0
District II (322)					
Police Lieutenant	1	1	1	1	1
Police Sergeant	3	3	3	3	3
Police Officer I/II/MPO	22	21 ²	21	21	21
Police Officer I/II/MPO-FROZEN	1 ¹	2 ¹	0	2 ¹	2 ¹
Police Officer I - UNFROZEN	0	0	2	0	0
District III (323)					
Police Lieutenant	1	1	1	1	1
Police Officer I/II/MPO	3	3	3	3	3

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Criminal Investigations (326)					
Police Lieutenant	1	1	1	1	1
Police Sergeant	1	1	1	1	1
Police Officer I/II/MPO	9	11 ²	11	11	11
Senior Office Assistant	1	1	0 ⁴	0 ⁴	0 ⁴
Crime Analysis (330)					
Crime Analyst	0	1 ³	1	1	1
Crime Scene Specialist	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	75	76	77	77	77

¹ Positions frozen since FY03

² Positions transferred within the department

³ Position transferred from Police-Administration

⁴ Position transferred to Police-Support Services

⁵ Positions added for 6/30/2005 Annexation

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Field Operations Administration (320)			
Body armor	\$ 8,000	\$ 8,000	\$ 8,000
Two shotguns for annexation Police Officers	1,000	1,000	1,000
Two pistols for annexation Police Officers	1,050	1,050	1,050
North District (321)			
Weapons replacement	15,000	-	-
Firing range updates	10,000	-	-
Total Capital Outlay	<u>\$ 35,050</u>	<u>\$ 10,050</u>	<u>\$ 10,050</u>

STATEMENT OF PURPOSE

To provide capable, well trained personnel and necessary equipment to suppress fires and effectively manage hazardous materials accidents that may occur in our community related to transportation or industry; to provide rescue services as needed and life support through an updated First Responder Program. To continue to work toward a more fire-safe community through loss prevention activities, including minimum housing responsibilities, building inspections, code enforcement, and public education programs.

COUNCIL PERFORMANCE GOALS

1. Through a systematic and inclusive process, develop a five-year Fire Department strategic plan to include ISO, accreditation, management and future services.
2. Evaluate public announcement methods concerning emergency preparedness.

DEPARTMENTAL PERFORMANCE GOALS

1. Explore and study partnership with County Fire Marshal office on the possibility of combining fire public education programs and arson investigation cases.
2. Review and revamp recruiting and hiring process (i.e. recruiting, orientation and interview process).
3. Increase fire safety education, fire safety code enforcement and Fire Department visibility/presence on college campuses. Explore Fire Inspector offices at Livingston and Catawba Colleges.
4. Develop leadership from within the department, training programs, coaching, mentoring programs and role remodeling programs.
5. Modernize our Knox Box program to include key security, locations announced via telecommunications upon dispatch, and increased use.
6. Modernize Fire Department operations, training and directives manuals through the use of our computer network to reduce printing duplication and staff time.
7. Develop a loss control program to provide additional resources to customers who have suffered a fire or other emergency in which loss of property is likely or the potential of loss is high.
8. Develop a fire apparatus utilization plan.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Workload			
EMS / Rescue Responses	1,924	1,982	2,042
Fire Responses	160	165	171
False Alarm Responses	373	385	398
Service Calls	160	165	171
Hazardous Material Responses	196	202	209
Overpressure or Explosion (no fire) Responses	33	34	35
Good Intent Calls	331	342	353
Total Calls	3,177	3,276	3,378
Average Calls Per Day	9	9	9
Average Time Spent Per Call (minutes)	27	28	30
Average Hours of Call Workload (in 24 hours)	4	4	5
Average Training Hours per Firefighter per Day	2	3	3
Total Fire Control Training Hours	16,804	20,501	22,551
Public Education Events	100	110	121
Fire Hydrants Tested	1,462	1,601	1,650
Land Area Serviced (square miles)	19	20	20
People Protected	28,199	29,260	29,553

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Efficiency			
Annual FD Cost (not including indirect costs)	\$3,926,355	\$4,345,033	\$4,201,680
Cost Per Response (average)	\$1,421	\$1,326	\$1,244
Fire Department Cost Per Citizen Per Day	\$0.38	\$0.41	\$0.39
Fire Stations	3	3	4
Fire Station Coverage (average in square miles)	6.29	6.64	4.98
Firefighters Per Shift Strength	18.5	21	21
Firefighters Per 100 Calls for Service	0.58	0.64	0.62
Firefighters Per 1,000 Population	0.66	0.72	0.71
Total Dollar Value of All Property Protected	\$1.9 Billion	\$2.2 Billion	\$2.3 Billion
Firefighters Per \$100 Million of Property Protected *	0.99	0.95	0.91
Effectiveness			
Fire Injuries - Civilian	1	1	1
Fire Injuries - Firefighter	1	1	1
Fire Deaths - Civilian	1	0	0
Fire Deaths - Firefighter	0	0	0
Fire Loss (Dollars)	\$222,095	\$246,323	\$273,418
False Alarm Responses As a % of Total Responses	11.7%	11.8%	11.8%
ISO Class Rating	2	2	2
Pre-Fire Plans Completed	208	208	260
On-Scene Time % within 5 Minutes	55%	60%	80%

* Fire Fighters On-Duty Per One Hundred Million Dollars of Property Value Protected

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 2,958,749	\$ 3,124,610	\$ 3,710,408	\$ 3,287,310	\$ 3,204,169
Operating	650,515	710,442	1,047,999	739,499	739,499
Capital	223,115	509,981	1,662,092	278,556	258,012
TOTAL	\$ 3,832,379	\$ 4,345,033	\$ 6,420,499	\$ 4,305,365	\$ 4,201,680

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Fire Administration (000)					
Fire Chief	1	1	1	1	1
Assistant Fire Chief	1	1	1	1	1
Fire Logistics Officer (Captain)	1	1	1	1	1
Office Assistant	1	1	1	1	1
Battalion Chief-Fire Logistics-NEW	0	0	1	0	0
Fire Station #50 (350)					
Fire Captain-NEW	0	0	3	3 ¹	3 ¹
Fire Control Specialist I-NEW	0	0	3	3 ¹	3 ¹
Fire Control Specialist I/II	0	0	3 ²	3 ²	3 ²
Fire Engineer	0	0	3 ²	3 ²	3 ²
Temporary Firefighters (TPT)-NEW	0	0	4	4	4

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Fire Station #51 (351)					
Battalion Chief	3	3	3	3	3
Fire Captain	6	6	6	6	6
Fire Control Specialist I/II	15	15	15	15	15
Fire Engineer	6	6	6	6	6
Fire Station #52 (352)					
Fire Captain	3	3	3	3	3
Fire Control Specialist I/II	6	6	3 ²	3 ²	3 ²
Fire Engineer	6	6	3 ²	3 ²	3 ²
Fire Station #53 (353)					
Fire Captain	3	3	3	3	3
Fire Control Specialist I/II	6	6	6	6	6
Fire Engineer	3	3	3	3	3
Loss Prevention & Investigation (356)					
Deputy Chief-NEW	0	0	1	0	0
Fire Investigation/Inspection Officer	1	1	0	1	1
Fire Investigation/Inspection Specialist	3	2 ²	3 ³	3 ³	3 ³
Minimum Housing/Inspection Specialist	1	0 ²	0	0	0
Fire Logistic Captain-Public Education Specialist-NEW	0	0	1	0	0
Training Division (357)					
Deputy Chief-NEW	0	0	1	0	0
Battalion Chief	1	1	0	1	1
Fire Projects Analyst	1	1	1	1	1
Fire Training Captain-NEW	0	0	1	0	0
Minimum Housing/Code Enforcement (358)					
Fire Investigation/Inspection Specialist	0	1 ²	1	1	1
Minimum Housing/Inspection Specialist	<u>0</u>	<u>1</u> ²	<u>0</u> ³	<u>0</u> ³	<u>0</u> ³
TOTAL	68	68	81	78	78

¹ To begin 4/1/2006

² Position transferred between cost centers

³ Position reclassified and transferred

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Fire Administration (000)			
Fire Grants	\$ 34,000	\$ -	\$ -
Building needs - all stations	721,943	-	-
Fire Station 50 Additional Equipment	125,967	20,544	-
Fire Station 50 Building Construction	702,420	224,900	224,900
Fire Station #51 (351)			
Touch 'N Track Personnel Accountability System	5,875	5,875	5,875
ISO - 2-1/2 Solid Stream Nozzle for 511	643	643	643
ISO - 2-1/2 Combination Nozzle for 511	787	787	787
ISO - water supply valves (4 @ \$2,225)	8,900	8,900	8,900
Phoenix Rescue Tool (Jaws of Life) for 511	10,900	10,900	10,900
ISO - 40 foot extension ladder for 516	930	930	930
Fire COM 3101R Intercoms (9 @ \$3,200)	28,800	-	-
Fire Station #52 (352)			
ISO - 2-1/2 Solid Stream Nozzle for 521	643	643	643
ISO - 2-1/2 Combination Nozzle for 522	787	787	787
ISO - 2-1/2 Combination Nozzle for 521 (2 @ \$787)	1,574	1,574	1,574
Fire Station #53 (353)			
ISO - 2-1/2 Solid Stream Nozzle for 531 (2 @ \$643)	1,286	1,286	1,286
ISO - 2-1/2 Combination Nozzle for 531	787	787	787
Replace ice machine	1,500	-	-
Replace decon washer	6,000	-	-
Foam equipment (nozzles & eductors)	1,600	-	-
Training (357)			
GIS GTX GPS unit & software	4,750	-	-
Smoke simulators	2,000	-	-
Total Capital Outlay	<u>\$ 1,662,092</u>	<u>\$ 278,556</u>	<u>\$ 258,012</u>

DEPARTMENT - Public Services - Summary

SUMMARY STATEMENT OF PURPOSE

The Public Services Department provides the citizens of Salisbury with street maintenance, collection and disposal of solid waste, traffic signal maintenance, pavement markings, and landscaping of City property. This Department also provides maintenance of all City vehicles.

BUDGET REQUEST SUMMARY

	Actual FY 03-04	Budgeted FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Personnel	\$ 3,430,356	\$ 3,637,669	\$ 3,960,454	\$ 3,787,667	\$ 3,787,667
Operating	2,792,861	2,579,047	3,019,421	2,812,983	2,821,983
Capital	<u>37,166</u>	<u>37,240</u>	<u>201,300</u>	<u>64,250</u>	<u>64,250</u>
TOTAL	\$ 6,260,383	\$ 6,253,956	\$ 7,181,175	\$ 6,664,900	\$ 6,673,900

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Permanent Full-Time (PFT)	79.5	79.5	83.5	82	82
Permanent Part-Time (PPT)	2	2	0	0	0
Temporary Full-Time (TFT)	<u>4</u>	<u>4</u>	<u>5</u>	<u>4</u>	<u>4</u>
TOTAL	85.5	85.5	88.5	86	86

STATEMENT OF PURPOSE

To serve as the central management and administration source for activities and operations related to the Public Services Department including Fleet Management, Landscape Operations/Hurley Park, Cemetery, Traffic Operations, Solid Waste Management, Street Division, Transit Division and Code Enforcement.

COUNCIL PERFORMANCE GOALS

Overall goals for Public Services Administration are delineated under each division separately.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 212,150	\$ 218,375	\$ 230,039	\$ 226,215	\$ 226,215
Operating	21,458	29,754	23,093	18,363	18,363
Capital	-	-	5,400	3,600	3,600
TOTAL	\$ 233,608	\$ 248,129	\$ 258,532	\$ 248,178	\$ 248,178

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
Public Services Director	1	1	1	1	1
Department Secretary	1	1	1	1	1
Senior Office Assistant	1	1	1	1	1
Code Enforcement (410)					
City Code Inspector	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	4	4	4	4	4

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Two (2) workstations	\$ 3,600	\$ 1,800	\$ 1,800
Replace carpet	1,800	1,800	1,800
Total Capital Outlay	\$ 5,400	\$ 3,600	\$ 3,600

STATEMENT OF PURPOSE

To provide the City with a resource capable of effectively monitoring and evaluating municipal traffic safety, traffic flow, and parking needs; then develop and implement programs designed to address those needs through a network of traffic signals, traffic control signs, pavement markings and parking control devices.

The group is also an internal support group to the Information Technology Division and all other departments as needed.

DIVISIONAL PERFORMANCE GOALS

1. Assist the North Carolina DOT with projects and upgrades which pertain to traffic control devices.
2. Continue preventive maintenance and rejuvenation schedules on all traffic control devices.
3. Assist Traffic Engineering with the daily operations of the traffic signal system and traffic studies.

PERFORMANCE MEASURES

	FY-2001	FY-2002	FY-2003	FY-2004	FY-2005
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>
Miles of Pavement Markings Repainted	31	24.5	40.5	43	36
Traffic Signal Bulbs Replaced	156	1081	1,179	1,727	1219
Traffic Studies Completed	116	67	85	80	84
Signs Repaired	638	629	660	497	608

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 345,431	\$ 366,426	\$ 400,373	\$ 390,881	\$ 390,881
Operating	112,806	107,737	123,817	123,652	123,652
Capital	<u>2,440</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
TOTAL	\$ 460,677	\$ 480,163	\$ 530,190	\$ 520,533	\$ 520,533

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Traffic Operations Manager	1	1	1	1	1
Signs and Marking Crewleader	1	1	1	1	1
Signs and Marking Technician I/II	3	3	3	3	3
Traffic Signal Technical I/II	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	8	8	8	8	8

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Traffic Signal Equipment	\$ 6,000	\$ 6,000	\$ 6,000
Total Capital Outlay	\$ 6,000	\$ 6,000	\$ 6,000

STATEMENT OF PURPOSE

To plan, implement and manage the construction and maintenance of all City streets, sidewalks, drainage system and rights-of-way through a program of maintenance, construction, cleaning, and general beautification. To fund activities associated with street construction, maintenance, cleaning and rights-of-way maintenance as provided for by revenue received from the State of North Carolina through the Powell Bill Fund.

DIVISIONAL PERFORMANCE GOALS

Administration (000)

Plan, direct and support the construction and maintenance of city streets, sidewalks and drainage systems.

Street Maintenance (420)

Perform maintenance to City streets and parking facilities not covered under the guidelines of Powell Bill funding; perform paving and patching to street cuts as a result of the work efforts of various utilities.

Concrete Construction (421)

Provide maintenance and repair to City sidewalks, driveways, and curbs; respond to requests from contractors and property owners to install or repair new concrete facilities.

Street Cleaning (422)

Routinely sweep, wash, and remove debris from streets to prevent sedimentation of drainage structures and prevent unsafe conditions; clean downtown sidewalks, streets, and city-owned parking facilities nightly to provide aesthetic enhancements to public properties.

Powell Bill Paving & Resurfacing (426)

Maintain and continuously upgrade the City’s 160 miles of streets through maintenance programs consisting of crack sealing, base repairs, pavement maintenance, and paving as prioritized from the street condition survey.

Powell Bill Bridge Maintenance/Snow (427)

Provide maintenance to the decking, pavement, and related bridge facilities; maintain streets, walks, and parking facilities in a passable condition during periods of ice and snow.

Powell Bill Drainage (428)

Clean, construct and repair culverts, catch basins and related drainage structures as needed to ensure effective and efficient run-off of rainwater to minimize local flooding.

Powell Bill-Concrete Construction (429)

Provide maintenance, repair, and installation to City curb and gutter, sidewalks, and bike pathways.

PERFORMANCE MEASURES

	FY-2001	FY-2002	FY-2003	FY-2004	FY-2005
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>
Lane Miles of Streets Paved	16.0	9.6	5.0	11.5	13.5
Centerline Miles of Streets Maintained	147	147	147	154	160
Potholes Filled	880	574	629	914	800
Driveways	92	73	50	35	40
Sidewalks Replaced / Repaired - Feet	6,215	7,511	6,333	9,760	7,000
Curb & Gutter - Feet	2,836	3,246	906	4,435	3,500
New Handicap Ramps	50	37	40	100	100

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 1,181,805	\$ 980,313	\$ 1,051,721	\$ 1,023,669	\$ 1,023,669
Operating	1,152,527	914,223	1,034,312	911,277	911,277
Capital	<u>11,884</u>	<u>6,500</u>	<u>124,000</u>	<u>11,500</u>	<u>11,500</u>
TOTAL	\$ 2,346,216	\$ 1,901,036	\$ 2,210,033	\$ 1,946,446	\$ 1,946,446

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (000)					
Street Maintenance Manager	1	1	1	1	1
Street Maintenance (420)					
Street Maintenance Supervisor	2	1	1	1	1
Equipment Operator I/II	2	3	3	3	3
Street Maintenance Worker I/II	2	2	2	2	2
Equipment Operator I-ANNEXATION	0	0	1 ¹	1 ¹	1 ¹
Concrete Construction (421)					
Street Maintenance Supervisor	1	1	1	1	1
Equipment Operator I/II	2	3	2	2	2
Street Maintenance Worker I/II	1	1	2	2	2
Street Cleaning (422)					
Street Maintenance Supervisor	1	1	1	1	1
Equipment Operator I/II	5	4	4	4	4
Limb/Yard Waste Collection (423)					
Equipment Operator I/II	2	0 ²	0	0	0
Street Maintenance Worker I/II	3	0 ²	0	0	0
Leaf Collection (424)					
Equipment Operator I/II	2	0 ²	0	0	0
Powell Bill-Paving & Resurfacing (426)					
Street Maintenance Supervisor	0	1	1	1	1
Equipment Operator I/II	2	1	1	1	1
Powell Bill-Street Maintenance (427)					
Equipment Operator I/II	1	1	1	1	1
Powell Bill-Drainage & Storm Sewers (428)					
Street Maintenance Supervisor	1	0	0	0	0
Equipment Operator I/II	1	2	2	2	2
Street Maintenance Worker I/II	1	0	0	0	0
Powell Bill-Concrete Construction (429)					
Street Maintenance Worker I/II	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	31	23	24	24	24

Note: Positions moved between cost centers

¹ Equipment Operator I/II added for 6/30/2005 Annexation

² Positions transferred to Waste Collection - Other

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Street Administration (000)			
Lighting improvements	\$ 5,000	\$ 5,000	\$ 5,000
Equipment storage at Landfill	30,000	-	-
Material storage at Landfill	25,000	-	-
Enclose equipment bay at Street Division Compound	30,000	-	-
Street Maintenance (420)			
Asphalt Saw	1,500	1,500	1,500
Concrete Construction (421)			
Concrete Forms	5,000	5,000	5,000
Concrete Saw	1,500	-	-
Bridge/Winter Maintenance (427)			
Salt Brine Storage Tank	8,000	-	-
Brine Application Tank	10,000	-	-
Snow Plow	8,000	-	-
	<u>\$ 124,000</u>	<u>\$ 11,500</u>	<u>\$ 11,500</u>
Total Capital Outlay			

STATEMENT OF PURPOSE

To operate, maintain and develop seven municipal cemeteries totaling 78.6 acres of publicly controlled burial grounds.

DIVISIONAL PERFORMANCE GOALS

1. Perform daily maintenance activities including mowing, leaf collection, pruning and collection of litter in order to maintain a well-groomed appearance of cemetery properties.
2. Provide prompt and courteous service to funeral directors and bereaved families in regard to interments and related services.
3. Assist families with special requests regarding the care of burial plots.
4. Assist public walk-ins with location of graves.
5. Continue staff development in the areas of equipment operation, work safety, and technical expertise.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 159,041	\$ 181,298	\$ 187,979	\$ 182,587	\$ 182,587
Operating	54,322	58,412	65,265	52,166	52,166
Capital	2,184	3,000	21,550	9,700	9,700
TOTAL	\$ 215,547	\$ 242,710	\$ 274,794	\$ 244,453	\$ 244,453

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Cemetery Operations Manager	1	1	1	1	1
Grounds Maintenance Worker Sr/I/II	1 ¹	1	1	1	1
Equipment Operator I/II	2 ¹	2	2	2	2
Seasonal Worker (TFT)	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
TOTAL	6	6	6	6	6

¹ Position reclassified

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Install dropped ceiling in Chestnut Hill shop building	\$ 5,100	\$ -	\$ -
Paint exterior of Chestnut Hill bay building	2,350	- ¹	-
Replace five (5) garage doors in Chestnut Hill bay bldg	6,000	6,000	6,000
Purchase two (2) riding lawn mowers	2,400	1,200	1,200
Purchase mowing deck for 4300 tractor	2,500	2,500	2,500
Purchase a side discharge deck for 1145 mower	3,200	-	-
Total Capital Outlay	\$ 21,550	\$ 9,700	\$ 9,700

¹ To be painted by Facilities Maintenance employees

STATEMENT OF PURPOSE

To maintain a clean, healthy environment for the citizens of Salisbury through the regular collection, transportation, and disposition of industrial, commercial and residential refuse, and other debris using an effective, efficient system of waste management and recycling.

COUNCIL PERFORMANCE GOALS

Implement study to determine the feasibility and cost of alternative plans (other than landfill) for disposal of the city’s solid waste.

DIVISIONAL PERFORMANCE GOALS

1. Continue a tagging system to reduce the number of carts and bins being left on the curb after collection.
2. Review the possibility of rebidding contracts for the collection of dumpsters and recycling containers.
3. Ensure the Solid Waste division can supply service at anytime, even during emergencies.

PERFORMANCE MEASURES

	FY-2001 Actual	FY-2002 Actual	FY-2003 Actual	FY-2004 Actual	FY-2005 Estimate
City-Collected Garbage - Tons	8,300	8,400	8,357	8,500	8,653
Commercial Garbage Collection - Tons	12,400	12,200	12,000	11,334	11,100
Residential Recycling - Tons	470	2,248	1,957	2,057	1,900
Cardboard Collected for Recycling - Tons	400	400	400	400	400

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 456,191	\$ 462,857	\$ 531,919	\$ 509,508	\$ 509,508
Operating	1,001,334	952,566	1,147,447	1,132,049	1,132,049
Capital	-	-	-	-	-
TOTAL	\$ 1,457,525	\$ 1,415,423	\$ 1,679,366	\$ 1,641,557	\$ 1,641,557

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Solid Waste Manager	1	1	1	1	1
Solid Waste Operations Supervisor	1	1	1	1	1
Solid Waste Equipment Operator	8	8	8	8	8
Solid Waster Equipment Operator for ANNEXATION	0	0	1 ¹	1 ¹	1 ¹
TOTAL	10	10	11	11	11

¹ Position added for 6/30/2005 Annexation

STATEMENT OF PURPOSE

To provide the citizens of Salisbury with weekly limb and bagged yard debris collection to coincide with the current solid waste and recycling collection. During the months of October – March, curbside loose leaf collection is provided a minimum of every three weeks on a rotating schedule.

DIVISIONAL PERFORMANCE GOALS

Limb/Yard Waste (423)

Provide weekly limb and bagged yard debris collection Citywide to coincide with the solid waste and recycling collection.

Leaf Collection (424)

Provide curbside loose-leaf collection during the fall and winter months on a rotating schedule every three weeks.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ 282,418	\$ 323,173	\$ 313,829	\$ 313,829
Operating	-	91,484	118,493	114,493	114,493
Capital	-	-	-	-	-
TOTAL	\$ -	\$ 373,902	\$ 441,666	\$ 428,322	\$ 428,322

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Limb/Yard Waste Collection (423)					
Street Maintenance Supervisor	0	1	1	1	1
Equipment Operator I/II	0	2	2	2	2
Street Maintenance Worker I/II	0	3	3	3	3
Leaf Collection (424)					
Equipment Operator I/II	0	1	2	2	2
Street Maintenance Worker I/II	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	0	8	8	8	8

Positions transferred from Street Division
 Note: Positions moved between cost centers

STATEMENT OF PURPOSE

To provide a centralized resource for the management and development of City-owned landscapes and urban forest resources. To provide staff support to the Salisbury Tree Board; provide management of vegetation on City properties and rights-of-way; and ensure compliance with community standards regarding vegetative nuisances, unsanitary conditions and junked or abandoned vehicles on private property.

DIVISIONAL PERFORMANCE GOALS

1. Continue development of a comprehensive tree management program including; GIS, pruning, removal, replacement, new planting, and routine maintenance.
2. Provide staff support to the Salisbury Tree Board, Downtown Salisbury, Inc., and Community Development for the implementation of goals adopted by the City Council including Arbor Day, Brown-Wiseman Boxwood property development, and the Angel Project at Robertson Gateway Park.
3. Assist the Public Services Director in the implementation of interdepartmental projects.
4. Provide concerted code enforcement and nuisance abatement services within the context of the neighborhood improvement initiative.
5. Continue staff development in the areas of equipment training and operation, pesticide and horticultural workshops, Human Resource classes, work safety, and technical expertise.
6. Provide consistent maintenance for the expanding Utilities and North Carolina DOT contracts with focus on time management and efficiency.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 378,546	\$ 391,934	\$ 457,538	\$ 415,379	\$ 415,379
Operating	161,237	140,725	163,483	142,103	142,103
Capital	-	3,090	2,750	6,550	6,550
TOTAL	\$ 539,783	\$ 535,749	\$ 623,771	\$ 564,032	\$ 564,032

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Landscape (000)					
Landscape Division Manager	1	1	1	1	1
Landscape Maintenance Supervisor	1	1	1	1	1
Grounds Maintenance Worker Sr/I/II	6	6	6	6	6
Grounds Maint. Worker I-NEW	0	0	1	0	0
Contract Mowing (460)					
Grounds Maintenance Worker I/II	2	2	2	2	2
Seasonal Worker (TFT)	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
TOTAL	12	12	13	12	12

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Install VCT tile 1402 N Main St	\$ -	\$ 3,800 ¹	\$ 3,800 ¹
Additional 5 ft. Bush hog due to annexation	2,750	2,750	2,750
Total Capital Outlay	\$ 2,750	\$ 6,550	\$ 6,550

¹ Requested as an operational line item

STATEMENT OF PURPOSE

To maintain and further develop the 15-acre Elizabeth Holmes Hurley Park in conjunction with J.F. Hurley Foundation and the City of Salisbury's Hurley Park Advisory Commission.

DIVISIONAL PERFORMANCE GOALS

1. Provide support to the Hurley Park Advisory Commission for the implementation of goals adopted by the City Council:
 - Continue Spring Celebration and Summer Lecture
 - Replace deck at Hurley Park Pond
 - Replace picnic tables and trash cans at Hurley Park
 - Stabilize the creek bed and hang a swing sign at Laughridge Garden
2. Maintain records of plantings and donations in conjunction with the Hurley Foundation.
3. Continue staff development in the areas of computer literacy, work safety and technical expertise.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 82,217	\$ 92,130	\$ 87,769	\$ 81,503	\$ 81,503
Operating	21,875	22,529	44,786	25,964	34,964
Capital	160	-	10,000	10,000	10,000
TOTAL	\$ 104,252	\$ 114,659	\$ 142,555	\$ 117,467	\$ 126,467

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Park Curator (PFT)	0	0	2 ^{1,2}	2 ^{1,2}	2 ^{1,2}
Park Curator (PPT)	1	1	0 ¹	0 ¹	0 ¹
Sr. Grounds Maintenance Worker	1	1	0 ²	0 ²	0 ²
Grounds Maint. Worker (PPT)	1	1	0 ¹	0 ¹	0 ¹
Seasonal Worker (TFT)-NEW	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
TOTAL	3	3	3	2	2

¹ Two Perm/Part-Time positions combined into one Perm/Full-Time position

² Position reclassified

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Replace pond decking at Lake Drive & Annadale	\$ 10,000	\$ 10,000	\$ 10,000
Total Capital Outlay	\$ 10,000	\$ 10,000	\$ 10,000

STATEMENT OF PURPOSE

To provide a centralized resource for the management and repair of City vehicles and equipment; including Transit System buses and to offer expertise in the development of specifications used in the purchase of new vehicles and equipment.

DIVISIONAL PERFORMANCE GOALS

1. Enhance technical abilities of division personnel through in-house training programs.
2. Increase service life and vehicle dependability by developing an in-depth preventive/scheduled maintenance program.
3. Enhance the technical equipment capability of the division in order to maintain current needs and provide for future needs of the City's fleet.
4. Develop specifications on vehicles and equipment that meet the needs of the City while lowering the operating cost over the life of the vehicle or equipment.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 614,975	\$ 661,918	\$ 689,943	\$ 644,096	\$ 644,096
Operating	107,020	88,047	118,443	79,798	79,798
Capital	20,498	18,650	31,600	16,900	16,900
TOTAL	\$ 742,493	\$ 768,615	\$ 839,986	\$ 740,794	\$ 740,794

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Fleet Services Manager	1	1	1	1	1
Fleet Services Supervisor	1	1	1	1	1
Fleet Service Shift Supervisor	.5 ¹	.5 ¹	.5 ¹	0 ²	0 ²
Mechanic/Master Mechanic	7	7	7	7	7
Automotive Service Technician	1	1	1	1	1
Parts Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	11.5	11.5	11.5	11	11

¹ Position half funded in Transit Fund

² Position recommended for full funding in Transit Fund

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Gas Emissions Module	\$ 8,000	\$ 8,000	\$ 8,000
State Inspection update	1,000	1,000	1,000
Tool set	3,500	3,500	3,500
NGS Software update	1,200	1,200	1,200
Scanner software	2,000	2,000	2,000
Cummins software	1,200	1,200	1,200
Shipping containers	10,000	-	-
Opacity Meter	4,700	-	-
Total Capital Outlay	\$ 31,600	\$ 16,900	\$ 16,900

STATEMENT OF PURPOSE

To provide the citizens of Salisbury with a variety of quality leisure services through safe, attractive, maintained parks and diversified programs that meet the current and future needs of the community.

COUNCIL PERFORMANCE GOALS

1. Continue development of the Salisbury Community Park and Athletic Complex.
2. Complete master plans for individual parks.
3. Implement Greenway construction.
4. Implement open space standards through Vision 2020.
5. Address the questions in “Next Steps” section of the conference/convention center market study.

DEPARTMENTAL PERFORMANCE GOALS

1. Improve the quality and quantity of recreation programs offered to the community.
2. Renovate and repair the current Parks and Recreation facilities through the use of a systematic renovation master plan.
3. Standardize policies and procedures for operations.
4. Support the open space standards review process.
5. Continue to expand neighborhood and cooperative programs.
6. Update and develop facility user fee structure.
7. Provide support for Civic/Convention feasibility study.
8. Implement departmental measures.
9. Support City-School cooperation.
10. Prepare for national reaccreditation.

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Workload			
Acres of Park Space Owned	505	505	505
Acres of Park Space Maintained ^	250	250	300
Yards of Greenway Maintained	2,200	4,840	4,840
Number of Athletic Fields and Athletic Surfaces Maintained	28	28	30
Number of Recreational Programs Administered	785	800	775
Number of Recreational Program Participations *	170,989	175,000	177,000
Number of Maintenance and Safety Inspections Conducted	7,968	8,000	8,000
Number of Volunteer Hours Utilized	4,487	5,100	5,250
Number of Inmate Hours Utilized	978	1,000	1,000
Efficiency			
Cost Per Acre Maintained	\$ 30	\$ 35	\$ 40
Cost Per 1,000 Yards of Greenway Maintained	\$ 7,020	\$ 7,371	\$ 7,739
Cost Per Athletic Field and Athletic Surface Maintained	\$ 45	\$ 46	\$ 47
Cost Per Recreational Program Administered	\$ 81	\$ 78	\$ 79
Program FTEs Per 1,000 Program Participations	10.43	10.67	10.79
Cost per Maintenance and Safety Inspection Performed	\$ 15	\$ 18	\$ 20
Cost Per Volunteer Hour	NO SIGNIFICANT COSTS		
Cost Per Inmate Hour	\$ 0.18	\$ 0.19	\$ 0.20

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Effectiveness			
Percent of City Devoted to Parks, Recreation and Greenway	4.0%	3.9%	3.8%
City-wide Average for Athletic Field / Surface Availability **	95%	95%	95%
Participations Per Program	217	218	228
Percent of Program Participants Identified as City Residents	72%	73%	75%
City-wide Average for Equipment & Facilities Availability	97%	97%	97%
Estimated Departmental Savings Through Use of Volunteers	\$44,870	\$51,000	\$52,000
Estimated Departmental Savings Through Use of Inmates	\$14,670	\$15,000	\$15,000

^ Half of the acreage is either wooded or remains in its 'natural' state.

* A participation is defined as one individual engaged in P&R programming, on a single occasion.

If a person plays softball three nights per week, this equates to three participations.

** Includes both indoor and outdoor facilities, with the availability percentage of outdoor equipment and facilities impacted by related inclement weather.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 1,122,220	\$ 1,191,977	\$ 1,317,358	\$ 1,223,881	\$ 1,223,881
Operating	612,592	626,326	662,729	562,830	562,830
Capital	334,593	95,184	758,500	103,575	103,575
TOTAL	\$ 2,069,405	\$ 1,913,486	\$ 2,738,587	\$ 1,890,286	\$ 1,890,286

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (100)					
Parks & Recreation Director	1	1	1	1	1
Department Secretary	1	1	1	1	1
Recreation Program Manager	1	1	1	1	1
Civic Center (601)					
Recreation Coordinator	1	1	1	1	1
Recreation Programmer	1	1	1	1	1
Recreation Aide (TPT)	1	2 ¹	2	2	2
Center Attendant (TPT)	2	0 ¹	0	0	0
Recreation Aide-Summer (TFT)	2	2	2	2	2
City Park Center (602)					
Recreation Coordinator	1	1	1	1	1
Recreation Programmer	1	1	1	1	1
Recreation Aide (TPT)	2	3 ¹	3	3	3
Recreation Aide-Summer (TFT)	7	7	7	7	7

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Miller Center (603)					
Recreation Coordinator	1	1	1	1	1
Recreation Programmer	1	1	1	1	1
Recreation Aide (TPT)	2	2	2	2	2
Recreation Aide-Summer (TFT)	7	11 ¹	11	11	11
Buildings & Grounds (604)					
Athletic Maintenance Manager	1	0 ¹	0	0	0
Parks & Recreation Maintenance Manager	1	1	1	1	1
Parks Maintenance Supervisor	0	3 ¹	3	3	3
B&G Maintenance Worker Sr/I/II	9	7 ¹	7	7	7
B&G Maintenance Worker I/II- Greenway	1	1	1	1	1
Recreation Aide (TPT)	2	2	2	2	2
B&G Maint Worker I - NEW	0	0	1	0	0
Greenway Supervisor - NEW	0	0	1	0	0
Athletic Programs (606)					
Recreation Coordinator	1	1	1	1	1
Recreation Programmer	1	1	1	1	1
Recreation Aide (TPT)	3	3	3	3	3
Recreation Aide-Summer (TFT)	4	0 ¹	0	0	0
Public Relations/Marketing (607)					
Marketing & Community Relations Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	56	56	58	56	56

¹ Position transferred within the department

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Civic Center (601)			
Treadmill	\$ 2,500	\$ -	\$ -
Buildings and Grounds (604)			
Replace tables & chairs in facilities	20,000	11,875	11,875
Five foot hitch tiller	3,000	-	-
Front mount blower	3,000	3,000	3,000
Park and Facility repairs	100,000	48,700	48,700
Hall Gym parking	25,000	-	-
Sports Complex renovation	125,000	40,000	40,000
Tennis court replacement	180,000	-	-
Park land acquisition	100,000	-	-
Park development	200,000	-	-
Total Capital Outlay	\$ 758,500	\$ 103,575	\$ 103,575

DEPARTMENT - Public Services
DIVISION – Transportation

553

STATEMENT OF PURPOSE

To provide for funding the City's share of the City Transit System.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	160,282	173,570	180,282	213,118	213,118
Capital	-	-	-	-	-
TOTAL	\$ 160,282	\$ 173,570	\$ 180,282	\$ 213,118	\$ 213,118

DEPARTMENT – Education

641

STATEMENT OF PURPOSE

To provide for funding the Supplementary Education System.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	42,342	42,342	42,342	42,342	42,342
Capital	-	-	-	-	-
TOTAL	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342

DEPARTMENT - Debt Service

901

STATEMENT OF PURPOSE

To provide for the payment of interest and principal payments on outstanding General Fund debt.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	730,012	1,115,351	1,146,040	1,146,040	1,146,040
Capital	-	-	-	-	-
TOTAL	\$ 730,012	\$ 1,115,351	\$ 1,146,040	\$ 1,146,040	\$ 1,146,040



CITY OF SALISBURY

GENERAL FUND CAPITAL RESERVE FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2006
With Estimated Actual for Year Ending June 30, 2005 and
Actual for Year Ended June 30, 2004

	2004	2005	2006
	Actual	Estimate	Budget
REVENUES:			
Miscellaneous:			
Interest earned on investments	\$ 16,397	\$ 18,305	\$ 30,000
Other	<u>1,552</u>	<u>1,351</u>	<u>-</u>
Total revenues	<u>\$ 17,949</u>	<u>\$ 19,656</u>	<u>\$ 30,000</u>
OTHER FINANCING SOURCES:			
Proceeds from capital leases	\$ 595,500	\$ -	\$ -
Operating transfer from General Fund	<u>1,290,589</u>	<u>1,330,417</u>	<u>1,460,303</u>
Total other financing sources	<u>\$ 1,886,089</u>	<u>\$ 1,330,417</u>	<u>\$ 1,460,303</u>
Total revenues and other financing sources	<u>\$ 1,904,038</u>	<u>\$ 1,350,073</u>	<u>\$ 1,490,303</u>

FUND - General Fund Capital Reserve

STATEMENT OF PURPOSE

The General Fund Capital Reserve funds replacement cost of General Fund vehicles and computers and accrues reserves for future purchases.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	167,229	-	-	29,757	31,157
Capital	<u>1,557,947</u>	<u>2,181,073</u>	<u>1,618,503</u>	<u>1,460,546</u>	<u>1,459,146</u>
TOTAL	\$ 1,725,176	\$ 2,181,073	\$ 1,618,503	\$ 1,490,303	\$ 1,490,303

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
City Council			
Computer Equipment Replacement	\$ 3,000	\$ 3,000	\$ 3,000
Total Capital Outlay	\$ 3,000	\$ 3,000	\$ 3,000
Human Resources			
Computer Equipment Replacement	\$ 1,700	\$ 1,700	\$ 1,700
Add computer for new position	1,200	-	-
Total Capital Outlay	\$ 2,900	\$ 1,700	\$ 1,700
Management Services - Information Technologies			
Video Streaming Equipment	\$ 17,000	\$ 17,000	\$ 17,000
Tape Backup for Police	5,400	5,400	5,400
Add Tablet PC	2,200	2,200	2,200
Add laptop to replace desktop	2,900	2,900	2,900
Add computer for new position	1,400	-	-
Computer Equipment Replacement	56,250	56,250	56,250
Total Capital Outlay	\$ 85,150	\$ 83,750	\$ 83,750
Management Services - Administration			
Computer Equipment Replacement	\$ 8,100	\$ 8,100	\$ 8,100
Add (2) Computers for new positions	2,800	2,800	-
Add Computer for Mail Coordinator	-	-	1,400
Replace PU19205 Van with Hybrid Vehicle	25,241	25,241	25,241
Total Capital Outlay	\$ 36,141	\$ 36,141	\$ 34,741
Management Services - Facilities Mgmt			
Computer Equipment Replacement	\$ 1,200	\$ 1,200	\$ 1,200
Total Capital Outlay	\$ 1,200	\$ 1,200	\$ 1,200

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Land Mgmt & Development - Planning			
Computer Equipment Replacement	\$ 3,042	\$ 3,042	\$ 3,042
Add computer for new position	2,200	-	-
Add portable LCD projector	1,800	1,800	1,800
Total Capital Outlay	\$ 7,042	\$ 4,842	\$ 4,842
Land Mgmt & Development - Development Services			
Add computer for new position	\$ 1,400	\$ -	\$ -
Add Hybrid Vehicle for new position	26,000	-	-
Total Capital Outlay	\$ 27,400	\$ -	\$ -
Land Management & Development - GIS			
Computer Equipment Replacement	\$ 6,350	\$ 6,350	\$ 6,350
Add computer for new position	2,200	-	-
Total Capital Outlay	\$ 8,550	\$ 6,350	\$ 6,350
Land Management & Development - Engineering			
Computer Equipment Replacement	\$ 6,900	\$ 6,900	\$ 6,900
Total Capital Outlay	\$ 6,900	\$ 6,900	\$ 6,900
Police			
Computer Equipment Replacement	\$ 55,542	\$ 55,542	\$ 55,542
Replace PD09606 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09610 1996 Patrol Vehicle	23,669	-	-
Replace PD09602 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09612 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09607 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09604 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09603 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09608 1996 Patrol Vehicle	23,669	23,639	23,639
Replace PD09601 1996 Patrol Vehicle	23,669	23,639	23,639
Add Patrol Vehicle for annexation	35,198	23,639	23,639
Add Patrol Vehicle for annexation	35,198	23,639	23,639
Total Capital Outlay	\$ 338,959	\$ 291,932	\$ 291,932
Fire			
Computer Equipment Replacement	\$ 8,550	\$ 8,550	\$ 8,550
Add digital camera for Training	700	700	700
Add three PCs for new station	4,200	4,200	4,200
Add teleconferencing equipment-new station	4,500	4,500	4,500
Add resource PC for Training Office	1,400	- ³	-
Replace FD58805 1987 Tanker	397,730	397,730	397,730
Replace FD09302 1993 Ford Taurus with 4WD mid-size SUV	26,250	26,250	26,250
Total Capital Outlay	\$ 443,330	\$ 441,930	\$ 441,930

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Public Services - Administration/Code Enforcement			
Computer Equipment Replacement	\$ 1,200	\$ 1,200	\$ 1,200
Replace LS19902 1999 Ford F150 w/ext cab 4x2	17,500	17,500 ²	17,500
Total Capital Outlay	\$ 18,700	\$ 18,700	\$ 18,700
Public Services - Traffic Operations			
Computer Equipment Replacement	\$ 3,600	\$ 3,600	\$ 3,600
Add new 8000 lb Fork Lift	10,000	10,000	10,000
Replace TF19001 1991 Ford F 250 w/3/4 ton ext cab long bed	28,000	28,000 ¹	28,000
Replace TF28703 1987 Ford CF6000 with paint striping apparatus	40,000	40,000	40,000
Total Capital Outlay	\$ 81,600	\$ 81,600	\$ 81,600
Public Services - Street			
Add Asphalt Zipper	\$ 85,000	\$ 85,000	\$ 85,000
Replace ST39601 1996 Leaf Vacuum	28,840	28,840	28,840
Total Capital Outlay	\$ 113,840	\$ 113,840	\$ 113,840
Public Services - Cemetery			
Computer Equipment Replacement	\$ 1,200	\$ 1,200	\$ 1,200
Replace CD18801 1988 Chevrolet Pickup	27,500	- ²	-
Total Capital Outlay	\$ 28,700	\$ 1,200	\$ 1,200
Public Services - Solid Waste			
Add Computer for Solid Waste Supervisor	\$ 1,400	\$ 1,400	\$ 1,400
Replace WM29503 25 CY Packer	147,000	147,000	147,000
Total Capital Outlay	\$ 148,400	\$ 148,400	\$ 148,400
Public Services - Landscape Operations			
Add new F250X Cab Truck	\$ 27,000	\$ -	\$ -
Total Capital Outlay	\$ 27,000	\$ -	\$ -
Public Services - Fleet			
Replace FM18503 1985 Chevrolet Truck	\$ 34,000	\$ 33,870	\$ 33,870
Convert TF28703 to 1000 gallon Tanker	10,000	10,000	10,000
Total Capital Outlay	\$ 44,000	\$ 43,870	\$ 43,870

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Parks & Recreation			
Add/Replace PR19204 Dump Truck	\$ 44,000	\$ 44,000	\$ 44,000
Replace PR69402 Toro Ortho Reel Deck 782; recommended to purchase wider cutting decks for current reel	28,000	7,500	7,500
Replace PR60102 JD Lawn Tractor w/Proline 5 ft Brush Roller	7,500	7,500	7,500
Replace PR69101 1991 JD Tractor w/4x2 Gator w/bed liner	9,000	9,000	9,000
Replace PR69001 1990 John Deere Tractor with JD Tractor w/front loader & front attachment mounts	6,000	6,000	6,000
Replace PR69605 1996 John Deere w/front deck reel mower	20,000	20,000	20,000
Total Capital Outlay	\$ 114,500	\$ 94,000	\$ 94,000
Debt Service			
Principal and Interest	\$ 81,191	\$ 81,191	\$ 81,191
Total Capital Outlay	\$ 81,191	\$ 81,191	\$ 81,191

¹ TF19001 to be transferred to Mgmt Service-Facilities Management for new position

² LS19902 to be transferred to PS-Cemetery

³ Transfer PC from Development Services



CITY OF SALISBURY, NORTH CAROLINA

WATER AND SEWER FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2006
With Estimated Actual for the Year Ending June 30, 2005 and
Actual for the Year Ended June 30, 2004

	2004	2005	2006
	Actual	Estimate	Budget
OPERATING REVENUES:			
Charges for services	<u>\$ 15,572,794</u>	<u>\$ 16,246,354</u>	<u>\$ 17,339,990</u>
NONOPERATING REVENUES:			
Interest earned on investments	\$ 45,933	\$ 37,594	\$ 60,000
Capital contributions	330,708	-	-
Miscellaneous revenues	<u>441,807</u>	<u>554,590</u>	<u>295,849</u>
Total nonoperating revenues	<u>\$ 818,448</u>	<u>\$ 592,184</u>	<u>\$ 355,849</u>
OTHER FINANCING SOURCES:			
Proceeds from the sale of bonds	\$ 83,531	\$ -	\$ -
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>70,000</u>
Total revenues and other financing sources	<u>\$ 16,474,773</u>	<u>\$ 16,838,538</u>	<u>\$ 17,765,839</u>

CITY OF SALISBURY
FY 2005-2006 BUDGET SUMMARY
WATER AND SEWER FUND

	Actual		Budgeted		Requested		Mgr Recommends		Adopted
	FY 03-04		FY 04-05		FY 05-06		FY 05-06		FY 05-06
REVENUE	\$ 16,496,273	\$	18,086,870	\$	16,397,000	\$	18,296,638	\$	17,765,839
EXPENSES									
UTILITIES MGT & ADMINISTRATION									
Personnel	\$ 862,255	\$	877,555	\$	980,315	\$	964,541	\$	967,691
Operations	6,112,568		2,771,692		3,064,163		3,137,850		2,951,734
Capital	19,214		58,800		56,000		55,000		55,000
TOTAL	\$ 6,994,037	\$	3,708,047	\$	4,100,478	\$	4,157,391	\$	3,974,425
PLANT OPERATIONS - WATER TREATMENT									
Personnel	\$ 319,199	\$	387,967	\$	368,214	\$	360,324	\$	360,324
Operations	574,444		512,995		836,682		837,008		712,508
Capital	-		-		20,500		15,000		15,000
TOTAL	\$ 893,643	\$	900,962	\$	1,225,396	\$	1,212,332	\$	1,087,832
SYSTEMS MAINTENANCE									
Personnel	\$ 916,889	\$	1,144,250	\$	1,463,482	\$	1,309,363	\$	1,118,514
Operations	1,057,057		1,244,458		1,310,606		1,307,903		1,275,203
Capital	163,107		611,783		418,658		442,000		442,000
TOTAL	\$ 2,137,053	\$	3,000,491	\$	3,192,746	\$	3,059,266	\$	2,835,717
ENVIRONMENTAL SERVICES									
Personnel	\$ 393,608	\$	434,489	\$	472,227	\$	462,997	\$	462,997
Operations	102,269		104,065		95,370		97,027		97,027
Capital	3,345		18,700		-		-		-
TOTAL	\$ 499,222	\$	557,254	\$	567,597	\$	560,024	\$	560,024
PLANT OPERATIONS - WASTEWATER TREATMENT									
Personnel	\$ 754,437	\$	792,909	\$	813,163	\$	795,175	\$	795,175
Operations	1,163,120		1,053,547		1,336,569		1,333,895		1,253,895
Capital	13,145		-		30,000		15,000		15,000
TOTAL	\$ 1,930,702	\$	1,846,456	\$	2,179,732	\$	2,144,070	\$	2,064,070
METER SERVICES									
Personnel	\$ 402,375	\$	421,527	\$	433,842	\$	421,704	\$	421,704
Operations	95,546		134,455		129,418		130,300		130,300
Capital	10,813		14,000		15,000		-		-
TOTAL	\$ 508,734	\$	569,982	\$	578,260	\$	552,004	\$	552,004
PLANTS MAINTENANCE									
Personnel	\$ 481,944	\$	528,971	\$	577,193	\$	563,029	\$	485,768
Operations	934,609		989,597		1,114,915		1,115,841		1,090,041
Capital	8,505		33,631		-		-		-
TOTAL	\$ 1,425,058	\$	1,552,199	\$	1,692,108	\$	1,678,870	\$	1,575,809

	Actual		Budgeted		Requested		Mgr Recommends		Adopted	
	FY 03-04		FY 04-05		FY 05-06		FY 05-06		FY 05-06	
DEBT SERVICE										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		2,092,923		5,216,299		6,175,063		6,166,956		5,115,958
Capital		-		-		-		-		-
TOTAL	\$	2,092,923	\$	5,216,299	\$	6,175,063	\$	6,166,956	\$	5,115,958
CAPITAL PROJECTS										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		-		-		-		-		-
Capital		-		735,180		-		-		-
TOTAL	\$	-	\$	735,180	\$	-	\$	-	\$	-
GRAND TOTAL										
Personnel	\$	4,130,707	\$	4,587,668	\$	5,108,436	\$	4,877,133	\$	4,612,173
Operations		12,132,536		12,027,108		14,062,786		14,126,780		12,626,666
Capital		218,129		1,472,094		540,158		527,000		527,000
TOTALS	\$	16,481,372	\$	18,086,870	\$	19,711,380	\$	18,296,638	\$	17,765,839

STATEMENT OF PURPOSE

To serve as the central management and administration source and engineering support for activities, operations, and projects related to Salisbury-Rowan Utilities (SRU).

COUNCIL PERFORMANCE GOALS

1. Operations - Utilize resources to effectively and efficiently maintain and operate existing and future equipment, infrastructure, and processes, while providing superior quality water and wastewater services and protecting public health and the environment.
2. Rates/Revenue - Manage the utilities in a manner that optimizes the utilization of resources and enables Salisbury-Rowan Utilities to charge competitive and affordable rates, while providing for capital and operational needs.
3. Customer Service - Provide accessible and responsive services and address customer needs efficiently and accurately.
4. Human Resources - Attract, retain, and reward a team of qualified employees committed to the Salisbury-Rowan Utilities' mission.
5. Stakeholder Communications - Be proactive in providing information, education, and public communication services.
6. Planning and Community-Wide Development - Operate Salisbury-Rowan Utilities according to well-defined plans supportive of the strategic plans of client communities.
7. Continue to develop joint water and sewer extension policies with consideration of managed growth criteria.

DEPARTMENTAL PERFORMANCE GOALS

1. Assist in cooperative effort with County to extend water and sewer to growth corridors.
2. Pursue update of SRU Plans that incorporates:
 - Revised Construction Standards
 - Revised Water Emergency Management Plan
 - Revised Water System Management Plan
 - New Development Process Ordinance and Manual
3. Continue strategic planning efforts resulting in short- and long-term plans for utilities expansion and implement major water and sewer capital improvement projects.
 - Complete optimization of Actiflo System and Chemical Feed Systems
 - Equipment upgrades at Town Creek and Grant Creek wastewater facilities
 - Complete Statesville interconnection
 - Complete Highway 70 annexation water and sewer
 - Complete Rockwell water main and lift station upgrades project
4. Continue efforts toward rate stabilization and overall fiscal stability. Expand focus and improve utilities fiscal function.
 - Development of comprehensive CIP
 - Additional staffing
 - Update of rate model
 - 5-Year budget projections
5. Complete the streamlining improvements to the Development Process:
 - Pursue Local Permit Program in conjunction with Development Services for water/sewer extensions within SRU service area
6. Complete renovation of 1 Water Street.
 - Basement floor renovations
 - Exterior and parking lot improvements
7. Pursue appropriate expansion of SRU system:
 - Complete negotiations and undertake interim contract operation and eventual assumption of the Faith sewer system
 - Work with East Spencer on the funding and construction of water and sewer system improvements (with plan for continued contract operation and eventual assumption)

- Consider consolidation and potential assumption of China Grove and Landis water and sewer systems as of July 1, 2005
8. Complete first phase of security improvements per EPA mandated Vulnerability Assessment.
 9. Provide improved project design and better construction management resulting in the timely completion of water and sewer extension projects.
 10. Be proactive in providing excellent customer service:
 - Respond to customer concerns quickly and professionally
 - Continue the quick turnaround on making new water and sewer taps and repairs
 - All SRU staff to participate in any customer service training offered by City
 11. Attract and retain qualified staff:
 - Continue staff training and development
 - Review and strengthen pre-employment hiring practices
 - Investigate the funding and implementation of an entity-wide wellness program
 - Provide more opportunities for certification of staff
 12. Implement a comprehensive work-order system to include inventory, maintenance record-keeping, and system improvements with full integration with the current GIS framework.
 13. Develop and track performance measures for operational areas, and adjust performance for continuous improvement based on results.

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Administrative Workload			
FTEs	89	88	89
Total Population Receiving Water Service (countywide) *	45,000	45,500	46,000
Total Population Receiving Sewer Service (countywide) *	42,000	42,500	43,000
Land Area Spanned for Water Service (square miles)	44.4	44.8	45.5
Land Area Spanned for Sewer Service (square miles)	35.8	40.0	40.5
Number of Accounts	15,714	16,000	16,320
Residential Water Rate (per 1 CCF) **	\$ 2.30	\$ 2.47	\$ 2.66
Residential Sewer Rate (per 1 CCF)	\$ 2.96	\$ 3.17	\$ 3.43
Administrative Efficiency			
Employee Turnover Rate	14%	16%	15%
Operating Costs Per 1,000 Population Served (water)	\$ 144,218	\$ 146,198	\$ 148,225
FTEs Per Square Mile Served	2.00	1.96	1.95
Average Elapsed Days From Request To Connection ***	20	20	20
Average Residential Utility Bill as Percent of Median Income	1.61%	1.70%	1.75%
Administrative Effectiveness			
Average Years of Experience	8.06	8.70	9.55
Complaints Per Million Gallons Sold	0.167	0.165	0.159
Service Density (Population Served per Square Mile) - Water	1,014	1,016	1,011
Service Density (Population Served per Square Mile) - Sewer	1,173	1,063	1,062
Average Residential Rate Increase (% over prior year)	1.87	6.48	6.90

* Estimate

** 1 CCF = 100 cubic feet of water

*** Business Days

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 862,255	\$ 877,555	\$ 980,315	\$ 964,541	\$ 967,691
Operating	6,112,568	2,771,692	3,064,163	3,137,850	2,951,734
Capital	19,214	58,800	56,000	55,000	55,000
TOTAL	\$ 6,994,037	\$ 3,708,047	\$ 4,100,478	\$ 4,157,391	\$ 3,974,425

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (100)					
Assistant City Manager for Utilities	1	1	1	1	1
Deputy Utilities Director	1	1	1	1	1
Finance & Administration Manager	1	1	1	1	1
Management Analyst	1	.5 ¹	.5	.5	.5
Dept Secretary/Senior Office Assistant	1	1	1	1	1
Senior Office Assistant	0	0	1 ⁶	1 ⁶	1 ⁶
Utility Plants Manager	0	0	1 ⁷	1 ⁷	1 ⁷
Utilities Engineering (800)					
Utilities Engineering Manager	1	1	1	1	1
Utilities Engineer I/II/III	2	2	1 ⁴	1 ⁴	1 ⁴
Engineering Technician I/II/III	1	1	1	1	1
Engineering Intern	1	1	0 ⁸	0 ⁸	0 ⁸
Utilities Construction Inspector	1	1	1	1	1
GIS Mapping Technician	1	0 ²	0	0	0
Utilities Project Manager	1	0 ⁴	0	0	0
GIS Technician	1	0 ³	0	0	0
Utilities GIS (801)					
Utilities Planning Manager	0	1 ³	1	1	1
GIS Mapping Technician	<u>0</u>	<u>2^{2,5}</u>	<u>2</u>	<u>2</u>	<u>2</u>
TOTAL	14	13.5	13.5	13.5	13.5

¹ One half funding transferred to General Fund Management Services - Accounting

² Position transferred to Utilities GIS

³ Position transferred to Utilities GIS and reclassified

⁴ Position reclassified and transferred to General Fund – Engineering

⁵ New position

⁶ Position transferred from Plant Operations-Water Treatment Plant

⁷ Position transferred from Plant Operations-Plants Maintenance Administration

⁸ Position eliminated

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Utility Administration (100)			
Chiller Replacement	\$ 55,000	\$ 55,000	\$ 55,000
Utility GIS (801)			
Furniture	1,000	-	-
Total Capital Outlay	\$ 56,000	\$ 55,000	\$ 55,000

STATEMENT OF PURPOSE

To provide the customers of Salisbury-Rowan Utilities with a sufficient supply of high quality potable water that meets all regulation standards for purity, taste, appearance, and flow adequacy at a reasonable cost to the consumer.

DEPARTMENTAL PERFORMANCE GOALS

Complete start-up and optimization of Actiflo process, complete training for Operators and Maintenance staff, and develop standard operating procedures.

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Water Treatment Workload			
Number of Water Treatment FTEs (includes lab & maintenance)	10	11	13.5
Millions of Gallons Potable Water Produced	2,635	2,577	2,600
Water Treatment Efficiency			
Number of FTEs Per Water Treatment Plant	10	11	13.5
Cost Per Million Gallons of Potable Water Produced	\$ 890	\$ 930	\$ 940
Water Treatment Effectiveness			
Average Water Plant Operational Capacity	60%	60%	60%
Average Daily Potable Water Turbidity (NTU)	0.06	0.06	0.06
Percent of Potable Water Sold to Total Treated	79.5%	83.0%	82.2%

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 319,199	\$ 387,967	\$ 368,214	\$ 360,324	\$ 360,324
Operating	574,444	512,995	836,682	837,008	712,508
Capital	-	-	20,500	15,000	15,000
TOTAL	\$ 893,643	\$ 900,962	\$ 1,225,396	\$ 1,212,332	\$ 1,087,832

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Water Treatment Plant (811)					
Water Treatment Supervisor	1	1	1	1	1
Senior Office Assistant	1	1	0 ²	0 ²	0 ²
Senior Water Treatment Plant Operator	1	2 ¹	3	3	3
Water Treatment Plant Operator I/II	<u>4</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	7	8	7	7	7

¹ New position

² Position transferred to Utilities Administration

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Water Resources (811)			
Polymer Feed	\$ 15,000	\$ 15,000	\$ 15,000
Turbidimeter	5,500	-	-
Total Capital Outlay	\$ 20,500	\$ 15,000	\$ 15,000

STATEMENT OF PURPOSE

To provide Salisbury-Rowan Utilities with an effective, efficient system for the distribution of potable water and the collection of waste through an equally effective, efficient sewer system.

DEPARTMENTAL PERFORMANCE GOALS

Continue Inflow & Infiltration (I&I) reduction efforts through repair and replacing of identified wastewater lines.

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Distribution & Collection Workload			
Inch Miles of Collection Line Maintained	4,100	4,100	4,125
Number of Pump Stations Maintained	8	8	8
Number of Lift Stations Maintained	34	34	34
Total Water, Sewer & Irrigation Taps Installed by SRU	298	242	300
Distribution Line Failures	128	85	75
Collection Line Failures	108	62	85
Distribution & Collection Efficiency			
Cost Per Inch Mile of Collection Line Maintained	\$206.87	\$212.05	\$185.65
Cost Per Pump Station Maintained	N/A	\$ 15,841	\$ 15,906
Cost Per Lift Station Maintained	N/A	\$ 8,702	\$ 8,799
Cost Per Tap Installed (3/4" Water)	\$ 1,300	\$ 1,300	\$ 1,400
Cost Per Tap Installed (1" Water)	\$ 1,450	\$ 1,450	\$ 1,450
Cost Per Tap Installed (4" Sewer)	\$ 1,300	\$ 1,300	\$ 1,400
Distribution & Collection Effectiveness			
Incidents Per Inch Mile of Collection Line Maintained	0.026	0.015	0.018
Average Tap Installations Per Day (3/4" Water)	1	1	2
Average Tap Installations Per Day (1" Water)	1	1	2
Average Tap Installations Per Day (4" Sewer)	1	1	2

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 916,889	\$ 1,144,250	\$ 1,463,482	\$ 1,309,363	\$ 1,118,514
Operating	1,057,057	1,244,458	1,310,606	1,307,903	1,275,203
Capital	163,107	611,783	418,658	442,000	442,000
TOTAL	\$ 2,137,053	\$ 3,000,491	\$ 3,192,746	\$ 3,059,266	\$ 2,835,717

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (100)					
Utilities Systems Manager	1	1	1	1	1
Assistant Systems Manager	2	2	2	2	2
Senior Office Assistant	1	1	1	1	1
Asst System Manager-NEW	0	0	1 ¹	1 ¹	0
Distribution Maint. & Const. (850)					
Utilities Maintenance Supervisor	1	1	1	1	1
Utilities Maintenance Technician	4	4	3	3	3
Utilities Maintenance Technician- <i>FROZEN</i>	0	0	1 ⁴	1 ⁴	1 ⁴
Hydrant Seasonal Worker (Temp/Full- Time)	2	0 ³	0	0	0
New Water/Sewer Connections (851)					
Utilities Maintenance Supervisor	1	1	1	1	1
Utilities Maintenance Technician	4	4	3	3	3
Utilities Maintenance Technician- <i>FROZEN</i>	0	0	1 ⁴	1 ⁴	1 ⁴
Water/Sewer Service Replacement (853)					
Utilities Maintenance Supervisor	1	1	1	1	1
Utilities Maintenance Technician	2	2	3	3	3
Utilities Maint Suprvr-South Rowan- NEW	0	0	1 ¹	1 ¹	0
Utilities Maint Tech-South Rowan- NEW	0	0	2 ¹	2 ¹	0
Preventive Maintenance (854)					
Utilities Maintenance Supervisor	1	1	1	1	1
Utilities Maintenance Technician	3	3	2 ²	2	2
Collection Maint. & Construction (856)					
Utilities Maintenance Supervisor	1	1	1	1	1
Utilities Maintenance Technician	4	4	4	4	4
Utilities Maintenance Supervisor-I&I	1	0 ²	0	0	0
Utilities Maintenance Technician-I&I	2	0 ²	0	0	0
Collection Inflow and Infiltration (858)					
Utilities Maintenance Supervisor-I&I Crew- <i>FROZEN</i>	0	1 ^{2,4}	1 ⁴	1 ⁴	1 ⁴
Utilities Maintenance Technician- I&I Crew- <i>FROZEN</i>	0	1 ^{2,4}	0 ²	0	0
Utilities Maintenance Technician- I&I Crew	<u>0</u>	<u>1</u> ²	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	31	29	32	32	28

¹ New position

² Position moved between cost centers

³ Position eliminated

⁴ Position frozen

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Water Distribution Maintenance (850)			
Hydraulic Tools/Powerpack	\$ 10,000	\$ -	\$ -
New Construction (851)			
Hydraulic Tools	5,000	-	-
Service Replacement (853)			
Hydraulic Tools	5,000	-	-
Preventative Maintenance (854)			
Camera Van Upgrade	35,000	-	-
Sewer Collection Maintenance (856)			
Hydraulic Tools	3,000	-	-
Water & Sewer Extensions (857)			
Water Line Extensions	174,329	221,000	221,000
Water Sewer Extensions	174,329	221,000	221,000
East Spencer (858)			
Hydraulic Tools	6,000	-	-
Hydrant Maintenance (859)			
Hydraulic Tools	6,000	-	-
	<hr/>	<hr/>	<hr/>
Total Capital Outlay	\$ 418,658	\$ 442,000	\$ 442,000

STATEMENT OF PURPOSE

To operate the Salisbury-Rowan Utilities wastewater analysis laboratory and effectively operate the City’s industrial pretreatment program.

DEPARTMENTAL PERFORMANCE GOALS

1. Develop commercial lab function for the water lab and increase revenue for both certified labs:
 - Develop a business and marketing plan
 - Build a client base for wastewater and water testing
 - Develop a system for reporting and billing lab clients
2. Develop, adopt, and administer a comprehensive Fats, Oils and Greases (FOG) ordinance and program which includes educating restaurant owners and the public and results in a reduction in the number of sanitary sewer overflows (SSOs) caused by FOG.
3. Stakeholder Communications and Public Education:
 - Increase public education efforts through brochures, newsletter, tours, presentations, etc.
 - Organize an industrial user seminar in an effort to educate permittees and others
 - Secure funding for a mercury thermometer exchange program

PERFORMANCE MEASURES

	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>	FY-2006 <u>Projected</u>
Environmental Services Workload			
Number of Water Analyses Performed *	14,191	16,000	16,000
Number of Wastewater Analyses Performed *	13,708	14,000	14,000
Number of Sanitary Sewer Overflows (SSO) ^ **	20	19	18
Number of Industrial Violations Reported or Detected ***	16	15	14
Number of Water Quality Complaints	36	33	30
Environmental Services Efficiency			
Cost Per Water Analysis	\$ 10.46	\$ 11.00	\$ 12.00
Cost Per Wastewater Analysis	\$ 15.99	\$ 17.00	\$ 18.00
Average Cost Per SSO Response	\$ 120.00	\$ 120.00	\$ 120.00
Average Cost Per Industrial Violation Reported or Detected	\$ 46.00	\$ 54.00	\$ 56.00
Average Cost Per Water Quality Complaint Response	\$ 41.00	\$ 45.00	\$ 46.00
Environmental Services Effectiveness			
Percent of Water Analyses Meeting or Exceeding Standard	100%	100%	100%
Percent of Wastewater Analyses Meeting or Exceeding Standard	100%	100%	100%
Percent of SSOs Responded To Within One Hour	100%	100%	100%
Percent of Industrial Violators Notified Within 24 Hours	100%	100%	100%
Percent of Complaints Addressed Within 24 Hours	95%	98%	99%

* Estimate

^ Number is dependent on rainfall, specifically inflow and infiltration from stormwater.

** Number of SSO episodes represents all occurrences, regardless of overflow size.

*** Number is contingent on how well each industrial enterprise maintains its system.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 393,608	\$ 434,489	\$ 472,227	\$ 462,997	\$ 462,997
Operating	102,269	104,065	95,370	97,027	97,027
Capital	<u>3,345</u>	<u>18,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	\$ 499,222	\$ 557,254	\$ 567,597	\$ 560,024	\$ 560,024

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Support Services Manager	1	1	1	1	1
Laboratory Supervisor	1	1	1	1	1
Regulatory Compliance Technician	1	1	1	1	1
Laboratory Analyst	5	5	4 ¹	4 ¹	4 ¹
Chemist	<u>1</u>	<u>1</u>	<u>2¹</u>	<u>2¹</u>	<u>2¹</u>
TOTAL	9	9	9	9	9

¹ Reclassified

STATEMENT OF PURPOSE

To provide Salisbury-Rowan Utilities with a system capable of treating domestic and industrial waste generated by its customers using methods that satisfy all regulatory standards and requirements.

DEPARTMENTAL PERFORMANCE GOALS

Develop a plan for residuals process changes, identify funding source(s) and schedule implementation (producing a Class A product and eliminating or reducing land application program).

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Wastewater Treatment Workload			
Number of Wastewater Treatment FTEs (inc. lab & maintenance)	30	31	33.5
Millions of Gallons Wastewater Treated	2,844	3,042	3,100
Tons of Dry Bio-Solids Land-Applied	2,615	2,745	2,882
Wastewater Treatment Efficiency			
Number of FTEs Per Wastewater Treatment Plant	15	16	17
Cost Per Million Gallons of Wastewater Treated	\$ 1,570	\$ 1,510	\$ 1,520
Cost Per Ton of Dry Bio-Solids Produced and Land-Applied	\$ 162	\$ 158	\$ 155
Wastewater Treatment Effectiveness			
Average Wastewater Plant Operational Capacity	62%	66%	68%
Average Daily Wastewater Effluent Turbidity (TSS **)	7.1	9.0	12.0
Percent of Treated Wastewater Billed	62.6%	59.7%	58.6%
Gallons of Wastewater Returned Per Potable Gallons Produced	1.08	1.18	1.19
Pounds of Solids Out Per Pounds In (de-water/land apply)	1843/2018	1935/2119	2032/2225

** Total Suspended Solids

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 754,437	\$ 792,909	\$ 813,163	\$ 795,175	\$ 795,175
Operating	1,163,120	1,053,547	1,336,569	1,333,895	1,253,895
Capital	13,145	-	30,000	15,000	15,000
TOTAL	\$ 1,930,702	\$ 1,846,456	\$ 2,179,732	\$ 2,144,070	\$ 2,064,070

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration (100)					
Wastewater Treatment Supervisor	1	1	1	1	1
Town Creek WWTP (901)					
Senior Wastewater Plant Operator	1	1	1	1	1
Wastewater Plant Operator	4	4	4	4	4
Sr Wastewater Plant Operator (Temp/Part-Time)	0	1 ¹	0 ²	0 ²	0 ²
Grant Creek WWTP (902)					
Senior Wastewater Plant Operator	1	1	1	1	1
Wastewater Plant Operator	5	5	5	5	5
Sr Wastewater Plant Operator (Temp/Part-Time)	1	0 ¹	0	0	0
Residuals Management (903)					
Residuals Supervisor	1	1	1	1	1
Residuals Operator	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	17	17	16	16	16

¹ Position moved between cost centers

² Position eliminated

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Residuals Management (903)			
Polymer Feeder	\$ 15,000	\$ 15,000	\$ 15,000
2nd Creek WWTP (904)			
De-Chlorination System	15,000	-	-
Total Capital Outlay	<u>\$ 30,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>

STATEMENT OF PURPOSE

To efficiently and effectively maintain, test, and read utility meters with a high degree of customer service.

DEPARTMENTAL PERFORMANCE GOALS

1. Research remote/radio reading (AMR) technology and develop phased implementation plan.
2. Develop, implement, and maintain a comprehensive backflow prevention program with an emphasis on public education.

PERFORMANCE MEASURES

	FY-2004 Actual	FY-2005 Estimate	FY-2006 Projected
Workload			
Meter Readings Per Fiscal Year	210,853	216,312	225,000
Efficiency			
Cost Per 100 Meter Readings	\$ 192	\$ 190	\$ 180
Effectiveness			
Percent of Meters Misread	N/A	0.01%	0.01%

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 402,375	\$ 421,527	\$ 433,842	\$ 421,704	\$ 421,704
Operating	95,546	134,455	129,418	130,300	130,300
Capital	10,813	14,000	15,000	-	-
TOTAL	\$ 508,734	\$ 569,982	\$ 578,260	\$ 552,004	\$ 552,004

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Meter Maintenance (852)					
Senior Meter Mechanic	1	1	1	1	1
Meter Mechanic	1	0 ¹	0	0	0
Meter Services Technician	1	2 ¹	2	2	2
Meter Reading (855)					
Meter Services Supervisor	1	1	1	1	1
Senior Meter Reader	1	1	1	1	1
Meter Reader	4	0 ¹	0	0	0
Meter Services Technician	<u>2</u>	<u>6</u> ¹	<u>6</u>	<u>6</u>	<u>6</u>
TOTAL	11	11	11	11	11

¹ Position reclassified

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Meter Services (855)			
Radix System	\$ 15,000	\$ -	\$ -

STATEMENT OF PURPOSE

To maintain the process equipment for the Salisbury-Rowan Utilities’ water and wastewater facilities and oversee the maintenance of the buildings and grounds of the treatment plants.

DEPARTMENTAL PERFORMANCE GOALS

Evaluate options for Spencer Simplex Lift Stations; select and implement best option.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 481,944	\$ 528,971	\$ 577,193	\$ 563,029	\$ 485,768
Operating	934,609	989,597	1,114,915	1,115,841	1,090,041
Capital	8,505	33,631	-	-	-
TOTAL	\$ 1,425,058	\$ 1,552,199	\$ 1,692,108	\$ 1,678,870	\$ 1,575,809

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
P.M. Administration (000)					
Utility Plants Manager	1	1	0 ²	0 ²	0 ²
Maintenance Technician	0	0	2 ¹	2	2
P.M. Raw Water Supply (810)					
Plants Maintenance Technician	1	1	1	1	1
P.M. Water Treatment Plant (811)					
Plants Maintenance Technician	1	1	1	1	1
P.M. Sewer Maintenance (856)					
Utility Systems Supervisor	1	2 ¹	1 ¹	1	1
Plants Maintenance Technician	2	1 ¹	2 ¹	2	2
Plants Maint Tech-South Rowan-NEW	0	0	2 ³	2 ³	0
P.M. Town Creek WWTP (901)					
Systems Maintenance Technician	1	0 ¹	0	0	0
Plants Maintenance Technician	1	2 ¹	1 ¹	1	1
P.M. Grant Creek WWTP (902)					
Plants Maintenance Supervisor	1	1	1	1	1
Systems Maintenance Technician	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	10	10	12	12	10

¹ Position reclassified within the department/division

² Position transferred to Utilities Administration

³ New positions for South Rowan consolidation

STATEMENT OF PURPOSE

To provide for principal and interest payments on outstanding Water and Sewer Fund debt.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	2,092,923	5,216,299	6,175,063	6,166,956	5,115,958
Capital	-	-	-	-	-
TOTAL	\$ 2,092,923	\$ 5,216,299	\$ 6,175,063	\$ 6,166,956	\$ 5,115,958

DEPARTMENT - Capital Projects

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital	-	735,180	-	-	-
TOTAL	\$ -	\$ 735,180	\$ -	\$ -	\$ -



CITY OF SALISBURY, NORTH CAROLINA
WATER AND SEWER CAPITAL RESERVE FUND
STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES

For the Year Ending June 30, 2006
With Estimated Actual for the Year Ending June 30, 2005 and
Actual for the Year Ended June 30, 2004

	2004	2005	2006
	Actual	Estimate	Budget
REVENUES:			
Miscellaneous:			
Interest earned on investments	\$ 5,211	\$ 5,900	\$ 6,000
 OTHER FINANCING SOURCES:			
Operating transfer from Water and Sewer Fund	\$ 315,209	\$ 395,578	\$ 422,868
Total other financing sources	<u>\$ 315,209</u>	<u>\$ 395,578</u>	<u>\$ 422,868</u>
 Total revenues and other financing sources	 <u>\$ 320,420</u>	 <u>\$ 401,478</u>	 <u>\$ 428,868</u>

FUND - Water and Sewer Capital Reserve

STATEMENT OF PURPOSE

The Water and Sewer Capital Reserve funds replacement cost of Water and Sewer Utility vehicles and computers and accrues reserves for future purchases.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	35,204
Capital	847,449	548,347	525,258	505,664	393,664
TOTAL	\$ 847,449	\$ 548,347	\$ 525,258	\$ 505,664	\$ 428,868

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Administration			
Computer Equipment Replacement	\$ 11,316	\$ 11,316	\$ 11,316
Replace Creditron Equipment	18,000	18,000	18,000
Total Capital Outlay	\$ 29,316	\$ 29,316	\$ 29,316
Utilities Engineering			
Computer Equipment Replacement	\$ 2,442	\$ 2,442	\$ 2,442
Total Capital Outlay	\$ 2,442	\$ 2,442	\$ 2,442
Plants Maintenance			
Add/replace SCADA equipment	\$ 29,100	\$ 29,100	\$ 29,100
Add Off Road Utility 6x4 Diesel Gator	10,300	10,000	10,000
Add Portable Trailer Mounted 1000KW Load Banking	48,000	48,000	48,000
Total Capital Outlay	\$ 87,400	\$ 87,100	\$ 87,100
Environmental Services			
Add 2 x 4 Pick-up or Hybrid Vehicle for new position	\$ 22,600	\$ -	\$ -
Computer Equipment Replacement	3,600	3,600	3,600
Total Capital Outlay	\$ 26,200	\$ 3,600	\$ 3,600
Meter Services			
Replace MS19503 1995 Pick-up with 1/2 ton Pick-up or Hybrid Vehicle	\$ 22,600	\$ 22,600	\$ 22,600
Replace MS19505 1995 Pick-up with 1/2 ton Pick-up or Hybrid Vehicle	22,600	22,600	22,600
Computer Equipment Replacement	1,200	1,200	1,200
Total Capital Outlay	\$ 46,400	\$ 46,400	\$ 46,400

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Systems Maintenance			
Add Back Hoe	\$ 72,000	\$ 72,000	\$ -
Add Generator	40,000	40,000	-
Add Camera Van	161,500	164,806	164,806
Replace WS19710 1997 Pick-up with ext cab 4x4 3/4 ton diesel, 6 ft bed	30,000	30,000	30,000
Replace WS19724 1997 Pick-up with ext cab 4x4 3/4 ton diesel, 6 ft bed	30,000	30,000	30,000
Total Capital Outlay	\$ 333,500	\$ 336,806	\$ 224,806



CITY OF SALISBURY, NORTH CAROLINA

TRANSIT FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2006
With Estimated Actual for the Year Ending June 30, 2005 and
Actual for the Year Ended June 30, 2004

	2004	2005	2006
	Actual	Estimate	Budget
OPERATING REVENUES:			
Charges for services	\$ 64,571	\$ 61,320	\$ 63,254
NONOPERATING REVENUES:			
Intergovernmental	\$ 376,124	\$ 1,422,237	\$ 495,235
Miscellaneous revenues	1,863	712	700
Total nonoperating revenues	<u>\$ 377,987</u>	<u>\$ 1,422,949</u>	<u>\$ 495,935</u>
OTHER FINANCING SOURCES:			
Operating Transfer from General Fund	\$ 160,282	\$ 173,570	\$ 213,118
Fund equity appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>\$ 160,282</u>	<u>\$ 173,570</u>	<u>\$ 213,118</u>
 Total revenues and other financing sources	 <u>\$ 602,840</u>	 <u>\$ 1,657,839</u>	 <u>\$ 772,307</u>

**CITY OF SALISBURY
FY 2005-2006 BUDGET SUMMARY
TRANSIT FUND**

	Actual FY 03-04	Budgeted FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
REVENUE	\$ 602,840	\$ 1,828,403	\$ 701,598	\$ 772,307	\$ 772,307
EXPENSES	Actual FY 03-04	Budgeted FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
TRANSIT - OPERATIONS					
Personnel	\$ 372,977	\$ 391,220	\$ 412,518	\$ 435,135	\$ 435,135
Operations	149,674	128,265	154,038	142,250	142,250
Capital	-	-	-	-	-
TOTAL	\$ 522,651	\$ 519,485	\$ 566,556	\$ 577,385	\$ 577,385
TRANSIT - ADMINISTRATION					
Personnel	\$ 109,447	\$ 107,887	\$ 114,487	\$ 112,151	\$ 112,151
Operations	28,915	31,769	30,333	37,971	37,971
Capital	-	-	-	-	-
TOTAL	\$ 138,362	\$ 139,656	\$ 144,820	\$ 150,122	\$ 150,122
TRANSIT - CAPITAL					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	-	-	-	-	-
Capital	-	1,169,262	44,800	44,800	44,800
TOTAL	\$ -	\$ 1,169,262	\$ 44,800	\$ 44,800	\$ 44,800
GRAND TOTAL					
Personnel	\$ 482,424	\$ 499,107	\$ 527,005	\$ 547,286	\$ 547,286
Operations	178,589	160,034	184,371	180,221	180,221
Capital	-	1,169,262	44,800	44,800	44,800
TOTALS	\$ 661,013	\$ 1,828,403	\$ 756,176	\$ 772,307	\$ 772,307

STATEMENT OF PURPOSE

The Transit Administration Division of the Public Services Department provides a safe, efficient, and affordable transportation alternative to the general public in the cities of Salisbury, Spencer, and East Spencer; thus permitting greater accessibility to employment, social, recreational, educational, and medical facilities. The department also operates an ADA demand response paratransit system that includes three wheelchair lift-equipped vans for citizens unable to access fixed route vehicles because of mental or physical disabilities.

DIVISIONAL PERFORMANCE GOALS

1. Review existing fixed routes for efficiency.
2. Participate in contracting for an operator of the RTS paratransit system.
3. Upgrade ADA paratransit pamphlets.
4. Update fixed route maps and schedules.

PERFORMANCE MEASURES

	FY-2001 <u>Actual</u>	FY-2002 <u>Actual</u>	FY-2003 <u>Actual</u>	FY-2004 <u>Actual</u>	FY-2005 <u>Estimate</u>
Passenger Trips	164,102	164,019	164,321	163,300	131,005
ADA Passengers	6,732	6,149	4,703	7,118	7,624

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 109,447	\$ 107,887	\$ 114,487	\$ 112,151	\$ 112,151
Operating	28,915	31,769	30,333	37,971	37,971
Capital	-	-	-	-	-
TOTAL	\$ 138,362	\$ 139,656	\$ 144,820	\$ 150,122	\$ 150,122

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Transit Manager	1	1	1	1	1
Transit Dispatcher	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	2	2	2	2	2

DEPARTMENT - Public Services
DIVISION - Transit Operations

651

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ 372,977	\$ 391,220	\$ 412,518	\$ 435,135	\$ 435,135
Operating	149,674	128,265	154,038	142,250	142,250
Capital	-	-	-	-	-
TOTAL	\$ 522,651	\$ 519,485	\$ 566,556	\$ 577,385	\$ 577,385

PERSONNEL DETAIL

Position Title	Authorized FY 03-04	Authorized FY 04-05	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Transit Operator	6	6	6	6	6
Mechanic/Master Mechanic	2	2	2	2	2
Fleet Services Shift Supervisor	.5 ¹	.5 ¹	.5 ¹	1 ²	1 ²
Transit Operator (Temp/Part-Time)	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	11.5	11.5	11.5	12	12

¹ Position split-funded with P/S-Fleet Management

² Position funded fully through P/S-Transit Operations

DEPARTMENT - Public Services
DIVISION- Transit Capital Outlay

653

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital	-	1,169,262	44,800	44,800	44,800
TOTAL	\$ -	\$ 1,169,262	\$ 44,800	\$ 44,800	\$ 44,800

CAPITAL OUTLAY

	Requested FY 05-06	Mgr Recommends FY 05-06	Adopted FY 05-06
Coin counter	\$ 3,500	\$ 3,500	\$ 3,500
Air compressor	2,700	2,700	2,700
Replace (2) Computers & Accessories	3,400	3,400	3,400
Replace TR18504 1985 Chevrolet C1500	35,200	35,200	35,200
Total Capital Outlay	\$ 44,800	\$ 44,800	\$ 44,800

CITY OF SALISBURY, NORTH CAROLINA

SPECIAL REVENUE FUNDS

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2006
With Estimated Actual for the Year Ending June 30, 2005 and
Actual for the Year Ended June 30, 2004

	2004	2005	2006
	Actual	Estimate	Budget
REVENUES:			
Intergovernmental:			
Federal	<u>\$ 407,340</u>	<u>\$ 565,592</u>	<u>\$ 529,149</u>
Miscellaneous:			
Other	<u>\$ 389,325</u>	<u>\$ 305,148</u>	<u>\$ 75,000</u>
OTHER FINANCING SOURCES:			
Proceeds from Section 108 Loan	<u>\$ 375,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>\$ 1,171,665</u>	<u>\$ 870,740</u>	<u>\$ 604,149</u>

FUND – Special Revenue Funds

STATEMENT OF PURPOSE

The Special Revenue Funds account for the operations of the City's Community Development programs as financed by the U.S. Department of Housing & Urban Development and the Cabarrus/Iredell/Rowan HOME consortium.

BUDGET REQUEST SUMMARY

	Actual FY03-04	Budgeted FY04-05	Requested FY05-06	Mgr Recommends FY05-06	Adopted FY05-06
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	1,107,312	657,013	604,149	604,149	604,149
Capital	-	-	-	-	-
TOTAL	\$ 1,107,312	\$ 657,013	\$ 604,149	\$ 604,149	\$ 604,149

DESCRIPTION OF CAPITAL IMPROVEMENT PROGRAM

FISCAL YEARS 2006 – 2010

The Capital Improvement Program (CIP) contains the budgeted and proposed capital improvements by project description, proposed funding source, and scheduled costs. The CIP is a planning and financial tool for the City to prepare for future needs. The City's CIP is in two parts. The first part covers the proposed capital improvements in the General Fund. The second part covers those improvements in the Water and Sewer Fund. A brief narrative is provided for each proposed project. Following the narratives, a detailed CIP schedule for each fund is presented.

General Fund CIP

The following projects have been proposed over the next five years in the General Fund. Funding has been provided for the FY2005-06 projects in the budget.

City Office Building: Future capital needs include renovations throughout the building and exterior water-proofing.

Impact on Operations: There will be no impact on operations.

City Hall: Future capital needs include exterior repairs, kitchen renovations and replacement of the floor in Council chambers.

Impact on Operations: There will be no impact on operations.

The Plaza: Future capital needs include a building security system upgrade and significant improvements to one of the building walls to mitigate an on-going moisture issue. Other improvements include window replacements, refurbishing vacant units, and the scheduled replacement of appliances within the individual living units.

Impact on Operations: There will be an impact to future debt service to fund debt that is anticipated to be issued to repair one of the building walls. Additional estimated debt service is currently estimated at \$200,000 annually. There will be no impact on operations.

Roof Replacement for Various Facilities: The City is continuing the annual roof audit process and is replacing roofs throughout the City on an as-needed basis.

Impact on Operations: There will be no impact on operations.

HVAC Replacement for Various Facilities: The City is continuing the scheduled replacement of outdated HVAC systems.

Impact on Operations: There will be no impact on operations.

Police Department: Future capital needs include routine building maintenance and repair items.

Impact on Operations: There will be no impact on operations.

Fire Department: Current capital needs include construction of a fire station which is needed to maintain the City's Class II ISO rating and provide a standard response time to the businesses and residences in both the Highway 70 and recently annexed areas.

Impact on Operations: The greatest impact of the CIP on General Fund operations will be in the construction and staffing of the new fire station. Currently, the estimated additional personnel and operating costs will be approximately \$337,500 annually. An additional one and a half cent of property tax was proposed to fund these costs, but City Council opted to fund the cost of the new station from Fund Balance in FY06.

Land Management and Development – Engineering Division: Funding is recommended for the Ellis Street Bridge project, which includes bridge design and right-of-way acquisition. The City will pay the \$345,000 project costs up-front, and then be reimbursed by the NC Department of Transportation for 80% of these costs.

Impact on Operations: There will be no impact on operations.

Land Management and Development – Engineering Division: Funding is recommended for the Depot project, which includes design and construction. The City will pay the \$500,000 project costs up-front, and then be reimbursed by the NC Department of Transportation for \$450,000 of these costs.

Impact on Operations: There will be no impact on operations.

Land Management and Development – Engineering Division: Funding is recommended for two Greenway projects, which includes design and construction. The City will pay the \$783,000 project costs up-front, and then be reimbursed by the North Carolina Department of Transportation for \$700,000 of these costs.

Impact on Operations: There will be no impact on operations this year. It is anticipated that in future years, a parks maintenance worker will need to be added to maintain these additional segments of the City's greenway system.

Public Services – Street Division: Future capital needs include equipment and materials storage at the landfill to provide dry storage for materials such as compost, dirt, road salt, and sand, enclosing an equipment bay, an office addition, and additional employee parking.

Impact on Operations: There will be no impact on operations.

Public Services – Landscape Operations and Hurley Park: Current capital needs include the replacement of decking at the pond in Hurley Park. Future needs include additional parking at the Landscape Operations facility and replacement of four Chippendale bridges at Hurley Park.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Routine Park and Facility Improvements: Funding is recommended for the on-going improvement and replacement of worn park equipment and facilities.

Impact on Operations: There will be no impact on operations. A constant amount of funding is appropriated annually to improve and renovate park equipment and facilities.

Parks and Recreation – Hall Gym Parking: Future capital needs include additional citizen parking at Hall Gym.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Sports Complex Renovations: Funding is recommended for beginning renovations at the Sports Complex. The City will provide the minimum required funding to obtain both foundation and matching grant funds. Phased over approximately three years, the City will contribute \$125,000 to obtain a matching gift of \$125,000 from the Robertson Foundation. Together, these funds will then be used to obtain a Land and Water Conservation grant of \$250,000. Finally, all funds will be leveraged for an additional \$500,000 provided by the North Carolina Parks and Recreation Trust Fund.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Tennis Courts: Future capital needs include replacement of the tennis courts.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Park Land Acquisition: Future capital needs include general park land acquisition.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Town Creek Park Development: Future capital needs include park land acquisition for the Town Creek Park and construction of a gymnasium.

Impact on Operations: There will be no impact on operations.

Impact on Operations in General Fund – Most capital improvements will not have a major impact on the operating costs of the General Fund except for staffing and operating a new fire station and the addition of a person to maintain the new greenway segments as discussed above. A standard amount is allocated in the General Fund Budget for improvements related to the upgrade of aging and inadequate offices and buildings.

Water and Sewer Fund CIP

The Water and Sewer Fund's CIP is divided into Water Improvements and Sewer Improvements. The following projects have been proposed over the next five years. Funding has been provided for the FY2005-06 projects in the budget.

Water Improvements

Annexation: The annexation in the Highway 29/Airport Road area will become effective June 30, 2005. Water line installation would begin during FY06 and be completed in FY07. Salisbury-Rowan Utilities (SRU) has committed to providing both public necessity and public convenience water to serve the entire annexation area. The proposed lines will provide our newest citizens with the same quality level of service and fire protection that our current residents enjoy.

Property Acquisition: Salisbury-Rowan Utilities is trying to plan for the future growth and long-range needs of the City, Rowan County, and the expanding utility systems that we operate. Property in strategic locations is currently being identified and examined for acquisition to meet SRU's future needs.

Security Improvements: The Vulnerability Assessment mandated by the EPA in FY04 identified utility sites and facilities where security improvements need to be implemented.

River Pump Station Improvements: There is a segment of raw water line located in the yard of the river pump station that is made of concrete. This line needs to be replaced with ductile iron. Additionally, the surge vault needs to be overhauled and/or replaced with an expansion tank to accommodate the variances in water pressure when the system is operating.

New River Pump Station Design: The existing Raw Water Pump Station was constructed in 1917, and expanded to its current size in the 1950s. In 1968, a new intake was constructed with a withdrawal capacity of 24 MGD. However, all of the structures were built in the flood plain. This is the only supply of water for the City of Salisbury and much of Rowan County. The station is both inaccessible and potentially vulnerable during flood events. A need exists to build a new raw water pump station at a location out of the floodplain, as well as to increase withdrawal capacity for future system demands.

Emergency Generators: Currently SRU has only one finished water booster station with stand-by emergency power generation. There are six additional booster stations that need back-up power to ensure that we can maintain water service to all of our customers during emergency conditions.

Rockwell Water Main: An upsizing of the main artery through downtown Rockwell is necessary to provide improved fire protection and to supply the future growth expected along the NC Highway 152 corridor.

Granite Quarry Secondary Supply Line: There is one main distribution line serving the towns of Granite Quarry and Rockwell. This line would provide a redundant source of water as well as improve the hydraulic characteristics of the distribution system along US Highway 52 South.

Faith Water Extension: The Town of Faith is currently building a sanitary sewer system that will discharge into SRU's Town Creek Basin. Long-range plans include running an appropriately sized line to serve that area with potable water and to provide additional fire protection.

Raw Water Reservoir (30 MG): This is for a new raw water reservoir. State regulations require a minimum of 5 days of off-site storage in the event of equipment failure or poor raw water quality. With the expansion of the Water Plant to 24 MGD, additional reservoir capacity will be needed for the protection of the system.

Water Treatment System Rehabilitation Projects:

- **Raw Water Reservoirs (RWR) Apron Repair:** The NC Department of Environment and Natural Resources (DENR) has recommended that the aging, damaged sections of the existing wave aprons on our raw water reservoirs be repaired or replaced. The concrete wave aprons extend approximately 25 feet

into the reservoirs. They are keyed into the walls of the reservoirs to prevent them from sliding into the basins. Some will need to be totally replaced and some will only require repairs. These are the original wave aprons that were installed when the two reservoirs were constructed in 1917 and 1964.

- **SCADA Remote Terminal Units (RTUs):** The existing SCADA system was installed in the late 1980s. Most of the equipment operating today is outdated and parts are not available. Technical support for this equipment has stopped. When equipment breaks down, it takes weeks to have repairs made to get back on-line. Since the SCADA equipment monitors the water system, it is critical to our operations.

Automated Meter Reading (AMR) System Conversion: Phased implementation of automated (radio) meter reading. AMR is an acronym referring to the reading of meters using a system of communication (such as radio) to communicate between the meters and the unit performing the “read”. SRU plans to work toward the phased implementation of a system whereby individual water meters would be read by radio receivers mounted on water tanks and other high-elevation locations. These receivers would relay the information to the Customer Service division for preparation of the monthly utility bills. This would enable a smaller number of meter readers to repair/troubleshoot all of utility’s meters, thereby freeing up personnel for other duties. It will require a significant funding commitment over time, as each meter will require either change-out or adaptation.

Water Treatment Plant Renovations:

- **Back-up Diesel Pump** – If there is an electrical problem at the water treatment plant or if the switchgear fails, a diesel-fueled pump would provide enough pumping capacity to keep the distribution system from completely shutting down.
- **Upgrade Water Plant Filter Venturis** – Currently, the venturis are rated at eighteen million gallons per day. To increase the production capacity of the plant, the venturis assemblies need to be upsized.
- **Electrical System Upgrade** – The majority of the existing water treatment plant was built more than 30 years ago. Technological improvements now control a majority of the plant. Manual devices have been upgraded to automatic devices, and computers monitor portions of the vast treatment process. The original building’s electrical service was not designed for this power consumption. Certain circuits need to be upgraded to handle the existing and future demands.

Polymer Feed System: A redundant polymer feed system is needed at the Water Treatment Plant to ensure continued treatment/processing capability in the event of the primary feed system becoming inoperable. This is the only chemical feed system at the plant that does not have a back-up system.

Elevated Storage Tanks: The existing tanks were located to accommodate our present system. With the expansion of the water system to supply a larger service area, the need for additional storage will be necessary. This will help buffer high-demand periods at the Water Plant, correct pressure problems, and provide fire protection. Tanks will be needed in the near future along both the Highway 70 and Highway 29 corridors as demand grows.

Sewer Improvements

Annexation: The annexation in the Highway 29/Airport Road area will become effective June 30, 2005. Sewer line installation would begin during FY06 and be completed in FY07. Salisbury-Rowan Utilities (SRU) has promised to provide both public necessity and public convenience sewer to serve the entire annexation area. The proposed lines will provide our newest citizens with the same quality level of service that our current customers enjoy.

Property Acquisition: Salisbury-Rowan Utilities is trying to plan for the future growth needs of the City, Rowan County, and the utility system that we operate. Property in strategic locations is currently being identified and examined for potential usefulness in this planning process.

Wastewater System Security: Needed improvements to achieve compliance with state and federal anti-terror recommendations related to infrastructure protection. The Vulnerability Assessment mandated by the EPA in FY04 identified utility sites where security needs to be improved.

Fiber Optic Extension: The majority of the facilities operated by Salisbury-Rowan Utilities are not served by the fiber optic network found throughout the city. By extending the current system to incorporate the satellite facilities, improved communications, security, and remote process monitoring can be implemented.

Inflow & Infiltration (I&I) Reduction: Repair of aging infrastructure to be in compliance with state and federal standards after being identified through regular, mandated inspections. I&I is a significant problem, as it taxes existing treatment plant and lift station capacity and also causes occasional overflows and spills. Lines identified by SRU staff may be targeted for major repair or replacement using this funding.

Emergency Generators: Currently, many of the sewer lift stations do not have emergency back-up power generation. Having stand-by power or having connections to mount a portable generator would allow the lift stations to operate without significant interruption.

Town Creek Belt Press: This item involves replacement of an aged plate-and-frame press at the Town Creek WWTP facility. The existing press cannot be cost-effectively maintained and is both obsolete and inefficient. The Grant Creek belt press is currently operating at maximum capacity seven days per week. When the Town Creek press is not operational, sludge must be hauled to the Grant Creek press for dewatering, and a single press cannot process the sludge from both plants. Rehabilitation of the existing plate-and-frame press would be as expensive as a new belt press. The belt press is both more efficient and less expensive to maintain and having two similar presses will be less costly to maintain and operate.

Polymer Feed System: Residuals currently use a “bucket in the barrel” approach to dosing polymer in the dewatering process. A polymer feed system is needed to more accurately measure and apply the chemical. By efficiently measuring and dosing, the operators will be able to maximize the polymer inventory.

Elimination of the Biosolids Land Application Program: With environmental regulations becoming more stringent and the decreasing availability of farmland in this county, SRU is exploring the opportunities of turning the production of biosolids into a “Class A” fertilizer that has no regulatory requirements. This program would consist of:

- Heat dryers at the Town Creek and Grants Creek Wastewater Treatment Plants. These dryers “superheat” the residuals and eliminate virtually all moisture in the final product, with a resultant 5/2 reduction in volume.
- A conveyor system to move the product from the plant to a storage pad.
- A sludge thickener to make the process more efficient by removing as much moisture as possible before the product is entered into the dryers.

Wastewater Treatment Plant Equipment Replacement Projects:

- **Clarifiers (2):** Rehabilitation of existing clarifiers at Town Creek WWTP. These clarifiers have not had any major rehabilitation since they were installed in 1965. The clarifiers need new gearboxes and complete center-feed systems.
- **Waste Pumps:** Re-plumbing and replacement of existing waste pumps at the existing facilities to accommodate an emergency pump-around solution while maintaining standard plant output. The current pumping system does not allow varying pump rates. New pumps would allow the operator to pump 24 hours per day at lower rate. Re-plumbing would allow the operator to have redundant systems and additional operating capacity.
- **Grant Creek WWTP (GCWWTP) Aeration Basin Rehabilitation:** Rehabilitation of existing aeration basin at GCWWTP including four new aerators and six new mixers.
- **Town Creek WWTP (TCWWTP) Aeration Basin Apron Repair:** Repair of existing wave aprons in TCWWTP Aeration Basins. Both basins have experienced deterioration of their respective aprons over time.
- **Screw Pumps Replacement:** Replacing ten old screw pumps at both Town Creek and Grant Creek.
- **Digester Aeration Replacement:** Replacement of existing TCWWTP Digester Aeration. Existing digester was installed when the plant was originally built.
- **Additional GCWWTP Digester Space:** The addition of digester capacity at Grant Creek to enhance the treatment process and reduce sludge volume. This addition includes a new tank or basin, associated piping, pumps, aeration equipment and valving. The capacity of the existing digesters has not been

upgraded since the plant treatment capacity was 5 MGD, even though our average volume has increased to 7.5 MGD.

I-85 Corridor Outfall Line: With the growth explosion along the I-85 corridor from the south, Salisbury-Rowan Utilities needs to extend an outfall line to provide sewer service in this area. This would open development opportunities in central and southern Rowan County.

Plant Capacity Expansion: The Town Creek and Grant Creek Wastewater Treatment trains have a combined effluent discharge of 12.5 MGD. Now that the water treatment plant is completed, we need to consider what options we have to upgrade our wastewater treatment plants so they can process similar flows. The current facilities will need to be in working condition through another 10-15 years until the new regional facility can be funded and constructed.

Wastewater Plant Building Renovations: Plans include replacing the flooring system in the Laboratory with materials that will not be so vulnerable to the highly corrosive environment. Additional improvements include renovating the Atomic Absorption Spectrophotometer (AA) room and installing a new AA machine. The current machine has outlasted its useful life, and any building renovations need to facilitate modern equipment.

Sewer Line Renovations: In addition to routine sewer line repairs performed annually, some line renovations are needed within the small and moderately-sized trunk lines in the system.

Alternative Disinfection System: Alternate means of effluent disinfection to serve as either a backup or a supplement to the existing ultraviolet (UV) disinfection system. While the UV system is effective, it is expensive in terms of power, maintenance and equipment replacement. An alternate system could significantly reduce overall costs. The EPA and Division of Water Quality have previously questioned the lack of a backup system and it may be required in the near future.

SCADA Upgrades: There are several sewer lift stations that do not have any monitoring system on them. The majority of these installations are located in the Town of Spencer. This additional monitoring capability would reduce the need for seven-day per week monitoring visits by staff, resulting in less overtime and better use of personnel.

Town Creek Access Road: Currently, Heiligtown Road is the only point of access to the Town Creek Wastewater Treatment plant. This road is residential and SRU must use this road to operate tanker trucks and other heavy equipment on a daily basis. An access road is proposed to enter the plant from the south to avoid the residential neighborhood.

Grant Creek Interceptor Rehabilitation: There are segments of the Grant Creek Interceptor Sewer Line that are suspected of contributing significant inflow and infiltration to the collection system. This funding would help identify and repair these segments.

Spencer Plant Demolition: With the completion of the Spencer pump station and force main, SRU can formally decommission and remove the Town of Spencer's old wastewater plant. Piping and valving must be cut and sealed so the old pipes can no longer be used. All facilities are to be secured and demolished.

Impact on Operations in Water/Sewer Fund - These capital improvements will not have an adverse impact on the operating costs of the Water and Sewer Fund. Currently, no additional staffing is proposed due to any CIP project. The proposed improvements are needed for upgrading aging infrastructure, providing services to new areas, equipping the system with backup and meeting mandates from both state and federal agencies.

The City participates in extension projects that have an approximate 10-year payback, based on availability of funds in each budget year. During FY2005-06, the City is budgeting \$442,000 for extension projects. Any costs beyond the estimated payback or availability of funds are required to be paid by the developer.

Debt service requirements for the CIP are calculated in the Water/Sewer rate structure. The City does not anticipate issuing any additional debt during FY2005-06. Utility rates, including operations and debt service for residential customers, are proposed to increase an average of 9.65% in FY2005-06.

CAPITAL IMPROVEMENT PROGRAM (FY 2006-10)

GENERAL FUND SCHEDULE

PROJECT DESCRIPTION (\$ 000's)	PROPOSED FUNDING SOURCE	TOTAL PROJECT COST	FIVE YEAR SCHEDULE (FY06 - FY10)					
		FY 06-10	2005-06	2006-07	2007-08	2008-09	2009-10	
BUILDINGS AND GROUNDS								
City Office Building								
Renovations/Waterproofing	General Fund	\$ 178	\$ -	\$ 23	\$ 95	\$ 30	\$ 30	
City Hall								
Chamber Floor and Renovations	General Fund	69	-	-	-	38	31	
The Plaza	General Fund/ Lease Purchase	2,031	-	1,871	26	68	66	
Roof Replacements	General Fund	516	74	40	59	145	198	
HVAC Replacements	General Fund	458	73	107	112	82	84	
Police Department								
Equipment & Repairs	General Fund	58	-	19	19	10	10	
Fire Department								
Build New Fire Station	General Fund	1,250	1,250	-	-	-	-	
Repairs and Renovations	General Fund	200	-	50	50	50	50	
Land Management & Development								
Ellis Street Bridge Design/ROW	General Fund/ Grants	345	345	-	-	-	-	
Depot Improvements	General Fund/ Grants	500	500	-	-	-	-	
Greenway Design & Construction	General Fund/ Grants	1,223	783	40	400	-	-	
Public Services - Street Division								
Landfill - Equipment Storage	General Fund	60	-	30	-	30	-	
Landfill - Material Storage	General Fund	75	-	25	25	25	-	
Enclose Equipment Bay	General Fund	120	-	30	30	30	30	
Winter Material Storage	General Fund	100	-	-	-	-	100	
Street Division Addition	General Fund	150	-	-	-	150	-	
Additional Parking	General Fund	25	-	-	25	-	-	
Public Services - Landscape Ops.								
Additional Parking	General Fund	35	-	-	-	35	-	
Public Services - Hurley Park								
Replace Decking at Pond	General Fund	10	10	-	-	-	-	
Replace 4 Chippendale Bridges	General Fund	80	-	20	20	20	20	
PARKS & RECREATION								
Park & Facility Repair & Replacement	General Fund	449	49	100	100	100	100	
Hall Gym Parking	General Fund	25	-	25	-	-	-	
Sports Complex Renovation	General Fund/ Grants	1,068	40	960	68	-	-	
Tennis Court Replacement	General Fund	180	-	180	-	-	-	
Park Land Acquisition	General Fund	100	-	100	-	-	-	
Town Creek Park								
Gymnasium Construction	G.O. Bonds	1,500	-	-	1,500	-	-	
Park Development	General Fund	200	-	100	-	100	-	
TOTAL GENERAL FUND		\$ 11,005	\$ 3,124	\$ 3,720	\$ 2,529	\$ 913	\$ 719	

CAPITAL IMPROVEMENT PROGRAM (FY 2006-10)

WATER AND SEWER FUND SCHEDULE

PROJECT DESCRIPTION (\$ 000's)	PROPOSED FUNDING SOURCE	TOTAL PROJECT COST FY 06-10	FIVE YEAR SCHEDULE (FY06 - FY10)				
			2005-06	2006-07	2007-08	2008-09	2009-10
			WATER IMPROVEMENTS				
Roof Replacements	W/S/ Fund	\$ 343	\$ 131	\$ 64	\$ 69	\$ 15	\$ 64
HVAC Replacements	W/S/ Fund	55	55	-	-	-	-
Annexation Area	W/S Fund	2,250	-	250	-	2,000	-
Property Acquisition	W/S Fund	260	-	200	-	-	60
Security Improvements	W/S Fund	495	-	215	280	-	-
River Pump Station Improvements	W/S Fund	350	-	-	150	200	-
New River Pump Station Design	W/S Fund	750	-	750	-	-	-
Emergency Generators	W/S Fund	1,030	-	230	800	-	-
Rockwell Water Main	Grants	750	-	50	500	200	-
Granite Quarry Secondary Line	W/S Fund	500	-	-	-	-	500
Faith Water Extension	W/S Fund	1,500	-	-	-	500	1,000
Raw Water Reservoir (30 MG)	Revenue Bonds	6,000	-	-	3,000	3,000	-
Raw Water Reservoir Apron	W/S Fund	300	-	-	-	300	-
SCADA RTUs	W/S Fund	220	-	110	110	-	-
Automated Meter Reading	W/S Fund	1,500	-	-	500	500	500
Treatment Plant Renovation	W/S Fund	2,900	-	-	2,000	900	-
Polymer Feed System	W/S Fund	15	15	-	-	-	-
Storage Tanks	Revenue Bonds	4,000	-	-	-	-	4,000
TOTAL WATER IMPROVEMENTS		23,218	\$ 201	\$ 1,869	\$ 7,409	\$ 7,615	\$ 6,124
SEWER IMPROVEMENTS							
Annexation	W/S Fund	2,000	\$ -	\$ -	\$ -	\$ 2,000	\$ -
Property Acquisition	W/S Fund	500	-	-	500	-	-
Security Improvements	W/S Fund	195	-	19	176	-	-
Fiber Optic Extension	W/S Fund	401	-	71	-	330	-
I&I Reduction	W/S Fund	2,150	150	500	500	500	500
Emergency Generators	W/S Fund	230	-	230	-	-	-
Town Creek Belt Press	Revenue Bonds	710	-	710	-	-	-
Polymer Feed System	W/S Fund	15	15	-	-	-	-
Elimination of Land Application	W/S Fund	1,900	-	1,500	400	-	-
Plant Equipment Replacement	W/S Fund	2,870	50	300	80	600	1,840
I-85 Corridor Outfall Line	W/S Fund/Grants	3,500	-	1,000	2,500	-	-
Plant Capacity Expansion	Revenue Bonds	10,000	-	-	-	5,000	5,000
Plant Building Renovations	W/S Fund	3,170	-	-	170	-	3,000
Sewer Line Renovations	W/S Fund	320	-	120	200	-	-
Alternative Disinfection System	Revenue Bonds	440	-	-	-	440	-
SCADA Upgrades	W/S Fund	564	-	250	250	64	-
Town Creek Access Road	W/S Fund	200	-	-	-	200	-
Grant Creek Interceptor Rehab	W/S Fund	1,500	-	750	750	-	-
Spencer Plant Demolition	W/S Fund	200	-	200	-	-	-
TOTAL SEWER IMPROVEMENTS		30,865	\$ 215	\$ 5,650	\$ 5,526	\$ 9,134	\$ 10,340
TOTAL WATER / SEWER IMPROVEMENTS		\$ 54,083	\$ 416	\$ 7,519	\$ 12,935	\$ 16,749	\$ 16,464

DEBT MANAGEMENT PROGRAM

OUTSTANDING DEBT

As of June 30, 2005, the City of Salisbury will have \$55,676,991 in outstanding debt for all funds. The type of debt with the breakdown between funds is shown below:

General Fund:	
General obligation bonds	\$ 2,265,000
Capital leases	<u>4,156,422</u>
	<u>\$ 6,421,422</u>
Water and Sewer Fund:	
General obligation bonds	\$ 12,920,000
Revenue bonds	20,845,000
Capital leases	3,070,497
State Clean Water Revolving Loans	<u>12,420,072</u>
	<u>\$ 49,255,569</u>
Total	<u>\$ 55,676,991</u>

General Fund

The City has lease agreements to finance the acquisition of various equipment. These agreements qualified as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, were recorded at the present value of the future minimum lease payments as of the date of their inception. These lease agreements are outlined as follows:

Lease for capital building improvements from BB&T, dated December 29, 1999, payable in twenty semi-annual installments of \$63,331.96 at an effective annual interest rate of 4.73%.

Lease for capital improvements of facilities from Bank of America, dated December 22, 2000, payable in thirty semi-annual installments varying from \$59,875 on June 22, 2001 to \$34,223 on December 22, 2015 at an effective interest rate of 5.3251%.

Lease for purchase of property from Farmers and Merchants Bank, dated February 24, 2003, payable in thirty-six monthly installments of \$3,292 on March 24, 2003 to February 24, 2006, in twenty-two monthly installments of \$7,372 on March 24, 2006 to December 24, 2007, and one payment of \$910,040 on January 24, 2008 all at an effective interest rate of 3.95%.

Lease for 800-trunking system upgrade from Wachovia Bank of North Carolina, dated April 12, 2004, payable in eighteen semi-annual installments consisting of \$110,583 principal plus interest at an effective interest rate of 2.93%.

Lease for purchase of 911 equipment from BB&T dated February 3, 2005, payable in fifty-nine monthly installments of \$3,524.25 at an effective annual interest rate of 3.45%.

The construction and improvements to facilities funded by Wachovia Bank of North Carolina, BB&T, and Bank of America are complete. All improvements are recorded at their construction cost upon completion. The purchase of property, funded by Farmers and Merchants Bank, has been recorded at its present value. The purchase of equipment funded by BB&T is complete and recorded at its purchase price.

In November 1995, the City issued \$355,000 general obligation bonds for parks and recreational improvements. These bonds were issued at an average rate of 5.2756%, maturing serially to 2006.

In December 1997, the City issued \$3,000,000 general obligation bonds for parks and recreational improvements. These bonds were issued at an average rate of 4.79%, maturing serially to 2017.

Future maturities and interest on General Fund long-term debt are:

Year Ending June 30,	General Obligation Bonds		Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	190,000	108,650	444,774	154,343	634,774	262,993
2007	200,000	99,550	485,151	136,663	685,151	236,213
2008	200,000	90,050	1,374,239	103,434	1,574,239	193,484
2009	200,000	80,550	448,001	65,298	648,001	145,848
2010	200,000	70,950	374,090	48,226	574,090	119,176
2011	200,000	61,350	287,833	36,453	487,833	97,803
2012	200,000	51,750	287,833	26,463	487,833	78,213
2013	200,000	42,150	287,833	16,396	487,833	58,546
2014	200,000	32,550	66,667	7,987	266,667	40,537
2015	200,000	22,950	66,667	4,438	266,667	27,388
2016	200,000	13,350	33,333	890	233,333	14,240
2017	75,000	3,750	-	-	75,000	3,750
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
Totals	<u>\$ 2,265,000</u>	<u>\$ 677,600</u>	<u>\$ 4,156,422</u>	<u>\$ 600,591</u>	<u>\$ 6,421,422</u>	<u>\$ 1,278,191</u>

Water and Sewer Fund

Long-term debt of the Water and Sewer Fund includes the following general obligation and revenue bond issues:

	Balance June 30, 2005
Water Bonds Series 1997, average rate of 4.79%, issued December 1997, maturing serially to 2008	\$ 175,000
Combined Enterprise Revenue Series 1998A, average rate of 4.87%, issued January 1998, maturing serially to 2018	1,525,000
Combined Enterprise Revenue Series 2002, average rate of 4.84%, issued April 2002, maturing serially to 2022 with terms in 2020 and 2027	19,320,000
Water Bonds Series 1998, average rate of 4.4%, issued June 1998, maturing serially to 2017	2,025,000
Refunding Water and Sewer Series 2003, average rate of 3.44%, issued August 2003, maturing serially to 2019	<u>10,720,000</u>
	<u>\$33,765,000</u>

The general obligation bonds were issued to finance the construction of facilities utilized in the operations of the water and sewer systems and are being retired by the resources of the Water and Sewer Fund. These bonds bear interest, payable semiannually, and are collateralized by the full faith, credit, and taxing power of the City. The combined enterprise revenue bonds were issued to finance the construction of facilities utilized in the operations of the water and sewer systems and are being retired by the resources of the Water and Sewer Fund. These bonds bear interest, payable semiannually, and are collateralized by the receipts of only the Water and Sewer Fund.

The Revenue Bond General Trust Indenture requires that the City must maintain certain debt covenants relating to reporting requirements, annual budgets, and minimum utility funds revenues. Net revenues available for revenue bond debt service can not be less than one hundred twenty percent (120%) of the long-term debt service requirement for parity indebtedness. The calculations of the City's revenue bond coverage for the last three years are as follows:

Fiscal Year	Gross Revenues (1)	Operating Expenditures(2)	Net Revenues Available for Revenue Bond	Debt Service Requirements (3)			Coverage
			Debt Service	Principal	Interest	Total	
2002	14,401,251	8,934,754	\$ 5,466,497	952,506	620,085	\$ 1,572,591	347.61%
2003	15,297,190	10,022,035	5,275,155	1,107,506	1,297,994	2,405,500	219.30%
2004	15,756,122	10,696,926	5,059,196	1,472,506	1,420,340	2,892,846	174.89%

(1) Total operating revenues plus investment earnings exclusive of revenue bond investment earnings.

(2) Total operating expenses exclusive of depreciation.

(3) Parity debt includes revenue bonds and N. C. State Clean Water Bonds only.

The City has entered into various agreements to lease certain water and sewer distribution systems. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Interest rates on these agreements range from 3.385% to 5.6%. The City has recorded water and sewer assets related to these leases at their fair market value of \$7,898,494. The future minimum lease payments at June 30, 2005 total \$3,903,095, including \$832,598 of interest. Upon completion of these lease payments the City will take ownership of the related assets.

In addition to this debt, the City also owes the State of North Carolina for debt issued through its Clean Water Revolving Loan program. Two of these loans were refinanced by the State of North Carolina reducing their average interest rate from 5.03% to 3.43% resulting in total savings over the remaining lives of the loans of \$573,284. Total Clean Water Debt is composed of the following four loans:

	Balance June 30, 2005
Clean Water Loan for Sewer purposes, average rate of 5.03%, issued July 1989, revised May 1, 2003 to 3.43% maturing serially to 2017	\$ 3,000,000
Clean Water Loan for Water purposes, average rate of 5.03%, issued January 1992, revised May 1, 2003 to 3.43% maturing serially to 2017	270,072
Clean Water Loan for Sewer purposes, average rate of 2.60%, issued June 1998, maturing serially to 2017	6,900,000
Clean Water Loan for Water purposes, average rate of 2.60%, issued January 1999, maturing serially to 2017	<u>2,250,000</u>
	<u>\$12,420,072</u>

Future maturities and interest of Water and Sewer Fund for all types of long-term debt are:

Year	General Obligation Bonds		Revenue Bonds		Clean Water Bonds		Capital Leases		Total	
Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
June 30,										
2006	1,440,000	436,115	630,000	980,534	882,506	350,063	270,612	126,307	3,223,118	1,893,019
2007	1,405,000	401,053	650,000	958,331	882,506	324,857	264,190	115,559	3,201,696	1,799,800
2008	1,330,000	360,915	675,000	934,226	882,506	299,650	260,847	104,983	3,148,353	1,699,773
2009	1,265,000	318,128	700,000	907,728	882,506	274,443	267,585	94,604	3,115,091	1,594,902
2010	1,245,000	277,728	730,000	879,336	882,506	249,236	274,409	83,860	3,131,915	1,490,159
2011	1,225,000	235,788	760,000	929,101	882,506	224,029	276,324	72,745	3,143,830	1,461,662
2012	1,210,000	192,388	795,000	812,472	882,506	198,822	283,334	61,480	3,170,840	1,265,161
2013	1,190,000	148,463	835,000	774,190	882,506	173,615	240,799	50,370	3,148,305	1,146,637
2014	1,175,000	103,794	870,000	737,479	882,506	148,408	240,799	40,830	3,168,305	1,030,510
2015	1,160,000	58,419	910,000	697,623	882,506	123,201	240,799	31,260	3,193,305	910,502
2016	175,000	12,375	950,000	655,277	882,506	97,994	240,799	21,690	2,248,305	787,335
2017	100,000	4,500	995,000	610,267	882,506	72,787	60,000	12,120	2,037,506	699,674
2018	-	-	1,045,000	562,162	610,000	47,580	60,000	8,670	1,715,000	618,412
2019	-	-	935,000	515,000	610,000	31,720	50,000	5,220	1,595,000	551,940
2020	-	-	980,000	468,250	610,000	15,860	30,000	2,320	1,620,000	486,430
2021	-	-	1,030,000	419,250	-	-	10,000	580	1,040,000	419,830
2022	-	-	1,080,000	367,750	-	-	-	-	1,080,000	367,750
2023	-	-	1,135,000	313,750	-	-	-	-	1,135,000	313,750
2024	-	-	1,195,000	257,000	-	-	-	-	1,195,000	257,000
2025	-	-	1,250,000	197,250	-	-	-	-	1,250,000	197,250
2026	-	-	1,315,000	134,750	-	-	-	-	1,315,000	134,750
2027	-	-	1,380,000	69,000	-	-	-	-	1,380,000	69,000
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-
Totals	\$ 12,920,000	\$ 2,549,663	\$ 20,845,000	\$ 13,180,721	\$ 12,420,072	\$ 2,632,263	\$ 3,070,497	\$ 832,598	\$ 49,255,569	\$ 19,195,245

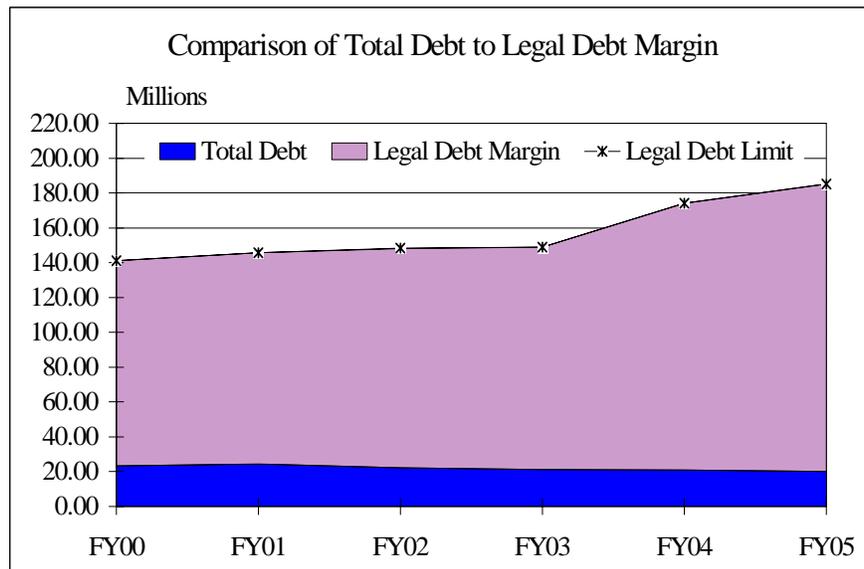
PROPOSED DEBT

The City of Salisbury currently anticipates issuing total debt during FY2005-06 of \$3,565,680. This financing is proposed to fund building construction and renovation projects consisting of an addition to the Police Department Building, renovation of the existing building, and installation of a fire sprinkler system in the City Office Building.

This lease purchase financing is anticipated to be issued at 4.5% or less. The lease purchase debt service schedules are anticipated to cover fifteen years. It is anticipated to have level principal and interest payments.

LEGAL DEBT MARGIN

As shown, the City has maintained an ample legal debt margin. This margin is based on a debt limit of eight percent of assessed valuation less total debt as required by North Carolina General Statutes. The margin allows for the incurring of proposed debt to finance the needed water and sewer infrastructure projects as outlined in Section 10 - CAPITAL IMPROVEMENT PROGRAM. Furthermore, the City complies with the Debt Management Policy as defined in Section 2.



Computation of Legal Debt Margin at June 30, 2005

Debt limit: Assessed value of \$2,318,604,508 x 8%	\$ 185,488,361
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 15,185,000
Total capitalized lease obligation	<u>7,226,919</u>
Total outstanding debt	\$ 22,411,919
Less:	
Deductions allowed for water bonds issued	<u>2,200,000</u>
Total amount of debt applicable to debt limit	<u>20,211,919</u>
LEGAL DEBT MARGIN	<u>\$ 165,276,441</u>

DIRECT AND OVERLAPPING DEBT⁽¹⁾

The table below shows the computation of direct and overlapping debt from the City and Rowan County. These amounts are as of June 30, 2004.

	Net General Obligation Debt Outstanding	Percentage Applicable to City of Salisbury	City of Salisbury's Share of Debt
City of Salisbury	\$ 2,465,000	100.00%	\$ 2,465,000
Rowan County ⁽²⁾	58,605,000	23.17%	<u>13,578,779</u>
Total direct and overlapping debt			<u>\$ 16,043,779</u>

⁽¹⁾ Based on assessed valuation.

⁽²⁾ Net debt and assessed valuation figures provided by Rowan County.



BALANCING COSTS AND SERVICES

A Five Year Service Level and Revenue Projection With Analysis

The Shopping Trip

You have just parked in the supermarket's parking lot and gone inside. As you stand at the beginning of the first aisle with your shopping cart, you see a variety of items for sale on the shelves. Some goods are necessities such as bread and milk. Others are luxuries such as smoked salmon or lobster. In selecting items and placing them in your shopping cart, you note the differences in quality, quantity, and price. As you are completing your trip to the supermarket, you arrive at the check-out counter. It is at this point that you have an opportunity to calculate the total cost of the individual selections that were made, and whether or not you have funds available to purchase them. Not wanting to come up short at the check-out counter, you have had to carefully select each item in accordance with your shopping list. Decisions and choices were made. You feel comfortable with the results.

Service Levels

Selecting levels of municipal services for the citizens of Salisbury is a lot like a trip to the supermarket. Decisions on service levels for various municipal services must be made in accordance with our "shopping list". For example, decisions regarding the selection of the City's Insurance Services Office (I.S.O.) fire rating must be made. There are significant differences in the level of fire service offered by a volunteer fire department and a class two I.S.O. rated fire department. Questions regarding the number of lane miles of roads to be resurfaced and the level of police patrol must be decided. Priorities must be set in order to select not only the different kinds of services to be offered the citizens of Salisbury, but the varying levels of services offered. Quality of service and the full spectrum of costs must both be considered.

In the following analysis, each service department has prepared cost estimates to provide three different levels of service. This analysis includes the purpose of the department, a graph of the three expenditure projections, and a description of the services provided, eliminated, or added.

The current service level represents the level of service that the department currently provides the public or other City departments. The reduced service level represents a level of service below that which is currently provided. It may include such items as reduced staffing, elimination of capital expenditures, reduced maintenance of equipment and facilities, or elimination of a current program. An enhanced service level represents a level of service that is higher than what is currently provided. This enhanced service level might include such items as additional personnel, additional capital expenditures, or new programs. Using FY2005 as the base year, each level of service was evaluated and cost estimates were developed for a five-year period. These estimates detail personnel, operations, and capital outlay.

In reviewing each department's three proposed service levels, the City Council has the opportunity to determine the financial impact of selecting various levels of municipal services for our citizens. Some departments' reduced service levels represent the elimination or shifting of personnel, the elimination or deferral of capital outlay, special projects, or specific programs.

This listing of service levels is similar in many respects to the trip to the supermarket. North

Carolina General Statutes require the City to provide certain services. Other services may be selected based on the desire of our citizens and their willingness to pay for a particular level of service.

Revenue Structure

The City's General Fund has five major sources of revenues: taxes, licenses and permits, intergovernmental revenues, charges for services, administrative revenue, and miscellaneous revenues. Taxes are composed of property, sales, auto, and dog taxes. Licenses and permits are composed of privilege licenses and cable television franchise fees. Intergovernmental revenues are composed of grants and state-shared revenues. Charges for services are composed of user fees and reimbursed charges. Administrative revenue represents the Water and Sewer Fund contribution to the operations of the General Fund. Miscellaneous revenues are composed of interest revenue, sales, and revenues not allocated elsewhere.

It would appear that with these various revenue sources, the generation of revenue to meet service level expenditure requirements would be a simple task. This, however, is not the case.

Revenues available to finance our local government can be characterized as either "elastic" or "inelastic". Elastic revenues are highly responsive to changes in the economic base and inflation. As the economic base expands or inflation goes up, elastic revenues rise in roughly proportional or greater amounts. Likewise, they go down during times of deflation and recession. For example, sales tax revenue, though the tax rate remains the same, increases during better economic periods due to the increase in retail business and declines during poor times. Yields from inelastic revenue sources, such as user fees and charges, are somewhat unresponsive to changes in economic conditions and require that government officials change fees and charges to obtain a change in revenue. Most City revenue sources are inelastic. Two of the few remaining elastic revenues the City has are sales tax revenue and privilege licenses.

Some revenue types such as Powell Bill and sales taxes are distributed within Rowan County based on population. The increased population in the County and in other County municipalities has decreased Salisbury's share of those revenues. The overall share of these revenues will continue to decline without annexation or extensive new growth annually.

The City has also faced the State tampering with state-shared revenues and reimbursements. In the past, the State had eliminated property tax on retail, wholesale, and manufacturers' inventories. They then placed a cap on income to municipalities from intangible taxes, utility franchise taxes, and inventory reimbursements. The cap on utility franchise taxes expired in FY1995. The intangible property tax was repealed by the General Assembly and replaced with an annual appropriation. Both the intangible property tax and inventory reimbursements were subject annually to the whims of the General Assembly for funding and also subject to being withheld by the Governor to balance the State's budget if needed. The City also discovered in February 2002 that other revenues that are collected by the State and remitted to the City are subject to being withheld by the Governor to balance the State budget.

During the 2002 General Assembly, reimbursements from the State were totally eliminated. This resulted in a loss of revenue to the City in its FY2003 budget of \$1,550,000. The General Assembly did approve an additional one-half cent sales tax for counties to levy. Rowan County passed the additional one-half cent sales tax that provided additional receipts for seven months in

FY2003. In addition to granting counties the ability to levy an additional one-half cent sales tax, the General Assembly provided a hold-harmless clause for those governmental units, like Salisbury, where the additional one-half cent sales tax would not generate the same amount of revenue as the lost reimbursements. Unfortunately, this hold-harmless provision did not take effect until FY2004. These actions by the General Assembly forced the City to cut almost \$1.2 million dollars from its FY2003 budget. The City eliminated almost all of its General Fund capital budget and most of its special projects as a result of the loss of these reimbursements.

The City directly controls only property taxes, user fees and charges, privilege licenses, and the Water and Sewer Fund contribution (which is actually a reimbursement for services performed in the General Fund on behalf of the Water and Sewer Fund). These four revenues are the only ones that City Council can increase or decrease at will. During FY2005, these four sources in the General Fund account for 68.6% of total revenue. The City lacks control over all other revenues.

Property taxes may be adjusted in two ways. The tax rate can either be changed, and/or the assessed value of the property can be raised or lowered. Each year, City Council sets the property tax rate as part of adopting the annual budget ordinance.

User fees and charges for some services have been established to reimburse the City for all or part of the cost for services. City Council has absolute control over both services for which to levy a fee and the amount of that fee.

Privilege licenses are controlled by both the State and City Council. A city may levy a privilege license on certain types of businesses and professions as established by State Statutes. The State also sets a maximum rate for some businesses and professions. Most businesses, however, do not have a maximum license rate or amount. City Council has the authority to set a license rate and/or amount for these businesses.

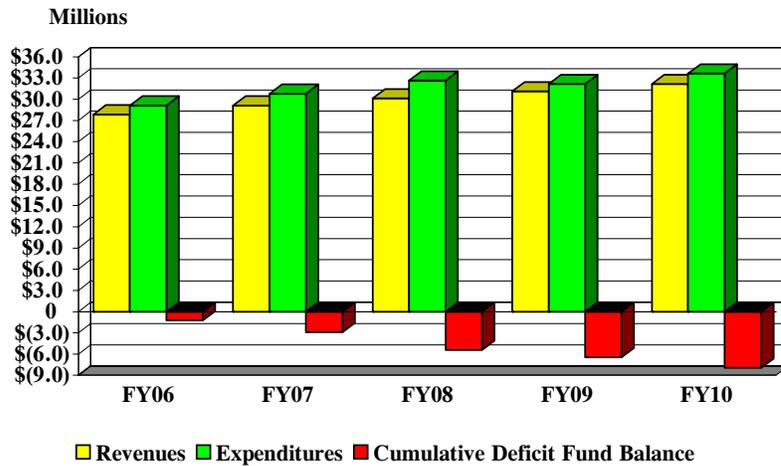
Administrative revenue is the Water and Sewer Fund's contribution to the operations of the General Fund. It represents the Water and Sewer Fund's share of expenses incurred in the General Fund for services such as water and sewer billing, financial administration, fleet management, purchasing, personnel administration, legal, and general management services. The funding of the contribution is a component of the water and sewer rates set by City Council and should not exceed the actual costs incurred in the General Fund for the Water and Sewer Fund's operations.

In summary, most City revenues can be characterized as inelastic with no City control. The City controls only property taxes, user fees and charges, privilege licenses, and administrative revenue.

Comparison Of Projected Expenditures For Five Years To Forecasted Revenues

As shown in Exhibit 1, projected expenditures are anticipated to exceed projected revenues over the next five years at current service levels. There are two primary reasons for revenues lagging expenditures. First, the economy has been slow over the past three years and still shows no signs of recovering quickly. One of the City's primary revenue sources is the sales tax as discussed earlier. With the sluggish economy, people are postponing the purchases of new goods. This in turn affects the amount of sales tax receipts for the City. But as the economy improves, the growth rate for property taxes and sales taxes will increase in future years. For FY2006, the City Council will face some tough decisions on maintaining the current service level while trying to address capital expenditures that have been deferred over the last several years due to the loss of revenue

**Exhibit 1
REVENUE COMPARED TO
CURRENT LEVEL EXPENDITURES**



withheld by the State. The current revenue structure will not support expenditures without modifications to existing service levels or future tax rate increases, increased fees on services, or new fees for services.

The City also needs to continue to pursue the annexation of qualifying areas surrounding it. Failure to systematically annex eligible areas will result in increased tax rates

and/or lower service levels over time since the residents of these areas do increase the demand for services within the City. These areas have significant property valuations and population that will allow the City to continue to grow while meeting the service demands requested by its citizens.

Previous Budget Actions

City Council each year evaluates additional measures that address revenue options, increased productivity measures, increased services, or the elimination of services. Actions taken included a major step in FY1999 to increase revenues to continue to provide existing service levels. City Council was provided options that would match revenues to expenditures through a combination of revenue enhancements and service reductions. After reviewing their options, City Council trimmed some service level enhancements, increased the property tax rate and added a commercial waste collection fee. This action allowed the City to continue providing current service levels for its citizens.

In FY2001 in response to a request from the citizens to address improving and maintaining viable neighborhoods, City Council increased the tax rate by three cents to fund an increase in service levels in the Fire Department, Police Department, and Community Development.

In FY2002, City Council had each department review its budget for items other than personnel and capital and make a 22% reduction in discretionary line items. These cuts were made to have a minimal impact on the current service level and eliminate the need to increase the tax rate.

The declining economy took its toll on ongoing revenues in the FY2003 budget. Property taxes did not generate a significant increase and most elastic revenues were showing decreases from the prior year. City Council approved a budget that eliminated almost \$1.2 million in ongoing expenditures to match the expenditures of the City to projected revenues. This action included the elimination of seventeen full-time positions, ten summer positions, and one part-time position. Four positions were also frozen.

For FY2004, revenue projections were still flat, but the pent-up budgetary needs were nonetheless evident. Furthermore, the City had committed to repayment to the State of North

Carolina for noise barriers and sidewalk improvements along with attaining goals related to the community. The budget proposal was for an effective tax rate increase of \$.04 per \$100 assessed valuation. But due to economic conditions within the area, Council did not feel that the tax increase was acceptable and opted for an increase of \$.02 per \$100 assessed valuation, further deferring needs and goals attainment.

In FY2005, the City Council took several bold steps to respond to the national recession that was still severely impacting revenues. In order to maintain the existing level of services to our citizens, City Council approved an increase of \$.035 per \$100 assessed valuation and enacted a \$10 tax on all vehicles. Over the last couple of years, the North Carolina General Assembly had modified the funding formula for municipalities in state-shared revenues for roads. This shifted a share of the revenues that had been distributed to the municipalities back to the state. This action had resulted in a decrease in state-shared revenues of approximately \$200,000. The new \$10 tax on vehicles is expected to generate approximately the same amount.

How Do We Finance Local Government in the Future?

After City Council selects the desired service levels, the question becomes "how to generate sufficient revenues to finance these levels?" Currently, property taxes, user fees and charges, privilege licenses, and water and sewer rates are the only revenue sources the City controls. Each of these sources has both advantages and disadvantages.

The property tax possesses several elements which characterize its usefulness: it provides a stable source of revenue; it is easily administered; it is relatively easy to adjust; and it taxes nonresident property owners who benefit from local services.

Conversely, the property tax is ranked as the most unpopular tax along with the federal income tax. Reasons for this unpopularity include: the property tax falls on unrealized capital gains (as opposed to income); it is collected in a large lump-sum amount; and there is anxiety about perceived inequities associated with property reappraisal.

User fees and charges accounted for 7.6% of FY2005 revenues, a slight decrease of .7% from FY2004. Historically, the City has not used this revenue source to generate funds for operations. Advantages to user fees and charges include: charges increase users' awareness of the cost of providing a particular service; they give the City a clear indication of the level of service selected by citizens based on service usage; service charges are equitable in that the benefits of the service are paid for by those using the service; they ensure that service delivery decisions are based on the relationship of service levels to demand; and they focus on the cost of service.

A negative public reaction to services which have been provided for "free" in the past can generally be expected as user fees and charges are implemented. Generally, revenue to support certain services has gone unnoticed as the support has been derived from many sources of municipal revenue. Cost analysis is the basis for the equitable implementation and administration of user fees and charges. Exhibit 2 shows examples of the types of user fees and charges the City could use. Also included are suggestions on the extent to which user fees and charges should cover the cost of a particular service.

Privilege licenses are levied on businesses and professions in the City limits, within the statutory authority of the General Assembly. This revenue accounted for 1.1% of the General Fund's

Exhibit 2

revenue in FY2005. Receipts from this source come from both variable and fixed charges. State Statutes regulate the license rate for certain businesses and professions while exempting others. The City uses rates set forth in the State Statutes. All other businesses fall under the City's gross receipts tax. Under this provision, a business is taxed at a percentage, set by City Council, of its adjusted gross receipts.

Advantages to using privilege licenses as a revenue source to support local government include: the ease of administration; it can be easily adjusted; and changes in privilege license revenue increases proportionally to the local economy.

Administrative revenue represents the Water and Sewer Fund's contribution to the operations of the General Fund. Any increases or decreases in this revenue should be the result of a change in the cost of the services provided by the General Fund to the Water and Sewer Fund. This revenue source provides a method to recover the cost of services for the Water and Sewer Fund provided by the General Fund.

Besides the revenue options reviewed above, City Council may want to consider supporting changes in the NC General Statutes which could provide the City with additional sources of revenue. Four examples of changes in the statutes the City could utilize to increase revenues include a real estate transfer tax, a local income tax, prepared foods tax, and an auto tax. All four sources are used successfully by municipalities in other states. In North Carolina, some municipalities are already using the auto tax and prepared foods tax. Authority currently exists for the City to levy a ten dollar charge per vehicle whose proceeds are undesignated. Authority to levy an additional charge per vehicle must be approved by the General Assembly. In addition to changes at the local level, it is apparent that North Carolina local government will need the assistance of our General Assembly in addressing these challenges to finance local government.

Conclusion

The challenge of financing local government is a complex issue. Providing balanced revenues to equitably finance local government services and capital needs is a significant problem facing all local governments across North Carolina and the Country. With declining State and Federal assistance to cities, the citizens of Salisbury will receive the level of local government services for

SERVICES FOR WHICH LOCAL GOVERNMENTS COMMONLY CHARGE A FEE

Recreation and leisure activities

Athletic fields (P)
Athletic leagues (F)*
Auditorium/civic center (F)
Concession rental (F)
Equipment rental (F)
Parks (P)
Recreation center rental (F)
Recreation classes (F)*
Swimming pools (P)
Tennis courts (P)

Planning and economic development

Annexation (F)
Development guide or manual (F)
Maps (F)
Plat processing (F)
Zoning variance (F)

Sanitation

Landfill (P)
Large-item solid-waste pickup (F)*
Solid waste collection (F)
Street cleaning (P)

Public works

Abandoned-vehicle removal (F)
Barricades (F)
Cemeteries (P)
Curb cuts (F)
Maps (F)
Sign permits (F)
Street cuts (F)
Weed cutting (P)

Police protection

Accident and offense reports (F)
DWI processing (F)
Funeral escorts (F)
Other special-occasion escorts (F)
Police services at special events (F)
Serving warrants (F)
Vehicle impoundment (F)

Miscellaneous

Document search (F)
Meeting room rentals (F)
Photocopying records (F)
Vending machine space rental (F)

"F" means that the fee for service should be set so as to recover the *full* cost of providing the service. An "F*" indicates that full cost pricing should be required only for certain classes of users; a partial subsidy should be provided for some users, such as the elderly, children, or nonprofit organizations.

"P" means that the fee for service should be set so as to recover only *part* of the cost of the service. A partial subsidy is justified for any one or all of the reasons discussed in the chapter.

Source: Adapted from Robert L. Bland, *Financing City Government in Texas: A Revenue Manual for City Officials* (Austin: Texas Municipal League, 1986)

which they are willing to pay. Setting priorities has become more important. We may not be able to "be all things to all people".

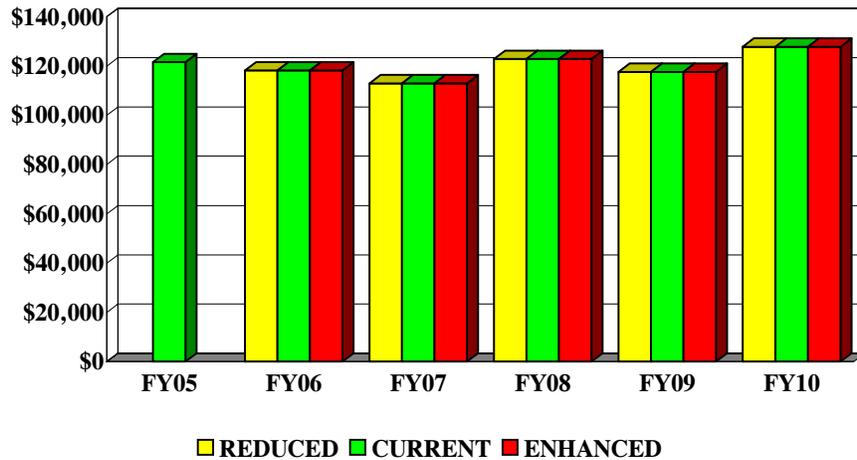
This analysis of local government revenues and the corresponding projection of local government expenditures is updated each year by the City's Management Services Department. This report anticipates local government revenue shortfalls in meeting local government service demands. Simultaneously, it is recommended that the City evaluate all existing and alternative sources of revenue available to finance local government. With this tool in hand, City Council will be in a better position to: equitably raise revenue to support local government services, determine the level of services offered to our citizens, consider certain productivity improvements to reduce local government costs, and determine priorities for the types of local government services offered. This approach offers no easy solutions. However, it provides our local government leaders options for addressing the financing of Salisbury's local government services.

CITY COUNCIL

Statement of Purpose

To function as the duly elected representatives of the citizens of Salisbury in creating and maintaining a balanced quality of life in accordance with North Carolina State Statutes and Federal law. To promote positive intergovernmental relationships with federal, state and other local governments. To generate and maintain up-to-date municipal codes, establish public policies, and adopt budgets designed to provide effective, efficient municipal services. To provide safety and security for all citizens, to protect the environment and to improve the overall quality of life in our community. To provide leadership and support for the continued economic development and planned growth of the community.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Establish and maintain public services and facilities deemed necessary or desirable for the health, safety, comfort, welfare, convenience and good order of the public
- Provide for the organization of City government
- Provide for a City Manager under the Council/Manager form of government and a City Attorney in accordance with the City Charter
- Create and establish, by ordinance or resolution, Authorities, Boards and Commissions, as it may deem necessary or appropriate for the administration, regulation, operation, services, activities, and functions which the City is authorized by law to perform, regulate, and continue
- Make and provide for the execution of regulatory ordinances
- Provide for planning, sub-division and building regulations
- Schedule regular and special public meetings and public hearings in order to hear the public and conduct City business
- Provide for a Code of Ordinance in accordance with State Statutes

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

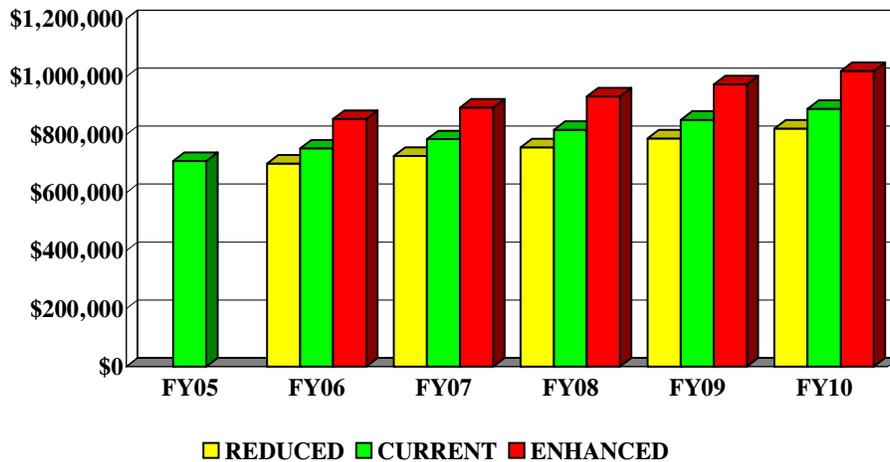
- No enhanced service level is proposed

CITY MANAGEMENT AND ADMINISTRATION

Statement of Purpose

To serve as a central source of information, advice and support services for the City Council. To manage and coordinate preparation and presentation of the annual municipal budget to the City Council, with subsequent responsibility for its implementation, control, and general management. To assist the City Council in the formulation of municipal public policy. To manage and coordinate preparation and implementation of the City’s Strategic Planning and Goal-Setting process. To provide professional leadership and counsel to the City staff in carrying out the work of the municipality in an effective, efficient manner; to provide a central source for the collection, storage and dissemination of official municipal records and documents. To provide risk management services for the municipality that includes safety, liability insurance management, worker’s compensation, OSHA compliance and third party claims against the City. To implement goals and special projects as may be assigned by the City Council.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Direct and supervise the administration of all departments, offices and agencies of the City
- Recommend to the City Council policy or other matters affecting the City
- Ensure that all laws of the State, the City Charter, ordinances, resolutions and regulations of the City Council are faithfully executed in the City
- Prepare and submit the annual budget and capital improvements program to the City Council
- Submit annually to the City Council and make available to the public a complete report on the finances and administrative activities of the City
- Present reports to the City Council concerning the operations of City departments
- Award, approve and execute contracts including the acquisition of real property by the City in accordance with state and local laws and ordinances
- Recommend the adoption of a classification and compensation plan, performance appraisals and other personnel ordinances and regulations to the City Council
- Schedule items for and prepare minutes of City Council meetings and other proceedings
- Maintain and safeguard public records and official copies of City documents
- Assist the City Council in a goal setting and goal evaluation process
- Provide for executive development of City Council and City Management Team
- Respond to requests for information from the general public
- Provide administrative support to the Mayor, the City Council and the City Manager
- Coordinate activities with various City departments, citizens, other governmental units, outside agencies and organizations
- Direct, oversee, and participate in the development of the departments' work plan

- Monitor and review the City's liability insurance program
- Receive, review, and process annexation petitions and street and alley closing petitions
- Provide for legal assistance for the City Council, Management Team and the Municipal Corporation
- Maintain and update a Code of Ordinances for the City
- Provide a comprehensive safety and risk management program that includes training, inspection, investigation, and accident review

Reduced Service Level:

- Reduce level of clerical support

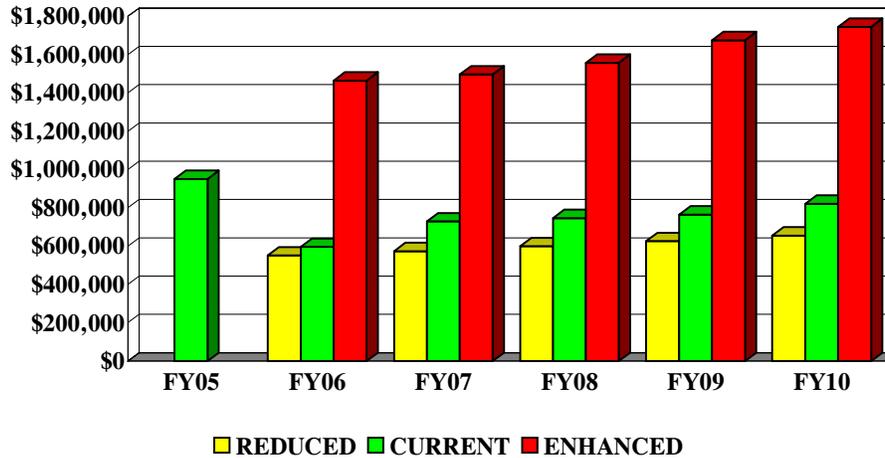
Enhanced Service Level:

- Add position for enhanced office support
- Provide a Public Information Officer for the City

HUMAN RESOURCES

Statement of Purpose

To provide a centralized source of support and assistance to the City related to its need for the management of Human Resources. Specific functions include: providing general personnel administration, recruitment and selection, training and development, health and wellness, compensation and benefits administration and a city-wide multicultural program.



COMPARISON OF SERVICE LEVELS

Current Service Level:

- Provide systems to recruit, screen, and select City employees
- Coordinate employee separations, promotions, and reclassifications
- Provide a comprehensive employee benefits program
- Manage the employee classification and compensation system
- Manage the employee performance appraisal system
- Provide management, supervisory, and employee training programs
- Provide general employee orientation and coordinate departmental employee orientation
- Provide an annual employee service awards and recognition program
- Provide personnel policy and employee handbook
- Provide an Employee Assistance Program
- Provide employee relations assistance and consultation to managers, supervisors, and employees
- Manage the City's Affirmative Action Program
- Monitor employment trends relative to the City workforce
- Provide a comprehensive drug testing program
- Coordinate the police officer selection and promotion processes

Reduced Service Level:

- Not provide comprehensive employee benefits program
- Provide bimonthly general employee orientation
- Eliminate management, supervisory, and employee training
- Eliminate employee awards and recognition program
- Eliminate employment trends monitoring

Enhanced Service Level:

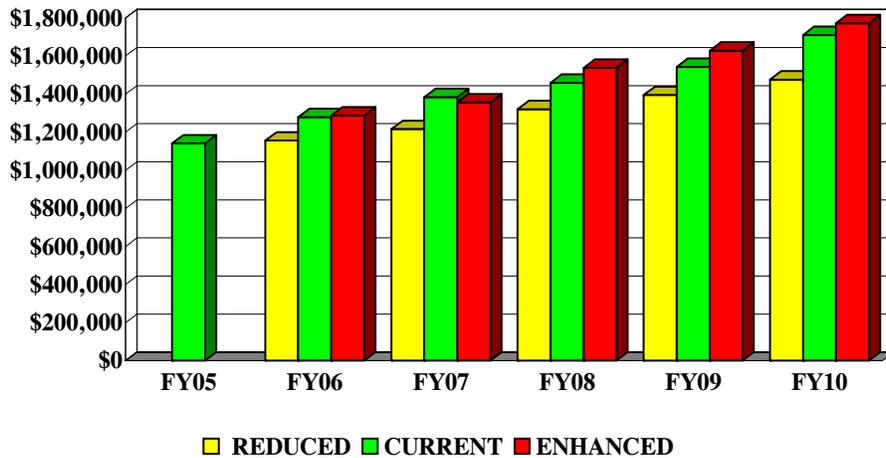
- Provide extensive in-house benefits counseling and administration
- Provide in-house management, supervisor and employee training and career development programs
- Provide extensive in-house occupational health/wellness program
- Provide extensive in-house Employee Assistance Program
- Provide extensive retirement/health benefits
- Provide recruitment incentives
- Provide scheduled salary adjustments annually
- Provide enhanced level of recruitment efforts for Police and Fire Departments
- Provide full broad banding salary plan including career development incentives
- Provide enhanced performance evaluation system
- Provide in-house volunteer recruitment and selection program
- Provide a community-wide multiculturalism program
- Provide an employee community volunteer leave program

MANAGEMENT SERVICES-ADMINISTRATION

Statement of Purpose

To provide a centralized source for handling the financial affairs of the City including: maintaining a financial record-keeping system, protect municipal assets as required by the Local Government Commission Fiscal Control Act, manage the City’s debt service program, prepare and monitor the annual and five-year budgets, prepare standards for performance and benchmarking, utilize an investment program for the City's idle cash, provide payroll and disbursement services, collecting utility and other revenues, provide a source of information and support related to the purchase/lease of supplies, equipment and contractual services, manage a fixed asset system, and maintain a technology system that provides state-of-the-art data processing, computer, telephone, and telecommunications capability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide a biweekly payroll
- Provide weekly processing of outstanding accounts payable
- Provide monthly billing of water and sewer services
- Provide billing of business privilege licenses
- Collect receipts for water and sewer, privilege licenses, and other miscellaneous accounts receivable
- Provide daily posting and deposit of city receipts
- Provide assistance for water and sewer customers
- Assist in preparation of annual budget, budget documents, and budget amendments
- Provide assistance to auditors with the annual audit
- Prepare annual financial statements
- Provide maintenance of City general ledger and all subsidiary ledgers
- Prepare reports for other governmental entities
- Monitor cash requirements and invest available cash
- Coordinate authorization and issuance of City debt
- Conduct periodic inventory of fixed assets
- Participate in the North Carolina Local Government Performance Measurement Project
- Prepare and maintain fixed asset records
- Prepare annual Powell Bill financial report
- Provide special reports and projects as requested
- Provide part-time grants support
- Coordinate bank services, including direct deposit and direct debit
- Provide support to prepare and monitor the budget and produce benchmarking and performance measurement evaluations

Reduced Service Level:

- Eliminate Account Clerk position, which decreases timely information in general ledger maintenance and reporting function
- Eliminate a customer service clerk which reduces support for utility customer assistance
- Reduce processing for accounts payable to biweekly cycle
- Reduce investment opportunities to low yield overnight markets
- Eliminate Mail Coordinator which requires each department to send individuals to other departments for mail and inter-office correspondence

Enhanced Service Level:

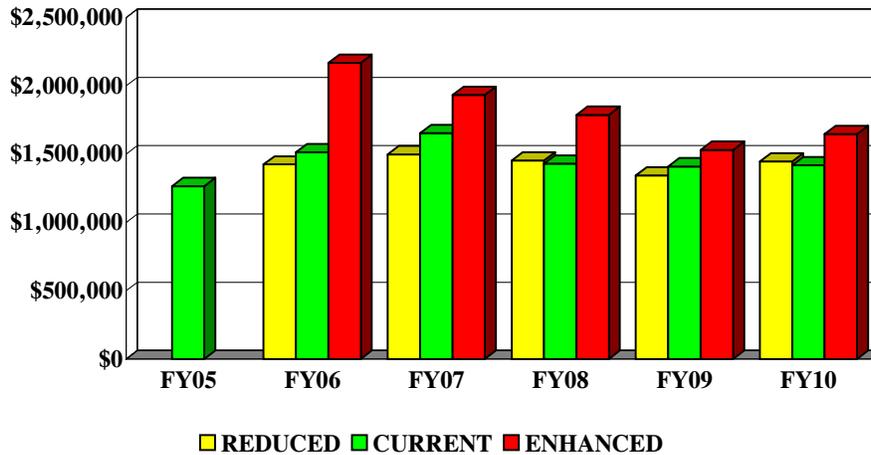
- Provide additional customer service support for utility, privilege license, and miscellaneous receivable billing and collection
- Provide additional collection support for delinquent receivables
- Provide additional support for benchmarking

MANAGEMENT SERVICES-INFORMATION TECHNOLOGIES

Statement of Purpose

To provide a centralized source of procedures, information and support related to the storage and electronic processing of data, business transactions, information and other computer-related capability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Perform daily computer systems backup
- Maintain system security and system passwords
- Diagnose systems or software problems
- Plan and participate in the training of City personnel
- Assist users in resolving systems problems
- Plan and direct installation of new equipment
- Prepare documentation and instruction for users of systems
- Test and debug new software
- Maintain integrity of database
- Conduct feasibility studies
- Maintain efficient hardware configurations
- Design, implement, and monitor disaster recovery plan
- Evaluate and approve requests for computer hardware
- Initiate and monitor contracts for computer maintenance
- Continue implementation of information system plan
- Maintain City’s fiber system network
- Design, implement, and monitor city network infrastructure
- Assist other departments with video applications
- Maintain sound system in Council Chambers
- Sell surplus inventory using online auctions
- Design, implement and monitor City’s web site
- Design, implement, and monitor government/educational access channel
- Maintain and monitor citywide physical access and building security
- Issue identification badges
- Assist traffic operations with traffic cameras
- Assist traffic operations with maintenance of traffic signals
- Implement efficient and effective spam control
- Maintain and monitor spam software

- Maintain and monitor virus protections on citywide network
- Maintain and monitor internet connections citywide
- Maintain and monitor domain naming system information
- Maintain and monitor active directory
- Maintain and monitor servers citywide
- Implement, maintain and monitor wireless connections
- Install, maintain and repair mobile data units citywide
- Maintain and monitor automated software deployment
- Maintain and monitor firewall
- Maintain and monitor virtual private network
- Maintain and monitor multi-function printers

Reduced Service Level:

- Reduce scope of implementation of Information System Plan

Enhanced Service Level:

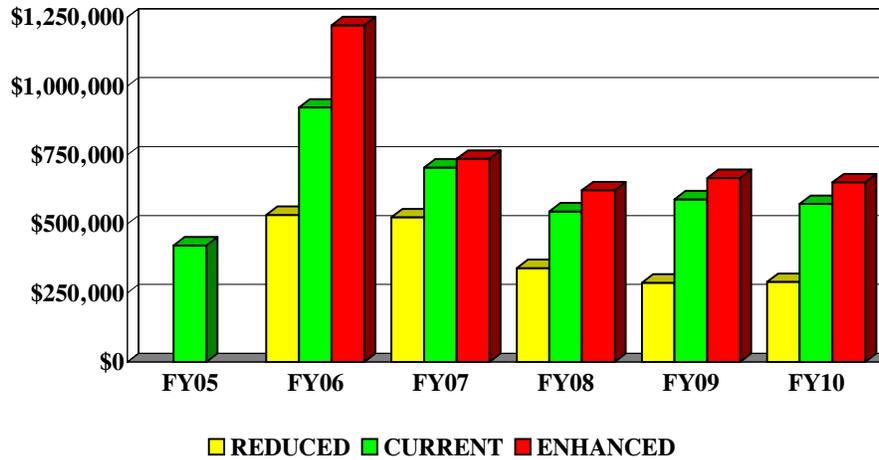
- Develop more in-house programs
- Develop in-house expertise in networking
- Expand implementation of Information System Plan

MANAGEMENT SERVICES-TELECOMMUNICATIONS

Statement of Purpose

To manage, coordinate and monitor the City's telecommunications system in the areas of telephone, radio, 9-1-1, cable, emergency services communications, and to specify, recommend and implement solutions to the City's communications needs.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide daily 9-1-1 service to city citizens
- Provide daily operation and maintenance for the City's radio systems
- Provide daily installation and repair service for the City's telephone and cable systems
- Operate and manage the tower site
- Manage and monitor citywide network fax system
- Manage and monitor City's unified messaging system
- Monitor cell phone usage
- Monitor and renegotiate cell phone contracts
- Act as City's cable franchise administrator
- Work with citizens to resolve issues with cable company
- Manage and monitor City's radio system licenses
- Work closely with County telecommunications to develop procedures and policies for 800 Radio Trunking System
- Manage and monitor City's internet contracts
- Manage and monitor City's telecommunications contracts
- Manage and monitor City's water tank, tower site and Plaza's antenna lease agreement
- Bill monthly for radios and pagers
- Issue, maintain, and monitor pagers and radios

Reduced Service Level:

- Eliminate 9-1-1 service to public
- Eliminate or defer purchases of telecommunications equipment

Enhanced Service Level:

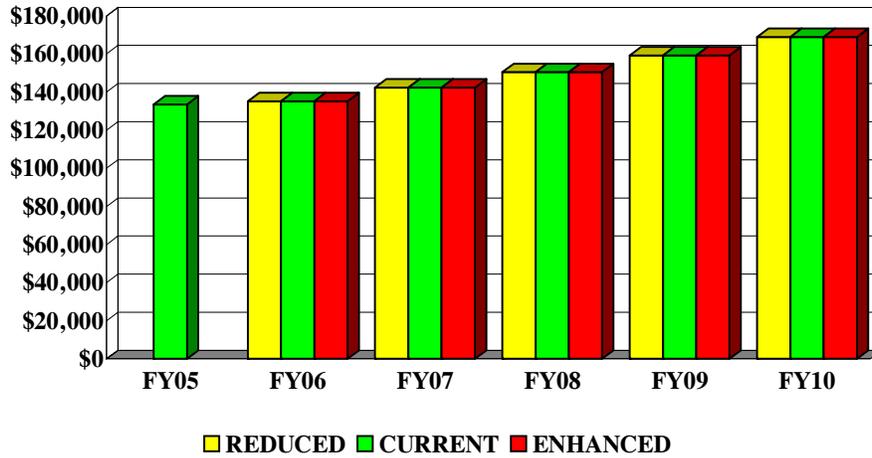
- Add telecommunications analyst in FY2006
- Increase scope of telecommunications upgrades

MANAGEMENT SERVICES-PURCHASING

Statement of Purpose

To provide a centralized source of procedures, information, and support related to the purchase and/or lease of supplies, materials, equipment and contractual services for the City and to manage and maintain a system of fixed asset identification, reporting and accountability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Request and receive 132 quotations
- Request and receive 28 formal quotations annually
- Issue 642 purchase orders annually
- Assist in maintaining detailed records on the City's asset inventory
- Provide product knowledge and vendor information to user departments on a daily basis
- Assist in preparation of fleet specifications
- Provide contract administration services for various departments
- Receive, distribute and audit electronically 10,028 weekly transactions generated by the 193 users of the City's purchasing card program.
- Receive, distribute, and audit manually 1,382 monthly "paper" statements with receipts for the City's purchasing card program
- Receive, distribute, and audit manually 14,474 weekly fuel statements for the City's fueling requirements for 387 users

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

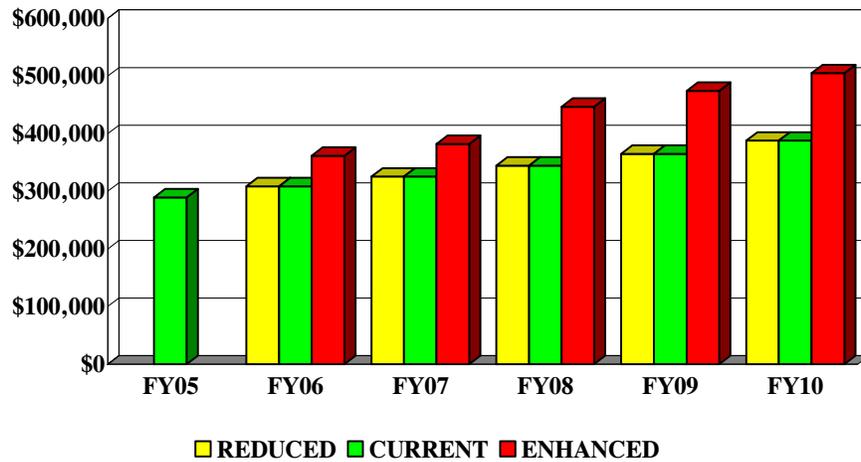
- No enhanced service level is proposed

MANAGEMENT SERVICES-FACILITIES MANAGEMENT

Statement of Purpose

To provide responsibility for buildings and facilities maintenance and repair as well as managing and coordinating new buildings and grounds construction projects. The division also is responsible for the management of ongoing municipal service contracts related to buildings and facilities.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Manage buildings and grounds contracted services
- Provide facility evaluations that encompass minimal replacement schedule projections, improvements, and repairs
- Provide maintenance and repair services to City facilities
- Provide owner representation for construction and repair projects
- Provide project management for capital and special projects
- Cost effectively manage contracted services, capital and special projects

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

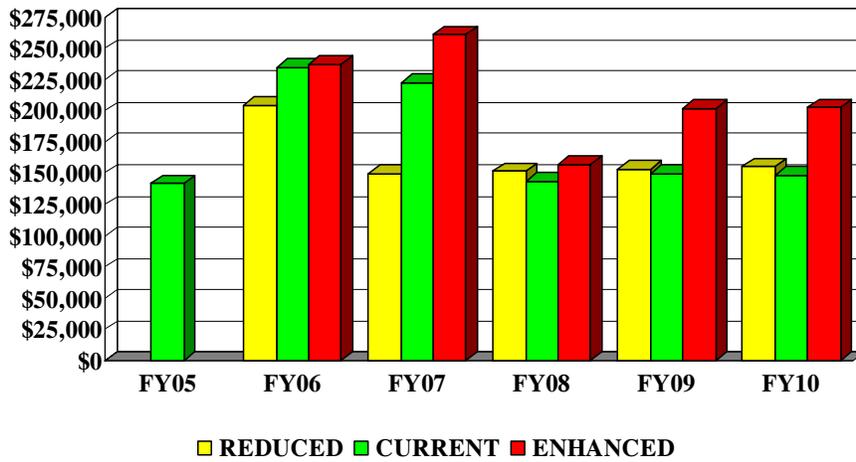
- Enhanced replacement schedule to meet facility needs
- Increase maintenance staffing to facilitate maintenance and repair projects necessary to adequately maintain facilities
- Increase custodial staffing to minimize contracted services for custodial work

MANAGEMENT SERVICES-CITY OFFICE BUILDINGS

Statement of Purpose

To provide centrally located facilities for holding meetings of the City Council, its boards and commissions and other groups who may from time-to-time need public meeting space. Additionally, to provide office and conference space for the Mayor, City Manager, Management Services, Human Resources, Recreation Administration, Land Management and Development and other support staff engaged in the operation of municipal government in Salisbury.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide space for public meetings
- Provide central facilities to house administrative and some operating departments
- Provide maintenance and cleaning services for city office buildings

Reduced Service Level:

- Reduce/defer funding for renovation of office space

Enhanced Service Level:

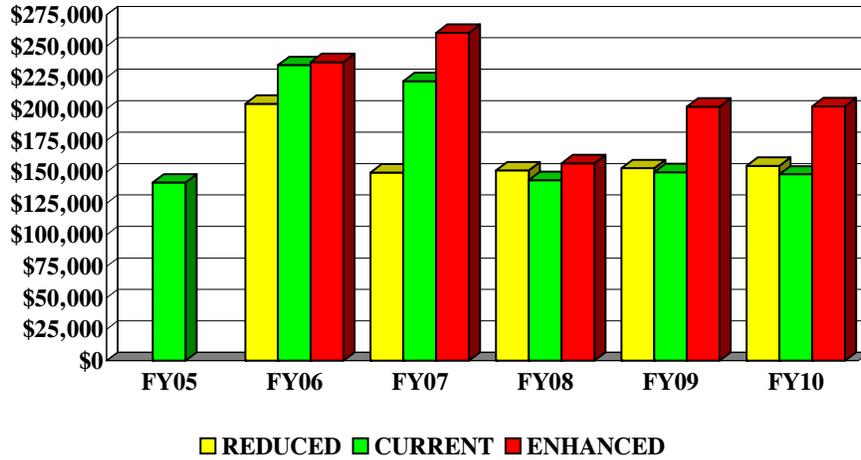
- Provide for further renovation of meeting and office space and exterior enhancements

PLAZA

Statement of Purpose

To continue ownership and management of the Plaza, originally structured as a public/private partnership to increase economic vitality in the central business district, establish new housing units in the downtown area and provide additional office facilities and meeting space for the City. The building is now fully owned by the City.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Improve economic vitality of downtown business district
- Provide additional centralized office, commercial, retail, and meeting space

Reduced Service Level:

- Reduce scope of repairs

Enhanced Service Level:

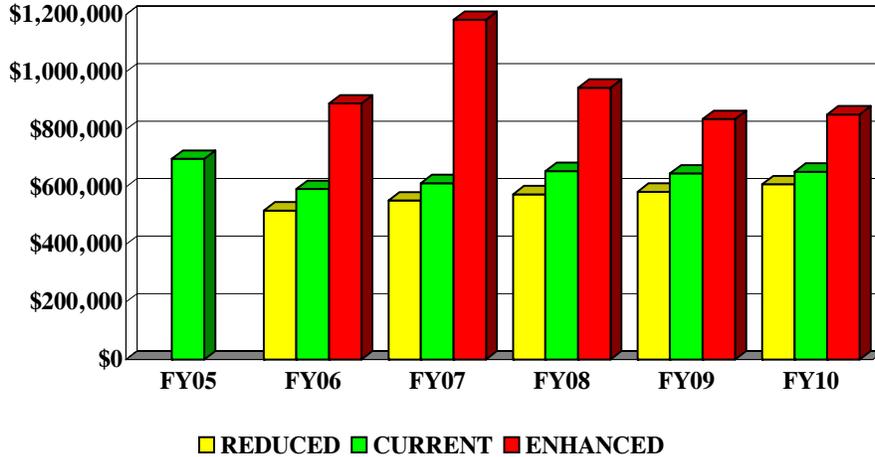
- Increase scope of repairs

LAND MANAGEMENT & DEVELOPMENT-PLANNING & COMMUNITY DEVELOPMENT

Statement of Purpose

To provide for a coordinated planning program to ensure orderly growth within the City to include population, land use, thoroughfares, public facilities, neighborhoods, zoning, subdivision regulations, and other specialized planning projects. To formulate, develop and recommend policies, plans and local ordinances intended to improve the overall appearance, livability and economic climate within the City and its resourceful community development activities.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide staff for the Salisbury Planning Board
- Prepare zoning reconnaissances
- Prepare and assimilate statistical and census data
- Prepare ordinances, code updates, and annexation studies
- Conduct board and commission training
- Carry out comprehensive planning
- Promote redevelopment within the central business district
- Staff Community Appearance Commission
- Provide design assistance for appearance issues
- Facilitate public/private development projects (i.e., Gateway, Innes Street projects, and neighborhood enhancements)
- Staff Historic District Commission
- Prepare facade and Innes Street grant programs
- Acquire and dispose of property related to City development projects
- Prepare work write-ups and inspections for housing rehabilitation
- Apply for Federal and State grant funds
- Administer Federal and State grant and loan programs
- Maintain City map files
- Provide for affordable housing in City
- Develop and implement plans for neighborhood development and assistance
- Develop geographic information systems (GIS) data to support City needs
- Implement Vision 2020 through code revisions and departmental policies

Reduced Service Level:

- Reduce scope of special projects

Enhanced Service Level:

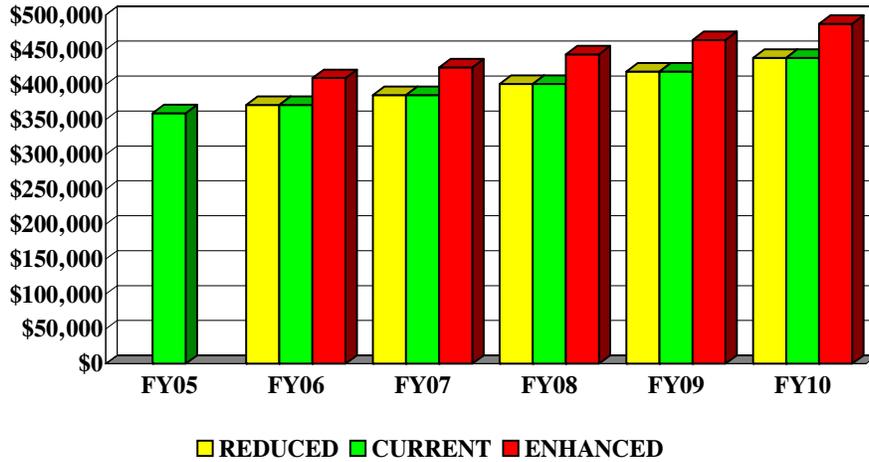
- Increase scope of special projects
- Improve historic preservation effort
- Enhance neighborhood improvement planning by hiring additional planner

LAND MANAGEMENT & DEVELOPMENT-DEVELOPMENT SERVICES

Statement of Purpose

To provide citizens, builders and developers a centralized source of information, permit services, code enforcement, zoning and special district boards support through a Development Services Center.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Administer and enforce City zoning
- Perform inspections to ensure compliance with various codes and ordinances
- Issue certificates of compliance
- Maintain files for all improvements and work performed, such as water/sewer connections, fees paid, driveway permits, zoning permits, grading permits, and for board and commission meetings
- Perform staff liaison and secretarial work for the Zoning Board of Adjustment and the Historic District Commission
- Receive complaints, investigate problems, and proceed with appropriate action for resolution
- Assist developers, contractors, and the general public in securing the appropriate permits and approvals
- Maintain a street address system as prescribed by City Ordinance and coordinate all addresses with emergency service agencies and the U.S. Postal Service
- Conduct a monthly Technical Review Committee meeting with various City, County, and State representatives
- Continuously update and maintain division files

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

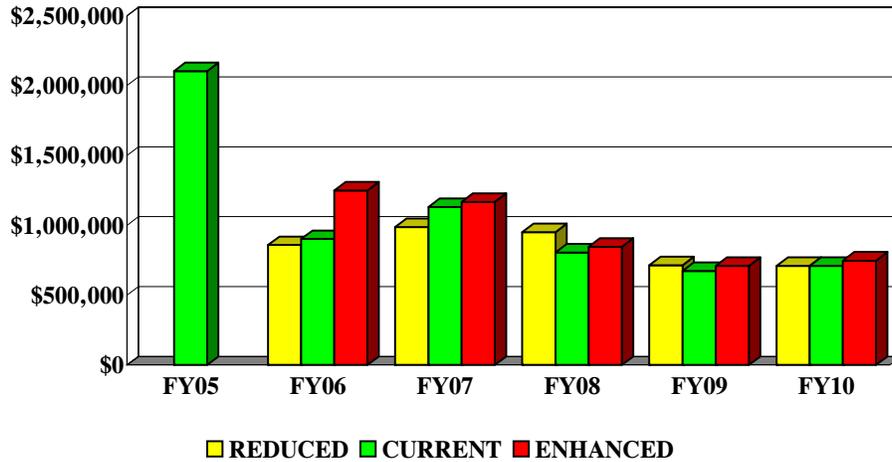
- Add additional Zoning and Code Enforcement Specialist in FY2006

LAND MANAGEMENT & DEVELOPMENT-ENGINEERING

Statement of Purpose

To provide a centralized source of general engineering services for the City including traffic engineering, review and approval of plans submitted by outside consultants, coordination of project activities initiated between the City and other agencies, and investigation of citizen requests.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Prepare annual Powell Bill map and certified statement
- Administer the subdivision ordinance and the floodway ordinance
- Prepare periodic reports for the City Council and NCDOT concerning traffic needs
- Administer the design and construction of state-funded small urban transportation improvements
- Administer the design and construction of City street improvements and special projects
- Respond to citizen requests concerning traffic studies, parking changes, and storm drainage projects
- Provide preliminary surveying for easement acquisition and design work
- Review designs submitted by outside consultants for conformance with City standards and policies
- Inspect construction projects for conformance with approved plans
- Administer voluntary annexations and alley closings
- Provide current City limits/street maps to all departments
- Design expansions to the greenway system
- Participate in Cabarrus-Rowan Metropolitan Planning Organization
- Implement NPDES compliance related to storm water quality

Reduced Service Level:

- Reduce the number and scope of special projects and extend completion time

Enhanced Service Level:

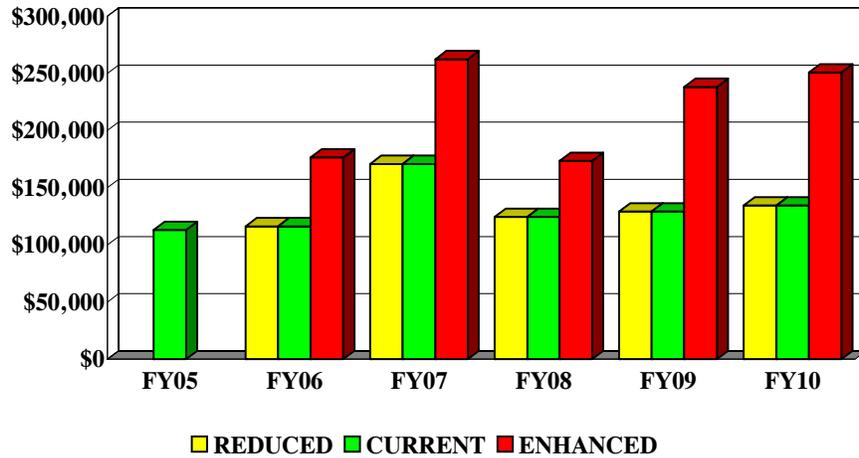
- Obtain consulting support to help implement NPDES compliance
- Increase efficiency studies of traffic signal timing
- Install decorative lights on the Innes Street Bridge
- Restore funding of storm drainage grants
- Participate in improvements to the Salisbury High School track and field
- Conduct a traffic calming study for the Fulton Heights neighborhood
- Reconstruct the 900 block of East Liberty Street (behind Towne Creek Commons)
- Widen Club House Drive

LAND MANAGEMENT & DEVELOPMENT-GEOGRAPHIC INFORMATION SYSTEMS (GIS)

Statement of Purpose

To serve as the centralized source of procedures, information, and support related to GIS data development and mapping for the City including data development, project coordination, and application development and support. The division coordinates efforts to improve data availability and data quality for City staff.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Develop and maintain centralized enterprise geospatial database
- Assist all City departments with GIS project design, development, and implementation
- Assist all City departments with GIS data acquisition and development to support City needs
- Maintain data layers for various departments, including Fire, Parks & Recreation, Planning, and Police
- Develop custom ArcPad applications to facilitate improved data collection
- Provide GIS training to City employees
- Implement GIS strategic plan
- Participate in NCOneMap, a comprehensive statewide geographic data resource
- Coordinate with Rowan County on cooperative data acquisition projects
- Coordinate with Rowan County on regional GIS needs
- Maintain state development zone boundary designation
- Maintain metadata for all City GIS data layers
- Compile, edit, and distribute a GIS newsletter to City staff and interested regional parties

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

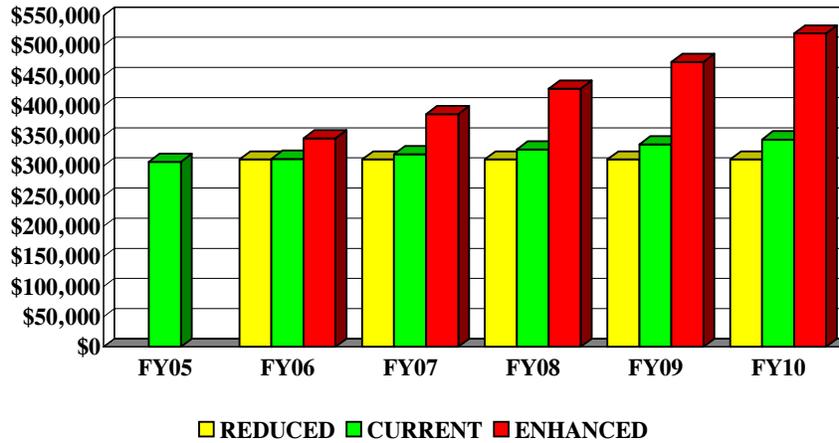
- Add GIS Programmer
- Add GIS Technician
- Develop and implement online application related to state development zone
- Develop and implement online application related to NPDES Phase II compliance
- Develop and implement online application related to park locator and amenity browser

LAND MANAGEMENT & DEVELOPMENT-STREET LIGHTING

Statement of Purpose

To provide for the lighting of the City's streets.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Maintain existing street lights
- Provide new street lights in new subdivisions
- Establish budget income line item to facilitate monthly payments by neighborhoods using the “decorative adder” payment option

Reduced Service Level:

- Maintain existing street lights, no new installations

Enhanced Service Level:

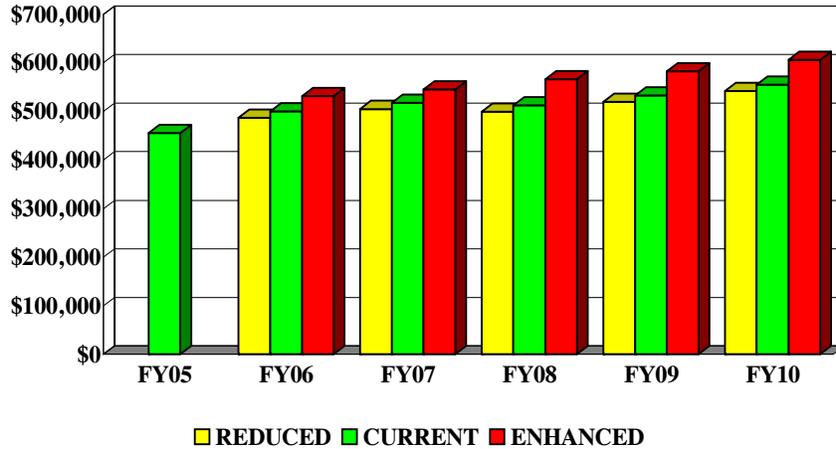
- Restore 5% annual increase for improved lighting for neighborhoods and thoroughfares (starting with Brenner Avenue)

POLICE DEPARTMENT-ADMINISTRATION

Statement of Purpose

To serve as the central management for all activities and operations associated with the Police Department.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Conduct internal affairs and complaint investigations
- Manage the rotation wrecker services
- Manage the inspections function
- Manage the Ride-along Program
- Manage the wellness program
- Coordinate the citizen’s police academy
- Analyze vehicle pursuits, citizen complaints, uses of force, grievances and the personnel early warning system
- Conduct internal affairs and complaint investigations
- Provide general administration for department
- Provide fiscal management for departments (grants, payroll, inventory, purchasing)
- Plan annual budget for department
- Conduct planning and research
- Develop policy and procedures
- Supervise accreditation program
- Administer taxi permits
- Administer Project Safe Salisbury with grant-funded position

Reduced Service Level:

- Eliminate police chaplain program, diversity enhancement services, and wellness program

Enhanced Service Level:

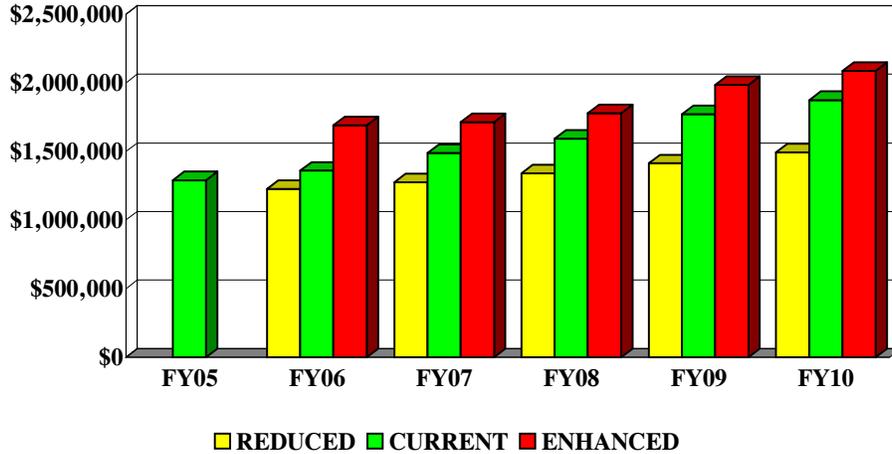
- Increase efforts for Crime Control Plan
- Increase funding for wellness program equipment
- Increase efforts for diversity enhancement
- Continue Project Safe Salisbury without grant funding for position

POLICE DEPARTMENT-SERVICES

Statement of Purpose

To serve as the support unit of the department providing telecommunications, clerical and secretarial services, evidence storage, animal control and tracking, D.A.R.E., crime prevention, a record-keeping system and building maintenance.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide 24-hour radio and telephone communications
- Conduct records management
- Provide for evidence/property management
- Provide crime prevention and nuisance abatement services to public
- Conduct Drug Abuse Resistance Education (D.A.R.E.) for local schools
- Provide animal control for City
- Provide downtown officer
- Provide training and recruitment
- Enforce parking control in downtown

Reduced Service Level:

- Eliminate parking enforcement officer and part-time animal control specialist
- Eliminate community service officer

Enhanced Service Level:

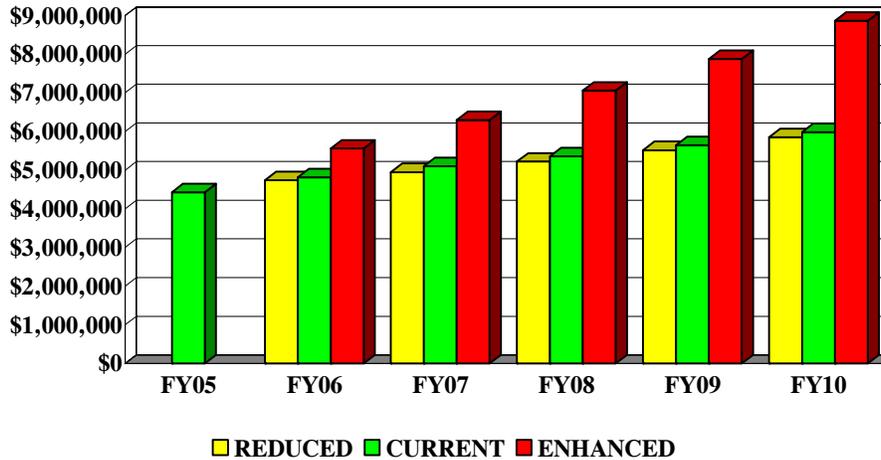
- Reinstate police telecommunications supervisor
- Add two telecommunications positions
- Add full-time animal control specialist
- Add one police information clerk and one police records clerk

POLICE DEPARTMENT-OPERATIONS

Statement of Purpose

To provide 24-hour law enforcement service for the citizens of Salisbury including: protection of life and property, traffic enforcement, investigation of traffic accidents, investigation of criminal activities, crime lab, school resource officers, crime analysis, and department armory.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide 24-hour police patrol
- Respond to calls for service from citizens
- Provide crime analysis
- Investigate criminal activity
- Provide for specialized investigation of criminal activity
- Investigate non-criminal complaints
- Conduct traffic accident investigations
- Provide traffic law enforcement
- Provide special response to high risk situations (e.g., hostage situations)
- Provide for special police operations (stakeouts, etc.)
- Provide for specialized drug enforcement
- Conduct building and property checks
- Enforce State and local laws
- Provide vehicle fleet management
- Provide special permits
- Conduct G.R.E.A.T (Gang Resistance Education and Training) to City middle school
- Provide school resource officers in middle and high schools and the alternative high school
- Add two police officers for the June 30, 2005 annexation

Reduced Service Level:

- Reduce patrol component by one officer
- Reduce equipment purchases

Enhanced Service Level:

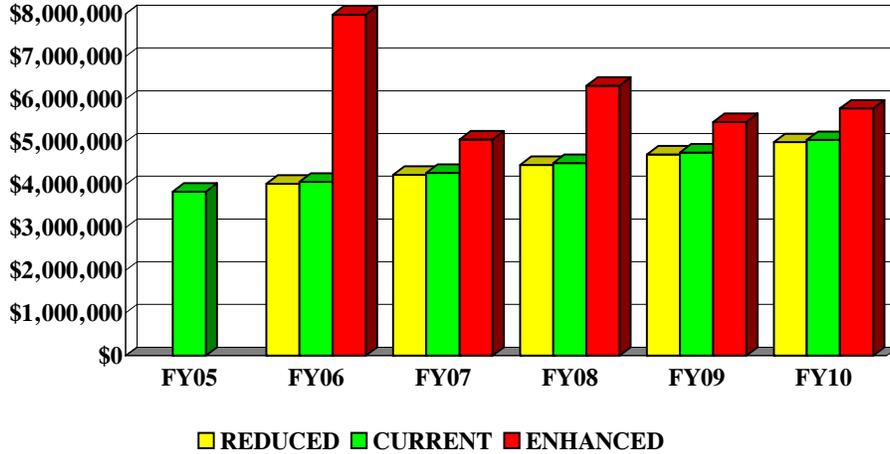
- Reinstate the two frozen patrol officer positions
- Add eight patrol officers annually to increase patrol coverage and related enforcement activities
- Add sergeant to Criminal Investigations Division
- Add detectives in the Criminal Investigations Division

FIRE DEPARTMENT

Statement of Purpose

To provide capable, well trained personnel and necessary equipment to suppress fires and effectively manage hazardous materials accidents that may occur in our community related to transportation or industry; to provide rescue services as needed and life support through an updated First Responder Program. To continue to work toward a more fire-safe community through loss prevention activities, including minimum housing responsibilities, building inspections, code enforcement, and public education programs.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Maintain high customer satisfaction through excellent customer service
- Suppress fire and mitigate emergencies
- Mitigate hazardous materials emergencies
- Respond as needed to provide care for medical emergencies
- Investigate suspicious fires for cause and origin
- Enforce fire and minimum housing codes through inspection services
- Review Strategic Plan for the Salisbury Fire Department
- Begin implementation of the Strategic Plan
- Review findings of ISO consultant and initiate activities to attempt to maintain Class II rating
- Reclassify the Minimum Housing Specialist to Fire Investigation/Inspection Specialist
- Conduct public fire education for schools and community groups
- Conduct water flow tests as needed for industry and insurance companies
- Provide blood pressure screening program for citizens
- Install free smoke detectors for the elderly and handicapped
- Maintain and instruct up-to-date state certification training
- Conduct product research and analysis
- Provide data management
- Prepare, submit, and administer departmental budget
- Monitor underground storage tank installations and removals
- Conduct plans review for new developments and industries
- Correct deteriorating conditions of fire department infrastructure
- Serve as emergency management coordination office

Reduced Service Level:

- Reduce/defer capital purchases and facilities maintenance

Enhanced Service Level:

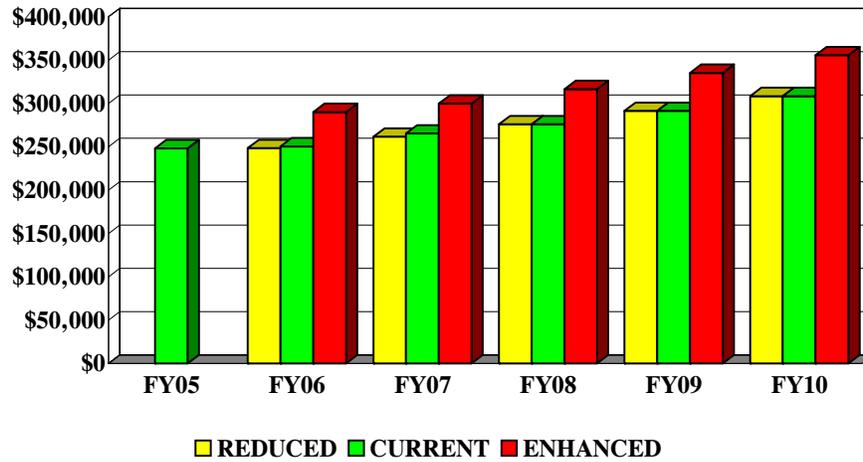
- Maintain high customer satisfaction through excellent customer service
- Adequate safety factor for our personnel and our citizens with the addition of a fourth fire station
- Implement Strategic Plan
- Hire architect and finalize drawings for new Station 50
- Begin construction on Station 50
- Hire/promote three Captains positions for Station 50
- Hire three Fire Control Specialist I/II (FCS I/II) for Station 50
- Transfer three Engineers and three Fire Control Specialist (FCS I/II) from Station 52 to Station 50
- Place Station 50 on Statesville Boulevard in operation
- Employ Fire Education Specialist
- Employ training captain
- Employ logistics assistant
- Hire two temporary positions for hydrant maintenance in FY2006
- Maintain ISO Class rating
- Research and possibly pursue and ISO Class I rating

PUBLIC SERVICES-ADMINISTRATION

Statement of Purpose

To serve as the central management and administration source for activities and operations related to the Public Services Department including Fleet Management, Landscape Operations, Cemetery, Hurley Park, Traffic Operations, Waste Management, Streets, and Transit.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Conduct daily planning/information sessions with division managers
- Maintain office hours for ten hours daily (7:00 am - 5:00 pm)
- Provide administrative and clerical support to seven division managers
- Provide real time response to public inquiries and/or provide immediate notification to division managers
- Provide temporary staffing in reaction to special projects or unforeseen circumstances
- Keep public those activities of the Public Services Department directly affecting the general public
- Provide code enforcement

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service:

- Addition of another code enforcement officer is proposed to enable us to provide more effective coverage

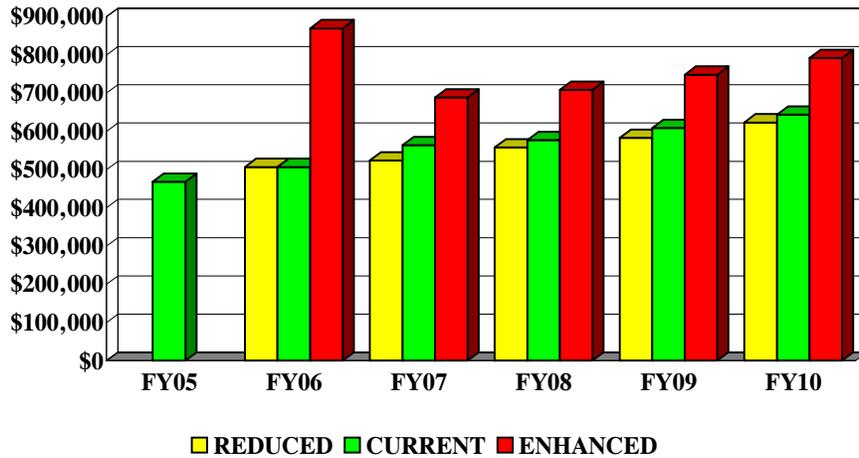
PUBLIC SERVICES-TRAFFIC OPERATIONS

Statement of Purpose

To provide the City with a resource capable of effectively monitoring and evaluating municipal traffic safety, traffic flow, and parking needs; then develop and implement programs designed to address those needs through a network of traffic signals, traffic control signs, pavement markings and parking control devices.

The group is also responsible for the installation and maintenance of a telecommunications system throughout the organization (excluding public safety telecommunications equipment).

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Monitor and evaluate traffic safety, flow and parking as needed
- Maintain and repair 100 traffic signals annually
- Maintain and repair 9,000+ traffic control signs
- Maintain 22,000 feet of crosswalk and stop bar markings
- Maintain 80 miles of yellow center line
- Maintain 700 directional arrows
- Maintain and repair 275 telephone sets
- Maintain and repair 3.2 miles of phone cable
- Install new phone sets and phone systems
- Install and repair computer cabling
- Provide on-call service for after hours repair to traffic signals and signs
- Provide on-call service for problems at tower site in Granite Quarry
- Install and remove mobile and base station radios
- Assist in studies to alleviate citizens' requests and complaints
- Perform electrical projects and repair within City departments
- Maintain the Brown Street Clock on the Square
- Provide trouble shooting and repair assistance to the Plaza
- Fabricate signs for City departments
- Provide traffic control in work zones for City departments

Reduced Service Level:

- Maintain City-owned signals, signs, and pavement markings only
- Eliminate in-house repair to City telecommunications systems
- Eliminate fabrication of signs for City departments
- Eliminate traffic control assistance to City departments
- Eliminate thermoplastic markings installation

Enhanced Service Level:

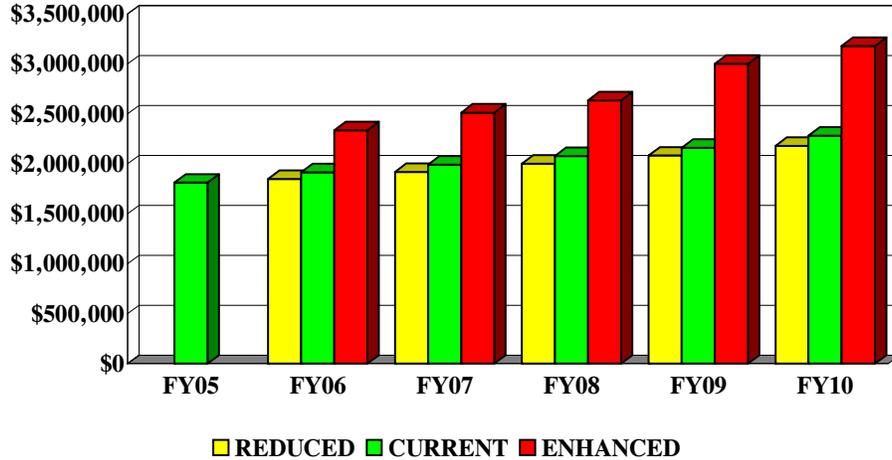
- Add one new crew in FY2006 to rejuvenate thermoplastic material, biannually
- Upgrade street name signs from 6" to 9"
- Upgrade stop signs to 36" high-intensity minimum
- Take over maintenance of all signals in the county
- Construct Traffic Operations facility

PUBLIC SERVICES-STREETS

Statement of Purpose

To plan, implement and manage the construction and maintenance of all City streets, sidewalks, drainage system and rights-of-way through a program of maintenance, construction, cleaning, and general beautification. To fund activities associated with street construction, maintenance, cleaning and rights-of-way maintenance as provided for by revenue received from the State of North Carolina through the Powell Bill Fund.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Install a minimum of 75 new driveway aprons annually
- Replace a minimum of 6,000 feet of sidewalk annually
- Repair approximately 1,200 feet of curb and gutter annually
- Construct, repair, and upgrade drainage systems within rights-of-way as needed
- Remove debris from streets and gutters within 45 working days on a rotating schedule
- Provide passable street conditions during periods of ice and snow, covering all City streets within an 8-hour period or as conditions allow
- Provide support to other divisions and departments with equipment and manpower as needed
- Use Powell Bill funds to provide pavement maintenance to 154 miles of city streets, resurface approximately 16 lane miles of city streets annually, and perform road maintenance to four miles of gravel streets
- Perform paving and patching of street cuts as a result of utility connections and service

Reduced Service Level:

- Defer purchase of capital equipment

Enhanced Service:

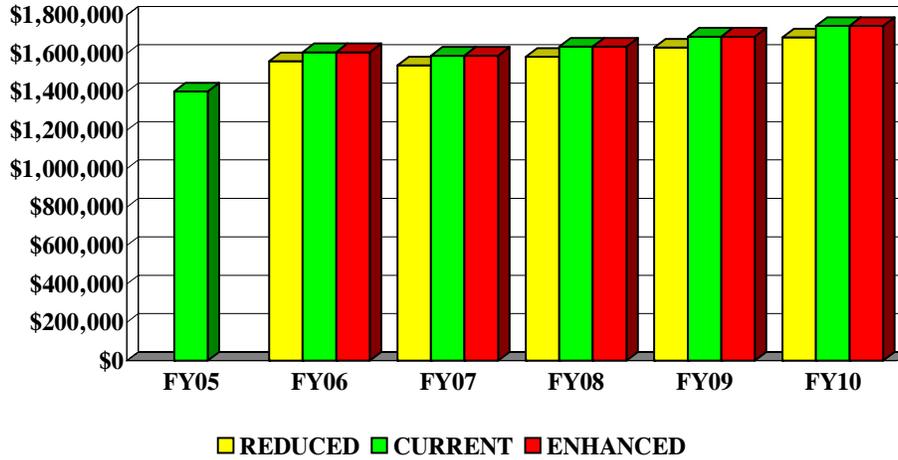
- Provide funding to increase sidewalk repairs/installations
- Add street sweeper to enhance removal of debris from streets and gutters within 30 working days
- Increase manpower and add equipment to upgrade street maintenance and concrete operations
- Enhance dry storage for equipment and materials
- Provide funds for target neighborhoods, utility strips, and drainage improvements
- Build an addition to current facility

PUBLIC SERVICES-WASTE MANAGEMENT

Statement of Purpose

To maintain a clean, healthy environment for the citizens of Salisbury through the regular collection, transportation, and disposition of industrial, commercial and residential refuse, and other debris using an effective, efficient system of waste management and recycling.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide once weekly curbside residential garbage and trash collection
- Provide multiple commercial collections by City crews
- Provide once weekly curbside recycling

Reduced Service Level:

- Eliminate one position which compromises daily collections

Enhanced Service Level:

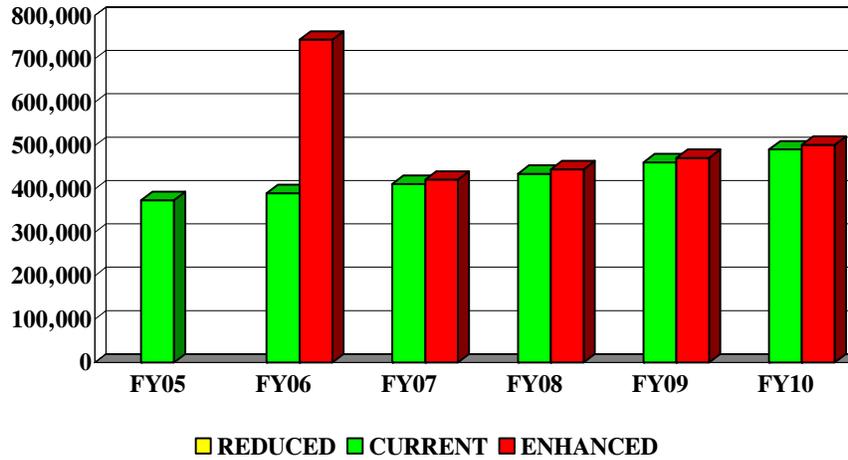
- No enhanced service level is proposed

PUBLIC SERVICES-WASTE MANAGEMENT-OTHER

Statement of Purpose

To provide the citizens of Salisbury with weekly limb and bagged yard debris collection to coincide with our current solid waste and recycling collection. During the months of October – March, curbside loose leaf collection is provided a minimum of every three weeks on a rotating schedule.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide yard debris collection weekly on same day as other collections
- Provide leaf collection every 3 weeks on a rotating schedule from mid October to the end of March using a vacuum machine

Reduced Service Level:

- Eliminate loose leaf collection
- Eliminate limb and yard waste collection

Enhanced Service:

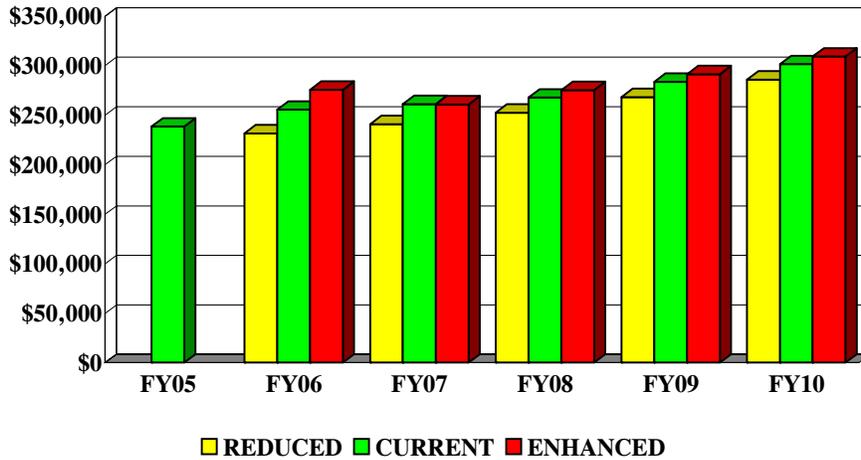
- Conduct pilot program for yard debris roll-out carts
- Purchase tub grinder

PUBLIC SERVICES-CEMETERY

Statement of Purpose

To operate, maintain and develop seven municipal cemeteries totaling 78.6 acres of publicly controlled burial grounds.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Offer, for sale, grave spaces in three of the seven municipal cemeteries
- Open 200 grave sites annually
- Maintain existing graves as required
- Mow all cemeteries biweekly

Reduced Service Level:

- Reduce frequency of mowing during summer months

Enhanced Service Level:

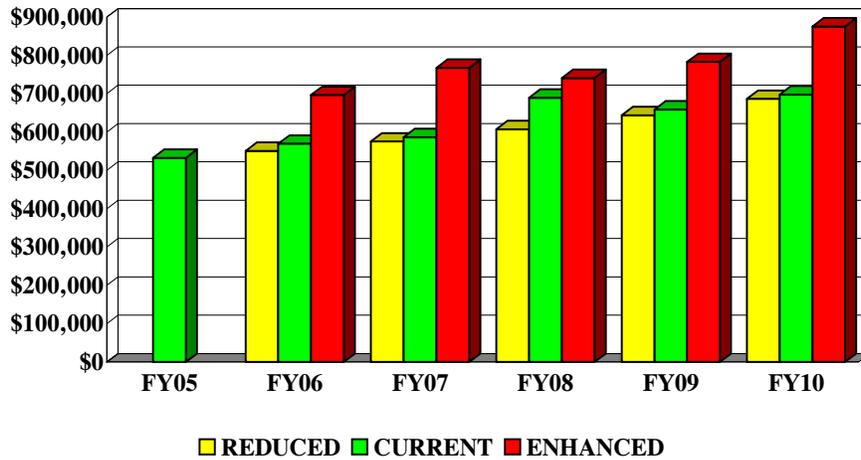
- Mow on nine day cycle
- Carry out improvements at Dixonville Cemetery

PUBLIC SERVICES-LANDSCAPE OPERATIONS DIVISION

Statement of Purpose

To provide a centralized resource for the management and development of City-owned landscapes and urban forest resources. To provide staff support to the Salisbury Tree Board; provide management of vegetation on City properties and rights-of-way; and ensure compliance with community standards regarding vegetative nuisances, unsanitary conditions and junked or abandoned vehicles on private property.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide mowing operations for 154 miles of street rights-of-way every 14 to 21 days; approximately 200 acres of parks and open space and over 100 parcels of public property every seven to ten days
- Maintain landscaped areas including trees, shrubs, turfgrass areas, and City facilities every ten to fourteen days
- Provide aerial lift truck for Christmas decorations, etc.
- Facilitate goals/objectives of Salisbury Tree Board and Community Appearance Commission: plant 500 trees and complete three to four landscape projects annually
- Perform tree safety maintenance along public rights-of-way and parks on a case-by-case basis
- Provide support to Street Division during snow removal and leaf collection
- Provide staff support to Public Services Director for special projects
- Provide maintenance for greenway to assist Parks and Recreation twice annually
- Provide maintenance for Eastern Gateway Park every seven to ten days
- Provide seasonal color change four times per year
- Provide trash removal along highly visible roadside areas every seven to ten days

Reduced Service Level:

- Provide mowing operations for street rights-of-way every 21 to 28 days and parks, open space, and public property every 14 to 21 days
- Implement/maintain landscape areas every 14 to 21 days
- Plant 150 to 200 trees annually and eliminate landscape projects
- Respond to nuisance abatement within 15 days

Enhanced Service Level:

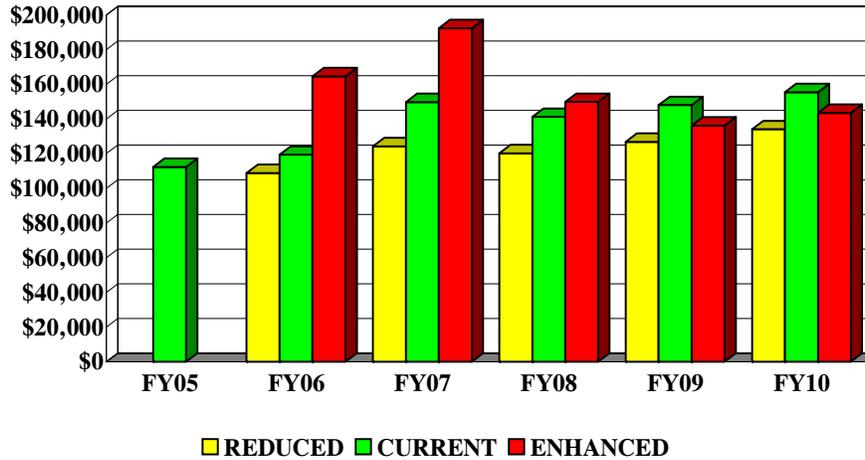
- Provide mowing operations for street rights-of-way every seven to ten days and parks, open space, and public property every 5 to 7 days
- Implement/maintain landscaped areas every seven to ten days
- Plant 700 to 800 trees and complete four to six landscape projects annually
- Implement a systematic tree safety maintenance program
- Increase scope of special projects

PUBLIC SERVICES-LANDSCAPING-HURLEY PARK

Statement of Purpose

To maintain and further develop the 15 acre Elizabeth Holmes Hurley Park in conjunction with J.F. Hurley Foundation and the City of Salisbury’s Hurley Park Advisory Commission.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Maintain plant collections, trails, and display gardens daily
- Maintain records of daily park activities
- Apply agricultural chemicals as needed
- Generate Hurley Park newsletter, quarterly
- Administer and monitor park use
- Maintain structures, park furniture, and irrigation systems, daily
- Locate and procure plant materials/supplies
- Facilitate goals and objectives of Hurley Park Advisory Committee within the context of the Hurley Park Master Plan: complete three special projects, annually

Reduced Service Level:

- Maintain plant collections, trails, and display gardens once a week
- Eliminate records maintenance
- Eliminate Hurley Park newsletter
- Maintain structures, park furniture, and irrigation systems, weekly
- Complete one special project, annually

Enhanced Service Level:

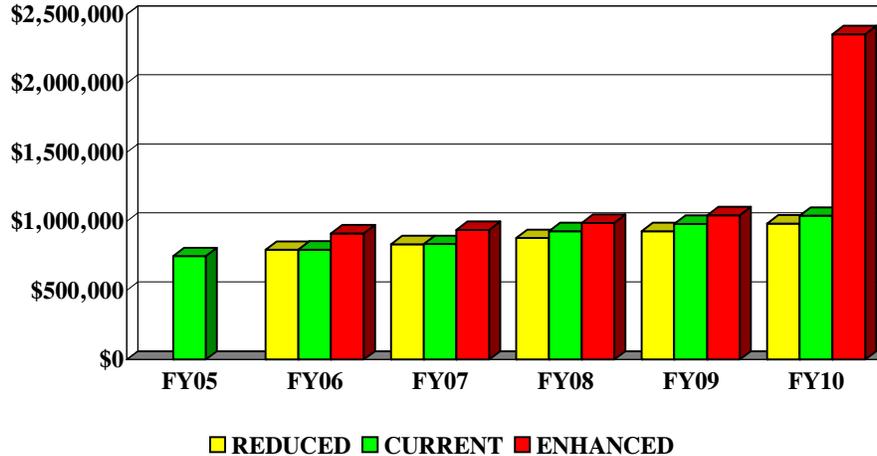
- Provide additional funds for park development
- Complete five special projects, annually

PUBLIC SERVICES-FLEET MANAGEMENT

Statement of Purpose

To provide a centralized resource for the management and repair of City vehicles and equipment; including Transit System buses and to offer expertise in the development of specifications used in the purchase of new vehicles and equipment.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Repair and maintain the City fleet
- Provide a comprehensive preventive maintenance program for the City fleet
- Prepare vehicle modifications as needed
- Load test Salisbury-Rowan Utilities generator sets
- Maintain emergency fuel truck and fuel supply
- Make replacement recommendations to the vehicle review committee
- Develop vehicle and equipment specifications
- Arrange vehicle and equipment demonstrations
- Obtain bids on vehicles and equipment under \$90,000
- Write purchase orders for vehicles and equipment under \$90,000
- Provide service calls for City of Salisbury and Salisbury-Rowan Utilities
- Maintain titles and licenses for City fleet
- Rebuild vehicle components
- Provide parts and supplies for the City fleet and other divisions' needs
- Maintain employee development through training
- Provide equipment and vehicle operator training
- Maintain the Salisbury Clean Air Project for vehicles and equipment
- Provide data for the North Carolina Local Government Performance Measurement Project

Reduced Service Level:

- Incur longer vehicle/equipment downtime for maintenance
- Incur declining level of technical abilities of personnel
- Reduce funding for capital outlay

Enhanced Service Level:

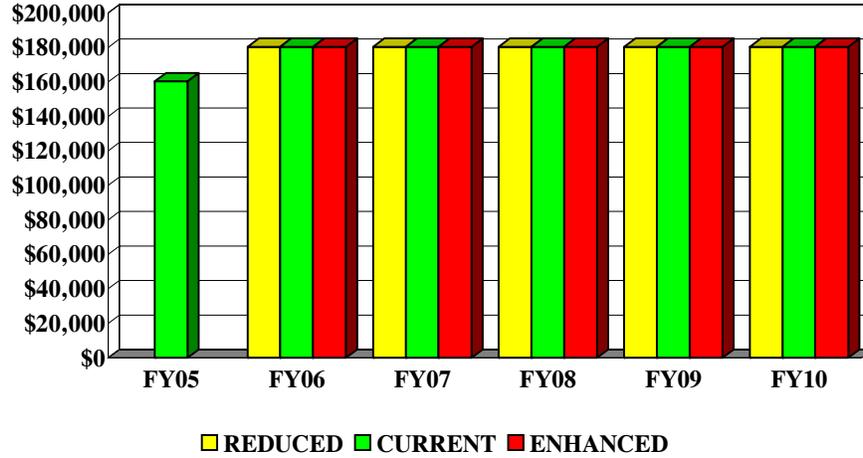
- Add Mechanic in FY2006
- Add parts technician to distribute workload
- Continue implementation of a fleet management computer system to track vehicle maintenance, cost, preventive maintenance, repair history, inventory control, productivity and life-cycle costs.
- Increase funding for capital outlay

PUBLIC SERVICES-TRANSPORTATION

Statement of Purpose

To provide for funding the City's share of the City Transit System.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide City supplement to Mass Transit operations

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

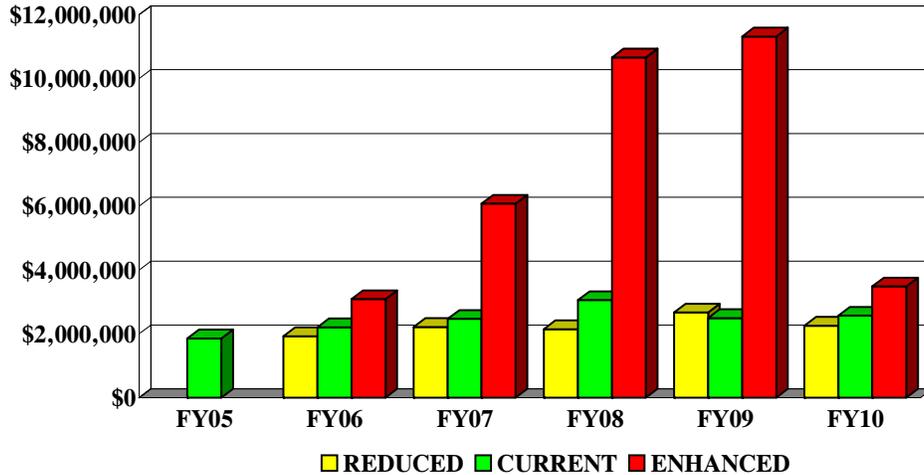
- No enhanced service level is proposed

PARKS AND RECREATION

Statement of Purpose

To provide the citizens of Salisbury with a variety of quality leisure services through safe, attractive, maintained parks and diversified programs that meet the current and future needs of the community.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide administration, planning, and development of a comprehensive park system, quality leisure activities, and programming
- Provide comprehensive youth/teen programming in athletics, crafts, workshops, camps, playgrounds, and afterschool activities at four facilities
- Provide comprehensive adult programming in athletics, fitness, craft classes, life skills, and enrichment workshops at four facilities
- Provide quality tennis programming for all residents at two locations on ten courts
- Provide special events and services for residents
- Provide Senior Citizen programming through support of the Ruffy-Holmes Senior Center
- Maintain all parkland, greenway, facilities, and playground equipment for the safety of all participants
- Make available for public use Parks and Recreation facilities for community events
- Provide a public pool for aquatic activities May - August
- Maintain 447 acres of parkland in 15 locations (mowing, trash collection, and repairs)
- Maintain three sections of Greenway approximately one mile in length
- Maintain and prepare for public and tournament use; nine ball fields, four soccer fields, nine outdoor basketball courts and one disc golf course
- Provide maintenance staff for the Salisbury Community Park and the Greenway
- Renovate the Sports Complex

Reduced Service Level:

- Delay program staff support of the Civic Center expansion until FY2008
- Delay maintenance support for the Salisbury Community Park until FY2007
- Defer funding for facility replacements/renovations

Enhanced Service Level:

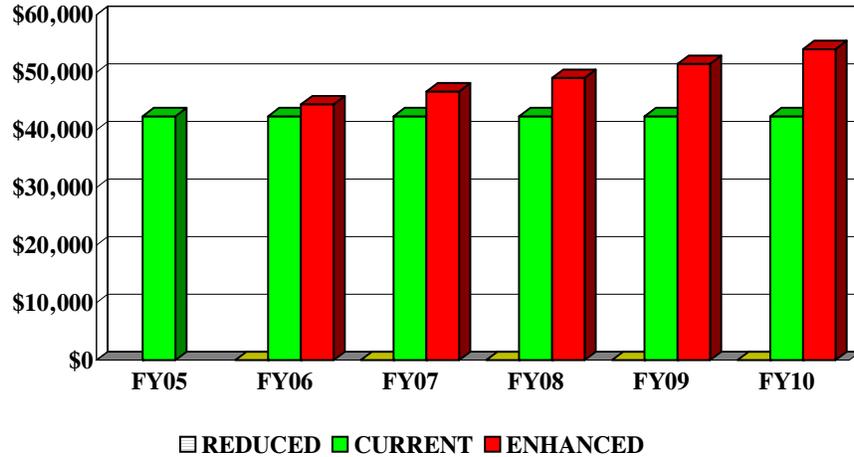
- Increase scope of capital funds for facility repairs and replacements
- Provide funding for construction of new Conference Center FY2007 – FY2009

EDUCATION

Statement of Purpose

To provide for funding the Supplementary Education System.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide a supplement to the Supplementary Education Center at historical levels

Reduced Service Level:

- Eliminate any supplement to Supplementary Education Center

Enhanced Service Level:

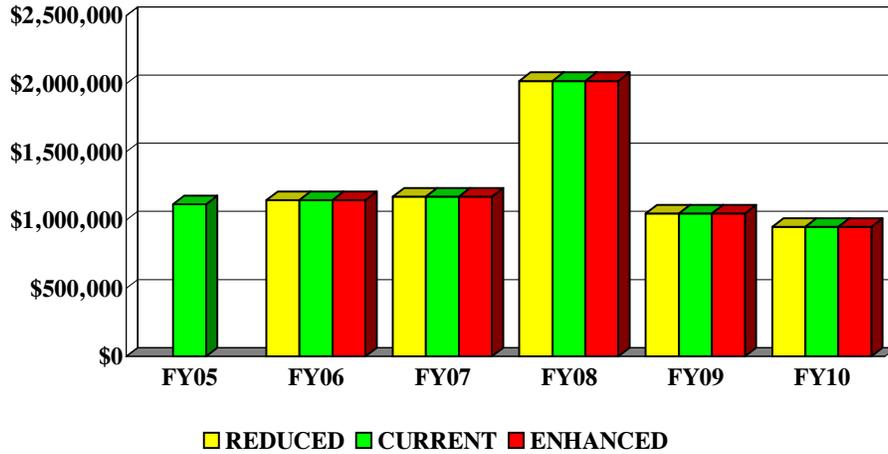
- Increase funding by 5% annually, which could be used to enhance curriculum materials or special projects

DEBT SERVICE

Statement of Purpose

To provide for the payment of interest and principal payments on outstanding General Fund debt.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide funding for the existing General Fund debt service

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

- No enhanced service level is proposed

PERFORMANCE MEASUREMENT

The North Carolina Local Government Performance Measurement Project

This section summarizes the results from the North Carolina Local Government Performance Measurement Project (the “Performance Measurement Project”) for the City of Salisbury. The following pages present performance and cost information for the City of Salisbury in comparison with the fourteen other cities participating in the project along with explanatory information about the services. This information is reprinted from the UNC School of Government report entitled “North Carolina Local Government Performance Measurement Project – Final Report on City Services for Fiscal Year 2003-04 Performance and Cost Data”, dated February 2005. Specific information on the other cities’ results and a discussion about the performance measures can be found in the official publication.

The Performance Measurement Project

The Performance Measurement Project is an ongoing effort by several cities in North Carolina to measure and compare local government services and costs. The City of Salisbury is a participant in the Performance Measurement Project, which includes the cities of Asheville, Cary, Charlotte, Concord, Durham, Gastonia, Greensboro, Hickory, High Point, Matthews, Raleigh, Wilmington, Wilson, and Winston-Salem. Coordinated by the UNC School of Government, the report analyzed the following local services: residential refuse collection, household recycling, yard waste and leaf collection, police services, emergency communications, asphalt maintenance and repair, fire services, building inspections, fleet maintenance, and human resources.

The scope and purpose of the Performance Measurement Project includes:

- Developing methods that North Carolina’s cities can use in their efforts to measure and assess the performance and costs of public services and test and refine these methods by applying them to a range of local government services.
- Producing reliable data that the participating local jurisdictions can use in assessing the performance and costs of the services studied in the project.
- Providing information to help local governments identify performance benchmarks as well as innovative or improved methods of service delivery.

By participating in the Performance Measurement Project, local governments have comparative performance and cost data to track their performance and costs in relation to other local governments along with their own historical performance and cost data. By using this information, local governments can hopefully provide their services more efficiently and effectively.

Performance Measurement for the City of Salisbury

The City of Salisbury has committed to continuing in the North Carolina Local Government Performance Measurement Project in FY2005-06 and beyond. As shown in the Budget Message, Outcome # 9, goal # 1 is to participate in statewide programs to establish performance standards.

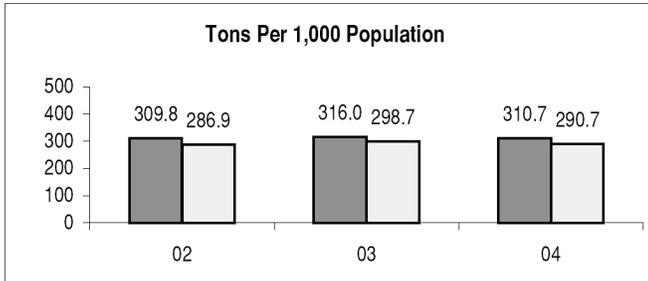
Salisbury

Residential Refuse Collection

FISCAL YEARS 2002, 2003, & 2004

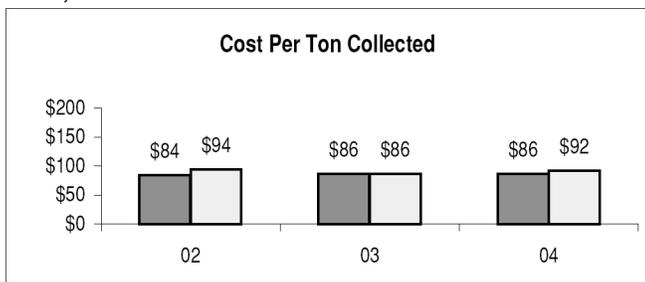
Chart Legend: City Average

Workload Measure



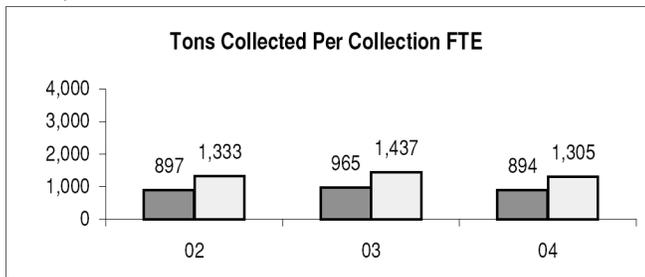
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Efficiency Measure



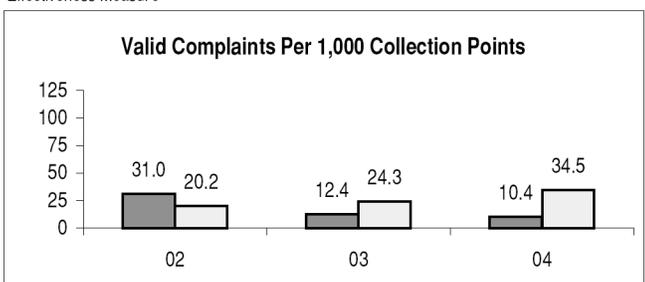
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Efficiency Measure



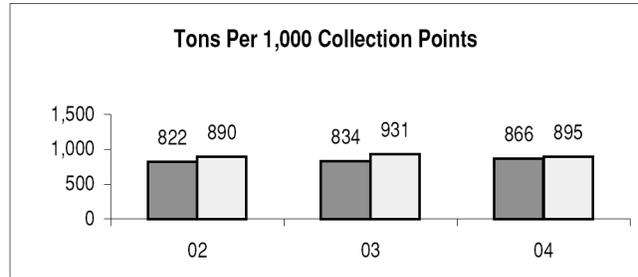
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Effectiveness Measure



n=10

Workload Measure



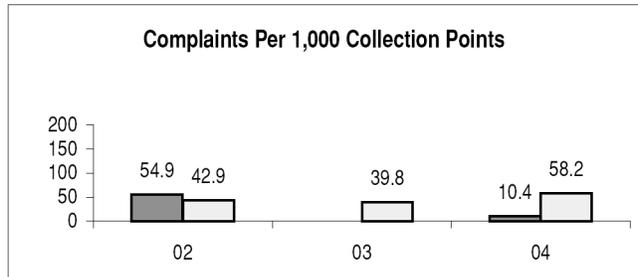
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Efficiency Measure



n=15

Effectiveness Measure



n=14

Salisbury

Residential Refuse Collection

Fiscal Year 2003–04

MUNICIPAL PROFILE		EXPLANATORY INFORMATION
Population (OMB 2003)	28,158	<p>Service Level and Delivery Salisbury provides residential refuse collection service once per week at curbside. Backyard collection service is provided for disabled customers only.</p> <p>The city employed six crews during FY 2003–04, two composed of one driver and one collector and four composed of one driver. Six semi-automated packers were used during the fiscal year. Fifteen collection routes were used with an average of one four-mile trip per route per day to the transfer station.</p> <p>Each resident has one ninety-gallon rollout cart provided and paid for by the city. The city collected 8,750 tons of residential refuse during FY 2003–04 at a cost per ton of \$86. Not included in the cost per ton was a \$28 per ton landfill tipping fee.</p> <p>Salisbury defines its semi-automated packers as low-entry compactors that can be driven from either side of the truck, with the refuse being dumped in the rear of the truck from rollout carts.</p> <p>Conditions Affecting Service, Performance, and Costs Salisbury's "total tons collected" includes bulk trash, which is collected along with residential refuse, and cannot be separated for reporting purposes.</p>
Land Area (Square Miles)	19.0	
Persons per Square Mile	1,482	
Topography	Gently rolling	
County	Rowan	
Climate	Moderate; little snow & ice	
Median Family Income (NC Dept. Commerce)	\$55,013	
FULL COST PROFILE		
Cost Breakdown by Percentage		
Personal Services	53.3%	
Operating Costs	28.3%	
Capital Costs	18.4%	
TOTAL	100.0%	
Cost Breakdown in Dollars		
Personal Services	\$ 399,842	
Operating Costs	\$ 212,257	
Capital Costs	\$ 137,650	
TOTAL	\$ 749,749	
SERVICE PROFILE		
FTE Positions—Collection	9.79	
FTE Positions—Other	2.00	
Tons Collected	8,750	
Residential Customers (number represents collection points)	10,100	
Collection Location (backyard for fee and disabled)	Curbside	
Collection Frequency	1 x week	
Size of Crews (most commonly used)	1 & 2 person	
Percentage of Service Contracted	0%	
Service Fee	Yes	
Type of Equipment	6 packers	

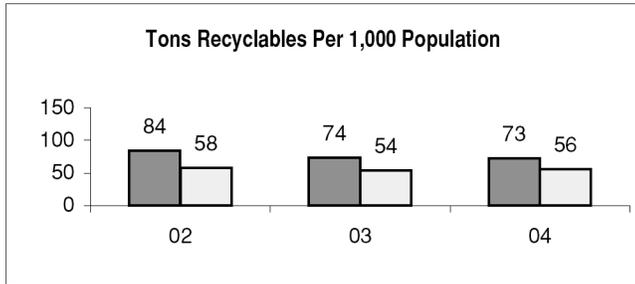
Salisbury

Household Recycling

FISCAL YEARS 2002, 2003, & 2004

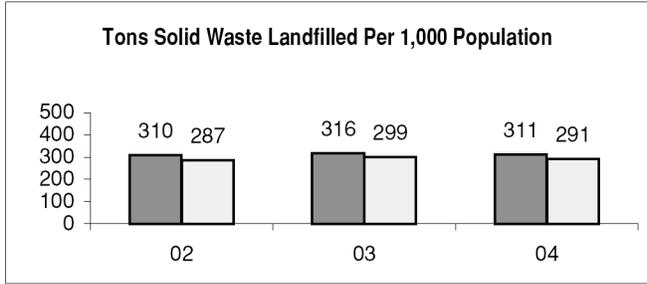
Chart Legend: City Average

Workload Measure



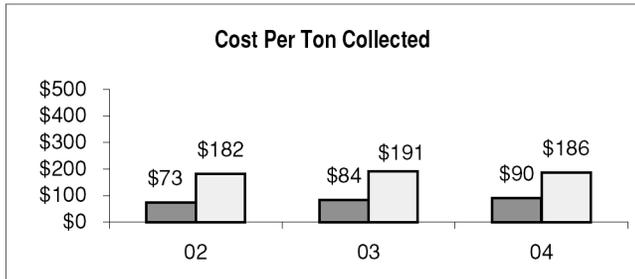
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Workload Measure



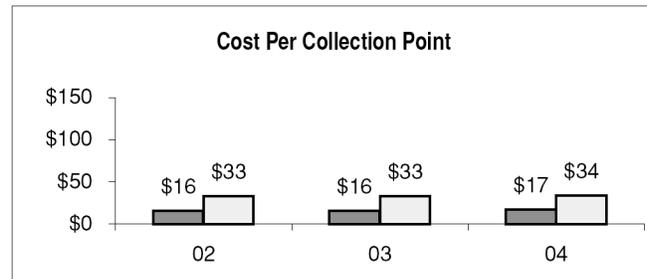
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Efficiency Measure



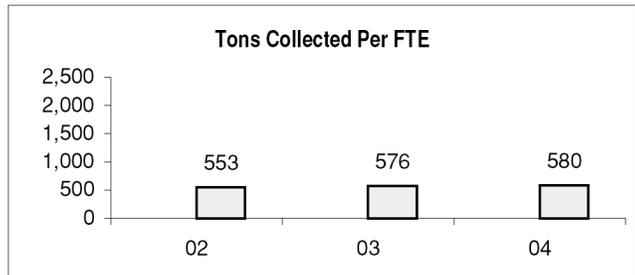
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Efficiency Measure



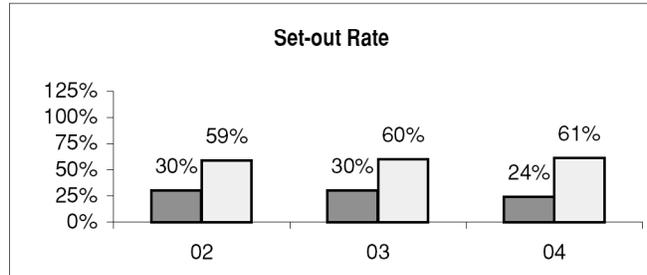
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Efficiency Measure



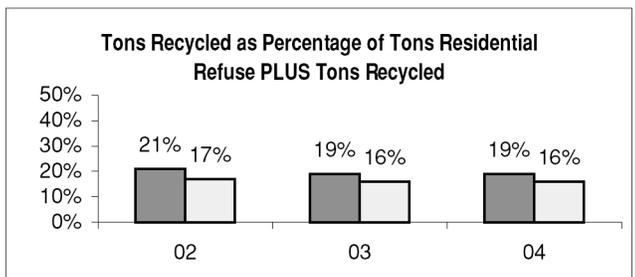
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Effectiveness Measure



n=15

Effectiveness Measure



n=15

Salisbury

Household Recycling

Fiscal Year 2003–04

MUNICIPAL PROFILE	
Population (OMB 2003)	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
Topography	Gently rolling
County	Rowan
Climate	Moderate; Some snow & ice
Median Family Income (NC Dept. Commerce)	\$55,013
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	0.0%
Operating Costs	100.0%
Capital Costs	0.0%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ -
Operating Costs	\$ 185,860
Capital Costs	\$ -
TOTAL	\$ 185,860
SERVICE PROFILE	
FTE Positions—Collection	0.0
FTE Positions—Other	0.0
Tons Collected	2,057
Collection Points	11,000
Collection Location	Curbside
Collection Frequency	1 x week
Number of Drop-Off Centers	0
Percentage of Service Contracted	100%
Revenue from Recycling	\$0
Revenue as Percent of Cost	NA

EXPLANATORY INFORMATION

Service Level and Delivery

Salisbury provides once-a-week curbside collection of recyclable materials from households. The city provides and pays for the fourteen-gallon recycling bins that residents use. Residents place materials commingled into the bins. The recyclable materials collected are:

- glass (all colors)
- newspaper
- magazines and catalogs
- mixed paper and mail
- telephone books
- cardboard—broken down and cereal boxes
- plastics—No. 1 and No. 2
- aluminum cans
- steel cans

The city contracts 100 percent of its recycling program. Recyclables are sorted at the curb by the contractor and taken to the county recycling site. The city charged a monthly recycling fee of \$1.44 in FY 2003–04.

The city reported 300 total complaints and 300 valid complaints during FY 2003–04.

Conditions Affecting Service, Performance, and Costs

The set-out rate was calculated on the first and third weeks of spring and on the first and third weeks of autumn. The city reserves the right to conduct unannounced follow up inspections of the collection process.

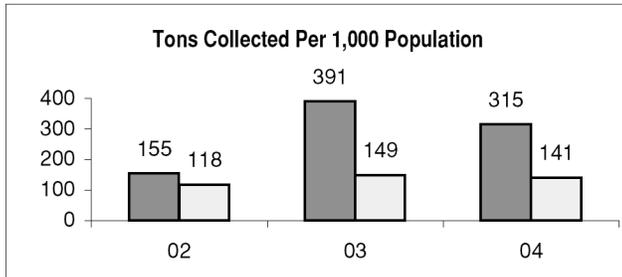
Salisbury

Yard Waste/Leaf Collection

FISCAL YEARS 2002, 2003, & 2004

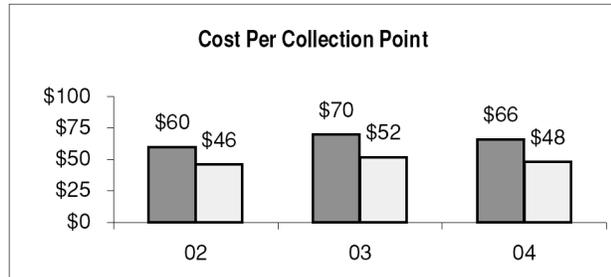
Chart Legend: City Average

Workload Measure



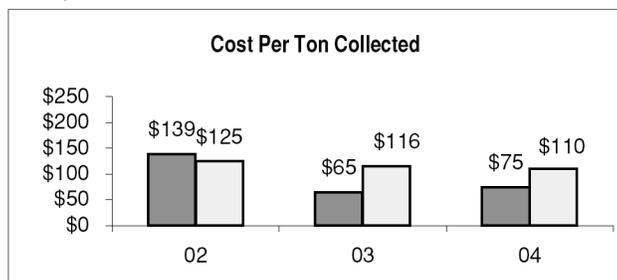
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Efficiency Measure



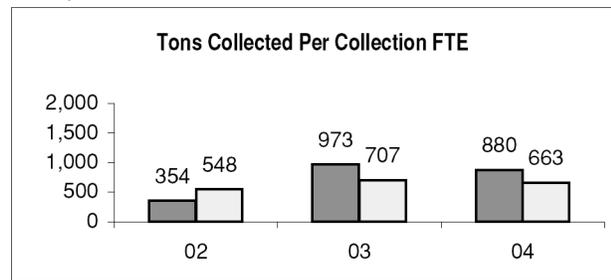
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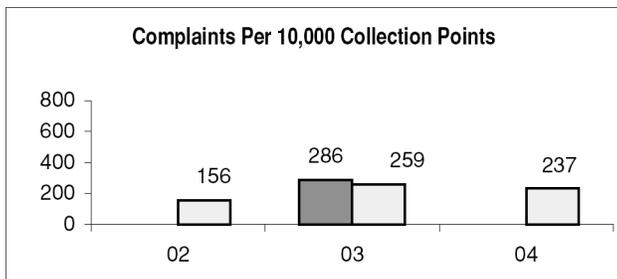
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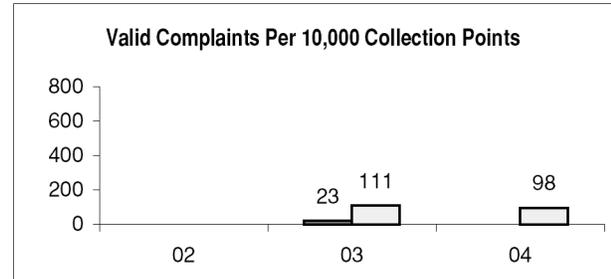
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Effectiveness Measure



n=13

Effectiveness Measure



n=10

Salisbury

Yard Waste/Leaf Collection

Fiscal Year 2003–04

MUNICIPAL PROFILE	
Population (OMB 2003)	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
Topography	Gently Rolling
County	Rowan
Climate	Moderate; some snow & ice
Median Family Income (NC Dept. Commerce)	\$55,013
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	61.9%
Operating Costs	25.4%
Capital Costs	12.6%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 411,565
Operating Costs	\$ 169,087
Capital Costs	\$ 84,059
TOTAL	\$ 664,711
SERVICE PROFILE	
FTE Positions—Collection	10.1
FTE Positions—Other	1.0
Collection Points	
Yard Waste	10,100
Leaf Collection	10,100
Tons Collected	
Yard Waste	6,865
Leaves	2,000
Total	8,865
Collection Frequency	
Yard Waste	1 x week
Bagged Leaves	1 x week
Loose leaves (seasonal collection)	every third week during leaf season
Service Fee	None

EXPLANATORY INFORMATION

Service Level and Delivery

Yard waste is picked up weekly at the curb in Salisbury. Yard waste includes limbs, shrubs, bagged grass clippings, and bagged leaves. It is collected the same day as trash and recycling materials for city residents.

The city uses from two to three two-person crews, each consisting of a driver and laborer, on packer trucks for yard waste collection. One to two additional two-member crews operating two knuckleboom trucks collect large brush piles and limbs. One supervisor patrols the routes throughout the day, coordinating pick-ups, and responding to citizen requests.

Loose leaves are collected from curbside during leaf season, which runs from mid-October through March. Loose leaves are collected every third week during leaf season. Bagged leaves are collected as part of the weekly yard waste program.

One to seven crews, each composed of an operator, street maintenance worker, and a seasonal worker, are used for the annual leaf collection program.

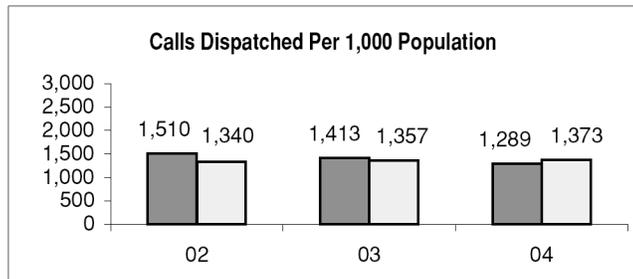
The city did not charge a fee for its yard waste collection program during FY 2003–04.

Conditions Affecting Service, Performance, and Costs

FISCAL YEARS 2002, 2003, & 2004

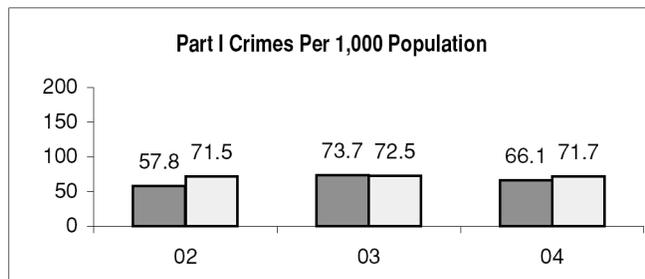
Chart Legend: City Average

Workload Measure



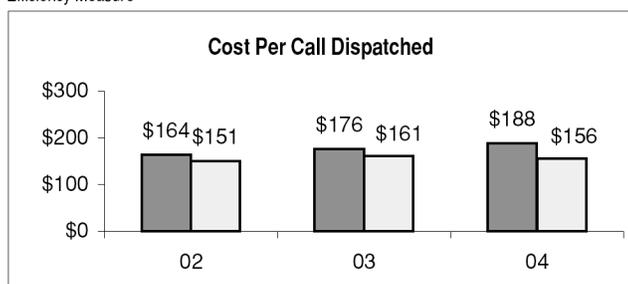
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Workload Measure



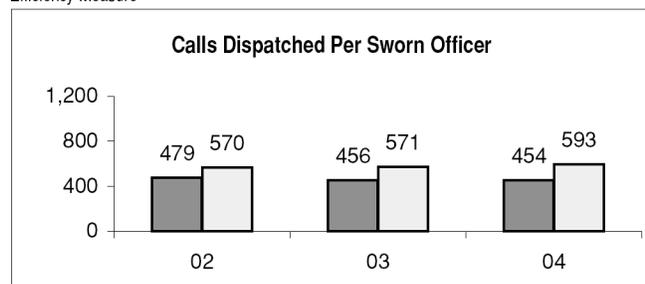
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Efficiency Measure



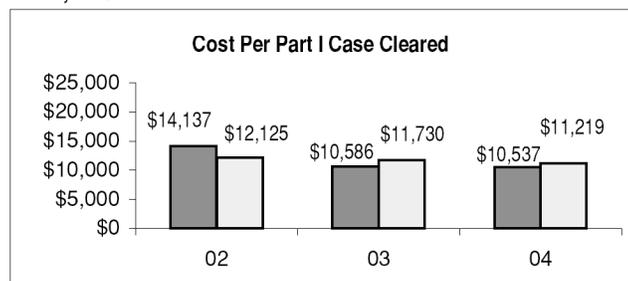
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Efficiency Measure



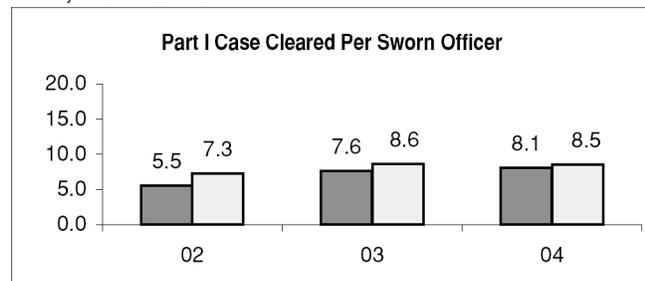
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Efficiency Measure



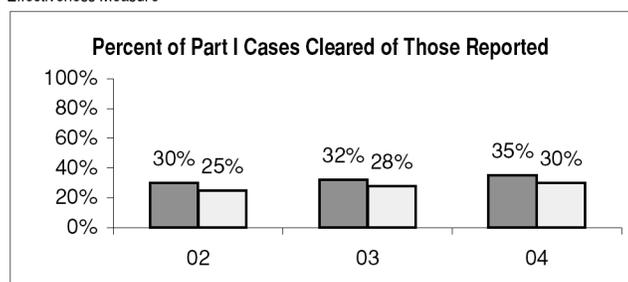
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Efficiency/Effectiveness Measure



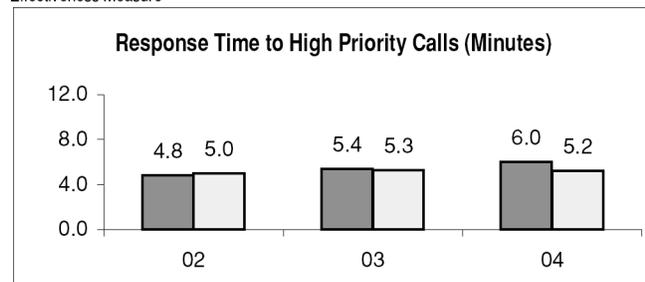
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Effectiveness Measure



n=15

Effectiveness Measure



n=14

MUNICIPAL PROFILE	
Population (OMB 2003)	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
County	Rowan
Median Family Income (NC Dept. Commerce)	\$55,013
Unemployment Rate (ESC-04)	8.7%
Part I Crimes Reported	
Homicide	1
Rape	22
Robbery	68
Assault	109
Burglary	313
Larceny	1,256
Auto Theft	81
Arson	10
TOTAL	1,860
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	66.1%
Operating Costs	25.0%
Capital Costs	8.9%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 4,522,077
Operating Costs	\$ 1,708,849
Capital Costs	\$ 607,602
TOTAL	\$ 6,838,528
SERVICE PROFILE	
FTE Positions—Sworn	80.0
FTE Positions—Other	20.0
Part I Crimes Cleared	
Persons	111
Property	538
Total	649
Reporting Format	IBR
Part II Crimes Reported	1,315
Number of Calls Dispatched	36,287
Traffic Accidents	1,677
Property Damage	\$5,072,083

EXPLANATORY INFORMATION

Service Level and Delivery

Salisbury's police department provides an array of police services, including patrol; investigations; traffic, forensics laboratory, canine, special response, bicycle patrol, and drug enforcement units, animal control, a school program, and other programs.

The city had eighty sworn officer positions authorized for FY 2003–04, with an average length of service of 10.5 years. The police department is located in a two-story facility and employs two substations. One substation is located in a neighborhood, and one substation is located at Rowan Regional Medical Center.

Uniformed officers work a variety of shift schedules. The most common schedule is one twelve-hour shift, with either two days on, two off, three days on, and two off or two days on and three off. A few officers work 10.5 hour shifts, with four days on and three off. This 10.5 hour shift serves as flex coverage during the day's heaviest call volume period and can be moved according to departmental need.

The police department was successful in clearing a total of 649 cases in FY 2003–04. Forty-nine complaints about police officers were received in FY 2003–04 with five of the complaints sustained.

The city defines high priority emergency calls as those crimes that are in progress, life threatening, or potentially life threatening circumstances.

Officers are assigned a vehicle when hired and allowed to take it home if they live within five miles of the city limits. If they live beyond the five mile radius, they have to reimburse the city for the cost of mileage in excess of the five miles.

Conditions Affecting Service, Performance, and Costs

The average response time to high priority calls in FY 2003–04 reflects the response time of the unit assigned to the call. Self-initiated calls with a response time of zero are included in the average response time to high priority calls.

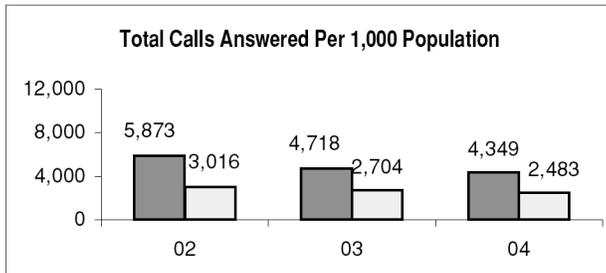
Salisbury

Emergency Communications

FISCAL YEARS 2002, 2003, & 2004

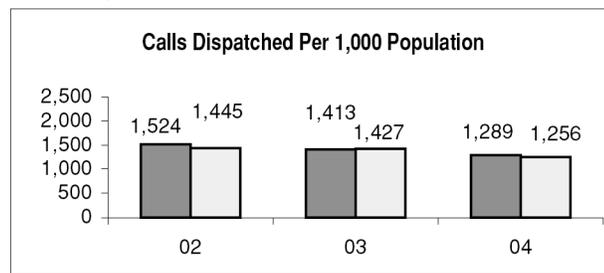
Chart Legend: City Average

Workload Measure



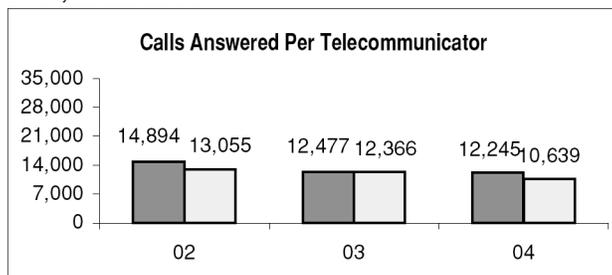
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Workload Measure



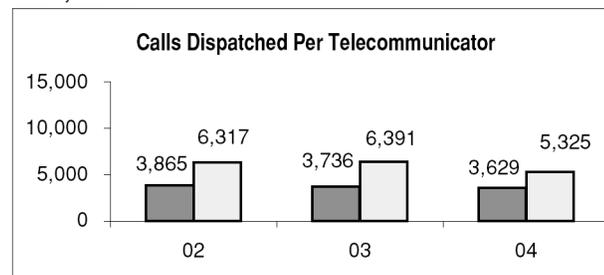
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Efficiency/Workload Measure



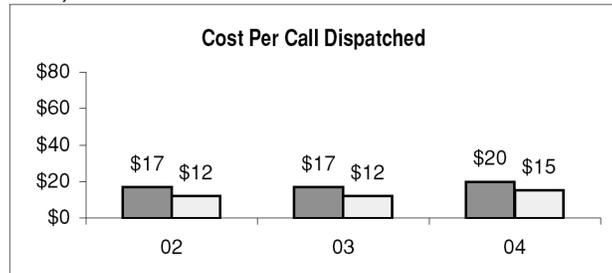
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Efficiency Measure



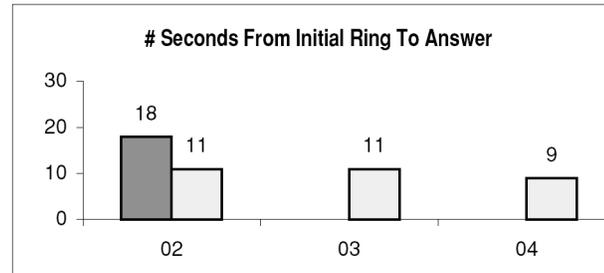
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Efficiency Measure



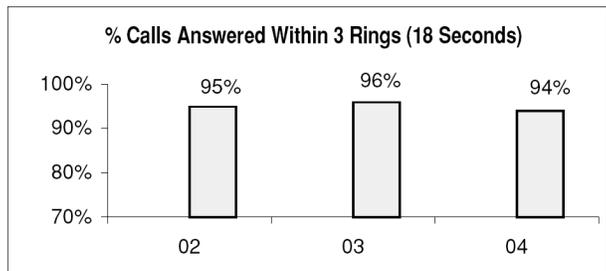
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Effectiveness Measure



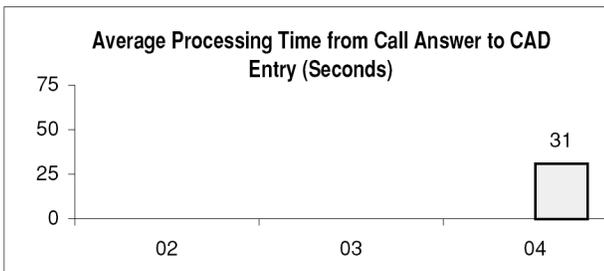
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Effectiveness Measure



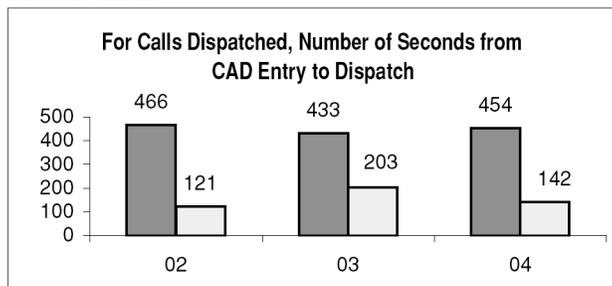
n=9

Effectiveness Measure



n=4

Effectiveness Measure



n=10

Salisbury

Emergency Communications

Fiscal Year 2003–04

MUNICIPAL PROFILE	
Population Served	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
County	Rowan
Median Family Income (NC Dept. of Commerce)	\$55,013
Unemployment Rate (ESC-04)	8.7%
Population Growth (OMB 2000-2003)	6.4%
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	50.8%
Operating Costs	47.6%
Capital Costs	1.7%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 360,926
Operating Costs	\$ 337,855
Capital Costs	\$ 11,736
TOTAL	\$ 710,517
SERVICE PROFILE	
FTE Positions	
Telecommunicators/Call-takers	10.0
Other	0.0
Total Incoming Calls	122,450
Total 911 Calls	13,772
Total Calls Dispatched	36,287
E-911 Fee	No
Revenue from Fee	NA

EXPLANATORY INFORMATION

Service Level and Delivery

The emergency communications center is located in the police department and processes 911 emergency and nonemergency calls. It dispatches police and other emergency response units as necessary. Many of the calls come directly to the center. Others from city residents go initially to the Rowan County communications center and are then immediately switched to the city's police communications center. The city's center operates twenty-four hours a day, seven days a week.

The city owns its communications equipment, including infrastructure. The system is a Motorola 800 MHz trunked Smartnet system with a single, twenty-channel analog site and two GHz microwave sites.

Salisbury's center reported total incoming calls of 122,450 for FY 2003–04, dispatching 36,287 of them. The city defines highest priority emergency calls as crimes in progress and calls involving injury or imminent injury to a person.

Conditions Affecting Service, Performance, and Costs

Salisbury was unable to provide data for three of the four effectiveness measures given the structure of its database.

"Average Processing Time from Call Answer to CAD Entry (Seconds)" represents a new measure for the FY 2003–04 report.

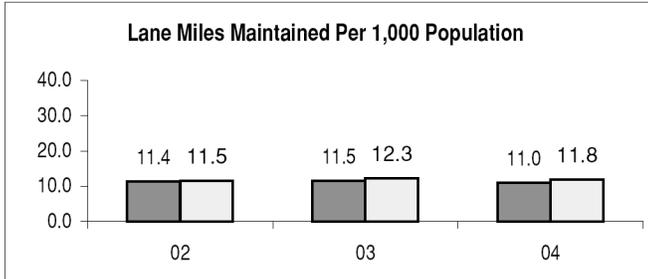
Salisbury

Asphalt Maintenance & Repair

FISCAL YEARS 2002, 2003, & 2004

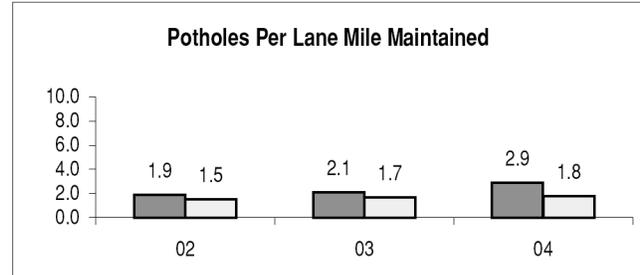
Chart Legend: City Average

Workload Measure



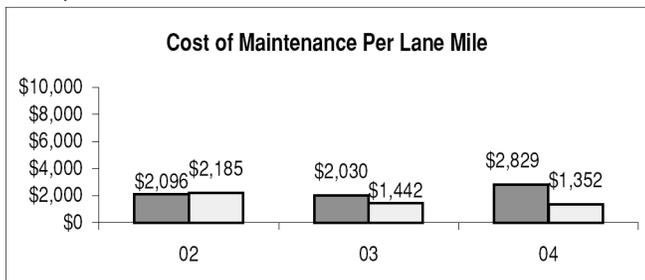
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Workload Measure



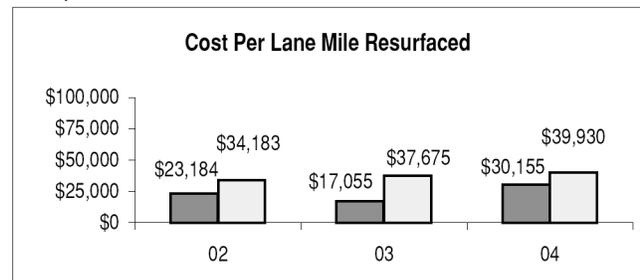
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Efficiency Measure



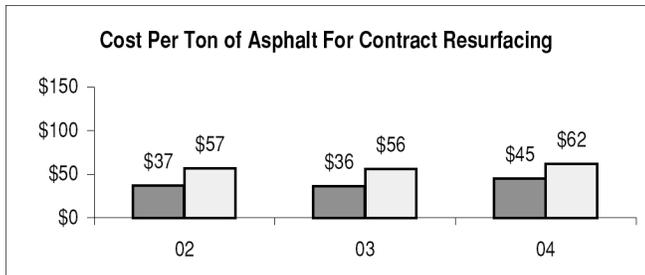
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Efficiency Measure



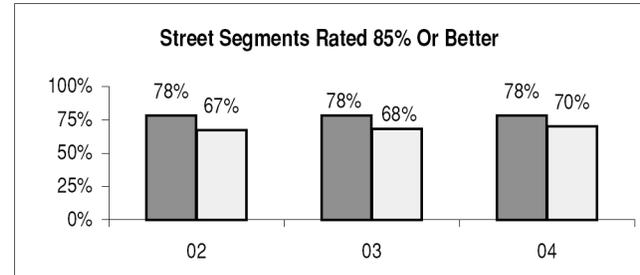
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Efficiency Measure



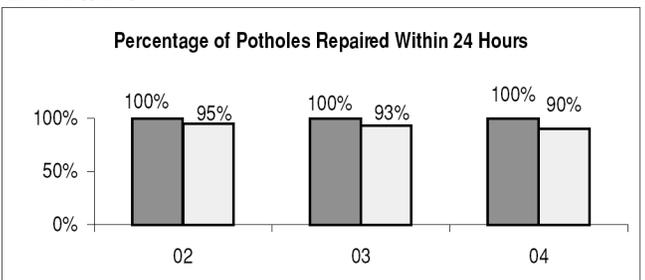
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Effectiveness Measure



n=13

Effectiveness Measure



n=13

Salisbury

Fiscal Year 2003–04

MUNICIPAL PROFILE	
Population (OMB 2003)	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
Topography	Gently rolling
County	Rowan
Climate	Moderate; some snow & ice
Median Family Income (NC Dept. of Commerce)	\$55,013
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	20.3%
Operating Costs	70.9%
Capital Costs	8.8%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 248,843
Operating Costs	\$ 869,068
Capital Costs	\$ 107,890
TOTAL	\$ 1,225,801
SERVICE PROFILE	
FTE Positions—Crews	8.0
FTE Positions—Other	0.5
Lane Miles Maintained	311.0
Lane Miles Resurfaced—Contract	11.47
Lane Miles Resurfaced—City	0.00
Total	11.47
Tons of Asphalt Used—Resurfacing	
Contractor	7,650
City Crews	0
Cost of Repaving—Contract	\$345,877
Cost of Repaving—City Crews	\$0
Cost of Maintenance	\$879,924
Registered Vehicles	22,400
Registered Vehicles/Square Mile	1,179

EXPLANATORY INFORMATION

Service Level and Delivery

The city of Salisbury was responsible for maintaining 311 lane miles during FY 2003–04. The city resurfaced 11.47 lane miles, equating to approximately 4 percent of total lane miles.

A total of 7,650 tons of asphalt was used during the fiscal year, representing the tons used for resurfacing projects. The average resurfacing depth used by the city was 1.5 inches.

The city reported that 78 percent of its street segments rated 85 percent or above on its most recent rating conducted in the year 2001. The city used ITRE as its rating system.

The number of potholes reported for FY 2003–04 was 914. The percentage of potholes repaired within twenty-four hours was 100 percent. The city reported a resurfacing cycle of fifteen years.

Conditions Affecting Service, Performance, and Costs

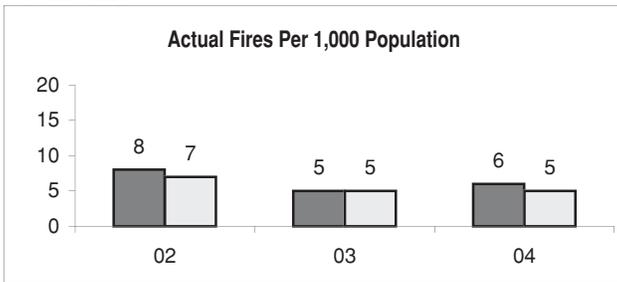
Salisbury

Fire Services

FISCAL YEARS 2002, 2003, & 2004

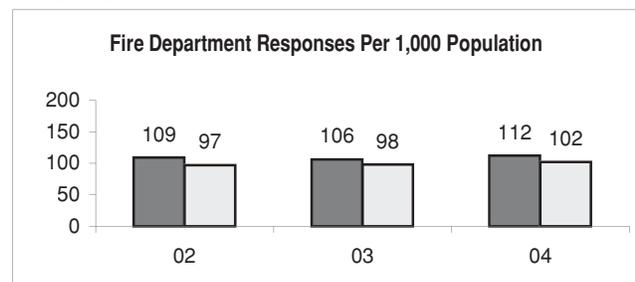
Chart Legend: City Average

Workload Measure



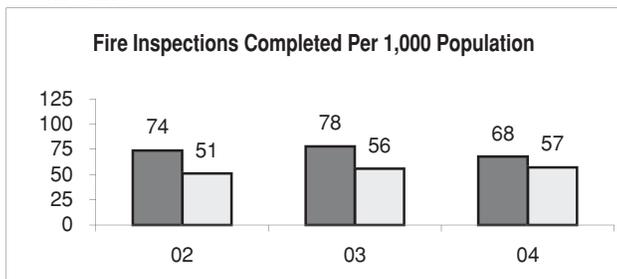
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Workload Measure



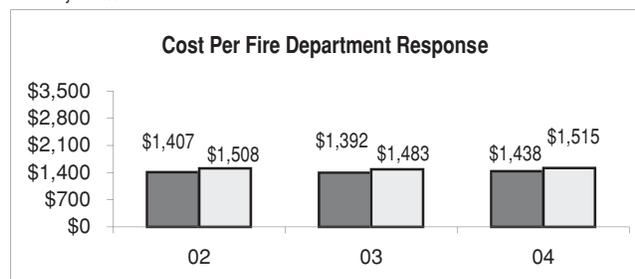
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Workload Measure



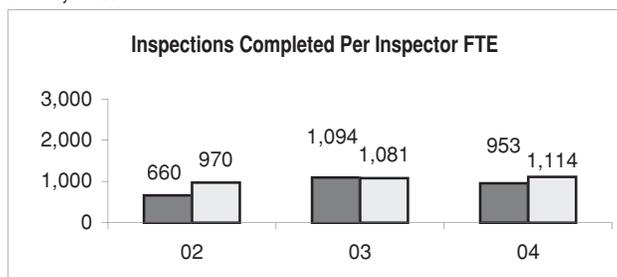
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Efficiency Measure



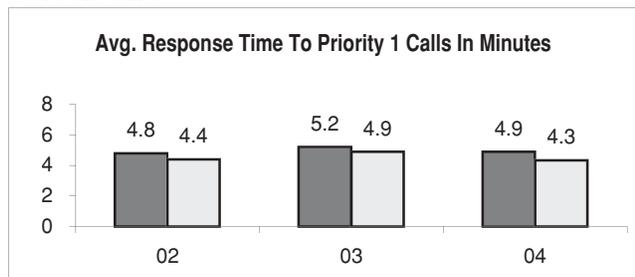
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Efficiency Measure



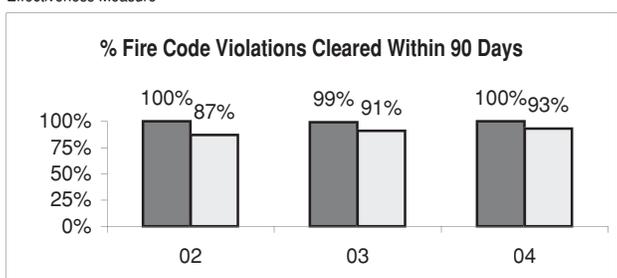
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Effectiveness Measure



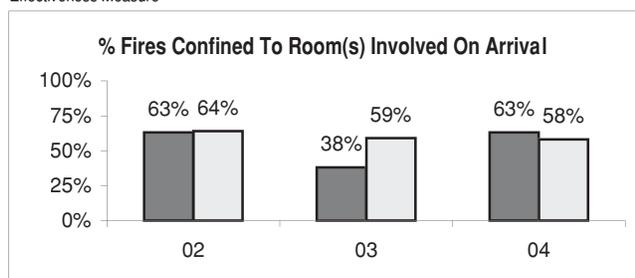
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Effectiveness Measure



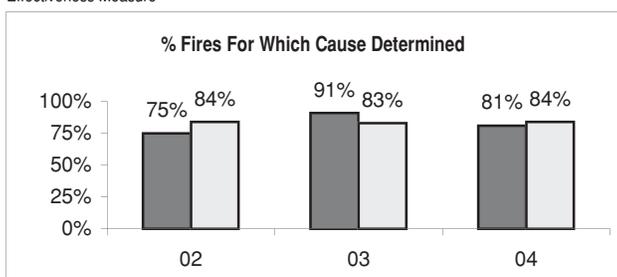
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Effectiveness Measure



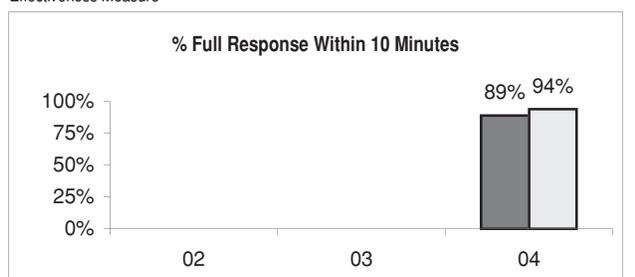
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Effectiveness Measure



n=14

Effectiveness Measure



n=9

MUNICIPAL PROFILE	
Population Served	28,158
Land Area Served (Square Miles)	19.0
Persons Served per Square Mile	1,482
Topography	Gently rolling
County	Rowan
Climate	Moderate; some snow & ice
FULL COST PROFILE	
Cost Breakdown by Percentage	
Personal Services	66.6%
Operating Costs	21.3%
Capital Costs	12.1%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 3,005,606
Operating Costs	\$ 963,996
Capital Costs	\$ 546,294
TOTAL	\$ 4,515,896
SERVICE PROFILE	
FTE Positions—Firefighters	57.0
FTE Positions—Other	10.5
Fire Stations	3
Amount of Property Protected	\$1,862,724,937
Fire Apparatus	
Pumpers	3
Aerial Trucks	1
Reserve Equipment—Other	7
Total	11
Fire Department Responses	
Fires	164
Medical	1,870
False alarms	408
Other	699
Total	3,141
Engine Companies	3
Actual Fires Reported	164
Structural Fires Reported	38

EXPLANATORY INFORMATION

Service Level and Delivery

The statement of purpose for the Salisbury fire department is to provide capable, well-trained personnel and necessary equipment to suppress fires and effectively manage hazardous chemical accidents that may occur in the community related to transportation or industry; to provide rescue services as needed and basic life support through an updated First Responder Program; and to work toward a more fire safe community through loss prevention activities, including inspections, code enforcement, minimum housing activities, and public education programs.

The fire department contained the following divisions in FY 2003–04: fire control, loss prevention, training, and logistics.

The shift schedule for the fire department is twenty-four hours on and forty-eight hours off. There are three shifts. There are twenty-four Kelly days plus four hours off for any twenty-eight-day cycle exceeding 212 hours worked.

The fire department reported an average total response time of 4.88 minutes, including dispatch, turnout, and travel time.

The city had an ISO rating of 2 for FY 2003–04.

The fire department reported 1,906 fire inspections conducted in FY 2003–04. The city follows or exceeds the state guidelines for frequency of inspections for all occupancies. Apartment buildings have one file number. Reinspections are performed on thirty-day intervals.

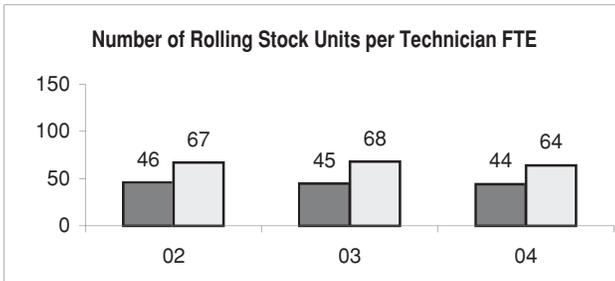
Conditions Affecting Service, Performance, and Costs

"% Full Response Within 10 Minutes" represents a new measure for the FY 2003–04 report.

FISCAL YEARS 2002, 2003, & 2004

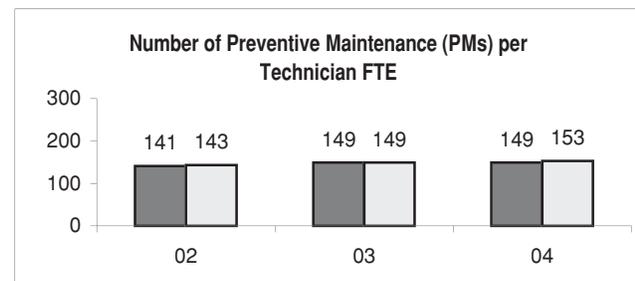
Chart Legend: City Average

Workload Measure



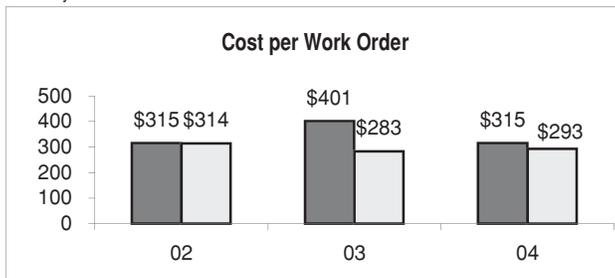
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Workload Measure



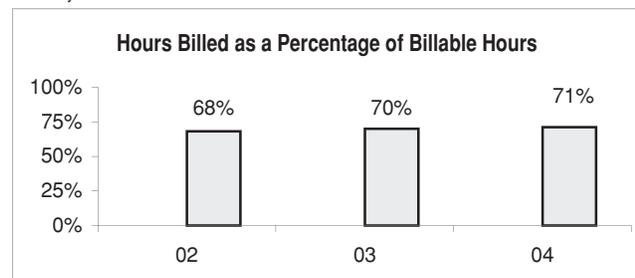
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Efficiency Measure



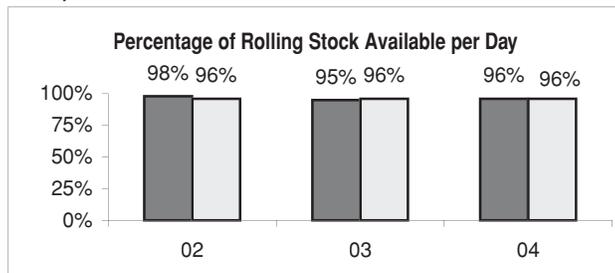
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Efficiency Measure



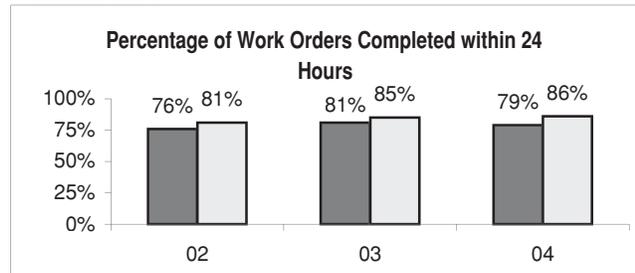
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Efficiency Measure



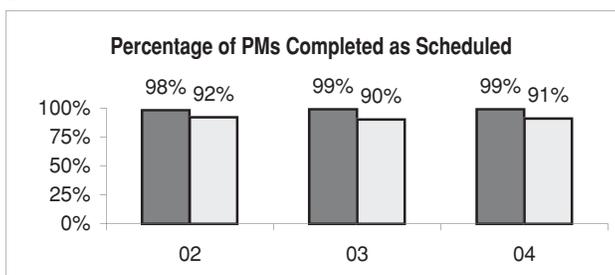
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Effectiveness Measure



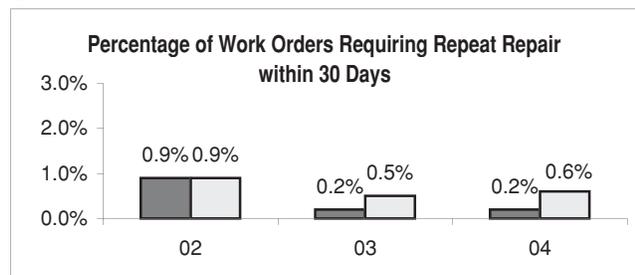
n=11

Effectiveness Measure



n=14

Effectiveness Measure



n=12

Salisbury

Fleet Maintenance Fiscal Year 2003–04

MUNICIPAL PROFILE

Population (OMB 2003)		28,158
Land Area (Square Miles)		19.0
Persons per Square Mile		1,482
County		Rowan
Topography		Gently rolling
Climate		Moderate
Rolling Stock Maintained	No.	Average age
Cars—Normal Usage	12	12 years
Cars—Severe Usage	90	5 years
Light Vehicles	120	9 years
Medium Vehicles	12	12 years
Heavy—Sanitation	11	7 years
Heavy—Sewer	2	9 years
Heavy—Fire Apparatus	11	16 years
Heavy—Other	19	9 years
Trailed Equipment	75	12 years
Off-road/Construction/Tractors	79	14 years
Buses	11	14 years
Total	442	

FULL COST PROFILE

Cost Breakdown by Percentage		
Personal Services		50.2%
Operating Costs		46.6%
Capital Costs		3.6%
TOTAL		100.0%
Cost Breakdown in Dollars		
Personal Services	\$	737,480
Operating Costs	\$	690,380
Capital Costs	\$	53,178
TOTAL	\$	1,481,038

SERVICE PROFILE

FTE Positions—Technician	10.0
FTE Positions—Other	4.0
Average Rolling Stock Units Available Per Day	423
Billable Hours	NA
Hours Billed	NA
Work Orders	4,707
Repeat Repairs within 30 Days	9
Work Orders Completed within 24 Hours	3,708
Preventive Maintenance (PMs)	1,487
PMs Completed as Scheduled	1,468

EXPLANATORY INFORMATION

Service Level and Delivery

Fleet Maintenance is a division of the Public Services Department and operates the Fleet and Transit shops. All activities in this operation were accounted for in Salisbury's general fund for FY 2003–04.

There is no markup on any parts sold or sublet work performed. Parts inventory turned over 2.23 times during the fiscal year.

The following services were contracted out during FY 2003–04:

- Body work
- Interior work
- Exhaust system repairs

Conditions Affecting Service, Performance, and Costs

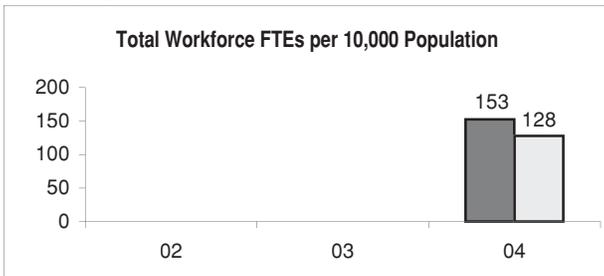
The preventive maintenance completion standard for "Percentage of PMs Completed as Scheduled" is within thirty days of scheduled maintenance or within certain mileage parameters.

The measure "Hours Billed as a Percentage of Billable Hours" is based on a work year of 2,080 hours. It should be noted that technicians have responsibilities that do not result in billable hours and take normal vacation and sick leave.

FISCAL YEARS 2002, 2003, & 2004

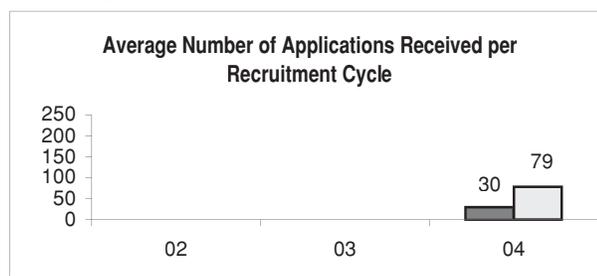
Chart Legend: City Average

Workload Measure



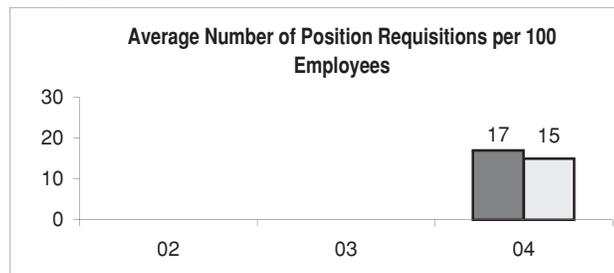
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Workload Measure



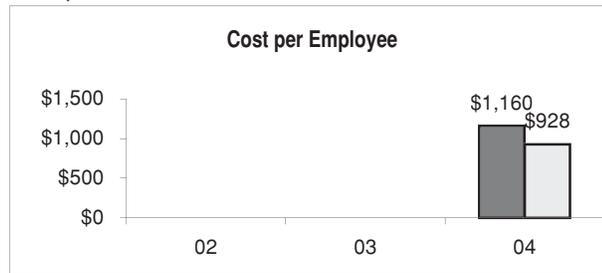
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Workload Measure



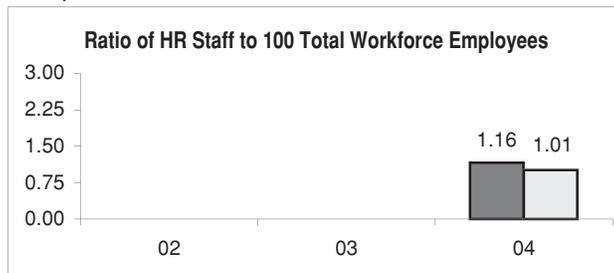
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Efficiency Measure



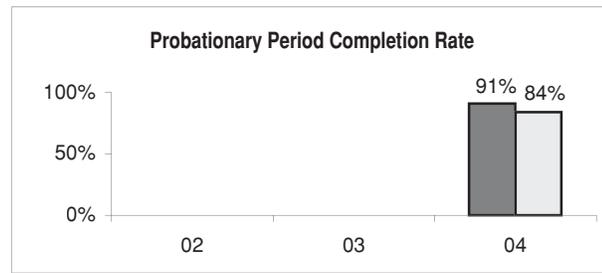
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Efficiency Measure



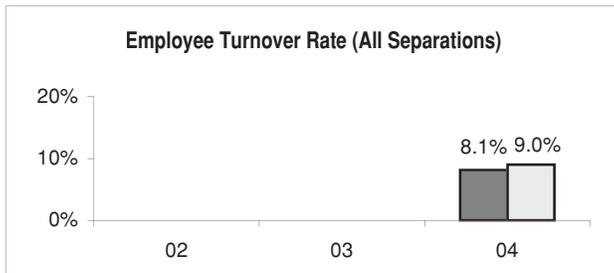
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Effectiveness Measure



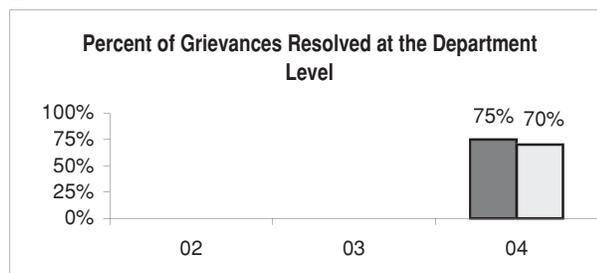
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Effectiveness Measure



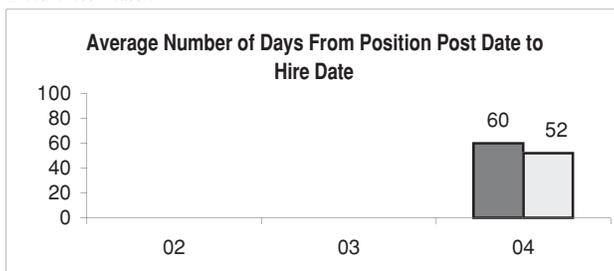
n = 15

Effectiveness Measure



n = 13

Effectiveness Measure



n = 13

MUNICIPAL PROFILE

Population (OMB 2003)	28,158
Land Area (Square Miles)	19.0
Persons per Square Mile	1,482
County	Rowan
Topography	Gently rolling
Climate	Moderate

FULL COST PROFILE

Cost Breakdown by Percentage	
Personal Services	67.1%
Operating Costs	32.4%
Capital Costs	0.5%
TOTAL	100.0%
Cost Breakdown in Dollars	
Personal Services	\$ 334,833
Operating Costs	\$ 161,388
Capital Costs	\$ 2,541
TOTAL	\$ 498,762

SERVICE PROFILE

FTE Positions	
Administration	1.00
Generalist/Specialist	3.00
Staff Support (Clerical)	1.00
Total Authorized Workforce	430
Number of Position Requisitions	73
Number of Recruitment Cycles	61
Employment Applications Processed	1,823
Employee Turnover	
Voluntary Separations	29
Involuntary Separations	6
Total Separations	35
Average Length of Service (Months)	119.0
Formal Grievances Filed by Employees	4
EEOC Complaints Filed	3
Average Length of Probationary Employment Period	6 months
Compensation Studies Completed	4

EXPLANATORY INFORMATION

Service Level and Delivery

The human resources function in Salisbury is a centralized unit that provides internal support and assistance with six staff members, including the director (administration, equal employment opportunity and grievance, and special investigations), an analyst II (benefits administration, HRIS, policy interpretation, and wellness), an analyst II (training and development), an analyst I (recruitment, compensation, classification, and position control), an analyst I (multiculturalism program), and a technician (applicant flow, administrative support, budget preparation, and corporate giving).

The city conducted four compensation studies during FY 2003–04. The four studies included routine job analysis questionnaires and job descriptions.

Conditions Affecting Service, Performance, and Costs

The human resources function represents a new service area under study for FY 2003–04.

**"BUDGET ORDINANCE OF THE CITY OF SALISBURY FOR THE FISCAL YEAR
BEGINNING JULY 1, 2005, AND ENDING JUNE 30, 2006.**

Be it ordained by the City Council of the City of Salisbury, North Carolina, as follows:

Section 1. Appropriations

That for the expense of the City Government and its activities for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amounts in the following subsections, or so much of each as may be necessary, are hereby appropriated:

(1) That for said fiscal year there is hereby appropriated out of the GENERAL FUND the following:

City Council	\$	159,672
Management and Administration		742,531
Human Resources		633,545
Information Technologies		1,300,159
Management Services		1,234,270
Purchasing		140,099
Community Development		561,580
GIS		147,621
Development Services		414,109
Facilities Management		347,616
Office Buildings		233,727
Plaza		179,977
Police Services		1,326,535
Police Administration		501,668
Police Operations		4,704,001
Fire Department		4,201,680
Telecommunications		363,924
Traffic Operations		520,533
Street Lighting		353,324
Transportation		213,118
Engineering		2,539,574
Public Services - Administration		248,178
Streets		1,946,446
Cemetery		244,453
Solid Waste Management		1,641,557
Waste Management - Other		428,322
Landscape Operations		564,032
Hurley Park		126,467
Parks and Recreation		1,890,286
Fleet Management		740,794
Education		42,342
Debt Service		<u>1,146,040</u>
 TOTAL GENERAL FUND	 \$	 <u>29,838,180</u>

(2) That for said fiscal year there is hereby appropriated out of the WATER AND SEWER FUND the following:

Water and Sewer Debt Service	\$ 5,115,958
Utilities Mgt. and Administration	3,974,425
Water Resources	1,087,832
Water and Sewer Maint and Const	2,835,717
Environmental Services	560,024
Wastewater Treatment	2,064,070
Meter Services	552,004
Facilities Maintenance	<u>1,575,809</u>
 TOTAL WATER AND SEWER FUND	 \$ <u>17,765,839</u>

(3) That for said fiscal year there is hereby appropriated out of the TRANSIT FUND for the purpose of operating Salisbury's Transit System, the sum of

\$ 772,307

(4) That for said fiscal year there is hereby appropriated out of the GENERAL FUND CAPITAL RESERVE FUND for the purpose of purchasing equipment, the sum of

\$ 1,490,303

(5) That for said fiscal year there is hereby appropriated out of the WATER AND SEWER CAPITAL RESERVE FUND for the purpose of purchasing equipment, the sum of

\$ 428,868

(6) That for the 2005-06 Community Development Block Grant Entitlement there is hereby appropriated out of the SPECIAL REVENUE FUNDS for the purposes outlined within the grant, the sum of

\$ 450,798

(7) That for the Rental Rehab Fund there is hereby appropriated out of the SPECIAL REVENUE FUNDS for the purposes of performing housing rehabilitation and down payment assistance, the sum of

\$ 153,351

Section 2. Revenue Estimates

The City Council has and does estimate that the following revenues will be available during the fiscal year beginning July 1, 2005 and ending June 30, 2006:

General Fund:	
Taxes	\$ 18,823,382
Licenses and permits	614,488
Intergovernmental	5,543,917
Charges for services	2,211,798
Miscellaneous	349,067
Administrative charges	2,070,628
Other financing sources	<u>224,900</u>
Total revenues	\$ <u>29,838,180</u>

Water and Sewer Fund:	
Charges for services	\$ 17,339,990
Nonoperating revenues	355,849
Other financing sources	<u>70,000</u>
Total revenues and other financing sources	<u>\$ 17,765,839</u>
Transit Fund:	
Charges for services	\$ 63,254
Intergovernmental revenues	454,915
Miscellaneous	700
Other financing sources	<u>253,438</u>
Total revenues and other financing sources	<u>\$ 772,307</u>
General Fund Capital Reserve Fund:	
Transfer from General Fund	\$ 1,460,303
Miscellaneous	<u>30,000</u>
Total revenues	<u>\$ 1,490,303</u>
Water and Sewer Capital Reserve Fund:	
Transfer from Water and Sewer Fund	\$ 422,868
Miscellaneous	<u>6,000</u>
Total revenues	<u>\$ 428,868</u>
Special Revenue Funds:	
Entitlement Fund:	
Intergovernmental revenue	\$ 375,798
Miscellaneous	<u>75,000</u>
Total revenue	<u>\$ 450,798</u>
Rental Rehab:	
Miscellaneous	<u>\$ 153,351</u>
Total revenue	<u>\$ 153,351</u>

Section 3. Tax Levy

There is hereby levied the following rates of Ad Valorem Tax on each one hundred dollars (\$100.00) valuation of taxable property, as listed for taxes as of January 1, 2005 for the purpose of raising the revenue from current year's property tax, as set forth in the foregoing estimate of revenue, and in order to finance the foregoing appropriation, to wit:

General Fund:

(For the expense incident to the proper government of the City of Salisbury)

-- \$.615

Municipal Service District:

(To promote, encourage and assist in the revitalization and economic health and stability of the downtown area)

-- \$.16

The estimated Ad Valorem Tax income is based upon collection of the above Tax rates as applied to the valuation of \$2,318,604,508 for General Fund purposes.

Section 4. Appropriations hereinabove authorized and made shall have the amounts of the unearned portion of contracts at June 30, 2005 added to each appropriation as it applied in order to properly account for the payment against the fiscal year in which it is paid.

Section 5. The City Manager is hereby authorized to make any budget amendments as may be required within each fund as long as the total appropriation for each fund does not change and contingency funds are not utilized.

Section 6. Copies of this ordinance shall be furnished to the City Management Services Director, to be kept on file by him, for his direction in the disbursement of City funds.

Section 7. The following schedules and fees are hereby adopted and all references to these fees in the City Code of Ordinances are amended to reflect these new schedules and fees as appropriate:

	Fee
ADMINISTRATION	
Sale of Salisbury Code of Ordinances-soft back binder	\$297.40
Sale of Salisbury City Council meeting recording	\$5 per tape
Sale of Salisbury Code Supplement Updates	\$1.02 per page
Copy Machine Fee	\$0.10 per copy; Minimum of \$1
Copy of Reports/Files	Actual cost of supplies and mailing
 LAND MANAGEMENT & DEVELOPMENT	
<i>Development Services</i>	
Standards Manual (includes zoning and subdivisions)	\$20
Group Developments:	
Residential involving four or more units	\$200 + \$6/unit
Nonresidential	\$500
Zoning Board of Adjustment:	
Administrative review	\$100
Appeals	\$100
Conditional uses (except \$10 for renewals of annual events)	\$150
Special exceptions	\$150
Variances	\$150

Zoning Fees:

Base fee of \$150 PLUS: (A) Level of change +\$30 - \$150
 (B) Size of property +\$0 - \$100 (C) Number of lots +0 - \$100

(A) Level of change:

Level I: Residential - Single & Two-family

- A-1 Agricultural (low density single family residential)
- R-20 Single family residential
- R-15 Single family residential
- R-8 Single family residential
- LR-6 Limited two family residential
- R-6 Two family residential
- SFC Single family conservation

Level II: Residential - Multi-family

- R-6A Multi-family residential
- RD-A Residential Development "A"
- RD-B Residential Development "B"

Level III: Office Institutional & Related Classes

- B-1 Office institutional
- LOI Limited office institutional
- PSP Public/semi-public
- CU College & University

Level IV: Commercial - Low & Medium Intensity

- B-2 Retail business ("old" shopping center district)
- B-CS Convenience service business
- B-5 Central business (downtown)
- B-7 Limited business ("new" shopping center district)

Level V: Commercial - High Intensity

- B-RT Retail trade
- B-4 Highway business
- B-6 General business

Level VI: Industrial

- LLI Limited light industrial
- LLI-2 Limited light industrial-2
- M-1 Light industrial
- M-2 Heavy industrial

Fee for change request within the same level	Add \$30
Change from Level I to Level II	Add \$30
Change from Level I to Level III	Add \$60
Change from Level I to Level IV	Add \$90
Change from Level I to Level V	Add \$120
Change from Level I to Level VI	Add \$150
Change from Level II to Level III	Add \$30
Change from Level II to Level IV	Add \$60
Change from Level II to Level V	Add \$90
Change from Level II to Level VI	Add \$120
Change from Level III to Level IV	Add \$30
Change from Level III to Level V	Add \$60

	Fee
Change from Level III to Level VI	Add \$90
Change from Level IV to Level V	Add \$30
Change from Level IV to Level VI	Add \$60
Change from Level V to Level VI	Add \$30
Fee for down zoning request is also based on the change in levels as above	
(B) Size of property (in number of acres):	
Under one acre	\$0
1 - 4 acres	\$20
4 - 10 acres	\$40
10 - 20 acres	\$60
20 - 50 acres	\$80
More than 50 acres	\$100
(C) Number of lots:	
One lot	\$0
2 - 3 lots	\$20
4 - 6 lots	\$40
7 - 10 lots	\$60
11 - 20 lots	\$80
More than 20 lots	\$100
Overlay Districts	
For requested overlay district, includes	\$30
HA -- Historic; GD-A - General Development;	
HD - Higher Density Residential; MH - Mobile Home	
Zoning Text Amendment Request	\$250
Special Use Permits	\$250
Zoning Permits (remodeling & normal business)	\$10
Zoning Permits Additions (new principal structures & special sign outlays)	\$20

Engineering/GIS

Street & alley closings filing fee	\$500
Exception plat	\$20
Minor plat	\$30 per lot
Preliminary plat	\$200 + \$10/lot
Xerox/blue prints:	
On paper up to 4 ft in length (E size sheet)	\$5
On mylar up to 4 ft in length	\$20
On vellum up to 4 ft in length	\$10
Of the 1200 ft scale city map	\$2
Of the 600 ft scale city map	\$10
Of the zoning map	\$25
Of pages from the zoning atlas	\$5
To overlay originals	\$5
Printed Maps	
Up to 11"x17" (ledger size)	\$1
34"x44" (E size sheet)	\$5
City Street Map	\$5
Custom Map	\$35

	Fee
Media Charges	
3.5" 2HD diskette (1.4 MB)	\$5
CD-ROM (650 MB)	\$20
Intro to ArcGIS I Training	\$650 per person
Intro to ArcGIS II Training	\$1000 per person
Working with ArcGIS Spatial Analyst	\$1000 per person
Introduction to Programming ArcObjects w/ VBA	\$2000 per person
Engineering Plan Review Fee (Water)	\$200
Engineering Plan Review Fee (Sewer)	\$200
POLICE	
Copies	\$0.10 per copy;
(No fee to victims of crime or traffic accidents for first copy	minimum of \$1;
of a report, but charged for any additional copies)	\$1 extra for mailing
Fingerprinting	\$10
Picket Permits	\$25
Pool Hall Permits	\$100
Taxi permits - one time only	\$15
Parking ticket - illegal parking	\$5
Parking ticket - overtime parking (more than 2 hours)	\$5
FIRE	
Reinspection (for violation correction)	\$30
Fireworks Stand-by	\$100
Firewatch Stand-by	\$100
Assembly Stand-by	\$25
Permits:	
Permit for demolition	\$20
Permit for moving	\$20
Fireworks	\$130
Cutting and Welding (In non-approved areas)	\$25
Burning	\$35
HazMat Operations	\$100
HazMat Storage (as per Tier 11)	\$120
Tent Permits (Funeral Homes and tents less than 120 sq. ft. exempt)	\$40
Plans Review	\$25 + \$1 per 5,000 sq. ft.; \$30 max.
HazMat/Material Recovery	Actual Cost including equipment
Private Hydrant Testing/Maintenance	\$30 per unit
Tank Installation/Removal Inspection	\$50
Fire Flows	\$200
Copies of Reports (First report is free to victims)	\$0.10 per copy; minimum of \$1;
PUBLIC SERVICES	
<i>Administration</i>	
Nuisance abatement	Mobilization fee \$125 + \$50 for every hour or portion thereof

	Fee
Removal of trash, overgrowth, trees, household items on the outside, demolitions or securing of buildings or any other nuisances identified by the Code of Ordinances.	Mobilization fee \$200 + \$100 for every hour or portion thereof + associated landfill fees Not less than \$500
Second violation within 12 months by the same owner at the same location	
Traffic Operations Division	
Repair of traffic control devices-materials	Actual cost + 10% for handling
Repair of traffic control devices-labor	Hourly rate + fringe benefits
Repair of traffic control devices-use of bucket truck or paint machine	\$50/hour
Repair of traffic control devices-use of service truck or small equipment	\$9/hour
Solid Waste	
Collection of indoor furniture to include televisions (not other appliances)	\$5 per item paid in advance
Bagged garbage and trash outside of cart (more than 5 bags)	\$10 paid in advance
Unbagged trash (non-yard waste) outside of cart	\$10 paid in advance
Street Division	
Cut & remove existing curb & other material	\$4 LF
Cut & remove existing sidewalk (up to 5 ft wide)	\$4 LF
18-inch concrete curb & gutter	\$8 LF
24-inch concrete curb & gutter	\$11 LF
30-inch concrete curb & gutter	\$15 LF
24-inch concrete valley gutter	\$11 LF
2 ft driveway lip only	\$10 LF
6-inch x 2 ft driveway lip with gutter	\$18 LF
6-inch x 5 ft driveway lip with gutter	\$25 LF
4-inch concrete sidewalk	\$17 SY
6-inch concrete driveway for additional area	\$20 SY
Miscellaneous concrete patch	\$125 CY
Miscellaneous asphalt patch	\$25 SY
Install storm drain on right-of-way (owner supply pipe)	\$5 LF
Limbs and cuttings exceeding truck load per week	\$175 per load paid in advance
Cemetery	
Burial-adult	\$600
Burial-infant	\$400
Disinterment	\$600
Interments - two--one grave-adult	\$650
Interments - two--one grave-infant	\$500
Interment - Crematory remains	\$375
Interment - Mausoleum (City employee direct involvement)	\$300
Interment - Mausoleum (no involvement- recording fee only)	\$25
Funeral processions entering cemetery after 4:00 P.M. weekdays	\$100
Funeral processions entering cemetery on weekends and holidays	\$200
Monument installation permit	\$20

	Fee
Cemetery Lot Fee Schedule:	
Adult, City resident	\$550
Adult, non-City resident	\$750
Infant, City resident	\$325
Infant, non-City resident	\$375
<i>Fleet Management</i>	
Repair of Rowan Transit System Fleet and Trolley Fleet	Actual Cost
Repair of Hazardous Material Van - labor	\$30/hour
Repair of Hazardous Material Van - parts & sublet	Actual Cost
Repair of Hazardous Material Van - service call	\$25
<i>Landscape</i>	
Cooperative tree planting on public right-of-way	Actual cost of tree
Hurley Park Gazebo rental	\$150 security deposit; \$50 refundable
Robertson Eastern Gateway	\$150 security deposit; \$50 refundable
Bell Tower/ Temple Gazebo	\$150 security deposit; \$50 refundable
<i>Transit</i>	
Individual Fares:	
Regular- All Locations	\$1.00
Reduced (Handicapped & Senior Citizens)	\$0.50
Transfers	FREE
40 Ride pass:	
Regular	\$35
Reduced	\$17
ADA Paratransit System (all fares)	\$2
PARKS & RECREATION	
Civic Center	
Multi-purpose room & kitchen - for first eight hours each day, after eight hours - \$75/hour	\$400 + \$100 deposit/ \$250 if serving alcohol
Multi-purpose room, small room & kitchen - for first eight hours each day, after eight hours: \$75/hour	\$450 + \$100 deposit/ \$250 if serving alcohol
Small meeting room only (per hour)	\$50 per hour + \$50 deposit
City Park *	
Arts & craft room	\$30 per hour + \$50 deposit
Multi-purpose room	\$50 per hour + \$50 deposit
Any room with kitchen	\$10/ hr. Additional
Meeting room	\$30 per hour + \$50 deposit
Room A	\$30 per hour + \$50 deposit
Hall Gym & Lincoln Pool *	
Miller Center *	
Arts & craft room	\$30 per hour + \$50 deposit
Multi-purpose room	\$50 per hour + \$50 deposit
Meeting room	\$30 per hour + \$50 deposit
Any room with kitchen	\$10/ hr. Additional

Note: *Two (2) hour minimum for rentals during non-operational hours

	Fee
Shelters & Gazebo Rentals	
Cannon Park Gazebo Rental (Electricity Included) (only available for groups 40 or less)	\$150 security deposit; \$50 (Refundable)
Shelter Reservation Fee	
City Park 1 & 2, Kelsey Scott Park 1 & 2, Town Creek Park, Salisbury Community Park Shelters (3) & Decks (2) 8:00 AM - 12:00 Noon	\$10
1:00 PM - Close	\$10
All Day	\$20
Electricity - Additional (per shelter)	\$15
Advertising Fees	
Salisbury Community Park	\$600 initial fee; \$300 annual renewal
Salisbury Greenway	\$1000 - \$5000
Athletic Fields	
Flat rate rentals will generally apply; the Director has authority to negotiate rates for major (regional/national) co-sponsored events.	
Youth & Adult Softball/Baseball	
Flat Fee	\$12.50/ hr.
Additional per hour charge for lights	\$25
Field Prep Fee	\$65
Tournament Fees (multiple teams/multiple games)	
1/2 day tournament (5 p.m. - 11 p.m.)	\$185
1 day (8 a.m. - 11 p.m.) includes 4 hours lighting	\$300
2 day	\$485
3 day	\$670
Non-refundable deposit of 50% of day rate or \$150 Rate includes: 1 field/1 field prep (additional preps \$65 each)	
Soccer	
Flat Fee	\$25/hr.
Field Prep Fee	\$45
Tournament Fees (prep \$45)	
1/2 day tournament/1 field (8 a.m. - 1 p.m.) 5 hrs.	\$125
1 day tournament/1 field	\$250
Rate Includes: 1 field & 1 field prep	
Football	
Flat Fee	\$25/hr.
Tournament Fees (prep \$45)	
Tennis	
No fee - first come first serve	
Special Event Permits	
1 Day	\$25
Special Event Permits	
Gate Permit	\$50/day
Concession Permit	\$50/day
Vending Permit	\$50/day

UTILITY ENGINEERING

Engineering, Consulting, and Technical Services

Project Manager - Professional Engineer

\$100/hr

Civil Engineer

\$75/hr

Engineering Technician

\$50/hr

Construction Inspector

\$50/hr

Survey Field Crew (2 person)

\$75/hr

Clerical

\$25/hr

Set of Bid Documents, each

\$50

Utility Location Maps

Paper Document

\$15

Digital Format

Diskette, each

\$5

CD Disk, each

\$20

Engineering Plan Review Fee (Water)

\$200

Engineering Plan Review Fee (Sewer)

\$200

Field Inspection of Water Lines

\$1 per ft

Field Inspection of Sewer Lines

\$1 per ft

Xerox/blue prints:

On paper up to 4 ft in length

\$5

On mylar up to 4 ft in length

\$20

On vellum up to 4 ft in length

\$10

TELECOMMUNICATIONS

Dispatch service:

Cost per unit

\$10

Surcharge per radio for companies with less than 25 radios

\$4

Secure Conversation

\$5

Interconnect Service - Telephone

\$24

Interconnect Service - Telephone/Hark Number

\$25

One-time hook-up (per radio)

\$25

Pager System Usage Fee:

Numeric or Alphanumeric

\$15

One time hookup charge

\$10

Alphamate terminal

\$15

If agency uses a PC to page with

\$7

FINANCE:

Accounts Receivable (30 days past-due)

1.5% per month

Privilege License Gross Sales Schedule:

Sales not exceeding \$10,000

\$25

More than \$10,000 and not more than \$20,000

\$30

More than \$20,000 and not more than \$30,000

\$45

More than \$30,000 and not more than \$40,000

\$60

More than \$40,000 and not more than \$50,000

\$75

More than \$50,000 and not more than \$60,000

\$90

More than \$60,000 and not more than \$70,000

\$105

More than \$70,000 and not more than \$80,000

\$120

More than \$80,000 and not more than \$90,000

\$135

More than \$90,000 and not more than \$100,000

\$150

More than \$100,000

\$150 plus, per \$1,000 or
portion thereof in excess
of \$100,000 @ \$0.225

Maximum gross receipts cap other than those with a specific limit

\$3,000

All privilege licenses other than gross sales are calculated at maximum State allowed rate.

	<u>Fee</u>
Copy machine fee	\$0.10 per copy; minimum of \$1
Copy of reports/files	\$1 extra for mailing Actual cost of supplies and mailing

**SCHEDULE A
CASH DEPOSITS**

Charges in Schedule A shall be as authorized by Chapter 25, Article II, Section 25-32, of the City Code.

- | | |
|--|-------|
| (a) Domestic consumer of water and/or dischargers of sewage
Residential owner-occupants including single family townhouses
and condominiums shall be exempted. | \$150 |
| (b) Commercial, industrial, and institutional recipients
Local, state, and federal governments or agencies thereof shall be exempted. | \$150 |
| (c) Consumers with more than one account at the same location shall be required to make only one deposit if the customer has a good pay history. Commercial or industrial customers who operate multiple businesses under one corporate management shall be required to pay a deposit for each business or industry. | |
| (d) Deposits shall be returned at termination of service less any unpaid rates and charges. | |

**SCHEDULE B
METER INSTALLATION AND SEWER CONNECTION CHARGES**

Charges in Schedule B shall be as authorized in Chapter 25, Article II, Section 25-33, of the City Code.

- | | |
|---|---------|
| (a) Three-fourths-inch water meter and tap and backflow prevention device: | |
| • ¾" Water tap - SRU installed | \$1,300 |
| • ¾" Water tap - Developer installed | \$ 200 |
| • ¾" Water tap - Crescent | \$ 400 |
| (b) One-inch water meter and tap and backflow prevention device | \$1,450 |
| (c) Irrigation taps are one-half the cost of regular meter taps and not subject to any discounts. | |
| (d) Services larger than one inch, both inside and outside City shall be charged on the basis of labor, material, equipment and overhead costs at then prevailing or established rates. Master meter installations required for private water or sewer systems shall be charged on the basis of material costs at then prevailing or established rates (See Chapter 22, Article I, Section 22-2 City Code). | |
| (e) Four-inch sewer connections: | |
| • 4" Sewer tap - SRU Installed | \$1,300 |
| • 4" Sewer tap – Developer Installed*: | \$ 250 |
| *Note: Includes the Crescent Subdivision | |
| (f) Sewer service larger than four-inch, both inside and outside City shall be charged on the basis of labor, materials, equipment and overhead costs at then prevailing or established rates (See Chapter 22, Article I, Section 22-2 City Code). | |
| (g) Reconnection fee for non-payment during business hours | \$50 |
| Reconnection fee for non-payment after business hours | \$100 |
| (h) Physical notification of non-payment of a utility bill (hanging tag) | \$25 |
| (i) Turn on or off during business hours; shall be applied to utility bill if not prepaid | \$50 |
| Turn on or off after hours; shall be applied to utility bill if not prepaid | \$100 |
| (j) Testing meter if delivered to City facilities (per test) | \$15 |
| (k) Field testing of meters: First test is free and each additional test within twelve months | \$50 |
| (l) Unauthorized use of fire protection system | \$100 |
| (m) Fire protection system testing (per test) | \$50 |
| (n) Meter reinstallation charge (per meter) | \$25 |
| (o) Water or sewer connection inspection fee (per connection) | \$20 |
| (p) Should a property owner replace an existing service line with a larger one, the charges scheduled above will apply in full. | |

- (q) Payment of lump sum charges or charges based on estimated costs, as above, is a prerequisite to issuance of a building permit pursuant to Section 7-65 of the City code. Overpayments made as a result of overestimating costs will be reimbursed, and the City will invoice underpayments to the developer.
- (r) The City's charge for a returned check or debit, as authorized in Section 25-34, shall be the maximum allowed by State law. This amount shall be applied to current utility bill, along with amount of the unpaid check.
- (s) Lateral transfer fee \$1,300
- (t) Direct debit credit \$1/Month
- (u) Recycling fee \$1.66/Month
- (v) Landfill fee
 - (1) Residential (per container) \$2.96/Month
 - (2) Commercial (per container) \$5.53/Month
 - (3) Commercial Dumpster (per cubic yard) \$5.05/Month
- (w) Waste collection fee
 - (1) Commercial (per container) \$8/Month
 - (2) Commercial (per dumpster) \$10/Month
- (x) Unauthorized reconnection fee (charge for disconnecting a meter that has been illegally reconnected after meter has been disconnected due to non-payment) \$50

**SCHEDULE C
WATER SERVICE CHARGES**

Charges in Schedule C shall be authorized by Chapter 25, Article II, Section 25-35, of the City Code, effective July 1, 2005.

Monthly Water Rates:

Minimum charge per meter size	3/4" =	\$3.67
	1" =	\$5.34
	1-1/2" =	\$8.11
	2" =	\$11.44
	3" =	\$21.99
	4" =	\$37.53
	6" =	\$80.26
	8" =	\$135.76
	10" =	\$213.46
	12" =	\$280.06
	16" =	\$557.56

Volume charge per 100 cubic feet:

Raw water	\$0.51
Finished, potable water	\$2.66
Rowan Power	\$1.11

**SCHEDULE D
WATER SERVICE CHARGES FOR BULK RATE**

Charges in Schedule D shall be as authorized by Chapter 26, Article II, Section 26-23 of the City Code.

- (a) Nongovernmental customers may receive water in bulk lots at the central fire station. Such purchases, which shall be made at the business office, shall be conditioned upon an advance payment of one hundred dollars (\$100.00) per twenty-five thousand (25,000) gallon increment and shall be limited to a maximum of one-hundred thousand (100,000) gallons during any thirty (30) day period.
- (b) Subject to the provisions of Sections 26-7 and 26-8, nongovernmental customers may purchase water directly from fire hydrants or other water outlets. Meters, however, will be placed on hydrants to allow accurate measurement for billing purposes. Arrangements shall be made with the utilities and fire departments at least one week in advance to ensure availability and scheduling of equipment and manpower, all subject to applicable provisions of Schedules C and D, and an advance payment of one hundred dollars (\$100.00).

**SCHEDULE E
SEWER SERVICE CHARGES**

Charges in Schedule E shall be as authorized by Chapter 25, Article II, Section 25-37, of the City Code, effective July 1, 2005.

Monthly Sewer Rates:

(1) Minimum charge per meter size	3/4" =	\$4.02
	1" =	\$5.96
	1-1/2" =	\$9.18
	2" =	\$13.05
	3" =	\$25.31
	4" =	\$43.37
	6" =	\$93.03
	8" =	\$157.53
	10" =	\$247.83
	12" =	\$325.23
	16" =	\$647.73
Volume charge per 100 cubic feet		\$3.43
(2) Flat rate sewer charge		\$31.46

**SCHEDULE F
SEWER SURCHARGE**

Surcharges shall be as authorized by Chapter 25, Article II, Section 25-38 of the City Code Sewer Surcharge Rates.

- (a) For Chemical Oxygen Demand (COD) in excess of six hundred (600.0) mg/l, the surcharge shall be at the rate of ninety-four dollars and twenty-four cents (\$119.74) per one thousand pounds.
- (b) For Total Suspended Solids (TSS) in excess of three hundred (300.0) mg/l, the surcharge shall be at the rate of one-hundred seventy-six dollars and twenty-five cents (\$158.27) per one thousand pounds.
- (c) For Total Kjeldahl Nitrogen (TKN) in excess of forty (40.0) mg/l, the surcharge shall be at the rate of one-thousand six-hundred eighty-four and thirty-nine cents (\$1,182.48) per one thousand pounds.
- (d) Contract haulers of wastewater discharging at City treatment facilities will be assessed a charge of sixty-five dollars (\$65.00) per two-thousand gallon load discharged, as defined in Chapter 25, Article II, Section 25-38.

**SCHEDULE G
ANALYTICAL TESTING**

Charges in Schedule G shall be as authorized by Chapter 25, Article II, Section 25-38, of the City Code.

<u>PARAMETER</u>	<u>FEE PER ANALYSIS</u>
Acidity	\$10.00
Alkalinity	\$10.00
Aluminum (Colorimetric)	\$5.00
Aluminum (AAS)	\$20.00
Ammonia Nitrogen	\$17.00
Biochemical Oxygen Demand	\$24.00
Chemical Oxygen Demand	\$30.50
Chloride	\$10.00
Chlorine (Colorimetric)	\$15.00
Coliform (MPN)	\$15.00
Coliform (MF)	\$10.00
Copper (Colorimetric)	\$12.00
Copper Flame (AAS)	\$20.00
Copper Furnace (AAS)	\$30.00
Dissolved Oxygen	\$5.00

<u>PARAMETER</u>	<u>FEE PER ANALYSIS</u>
Dissolved Oxygen (Winkler)	\$10.00
Fecal Coliform (MF)	\$15.00
Fixed Suspended Solids	\$12.00
Fluorides (Specific Ion)	
Water	\$17.00
Wastewater	\$25.00
Hardness (Titrimetric)	\$5.00
Iron (Colorimetric)	\$5.00
Iron Flame (AAS)	\$20.00
Iron Furnace (AAS)	\$30.00
Jar Test	\$10.00
Manganese (Colorimetric)	\$6.50
Manganese Flame (AAS)	\$20.00
Manganese Furnace (AAS)	\$30.00
Mercury 3112B	\$30.00
Metals:	
Antimony - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Cadmium - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Chromium - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Lead - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Nickel - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Zinc - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Silver - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Arsenic - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Selenium - Flame (AAS)	\$20.00
Furnace (AAS)	\$30.00
Titanium	\$35.00
Sulfate	\$27.00
Sampling and Setup	\$15.00
Nitrate Nitrite	\$20.00
Oil Grease 413.1 (Freon)	\$25.00
Percent Solids	\$10.00
pH	\$5.00
Phenols	\$30.00
Phosphate (Colorimetric)	\$15.00
Orthophosphate	\$20.00
Settleable Solids	\$5.00
Specific Conductivity	\$10.00
Total Cyanide	\$25.00
Specific Gravity	\$10.00

<u>PARAMETER</u>	<u>FEE PER ANALYSIS</u>
Standard Plate Count	\$5.00
Temperature	\$5.00
Total Kjeldahl Nitrogen	\$30.00
Total Phosphorus	\$20.00
Total Solids	\$10.00
Total Dissolved Solids	\$10.00
Total Suspended Solids	\$10.00
Total Volatile Solids	\$15.00
Total Volatile Suspended Solids	\$15.00
Turbidity (Nephelometric)	\$5.00
Zeta Potential	\$10.00
Parameters not listed	Case-by-case basis: Consult Environmental Services

Section 8. That this ordinance shall be effective upon its passage.

GLOSSARY OF TERMS

ADA: The commonly used acronym for the Americans with Disabilities Act.

ACCRUAL ACCOUNTING: A basis of accounting in which revenues and expenses are recorded at the time they are earned or incurred, instead of when cash is actually received or disbursed. For example, in accrual accounting, revenue earned between June 1 and June 30, but for which payment was not received until July 12, is recorded as earned on June 30, rather than on July 12.

ADOPTED BUDGET: Term used to describe revenues and expenditures for the upcoming year beginning July 1 as adopted by the City Council.

APPROPRIATION (BUDGETING): An authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinances.

ASSESSED VALUATION: A value established for real property for use as a basis for levying property taxes.

BALANCED BUDGET: Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the City Council be balanced.

BOND FUNDS: Resources derived from issuance of bonds for specific purposes and related Federal project grants used to finance capital expenditures.

BOND REFERENDUM: An election in which registered voters vote on whether the City will be allowed to issue debt in the form of interest-bearing bonds.

BROADBANDING COMPENSATION PROGRAM: A classification and pay system that allows similar jobs to be grouped into bands with wide pay ranges. The program creates more organizational flexibility, fosters a flatter organization, and encourages skill development.

BUDGET: A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services.

BUDGET CALENDAR: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT (PROGRAM AND FINANCIAL PLAN): The official written statement prepared by the City staff reflecting the decisions made by the City Council in their deliberations.

BUDGET MESSAGE: A general discussion of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget changes from previous fiscal years, City Council goals, and the views and recommendations of the City Manager.

BUDGET ORDINANCE: The schedule of revenues and expenditures for the upcoming fiscal year by fund which is adopted by the City Council each year.

CAPITAL EQUIPMENT: Vehicles, equipment, software, and furniture purchased by the City which individually amount to a value in excess of \$5,000 and an expected life of more than one year.

CAPITAL IMPROVEMENTS: Major construction, repair of or addition to buildings, parks, streets, bridges and other City facilities. Capital Improvements projects cost \$10,000 or more and have a useful life of more than three years.

CAPITAL IMPROVEMENTS BUDGET: The schedule of project expenditures for the acquisition and construction of capital assets for the current fiscal year.

CAPITAL IMPROVEMENTS PROGRAM (CIP): The annually updated plan or schedule of project expenditures for public facilities and infrastructure (buildings, roads, etc.), with estimated project costs, sources of funding, and timing of work over a five year period.

CAPITAL OUTLAY: A classification consisting of Capital Equipment and Capital Improvement.

CAPITAL RESERVE FUND: A special fund (also known as Equipment Replacement Fund) used as a clearing house for monies being transferred from General Fund and Water and Sewer Fund operations. Amounts based on the type, estimated life, and replacement costs of each piece of equipment are transferred from every department/division. From this fund, the City purchases equipment based on a replacement schedule and recommendations from Fleet Management, Information Technologies and Purchasing Divisions.

COST CENTER: The smallest unit of activity or area of responsibility for which costs are accumulated.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEPARTMENT: A major administrative division of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area. A department usually has more than one program and may have more than one fund.

ENCUMBRANCE ACCOUNTING: The system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

ENTERPRISE FUND: A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees or charges.

FIXED ASSETS: Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FISCAL YEAR: The time period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule.

FUNCTION: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or major service.

FUND BALANCE: Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statutes dictate that a portion of fund balance is not available for appropriation in the following fiscal year.

FUND: A fund is a fiscal and accounting entity with a self-balancing set of accounts.

GAAP: Acronym for Generally Accepted Accounting Principles which are the conventions, rules, and procedures necessary to describe accepted practice at a particular time.

GENERAL FUND: The general operating fund of the city used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION (G.O.) BONDS: Debt issued by the City, repayment of which is backed by full taxing power.

GEOGRAPHIC INFORMATION SYSTEM (GIS): A project which will link the City to a city-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by City departments.

GFOA: Acronym for Government Finance Officers Association.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

INVESTMENT REVENUE: Revenue earned on investments with a third party. The City uses a pooled cash system. We pool cash from all funds and invest it in total. The interest earned is then allocated back to the individual funds by the average cash balance in that fund.

INTERFUND TRANSFERS: Amounts transferred from one fund to another.

IRT: Acronym for Involvement and Response Team. A system for empowering all employees into functional decision-making teams for operational improvements.

ISO: Acronym for Insurance Services Office. An agency which rates fire protection and suppression abilities/capabilities of fire departments.

LEASE PURCHASE: Method of financing used for the acquisition or improvements. Title to the property transfers to the City at the expiration of the lease terms.

MODIFIED ACCRUAL: The basis of accounting for the City. Under this system, expenditures are recognized when encumbered, and revenues are recognized when they are collected.

NET ASSETS: The difference between the City's total assets and total liabilities. Measuring net assets is one way to gauge the City's financial condition.

NCDOT: Acronym for North Carolina Department of Transportation.

OBJECTIVE: A statement of specific direction, purpose or intent to be accomplished by staff within a program.

OPERATING BUDGET: The City's financial plan which outlines proposed expenditures for the coming fiscal year and estimates the revenues which will be used to finance them.

OPERATING FUNDS: Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

PERFORMANCE MEASURES: Descriptions of a program's effectiveness or efficiency.

POWELL BILL FUND: Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

PRODUCTIVITY: A measure of the increase of service output of City programs compared to the per unit of resource input invested.

PROGRAM: An organized set of related work activities, which are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

PROPERTY TAX RATE: The rate at which real and personal property in the City is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

PROPERTY TAXES (AD VALOREM TAXES): Taxes paid by those owning property in the City. These taxes are based on assessed value.

RESERVE: A portion of fund balance earmarked to indicate 1) that it is not available for expenditure, or 2) is legally segregated for a specific future use.

RESOURCES: Assets that can be used to fund expenditures. These can be such things as Property Taxes, Charges for Service, Beginning Fund Balance or Working Capital.

REVENUE: Income received from various sources used to finance government services; for example, sales tax revenue.

REVENUE BONDS: Bonds payable from a specific source of revenue and which do not pledge the full faith and credit of the issuer.

SERVICE LEVEL: Measurement of services provided by the City to the public.

WWTP: Acronym for Wastewater Treatment Plant.

